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RETHINKING TRADE, KENYA AND THE ENVIRONMENT

A New York Times article entitled *Big Oil is in Trouble. Its Plan: Flood Africa with Plastic*, reveals that chemical and oil and gas companies, now facing growing opposition to plastic bags and other goods that create a waste problem (including plastic waste imports), want China cutting them off from to use Africa as a dumping ground. Their plan is to use Kenya as a lever to undermine African countries' plastic laws and they are using the US-Kenya Free Trade Agreement negotiations to do this – It is a classic example of how trade deals can chip away at, or get rid of, a country's domestic environmental regulations.

Many of the details of trade deals have nothing to do with trade. Rather, they impose new limits on government regulatory authorities on behind-the-border issues like whether a country can ban plastics waste or single-use plastic bags; or create new rights or privileges for corporations, such as monopoly protections for pharmaceutical firms to charge high prices for medicines; or rights for foreign investors to operate without meeting local laws. These rules typically are enforced through a provision in most trade agreements that states, "The signatory country shall conform domestic laws, regulations, and administrative procedures to the terms of the agreement," (that's the wording in the World Trade Organisation (WTO) version.

“The changes needed to support living-wage jobs, combat the climate crisis, and make medicines accessible for all, won’t be possible unless we overhaul our corporate-rigged trade system.”

Lori Wallach, Trade Expert and Activist with *Public Citizen*.

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It means that a country like Kenya that 30 years ago signed the multilateral environmental agreement, The Basel Convention, and has recently designated plastic waste as a hazardous waste that can be banned under that international agreement, can be in violation of the terms of a trade deal. Kenya is a leader throughout sub-Saharan Africa in establishing strong plastics waste laws, including not allowing single-use bags. But because of the standards that the big companies wedge into trade agreements such plastic waste laws can be designated as “illegal trade barriers.” Suddenly, a domestic law is in violation of a so-called trade agreement although it has nothing to do with trade. A developing country can face trade barriers and actual sanctions against its exports, as well as tariffs and taxes for not changing domestic laws such as an environmental protection. Some oil, gas and chemical corporations have lobbied the US negotiators to use the US-Kenya Free Trade Agreement to try to set a policy to make Kenya reverse its toxic pollution rules with respect to plastics and become open as a dumping ground for these companies' waste. They also wanted Kenya to be open for the sale of petroleum-based products like single-use plastic bags. That is how a reasonable domestic environmental law, totally unrelated to trade, can get hijacked through close-door trade negotiations.

Trade expert, Lori Wallach. sees how trade agreement rules undermine domestic laws.

- In the behind closed door negotiations, an industry lobbyist can also be an official US trade advisor. There are 500 US trade advisors with ties to corporations, but there are only a handful of unions and an even smaller handful of environmental groups to counter corporate interests pushing for deregulatory policies in trade agreements. The trade negotiators pressure the country with “You better change *blah blah* law or we won’t do this trade agreement.” Or, “We’ll cut your access to the US.”
- The investor-state tribunals. A private entity can challenge a government and extract cash for not meeting trade agreement rules. Kenya is doing the right things on plastic pollution and the US should be cooperating to promote those kinds of environmental and health initiatives instead of a booby trap trade agreement that will create laws unrelated to trade for the benefit of some corporations.

Currently, this free trade agreement has no upside for development or for the environment, or for US jobs, and it is counterproductive for Kenya. If this agreement tried to help workers or the environment in either country, or build foreign relations and reputation, that would be more productive. It’s just not the right thing to be doing. (There is no information yet about where the Biden Administration stands in relation to the deal.)

