



Trade Facts

Office of the United States Trade Representative
Bipartisan Agreement on Trade Policy
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Bipartisan Trade Deal

The Bipartisan Trade Deal announced Thursday May 10 provides a clear and reasonable path forward for Congressional consideration of Free Trade Agreements with Peru, Colombia, Panama and Korea. The new trade policy template also opens the way for bipartisan work on Trade Promotion Authority. This will ensure the creation of new economic opportunities for American farmers, ranchers, manufacturers, service providers, more choices for consumers, and help guarantee that the benefits of trade extend to all people.

I. Internationally-recognized labor principles incorporated into trade agreements

- Enforceable reciprocal obligation for the countries to adopt and maintain in their laws and practice the five basic internationally-recognized labor principles, as stated in the ILO Declaration on Fundamental Principles and Rights at Work.
- Enforceable obligation to effectively enforce labor laws; five basic internationally-recognized labor principles from the 1998 Declaration, plus acceptable conditions of work. A violation must occur in a manner affecting trade or investment between the parties.
- Only a government can invoke dispute settlement against the other government for a labor violation under an FTA. Labor obligations subject to the same dispute settlement procedures and remedies as commercial obligations.

II. Multilateral Environmental Agreements incorporated into trade agreements

- Specific list of multilateral environmental agreements (MEAs) incorporated in FTAs for the first time including: the Convention on International Trade in Endangered Species (CITES), Montreal Protocol on Ozone Depleting Substances, Convention on Marine Pollution, Inter-American Tropical Tuna Convention (IATTC), Ramsar Convention on Wetlands, International Whaling Convention (IWC), and Convention on Conservation of Antarctic Marine Living Resources (CCAMLR).
- FTA environmental obligations will be enforced on the same basis as the commercial provisions of our agreements – same remedies, procedures, and sanctions.
- In connection with the Peru FTA, we have agreed to work with the Government of Peru on comprehensive steps to address illegal logging, including of endangered mahogany, and to restrict imports of products that are harvested and traded in violation of CITES.

III. Other Key Elements to Deal:

- Additional flexibilities for developing countries to foster Innovation and promote access to life-saving Medicines. The agreement preserves a strong overall level of protection for intellectual property in developing country free trade agreements, and furthers our developing country trading partners efforts to achieve the best possible balance between fostering innovation in, and promoting access to, life-saving medicines.
- Agreed upon preamble provision recognizing that foreign investors in the United States will not be accorded greater substantive rights with respect to investment protections than United States investors in the United States.
- Provision clarifying that FTA parties may insert requirements in their government contracts that suppliers must comply with core labor laws in the country where the good is produced or the service is performed.
- Provision clarifying that an agreement's "essential security" exception, which can be invoked to override any FTA obligation, including on port services, is not subject to challenge.