

Water and the US-Central American Free Trade Agreement

by David Beck

Representatives of the United States and five Central American countries, Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua, signed the Central American Free Trade Agreement (CAFTA) on 28 May 2004. CAFTA is touted as an “historic agreement that will eliminate tariffs and trade barriers and expand regional opportunities for the workers, manufacturers, consumers, farmers, ranchers and service providers of all the countries,”¹ and as a way to “create the new economic opportunity that will bolster the democratic commonwealth in the hemisphere.”² In fact, this agreement goes far beyond the simple act of eliminating tariffs on the overseas shipment of goods. CAFTA has the potential to affect many fundamental aspects of our lives, including some of our basic democratic principles.

CAFTA is one of the latest in a series of multilateral free trade agreements negotiated in the last decade. CAFTA combines the worst elements of the previous agreements, giving commercial interests impressive new power and making it easier for them to circumvent U.S. laws and to further their expansion in the small, impoverished countries of Central America. Worst of all, CAFTA, if implemented, will serve as a template for future trade agreements, including the Free Trade Area of the Americas (FTAA), which would extend the harmful effects of CAFTA across the entire Western Hemisphere.

This paper explores how CAFTA could affect one important aspect of our lives: our access to safe, affordable water. This agreement could have an enormous impact on the quality of our water, on who has access to it, and on who controls that access. It does so by implicitly defining water – and just about every other aspect of our lives – as a “good” or commodity, as a “service,” as an “investment,” and in relation to the process by which governments purchase goods and services. In doing so, CAFTA trumps national, state, and local laws and turns one of our life-giving resources from something to be shared by all into something that is sold to the highest bidder.

Water as a Commodity

When water is sold in bulk or in bottles, it is classified as a commodity. Once water is transported for sale across international borders, trade laws like those found in CAFTA can be used to limit the ability of governments to regulate withdrawal of that water from rivers and aquifers. For trade in goods, CAFTA rules are based on now universal tenets of such agreements first established under the international General Agreement on Trade and Tariffs (GATT 1994), which later folded into the World Trade Organization (WTO).³ Under both WTO and CAFTA rules, tradable goods such as water are subject to two important rules, National Treatment and Most Favored Nation.

National Treatment means that countries and in some cases, states, have to treat imported goods at least as favorably as domestic goods. Therefore, laws, regulations, and tariffs related to the sale, distribution, and use of water must in no way discriminate against foreign suppliers.⁴ National Treatment, therefore, encourages the transnational shipment of water by preventing countries from placing restrictions on its import or export.

Similar to National Treatment, **Most Favored Nation (MFN)** extends equal treatment to all of the countries within the agreement with respect to import and export duties. Under this principle, countries negotiating trade concessions with one another agree that they will extend to each other “any more favorable concession that each might subsequently negotiate with third countries.”⁵ Therefore, one country may not give preferences to the goods of any one particular country.

Another important concept to understand with respect to CAFTA and other trade agreements is “Market Access.” **Market Access** refers to the reduction and elimination of tariffs and non-tariff barriers to trade.⁶ The section of CAFTA that deals with tariff elimination is complex, but in general, CAFTA, like its predecessors, prohibits increasing existing tariffs and prohibits the adoption of new tariffs. It also sets out specific “schedules” for the gradual

elimination of existing tariffs.⁷ CAFTA also prohibits any “non-tariff” measures that restrict the import or export of goods between the countries. Such measures could include regulations that set quantitative limits on water exportation from aquifers to preserve the local environment and community access to clean, safe water. Under this kind of a system, foreign firms will be able to pump as much water as they physically are able for use

CAFTA and Bottled Water

In 2001 USA Springs, Inc, applied for a permit that would allow it to pump 439,000 gallons of water a day from a series of deep wells in southeastern New Hampshire. The application quickly met resistance from community members who formed the group, “Save Our Groundwater,” out of fear that the company’s operations would harm local wells and the environment. New Hampshire is one of the few states that has laws in place that require a company to prove that its pumping will not adversely affect local water levels. After initial testing, USA Springs lowered the requested pumping rate to 310,000 gallons a day, but this request was also denied by the New Hampshire Department of Environmental Services (NHDES). After reapplying again, USA Springs was granted its pumping permit by the state in July of 2004.

