

TTIP – Climate Change - Cure or Cause?

VT Senator Virginia Lyons

VT CITSS, MEP, NCEL, VCWA Discussion

UVM Burlington, VT

Sept. 29 ,2015



VT Senator Ginny Lyons



Implications for the Environment

- Weather Patterns Altered
- Biodiversity
- Aquatic Ecosystem
- Terrestrial Ecosystem
- Hydrologic Cycle changes
- Social Patterns – Tourism and Recreation



See folder for handouts from NCEL

Some Environmentally Attributable Childhood Diseases

- Asthma – \$9.0 million
- Neurobehavioral – ADHD, Mental Retardation, cerebral palsy, autism \$100-325million/year including special education costs
- Cancer 80-90% of cases \$2.5-40million/year treatment – increasing numbers with declining mortality
- Lead poisoning \$270 million/year
- \$644 million per year every year
- Childhood Obesity adds more \$\$\$
- Diabetes adds more \$\$\$\$
- Reproductive Disorders add more \$\$\$

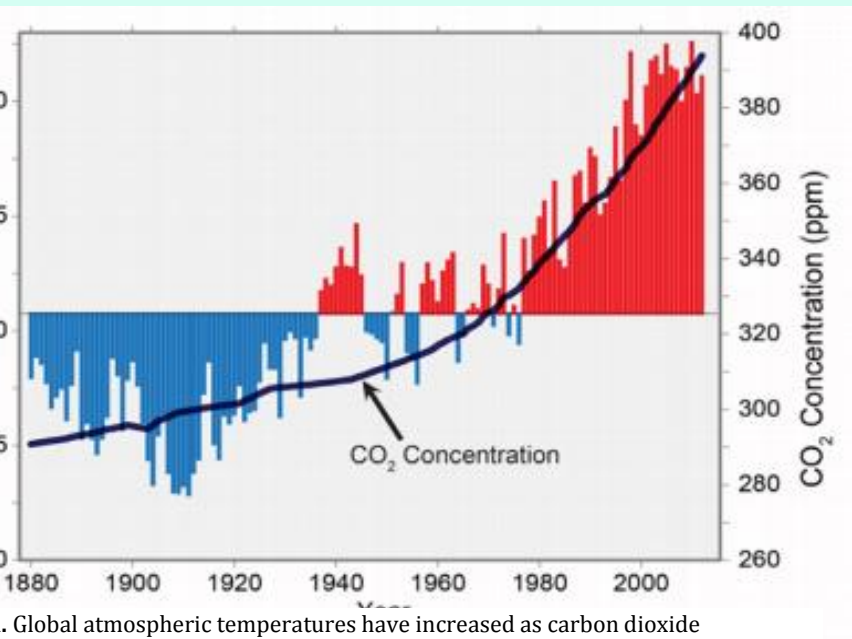


Environment

- Chemicals are ubiquitous
- Materials in packaging
- Components of Products
- Persistent
- Water, soil, air
- Bio-accumulate
- Alter reproductive rates
- Agricultural / Food Chain effects



Global Climate Change



Global atmospheric temperatures have increased as carbon dioxide concentrations have increased due to heat trapping particles, or greenhouse gases, that heat and cause temperatures in the atmosphere to increase (NCA 2014).

