

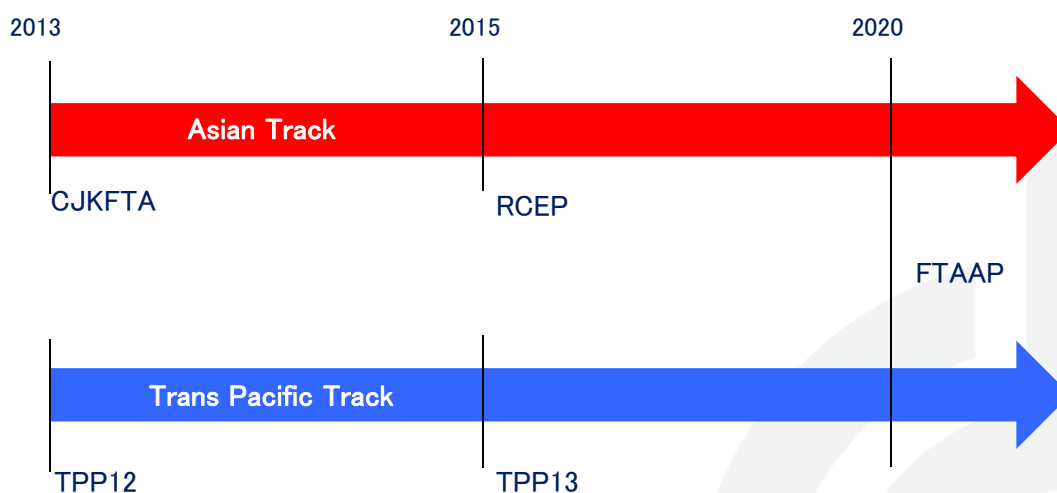
# TPP: Building block towards WTO?

Dr. SHEN Minghui  
National Institute of International Strategy,  
Chinese Academy of Social Sciences (NIIS, CASS)

2015 Northeast Asia International Conference for Economic Development  
Niigata·30 Jan 2015



## Mega-FTAs in the region



## Varying FTA Templates

	ACFTA	AKFTA	AJEPA	AANFTA	RCEP	TPP	WTO Doha
<b>TRADE IN GOODS</b>							
Tariff	○	○	○	○	○	○	○
ROO	○	○	○	○	○	○	○
Technical Barrier	○	○	○	○	○	○	○
Customs	*	*	○	○	○	○	○
SPS	○	○	○	○	○	○	○
Trade Remedy	○	○	○	○	○	○	○
<b>INVESTMENT</b>							
pre-establishment NT		○	○	○	○	○	***
pre-establishment MFN	○	○	○	○	○	○	***
Performance		○	○	○	○	○	***
<b>OTHERS</b>							
Services	○	○	○	○	○	○	****
IPR	*	*	○	○	○	○	○
GP			○			○	**
Competition			○	○	○	○	
E-commerce	*	*	○	○	○	○	
Labor						○	
Environment	*	*	○			○	○
ECOTECH	○	○	○	○	○	○	
Regulatory Coherence						○	
Safety						○	
SME						○	
Culture						○	
Technology						○	
Disputy	○	○	○	○	○	○	○

Note: \* in cooperation or facilitation, \*\* in plurilateral agreement, \*\*\* in TRIMs, \*\*\*\* in GATS.



## Sequential negotiations

A sequential negotiation is one in which various negotiating fora are used to produce a single agreement. An analogy might be drawn here to a soccer game, in which players pass the ball from one player to another as they move towards the common goal. Sequential negotiations may be the most useful means of reconciling regionalism with multilateralism.

The best example of this approach is the Information Technology Agreement (ITA), which eliminates tariffs on a wide range of information and communication technology products. The agreement was initiated in 1995 by the US and European private sectors through the TransAtlantic Business Dialogue. This regional group passed the ball to the Asia Pacific Economic Cooperation (APEC) forum, which became the principal site of the detailed negotiations. Once the APEC members had reached agreement among themselves, the ball was then passed to the WTO. Negotiations on the ITA were concluded in Geneva in 1997. At the Singapore Ministerial, 28 countries representing almost 85 per cent of total world trade in information technology products signed the ITA declaration.



## Progression of issues in sequential trade agreements

	IPR	Services	Investment	Environment	Labor	Competition policy	E-commerce	Government Procurement
US-Israel FTA (1985)	MFN & NT on IPR according to Article 14	Non-binding declaration on Services	Restrict performance requirements	(No provisions)	(No provisions)	(No provisions)	(No provisions)	Some rules according to Article 15
Us-Canada FTA (1988)	Article 2004 provides for the parties' cooperation in WTO	NT on services; financial services	NT according to Chapter 16; prohibit performance	(No provisions)	(No provisions)	(No provisions)	(No provisions)	Some rules according to Chapter 13



## Progression of issues in sequential trade agreements

NAFTA (1992)	NT on IPR according to Chapter 17	(Chapter 12) MFN & NT on services; financial and telecom services	(Chapter 11) MFN & NT; prohibit performance	Agreement on environment cooperation in 1993	Agreement on labor cooperation in 1993	Rules on monopolies and SOEs according to Chapter 15	(No provisions)	NT
Uruguay Round (1994)	TRIPs	GATS; MFN on services	TRIMs; ban on certain performance	(No provisions)	(No provisions)	(No provisions)	(No provisions)	(No provisions) Plurilateral negotiation
US-Jordan FTA (2001)	NT on IPR according to Chapter 4	NT on services (Chapter 3)	(No provisions)	Environment law according to Chapter 3	ILO principles	(No provisions)	Some rules according to Article 7	To be negotiated after joining GP



## Progression of issues in sequential trade agreements

<b>US-Singapore FTA (2003)</b>	NT on IPR according to Chapter 18	(Chapter 8) MFN & NT on services; financial and telecom services	(Chapter 15) MFN & NT; prohibit performance	Environment law according to Chapter 18	ILO principles	Rules on monopolies and SOEs according to Chapter 12	Some rules according to Article 14	Some rules according to Article 13
<b>Doha Round</b>	Geographical indication	multilateral negotiations to establish any necessary rules and disciplines	Working group on transparency, non-discrimination, development and other rules ( not a topic in 2004 )	Freer trade in environmental goods ; Environmental agreements on cooperation	(No provisions)	Working group on transparency, non-discrimination, cooperation, capacity building and other rules ( not a topic in 2004 )	Research on E-commerce	Working group on transparency ( not a topic in 2004 )



## World trade outlook

- **If TPP is concluded**
  - New rules to be negotiated in WTO new round as a single-undertaking
- **If TPP fails**
  - More plurilateral agreements under WTO such as PSA (TiSA), MAI...
  - Pacific Alliance



## China's response

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- Response to TPP
- Experiences from Shanghai pilot Free Trade Zone, Expansion to Guangdong, Fujian and Tianjin
- Competitive liberalizations among CJKFTA, RCEP and Sino-US BIT. New promises in future CKFTA negotiation.
- WTO framework comforts both US and China well.
- ITA2



Thanks!  
[shenmh@cass.org.cn](mailto:shenmh@cass.org.cn)