The company plans to sell the water both domestically and internationally. If some of the water is shipped to one of the participating countries, the operation would fall under the jurisdiction of the proposed CAFTA. Rules of National Treatment and Market Access would then apply, so Central American countries could require that the amount of water exported to them equal the amount of water sold in the United States, even if the total amount of water requested both domestically and internationally was greater than the pumping limit set by the New Hampshire Department of Environmental Services. Because the NHDES regulation is based on a state law, it is not covered by most of the CAFTA environmental provisions. New Hampshire would then need to decide whether to increase the limit on pumping or to maintain the limit and to restrict both the international and domestic withdrawals equally. Whether a trade dispute panel would rule that local consumption would also face similar restrictions is unclear since this kind of suit has not yet been brought up in relation to previous trade agreements.

overseas, regardless of its effect on the environment or on the supply of water available to the community.

With respect to Trade in Goods, CAFTA does provide for numerous exceptions to the rules of National Treatment and Most Favored Nation, as well as to the rules behind Market Access. Presumably, these exceptions are intended to allow measures that are adopted in the public interest. Among the measures included in this list are those that are “necessary to protect public morals,” and “relating to the products of prison labour.” Water, however, is not explicitly mentioned in this section. There are some environmental exceptions included here which could be used to protect water, but closer examination reveals these exceptions to be weak and filled with loopholes. For example, the agreement incorporates a general exception from the GATT 1994 text which states that exceptions include “environmental measures necessary to protect human, animal, or plant life or health,” and “measures relating to the conservation of living and non-living exhaustible natural resources.”⁸

An analysis of GATT done by Ruth Caplan of the Alliance for Democracy has shown that these exceptions are not exactly as they appear. The first exception, she explains, has been rejected by WTO trade dispute panels when the U.S. used it in an effort ban the import of seafood that was caught abroad in a way that endangered dolphins and turtles. Under the WTO, **trade dispute panels** are convened to settle disputes between countries. They meet in closed sessions and enforce their rulings by allowing the winning country to impose sanctions on the losing country until the law or regulation is brought into compliance. Although we can’t be sure how a dispute panel would rule in a bulk or bottled water case, it is clear that the decisions of such panels are based on precedent and the “rules-based” system to justify why the exceptions don’t apply and that the secretive nature of their proceedings would prevent any community involvement in a decision. In the turtle case, the panel ruled that the US regulation was both discriminatory, disqualifying it from the environmental provisions, and that it was illegal because it attempted to place an import restriction based on the manner in which the good was produced.⁹ This ruling is one example of how the concept of Market Access has been interpreted to include a prohibition on restrictions based on methods of production.

The second environmental exception, for conservation of exhaustible natural resources, is also troubling. According to Caplan’s same analysis, most fresh water sources are considered renewable, not “exhaustible.” Therefore, only a small percentage of our water reserves would fall under this rule. In addition, the GATT rule also states that any restriction placed on a company’s water

export must be placed in conjunction with similar restrictions on domestic use. So, in times of drought, if a government attempted to place a restriction on the extraction of water by an exporter, the community would have to face the same restriction, regardless of what its needs were for safe, clean water (see box, “CAFTA and Bottled Water.”).

In addition to the general GATT exception, CAFTA includes an entire chapter on environmental exceptions. Again, these environmental rules, once examined, appear to provide little actual environmental protection. The first rule states, “A party should not fail to effectively enforce its environmental laws...”¹⁰ The very next statement, though, says, “...each Party retains the right to exercise discretion” with respect to the priority given to a specific environmental issue, a provision which essentially gives each country the right to disregard its own environmental laws. There is no mechanism put in place to encourage countries with lax environmental laws to bring their codes up to higher standards. In fact, CAFTA explicitly states that no country can “undertake environmental law enforcement activities in the territory of another Party.”¹¹ This means that the United States could not force a water bottling company to adhere to US environmental and health standards even when that company is importing the water into the United States.

Although the Agreement calls for the protection of domestic environmental laws, CAFTA’s environmental standards are severely weakened under the definition given of the term “environmental law.” CAFTA defines **environmental law** as “any statute or regulation of a Party, or provision thereof, the primary purpose of which is the protection of the environment, or the prevention of a danger to human, animal, or plant life or health...”¹² The strength of this statement is eroded with two additional lines that narrow the definition. First, CAFTA limits the definition of “environmental law” to federal statutes and regulations only, leaving state and local regulations with no protection under this portion of the agreement.¹³ This could mean that a state regulation that requires an environmental review before granting a water pumping permit could be ruled by a CAFTA trade dispute panel as an unfair barrier to trade.

