



Department of Social Development and World Peace

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November 28, 2005

Ambassador Robert Portman
US Trade Representative
600 17th Street, N.W.
Washington, DC 20508

Dear Ambassador Portman,

As the United States engages in the final stage of negotiations for a Free Trade Agreement with the Andean nations of Colombia, Ecuador and Peru, the United States Conference of Catholic Bishops wishes to share our perspective on several issues that are under negotiation.

These concerns are rooted in the Church's teaching on the role of the economy, as well as in the perspectives of church leaders and other partners in the countries involved. Pope John Paul II cautioned in a 1999 statement when addressing the role of the Church in the one America, "If globalization is ruled merely by the laws of the market applied to suit the powerful, the consequences cannot but be negative." The Pope went on to cite "unfair competition which puts the poor nations in a situation of ever increasing inferiority." (Pope John Paul II, *Ecclesia in America*, 1999, no. 20)

We also call to your attention a series of statements on Free Trade Agreements made by Catholic bishops from the United States and across the Hemisphere, including joint statements that have been the fruit of extensive exchanges between and among episcopal conferences. (See excerpts from various statements attached). Following a meeting on the moral dimension of trade integration, bishops from 19 countries in the hemisphere issued a joint communiqué in which they stated: "We believe trade policies must be fashioned in ways that stimulate economic growth while at the same time giving priority to integral human development that builds solidarity, improves the common good of all, and in an essential way reduces poverty, exclusion and hunger. From our experience as pastors among our people, we have both hopes and concerns regarding trade agreements." (Joint Communiqué of Catholic Bishops participating in the "Ecumenical Meeting on Integration in the Americas", September 8, 2005).

Agriculture. A major concern focuses on the agricultural sector and those who live in rural areas. Our fellow bishops and other partners with whom we work have expressed grave fears about the vulnerability of small agricultural producers when confronted with competition by US agricultural products that enjoy a notable advantage due to US governmental policies.

As a consequence of this vulnerability, it is important for Andean countries to be able to protect themselves by, for example, exempting sensitive products from tariff elimination and large quota increases. Certain crops are critical to local and national food security and are produced by small-scale farmers. Also, it would be important for the poorer countries with large amounts of rural poor to avail themselves of safeguards that will protect to some degree their vulnerable populations in situations of import surges, whether these result from large volumes or extremely low prices.

Taking steps to mitigate the considerable risks to and to stabilize the livelihood of small agricultural producers throughout the region is consistent with the US goal of reducing the illegal production of coca and drug trafficking in the Andean region, as well as US goals to reduce incentives for undocumented migration to the United States. The US has a strong security interest in a stable, prosperous rural sector in the Andean region.

Furthermore, because the trade agreement holds risks as well as opportunities for small agricultural producers, principally in the Andean region, we would welcome US initiatives that dedicate more foreign assistance to this sector to help them make the transition to a more open, global market environment, and to benefit directly from trade.

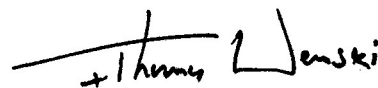
Intellectual Property Rights. We are also concerned about intellectual property rights provisions with regard to pharmaceuticals. The Church locates intellectual property rights within the broader framework of the common good and believes these rights should be balanced with the needs of the poor. We are concerned about the US proposal to extend new patent rights to already patented chemical products if new uses are discovered for them. We are also concerned about the request for periods of “data exclusivity” in which generic drug manufacturers would be prevented from marketing their products. Both proposals may well increase the price of, and therefore access to, essential medicines.

In addition, the bishops of the Andean region minister extensively among indigenous groups. Out of respect for their cultural heritage and in view of their economic development, we hope that the US will give careful attention and deference to the proposal made by the Andean governments that requires commercial agreements to honor the patrimony of these indigenous communities, and to share the benefits of any commerce with groups in which traditional knowledge originated.

Labor Protections: The Church’s teaching on the dignity of work is clear. We support the protection of basic worker rights and of ensuring that trade agreements offer opportunities to strengthen compliance with internationally-agreed worker standards.

