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## Environment

The Trans-Pacific Partnership (TPP) levels the playing field for American workers and American businesses, leading to more Made-in-America exports and more higher-paying American jobs here at home. By cutting over 18,000 taxes different countries put on Made-in-America products, TPP makes sure our farmers, ranchers, manufacturers, service suppliers, and small businesses can compete—and win—in some of the fastest growing markets in the world. With more than 95 percent of the world’s consumers living outside our borders, TPP will significantly expand the export of Made-in-America goods and services and support American jobs.

### EXECUTIVE SUMMARY

The Asia-Pacific region faces an array of environmental challenges, including wildlife trafficking, illegal logging, illegal fishing, and marine pollution—which threaten human health, habitat and biodiversity. TPP’s Environment chapter, the most far-reaching ever achieved in a trade agreement, takes on

these challenges by:

- Creating enforceable commitments across a range of environmental issues and trans-national challenges such as wildlife trade, enforcement of national environmental laws, implementation of multilateral environmental agreements, elimination of environmentally destructive subsidies, and elimination of tariffs and other barriers to trade in environmentally-beneficial products and technologies.
- Developing closer cooperation among TPP governments to address trans-national threats and police environmental crimes such as endangered species trade and illegal fishing more effectively, and to help lower-income countries raise their capacity to administer environmental laws and conservation programs.
- Supporting inclusive and transparent future policymaking through rules requiring publication of laws and regulations, and through promoting broad public participation in policymaking and the TPP implementation.

## **CHAPTER OVERVIEW**

### **Coverage and General Commitments**

The Environment chapter includes commitments by all TPP Parties to effectively enforce their environmental laws and not to waive or derogate from environmental laws in order to attract trade or investment.

### **Dispute Settlement**

Commitments in the Environment chapter will be enforced through the same dispute settlement procedures and mechanisms available for disputes arising under other chapters of the TPP Agreement, including the availability of trade sanctions.

### **Wildlife Trade**

All TPP countries are parties to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), the world's preeminent agreement to protect endangered species. The Environment chapter requires each TPP Party to implement its CITES obligations and effectively enforce its laws and regulations that achieve that end. The chapter also

includes commitments to combat trade in wildlife, plants and fish—whether or not protected under CITES—if they have been taken illegally. These include commitments for TPP members to cooperate by sharing information relevant to the investigation of criminals engaged in wildlife trafficking. In addition, the chapter includes commitments to protect and conserve wildlife and plants in the TPP region, including through action by Parties to conserve specially protected natural areas, such as wetlands; to promote sustainable forest management; and to conserve wild fauna and flora.

## **Marine Fisheries**

TPP caps decades of work in partnership with TPP members, including Peru and New Zealand, to reform fisheries subsidies and promote sustainable fishing, and brings others in the region to the effort—including Japan, operator of one of the world’s largest fishing fleets. The Environment chapter’s commitments for the protection of marine fisheries build on the obligations of certain regional fisheries management organizations, but generalize them beyond particular fishing areas and in some cases break new substantive ground.

For example, TPP countries agree to prohibit some of the most harmful fisheries subsidies, such as those given to illegal fishermen. They also agree to restrain new subsidy programs and enhancements to existing subsidy programs, and create enhanced transparency requirements related to such programs. In addition, the chapter includes commitments to promote sustainable fisheries management; to promote the long-term conservation of species at risk, such as sharks, sea turtles, seabirds and marine mammals; and to combat illegal fishing, including by implementing port state measures and by supporting increased monitoring and surveillance.

## **Environmental Goods and Services**

TPP countries have worked together in the Asia-Pacific Economic Cooperation (APEC) forum to increase trade in environmental goods and services. The TPP includes commitments by all Parties to eliminate tariffs on environmental goods upon entry into force of the agreement, and to facilitate trade in environmental services. Under the Environment chapter, the Parties will work together to address non-tariff barriers on these products and services to further promote trade in environmental goods and services.

## **Multilateral Environmental Agreements (MEAs)**

TPP countries are signatories to many MEAs covering a wide range of environmental issues. However, these agreements may lack binding enforcement regimes. By requiring MEA implementation, TPP provides valuable reinforcements to these commitments. The Environment chapter requires Parties to reaffirm their commitment to implement those MEAs they have joined, effectively enforce their implementing legislation for all MEAs to which they have joined, and work together as they negotiate and implement new MEAs. The chapter highlights and reinforces the commitment to implement common MEAs of particular importance to the Asia-Pacific, including CITES, the Montreal Protocol on Ozone Depleting Substances and the International Convention for the Prevention of Pollution from Ships (MARPOL). Several MEAs are not common to the TPP Parties. For those MEAs dealing with marine species and conservation of wetlands, TPP includes broader, stand-alone commitments for the sustainable management of fisheries, combatting illegal fishing, promoting conservation of marine mammals, and protecting and conserving all specially protected natural areas including wetlands, but also glaciers and other fragile ecosystems. By establishing consistent, enforceable commitments that apply to all TPP Parties equally, we are advancing the basic objectives of the original MEAs and providing for similar levels of environmental protection across the region. And in several cases, TPP goes beyond any previous MEA commitments to establish pioneering new commitments, such as commitments to prohibit harmful government handouts to illegal fishermen, and to take enhanced actions to combat wildlife trafficking—regardless of whether the wildlife is protected under CITES.