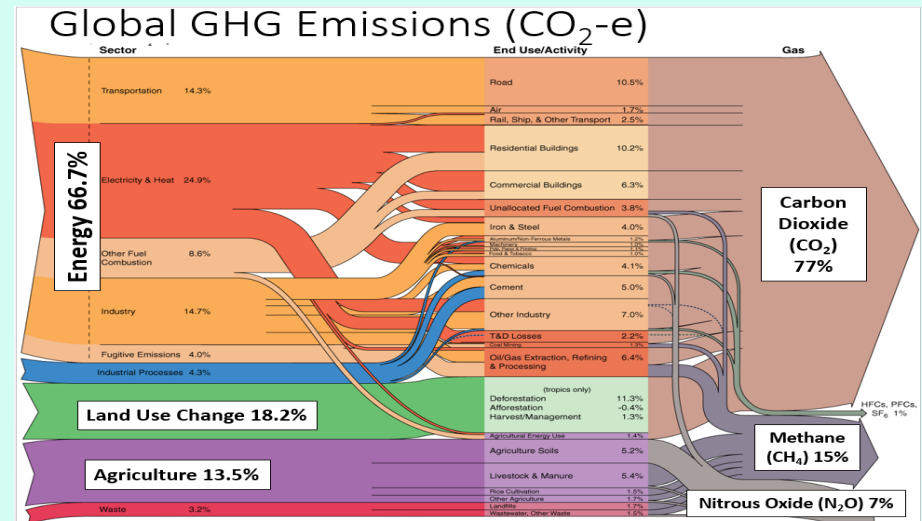


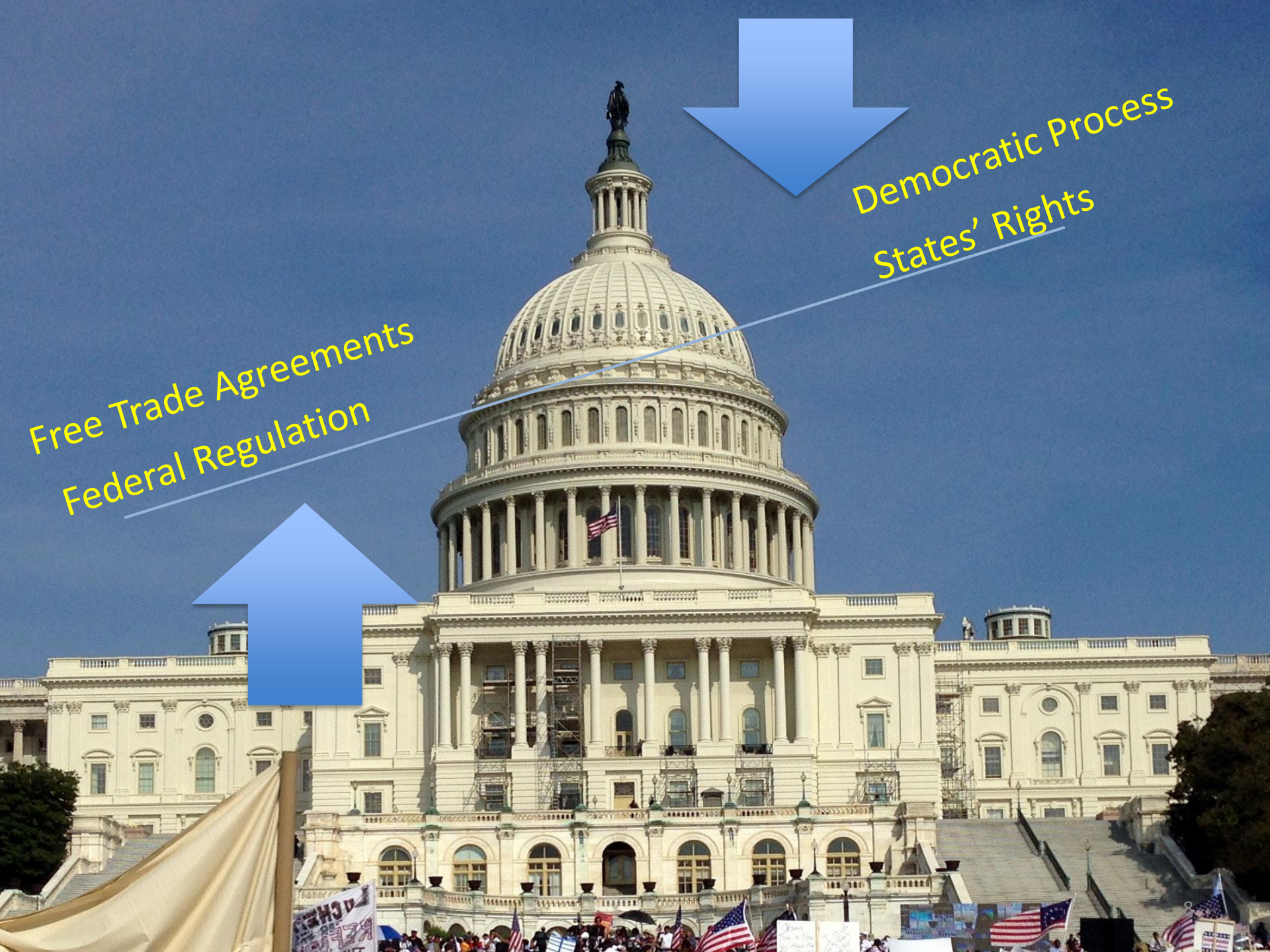
Figure 2. Human sources of greenhouse gases to the atmosphere (WRI, IPCC, modified by G. Galford). Human sources contribute 100-times as much CO₂ as natural point sources such as volcanic eruptions. Advanced chemistry allows scientists to pin-point fossil fuel burning as the source of the increasing CO₂ in our atmosphere. There is no debate among the scientific community that a) our global climate is changing and b) that the changes are caused by human activities. (Cook et al. 2013, IPCC 2014, NCA 2014, VCA 2014).

