


EPSU calls for immediate action to prevent investment challenges related to the Covid-19 pandemic



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STOP ISDS

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Our demands

Stop ISDS

ISDS – short for 'Investor-State-Dispute-Settlement' is a **obscure parallel justice system** only accessible to the super-rich.

Multinational companies have used this system to threaten governments that dare to stand up to them with claims of up to billions of euros.

Government policies that have been challenged using ISDS include:

- Regulating **pollution levels** on a coal power station
- Introducing **health warnings** on cigarettes
- Declaring a **moratorium on fracking**
- **Halting a mine** that would have destroyed whole communities
- Raising the **minimum wage**
- **Freezing water tariffs** to help the poor
- Stopping **health insurers** from making huge profit

And they don't always have to win their case to get their way. For many countries, the mere threat of a huge claim can be enough to persuade them to back down and let the corporate fatcats win.

When millions of people across Europe rejected the EU-US trade agreement **TTIP**, many people learned about ISDS (which was part of the deal) and were very angry.

Now **there are plans to scale-up ISDS by creating a permanent global court** where corporations will sue states. The EU and member state governments want to do this by inserting it into new trade agreements. Their support for such an unfair toxic system must be challenged.

(23 June 2020) In an open letter, which has received the support of 600 organisations from more than 90 countries plus European and international organisations, EPSU calls on governments and the EU to take action to prevent the wave of ISDS cases that put at risk an effective response to the COVID-19 pandemic.

Investor-to-State Disputes (ISDS) cases are being used to challenge necessary actions taken by governments to combat the COVID-19 pandemic. This alarming development has been exposed in recent reports [Cashing in on the pandemic](#) from Corporate Europe Observatory (CEO) and [Pandemic profiteers](#) from the Transnational Institute (TNI). These reports show how law firms are encouraging businesses to challenge emergency measures taken to protect people. Examples of measures challenged by ISDS include:

- restrictions on business activities in order to limit the spread of the virus and protect workers
- securing resources for health systems by requisitioning use of private hospital facilities
- putting private healthcare providers under public control
- requiring manufacturers to produce ventilators
- mandating relief from mortgage payments or rent for households and businesses, and
- debt restructuring.

All these measures are proving vital to address the COVID-19 pandemic and to protect life and livelihoods. The fact that they are challenged by ISDS underlines the need for a serious 'rethink' of ISDS in general and supports calls for an end to investment agreements with ISDS.

The open letter can be found here in [English](#), [French](#) and [Spanish](#)

For a previous article on ISDS <https://www.epsu.org/article/time-end-isds-please-support-alliance>

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