



Charles Akande, Editor

TPP Countries Wrapped Up Hanoi Meeting After Limited Progress

They won't admit publicly, but it is clear that the 12 TPP countries (Australia, Brunei Darussalam, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, the United States and Vietnam) have not managed to harvest enough progress in some of the controversial chapters after 10 days of negotiations in Hanoi (Vietnam).

This latest chief negotiators and key subject experts meeting took place from September 1–10, 2014. Those attending the meeting vowed to address most controversial issues, including some that were not touched at their previous session last July in Ottawa. This included intellectual property (IP), state-owned enterprises (SOEs), rules of origin (RoO), environment, investment, financial services, legal issues and market access. In addition to the formal group meeting on market access (which includes agriculture), countries met bilaterally on market access throughout the 10 day period.

In a similar manner to the previous meeting that took place in Ottawa, most observers (and delegates) that attended the meeting, described it as a low-key working-level technical meeting intended to move forward as many text-based issues as possible.

Though some officials reported incremental progress and that some of the issues are narrowing, the U.S. – whose negotiators are said to be under pressure to deliver something concrete by the time of Asia Pacific Economic Cooperation (APEC) Summit in November as per President Obama's request – stressed after the meeting that "important progress across a range of issues" including SOEs, IP, RoO, labour and investment were achieved in Hanoi and that negotiators were successful in narrowing gaps in other areas including moving "forward with their work to construct ambitious packages for preferential access to each other's markets for goods, services/investment, financial services, and government procurement."

However, other TPP officials reported that apart from progress in RoO and SPS, there remain big text issues that

need to be resolved in other areas of the talks. On market access, for instance, TPP countries are still awaiting the outcome of the U.S.–Japan bilateral process which will significantly influence the ambition the rest of the chapter, if not the whole negotiation. The two countries resumed their bilateral talks in Tokyo on September 9-10 with the aim of finalizing an agreement. Until then, discussions about sensitive chapters not solely related to agriculture – the text of which remains largely bracketed – seem to have been parked and will only be addressed later on in the end-game as part of the overall balancing act. Progress continues to be made, but the real horizontal negotiations have yet to begin.

NOVEMBER DEADLINE

President Obama's request that TPP negotiators produce something tangible he can bring to the U.S. Congress in November has de facto established a deadline for reaching a milestone in the trans-pacific talks. However, given the current state of affairs, it is unclear what might be delivered to the Leaders at the time of the November 10-11 APEC Summit in Beijing as most trade observers believe that an agreement is definitely out of reach at this juncture.

The U.S. meanwhile remains hopeful that crafting an outcome by early November is still possible "having reduced the number of outstanding issues," in Hanoi. It said the 12 TPP countries "share a commitment to resolve the remaining issues as quickly as possible, including both on the text and market access packages."

"We have committed to a focused work plan, which will allow us to boost momentum and make continued progress," U.S. Chief Negotiator, Barbara Weisel, stressed. "All countries involved want to reach a conclusion to unlock the enormous opportunity TPP represents," she added.

NEXT STEPS

The next steps meanwhile remain unclear, although most observers expect a ministerial meeting to take place prior to the APEC Leaders' summit. The U.S. said its Trade Representative, Michael Froman, will work bilaterally with many of his TPP counterparts in the coming weeks to

advance the negotiations. Mr. Froman is expected to start the week of September 15th with a bilateral meeting with Vietnamese Deputy Prime Minister Ninh in Washington, D.C., the USTR said. Other meetings with TPP ministers are expected to follow leading up to the APEC summit.

In the meantime, TPP chiefs are expected to meet again toward the end of October (mid- to late-October according to sources). Rumors have it that the meeting will take place in Australia and that arrangements are already confirmed.

The suggestion to hold another chief negotiators meeting during that period makes sense given the number of international summits taking place the first half of November, giving negotiators a chance to approach their leaders on that matter. However, what outcomes could be announced on the margins of these political gatherings remains a big question mark as there are still lots of work to be done at the table. Officials are however confident that a real and genuine political push to close the negotiations as soon as possible could see the TPP moving rapidly toward completion.

WTO NEGOTIATIONS RESUME

WTO Members are poised to recommence their meetings following the traditional “Jeune Genevois” break. On July 31st, WTO Director General, Roberto Azevêdo told delegates to use the summer break to reflect on the negotiations after Members missed the deadline to adopt the trade facilitation (TF) protocol due to India’s and the U.S.’s inability to resolve their differences over TF and food security.

Several committees are expected to resume their discussion. Among them, the WTO’s Preparatory Committee on Trade Facilitation (PCTF), chaired by Filipino Ambassador Esteban Conejos, which will hold its first meeting since Members failed to adopt the protocol bringing the TF into legal effect on September 29th.

According to one official, the meeting will look at the 32 new notifications of their Category A commitments (commitments countries promise to implement immediately when the TF agreement enters into force) developing countries have submitted since the last PCTF meeting. In addition, the PCTF will informally “take stock of Members’ positions and exchange views on the way ahead,” the official stated.

In addition, two informal agriculture meetings are scheduled over the next two weeks. These are: An informal meeting of the WTO’s regular committee on agriculture on September 16 “to take stock of Members’ positions on the implementation of the Bali outcomes and to exchange views on the way ahead in light of the reflection that members undertook over the summer”. A September 23rd informal meeting of the agriculture negotiations with ambassador Adank “to take stock of Members’ positions concerning the way ahead for the negotiations and the work programme mandated at Bali.”

A September 15th informal Trade Negotiations Committee meeting involving the full Membership will jump start work for the second half of 2014 by reviewing where Members stands on TF following the summer break.

KEY UPCOMING EVENTS

- WTO Informal Heads of Delegation, September 15
- WTO Regular Agriculture Committee, September 16, November 13-14
- WTO Informal Agriculture Negotiations (Special Session), September 23
- TPP Chief Negotiator Meeting, Mid-Late October, Australia (TBD)
- WTO Public Forum, October 1–3,
- WTO General Council, October 21, December 10–12
- APEC Leaders’ Summit, November 10-11 Beijing (China)
- 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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