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FREE TRADE AGREEMENTS AND THE ENVIRONMENT

“These (proposed) agreements contain the strongest labor and environmental obligations of any... trade agreement anywhere in the world.”

—Secretary of State Condoleezza Rice

In signing the Trade Act of 2002, President George W. Bush recognized that advancing free trade and protecting the environment are mutually supportive.

FREE TRADE ACT PROVISIONS

Trade agreements that the United States negotiates under the Trade Act of 2002 include comprehensive bilateral environmental provisions that are legally binding. The U.S. also negotiates separate environmental cooperation mechanisms alongside its Trade Agreements. These mechanisms commit the United States and its partners to implement cooperative environmental activities.

ENVIRONMENTAL AGREEMENTS

The Bush Administration and the U.S. Congress have agreed to incorporate a number of multilateral environmental agreements into our Free Trade Agreements (FTAs).

The trade agreements with Peru, Colombia, Panama and South Korea, now being considered, contain the strongest environmental requirements to date. They include:

- Convention on International Trade in Endangered Species
- Montreal Protocol on Ozone Depleting Substances
- Convention on Marine Pollution
- Inter-American Tropical Tuna Convention
- Ramsar Convention on Wetlands
- International Whaling Convention
- Convention on Conservation of Antarctic Marine Living Resources

The U.S. also has agreed that all FTA environmental obligations will be enforced on the same basis as our commercial provisions, using the same remedies, procedures, and sanctions. For example, our environmental dispute settlement procedures previously used fines but now involve trade sanctions.

ENVIRONMENTAL COOPERATION MECHANISMS - EXAMPLES PERU

In connection with the proposed Peru FTA, the U.S. has agreed to work with the Government of Peru:

- To address illegal logging, including of endangered mahogany.
- To restrict trade in endangered species.

MECHANISMS IN FORCE

CHILE

- The U.S. National Oceanic and Atmospheric Administration works with Chilean officials to promote best practices in establishing and managing Marine Protected Areas.
- Yosemite National Park and Torres del Paine National Park entered into a “Sister Parks Partnership” that will expand cooperation in improving management of the two parks.
- The Environmental Law Institute has trained judges from all over Chile in the fundamentals of environmental law.

SINGAPORE/SOUTHEAST ASIA

- The United States and Singapore are working together in the ASEAN Working Group on Environmentally Sustainable Cities.
- As a result, the U.S. is working with a program pairing U.S. states with cities in Asia to achieve cleaner air, water, and land: Oregon with Chiang Mai and Hanoi on air quality; New Hampshire with Phnom Penh and Ha Long on water quality; and Maryland with Balikpapan City and Iloilo City on land contamination.
- Singapore and the U.S. have trained port inspectors and customs authorities to identify illegal shipments of ramin wood, an endangered species of tropical hardwood.

NORTH AMERICA (U.S., Canada, Mexico)

- The United States, Canada and Mexico are working to protect species of common concern in North America including the Humpback Whale, Pink-Footed Shearwater, Leatherback Turtle, Monarch Butterfly and Vaquita Porpoise.
- The United States and Canada have assisted in the development of Mexico’s air emissions inventories, and the three countries are working to synchronize their inventories.
- The three countries are establishing a framework for the sound management of chemicals including chlordane, PCBs, mercury, dioxins, furans/HCB, and lindane.