

LA SOCIEDAD CIVIL TOMA LA PALABRA

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Speaking points

Regional context

1. **Central America is a rich region:** its wealth is both material and immaterial:
 - a. **Material:** CA has quantities of natural resources, minerals, fossil fuels...
 - b. **Immaterial:** More than anything, CA's wealth is immaterial: unique ecosystems, biodiversity hotspots, agriculture diversity and, of course, human and cultural diversity – indigenous communities. It is not a coincidence that Central America is ranked so high in the Happy Planet Index (developed by FoE and the NEF – see <http://www.happyplanetindex.org>).
2. **Central America is rich but also poor and in danger.** The **environmental quality of the region is in rapid decline.** Despite its recent economic growth, Central America remains one of the poorest regions on Earth; a fact which has led to massive exploitation of the area's natural resource base. Large areas of forest have been cut down and burned for firewood or used in the production of paper (Nicaragua, for instance, has lost at least half of its forests over the last fifty years), while significant portions of land have been cleared for agricultural use. Approximately half of all Central Americans live in rural areas, and it is estimated that the average family living below the poverty line burns approximately 12 tons of firewood a year (this means that if people are impoverished because of an FTA with the EU, this will also – to some extent – have an effect on the quality of their local environment).

3. Besides, as a result of oil exploration activities in certain parts of Guatemala, such as the northern Petén rainforest region, the building of roads has led to the clearing of land and forested areas. These activities have contributed to large-scale erosion and soil loss, leaving many areas vulnerable to flash floods and mudslides as the natural landscape's ability to retain water is jeopardized.
4. The issue here is simple: as with all the other issues we've just heard of today, the environmental impacts of a 'free trade agreement' have to do with the type of **development model** you have in mind.
5. Now, Central American governments have all accepted **CAFTA**. The EU, on the other hand, regards CAFTA as the benchmark and starting point for its own negotiations with Central American countries.
6. This clearly shows that the objective of those negotiations is not Sustainable Development, as many claim, but market access. This is yet another sign of the **race for markets** that we are witnessing between the US and the EU.
7. Ultimately, the negotiations between the EU and CA bear the risk of further **locking in** both regions into a certain model of development which puts exports and profits before the interests of the people and the environment.

EU interests – dangers for the environment

8. Beyond investment liberalisation and the access to services and procurement markets, a major offensive interest of the EU in those negotiations is to remove the so-called "**non-tariff barriers**" or "behind-the-border" barriers to trade.
9. To date, there is no definition whatsoever of what constitutes a NTB; it is basically everything besides tariffs: from safety standards to quotas and export restrictions or even domestic environmental or health legislation.
10. This is extremely worrying in that it **breaches** even more **into the policy space** or national sovereignty of Central American countries.
11. Another problem is the **direct liberalisation of trade in natural resources** such as mining and forestry. Although the EU-CA trade flows do not represent much at the moment, European companies are very interested in having a deal between both regions. Increased and better **supply of raw materials** is of crucial interest for European companies, which are dependent on imports.

A different model, a different agreement

12. Fundamentally, trade liberalisation is about opening more and more economic sectors to competition, it's about applying the rule of non-discrimination and limited state intervention. In such a model, natural resources are first considered as a tradable commodity and not a public good that needs to be protected. Only in very exceptional cases will national or local authorities be allowed to block foreign trade, if they think it constitutes a threat to biodiversity, nature protection or resource conservation.
13. Now, the recent scientific evidence on global warming has taught us at least one thing: the degradation of our environment, the depletion of our natural resources, biodiversity loss and global warming are often **irreversible**. But scientists have also explained us that these destructive processes **can** be stopped, if we put the necessary resources and political will in developing new relationships between humanity and the biosphere.
14. This is what we are calling for as Friends of the Earth. We need a real **paradigm shift**. We need to get rid of short-sighted corporate-friendly “development-as-usual” and think of **a different model** of development and progress.
15. A **different model** is a model that recognizes that **biodiversity is a global common**. A model that fully endorses the **precautionary principle**: do not liberalise if you're not sure what the impacts of trade liberalisation will be, especially if trade liberalisation can lead to more unemployment, to over-exploitation of natural resources, to foreign economic dependency or to food insecurity.
16. We therefore need **a different agreement**. An agreement that recognizes the historical ecological debt of the EU towards Central America. An agreement that excludes further trade liberalisation in natural resources as long as meaningful guarantees of sustainable resource management systems are put in place. An agreement which does not prevent all trade between both regions, but an agreement which is a true alternative to “free trade” and a real alternative to CAFTA; an agreement which, for once, will become a real landmark and source of inspiration for other countries and other agreements.
17. **It is possible**; we just need the political courage to do it.