



# Geneva WATCH

An overview of the bilateral, plurilateral and multilateral trade negotiations

Charles Akande, Editor

## TPP Ministerial Meeting Set for End of July

Now that the trade promotion authority (TPA) has been signed into law, all eyes are turning to the TPP and the next steps in the negotiations. A meeting of chief negotiators is expected to take place the second half of July and be immediately followed by a ministerial meeting starting July 28 in Hawaii.

The goal according to some observers will be to try to close all remaining issues in key chapters paving the way for a deal in principal to be struck by the 12 Trade Ministers. Others, however, think this is an optimistic scenario given the degree of difficulty of the outstanding issues still on the table. These observers claimed that the talks are months away from being concluded with work still needed in areas outside the usual problematic chapters such as intellectual property (IP), state owned enterprises (SOE) or market access.

The fact that the 12 TPP countries are only entering the horizontal process where cross -chapter discussions on all politically sensitive issues will be tackled begs the question as to whether the forthcoming ministerial would be the last. As such, it may not come as a surprise if the talks continue all summer long, they say, spilling over into September or October 2015.

That being said, the focus of the technical negotiation in the area of market access will be on the US-Canada bilateral discussions. Contrary to the common belief which wanted the US to end its bilateral negotiation with Japan to set up the basis for the discussion with Canada, various sources now say that the US will first engage bilaterally with Canada and New Zealand before wrapping up its negotiations with Japan.

This is partly due to the fact that dairy has become a problem. New Zealand's Trade Minister, Tim Groser has lately stated that there was nothing in the agreement on dairy that was good enough for his country, given that dairy represents one of New Zealand's key export products and that it has not been granted anything to date.

The talks in this sector are a tiny bit complicated since it involves negotiation between the US and Japan; the US and Canada; the US and New Zealand; Canada and New Zealand; Canada and Japan, and New Zealand and Japan. Japan has made some concessions to the US on whey and some other dairy products, but butter has been a concern due to New Zealand's demands, informed sources said.

The US and Japan will recommence their bilateral negotiation this week when Acting Deputy USTR Wendy Cutler travels to Tokyo on July 7<sup>th</sup> to meet with Ambassador Hiroshi Oe (agriculture issues) and with the Deputy Director General of the Economic Affairs of the Foreign Ministry, Takeo Mori (autos). These latest technical meetings will take place on July 9 and 10 and will tackle the complexity in the dairy sector in addition to market access for rice and discussions on automotive trade issues.

Informed sources say Japan wants to close all outstanding issues in the TPP as soon as possible i.e. reach a deal in principal by end of July. The incentive behind this timeline comes from the fact that the Japanese government wants to pass several bills related to TPP during the next session of the Diet. Tokyo is also looking to vote a compensation package for its farmers – in the form of insurance programs for agriculture and livestock industries – after the TPP is agreed to with the hope that this reparation will help secure farmers' votes to win the next election.

The much anticipated bilateral meeting between US Trade Representative, Michael Froman and Japanese TPP Minister, Akira Amari will no longer take place a week or so before the end of July ministerial meeting, according to Japanese sources. These sources say Amari now wants to hold the head to head gathering on the sidelines of the full blown ministerial meeting.

However, success in the US-Japan ministerial gathering will depend on whether Oe and Cutler succeed in narrowing their remaining differences so they can be easily managed by ministers. As complicated as this may be, Oe and Cutler will nevertheless have to act fast due to the tight timeline, and make sure they come up with appropriate landing zones – ones that possess a high level of confidence to satisfy each of the parties involved – because failure to agree on the remaining outstanding issues by the time of the July 28 ministerial meeting is – apparently – not an option.

**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.**

For more information or comments, please visit: [dairyfarmers.ca](http://dairyfarmers.ca), [chickenfarmers.ca](http://chickenfarmers.ca), [eggfarmers.ca](http://eggfarmers.ca), [turkeyfarmersofcanada.ca](http://turkeyfarmersofcanada.ca), [chep-poic.ca](http://chep-poic.ca)

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



Dairy Farmers  
of Canada  
Les Producteurs laitiers  
du Canada



Chicken Farmers  
of Canada  
Les Producteurs de  
poulet du Canada

EGG FARMERS  
OF CANADA

Dedicated to Quality



LES PRODUCTEURS  
D'ŒUFS DU CANADA

Dédiés à la qualité



TURKEY FARMERS  
OF CANADA  
LES ÉLEVEURS DE DINDON  
DU CANADA

Canadian  
Hatching Egg  
Producers



Les Producteurs  
d'œufs d'incubatio  
du Canada