

April 30, 2015

Honorable Member of Congress:

As humanitarian, human rights and faith-based organizations, we believe that trade can be a mechanism to reduce poverty and promote development only if the rules of trade serve to address the needs of the most vulnerable. To this end, broad-based development should be a core objective of US trade policy. Yet the Trans-Pacific Partnership (TPP) fails this test, and the recently introduced Trade Promotion Authority (TPA) bill would further perpetuate this problem.

We support trade that contributes to improving the livelihoods of people in poverty. Yet a number of the rules included in free trade agreements (FTAs) negotiated by the United States, and particularly those promoted by US negotiators in the TPP, will do just the opposite, undermining poverty reduction in developing countries.

Given the secretive and non-transparent nature of trade negotiations, it is not possible to specify our concerns with the TPP text in detail. Broadly speaking, they include the following problems we have identified, which the trade negotiating objectives in the proposed TPA bill either reinforce or fail to address.

- Intellectual property (IP) and pharmaceutical pricing provisions are a step backward for public health. They unduly expand monopoly power, limit generic competition and restrict the policy space available to governments to promote access to medicines for all. This reverses the positive step taken under the May 10th Agreement reached between the Bush administration and Congress in 2007.
- Investment rules and the investor-state dispute settlement (ISDS) mechanism privilege the interests of foreign investors over the rights of local communities. They limit governments' ability to regulate in the public interest, including promotion of public health and environmental protection.
- Provisions on agricultural market access and government procurement fail to take into account that national food security is a legitimate interest governments must protect, often through flexible policy instruments. Hunger today is predominantly a problem of access to food, which is a function of income and access to productive resources, rather than of supply of food that is facilitated through trade.
- The principle of "special and differential treatment", which enables developing countries to use policy flexibilities to address existing inequalities – a long-time tenet of global trade relations, is absent in TPP and TPA. There is no one-size-fits-all template for

development around the world. Imposing US-style rules in all sectors of a developing country's economy through a trade agreement is unlikely to meet the country's development needs or even to boost trade in a manner that benefits its most vulnerable communities.

These problematic provisions in TPP are in some cases even more harmful for developing countries than similar measures included in previous US FTAs, including the North American Free Trade Agreement (NAFTA) and the Dominican Republic - Central America Free Trade Agreement (CAFTA-DR). Those deals have failed to deliver benefits for workers and people in poverty in developing countries and have constrained governments' ability to use policy tools to reduce poverty, protect the environment and promote development.

The current focus of the US trade agenda on TPP and TPA is entirely inconsistent and incoherent with the Obama administration's global development policy, which focuses on meeting basic human needs and promoting broad-based economic growth to achieve sustainable development outcomes. A change in course away from the current design of TPP and TPA is needed in order for US trade policy to truly serve development outcomes and reduce global poverty. Without such change we could not support either TPA or TPP.

Sincerely,

ActionAid USA
American Jewish World Service
Evangelical Lutheran Church in America
Friends Committee on National Legislation
Health Alliance International
Interfaith Worker Justice
Loretto Community
Maryknoll Office for Global Concerns
NETWORK, a National Catholic Social Justice Lobby
Oxfam America
Presbyterian Church (U.S.A.)
RESULTS
Sisters of Charity of Leavenworth
Sisters of the Holy Cross – Congregation Justice Committee
Sisters of Mercy of the Americas – Institute Justice Team
United Church of Christ Justice and Witness Ministries