



# Maine Fair Trade Campaign

*Working together for fair trade  
and a just, sustainable and democratic  
global economy*

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## Coalition Member Organizations

- Alliance for Democracy
- Auburn WAGE Committee
- Central Maine Central Labor Council
- Eastern Maine Labor Council
- Food AND Medicine
- Greater Brunswick Peace Works
- IAMAW Machinists Local 1821
- Institute for Local Self-Reliance
- International Brotherhood of Electrical Workers (IBEW) 567
- IBEW 1768
- IBEW 1837
- IBEW 2327
- Laborers Local Union 327
- The League of Young Voters
- Maine AFL-CIO
- Maine Council of Churches
- Maine Council of Senior Citizens
- Maine Education Association
- Maine Labor Council – United Steel Workers
- Maine Labor Group on Health
- Maine Organic Farmers & Gardeners Association (MOFGA)
- Maine Peoples Alliance
- Maine State Employees Association SEIU Local 1989
- National Association of Letter Carriers (NALC) Local 391
- Pax Christi Maine
- Peace Action Maine
- Peace and Justice Group of Waldo County
- Peace through Inter-American Community Action (PICA)
- Portland Organizing to Win Economic Rights (POWER)
- Sierra Club, Maine chapter
- Southern Maine Central Labor Council
- Sustainable Harvest
- Teamsters Local 340
- UA Plumbers & Pipefitters Local 716
- Unitarian Universalist Church of Belfas
- Unitarian Universalist Church of Brunswick UNITE -HERE Local 486
- United Food & Commercial Workers 791 UFCW 1445
- United Steelworkers (USW) Local 9
- USW Local 11
- USW Local 36
- USW Local 261
- USW Local 1069
- USW Local 1188
- Veterans for Peace
- Waldo County Progressives
- Women's International League for Peace & Freedom

## Oppose the Peru and Panama Free Trade Agreements

The Maine Fair Trade Campaign is a coalition of 48 environmental, labor and social justice groups working for fair trade policy and just, sustainable and democratic global and local economies. While amendments to the Peru and Panama Free Trade Agreements represent a step in the right direction, these deals remain problematic in a number of areas and our coalition strongly opposes their passage.

The labor, environmental, and access to medicines amendments to the Peru and Panama Free Trade Agreements made under the initiative of Ways and Means Chairman Charles Rangel and Trade Subcommittee Chairman Sander Levin represent significant improvements to these important provisions. Despite these improvements, however, major problems of the NAFTA/CAFTA model replicated in the Peru and Panama FTAs were not addressed.

Although the amended text of these FTAs represent the first time that a trade agreement contains binding obligations to adopt, maintain and enforce the terms of the ILO Declaration on Fundamental Principles and Rights at Work, significant concerns regarding the labor provisions remain. Particularly, the FTAs allow 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.

Moreover, in the end even the strongest provisions of the amended text dealing with labor and environmental enforcement would be dependent on the Executive Branch for enforcement. This lack of independent enforcement is extremely problematic and could essentially render the amended provisions futile. The current administration, with a consistent record of undermining domestic labor and environmental enforcement, is unlikely to enforce the labor and environmental provisions of these FTAs and future enforcement will rely on similar discretion by future Presidents.

Maine Fair Trade Campaign believes that the United States should not adopt any new trade agreements, including the Peru and Panama FTAs, until there is a thorough assessment of the effects of existing FTAs and a new model is developed that can ensure future trade agreements minimally do no further harm to working families and the environment. We are eager to support future trade agreements that embody the principles of democracy, equity and social justice and that benefit the majority of Maine and U.S. workers, farmers, small businesses and consumers while promoting equitable development in our trading partners.

Despite the improvements, the failure to remove certain core NAFTA/CAFTA provisions means the proposed trade agreements do not pass the most conservative 'do no further harm' test. We look forward to working with our congressional

delegation and the rest of Congress to build on the improvements made to date so as to ensure future trade agreements can obtain broad support.

**Core NAFTA-CAFTA provisions in the Peru and Panama FTAs that MFTC identified in late 2006 as needing to be addressed to avoid our opposition:**

**Extraordinary Foreign Investor Rights and Investor-State Enforcement**

- Not one word was changed in the FTAs' NAFTA/CAFTA style foreign investor chapters that promote off-shoring and subject our domestic environmental, zoning, health and other public interest policies to challenge directly by foreign investors in foreign tribunals. These FTAs also allow challenges by foreign investors in foreign tribunals of timber, mining, construction and other concession contracts with the U.S. federal government. The investment chapter still affords foreign investors greater rights than those enjoyed by U.S. investors.

**Procurement provisions**

- The FTAs' procurement rules subject many common federal and state procurement policies to challenge in trade tribunals and directly forbid other common procurement policies. These FTAs' procurement rules continue the NAFTA/CAFTA ban on anti-off-shoring, Sweatfree and Buy America policies and expose U.S. renewable energy, recycled content and other requirements to challenge.

**Agriculture provisions**

- The amended text does not address the zeroing out of tariffs on subsistence food crops in Peru and Panama. This provision is widely expected to result in the displacement of many peasant farmers, increasing hunger, coca cultivation, and undocumented migration, similar to what occurred in Mexico under NAFTA.

**Access to medicines provisions**

- While the amended text of these FTAs removes the most egregious, CAFTA-based, provisions limiting the access to affordable medicines, the text still includes NAFTA provisions that undermine the right to affordable medicines for poorer countries contained in the WTO's Doha Declaration.

**Food safety provisions**

- The amended text does not address limits on imported food safety and inspection. These FTAs still contain language requiring the United States to accept imported food that does not meet our safety standards.