Second, the Agreement states that “environmental law does not include any statute or regulation or provision thereof, the primary purpose of which is managing the commercial harvest or exploitation, or subsistence or aboriginal harvesting, of natural resources.”¹⁴ Since water is a harvested natural resource, this provision could be used to over-ride water protection or conservation measures.

Taken together, these environmental rules pose little to no additional protection for our water resources. In fact, they may provide avenues for corporations to prevent new environmental laws and to avoid existing ones.

Water as a Service

The collection, treatment, and distribution of water and the treatment and disposal of wastewater are considered services. Long-distance transportation of bulk water can also be considered a service. Like trade in goods, trade rules can affect the ability of governments to regulate such services. Although earlier trade agreements included sections on services, CAFTA has garnered additional attention because of the way that it handles each country’s schedule of commitments, those service areas that are covered by the agreement. In past agreements, such as the General Agreement on Trade in Services (GATS), countries explicitly specified commitments, and whatever is not included in each country’s schedule of commitments is not covered by the agreements. In CAFTA, however, countries were required to list all of the service sectors that they did *not want* included in the agreement. All other sectors would be covered by CAFTA’s services rules.

In addition, CAFTA covers regulations governing services on the federal, state, and local level, plus “non-governmental bodies in the exercise of power delegated” by such governments.¹⁵ With little collaboration with state and local governments, the framers of this agreement have put an enormous amount of pressure on these entities to adequately determine which sectors should not be covered under the agreement.

What does this mean for water? In the past, the US kept most forms of water out of its commitment schedules. In CAFTA, the US included nothing related to water. Therefore, for the US, all service sectors that have any connection to water are covered by CAFTA. Nicaragua, Honduras, and Guatemala have excluded various water-related sectors from their commitments. Costa Rica also reserved the right to exempt its water-related services. El Salvador, like the US, asked for no exemptions for its water services.¹⁶

The Trade in Services section of CAFTA includes rules of National Treatment, Market Access, and Most Favored Nation. Similar to Trade in Goods, the National Treatment and Most Favored Nation rules require a country to treat all foreign service suppliers the same as domestic suppliers with no special treatment based on national origin. Market Access rules apply as well.

Bechtel and Bolivia

In the late 1990s, the World Bank conditioned debt relief and other development assistance to Bolivia on the country's agreement to privatize the public water system of its third-largest city, Cochabamba. In 1999, in a process with just one bidder, the California-based engineering giant Bechtel was granted a 40-year lease to take over Cochabamba's water through a subsidiary, Aguas del Tunari (AdT), formed for that purpose.

Within weeks of taking over the water system, AdT imposed huge rate hikes on local water users. Families received water bills equal to as much as 25 percent of their monthly income. The rate hikes sparked massive citywide protests that the Bolivian government sought to end by declaring a state of martial law. More than a hundred people were injured and one 17-year-old boy was killed. In April 2000, as protests continued, the privatization contract was terminated.

AdT then sued Bolivia, South America's poorest country, for \$25 million, for profits it wasn't able to earn as a result of the public uprising. Bechtel's legal action is being heard by the International Centre for the Settlement of Investment Disputes, an international tribunal housed at the World Bank that holds all of its meetings in secret, similar to the proposed CAFTA dispute panels. The case is still pending.

Adapted from *Bolivia Water Privatization: Bechtel Sues*, a report by EarthJustice. The report was last updated on 21 October 2003, and can be found in its entirety at <http://www.earthjustice.org/urgent/display.html?ID=107>

Countries, states, and municipalities, therefore, cannot limit the number of suppliers, cannot limit the total value of service transactions, and cannot limit the total number of service operations. In addition, they may not restrict the "type of legal entity" that performs the service, which, combined with the rule that prohibits so-called "local-presence" laws would presumably prevent a government from favoring public utilities and local businesses over privately owned foreign service providers.¹⁷

The Trade in Services chapter also places restrictions on any qualification requirements placed on service suppliers. Such requirements must only be "based on objective and transparent criteria, such as competence and the ability to supply the service," and they must not be "more burdensome than necessary to ensure the quality of the service." In addition, licensing procedures must not place restrictions on the supply of a service. These rules intend to prevent any "unnecessary barriers to trade" and they could have a wide-ranging impact on

our water supply.¹⁸ For example, Caplan suggests that such rules could be used to nullify local zoning ordinances that intend to prevent suburban development sprawl if the privately-owned water system developer argued that such laws placed an unnecessary restriction on providing its services.¹⁹

CAFTA rules on Trade in Services cover all "measures adopted or maintained by a Party affecting cross-border trade in services by service suppliers of another Party," including, among other things, measures affecting "the production, distribution, marketing, sale, and delivery of a service;" and "the purchase or use of, or payment for, a service."²⁰ According to Caplan, this means that measures to protect the community such as environmental and health regulations would fall under the jurisdiction of CAFTA.

