

Charles Akande, Editor

An overview of the WTO negotiations on agriculture

Japan-U.S. to Continue Talks Ahead of Obama's Visit

The bilateral negotiations between Japan and the U.S. are set to continue this week (week of April 21st) with Acting Deputy U.S. Trade Representative, Wendy Cutler, traveling to Tokyo to continue negotiations on agricultural market access and automobile-related issues.

Observers believe these parallel talks could take more time than anticipated, even though, at the end of last week's marathon negotiations between U.S. Trade Representative, Michael Froman, and Japanese Minister for Economic and Fiscal Policy, Akira Amari, both sides declared having made progress.

"We have spent the past several weeks working to narrow gaps with Japan" the office of the U.S. Trade Representative stressed. "The round we just completed was focused but difficult. After more than 20 hours of negotiations, we continue to make progress, and we are now faced with a reasonable number of outstanding issues." However, the USTR was quick to mention that those remaining outstanding issues were important to both sides and that considerable differences remain on them.

Various Japanese press reports have stated that the U.S. has agreed to allow Japan to maintain its tariffs on rice and wheat in return for a U.S.-only import quota on both products. These reports claimed that both countries agreed to exclude sugar from the TPP tariff elimination and that the only remaining concerns are the treatment of beef and pork.

However, last Friday, a senior U.S. official dismissed this information, saying that the talks are more complicated than that and that there are open issues in every area on which negotiators continue to mediate. The official warned against what he called the "speculation" appearing in the Japanese press, insisting on the fact that advancement on both agriculture and auto-related issues is achieved every time Japan and U.S. met – which has occurred on a constant basis for almost three months now.

No Breakthrough Expected at Obama-Abe Summit

The USTR confirmed that Ambassador Froman will travel to Asia as part of President Obama's visits to Japan, South Korea, Malaysia, and the Philippines from April 22–29. Expectation for the Obama-Abe meeting on April 24-25 is now being downplayed.

The USTR said the meeting is not aimed at concluding the bilateral negotiations or to announce any other breakthrough between the two countries, but rather to review the state of the TPP negotiations and provide fresh impetus to the talks. Froman himself will host a roundtable with the American business community in Japan on April 23 to discuss TPP and bilateral trade issues.

Prime Minister Abe and his administration have focused on the revitalization of the Japanese economy, which has stagnated the past few years. This recovery composed of economic, monetary, fiscal and structural reforms needs a TPP deal to speed it up. The U.S. official said the Abe government very much wants to strike a deal, but at the lowest cost possible. The challenge for Japan is how to deal with the expectations for the TPP that may go quite a bit beyond the reform they are willing to undertake domestically.

Upcoming Events

- OECD Forum 2014, May 5-6, Paris (France)
- WTO General Council, May 8-9, July 24-25, Oct. 7-8, Dec. 10-12
- TPP Chief Negotiators and Negotiating Groups Meeting, May 12-16 (Vietnam)
- APEC Ministers Responsible for Trade, May 17-18, Qingdao (China)
- WTO Regular Agriculture Committee, June 6, November 13
- G-20 Trade Ministers Meeting, July 19, Sydney (Australia)
- WTO Public Forum, October 1-3
- G-20 Leaders Summit, November 15-16, 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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