

January 26, 2014

Re: Trans-Pacific Partnership Negotiations

Dear Ministers Fast and Ritz:

The Canadian Agri-Food Trade Alliance is writing to express our concern with the current state of play in the Trans-Pacific Partnership (TPP) negotiations. Each of our member organizations shares a common concern regarding the possibility of a non-comprehensive outcome in respect of agricultural and agri-food goods in the TPP negotiations. We have consistently expressed strong support for a comprehensive, high-quality TPP agreement.

Comprehensive tariff elimination is a core objective in TPP, as indicated by the objectives set out at the Leaders meeting in Honolulu in 2011. For Canada, it is vitally important that this objective is maintained in the final outcome of TPP as a fundamental pillar of an Agreement. If any one country is allowed to claim exceptions for sensitive products, other TPP partners will inevitably demand the right to do the same. This could quickly lead to the unraveling of the agreement, as other parties pull their offers on sensitive products or their concessions on sensitive products, or rescind on agreements reached in other parts of the negotiations so far.

Furthermore, allowing any one country to claim an exception for sensitive products sets a dangerous precedent for other countries seeking to join the TPP Agreement at a future date. As the TPP expands to include other countries in the Asia-Pacific region, we can expect other countries with sensitivities in the agricultural sector to also seek similar exceptions.

It is also our firm view that agricultural and agri-food market access schedules within the TPP deal should be plurilateral, i.e., all countries should receive the same tariff phase out period and reduction in tariffs for each tariff line. This is a fundamental competitiveness objective for CAFTA amongst the existing membership of the TPP and would ensure future TPP aspirant countries have a clear understanding of the level of commitment required in agricultural market access. It is our understanding that this issue remains problematic with some countries holding firm to a preference for bilateral market access offers.

A final important point in TPP is that the Rules of Origin must be facilitative to trade and strongly support the elimination of tariffs.

It will ultimately be difficult for CAFTA and our member organizations to support a TPP agreement that does not include comprehensive liberalization in the agricultural and agri-food sectors by all participating countries.

Sincerely,



Lisa Skierka
President