

## **bilaterals.org podcast: October 2022 - transcript**

A new study analysed the impacts of the NAFTA in Mexico, and its replacement, the USMCA, during the 28 years it has been applied.

NAFTA went into force in 1994 between the US, Can & Mex. It was the first comprehensive FTA that became the model for all others. In that sense Mexico has been a lab for free trade for almost 3 decades.

Mexicans suffered devastating impacts of the agreement such as loss of food sovereignty , cheap imports, privatisation of seeds, increasing obesity, labour abuse, etc.

They also learned one overarching lesson: that free trade agreements subvert and dismantle laws, regulations and legal processes in order to open up space for corporations to operate.

Between 2011 and 2014, a Permanent People's Tribunal was organised to examine all these impacts. It found that as a result of this "deviation of power" triggered by NAFTA and succeeding trade deals, the Mexican people cannot hold the government to account.

The study concludes that reforming these trade deals is not the answer. They need to be abolished to get out of this corporate submission.

This conclusion is all the more important since the Mexican government is about to confirm the upgraded EU-Mexico FTA. Referring to history is essential if we are to understand the true nature of FTAs and organise the resistance against them.

In Chile after four years of legislative debate the congress voted to approve the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) trade deal

The Chilean president sent a series of side letters to the 10 member countries which could extend the ratification process. The letters aim to modify elements of the chapter referring to the investor-State dispute resolution mechanism that has been a subject of criticism and international debate.

Civil society groups have criticised this approach. They say that the signing of side letters to free trade agreements has become an increasingly common practice. Such letters aim to request certain safeguards in some areas of the treaties but this does not change the essence of the treaty, since the impacts of free trade agreements. Such treaties as TPP-11 have to be analyzed as a whole, not by chapters.

The rest of the agreement, such as provisions on intellectual property, services, public procurement, or electronic commerce, remain equally applicable since the CPTPP text is CLOSED and already IN FORCE for 7 countries.

They also said that the treaty will benefit large corporations and the most vulnerable territories and sectors such as workers, women, youth and indigenous peoples will be the main losers.

It will now be scrutinised by the country's Constitutional Court.

Malaysia has become the 9th country to ratify the CPTPP, after the gov submitted the instrument of ratification.

The Consumers' Association of Penang has criticized the move and asked the gov to withdraw from the agreement before it comes into force, as it will have "far more costs than benefits"

The association said the cost-benefit analysis commissioned by the gov was flawed and unrealistic. It also criticized the inclusion of the investor state DS mechanism that has trapped many countries.

In Thailand, a meeting gathered women groups from the Asia-Pacific region.

One of the panel addressed the issue of digitalisation and free trade agreements, and connected them to corporate hegemony and the impacts on the women's conditions.

The panel said that women have been disproportionately impacted by FTAs. In many places women are expected to put food on the table. In traditional farming, women maintain the practices of seed saving and preserving food. Since FTAs disrupt traditional systems, there is a boost in violence in households, as many women face obstacles even though they are out of their control.

One of the panelists said that digitisation that is promoted by FTAs fosters the centralisation of power, as only four companies control 65% of all commercial seeds in the world. Digital tools are being used for imperialist expansion and technology has created even more inequalities.

They concluded that the real producers who feed 70% of the world are peasants, small farmers and fishers. These communities should be the ones making the decisions on what digital technologies work for them; what they want to use; and what they can control.

The Energy Charter Treaty is in trouble.

It's an agreement that was signed in the 90s for the promotion and protection of investments in the energy sector. There are 53 members, most of which are European countries. It's the most used treaty to invoke investor-state disputes.

Italy left the agreement in 2016. Now France, Spain, Poland, Slovenia and the Netherlands announced they'd leave it, due to an unsatisfying reform process.

Many civil society groups have criticised the treaty for years and the reformed text as well. They say the reformed treaty would continue to protect fossil fuels investment for another 10 years in addition to a 20 years sunset clause. They're also critical that the treaty would extend protections to new investments such as carbon capture or hydrogen, which could hamper the ability of States to end reliance on fossil fuels.

There are also concerns of the Energy Charter secretariat's push to expand the treaty to new members such as Nigeria