

## **U.S. Civil Society Declaration on the KOR-US FTA**

We, the undersigned U.S. civil society organizations, express our deep concerns over the proposed U.S.-Korea Free Trade Agreement (KORUS FTA). We believe that the current model agreement, which so far has provided enormous benefits for a disproportionate few, will not likely generate widely shared economic prosperity for the majority of persons in the U.S. and South Korea. Indeed, some of the provisions under negotiation could jeopardize important public interest gains or narrow the policy space of governments to respond to the needs or wants of their citizens. We wholly embrace economic and cultural relations with South Korea, but wish to make certain that the terms of that relationship are equitable to all. In evaluating any trade agreement, we will be guided by the following principles.

**Democracy, Transparency, and Accountability:** Trade agreements must be negotiated under democratic mechanisms with broad-based citizen participation including workers, women, and indigenous and ethnic groups. The draft text, member country proposals, and negotiating agendas should be made available to civil society at regular and timely intervals in order for civil society participation to be meaningful. Negotiators should also meet with civil-society groups before each negotiating session, in order to discuss the proposals being advanced, and afterwards in order to report back on the results of those talks. Trade agreements must be subject to regularly scheduled environmental and social reviews by an independent body, which include an evaluation of the agreement's impact on workers, women, people of color and indigenous communities. Any dispute arising under the agreement must be resolved in an accountable and transparent manner, with due deference to domestic laws and court systems. Trade disputes must be open to the public, and accept submissions from interested outside parties.

**Workers' Rights:** Any trade agreement with Korea must ensure that all workers can freely exercise their basic rights as laid out by the 1998 ILO Declaration on Fundamental Principles and Rights at Work: freedom of association, the right to organize and bargain collectively, to refuse forced labor, to reject child labor, and to work free from discrimination. These rights must be recognized and protected in trade agreements and covered by dispute resolution and effective enforcement mechanisms. Any trade agreement with the region must also ensure that immigrant workers' rights are protected fully regardless of their status. Technical assistance to improve labor standards in Korea can complement, but not substitute for, enforceable rules on workers' rights. Finally, a trade agreement with Korea must include adequate protections and transitional assistance for rural and urban workers and farmers in Korea and the United States who are adversely affected by increased trade.

**Protecting Family Farms:** No free trade agreement should prevent countries from establishing their own domestic agricultural policies that promote food sovereignty, appropriate for their particular economic conditions, geographic characteristics and cultural practices and beliefs. Trade agreements must not interfere with the ability of countries to prohibit dumping of agricultural products that undermine the well being of family farmers and rural communities. Farmer's livelihoods will be left at the whim of large agribusiness interests unless exporting countries of major commodities take the lead in establishing price floors to assure fair commodity prices worldwide and establish strategic international reserves to ensure food security. These mechanisms are necessary to prevent the pricing and export of commodities by

agribusiness corporations at below a farmer's cost of production. Countries must be allowed the flexibility to establish tariffs and appropriate types of subsidies to prevent a total collapse of rural economies and mass migration.

**Environmental Protection and Natural Resources:** Trade agreements must not undermine any environmental standards but strengthen and enforce them. Trade rules must ensure that private investors cannot challenge domestic environmental and other public interest laws and regulations before international tribunals. Agreements should also reinforce governments' responsibility to protect and promote farmer rights regarding plant genetic resources for food and agriculture as stated in the Treaty on Plant Genetic Resources for Food and Agriculture, including not limiting any rights that farmers have to save, use, exchange or sell seeds and other propagating material as afforded to them by national laws.

**Protecting Basic Services:** Services that help meet people's right to food, education, health and basic utilities should be exempt from trade rules. In Korea there is deep concern that applying trade rules to these services, especially public services, would make it harder for governments to adequately support and regulate these services, resulting in price increases that are prohibitive to consumers, reduced access and compromised quality.

**Foreign Investment and National Development:** Investment rules must allow governments the leeway to implement legitimate economic development strategies for domestically oriented growth, especially to promote decent employment, to support domestic industries and investment, and to encourage the emergence of new and infant industries. Investors must have binding responsibilities – including compliance with international and national labor and environmental standards – not just rights. Governments must have the authority to regulate capital flows in order to prevent and redress financial crises. Finally, investor-to-state lawsuits must not be part of trade agreements.

**Intellectual Property Rights:** A trade agreement with Korea should not include rules that go beyond the existing intellectual property rights agreement of the WTO that may adversely impact women, farmers' rights, food security, traditional knowledge and the protection of public health. Trade agreement's rules should comply with the Doha declaration on access to medicines and with the Convention on Biological Diversity. Intellectual property rules must not limit countries' ability to prohibit patents on genetic plant resources for food and agriculture.

**Procurement:** Procurement rules must not prevent governments from using tax dollars to support responsible purchasing and contracting practices that favor local suppliers or contain other non-commercial criteria. National and sub-national governments must retain the ability to use government procurement policies to promote local employment, assist small and medium-sized businesses, safeguard workers' rights and human rights, and achieve other legitimate social and environmental goals.

Therefore, we the undersigned U.S. civil society organizations, declare our opposition to any trade agreement, including the Korea-U.S. FTA, should it fail to protect workers' rights, human rights, food security, and environmental standards, and undermine the ability of governments to regulate corporations to protect the common good. We stand in solidarity with the Korean

people, and are resolved to press our government to reverse its course on trade. We call on our government to reject the failed NAFTA-style free trade model, and strengthen economic and trade relations with other countries based on the principles of mutual benefit, respect for democratic rights, and national sovereignty.

*(List in Progress)*

Alliance for Responsible Trade

American Federation of Labor – Congress of Industrial Organizations (AFL-CIO)

Korean Americans for Fair Trade

SweatFree Communities