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## STATEMENT AND INPUT ON TRADE AND INTELLECTUAL PROPERTY RIGHTS

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issue but is perhaps one of the most cross-cutting issue areas with finance, technology, financing flows as well as external debt and the international monetary system.

I will address three key issues, which are:

- 1. Bilateral Investment Treaties/Investor-State Dispute Settlement System
- 2. Integrating sustainability as it relates to Intellectual Property Rights
- 3. Ensuring adequate policy space in trade rules for industrial development

## 1. BITs/ISDS

The FfD Elements paper recognizes that trade and investment agreements are not aligned with sustainable development policies and plans; calls for a commitment to human rights impact assessment of all trade and investment agreements and amending investment treaties to address shortfalls in investor-state dispute settlements, while safeguarding the right of the state to regulate.

a. The severity of development challenges imposed by bilateral investment treaties and free trade agreements is acutely highlighted by the **investor-state dispute settlement mechanisms**. The investor-state-dispute-

these cases are in the area of natural resources threatening access to clear water and air, land, and preventing environmental sustainability and conservation. They also disproportionately punish women and children, indigenous and local communities, and the elderly.

- b. Some Bilateral Investment Treaties and investment chapters under Free Trade Agreements prohibit capital account regulation and management, even in the context of financial crises, where many countries experience rapid capital outflows: This vital instrument to safeguard economic and social stability should maintain its inclusion in the Elements paper as a cross-cutting financial regulation and trade issue.
- c. The TRIPS (Trade-Related Aspects of Intellectual Property Rights) plus provisions in BITs and FTAs include such measures as data exclusivity, patent term extension, ever-greening and enforcement measures. These measures are used to tighten and increase Intellectual Property standards, which push smaller and cheaper producers in developing countries out of production while also raising costs of essential medicines and health care, agricultural inputs and therefore food prices.

While these treaties and agreements are supposed to both protect foreign investors and benefit recipient countries, the World Bank and various other experts have found that there is little correlation between having an investment treaty and increased investment.

## Thus, we call for:

• A comprehensive review of all trade agreements and investment treaties, and in particular the investor-state dispute settlement mechanism, to identify all areas where they may limit developing countries' sovereign right to carry out key regulations, including the ability to prevent and manage crises, regulate capital flows, protect the right to livelihoods and decent jobs, enforce fair taxation, deliver essential public services and ensure sustainable economic and social development.