CAFTA's language, modeled on GATS, states that it does not cover "services supplied in the exercise of governmental authority," meaning, "any service that is supplied neither on a commercial basis, nor in competition with one or more service suppliers."²¹ As Caplan explains, this narrow definition implies that "Only services provided for free by government monopolies would clearly qualify for this exemption."²² For example, a municipal utility that charges its customers could be seen as operating on a commercial basis. A city that allows a private company to operate one of its facilities could be seen as creating competition between the public and private sector. Therefore, these public services would be covered by CAFTA. Examples of these situations exist throughout the United States, where "public-private partnerships" is the new buzz-word for the private water industry. Additionally, the definition used for "service supplier," taken directly from the GATS text, includes "governmentally-owned" entities, which provides further evidence that public services, such as water treatment and supply, are in fact covered by CAFTA.²³

Clearly CAFTA paves the way for intensive privatization of public services, including water and sewage management. In the United States, an intensive industry campaign that extols the virtues of "public-private partnerships" has led many financially struggling cities to contract for the upgrade and management of their water systems or to sell off their water systems entirely. In Central America, the policies of the International Monetary Fund and the World Bank have often made the privatization of water systems and other public services prerequisites for financial assistance. Combined with the CAFTA Trade in Services rules, these developments will undoubtedly put more pressure on municipalities to look to the private sector for providing services

that in the past have been seen as a government responsibility.

But what will this mean to our essential public services? Salvadoran economist Raúl Moreno states, “The trade liberalization of public services included in CAFTA presents an enormous risk for the population, as it opens the door to private companies providing essential public services, access to which are inalienable human rights.”²⁴ These rights are at risk when governments are limited in their ability to maintain the quality of the service and the ability of the people to even afford the service. Past experiences of water privatization, such as the takeover of the water system in Cochabamba, Bolivia, by the Bechtel Corporation, have shown that privatization can lead to massive price increases that exclude the neediest from access to safe, clean water. Therefore it is crucial that governments maintain their ability to control these essential public services (see box, “Bechtel and Bolivia”).

Water as an Investment

The Investment chapter of CAFTA broadens the corporate control over our natural resources by minimizing the control that governments can exert on how investors operate within their countries. Investors are given several tools to accomplish the task. First, the rules of National Treatment and Most Favored Nation are extended to investments and investors. As in the other sectors, National Treatment requires a country to treat all foreign investors and investments the same as domestic investors and investments, and Most Favored Nation requires a country to treat all foreign investors and investments equally. **Investment** is broadly defined to include, among other things, stocks, bonds, contracts, intellectual property rights, and licenses, which allow a considerable amount of operations to be covered by this chapter.²⁵

Although the rules of National Treatment and Most Favored Nation give considerable power to foreign investors, the most powerful tools, and the most potentially damaging to communities and their water supplies, are the concepts of Investor-to-State Dispute Resolution and Expropriation. **Investor-to-State Dispute Resolution** allows an individual investor of one country to sue another country to protect its investments in that country. **Expropriation** refers to the taking of a company’s assets by the government. Common law historically said that when any property is taken from an individual or company by the government, the government should reimburse them for their loss. Starting with the North American Free Trade Agreement (NAFTA) this idea

NAFTA and Investor Rights

In 1997, the US-based corporation, Metalclad, sued Mexico for preventing them from expanding a waster transfer station into a hazardous waste landfill near the town of Guadalcazar. Such an expansion had been deemed a severe risk to the town’s water supply, and the town refused to grant the company a permit for the expansion. The NAFTA dispute panel ruled that Mexico’s actions amounted to indirect expropriation, and that Mexico failed to act in a legally transparent manner consistent with “fair and equitable treatment”. Metalclad won a \$16.7 million settlement from Mexico. In a subsequent appeal to the Supreme Court of British Columbia, the award was reduced, but the main basis of the suit, that Mexico had expropriated property from Metalclad, was upheld.

