
WORLD'S LARGEST TRADE DEAL PUSHED BACK; MINISTERS AT ODDS OVER TERMS

- 14.11.2018

Manila Standard (14 November 2018)

A China-backed bid to complete the worlds largest trade deal [REDACTED] the United States [REDACTED] pushed back to next year after Asia-Pacific trade ministers failed to agree key terms at a Singapore summit.

The Regional Comprehensive Economic Partnership, covering half the worlds population, is billed as an antidote to President Donald Trumps America First agenda, which has seen tariffs imposed on almost half of all Chinese imports to the US [REDACTED] retaliatory levies by Beijing. Chinese Premier Li Keqiang, who is attending a Singapore summit to rally support for the deal, said he hoped RCEP would be signed and implemented next year. It [RCEP] is going to deliver real benefits to the people of our region, he said in an address Tuesday. China was now the standard bearer of global free trade, he added, with the RCEP [REDACTED] sweeping 16-country deal that includes China, Japan, India and the 10 members of ASEAN (Association of Southeast Asian Nations) [REDACTED] the heart of its strategy. Its going to send a message to the international community that we stand by free trade... with rising protectionism and strains on free trade we need to advance the RCEP negotiations, Li said. He conceded the Chinese economy was facing challenges in the wake of the trade war with the US but insisted strong fundamentals meant radical intervention was not the remedy. Despite downward pressures, we will not resort to massive stimulus, Li said. Trade diplomats said negotiations will run deep into 2019. We made significant progress, New Zealand minister of state for trade and export growth Damien OConnor told reporters after talks late Monday. But we are very happy with that and [it] is heading in the right direction. Indias concerns over opening its markets to competition, in particular from Chinese firms, has been a key sticking point in the several years of negotiations. But New Delhis delegation welcomed the incremental steps towards establishing the trade agreement. The future lies in RCEP, Indian trade minister Suresh Prabhu told reporters, but urged a patient approach to talks to ensure every country will benefit from it. Philippine Trade Secretary Ramon Lopez said RCEP discussions experienced significant progress this year, reaching the final stages of negotiation. Everybody can expect its conclusion * next year, he said. Lopez added that the conclusion of the trade agreement will have a huge impact on the companies operating within the ASEAN region as it will allow greater access to the market in the participating countries. Lopez said bilateral relations with China, meanwhile, continue to grow as Beijing opens up its market to Philippine goods. Our bilateral relations have improved to a great extent ever since President Duterte re-strengthened the ties of the Philippines with China in 2016, Lopez said.

We have reached over \$20 billion in bilateral trade. The good thing is that China [is seeking to] balance the trade between the Philippines and China because there is a deficit now, on the side of the Philippines. They want us to sell more to China and they are opening up the market, Lopez

said.

Several general elections scheduled early next year [] in India, Thailand, and Indonesia [] complicated the timeframe of a deal that will open markets in countries covering nearly half the worlds gross domestic product. A draft leaders statement on the RCEP s noted the urgency of reaching an agreement given the current headwinds faced by the global economy. RCEP was given extra impetus after Trump pulled the US out of the rival Trans-Pacific Partnership. The TPP is still alive even without Washington, but RCEP is now the worlds biggest trade deal. The Beijing-backed pact is much less ambitious than the TPP in areas such as employment and environmental protection. The ASEAN summit, which formally opened Tuesday afternoon, is expected to sweep in trade, maritime disputes, and the Rohingya crisis. Key world leaders including Chinas Li, Russian President Vladimir Putin, and Mike Pence [] number two [] also in Singapore for talks foreshadowed by the China-US trade war and its ripple effect on global economies, particularly in Asia. Pence is also expected to keep pressure on Beijing over its growing aggression in the South China Sea while seeking support over Washingtons approach to the denuclearization of the Korean peninsula. Myanmar's de facto leader Aung San Suu Kyi is also in Singapore and is likely to face intense scrutiny over her countrys treatment of the Rohingya, particularly from Muslim-majority nations at the summit. Amnesty International on Monday stripped Suu Kyi of its highest honor, citing her indifference to the atrocities committed by Myanmar's army against the minority. The ASEAN economic ministers hammered out three separate agreements focusing on trade, e-commerce, and investments. At the 17th ASEAN Economic Community Council Meeting on Monday, Singapore Minister for Trade and Industry Chan Chun Sing said the ASEAN has successfully achieved its economic objectives. These positive outcomes will position us for continued growth and allow all ASEAN member states to take advantage of the emerging opportunities in the digital economy, Chan said. Chan said the signing of an agreement on e-commerce will help create a more conducive environment for the growth of e-commerce in the region as it advances trade rules in e-commerce and builds up greater digital connectivity in ASEAN in the process. With the rise of the digital economy and e-commerce as an enabler for businesses, the agreement will streamline regional trade rules governing e-commerce, and improve the operating environment for businesses, he said. At the same time, he said continuous investments in the region are critical to maintaining ASEANS growth trajectory, and the conclusion of the ASEAN Comprehensive Investment Agreement would help the bloc remain an attractive and competitive investment destination.

<http://manilastandard.net/news/top-stories/280461/world-s-largest-trade-deal-pushed-back-ministers-at-odds-over-terms.html>

Kaynak/Source: