Indo-Pacific trade bloc punts China membership decision into the long grass

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The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) represents about 15 percent of the global economy. | Claudio Reyes/AFP via Getty Images

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LONDON — Delegates of a major Indo-Pacific trade bloc will sidestep politically sensitive decisions on China and Taiwan's membership when they meet in Canada this week, multiple people familiar with the discussions have told POLITICO.

Costa Rica will instead become the front-runner to join the 12-nation pact after the U.K. completes its accession in December, three senior officials from member nations said.

Delegates hope that by putting off the decisions on China and Taiwan's applications to a later date, they will avoid the thorny politics of Beijing's One China policy, which considers the self-governing island as part of its territory.

The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) represents about 15 percent of the global economy. Current members include Japan, Australia, New Zealand, Canada, Peru, Chile, Mexico, Brunei, Singapore, Vietnam and Malaysia. The U.K., which is the first new member to join, will complete its accession on Dec. 15.

"The issue with Taiwan is that it has not garnered consensus among certain members — notably Malaysia and Singapore," said Vina Nadjibulla, a vice-president at the Asia Pacific Foundation of Canada think tank.

Taiwan and China's applications to join the bloc came less than a week apart in September 2021, followed by applications from Ukraine, Uruguay, Costa Rica, Ecuador and Indonesia.

"The group has decided that the expansion is not going to be on a first come first serve basis," said Nadjibulla. Costa Rica and Taiwan, she added, "are the two most prepared applicants" to meet the high standards of the deal. "But the issue of Taiwan is held up because of the politics with China." Indo-Pacific trade bloc punts China membership decision into the long grass - POLITICO Pro

among their largest trade partners — have said publicly that they support China's accession.

Any talk about "progressing negotiations for any aspirant economy will have to be reached by consensus," said a senior Canadian government official. Like others quoted in this story, they were granted anonymity by POLITICO as they were not authorized to speak publicly.

Last year, members of the bloc agreed applicants need to meet the so-called Auckland Principles, which include adhering to the high standards and rules of the deal, a demonstrated track record of obeying the rules of existing agreements and garnering consensus support from all of the bloc's existing members.

Taipei can meet two of the three requirements for new members "but not the consensus one," said a senior official from another CPTPP member nation involved in the discussions, noting there are "a few members to persuade."

Taiwan's government has mounted a recent diplomatic push to join CPTPP, saying it sees 2024 as its "window of opportunity." In March, Taipei sent letters to parliamentary leaders of the bloc's members, and in April Taiwan's then leader Tsai Ing-wen urged a visiting delegation of U.K. Labour MPs to "support Taiwan's application for membership."

During the U.K.'s accession process, ministers routinely highlighted to MPs that by joining the pact, the U.K. would gain influence over its future expansion.

While the bloc's consideration of Costa Rica's application is "not something that's done and dusted," it's hard to imagine "anyone else that [the bloc] will be gunning for right now," a third senior official from a CPTPP member nation said.

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