

Press release for hand-over of ICS/ISDS petition to Tim Farron MP



Over a thousand local residents sign petition against more legal powers for big corporations

Local residents including supporters of Global Justice Now and South Lakes Action on Climate Change have presented a petition to Tim Farron MP signed by over a thousand of his constituents.

The petition demands that provisions for a separate court system for multinational and foreign companies be removed from trade and investment agreements between the EU and Canada (CETA) and the EU and the US (TTIP). Such separate court systems would enable multinational companies to bypass our national court systems and sue governments for millions or billions of pounds if government decisions appear to threaten their future profits.

There is ample evidence already of misuse of similar clauses in existing trade and investment agreements, including by US oil and tobacco companies, and by Canadian mining and fracking companies. There is also evidence that government decisions have been watered down or even reversed in consequence. The provisions in CETA would open the UK to challenges from the powerful US multinationals as well as Canadian companies, because over 80% of US companies operating in the EU also have offices in Canada.

We cannot risk any new climate legislation being undermined by powerful US oil companies, or any threats by big multinationals to our legislation to protect our food standards, health and safety, environment, and employment rights.

These provisions are called ISDS – Investor State Dispute Settlement, or ICS – Investment Court System, and the briefing document www.bit.ly/ICSISDS provides links to useful references. CETA stands for Comprehensive Economic and Trade Agreement – showing its scope goes well beyond just trade, and the ISDS/ICS is one example of how it increases corporate power to the detriment of democracy.

END *285 words including title, 252 words if last sentence removed*

For further information contact:

Dr Henry Adams (A member of both GJN-SL and SLACctt)
Home phone: 01539 722158
55 Hayclose Crescent, Kendal, Cumbria LA9 7NT

Photo by Liz Ashburn (above shown cropped)

Longer version for further information:



Photo by Liz Ashburn

Over a thousand local residents sign petition against more legal powers for big corporations

1. SUMMARY: “We cannot let powerful transnational corporations be given supranational powers within their own separate court system to allow them to sue the UK or EU countries millions or billions for any future profits they might lose as a result of democratic decisions. CETA – the EU-Canada trade and investment treaty being pushed on us, would provide such powers within its ‘investor state dispute settlement’ provisions (isds). These powers would enable for example, US oil and fracking companies to undermine any future climate legislation.”

2. This is why local residents including supporters of Global Justice Now South Lakes and South Lakes Action on Climate Change presented a petition to Tim Farron MP signed by over a thousand of his constituents, to enable him to represent our views to government. Here is the core of the text:

3. **“We the undersigned demand that the ISDS or ICS mechanism is removed from TTIP and CETA”**
(ICS – Investment Court System, is the latest version of isds, and TTIP is the EU-US equivalent of CETA)

4. “We do not want corporations to be given the power to bypass our legal and court systems with a corporate-friendly and unaccountable legal system of their own, giving them the supranational power to sue the UK or EU for any future profits they might lose as a consequence of any new laws, regulations or policies that the UK or EU might want to introduce as a result of democratic processes, especially if the latter aim to protect us or our environment and climate, our health and safety, human and indigenous rights, employment rights, and public services such as the NHS.”

5. Companies should use national domestic courts if they wish to legally settle any disputes with governments over trade or investment issues. This is what we were very pleased to hear Tim Farron saying at the recent Global Justice post-Brexit event. There is no need for separate courts for the exclusive privilege of transnational corporations and foreign companies (and note: domestic companies are excluded, and foreign companies have to be very wealthy to afford the high costs of ISDS/ICS tribunals).

6. There is such ample evidence of misuse of ISDS clauses in existing free trade and investment agreements, including by US oil companies, and by Canadian mining and fracking companies, that we cannot risk such companies having such powers extended to the UK and Europe via CETA's ICS/isds. Over 80% of US companies operating in the EU have offices in Canada enabling them to use CETA's ICS/isds).

7. There are examples from both Canada and Europe where the mere threat of massive pay-outs from ISDS has constrained or even reversed democratic decisions ("regulatory chill"). An EU Commission official remarked about a meeting with Chevron on ISDS in 2014 that "Chevron argues that the mere existence of ISDS is important as it acts as a deterrent."

8. Over 100 EU law professors have signed a letter saying investor provisions in trade agreements like TTIP and CETA undermine EU rule of law, and the UK government-commissioned assessment by LSE also came out against the ISDS: "In sum, an EU-US investment chapter is likely to provide the UK with few or no benefits. On the other hand, the UK exposes itself to a significant measure of costs." Nonetheless, our government continued to push for a strong ISDS – also wanted by Chevron.

9. The isds in CETA is one of the main reasons why the Walloons in Belgium – who had critically examined the text in CETA (unlike those who simply assumed it to be safe), rightly stopped CETA from unanimous agreement by the EU Council. We in the UK should likewise be critically vigilant as to what our government tries to write into "trade agreements" for post-Brexit – as such deals go way beyond just the benefits to trade such as tariff-removal between states with similar economic strengths. Secretly written deals have been found to primarily benefit transnational corporations.

10. We should push for how we as responsible citizens would like trade agreements to be in a world faced with climate change, biodiversity loss, and income and wealth inequalities, all of which are impacted by trade and investment, instead of allowing ourselves to be regarded as mere consumers subservient to an "economic growth" model that is unsustainable.

11. For more information and links to source references visit www.bit.ly/ICSISDS

END

=====