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**BAUCUS HAILS LANDMARK AGREEMENT
ON TRADE PACTS' LABOR AND ENVIRONMENTAL PROVISIONS**

Finance Committee Chairman welcomes significant step in improving U.S. trade policy

Washington, DC – Senate Finance Committee Chairman Max Baucus (D-Mont.) today applauded an agreement between the administration and Congress to take a new course on international trade. An understanding announced after lengthy negotiations includes a requirement for enforceable, internationally recognized labor and environmental standards in pending free trade agreements. The agreement also includes provisions affecting intellectual property, government procurement, and port security.

“This is a landmark deal,” said Baucus. **“For the first time ever, we will have enforceable, internationally recognized labor and environmental standards in our free trade agreements. Today’s agreement gives us a chance to make our trade pacts better deals for U.S. workers, by preventing our trading partners from using substandard labor and environmental practices to unfairly cheapen prices for their goods and services.”**

The package announced today will require pending free trade agreements with Peru, Colombia, Panama, and Korea to include the five core International Labor Organization (ILO) standards incorporated in the 1998 ILO Declaration. These are: the right to organize; the right to bargain collectively; prohibitions on forced labor; protections against child labor; and freedom from employment discrimination. Today’s deal will also require the United States and all four pending FTA partners to adopt and maintain domestic laws to implement the obligations in seven multilateral environmental agreements to which they are both parties, including the Convention on International Trade in Endangered Species (CITES) and the Montreal Protocol on Ozone Depleting Substances. These labor and environmental standards will be enforceable through the same dispute settlement mechanism that applies to other FTA obligations.

“Today’s agreement is an example of how trade policy can be improved to better serve American workers,” said Baucus. **“Democrats and Republicans, the Congress and the Administration, came together to forge a trade agenda more responsive to America’s workers. I am proud to have worked with Chairman Rangel and Ambassador Schwab – as well as Speaker Pelosi, Congressman McCrery, and Senator Grassley – to get us where we are today. ”**

Baucus’s Senate Finance Committee has jurisdiction over U.S. trade policy.

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