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**A REPORT FOR
THE CALIFORNIA
CHERRY BOARD**

GENERAL ISSUES OF INTEREST TO THE CCB:

Regional Comprehensive Economic Partnership Ministers Meet in the Philippines

- Trade ministers from the sixteen countries negotiating the proposed Regional Comprehensive Economic Partnership (RCEP) met in Cebu, Philippines from November 3-4 to discuss the status of negotiations. Participating countries include Australia, China, India, Japan, New Zealand, and South Korea as well as the ten member nations of the Association of Southeast Asian Nations (ASEAN).
- In a [joint statement](#) published following the meeting, trade ministers emphasized their commitment to the swift conclusion of RCEP negotiations as a single undertaking. The inclusion of the phrase “single undertaking” was promoted by Indian officials as a way to safeguard efforts toward achieving a comprehensive agreement. Representatives had expressed concerns that market access negotiations for services were not progressing as fast as negotiations regarding market access for goods. Issues relating to tariff concessions for different members remain at the forefront of negotiations.
- The ministerial meeting from November 3-4 follows the fifteenth round of negotiations, which took place from October 17-21 in Tianjin, China and resulted in the conclusion of negotiations on the draft text of the economic and technical cooperation chapter.
- The sixteenth round of RCEP negotiations is scheduled for December 2-10 in Indonesia. Negotiators are aiming to conclude negotiations this year or in early 2017. Together, the sixteen potential members of the RCEP account for nearly half of the world’s population, 30 percent of global gross domestic product (GDP), and over a quarter of global exports.

White House Council of Economic Advisors Assesses Cost of Trans-Pacific Partnership Failure

- In a [report](#) published on November 3, the U.S. White House Council of Economic Advisors (CEA) evaluated the costs of failing to immediately ratify and implement the Trans-Pacific Partnership (TPP).
- The CEA study examines the trade relationship between China and Japan and the U.S. and Japan, underscoring the economic risks faced by the U.S. if: 1) it fails to implement TPP; and 2) the Regional Comprehensive Economic Partnership (RCEP)—often viewed as a potential alternative to TPP—is finalized and implemented. RCEP includes Australia, China, India, Japan, New Zealand, South Korea and the ten member countries of the Association of Southeast Asian Nations (ASEAN). Seven of these countries—Australia, Japan, New Zealand, Brunei, Malaysia, Singapore, and Vietnam—are also prospective members of TPP. Approximately \$225 billion in U.S. exports, representing 10 percent of overall U.S. exports to the world, are shipped to these seven countries.

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White House Council of Economic Advisors Assesses Cost of Trans-Pacific Partnership Failure

- Although many Congressional representatives have expressed opposition to TPP, U.S. Trade Representative (USTR) Michael Froman recently stated the Obama administration is doing everything within its control to maximize the likelihood TPP will be approved during the lame duck session of Congress.

Prime Ministers of India and New Zealand Meet to Discuss Bilateral Free Trade Agreement Negotiations

- New Zealand Prime Minister John Key recently visited Indian Prime Minister Narendra Modi in Delhi, India to boost trade ties between the two countries and discuss the status of bilateral free trade agreement (FTA) negotiations.
- In a [joint statement](#) published following the meeting, the two leaders reaffirmed their desire to further strengthen the growing bilateral trade relationship between the two countries. The two Prime Ministers also committed to continuing work toward a comprehensive bilateral FTA between India and New Zealand.
- Negotiations for an India-New Zealand FTA were launched in 2010. Since then, ten rounds of negotiations have taken place, with the latest meeting occurring in February 2015. The conditions of market access for dairy products from New Zealand remain a primary concern for India in the negotiations. Bilateral trade between India and New Zealand currently stands at \$1.8 billion, representing a 42 percent increase in the past five years.

Canadian Parliament to Consider Implementation of Canada-Ukraine Free Trade Agreement

- On November 3, Canadian Trade Minister Chrystia Freeland introduced legislation to Canadian Parliament to consider implementation of the Canada-Ukraine Free Trade Agreement (CUFTA), according to a Canadian Government [news release](#). The development takes place after a CUFTA signing ceremony occurred in July 2016 following the conclusion of negotiations.
- CUFTA is focused on trade in goods and does not cover services or investment. Upon entry into force, Canada will eliminate tariffs on over 99 percent of imports from Ukraine. Ukraine will immediately eliminate tariffs on approximately 86 percent of imports from Canada and reduce or eliminate remaining tariffs over a period of up to seven years.
- Additional information on CUFTA, including the complete text of the agreement, is available [here](#).