



THE TRANS-PACIFIC PARTNERSHIP: A Threat to Our Air, Water, and Climate

The Trans-Pacific Partnership (TPP) — a controversial trade pact between the U.S. and 11 other Pacific Rim nations that could come before Congress this year — would be bad news for our air, water, climate, jobs, and communities.

NEW RIGHTS FOR FOSSIL FUEL CORPORATIONS TO CHALLENGE CLIMATE PROTECTIONS

The TPP would undermine efforts to address climate disruption and keep fossil fuels in the ground by empowering multinational fossil fuel firms to use the investor-state dispute settlement (ISDS) system to challenge environmental safeguards in private trade tribunals. Corporate lawyers — not judges — make the decisions in these tribunals, which are not accountable to any domestic legal system.

- The TPP’s extraordinary rights for multinational corporations virtually replicate those in past pacts that have enabled corporations to launch nearly 700 cases against more than 100 governments. These corporations have challenged, for example, a moratorium on fracking in Quebec, a court order to pay for oil pollution in Ecuador, and restrictions on a coal-fired power plant in Germany. TransCanada is now asking an unaccountable ISDS tribunal to order the U.S. government to pay \$15 billion for rejecting the Keystone XL tar sands pipeline.
- The TPP would extend ISDS rights to over 9,000 additional firms operating in the U.S. — roughly doubling the current number. This includes hundreds of fossil fuel firms, such as the subsidiaries of BHP Billiton, one of the U.S.’s largest foreign investors in fracking and offshore drilling.

- The TPP would nearly double the number of multinational fracking corporations that could challenge new U.S. fracking restrictions in unaccountable ISDS tribunals.
- The TPP would enable oil and gas corporations with nearly 1 million acres’ worth of U.S. offshore drilling leases to use this private tribunal system to try to undermine new offshore drilling restrictions.

INCREASED CLIMATE-DISRUPTING EMISSIONS

Though trade can significantly increase climate-disrupting emissions, the TPP text fails to even *mention* the words “climate change.” The omission is alarming, given that the TPP would increase emissions by:

- Offshoring U.S. Manufacturing and Increasing Shipping: The TPP would shift U.S. manufacturing to countries like Malaysia and Vietnam, where production is two to four times as carbon-intensive as in the U.S. This also would increase shipping-related emissions.
- Escalating Tropical Deforestation: In TPP-member Malaysia, new oil palm plantations are the primary cause of tropical deforestation. The TPP’s elimination of tariffs, or import taxes, on palm oil would encourage oil palm expansion and more climate-disrupting deforestation.



THE TPP WOULD FACILITATE INCREASED FRACKING

ENCOURAGING FOSSIL FUEL EXPORTS AND FRACKING

Under the TPP, the U.S. Department of Energy would be required to automatically approve all exports of liquefied natural gas (LNG) to *all* TPP countries—including Japan, the world’s largest LNG importer. This would facilitate:

- Greater global dependence on a fossil fuel that causes significant climate pollution;
- More construction of fossil fuel infrastructure, which would lock in the production of fossil fuels; and
- Increased fracking, leading to greater air and water pollution and increased health risks.

CONSERVATION THREATS, NOT PROTECTIONS

The TPP’s environmental provisions, while broad, are generally very shallow. In some respects, they take a step back from past trade deals. The TPP even includes new threats to animals and ecosystems.

- **Threats to Endangered Animals:** Rather than *banning* commercial whaling and shark finning—major issues in TPP countries—the TPP would encourage *increased* trade in shark fins by eliminating the tariffs that major shark fin importers like Vietnam and Malaysia impose

on major exporters like Mexico and Peru. The deal also would eliminate tariffs on certain elephant ivory, undercutting efforts to ban all ivory trade to protect endangered elephants.

- **Multilateral Environmental Agreements (MEAs)**
Rollback: All U.S. free trade deals since 2007 have required trade partners to “adopt, maintain, and implement” policies to fulfill their obligations under *seven* core MEAs. Yet the TPP only includes this requirement for *one* of the seven MEAs. This regression contradicts U.S. law for fast-tracked trade deals and would allow TPP countries to violate critical environmental commitments to boost trade or investment.
- **Weak Conservation Rules:** While the TPP environment chapter mentions various conservation issues, the deal mostly includes weak obligations for countries to address these challenges. For example, rather than prohibiting trade in illegally taken timber and wildlife, the TPP only asks member countries to “combat” such trade at their “discretion.”
- **A Failed Enforcement System:** Even if the TPP’s conservation terms included stronger obligations, there is little evidence to suggest that they would be enforced. The U.S. has never once brought a case against another country for violating environmental commitments in a trade deal, even amid widely documented violations under trade deals with the same enforcement mechanism as the TPP.

The polluter-friendly TPP poses an array of threats to our climate and environment. Instead of subjecting the world to yet another dangerous trade deal, we need a new model of trade that protects communities and the environment.