
**American Lands Alliance • Center for International Environmental Law
Consumer's Choice Council • Defenders of Wildlife • Earthjustice Legal Defense Fund
Friends of the Earth • Institute for Agriculture & Trade Policy
National Wildlife Federation • Natural Resources Defense Council
Sierra Club • World Wildlife Fund**

PRINCIPLES FOR ENVIRONMENTALLY RESPONSIBLE TRADE

**TRADE AGREEMENTS SHOULD SUPPORT, NOT UNDERMINE, ENVIRONMENTAL PROTECTION.
TO THAT END, THE ABOVE-SIGNED ORGANIZATIONS BELIEVE THAT THE FOLLOWING PRINCIPLES SHOULD
INFORM ALL ASPECTS OF UNITED STATES TRADE POLICY.**

I. Do Not Undermine Environmental Standards. Trade agreements should not be used to weaken national or international health and environmental standards. In particular, trade rules must:

- § ensure that domestic environmental laws and regulations cannot be challenged by private investors before international tribunals;
- § allow distinctions between products if they are produced, for example, in a way that harms endangered species, ecosystems, or the global commons;
- § respect the right of governments to adopt precautionary standards to protect health and the environment;
- § ensure deference to multilateral environmental agreements (MEAs) when there are conflicts between trade rules and trade-related provisions of MEAs; and
- § ensure the availability of strong and clear environmental exceptions to trade and investment rules for laws and regulations that protect health, the environment, and natural resources.

II. Encourage Environmental Progress. In order to ensure sustainable development, trade agreements must encourage environmental progress and discourage harmful environmental impacts. In particular, trade policymakers should:

- § ensure that market opening agreements are accompanied by strong environmental initiatives to evaluate and raise environmental performance in countries to protect natural resources that would be vulnerable to increased exploitation;
- § provide for binding, enforceable measures in trade agreements to maintain and effectively enforce environmental laws and regulations and prohibit the lowering of environmental standards to attract investment or gain trade advantages;
- § ensure that environmental provisions in trade agreements are subject to the same dispute resolution and enforcement mechanisms that apply to all other aspects of the agreements;
- § provide a mechanism for citizens to seek review of failures to enforce health and environmental laws (e.g., see NAFTA);
- § require that foreign direct investors disclose basic information on their environmental practices;

(Continued)

- § develop a systematic program to improve environmental performance through capacity-building assistance, technology transfer, and corporate accountability;
- § work to develop cooperative, multilateral solutions to trade and environment conflicts; and
- § encourage the elimination of environmentally-harmful subsidies and economic incentives.

III. Require Democratic Procedures. Trade agreements must be developed and implemented through open and fully democratic procedures. In particular:

- § trade agreements under negotiation should be subject to comprehensive environmental reviews involving public participation throughout the process, the results of which should be taken into account in the final agreement;
- § trade agreements should provide for meaningful public participation in a trade dispute, including review and comment on the written record, access to hearings, and submission of friend-of-the-court briefs.
- § the public should have access to negotiations and the working texts of trade agreements, and have a permanent role in trade advisory committees and trade institutions;
- § trade disputes and informal interventions should be initiated only after public notice and comment; and
- § consistent with Congress' constitutional authority to regulate foreign commerce, Congress must provide new mechanisms to hold trade negotiators and policymakers accountable to implement the above trade and environment principles, including mandatory negotiating objectives.