

## EU-Japan Agreement (JEFTA): AöW to the clarification of the EU Commission on water privatisation

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**11 July 2018. The EU Commission published on 6th October 2018 a clarification regarding the effects of the EU-Japan Agreement on the water sector (EU Commission | Representation in Germany, Clarification: EU-Japan Agreement does not lead to Water Privatisation, only in German ► [External link: https://ec.europa.eu/germany/news/20180706-eu-japan-abkommen\\_de](https://ec.europa.eu/germany/news/20180706-eu-japan-abkommen_de)).**

**The AöW informs about the following:**

1.

In its clarification, the EU Commission refers to Appendix II, Reservation No. 15 (Annex II is available on the external website of the EU Council in English ► [External link, relevant is p. 80: http://data.consilium.europa.eu/doc/document/ST-7960-2018-ADD-9/en/pdf](http://data.consilium.europa.eu/doc/document/ST-7960-2018-ADD-9/en/pdf)). In the further explanations of the EU Commission, however, the essentials are left out or concealed. Indeed, Reservation No. 15 refers to the "Section: Cross-border trade in services". However, the "cross-border trade" mode is not relevant for the waste water sector. Germany's reservation should at least have extended to "investments", as in CETA (available on the website of the EUR-Lex: ► [external link, PDF p. 957: https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:22017A0114\(01\)&from=EN](https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:22017A0114(01)&from=EN)).

2.

Thus, the protection of the waste water sector depends solely on a general reservation for services considered as public utilities [*"Daseinsvorsorge" in german*] (Annex II, reservation No. 1 EU-Japan Agreement, website of the EUR-Lex, available in English ► [external link, relevant is p. 13: http://data.consilium.europa.eu/doc/document/ST-7960-2018-ADD-9/en/pdf](http://data.consilium.europa.eu/doc/document/ST-7960-2018-ADD-9/en/pdf)).

The AöW has stated to this: "In our view, a negative list cannot equally safeguard public water management as a positive list. From our point of view, the existing horizontal reservation for public services (see "Annex II - Reservations for future measures – Schedule of the European Union", Reservation No. 1) securing public water management (i.e. especially drinking water supply and sanitation) is incomplete and in need of revision when a negative list is used. There is always a risk that market access obligations will apply to certain services in the water sector and therefore these sectors as a whole have to expect market economy consequences, even though they do not pursue such interests.

**The AöW calls for the use of a positive list in Annex II, in which the drinking water supply and waste water are not mentioned."**

3.

The EU-Japan Agreement indeed includes a reservation for water supply (Reservation No. 21, Annex II, available on the external website of the EUR-Lex in English ► [external link](#), relevant is PDF p. 136 in conjunction with 140: <http://data.consilium.europa.eu/doc/document/ST-7960-2018-ADD-9/en/pdf>).

Regarding water supply, however, the AöW does not criticise reservation no. 21, but rather that there is no special article on the use of water resources as in Article 1.9 of the CETA Agreement.

**The AöW calls for a special article on water in the EU-Japan agreement, according to which water and its use is excluded from the EU-Japan agreement as a whole and in which it is made clear that water is not a commercial product like any other but rather a heritage which must be protected, defended and treated as such.**

**AöW's point of view still remains unchanged:  
"According to the AöW, after the EU-Canada trade agreement (CETA) the trade agreement between the EU and Japan is a next step putting additional pressure towards privatization and liberalization."  
The safeguards for the water sector are getting weaker and weaker from trade agreement to trade agreement, instead of getting stronger!**



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**Allianz der öffentlichen Wasserwirtschaft e.V. (AöW) [engl. Alliance of Public Water Management]  
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The Allianz der öffentlichen Wasserwirtschaft e.V. (AöW) is the representation of interests of public water management in Germany. Our members come from all federal states. The AöW is an alliance of institutions governed by public law and companies of water supply, wastewater disposal as well as river basin management performing their service exclusively themselves or by means of independent institutions in organizational forms governed by public law. Alone through the Membership of German Alliance of Water Management Associations (DBVW) over 2000 water organizations are represented in the AöW.