

To build a new approach to trade that supports—not undermines—climate action, we must turn the status quo model on its head. We start from a simple premise that is fundamentally at odds with the status quo: Trade and investment should be treated as tools for advancing human priorities—not ends in and of themselves.

New trade deals, including any NAFTA replacement, should encourage trade and investment that support a more stable climate, healthy communities, and good jobs, while also discouraging trade and investment that do the opposite.

THREE CLIMATE-FRIENDLY CHANGES

A Sierra Club discussion paper (sc.org/DiscussionPaper) offers 15 proposals for how to bring decades-old trade rules, found in pacts like NAFTA, into alignment with today's climate imperatives. These proposals have been informed by input from over 50 academic and civil society trade and climate specialists. They seek to fulfill three core goals:

1. Changing trade rules to protect climate policies

Trade rules that conflict with climate action should be eliminated to allow communities and governments to advance bold climate protections without fear of being challenged in trade tribunals. Our proposal would not allow corporations to sue governments in private tribunals over climate policies—or any policies. Another proposal would require the U.S., India, and all countries to stop attacking each other's "buy local" renewable energy policies at the World Trade Organization. We also propose a straightforward provision stating that whenever trade rules clash with climate policies, the climate policies win.

2. Stopping a race to the bottom in climate protection

Trade pacts should establish a floor of climate protection among trade partners to avoid a race to the bottom in climate standards. While status-quo deals like the TPP and

NAFTA don't even mention the words "climate change," tomorrow's trade agreements should require enforcement of international climate commitments, elimination of fossil fuel subsidies, and financing for renewable energy investments. Under this new model, if a government or corporation failed to live up to its climate responsibilities, the communities most affected by climate change could seek justice before a panel of climate experts.

3. Mitigating the climate impacts of trade

A climate-friendly trade model should encourage trade in goods that support the public interest but discourage trade in climate-polluting fossil fuels. Trade pacts should also tackle climate pollution from shipping—we propose a new way to do so. And to ensure that a country's climate protections don't offshore jobs or climate emissions, trade agreements should include taxes on imported goods made under highly climate-polluting conditions.

HOW WOULD YOU #TRANSFORMTRADE?

These proposals, and others detailed in our discussion paper (sc.org/DiscussionPaper), will be further refined as we continue to collect feedback on what climate-friendly trade policies could look like.

We look forward to working with our grassroots and our partners to stitch these climate-focused ideas into a broader proposal for a new approach to trade that promotes good jobs, healthy communities, and a livable planet. Please help us build a new trade model by sending your input to [*climate-friendly-trade@sierraclub.org*](mailto:climate-friendly-trade@sierraclub.org).

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