State Sovereignty Issues

- Stories from Democracy
 - Australia Annex 2c Resolution
 - PRC and E-Waste
 - China, TBT, electronic waste recycling
 - NCSL Resolution
- Does this portend A New Process From TTIP?



- **Preliminary Analysis of Allegations by the Peoples Republic of China (PRC)**
- **Regarding S.256 (2008) Introduced by Senator Virginia Lyons**
- *Conclusion*
- As illustrated by this event, other countries could and are beginning to use the trade system to apply pressure to state legislatures and to impact the state legislative process. Since trade promotion authority has expired, states see an opportunity to evaluate the process for providing input on trade issues and to improve federal-state communication. A new system for improving communication between states, USTR, and Congress should be a strong priority for the next Congress and President to ensure that our democratic system of government is protected.



Free Trade Agreements
Federal Regulation

Democratic Process
States' Rights

CO2 and Temperature

Climate Change Policies

- Water Resources
- Land Use Decisions
- Overall Environmental Regulation
- Renewable Energy Development
- Energy Efficiency
- Financial Investment in Various Sectors
/Adaptation /Mitigation

IRENE VISITS BRANDON



Water

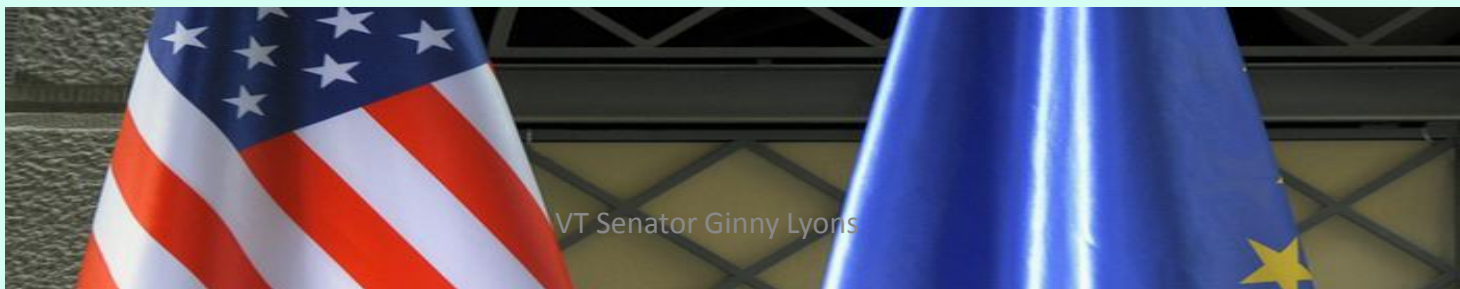
- Water supply
 - US/VT a resource Public Trust
 - EU a service Private ownership
- Adaptive Policies resulting from increased frequency of severe weather events:
 - Municipal zoning to move development away from flood plains
 - Agricultural development

