

Geneva WATCH

An overview of the bilateral, plurilateral and multilateral trade negotiations

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Trans-Pacific Partnership-11 Meet in Sydney

Senior officials from the Trans-Pacific Partnership (TPP-11) agreement met on August 28–30 in Sydney to discuss the way forward with the agreement following the U.S. withdrawal from the pact. The meeting is the latest in a series of discussions to assess options to bring the TPP Agreement into force expeditiously. The group met previously in Japan in July. There is a broad desire among the 11 countries' Trade Ministers to reach a good agreement, Australia's Trade Minister, Steven Ciobo, stressed prior to the gathering.

“Bringing the TPP into force would link 11 countries, including four of the world's top 20 economies, with a combined GDP of 12.4 trillion. It would result in 19 new FTA arrangements coming into force between the parties. For Australia it would mean FTAs with Canada, Mexico, and Peru,” Ciobo added.

A source at the meeting said the Sydney gathering focused on rules issues rather than market access. Members continue to diverge on how to address topics like government procurement, state owned enterprises (SOEs), investment, labor, intellectual property, and especially data protection for biologics medicines. There are several areas creating major problems for some countries including government procurement, SOEs, and biologics which countries like Malaysia, Vietnam, Japan, and New Zealand are willing to amend given the absence of the U.S.

Market access has been put aside for the time being, a Japanese source said as Tokyo is not willing to implement its agriculture market access concessions for the time being. The source added that both Canada and Mexico show reluctance to implement the agreement due to the current NAFTA renegotiations, but also because they don't get much in return.

Japan on the other hand may have to accept the consensus as Prime Minister Abe is pushing hard for an agreement before the end of the year, the source continued. However, given the concerns expressed by some countries, he will not be surprised if this ends up being an agreement among

fewer members i.e. TPP-7 or TPP-8 for instance, he concluded.

In late September, chief negotiators will meet again in Japan with the hope of reaching a final decision ahead of the APEC (Asia-Pacific Economic Cooperation) Leaders' Summit in Vietnam this November. There, Leaders from the remaining TPP countries will discuss the progress of bringing the deal into force before the end of the year.

NAFTA Renegotiations

Canada, Mexico, and the U.S. ended their second round of the North American Free Trade Agreement (NAFTA) negotiations on September 5th. The meeting, which took place in Mexico City from September 1–5, aimed to build on the progress made in round one of “the renegotiation and modernization” of the agreement.

Sources who attended the opening round held mid-August in Washington said there was a much greater output of texts tabled than in any previous negotiation. These texts originated mostly from the TPP agreement, which the U.S. tabled as the basis for discussion. The U.S., though, refrained from tabling papers on issues that are not settled internally, such as investor state, one informed source said.

The source stressed that both Canada and Mexico took up defensive positions and were cautious in their responses to the U.S. proposals. They warned the U.S. not to take TPP concessions for granted. In addition no one knows what to make of the U.S. demand on deficit reduction, said another source.

In Mexico City, the discussions and exchanged information and proposals resulted in the consolidation of proposals into a single text upon which the teams will continue to work during subsequent negotiation rounds, the three trade ministers – United States Trade Representative, Robert Lighthizer, Canadian Foreign Affairs Minister, Chrystia Freeland, and Mexican Secretary of Economy Ildefonso Guajardo – said in their concluding remarks.

“I am pleased to report that we have found mutual agreement on many important issues,” Lighthizer declared. “Our work continues at a record pace. By the end of this round, we will have tabled text for over two dozen chapters,” he added.

Canada, Mexico and the U.S. agreed to continue their respective processes of internal consultation in preparation for round three, scheduled to take place in Ottawa, Canada, from September 23–27. The three countries reiterated their shared commitment to accelerate the negotiation, with the goal of “concluding the process towards the end of this year.”

Geneva Watch is published by Dairy Farmers of Canada, Chicken Farmers of Canada, Egg Farmers of Canada, Turkey Farmers of Canada and Canadian Hatching Egg Producers to report on the various events occurring in Geneva, particularly on the WTO negotiations on agriculture.

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