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Geneva Watch

Charles Akande, Editor

An overview of the WTO negotiations on agriculture

Still No Breakthrough in the Trans-Pacific Partnership Agreement

Contrary to the December Trans-Pacific Partnership (TPP) ministerial meeting where trade ministers and senior officials were occupied (almost) around the clock to advance the TPP negotiations by identifying landing zones on some of the most difficult chapters of the agreement, this time trade ministers and senior officials from Australia, Brunei Darussalam, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, the United States, and Vietnam, appeared more relaxed during the four-day ministerial meeting that took place in Singapore from February 22–25.

This rather calm atmosphere can be partially explained by the fact that most of the attention was centered around the U.S.-Japan parallel negotiations on market access for goods (agriculture and automobiles in particular) and non-tariff measures.

The stalemate reported on these bilateral talks, which took place in Tokyo a week before the Singapore ministerial gathering, was far from being resolved and following another bilateral encounter between U.S. Trade Representative Michael Froman and Japan's Minister responsible for TPP, Akira Amari, on February 24th, it was becoming clearer and clearer that no breakthrough would be coming out of this ministerial meeting in Singapore. In fact, the gap on the thorny issue of market access is said to remain quite large, despite some marginal progress in less sensitive areas.

Nevertheless, speaking at the end of their meeting, trade ministers tried to look at the positive sides of their gathering. "We made further strides toward a final agreement," they said. "We have agreed on the majority of the landing zones identified at our last meeting. While some issues remain, we have charted a path forward to resolve them in the context of a comprehensive and balanced outcome."

Some of those agreed landing zones touched on state-owned enterprises (SOEs), sanitary and phytosanitary (SPS), investment and services. On the SOEs, trade ministers agreed to limit the scope of the SOEs chapter by excluding SOEs providing services solely on domestic markets.

With respect to the issue of market access described by New Zealand Trade Minister, Tim Groser, as the "meat and potatoes" of the TPP agreement, trade ministers said they have also made progress on market access "through extensive bilateral meetings," but acknowledged that work still remains.

"I think we have overwhelmingly broken the back of the market access issues, though they're not complete just yet," Australian Trade Minister, Andrew Robb said, recognizing that agreement in the bilateral talks between the U.S. and Japan, the two biggest economies in the TPP negotiations, is pivotal.

"Where they reach conclusion between themselves, but also where they reach a conclusion with every one of us, is a very important part of the outcome," Robb said.

In their statement released following the ministerial meeting, the group pledged to "continue working toward completion of an ambitious package across all market access areas."

Differing from last December ministerial meeting, trade ministers refrained from announcing when they will meet again, only stressing that the negotiations will continue at the chief negotiators' and working groups' levels in the meantime.



"Following this round of talks, we will return to our capitals to undertake consultations on the outstanding issues," the ministers said making reference to issues such as intellectual property (IP), environment and of course market access.

"We are committed to concluding as soon as possible an agreement that achieves the goals established in Honolulu in 2011, as instructed by our leaders in Bali last October," ministers concluded. Observers speculate that the next round of negotiations may well take place next month in Washington D.C. to advance the talks and prepare for the next ministerial gathering, either before or after President Obama's trip to Asia the week of April 21st.

Upcoming Events

- <u>TPP Chief Negotiators Meeting</u>, February 17–22, 2014, Singapore
- <u>TPP Ministerial Meeting</u>, February 22–25, 2014, Singapore
- <u>Regular Agriculture Committee</u>, March 14, June 6, November 13, 2014
- WTO General Council, March 14, May 8-9, July 24-25, Oct.7-8, Dec. 10–12, 2014
- <u>OECD Forum 2014</u>, May 5-6, 2014, Paris (France)
- <u>G-20 Trade Ministers Meeting</u>, July 19, 2014, Sydney (Australia)
- <u>G-20 Leaders Summit</u>, November 15-16, 2014, Brisbane (Australia)

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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