Congress of the United States Washington, DC 20515

March 7, 2007

The Honorable Charles Rangel Chair, Committee on Ways and Means United States House of Representatives Washington, DC 20515 The Honorable Sander Levin Chair, Subcommittee on Trade United States House of Representatives Washington, DC 20515

Dear Chairmen Rangel and Levin:

We are looking forward to working with you to advance our shared goals through the committee, including the pursuit of a trade policy that reflects our core Democratic values.

We are particularly eager to work with you to ensure that our trade agreements incorporate environmental safeguards. A critical first step toward this goal is the necessary renegotiation of the pending Peru Free Trade Agreement (FTA). Recent proposals to renegotiate only the agreement's labor provisions, or to implement changes through side agreements, are not enough to fix serious environmental concerns.

Peru is part of the Tropical Andes, the biologically richest and most diverse ecosystem on the planet. The region contains one sixth of all plant life in less than one percent of the world's land area, and half of its plant species are found nowhere else. Peru alone is home to hundreds of endangered plant and animal species. Unfortunately, many are threatened by logging, oil exploration and other activities. Any trade agreement with Peru should safeguard its irreplaceable natural resources, not exacerbate threats to them. In order to do this, key changes must be made to the Peru FTA.

The FTA should require Peru to not only enforce its existing environmental laws, but also its obligations under international environmental agreements such as the Convention on International Trade in Endangered Species (CITES). Peru is a leading exporter of mahogany, an endangered tree species whose harvest threatens the Peruvian Amazon and the many species that live there. Peru logs and exports more than 85 percent of its mahogany in violation of CITES. The FTA should further address this threat to the Peruvian Amazon by including an express ban on trade in illegally logged timber and wood products.

In addition, the Peru FTA should enforce its environmental provisions through the same dispute settlement process that backs up its commercial ones. Like other recent agreements, the Peru agreement marks an unfortunate step back from the Jordan FTA, which provided parity of enforcement between its commercial, environmental and labor provisions.

Finally, we must ensure that the FTA is not used to undermine legitimate environmental and public health laws in Peru and the United States through rules that allow foreign companies to challenge these laws before international tribunals.

We are eager to work with you this Congress to build a consensus around trade agreements that reflect our values. Renegotiating the Peru FTA to ensure that it protects the environment is a critical step toward

this goal, and we urge you to reject any proposals to modify the agreement that do not adequately fix its environmental deficiencies.

Sincerely, HILDA L. SOLIS MICHAEL MICHAUD Member of Congress Member of Congress MAURICED. HINCHEY THOMAS H. ALLEN Member of Congress The Have PHIL HARE Member of Congress Member of Congress BETTY/SUTTON IMNDA T. SÁNCHEZ Member of Congress Member of Congress TAMMY BALDWIN MICHAEL M. HONDA

Member of Congress

Member of Congress

ED PASTOR* Member of Congress Member of Congress STEPHEN J. LYNCH Member of Congress Kurly DENNIS J. KUCINICH Member of Congress BETTY MCCOLLUM Member of Congress RUSH D. HOLT Member of Congress