## **Transparency**

The chapter establishes expansive commitments on transparency related to the implementation and enforcement of the environment chapter, including commitments by TPP Parties to encourage full public participation in the implementation of the Environment chapter.

## **Access to Remedies for Environmental Harm**

The chapter includes commitments by TPP Parties to ensure access to fair, equitable and transparent administrative or judicial proceedings for enforcing their environmental laws, and to provide appropriate sanctions or remedies for violations of their environmental laws.

## **Cooperation**

Collectively, TPP countries have a wealth of knowledge and experience to share with one another on environmental and conservation issues. TPP will help take full advantage of this by establishing a framework for conducting, reviewing, and evaluating cooperative activities that support implementation of the Environment chapter, and for public participation in these activities.

## **Biodiversity**

The TPP region includes several countries known as biodiversity ‘hot spots’ such as Peru, Vietnam, and Malaysia; and several likewise with unique and sensitive habitat, including Australia, New Zealand, and Alaska and the Canadian Arctic. TPP’s cooperative commitments will promote conservation and sustainable treatment of biodiverse areas, and recognize the importance of maintaining indigenous knowledge and practices.

## **Transition to a Low-Emissions Economy**

TPP countries recognize that the world is in the midst of an energy revolution. The agreement includes commitments to cooperate to address issues such as energy efficiency; the development of cost-effective, green technologies; and alternative, clean and renewable energy sources.

## **Corporate Social Responsibility and Public-Private Partnerships**

The Environment chapter includes commitments to encourage companies to voluntarily adopt corporate social responsibility policies, and to use mechanisms, such as public-private partnerships, to help to protect the environment and natural resources.

## **Implementation**

The Environment chapter establishes a senior-level Environment Committee, which will meet regularly to oversee implementation of the chapter, with opportunities for public participation in the process.

## **NEW FEATURES**

TPP's Environment chapter builds on previous agreements and introduces pioneering commitments in key environment areas, including:

- Prohibitions on some of the most harmful fisheries subsidies, as well as enhanced transparency requirements for fisheries subsidies programs.
- Broad commitments to promote sustainable fisheries management, which can support measures being developed or implemented through relevant regional fisheries management organizations and other arrangements in the Asia-Pacific region; and to address illegal fishing, as well as species-specific protections for ecologically critical and iconic marine species, such as whales and sharks.
- Broad commitments to combat wildlife trafficking beyond CITES.

These provisions enable TPP Parties to work together to address international challenges such as wildlife trafficking and overfishing—issues which do not respect borders and require stepped-up domestic actions combined with enhanced cross-regional cooperation—more effectively than has been possible in any previous Free Trade Agreement (FTA).

## **IMPACT**

As centers of biodiversity, TPP countries cover environmentally-sensitive regions from tundra to island ecosystems, and from the world's largest coral reef to its largest rain forest. The Asia-Pacific region more broadly is also home to some of the fastest-growing markets in the world, the fastest-growing consumer of natural resources and fisheries, and a significant transit point for trade of all kinds—including illegal wildlife, timber, and fish products—from both inside and outside the region, such as elephant ivory and rhinoceros horn. In no region are challenges greater, and in no region is joint action so necessary. TPP's Environment chapter address these challenges in detail, through improving the substance of policies, transparency of policymaking procedure, and cooperation against common threats:

### **Oceans**

TPP countries account for more than one-quarter of global seafood trade, and four out of the top 15 global producers of fisheries products by volume.

They are uniquely placed to address policies damaging to the health of the marine environment, including the subsidization of overfishing.

## **Forests**

TPP countries also account for approximately one-quarter of global timber and pulp production. Timber-producing countries, including TPP countries, reportedly lose as much as \$6 billion per year to illegal logging, including unauthorized logging in protected areas or indigenous lands, exceeding timber concession limits, removal of protected timber species and other violations of national laws.

## **Wildlife**

Five of the TPP countries rank among the world's top 10 most biologically diverse countries, and the Asia-Pacific region encompasses major consumer, transit and export markets for threatened and endangered wildlife. This illicit trade is a threat to the planet and, increasingly, to global security due to links to organized crime.

## **Compliance with MEAs**

MEAs, like those protecting wildlife and plants and the marine environment from ship pollution, contain important commitments to which all TPP countries have signed up. However, these agreements may lack binding enforcement regimes.

## **Domestic Environmental Protection and Enforcement**

The level of enforcement of domestic environmental laws addressing air pollution, water pollution, endangered species, and other environmental matters varies, and some of TPP's lower-income members may require support to strengthen the scientific and regulatory agencies that administer and enforce these laws.

## **Policy Processes**

In the environment as in other areas, TPP is an opportunity to address and reform opaque policymaking processes that can miss critical issues or overlook the interest of marginalized groups. In some TPP countries, scientific and environmental regulatory agencies may need capacity-building

and technical assistance to fulfill their missions both for local environmental protection and for implementation of multilateral rules.

