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INTERNATIONAL METALWORKERS' FEDERATION  
INTERNATIONALER METALLGEWERKSCHAFTSBUND  
FEDERATION INTERNATIONALE DES ORGANISATIONS DE TRAVAILLEURS DE LA METALLURGIE  
INTERNATIONELLA METALLFEDERATIONEN  
FEDERACION INTERNACIONAL DE TRABAJADORES DE LAS INDUSTRIAS METALURGICAS  
FEDERAZIONE INTERNAZIONALE DEI SINDACATI METALMECCANICI

54 bis, route des Acacias  
Case Postale 1516  
CH-1227 Geneva  
Switzerland

Telephone: ++ 41 22 308 50 50  
Telefax: ++ 41 22 308 50 55  
E-mail: [info@imfmetal.org](mailto:info@imfmetal.org)  
Website: <http://www.imfmetal.org>

President: Berthold Huber  
General Secretary: Jyrki Raina

## **STATEMENT OF THE INTERNATIONAL METALWORKERS FEDERATION ON THE NEGOTIATIONS FOR A TRANS-PACIFIC PARTNERSHIP AGREEMENT**

The International Metalworkers' Federation and its affiliated unions represent millions of metalworkers that produce goods and products for export that run the world's economy. Our members understand the importance of trade. We also know all too well that past trade agreements have not worked for the world's workers nor have they contributed to reduce inequalities within and between countries.

Trade must be fair. It must be based on the principle of equity in order to lift living standards by supporting employment growth, improving social protections, providing for fundamental workers rights, environmental standards, human rights and democracy.

This is an opportunity to build a new framework for trade. Negotiations over the TPP come at a critical time in the world's economy. Much of the world is experiencing an economic catastrophe due to lack of control over a reckless and irresponsible financial market. Worldwide unemployment has reached 250-300 million; the international financial institutions and governments are demanding that national debts be balanced on the backs of workers, and anti-union forces are reaching a feverish pitch.

**Sustainable development and the creation of quality employment in each and all of the countries involved must be key explicit goals of any trade agreement.**

The IMF believes that any TPP agreement **must include the following principles:**

1. Governments must conduct a strategic **review of the impact of past agreements**. This review must be transparent and include findings regarding impact on domestic jobs—the kind of jobs created or lost, as well as the geographic location (within each country) and duration of each job created. Final reports shall be made accessible to the public **before any country can consider whether to become a signatory to the TPP**.
2. Each government must also make a **preliminary assessment** of the potential social and economic impact prior to entering into the agreement. A thorough evaluation of the possible **repercussions on jobs and on employment conditions** in each country involved must be carried out in a transparent and inclusive way, with the involvement of the social partners.
3. A **preliminary impact assessment** is essential for the **development prospects for the developing countries involved**. This assessment must include the possible repercussions on infant industries and on food sovereignty.
4. **Transparency:** all aspects of negotiations must be shared with civil society, including the labor movement. Governments must table before parliament the full text of any proposed agreement in order to **enable public debate**. The text of all proposed

agreements being negotiated must reside in the public domain and be subjected to full and meaningful consultation with stakeholders in accordance with **real democratic procedures**.

5. **Labour rights:** for the IMF and the entire labour movement, trade is not free if it costs workers their right to form a union, engage in collective bargaining, work without discrimination, forced labor, or child labor. Trade is also not free if workers cannot work in an environment that is safe and healthy or earn a decent living. A labour chapter must **unequivocally and unambiguously include all fundamental workers' rights** and other appropriate labour standards explicitly defined by **ILO Conventions and accompanying jurisprudence**. These labour standards **must be met by all signatory countries prior to finalization of the agreement**.

The chapter must be **effectively enforced** and contain expeditious remedies that will be sufficient to act as a deterrent. Dispute resolution procedures must be included in case of violations of labour standards as would be the case with a breach of any other chapter in the agreement.

Explicit commitments must be included to **capacity building support** for countries to meet their obligations. The role of social partners and of the ILO in assisting with this work is fundamental and adequate resources are indispensable to **make creation of quality jobs and the promotion of fundamental labour standards an explicit goal** of the agreement.

6. No provisions must be included that limit the **sovereign right of a government to legislate in the interest of its citizens**. The TPP must not include terms that afford foreign investors greater rights than those enjoyed by domestic investors. The TPP should **not include an investor-to-state dispute resolution mechanism** nor should the rules allow for challenges to legitimate public interest regulations. **No** investment rules must be included with **commitments on financial services and investment liberalization** that can limit the countries' ability to control capital flows and undermine effective financial regulation. The procurement rules should not constrain the ability of central, regional or local governments and authorities to promote public policy aims such as local economic development and job creation. **Essential public services** must be excluded from the TPP. Issues of trade in services must be based on a positive list approach where the services which are to be "liberalised" are specifically listed.
7. **TRIP-plus provisions** that extend the **intellectual property rights** for pharmaceutical companies and would undermine **access to affordable medicines**, particularly though not exclusively in developing countries, must be excluded. Similarly, any commitments that would limit the governments' ability to negotiate the price of medicines or would prejudice access to medical care must also be excluded. **No pharmaceutical pricing** provisions must be included that would allow private sector challenges to pricing and reimbursement criteria of public health schemes.
8. **State Owned Public Enterprises (SOPE):** The TPP should have an enforceable set of rules obligating SOPEs engaged in outward-bound investment to operate as commercial entities in a purely commercial manner. SOPEs must not be allowed to pursue non-

commercial practices (such as below-market financing) that give them a competitive advantage in the territory of another TPP Member. The TPP must establish a dispute settlement mechanism for meaningful monitoring and enforcement of these rules, and Members must share information about their SOPEs. The definition of SOPE should encompass enterprises that are effectively controlled by their home government. SOPE disciplines must not be applied against legitimate governmental or quasi-governmental entities performing governmental or quasi-governmental functions in their home territory.

9. **Country of origin rules/ Manufacturing supply chains:** The TPP should **ensure that country of origin rules are not weakened** just for the benefit of multinationals sourcing through their global supply chains but instead strengthened.
10. Provisions on **Mode IV- type temporary movement of people must be excluded** from agreements such as the TPP, to be left to the migration policies of the respective parties consistent with ILO and other international standards.