Sources: *‘Big Oil is in Trouble. It’s Plan: Flood Africa with Plastic’* by Hiroko Tabuchi, Michael Colverly and Carlos Mureithi; Ryan Harvey interview with Lori Wallach, *‘Rethinking Trade, Season 1 Episode 19, Kenya and the Environment’*, *Eyes on Trade*, 28 September 2020, condensed and edited by Mary Boyd MaryBoyd@live.ca

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MERCOSUR TRADE AGREEMENTS: ACCELERATING THE TIPPING POINTS OF CLIMATE AND LAND USE

Mercosur is a trading bloc founded in 1991 by Argentina, Brazil, Paraguay, Uruguay and Venezuela, although Venezuela was suspended in 2016. Canada, the EU and the European Free Trade Association (EFTA) composed of Switzerland, Liechtenstein, Norway and Iceland, are currently negotiating trade deals with Mercosur.

These trade deals would be devastating for the environment. According to Scott Sinclair of the Canadian Centre for Policy Alternatives, continuing to pursue standard Canadian-style free trade deals with as many countries as possible, poses risks to the country’s public policy and democratic governance, risks that have little to do with trade. He says, **to create a fairer and more just trade and investment model, it will be essential for Canada to:**

- **Eliminate investor-state dispute settlement provisions and investment protections in trade deals that threaten the right of duly-elected governments to regulate in the interests of their citizens and the environment;**
- **Scale back excessive intellectual property rights, especially those that threaten user rights, privacy and access to affordable medicines;**
- **Fully protect the right to preserve, expand and create public services without trade treaty interference;**
- **Ensure parties adopt and implement key international human rights commitments, including those that protect Indigenous rights and sovereignty;**
- **Build in binding obligations to reduce and mitigate the effects of climate change; and include robust protections for cultural industries and cultural diversity,**

A progressive trade agreement must, at minimum, include strong, fully enforceable Labour standards and include obligations to ensure that each country enforces high domestic environmental agreements (including the Paris Agreement). Achieving these two prerequisites of a progressive trade agenda will likely be difficult in the context of a free trade agreement (FTA) with Mercosur. Canadian non-governmental organisations and citizens want the federal government to halt negotiations on the deal and make a public statement that the assault on the environment and human rights by the government of Brazilian President, Jair Bolsonaro, is unacceptable to Canada.

Europeans are also voicing the same message, saying, “Provisions in the EU-Mercosur FTA conflict with ambitious climate action.” If enacted, the agreement would result in an increase in EU imports of primary agricultural commodities from a region crucial for maintaining global diversity and regulating climate. Based on available information, if ratified the EU-Mercosur agreement would:

- **Be an incentive for socially and environmentally destructive land use change, edging the Amazon further towards its “tipping point.”**
- **Facilitate further destruction of the Gran Chaco** (a “forgotten wilderness” of over 65 million hectares of dry and wet forests and savanna) **and the Cerrado** (the largest Savana region in South America and the largest ecoregion in the Americas).
- **Increase greenhouse emissions, undermining climate goals in both regions.**
- **Fail to ensure supply chain traceability and sustainability standards, effectively empowering agribusinesses in both regions to expand business as usual.**

The EU pledged climate action and launched the European Green Deal in 2019. It is set to increase its climate pledge to 55%-60% below 1990 levels and become carbon neutral by 2050.

At least 20% of the Brazilian Amazon and 17% of the entire Amazon Basin have already been deforested. The agreement could propel the region closer to breaching the Amazonian tipping point. According to renowned scientists Thomas Lovejoy and Carlos Nobre, the tipping point is anywhere between 20-25%. After that point, the Amazon will begin to switch from being a net carbon sink to a carbon source, debilitating the water cycle in the great Mercosur region with catastrophic impacts for the population. The scientists have urged governments to take decisive action to limit the destruction to below 20%. Between August 2019 and July 2020, according to Brazil’s National Space Research Institute, (INPE) 11,087 square kilometres were deforested in the Amazon, the highest rate of deforestation since 2008.

