Environmental Impact of The Colombia Free Trade Agreement

Rolling Back of Environmental Protections for Earth's Most Biodiverse Area

- The Colombia FTA – just like NAFTA and CAFTA -- serves as an incentive to pollute in a corporate race to the basement. Colombia can lure in U.S. companies]s looking to produce cheaper goods and services by promoting less costs for environmental compliance.

- It's cheaper when a company can use harmful pesticides and dangerous chemicals not allowed in the United States, and recklessly dispose of them without regulations or repercussions.

- New environmental laws are desperately needed for Andean countries, including Colombia, to allay rapid destruction of the upper Amazon basin, one of the most biodiverse areas on the planet.

- Dozens of environmental groups have joined together to actively oppose the Colombia FTA, including Amazon Watch, American Lands Alliance Forest Campaign, Forest Ethics, Greenpeace USA and the Rainforest Action Network. Not one environmental group has endorsed it.

- The Colombia FTA text still contains the same trade provisions that have proven to be the worst threats to creating sound environmental policy. These NAFTA-CAFTA foreign investor rights allow corporate challenge of environmental laws in foreign tribunals.

Foreign Investor Rights = Loss of Environmental Protection

- The Colombia FTA includes the exact same foreign investor rights found in NAFTA and CAFTA, allowing outside corporations to use closed trade tribunals to privately enforce an extreme set of investor rights by directly suing the United States.

- The United States has spent millions in legal costs to defend against attacks on toxic bans, responsible mining practices and other environmental protections. Similar NAFTA provisions resulted in nearly 50 challenges to federal and state laws, leading to over $36 million in taxpayer funds paid to corporations.

- Foreign investors based in Colombia can challenge our U.S. state and local laws in foreign courts, and receive compensation if our laws undermine corporate profits. This allows foreign companies, for example, to bypass progressive environmental local laws and ordinances.

- NAFTA has already generated "regulatory takings" cases against responsible land use decisions, environmental safety initiatives, and public health policies. These adverse rulings would not have been possible in U.S. courts.

- Even worse, by expanding the definition of "investment" to specifically include contracts for natural resource extraction, this FTA extends foreign investor rights beyond what was contained in NAFTA to establish new rights for foreign logging, mining and oil companies to skirt domestic courts and laws.

- The U.S.- Australia FTA excluded investor-state enforcement, proving this vital fix was not only possible, but was previously accomplished. It is appalling that this severe problem, which environmental groups have drawn attention to for over a decade, was not fixed.

New Language Does Not Address Core Environmental Problems, May Not Be Enforced

- The May 2007 deal to modify the Colombia FTA did not address basic NAFTA-style foreign limits on domestic procurement policy. Months before the May deal, environmental, consumer and labor groups argued these provisions would need to be removed to avoid active opposition to these agreements.

- The May trade deal spawning this new language still allows foreign investors to demand taxpayer-funded compensation for any governmental action – including a virtually limitless range of common policies used to protect the environment – which could affect an investor's expected future profits.

- The Colombia FTA encourages corporate rollbacks of common procurement policies that local governments use to encourage sustainable environmental practices. These include rules governing recycled content, forest stewardship certifications, renewable energy and other basic environmental incentives.

- The newly inserted provisions dealing with labor and environmental issues are positive steps forward, but are also entirely dependent upon President Bush and the Executive Branch for enforcement.

- Some members of Congress still remain concerned that these improved labor and environmental standards will be made part of virtual side deals, which have historically been ignored.

- The Colombia FTA text ignores limits on imported food safety and inspection, and still contains language requiring the United States to accept imported food that does not meet our safety standards. The foreign investor provisions are almost word-for-word identical to the language found in CAFTA.

- Problems with procurement rules in the Colombia FTA were ignored and remain unaddressed, and continue the NAFTA/CAFTA ban on anti-off-shoring and Buy America policies.

- Such private enforcement rights for the most predatory multinational corporations tilt the balance badly against the environment, and will chill reforms desperately needed to protect the upper Amazon Basin.

