

RCEP nations eye 2019 as deadline for final deal

The summit saw nations affirm that 'talks are at final stage'

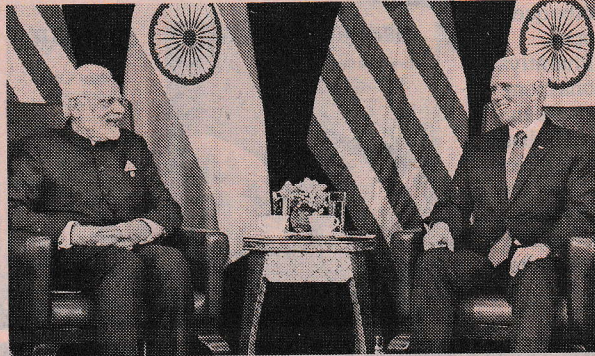
SUBHAYAN CHAKRABORTY
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Prime Minister Narendra Modi on Wednesday joined leaders from nations to discuss the Regional Comprehensive Economic Partnership (RCEP) pact for its early conclusion by 2019.

At the leaders summit of the RCEP nations in Singapore, he reaffirmed India's commitment to a modern, comprehensive, high-quality and mutually beneficial economic partnership agreement. However, India has crucial differences on tariff reduction, market access, and services trade norms, such as the free movement of trained professionals with other nations.

So, Modi stressed upon India's latest position — that of a request for more time to decide on tariff rates, especially with the upcoming elections in 2019 — a senior trade diplomat said. The ambitious pact is proposed between 10 Asean economies and six others — New Zealand, Australia, China, India, Japan and South Korea — with which the group has free-trade agreements (FTAs). So far, 24 rounds of talks have concluded, apart from six minister-level meets.

However, India kept its focus on services trade. "We



PM Narendra Modi (left) and US Vice-President Michael Pence in Singapore on Wednesday

PHOTO: PTI

need to make similar efforts to make progress in services negotiations as they constitute more than 50 per cent of the GDP of most of the RCEP countries. In future, services are going to play a very important role," Modi said.

Nations, however, reeled in the possibility of a deal concluding by 2019 by announcing the talks are on their last leg. "We welcomed the conclusion of seven Chapters to date, namely the Chapters on Economic and Technical Cooperation, Small and Medium Enterprises, Customs Procedures and Trade Facilitation, Government Procurement, Institutional Provisions, Sanitary and Phytosanitary Measures, and Standards,

Technical Regulations and Conformity Assessment Procedures. Of this, five were concluded in this year," the statement said on Wednesday.

At a meet of the RCEP trade ministers, attended by Commerce and Industry Minister Suresh Prabhu two days ago, the nations decided to expand talks on the basis of the 'package of year-end deliverables'. This document had been adopted two months ago to decide on the broad contours of the mega-regional deal.

"There was intense pressure for this by the Asean bloc, with support from China, which is increasingly wary of the trade potential with the US under the volatile Trump regime," the diplomat added.