Source: Scott Sinclair, ‘Canada is wrong to think that we need a Free Trade Agreement with Mercosur’, The CCPA Monitor, condensed by Mary Boyd. Shefali Sharma, Institute of Agriculture Trade Policy Europe, December 2020, summarized and edited by Mary Boyd MaryBoyd@live.ca

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HUMAN TRAFFICKING

A United Nations Office on Drugs and Crime (UNODC) report issued in February 2021, states that the number of children among detected trafficking victims has tripled in the past 15 years. Human trafficking is suspected to have increased considerably since the advent of the COVID-19 crisis. Traffickers target the most vulnerable, such as migrants and people without jobs. Female victims continue to be the primary target for trafficking in persons. For every ten victims detected globally in 2018 about five are adult women and two are young girls. About 20% of human trafficking victims are men and 15% are young boys.

An Interfaith tool kit produced by the United Nations Children’s Fund (UNICEF) USA, estimates there are 20.9 million people, including 5.5 million children who are victims of forced

labour or human trafficking today – 11.4 million women and girls and 9.5 million men and boys. Trafficking and forced labour generate an estimated \$150 billion in yearly profits. Individuals are trafficked into forced labour, debt bondage, child labour, domestic servitude, prostitution, pornography, sex tourism, forced marriage, forced begging, organ removal, armed conflict and more. The kit states that the Christian tradition, rooted in the values of compassion, serving others, love and social justice and based on the Hebrew Scriptures and the Gospels, mandates us to do justice and work to eradicate this violence.

The Power of Pentecost in a Broken World

At the core of the Christian worldview is a contradiction that is highlighted in the readings for the feast of Pentecost. The **Truth of Life** is the reality of a divided world, a post-Babel (Genesis 11:1-9) world torn apart by sin, factionalism, suffering, and marginalization. Pope Francis describes this in *Evangelii Gaudium (EG)*.

“The majority of our contemporaries are barely living from day to day, with dire consequences. A number of diseases are spreading. The hearts of many people are gripped by fear and desperation, even in the so-called rich countries. The joy of living frequently fades, lack of respect for others and violence are on the rise, and inequality is increasingly evident. It is a struggle to live and, often to live with precious dignity.” (EG 52). It is tempting to become like the apostles and fearfully withdraw from the world behind locked doors, overcome by powerful and complex oppressive forces. Why should I care?

Truth of Faith

The Christian worldview includes a hopeful vision of salvation, healing, and redemption. The Hebrew prophets, and the preaching of Jesus, proclaimed that another world is possible. Oppressive, exploitative social arrangements are not inevitable nor are they reflective of God’s will. Followers of Christ are called to proclaim God’s Kingdom, which is best captured by the Book of Isaiah’s image of the peaceable kingdom (Isiah 11:1-10) and the Gospel of Luke’s frequent depiction of a great banquet, where inequalities disappear and the oppressed will be nourished (Luke 14:15-24).

Here is where the **truth of action** emerges. We must be people of action, working to transform the realities of the present age to be more in line with the values embodied by God’s kingdom. We are called to join together to take action beyond individual acts of charity to transform the present reality. Real social change in a world marked by structural sin, conflict and inequality demands organized efforts.

It is not enough to receive the Holy Spirit without going out to the peripheries to serve others. It is not enough to honour the prophets of the Kingdom, without acting for it in our own lives. And, it is not enough to simply act by ourselves. The gift of the Holy Spirit challenges us to act in effective ways for the common good. The most effective way to bring about positive social change is through communities and social movements that are actively engaged in changing the structures of society.

Source: Kevin Ahearn, The Power of Pentecost in a Broken World, Daily Theology, summarized and edited by Mary Boyd MaryBoyd@live.ca

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The Bulletin is currently produced by two networks: *Justice and Trade Agreements* and *Human Trafficking*.

Coordinators: JTA - Mary Boyd (maryboyd@live.ca); Alison Healey (grailsydney@ozemail.com.au);

HT – Patricia Foito e Camisao (pcamisao@gmail.com); Angelina Kyondo (mksgrail@yahoo.com).

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