There's Nothing "Free" About this FTA: Opponents Support a Fair Trade Agreement

- Trade isn't "free" when we destroy the most biodiverse regions on the earth. It isn't free when we roll back basic local environmental laws. These prices are simply too high.

- We are not against trade. We are for protecting Colombian biodiversity. We are for stronger health and environmental standards. We are for safe food imports. We are for Colombian human rights and democracy.

- We support open trade and globalization, but want to leverage our market to ensure trade is done fairly, with a focus on protecting the environment, and benefiting a majority of the world's people.

- Past trade agreements like NAFTA and CAFTA are corporate investment schemes, concocted in back rooms by a handful of select people. Congress isn't even allowed to amend or alter them.

- America has the largest and most robust market in the world, and if we open it up to other countries, we should expect them to play by the same rules we do, on a level playing field, with similar environmental regulations.

Health and Food Safety: The World's Breadbasket Now Orders Out

- In 2005, the United States, formerly known as "the world's bread basket", became a net food importer for the first time, with a food deficit of nearly $370 million. This means an increasing amount of food on our dinner plates is now imported, and a vast majority of that food is unexamined and untested.

- This year alone, the United States has received imports of contaminated sea food, pet food, livestock feed, human food, toothpaste, children's toys and more. Unchecked food imports and inadequate import inspection systems jeopardize consumer confidence in the quality and safety of imported products.

- Just like NAFTA, the Colombia agreement prioritizes increasing the *volume* of traded food over the *safety* of that food. In fact, the FTA often considers safety precautions a "barrier to trade", discouraging some procedures for inspecting beef, pork and poultry.

- Nearly $65 billion in food is imported annually – almost double the value imported when NAFTA and the WTO went into effect. According to a report by Public Citizen, the U.S. Food and Drug Administration (FDA) will conduct border inspections on only 0.6 percent of imported vegetables, fruit, seafood, grains, dairy and animal feed in 2007.

- The FDA data also makes it clear that Americans are three times more likely to be exposed to dangerous pesticide residues on imported foods than on domestic foods.

- A California beef trade group has expressed concern that the FTA will flood our U.S. market with Colombia beef. Currently, only 11 percent of imported beef, pork and chicken is inspected at the border by the U.S. Department of Agriculture (USDA).

There's No Such Thing as a "Free Trade" Lunch

- There is a hidden safety cost to passing trade agreements. Trade rules in the Colombia FTA replicate past limits on the safety standards the U.S. can require for imported food, and how much inspection is permitted.

- Colombia, Peru and Panama are three of the world's top 20 exporters of shrimp to the United States, and the proposed Colombia FTA is anticipated to increase seafood imports into the U.S.

- In 2006, the USFDA inspected only 1.93 percent of seafood imports, and just 0.16 percent of the 859,357 shipments of seafood were refused entry. (Public Citizen Report)

- In the NAFTA-WTO era, seafood imports have increased 65 percent. Between 1995 and 2005, shrimp imports alone jumped 95 percent.

- The estimated annual incidence of infection with Vibrio, a diarrheal disease associated with seafood, increased 78 percent from 1996 to 2006.

- Sen. Sherrod Brown (D-Ohio) said it best: *"Ensuring food and product safety standards in trade agreements is not an option, it is an imperative".*

- The lack of fairness in today's trade agreements, which do not require our Colombian competitors to meet the same high production standards as those in the U.S., perpetuates a race to the bottom.

I'm a Chiquita Banana and I'm here to say: Send lawyers, guns and money

- Chiquita recently agreed to pay a $25 million fine to settle a complaint with the U.S Justice Department, which accused the company of paying paramilitary groups more than $1.7 million from 1997 to 2004.

- To address negative perception problems surrounding the trade deal, the Colombian government is turning to K Street lawyers, lobbyists and marketing flacks for help in passage. They've paid at least $308,000 to firms over the past year, according to records filed with the Justice Department.