Vermont



TTIP draws flak from local leaders in Europe and the US

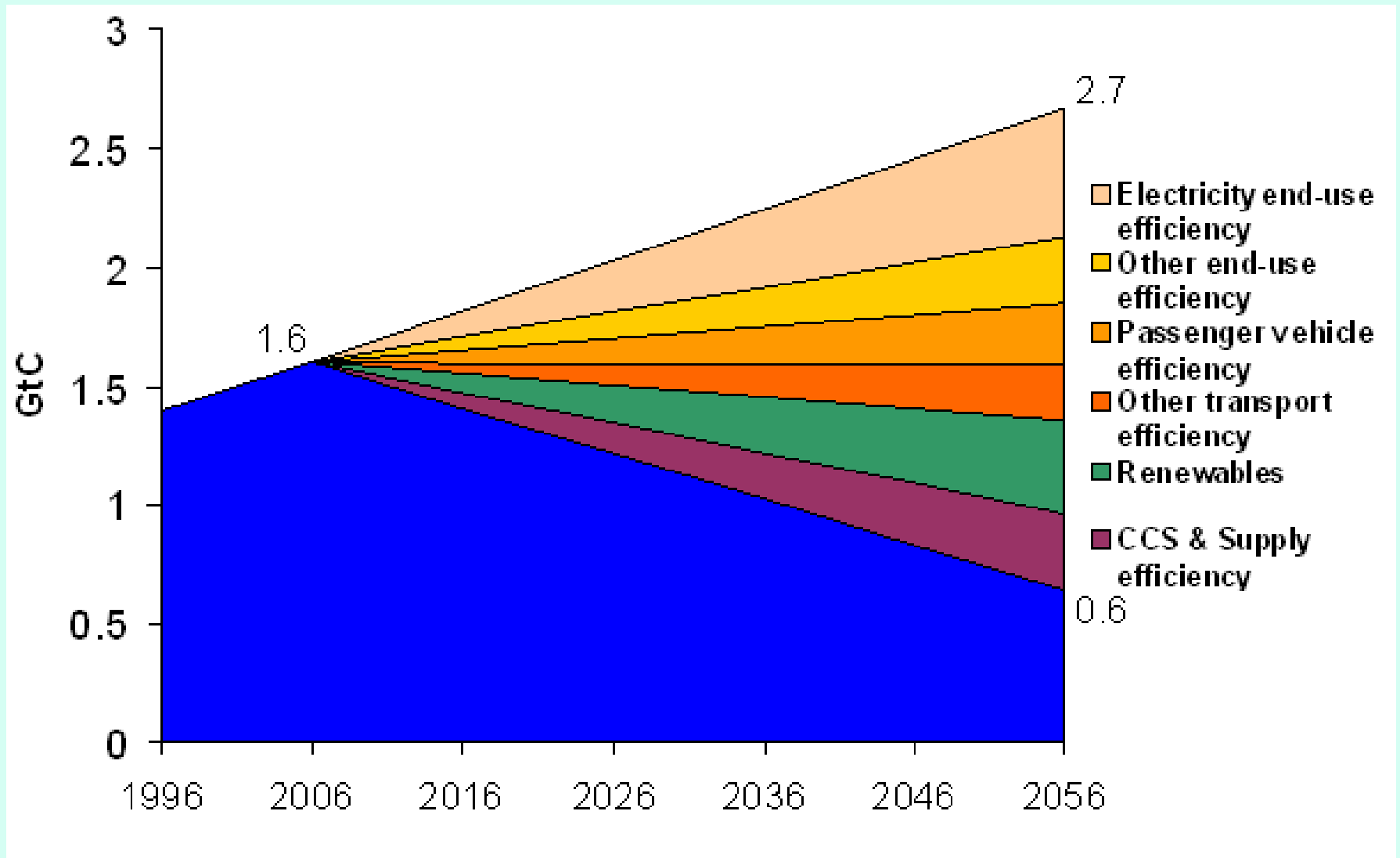
- Roughly 6,000 kilometers or 3,700 miles separate Boris Palmer and Virginia Lyons. That's the distance between the city of Tübingen in southwestern Germany, home of one of the oldest European universities, where Palmer is mayor and Montpelier, the capital of Vermont, a small US state in New England where Lyons is a state senator.
- Palmer and Lyons have never met, but they share a common concern. They are worried that the planned Transatlantic Trade and Investment Partnership (TTIP), [the controversial trade pact](#) that is currently being negotiated between the EU and the United States, could cripple their ability to govern for their local constituents.



Environmental Protection

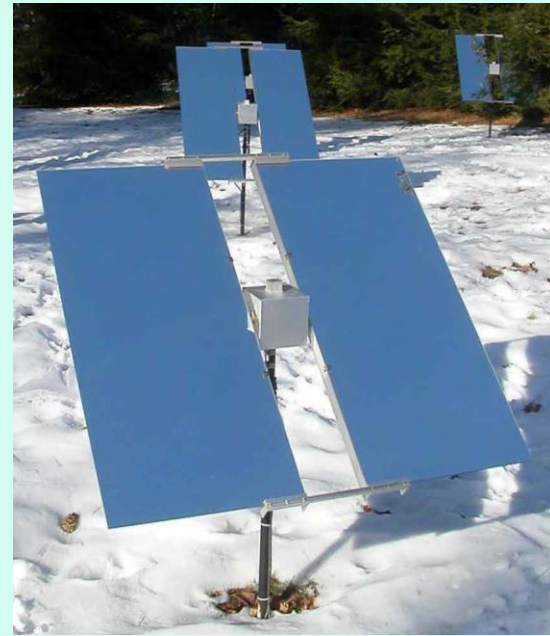
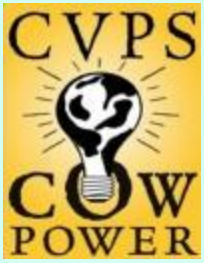
- ACT 250
 - State Natural Resources permits
 - Local Permits
 - Local Planning and Zoning
-
- “Least Restrictive Rules”
 - “No more Burdensome than necessary”

