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Environmental chapter of the Peru trade agreement marks a significant step forward

Statement by Center for International Environmental Law, Defenders of Wildlife, Earthjustice, Environmental Investigation Agency, Friends of the Earth, Natural Resources Defense Council, Sierra Club

The environmental provisions included in the final text of the Peru Free Trade Agreement mark a significant step forward, and we commend the Democratic leadership for this achievement, which reflects the concepts in the May 10 trade policy agreement.

The changes to the U.S.-Peru trade agreement, announced yesterday, include measures in the core text of the agreement to stop the flow of illegally logged timber from Peru, a major cause of deforestation in the country. This is the first bilateral trade agreement to recognize and seriously address this globally pervasive problem.

In addition, the environmental chapter contains requirements for countries to fulfill their obligations under a selected set of Multilateral Environmental Agreements.

Effectively implementing these provisions will require political will on the part of both the United States and Peru.

The progress made on the Peru FTA is encouraging and should be the starting point for setting our trade policy on a new course. However, this deal should not be seen as a final template for trade deals generally or for trade negotiation authority. Much work still remains to be done on the investment and other provisions of our trade rules to ensure that they strengthen, rather than undermine, environmental protections at home and abroad.

Among others, the Annex on Forest Sector Governance includes innovative provisions to:

Allow the United States to detain questionable shipments of timber products, pending verification that the products were harvested and traded legally.

Establish an independent government oversight body to review compliance with forestry laws and supervise Peru's institutionally weak forestry agency.

Create a "focal point" in Peru's government to investigate and prosecute forest crimes.

Bring the trade in internationally protected tree species into compliance with the Convention on International Trade in Endangered Species (CITES).

Develop systems to track CITES-protected tree species from harvest through transport, processing and export. These systems, if effectively implemented, could provide a model for legal chain-of-custody timber tracking worldwide.

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