In the same year, the Ethyl Corporation of the United States challenged a Canadian regulation that banned the use of its gasoline additive MMT. MMT has been banned in the United States since 1977 because it has been found to harm auto emissions equipment and because one of its components, manganese, is a known neurotoxin. Canada introduced a ban on MMT in 1997 for similar reasons. The Ethyl Corporation quickly filed suit for \$251 million, claiming that Canada had violated the National Treatment and Expropriation rules of NAFTA. Rather than run the risk of losing in the NAFTA dispute panel, Canada eventually backed down, paying Ethyl a \$13 million settlement and removing the ban on MMT.

The implications of these cases are grave with respect to CAFTA. Poor Central American countries, who cannot afford to hire the necessary legal teams, nor the related fines if they are found at fault, will find it difficult to maintain their current regulations or to pass new legislation aimed at protecting the health of their people and environment.

Adapted from NAFTA Chapter 11 Investor-to-State Cases: Bankrupting Democracy, a report from Public Citizen and Friends of the Earth, 2001.

was extended to include not only direct expropriation but also anything that is deemed to be “**tantamount to expropriation**.”²⁶ Although CAFTA uses the term “equivalent to expropriation,” both phrases refer to any government action that a corporation believes is directly or indirectly limiting its investment.²⁷ This allows a company to demand compensation for any laws or regulations that it believes threaten its current and potential future profits. In previous NAFTA claims, such

actions have included environmental and public health regulations.

In these cases, the company is able to directly sue the “offending” government before a trade dispute panel, which meets behind closed doors with no public or press access. Such suits can only be brought against national governments. Therefore, even when investors are challenging state or municipal regulations, these “sub-national” entities must rely on the national government to present the case. If the dispute panel rules in favor of the plaintiff, the national government will be asked to remove the “trade barrier” or face a fine.

Due to recent Congressional action, CAFTA contains one difference compared to NAFTA with regards to Investor-to-State dispute resolution. In the 2002 Trade Act, Congress passed a measure that called for an appellate procedure to future trade dispute processes.²⁸ CAFTA calls for the creation of an appellate body “to review awards rendered by tribunals under this Chapter,” and to “provide coherence to the interpretation of investment provisions in the Agreement.”²⁹ The agreement does not provide a discussion of the scope and structure of the appellate body, and it does not seem to provide any incentive for this body to be created. Like the dispute panels, the appellate body would presumably act in closed sessions and would not be answerable to the communities which its actions affect. Overall, it is unclear what impact such a body would have on the dispute resolution process.

The Investment chapter includes some of the typical environmental exception language that is found in the other chapters, which provides a good opportunity to evaluate the effectiveness of such exceptions based on historical evidence. The Agreement states: “Provided that such measures are not applied in an arbitrary or unjustifiable manner, and provided that such measures do not constitute a disguised restriction on international trade or investment, paragraphs 1(b), (c), and (f), and 2(a) and (b), shall not be construed to prevent a Party from adopting or maintaining Measures,” including those that are “necessary to protect human, animal, or plant life or health; or related to the conservation of living or non-living exhaustible natural resources.”³⁰ This language is almost identical to that in NAFTA, and the results of cases that have been brought before NAFTA dispute panels show us exactly how ineffective these environmental restrictions are (see box, “NAFTA and Investor Rights”).

The Metalclad and Ethyl cases show that the environmental provisions in these types of trade agreements have little substantive value for protecting the

environment or human health. The implication for our water supply is grave. Another case before a NAFTA dispute panel challenges the California ban of another gasoline additive, MTBE, which has been shown to be highly toxic and has already contaminated drinking water supplies throughout the US. As a result of cases such as these, the creation of new regulations to protect our health and environment may soon grind to a halt.

The extension of the threat to include Central America will only magnify the problem. And since CAFTA is being billed as a stepping stone to the Free Trade Area of the Americas (FTAA), the potential for widespread harm is great. Even though NAFTA’s Chapter 11 has been greatly criticized by policy makers, the fact that similar investor rights language was also included in CAFTA shows the danger of setting precedents and the difficulty in reversing the rights granted to corporations by trade agreements.

