

## **Yardstick for Assessing Trade Agreements**

Congress will be asked to approve a series of international trade and investment agreements over the next few years. These will be a part of the rules of the global economy, determining who benefits and who loses from the flow of goods, services, labor, and capital around the world. They will have a major impact on our communities and the values we care about.

Our representatives should cast their votes on these proposed agreements based on sound principles reflecting the values of the entire community—not the narrow economic interest of any particular group within it.

The yardstick is a statement of important principles that the endorsing organizations believe should guide trade and investment policy. The yardstick does not address every issue that will arise, but it does provide a principled instrument to be used to measure proposed trade agreements: If a trade agreement conforms to the principles, it is worthy of consideration. If it does not conform, it deserves to be rejected.

### **1. Trade Agreements should protect public interest laws from attack by private companies and other governments.**

- Trade agreements should not empower foreign corporations to sue governments challenging (or seeking compensation for profits lost because of the enforcement of) laws or regulations to protect the public welfare such as those establishing environmental, food safety or worker safety standards or government procurement or economic development policies.
- Trade agreements should not permit member states to challenge laws or regulations to protect the public welfare such as those establishing environmental, food safety or worker safety standards or government procurement or economic development policies unless such laws were actually intended to discriminate or to impede trade.

### **2. Countries should have the right to ban products or practices that may present a risk to the public.**

Trade agreements should allow nations to follow standards adopted in reliance on the precautionary principle.

### **3. Patent rights should give way when necessary to protect public health and biological diversity.**

Intellectual property rights in gene sequences, pharmaceuticals, and seeds should not be subject of trade agreements, but rather of an international protocol that protects public health, biological diversity, and cultural and botanical heritage.

### **4. Trade agreements should not trump international environmental agreements.**

Trade agreements should not preempt obligations that nations have undertaken under conventions of the International Labor Organization and under Multilateral Environmental Agreements and should not penalize them in any way for adhering to them.

**5. Communities should have the right to make socially responsible purchasing decisions and to choose how to deliver public services.**

Trade agreements should not restrict a government's ability to provide a public service through whatever mechanism it chooses or to regulate providers of public services. Nor should a trade agreement limit the ability of a government to determine the manner in which it procures goods or services.

**6. Trade agreements should not pit workers against each other or drive down labor and environmental standards.**

Trade agreements should promote environmental and worker protection by providing for binding, enforceable measures within the agreements to ensure that:

- All member countries protect in domestic law the rights established by the International Labor Organization in its 1998 Declaration on Fundamental Principles and Rights at Work;
- No member country may thwart enforcement of its environmental and labor laws and regulations; and
- No member country may lower environmental and labor standards to attract investment or gain trade advantages.

Environmental and labor provisions in trade agreements should be subject to the same dispute resolution and enforcement mechanisms that apply to all other aspects of the agreements.

**7. Trade agreements should not compromise a country's ability to feed itself and ensure a healthy food supply.**

Trade agreements should not restrict any government's ability to protect the food security of its people and the viability of its agricultural sector.

**8. Trade agreements should allow countries to protect themselves against unfair trade practices.**

Trade agreements should not weaken government's ability to protect vital domestic industries from unfair foreign trade practices such as dumping, predatory pricing, import surges and other economic attacks.

**9. Affected communities—not just corporations--should have a voice in trade disputes.**

Trade agreements should contain dispute resolution procedures that are transparent, open, and allow non-governmental organizations such as religious organizations, labor unions, and private environmental groups to file amicus briefs in any proceeding.