Reducing Emissions



ENERGY PLANNING

- PRINCIPLES - REDUCE GHGs
 - RENEWABLE GENERATION
 - DECREASE DEPENDENCE ON FOSSIL FUELS
 - LOCAL (DISTRIBUTED) GENERATION
 - INCREASE EFFICEINCY
 - REALIZE ENVIRONMENTAL, ECONOMIC AND SOCIAL BENEFIT



Fracking Regulations Challenged TRUST ??



TAFTA and Clean Energy Policies

- **Fracking regulation: A leaked EU position paper demands that TAFTA require “the elimination of export restrictions” for “natural gas” and other fossil fuels. Indeed, if TAFTA were to take effect, due to a decades-old loophole, the U.S. Department of Energy could lose its authority to determine whether exporting natural gas to the EU – the world’s largest natural gas importer – is in the public interest. A resulting surge in natural gas exports could raise energy prices for U.S. consumers and ramp up the chemical-laden practice of fracking, threatening our air and water. Public Citizen**
- **LONE PINE FRACKING CASE IN CANADA - A CAUSE FOR CONCERN – *INDIRECT EXPROPRIATION?***

TAFTA and Clean Energy Policies

- **Energy efficiency labels:** To inform consumers who seek climate-friendly, energy-efficient products, the United States and the EU currently use voluntary energy efficiency labeling programs like the U.S. Energy Star and the EU Ecolabel. But the U.S. Trade Representative has criticized “voluntary labeling programs relating to energy efficiency” as creating “substantial trade barriers,” and has stated that TAFTA should “seek to eliminate or reduce...unjustified technical barriers to trade.” The proposed TAFTA constraints would be more onerous than those used by the World Trade Organization to rule against the voluntary U.S. “dolphin-safe” tuna label that has helped reduce dolphin deaths. Public Citizen

TAFTA and Clean Energy Policies

- **Investor Privileges**
- U.S. and EU corporations and officials have called for TAFTA to grant foreign firms the power to skirt domestic courts, (bring) the U.S. and EU governments before extrajudicial tribunals, and directly challenge climate policies that they view as violations of TAFTA-created foreign investor “rights.”
- The tribunals, comprised of three private attorneys, would be authorized to order unlimited taxpayer compensation for domestic policies perceived as undermining the “expectations” of oil, gas, coal or nuclear firms. This is not a hypothetical threat. Under NAFTA, firms have filed such cases against a renewable energy feed-in tariff and a moratorium on fracking.
- The Swedish Vattenfall corporation has launched such attacks on Germany’s regulation of coal-fired electricity plants and phase-out of nuclear energy, demanding billions in compensation. Such extreme “investor-state” rules have already been included in U.S. “free trade” agreements, forcing taxpayers to pay corporations more than \$440 million for toxics bans, land-use rules, regulatory permits, water and timber policies and more. Just under U.S. pacts, more than \$34 billion remains pending in corporate claims against medicine patent policies, pollution cleanup requirements, climate and energy laws, and other public interest police

TAFTA and Clean Energy Policies

- * Alternative fuels: Business Europe, representing European oil corporations such as BP, has asked that TAFTA be used to ban U.S. climate initiatives such as tax credits for alternative, climate-friendly fuels.**

In its formal comments on TAFTA, under the heading of “Climate change and energy,” the business conglomerate states, “US fuel tax credits and Cellulosic Biofuel Producer Credit should become impossible in the future.”

The TAFTA-threatened tax credits incentivize producers to invest in algae-based and other emerging fuels that reduce carbon emissions. Public Citizen

Solar Tax Credits, CEDF....

