



MARYKNOLL OFFICE FOR GLOBAL CONCERNS

Peace, Social Justice and Integrity of Creation

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TPP investment chapter will further threaten God's Earth and vulnerable people

March 31, 2015 –Maryknoll missionaries – Catholic men and women, religious and lay people – serve economically poor and marginalized communities throughout Africa, Asia, and Latin America. They have witnessed the public health and environmental impacts of past investment chapters, particularly through the North American Free Trade Agreement and the Central American Free Trade Agreement.

On March 25, *The New York Times* reported on a classified draft chapter of the proposed Trans-Pacific Partnership (TPP) trade agreement which includes expanded rights for foreign companies to sue a country for creating sovereign laws or other policies that might impact their investment, even if the laws apply to domestic and foreign firms equally and are implemented to protect the common good. Some of these investments might even harm public health and damage the environment which marginalized communities depend upon for sustenance and livelihoods.

Investor-State Dispute Settlement (ISDS) treaties already allow this type of costly lawsuit that bypasses domestic courts, which can force a government to divert funds away from critical infrastructure and programs to ensure the health, safety, education, and social safety net for its citizens. Use of this tool for corporate control has accelerated significantly in recent years: While no more than 50 cases were launched in the first 30 years of the ISDS' existence, at least 50 ISDS lawsuits were launched *each year* from 2011 through 2013. The investment chapter is not a tool for development, but rather an impediment.

In Central America, Costa Rica and El Salvador have halted damaging mining projects after civil society mobilized against mining projects that would have poisoned major bodies of water and displaced rural farming communities. Both countries now face ISDS challenges totaling hundreds of millions of dollars. The lawsuits have had a likely regulatory chilling effect on other countries in the region: Guatemala and Honduras have allowed mining projects to go forward, and communities that opposed the developments were faced with threats, jail time, and even death.

The TPP's draft investment chapter, which will remain secret until four years after the agreement is signed or negotiations cease, would harm the democratic process and ability of all signing countries to develop and enforce their own laws. The negative use of the ISDS mechanism by foreign corporations to attack laws related to access to medicines, environmental protections, and anti-smoking regulations is a roadblock to human-centered and sustainable economic development.

We are guided by our Catholic faith to protect Creation, to develop an economy that puts human dignity at its center, and to honor the principle of subsidiarity, or the rights for societies to develop their own social, economic and political infrastructure. These are just some of the values that should be at the core of a fair trade agreement. As Pope Francis writes "Joy of the Gospel," all people deserve to have access to education, healthcare, and dignified work.

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Maryknoll Sisters Maryknoll Fathers & Brothers Maryknoll Lay Missioners

200 New York Avenue, NW
Washington, D.C. 20001
(202)832-1780 phone
(202)832-5195 fax
ogc@maryknoll.org

P.O. Box 311
Maryknoll, N.Y. 10545
(914)941-7575 phone
(914)923-0733 fax

777 First Avenue, 10th fl.
New York, N.Y. 10115
(212)973-9551 phone