



## **The Trans-Pacific Trade Partnership:** **A bad deal for farmers and consumers**

The text of the Trans-Pacific Trade Partnership (TPP), negotiated by 12 countries representing around 40 percent of the global economy, was released on November 12. There are thousands of pages of text, the majority of which has nothing to do with trade issues such as tariffs and quotas, but rather with setting the rules that will govern everything from food safety to patent and medicines to labor conditions and wages.

### **Genetically engineered crops and foods**

The TPP threatens any serious limitation on genetically engineered foods. Although this portion of the text still isn't available, the USDA's website states: "The TPP ... includes provisions on agricultural biotechnology that commit TPP countries to foster transparency in their decision-making processes, to work together on situations of low-level presence, and to promote timely authorization of products of modern biotechnology."

[http://www.fas.usda.gov/sites/default/files/2015-10/tpp\\_ag\\_overview\\_-\\_long\\_10-14-15\\_1.pdf](http://www.fas.usda.gov/sites/default/files/2015-10/tpp_ag_overview_-_long_10-14-15_1.pdf)

Translating that into regular English: Agribusiness and biotech companies will be able to use international tribunals to challenge countries that ban GMO imports, test for GMO contamination, do not promptly approve new GMO crops, or even require GMO labeling.

### **Food safety**

The TPP gives importers the ability to challenge individual border inspection decisions, second-guessing U.S. inspectors about what food is safe and not safe to let into our country.

The agreement limits food import inspections "to what is reasonable and necessary," and requires border inspectors to notify food importers if a negative food safety check is issued so they can challenge the port inspection findings. This measure, known as the Rapid Response Mechanism, gives new rights to countries importing food into the U.S. and could potentially include the right to challenge even laboratory food safety testing.

The TPP will hamper even the existing low-level of oversight of imported foods. This is of particular concern for seafood. About one in five shrimp, three in five crabs, and three in five catfish consumed by Americans come from TPP countries such as Vietnam. In many TPP countries, farm fish are raised with chemicals and antibiotics that are not allowed in the U.S. Federal inspection of seafood imports is already pathetically inadequate, with just over 1 percent of imported fish and seafood shipments being inspected or tested.

### **Buy American and Buy Local rules**

The TPP undermines "Buy American" rules, even when American tax dollars are being spent. The TPP procurement chapter gives firms operating in any TPP nation equal access to U.S. government procurement contracts, rather than the government continuing to give preference to local firms to build and maintain our public roads, bridges, railways, post offices and universities.

At this time, the chapter covers only federal procurement policy, not state or local. But the TPP requires that the Parties “commence negotiations with a view to achieving expanded coverage, including sub-central coverage” within three years. Such provisions could undermine local and state preference programs, including such things as preferences to buy local food for schools.

### Foreign corporations trump our democracy

One of the biggest problems with the TPP is the Investor State Dispute Settlement (ISDS) mechanism. ISDS allows private corporations to sue national (or even state and local) governments over rules that the companies believe harm their profits. Unlike the widely accepted procedures that govern a judicial system, in the ISDS, attorneys can rotate between acting as judges and acting as advocates for the corporations.

Any U.S. rules that set higher standards on GMOs, pesticides, animal drugs, or additives compared to international standards could be subject to challenge by private companies in these questionable international tribunals as “illegal trade barriers.”

While ISDS provisions have been in trade agreements for many years, they were rarely used until recently. The TPP will double the number of corporations who will be in a position to bring an ISDS claim against U.S. laws – including even U.S. owned businesses that will be able to indirectly challenge our own laws through subsidiaries based in other TPP countries.

Thousands of new foreign companies would be able to use the TPP investor suit provisions to challenge federal, state or local laws that they claim interfere with their expected profit, bringing suit against our government in unaccountable international tribunals.

You may hear that the trade agreement cannot overturn domestic law. Technically, that is correct – but in practical terms, it is false. Although the investor-state tribunal has no power to directly nullify U.S. or state laws, when a country loses to an investor, it is faced with the choice of changing the offending law or paying damages. So when a foreign corporation wins on a challenge that a U.S. or state law has harmed its profits, we either have to change our laws or use taxpayer dollars to pay the company its lost profits.

### Next steps

Now, the twelve TPP governments – Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, the U.S., and Vietnam – must ratify the agreement. In the U.S., under “fast track” trade rules, Congress cannot propose any amendments to the TPP – it’s a straight, up-or-down vote on the agreement.

**We urge Congress to vote No. The TPP will hurt American farmers, workers, and consumers, in the name of the profits of multinational corporations.**

*For more information, visit [www.FarmAndRanchFreedom.org](http://www.FarmAndRanchFreedom.org)  
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