

# WHAT'S WRONG WITH THE US-PERU FREE TRADE AGREEMENT?

## The US-Peru Free Trade Agreement:

- **THREATENS SMALL FARMERS.** The agreement favors only a small sector of Peruvian farmers who export to the US. By lowering Peru's tariffs on agricultural products, the vast majority of farmers would be vulnerable to cheap subsidized imports from the U.S. This would wipe out local farmers—as happened to the 1.3 million who have been displaced in Mexico since NAFTA passed 12 years ago.

- **THREATENS ACCESS TO LIFE-SAVING MEDICINES.** While the amended text of the Peru FTA removes the most egregious, CAFTA-based, provisions limiting the access to affordable medicines, it still includes NAFTA provisions that undermine the right to affordable medicines for poorer countries.

- **THREATEN WORKERS.** Changes to the labor provisions are insufficient. The Peru FTA allows discretion for FTA dispute settlement panels to interpret and apply the terms of the ILO Declaration on Fundamental Principles and Rights at Work differently than the Declaration has been interpreted and applied by the ILO itself. Enforcement of the new changes will be dependent on the Peruvian Executive Branch that has a consistent record of undermining domestic labor.



Peruvians take to the streets in opposition to the Peru FTA.

government when enforcement of environmental laws results in lost corporate profits. By contrast, environmental groups are not granted the right to sue corporations in international tribunals for violating multilateral environmental agreements.

- **THREATENS INDIGENOUS PEOPLE** by opening the way for large pharmaceutical and agribusiness corporations to patent traditional knowledge, seeds, and life forms. This opens the door to bio-piracy of the Andean-Amazon region and threatens the ecological, medicinal and cultural heritage of indigenous peoples. Oil corporations like Occidental Petroleum have a devastating history of polluting the lands of indigenous communities and will be able to use the new investor rights provisions of the agreement to continue their practices with impunity.

- **THREATENS THE AMAZON.** The Peruvian Amazon rainforest is already under attack by oil, gas, timber, mining, and corporate agribusiness. Investor rules under the free trade agreement will allow corporations to sue the Peruvian

- **THREATENS WOMEN, CHILDREN, AND THE POOR.** Provisions promoting the privatization and deregulation of essential services such as water, healthcare and education are written into this trade agreement. As these services become less accessible, women and the poor would have to make up for increases in prices of these services.

- **THREATENS FARM ANIMAL WELFARE, FOOD SAFETY, AND DRINKING WATER.** As family farms are displaced, the US will flood the Peruvian market with animal products produced in inhumane, polluting, unsanitary factory farms. Factory farming is also expected to increase in Peru with contamination of drinking water a likely outcome. As a precondition to passage of the agreement, Peru was forced to lift its ban on the import of US poultry products despite concerns about avian influenza.

- **THREATENS U.S. AND PERUVIAN SOVEREIGNTY.** The Peru FTA contains a NAFTA-style foreign investor chapter that allows corporations to bring actions against governments that pass environmental and public health laws that might reduce corporate profits



- **THREATEN WILDLIFE.** Rainforest logging in Peru is associated with mass scale hunting of rainforest wildlife by logging personnel, causing the extermination of entire populations of large mammals. New logging projects encouraged by the agreement's investment rules will exacerbate this problem. The investment rules will also encourage by increased development along coastlines, threatening sea turtles.

## TAKE ACTION TO REPEAL THIS DISASTROUS TRADE AGREEMENT!

- Call, email, and fax your Senators and House Representatives and ask them to introduce legislation to repeal the US-Peru Free Trade Agreement. Also ask them to encourage the sponsors of the TRADE Act, which will reform the worst aspects of US trade agreements to add Peru to their bill. You can find their names and contact info at <http://snipurl.com/LegLookup>.

- Support TradeJustice NY Metro, an all-volunteer organization working for fairer US trade policies. TradeJustice NY Metro needs volunteers and donations. Contact us for details on how you can help.

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