In closing, we believe that changes responding to these concerns flow from a moral concern to defend the rights and dignity of the many people, especially in the Andean region, who live in poverty; but they will also greatly enhance the prospect that the Free Trade Agreement will promote fair and sustainable development in their countries and our own, which is in the long-term economic and security interest of the United States. The US Bishops’ Conference stands ready to work with you to make increased trade work for all, especially the poor and disadvantaged.

Sincerely yours in Christ,

A handwritten signature in black ink, appearing to read "Thomas Wenski". The signature is written in a cursive, somewhat stylized script.

Bishop Thomas G. Wenski
Bishop of Orlando
Chairman, Committee on International Policy

**Excerpts from Statements by United States and Latin American Catholic Bishops
on the US-Andean Free Trade Agreement**

“We are concerned that developments in international trade will not unleash the true potential for economic growth, poverty alleviation and integral human development that all people of good will hope for. To this end, we encourage measures that prioritize the life and dignity of all God’s children, especially the poor.”

Communiqué of the Chairman of the Committee on International Policy of the United States

Conference of Catholic Bishops, and Presidents of Social Justice Ministries of the Andean

Bishops’ Conferences February 10, 2005

Agriculture. The provisions under negotiation could leave small farmers and their families in our countries very vulnerable. Given the huge subsidies received by North American agriculture businesses, the time frames and other measures proposed to replace the current price band system may well be insufficient. The programs that exist in our countries for the substitution of coca and other illicit crops would also be affected. Each of our countries needs the flexibility to adopt policies that allow our farmers and rural workers to produce food for their people, maintain a stable income for their families and ensure authentic rural development.

Intellectual property. The U.S. is proposing the patenting of seeds and life forms, in addition to the extension of the existing monopoly period that international pharmaceutical companies enjoy over the sale of medicines. These measures may well endanger farmers’ access to the resources on which they depend, as well as access to medicines particularly by the poor and most vulnerable.

Statement of the Delegation of Bishops from the Andean Region on

Free Trade between the United States and the Andean countries, February 2005.

As pastors of the peoples of Latin America and the Caribbean we are concerned because we see no evidence that the Free Trade Agreements (FTAs) that are being negotiated between the

United States and the countries of the region are capable of increasing opportunities for the poorest and most vulnerable in a way that effectively incorporates them in fair conditions. It is important that interested countries learn lessons from the experiences of the FTA that are currently underway such as those in Mexico and Chile and how they are affecting the poorest and most vulnerable.

Declaration of the Bishops of Latin America and the Caribbean

on Free Trade Agreements, September 9, 2005.

“Taking into account the enormous subsidies received by US agribusinesses, the terms and other measures proposed for replacing the present system of price bands [in the free trade agreement] could be insufficient. Each of our countries must adopt policy that permit farmers and farm workers to produce food for their people, maintain stable income and guarantee authentic rural development. It is necessary to take into account the possible loss of rural employment and the resulting migration to cities or outside of the region, due to the lack of safeguards to protect small and medium agricultural producers.”

“A Free Trade Agreement Must be a Means toward Fairness: Some Elements for Reflection,” Ecuadorian Conference of Catholic Bishops, February 24, 2005

“Because of the extreme poverty in which millions of our fellow citizens live, it is vitally important to take into consideration food security and the preservation of the culture and customs of individuals and peoples... Colombia is an agricultural country with a long history of food production. Our peasant farmers are important to national life, and their situation must be taken into account in international agreements.”

“Nearly 20 million Colombians lack sufficient access to medicines, either because they do not belong to a social security system or because they cannot afford to purchase medicines. We believe it is important to maintain the...legislation on drug manufacturing that is in effect, so as to continue the production of generic drugs and prohibit patents on secondary uses of medicines. Ensuring the production and supply of domestically produced medications of high quality at a low price is a national priority. Health cannot be a matter for negotiation.

“[Policies should include a system for mandatory licensing of medicines protected by patent legislation, which respects intellectual property rights while allowing the licensing at socially acceptable prices of drugs that have a high impact on keeping people alive, such as those for HIV/AIDS.

Statement by the Bishops of Colombia on the Free Trade Agreement with the United States, September 13, 2004