NREL Research Findings

Countries with FITs:

1. have highest RE deployment effectiveness
2. have highest and most dramatic job creation growth, and the highest economic benefits tied to industry, manufacturing, and service sector development
3. have counter-intuitively delivered lower cost RE generation than countries employing “competitive” policies like the RPS & RO in the UK



Some VT Financial Programs

- Tax Credits
- Programs
 - Current Use Taxation (land conservation), PACE (Financing of local energy), Standard Offer (FIT),
- Funds
 - Clean Energy Development, VEDA, Efficiency Utility, Clean Water, Working Landscape, VT Housing and Conservation,

TAFTA and Clean Energy Policies

Fuel efficiency standards: The U.S. and EU governments now are requiring automobile manufacturers to progressively boost fuel efficiency to meet emissions-reducing targets. But a leaked position paper reveals that negotiators are pushing for TAFTA to eliminate such mandatory standards: “Such standards ought in principle to be left voluntary, in order to allow sufficient flexibility for industry to choose the technical solution that best fits its needs.” That is, corporations should pick their own emissions standards. Public Citizen

TAFTA and Clean Energy Policies

- **Airline emissions:** Airlines for America, the biggest U.S. airline industry association, has offered a list of "needless regulations [that] impose a substantial drag on our industry" – regulations that they hope can be dismantled via TAFTA. First on their list is the EU Emissions Trading Scheme, Europe's central climate change policy, which required airlines to pay for carbon emissions. Airlines for America labeled the policy as a "barrier to progress," asking that the program's current temporary suspension be made permanent.
- **Auto emissions:** The EU and U.S. auto industries, represented by the American Automotive Policy Council and European Automobile Manufacturers Association, have stated that TAFTA negotiators (not the U.S. Congress and the EU Parliament) should have the power to create a new singular set of "environmental regulations." They specifically recommend changing domestic regulations in "tailpipe criteria pollutants," "diesel smoke," and "real driving emissions" in a way that "could be beneficial for the industry."

TAFTA: Clean Energy Policies

- **Corporations' TAFTA Agenda: Deregulation**
- European and U.S. oil, auto, airline and other corporations, in their formal demands issued to TAFTA negotiators, have been remarkably candid in naming the specific U.S. and EU climate regulations that they would like to see dismantled:
- **Tar sands oil: To reduce greenhouse gas emissions of fuels used in road vehicles and non-road machinery, the EU Fuel Quality Directive sets reporting rules on fuel suppliers, including a requirement to report the lifecycle greenhouse gas emissions from supplied fuels. A proposed methodology for this lifecycle analysis would identify highly carbon-intensive fuel, such as that slated for shipment from Canadian tar sands to U.S. refineries, including potentially through the proposed Keystone XL pipeline. The American Fuel and Petrochemical Manufacturers, representing oil corporations such as Chevron and Exxon Mobil, explicitly requested that U.S. negotiators use TAFTA to halt the proposed EU tar sands standard, arguing that it “constitutes a discriminatory action against U.S. refiners.” That is, TAFTA should foreclose the use of policies to fully measure and better control emissions while expanding trade in dirty fossil fuels. U.S. Trade Representative Michael Froman has informed Congress that in TAFTA negotiations, “we continue to press the [European] Commission to take the views of stakeholders, including U.S. refiners, under consideration...” Public Citizen**

TAFTA and Clean Energy Policies

❓Appliance emissions: The U.S. Association of Home Appliance Manufacturers states that TAFTA negotiators should draft rules to ensure that hydrofluorocarbons (HFCs) – greenhouse gases with far higher climate change potency than carbon dioxide – are exempted from climate stability policies. “Banning the use of HFCs in domestic refrigeration would create an unnecessary obstacle to trade for U.S. exports to the European Union... A ban of HFCs in room air conditioners is also problematic.” Public Citizen

Trade is about tariffs?

- Chemical laws
- Environmental Regulation
- Rx Drug standards
- Labor standards
- Professional credentials



Context

Free Trade Agreements are developed in secret

- Advisory Groups with special interests
- No public disclosure
- Fast track decision up or down
- ISDS – Tribunals decide based on “no more burdensome than necessary” or “least restrictive” regulations

Winner??



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Losers??



Thank you

- Discussion
 - How can we work together to change the current direction of TTIP, climate, the environment?
 - Can we mitigate / adapt to climate change while enhancing global economic development?
 - Can business competition for GHG reduction and green energy development replace business as usual?

Contact Information

- Senator Virginia Lyons
- Drawer 33
- 115 State Street
- Montpelier, VT
- vlyons@leg.state.vt.us

