

## **House Democrats float blueprint for greener NAFTA**

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Top House Democrats who are skeptical of multinational trade deals yesterday unveiled a set of green-tinted principles to guide President Trump in fulfilling his campaign pledge to renegotiate the North American Free Trade Agreement.

The resolution, sponsored by Rep. Peter DeFazio (D-Ore.) and backed by labor groups and more than a dozen Democrats, urges Trump to "deliver on one of his key campaign promises — to negotiate a new trade policy for the United States of America," DeFazio said at a press conference.

Noting that he opposed NAFTA in 1993, DeFazio said his concerns over the deal among the U.S., Canada and Mexico have shown to be true in the intervening decades.

"The promises were hundreds of thousands of jobs for Americans," he said. "Those promises of course were not borne out. Instead we saw hundreds of thousands of jobs lost and exported across the border where labor is not allowed to organize, where environmental laws are not in place and where these companies can pay low wages and then re-export to the U.S."

DeFazio singled out for criticism NAFTA's Investor-State Dispute Settlement (ISDS) process, which allows multinational firms to challenge government decision in a private tribunal.

Keystone XL pipeline developer TransCanada Corp. last year filed a \$15 billion claim against the United States under the process, accusing former President Obama of unjustly politicizing the approval process (Energywire, June 27, 2016).

The resolution calls for the elimination of both the ISDS process and tribunals under Chapter 19 of NAFTA, which allows for challenges to anti-dumping duties.

DeFazio likened the provision to "ceding our sovereignty" and blamed it for the long-running battle between the U.S. and Canada over softwood lumber exports.

DeFazio also railed against another long-standing NAFTA-related controversy: the battle over allowing Mexican trucks onto U.S. highways.

President Clinton delayed a plan to allow Mexican trucks to cross the border, citing safety concerns, prompting arbitration that eventually ruled the delay breached the deal.

"We now have Mexican trucks which don't meet U.S. safety standards, Mexican truck drivers who don't have meaningful driving records or commercial driver's licenses, and are not subject to drug testing and/or hours of service in Mexico, driving in the United States," DeFazio said.

"That's unacceptable," DeFazio said. "It's a safety hazard, and it's also a loss of jobs here in the United States of America."

'More than tweaking'

Debbie Sease, the Sierra Club's director of lobbying and advocacy, said trade deals "must protect people, the planet and not just corporate profits."

She said, "NAFTA has undermined environmental protections, eliminated jobs, increased air and water pollution, eroded wages, and fueled climate change."

Noting that Trump this week called for "tweaks" to NAFTA during his meeting with Canadian Prime Minister Justin Trudeau, Rep. Rosa DeLauro (D-Conn.) called for the president to go further.

"The deal needs more than tweaking," she said. "It needs to be renegotiated."

DeFazio's resolution calls on Trump to initiate a renegotiation of NAFTA by June 1, including "strong, binding and enforceable" labor and environmental protections.

It urges trade policies that meet the terms of the Paris climate agreement and other international environmental deals, as well as the inclusion of provisions to tax imports "made under highly climate polluting conditions."

It calls for the inclusion of language safeguarding "each country's energy independence and autonomy over environmental policy by excluding terms such as those contained in NAFTA's energy chapter, which require countries to maintain proportionate shares of energy exports even at times of domestic shortage or planned production reduction while enabling challenges to widely-used climate policies."

Other desired provisions include:

- Protections against currency manipulation.
- "Strong rules" on origin of cars, auto parts and other manufactured goods.
- The elimination of procurement rules that "undermine" American-made goods.
- A requirement that imports and foreign companies operating in the United States adhere to domestic laws.

DeFazio conceded that Trump is unlikely to make environmental protection a major priority in any trade renegotiations.

"But here's the bottom line: If he really wants to change American trade policy away from something that's been a disaster for the working people, many of whom voted for him, he's going to have to work with us," he said.

"Because he's going to be fought tooth and nail by the Paul Ryans, the [Kevin] Bradys and the [Mitch] McConnells of the world who are knee-jerk corporate free traders and want to defend the status quo of trade agreements."

Sease of the Sierra Club was also not optimistic that Trump would emphasize environmental protection in new trade talks.

"But the fact that he is not putting forward good environmental policy does not keep us from wanting to hold him accountable for promises that he made," she said. "So we will hold him accountable, we will set that bar."

The White House did not respond to a request for comment.