- Colombia has signed contracts with public-relations giant Burson-Marsteller, the Glover Park Group and Johnson, Madigan, Peck, Boland & Stewart.

- Major corporations like Wal-Mart also serve as leading lobbyist for speedy approval of trade agreements. Wal-Mart was not shy about saying that barriers to store entry and tariffs on expansion inputs were eliminated for them under CAFTA.

- Two months after CAFTA passed, Wal-Mart purchased the additional shares necessary to become the major shareholder of a local competing domestic food chain. Wal-Mart now stands as Central America's largest retailer with over 420 outlets and counting.

- The Columbia FTA is not about helping local "Ma and Pa shops" in that country. International corporate conglomerates will decimate local Colombian business much like they've wiped out America's main streets.

Desperate Times call for Desperate Process Measures

- President Bush's fast-track authority expired at the end of June 2007, but he pushed through the Colombia deal shortly before that deadline expired.

- When a deal is "fast tracked" under trade promotion authority, Congress either can approve or reject that negotiated trade agreement within certain time limits, but may not amend it. Put simply, Congress does not have a voice in fixing so many of the problems mentioned above.

- The U.S. Constitution grants Congress the exclusive authority to "regulate Commerce with foreign nations" and the structure of Fast Track destroys this vital check and balance.

- The Bush administration is threatening to submit the Colombia FTA to Congress without the consent of the Democratic leadership. No administration has yet presented a fast-track trade bill without close consultation with the leadership.

- This desperate move, never used before, would likely backfire against Republicans in the 2008 elections.

In the recent Peru debate, a majority of House Democrats argued for a new model for trade that can ensure future FTAs do no further harm to working families and the environment.

The Colombia FTA is Unlikely to Even to Receive a Vote

- There is wide opposition to the Colombia FTA, including a majority of House Democrats, Senate Leadership and most major stakeholders outside of corporate business interests.

- It is unlikely the trade pact will even be brought up for a vote. If it is, there are not enough votes to pass it.

- Not one U.S. labor, environmental, faith or consumer group has yet to endorse the Colombia FTA. These groups understand American companies are closing down and setting up shop across the border to take advantage of sub-standard wages and labor laws, off shoring loopholes and lax environmental regulations.

- Colombia is the most dangerous place in the world to advocate for worker rights. Over the past 20 years, more than 2200 Colombian unionists have been assassinated. And of the 144 unionists killed worldwide last year, 78 were Colombian. That's eight more than were killed in Colombia the year before.

- The Colombia FTA is modeled after the same flawed language found in NAFTA and CAFTA, which resulted in major job loss, environmental degradation, decimation of family farmers and increased immigration.

- Benjamin Franklin said the definition of insanity is repeating the same thing over and over, and expecting different results. That is exactly what we are doing with our current trade policy.

Scope of the Colombia FTA: Potential for Making Another Very Big Mistake

- This bilateral deal would be America's biggest in the Western Hemisphere since NAFTA was passed in 1994. In 2005, Colombia and the U.S. had $14.3 billion in two-way trade. Most of that is Colombia moving goods into America.

- This FTA provides Colombia with duty-free access to our markets for almost all of its industrial goods. Because our economy is 104 times larger than Colombia's, they want this agreement much more than we do.

- The US has considerable leverage in deciding how and when to open up our markets, and how to influence the Colombian government to stop the killing of workplace activists if they want access to our buyers.

- US money flowing into Colombia follows a pipeline to the wealthy aristocrats and multinational business owners, and does not garneted improved living conditions or assurances that the working poor will receive any financial gain. There is no assurance this version of "trickle down trade economics" will automatically help the poor.

- Colombian Senator Cecilia López Montaño, a professional economist, criticized politicians who drafted the Colombia FTA, saying they **"rarely do defend the weak, and as usual they end up embracing the arguments of the obvious winners who, typically in Colombia, have always been the same: the financial sector, the big business, the exporting regions, and the skilled labor force."**