

**World Trade Organization
International Trade Law
'Access to Fresh Water & Basic Sanitation'**

Fitzgerald Temmerman
World Trade Institute
www.wti.org
www.nccr-trade.org

Trade in 'bulk fresh water' and international trade law

Virtual trade of water - embedded in agricultural produce -

From water rich regions to water poor regions

Irrigation Subsidies

Agreement on Agriculture (AoA)

Labeling

Agreement on Technical Barriers to Trade (TBT)

How much water is used to produce an agricultural product?

Case study on the Kingdom of Jordan

Privatization - Universal Services Obligations (USOs)

Investment in grids and basic sanitation

Fresh water is essential to live.

At present, more than one billion people on the planet lack sufficient access to fresh water and basic sanitation; more than 1,5 million children younger than 5 die every year due to unsafe drinking water and inadequate hygiene.

As a consequence of population growth, industrial development and climate change (global warming) acting as an accelerator, fresh water resources are depleting rapidly in more and more regions of the world. In reaction, 'fresh water markets' are emerging; on the local, the regional, the national and the international level.

Trade in bulk fresh water could quite simply become a necessity for certain countries and regions in the very near future, as well as increased imports of water rich agricultural products.

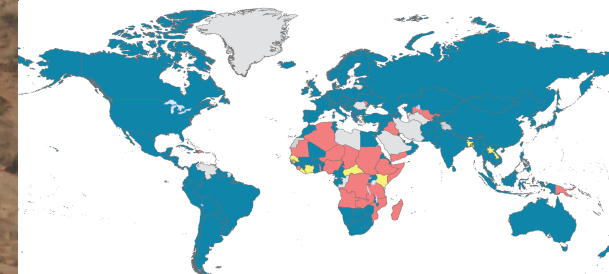
During the summer of 2008, several 'water' tankers supplied the city of Barcelona with fresh water imported from Marseille, France; the city of Limassol, Cyprus, had to be supplied in emergency with imports of bulk fresh water from Greece. The Kingdom of Jordan is dependant on 'virtual imports of water' for about 80 – 90% of total cereal and crop consumption.

Additional regulation on trade in 'bulk fresh water' and 'virtual trade of water' on the global level is required, as well as rules concerning irrigation subsidies and investment in grids and basic sanitation. Negotiations on environmental goods and services are part of the ongoing WTO 'Doha Round' but are suspended as part of the 'single undertaking' negotiations: when there is no agreement on everything, then there is no agreement at all.

Climate Change – Global Warming

**UNITED NATIONS
MDG 7 – TARGET 3**

"Halve, by the year 2015, the proportion of the population without sustainable access to safe drinking water and basic sanitation"



On track: >95% or 2008 figure was within 5% of required rate to meet the target.
Not on track: flat or decreasing trend between 1990-2008 or 2008 figure was not within 10% of the required rate to meet the target.
Progress but insufficient: 2008 figure was between 5% and 10% of the required rate to meet the target.
No or insufficient data: includes countries or territories where data were either not available or were not sufficient to estimate trends



Conclusions

Over the last 60 years WTO trade law has played an essential role in regulating global trade flows and investment, avoiding many potential trade 'wars'. At present, WTO trade law could substantially contribute in achieving some of the UN Millennium Development Goals on time. The GATT, GATS, AoA and the TBT framework do not deal directly with water issues yet.