



June 12, 2017

Robert E. Lighthizer
United States Trade Representative
600 17th Street NW
Washington, DC 20508

Re: NAFTA Negotiations

Dear Mr. Lighthizer,

We write to you today on behalf of more than 650 national and local faith communities across our country. As the United States begins renegotiating the North American Free Trade Agreement (NAFTA), Jubilee USA urges that our negotiating objectives protect vulnerable communities, reduce poverty and promote inclusive economic growth.

Trade agreements can be powerful tools in reducing global poverty and hunger. Agreements should promote economic growth and development; include only dispute mechanisms that are fair and participatory; and protect access to medicines for the poor. Specifically, Jubilee USA encourages the following:

- **Create Fair and Democratic Dispute Mechanisms:**

Investor-State Dispute Settlement (ISDS) mechanisms allow companies to sue countries over disputes related to trade agreements. In Chapter 11 of NAFTA, an investor of one NAFTA party can sue any party country before an arbitration tribunal. NAFTA's Chapter 11 creates a problematic method to resolve disputes by creating a process that can undermine domestic laws with substantial impact on the residents of each country. Predatory financial firms are known to use the tribunals to sue countries in economic distress to collect on debts purchased on the secondary market. We are also concerned about the use of ISDS tribunals to discourage governments from acting for the public welfare on a range of issues including the environment, labor and health.

Recommendation:

If NAFTA's Chapter 11 remains in a renegotiated agreement, Jubilee USA supports creating a new dispute mechanism that is transparent, accountable and includes equal respect for human and labor rights, creation care and promotion of the public good. This would include a thorough review and reframing of the causes of action to ensure these panels respect and defend not only the property rights of investors but the right of all peoples to work and live in clean, safe and secure environments. The status quo, with enforceable rules for property rights and flexible guidelines for other important human rights, is incompatible with equitable development. Moreover, sovereign debt should be exempted from ISDS authority.

- **Protect Access to Medicines:**

Jubilee USA is deeply concerned about trade policies that would raise the cost of life-saving medicine for poor communities. Our bipartisan debt relief victories won billions of dollars for health care around the world. Trade deals

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that make it harder for communities to access affordable generic medications undermine those victories.

Recommendation:

Jubilee USA opposes provisions that delay the availability of price-lowering generic competition for pharmaceuticals, including requirements for secondary patents, data obligations that grant additional monopoly protection to pharmaceutical companies, mandatory patent term extensions, and requiring new forms of intellectual property enforcement.

- **Promote Economic Growth and Development:**

NAFTA increased trade among the United States, Canada and Mexico, but it did not expand fair economic growth, particularly for Mexico, the only developing nation in the agreement. Including sustainable development goals in trade agreements can increase broad participation in economic decision-making.

Recommendation:

Jubilee USA supports considering the implications of trade provisions in NAFTA and other trade agreements on developing countries and supports building the capacity of developing countries to be able to fully benefit from the availability of increased trade.

We are eager to continue to work with you to ensure that all trade agreements and economic policies benefit all people, particularly the most vulnerable. On behalf of our national religious coalition, we express our gratitude for your public service. We hold you and all who work with you in our prayers.

Sincerely,



Eric LeCompte
Executive Director



Jennifer Hojaiban
Deputy Director