

United States' 2013 Trade Policy Agenda

With the goal of supporting greater economic growth and jobs, the Obama administration has called for a Trade Promotion Authority (TPA) to allow the U.S. Trade Representative (USTR) to speed up the process on several trade fronts. In the U.S., the TPA is the name for the authority given to the President to negotiate international agreements that Congress can approve or disapprove but cannot amend or filibuster. It is also called fast track negotiating authority.

The last TPA expired in 2007 and the Obama administration is seeking renewal in order to focus on the Trans-Pacific Partnership (TPP), which the 11 participating countries hope to conclude by October this year, and the upcoming Transatlantic Trade and Investment Partnership (TTIP) with the EU, which is expected to formally commence in June this year and conclude by the end of 2014.

“To facilitate the conclusion, approval, and implementation of market-opening negotiating efforts, we will also work with Congress on Trade Promotion Authority,” the trade strategy for 2013 report released by U.S. Trade Representative Office on March 1 says, adding that “Such authority will guide current and future negotiations, and will thus support a jobs-focused trade agenda moving forward.”

As TPP countries – Australia, Brunei, Canada, Chile, Malaysia, Mexico, New Zealand, Peru, Singapore, the U.S. and Vietnam – prepare to meet in Singapore for their 16th Round of negotiations on March 4th, observers expressed doubts that the group will be able to conclude the talks this year, citing that the joint U.S.-EU statement released last week following Japan’s Prime Minister, Shinzo Abe’s visit to Washington – to lure the country into the negotiations – as a potential delay in the completion of the talks.

The USTR 2013 trade strategy report also stipulates that the U.S. will pursue its efforts on the services plurilateral agreement with a select number of WTO countries as well as “plurilateral negotiations related to trade in agricultural products derived from new technologies.”

Regarding the 9th Ministerial Conference in Bali (MC9), the report states the U.S. will continue to defend its “export interests and other trade policy priorities and that can usher in a new period of multilateral trade liberalization in the WTO.”

In the area of agriculture negotiation, the U.S. will continue to favour “fresh approaches to achieve results” with the aim to secure meaningful market access commitments into emerging countries such as Brazil and China, “a key to concluding the Doha Development Agenda.” “The challenge in 2013, as Members approach the Ninth Ministerial Conference, will be to make continual progress towards fair, balanced results in agriculture,” the report stressed.

“Accelerate Work on All Fronts”

On February 25th, WTO’s Director General, Pascal Lamy, urged delegates to speed up the pace of the work they need to do in order to make the 9th Ministerial Conference in Bali (MC9) a success. Picking up the discussion from where the full Membership left off at the February 22nd informal Trade Negotiations Committee (TNC), Mr. Lamy said the message was clear: “run faster or you will not make it to the Bali finishing line.”

The Bali package will essentially revolve around three major elements: trade facilitation, agriculture and development/least developed-countries (LDC) issues. The latter category includes several elements including a series of development issues that have been agreed upon at the MC8, Aid for Trade and a positive outcome coming from negotiations on expanded Government Procurement Agreement (GPA) and Information Technology Agreement (ITA).

Officials described LDC's requests for agreement of both duty free quota free (DFQF) access for at least 97% of their exports to rich countries' market, and the issue of cotton – where cuts in subsidies should be dealt with expeditiously, specifically and ambitiously as stipulated in the 2005 Hong Kong Declaration – as the two most unlikely elements to make the Bali deliverables given their sensitivity for the U.S.

Another potentially problematic area is the G-33 proposal on public stockholding for food security purposes. The proposal, which seeks to allow government's purchases from poor farmers for food security purposes to be considered non-trade distorting, is far from drawing consensus.

Nevertheless, Lamy hopes that Members will manage to have some concrete deliverables almost ready by the time the organization breaks for summer, which essentially leaves delegates with roughly 20 weeks of work to complete the task. "So, I would like to encourage you, like I did last week, to step up your engagement, listen to each other and accelerate work on all fronts," Lamy added.

In the meantime, the full Membership will have the opportunity to take stock of their progress at the April 11th informal Trade Negotiations Committee meeting. Mr. Lamy's panel of experts, which is expected to define "the future of trade" by analyzing current and future trade patterns with the objective of injecting energy and support for a new negotiating approach, is expect to release its report in early April. The panel consulted with Members throughout the fall of 2012. Its report – which some countries insisted should be Lamy's and not be considered as a WTO document – was anticipated to be circulated early this year.

Upcoming Events

- TPP Round XVI, March 3–14, 2013 (Singapore)
- Regular Agriculture Committee, March 26, September 4, November 12, 2013
- Panel of Experts' Report: "Defining the Future of Trade" early April, 2013
- Informal TNC (Bali Stocktaking), April 11, 2013
- APEC Ministers Responsible for Trade, April 20-21, 2013
- General Council, May 1-2, July 24-25, Oct. 8-9, Nov. 5-6, 2013
- OECD Annual Forum, May 27–31, 2013 (Paris)
- Deadline for Bali Deliverables, August, 2013
- APEC Leaders Summit, October 1–8, 2013
- WTO 9th Ministerial Conference (MC9) December 3–6, 2013, Bali (Indonesia)

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Legal Deposit: National Library of Canada, ISSN 1496-9254