Water in Procurement

Procurement is the term used for the process by which governments purchase goods and services. Governments develop rules for procurement to promote important public policy goals such as consumer protection, economic development, environmental protection, public health, and gender and racial equality. Procurement regulations that prevented contracts with companies doing business in South Africa have been credited with having a major impact on the fall of the apartheid regime. Global trade agreements are being used to undermine the ability of federal, state, and local governments to enforce such vitally important measures. CAFTA, like its predecessors, will continue to expand the deregulation of procurement policy and to limit the ability of governments to protect their citizens. (see box, “The Massachusetts Burma Law”)

Under CAFTA, governments are bound to follow several rules in the procurement process. National Treatment applies, forcing them to treat suppliers from foreign countries equally to local suppliers. In addition, governments must not impose technical specifications or other requirements and conditions that would preclude a supplier because of its national origin.³¹ These rules would prevent governments from favoring local suppliers, even when there are good economic development and social reasons to do so.

The Procurement chapter covers most federal agencies and some state and local agencies. Each country was required to list which agencies would be covered. In the US, 22 states and Puerto Rico included

The Massachusetts Burma Law

A history of serious human rights violations perpetrated by the ruling government in Burma led many municipalities and the state of Massachusetts to institute selective purchasing laws that prohibit contracts with companies doing business in Burma. These selective purchasing laws were challenged in the WTO by the EU and Japan, but they tabled their suit pending the outcome of a similar suit brought by several industry groups in U.S. District Court in Massachusetts. The case eventually reached the U.S. Supreme Court, which ruled that Massachusetts had violated the Constitution because the Massachusetts law was superseded by a similar federal law sanctioning Burma. The Supreme Court's decision upheld a state's right to pass selective purchasing laws as long as those laws are not preempted by similar federal laws. Since this ruling, the WTO suit has not been brought up again; however, both GATT and the proposed CAFTA clearly forbid governments from creating preferences in their procurement processes. Neither of the documents gives explicit exemptions for selective purchasing laws that are aimed against countries with human rights violations.

Adapted from *Massachusetts Burma Procurement Law Challenged at WTO*, a report by Public Citizen, available at <http://www.citizen.org/trade/issues/burma/articles.cfm?ID=11103>

all or some of their state agencies, including in some cases, state university systems. No US cities were included; however, several of the other countries included their municipal governments. The United States also exempted all utilities (including water) from this chapter, and most of the other countries exempted water distribution and sewage. However, El Salvador did not exclude municipal water systems and Honduras did not exclude sewage systems.³²

Regardless of these exemptions, all governments would still be severely limited in their ability to prevent companies with egregious environmental records from securing contracts that could affect the safety of water supplies. As with other portions of CAFTA, the environmental exceptions contained within the Procurement chapter could be sidestepped by using other rules within the agreement (see the "trade dispute panel" discussion in the **Water as a Commodity** section).

Water as an Essential Right

The United Nations Committee on Economic, Social and Cultural Rights declared in 2002 that drinking water is a human right that is "fundamental for life and health." They recognized water as "a prerequisite for the realization of other human rights."³³ Nowhere in the Central American Free Trade Agreement, however, do the participating countries agree to this fundamental right of all to enjoy fresh, safe, accessible water. Instead, this agreement, like its predecessors, continues to erode essential human rights and to deliver precious water resources into the hands of multinational corporations. Access to water may not seem like an important issue to many people who currently enjoy a safe, cheap supply. Yet, for many people, plentiful, potable water is increasingly hard to afford and access. Water will become a luxury if we do not work now to prevent its wholesale privatization. Taking water out of CAFTA and other free trade agreements is a first step, but not enough. Water issues are only one example of the harm that these trade agreements are forcing onto communities, especially the poor, throughout the world.

Global trade has its place and can be used to enhance the economies and quality of life for countries engaged in such trade. However, global trade agreements must have, as their basis, robust democratic procedures that insure the participation of all, especially those most vulnerable. Trade agreements must put protections for health, social justice, equality, and environmental stewardship before the financial profits of corporations, and they must not trump the ability of local governments to protect their citizens. Water activists should join the movement to stop CAFTA and other trade agreements and to insure that future agreements adequately protect our water and other vital rights and resources.

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The American Friends Service Committee is a Quaker organization supported by people of many faiths who believe in peace, social justice, and humanitarian service. The AFSC's New Hampshire Program conducts education and action campaigns on issues including trade policy, access to water, and economic justice.

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