

## **CPTPP statement on the occasion of the Third Commission Meeting**

On August 05, 2020, the Ministers and Senior Officials representing Australia, Brunei Darussalam, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, and Viet Nam met virtually on the occasion of the Third Meeting of the CPTPP Commission, hosted by Mexico.

We commended the solid progress that had been made in implementation of the Agreement in the one and a half years since its entry into force on December 30, 2018, and noted the work of the 14 Committees and 1 Working Group that met virtually ahead of this Commission meeting<sup>1</sup>.

### *COVID-19 and CPTPP's contribution to establishing a resilient, sustainable and inclusive economy*

The COVID-19 pandemic presents the global community with an array of unprecedented challenges, including to: the health and wellbeing of communities; social cohesion; livelihoods; and adherence to the principles of free and open trade. The pandemic has taken an immense personal and emotional toll on individuals and societies.

In June 2020, the World Bank forecast in its Global Economic Prospects report that the global economy would shrink by 5.2% this year, meaning the world is facing its worst recession since World War II. According to the World Trade Organization (WTO), the volume of world merchandise trade is estimated to drop between 13 and 32 percent, compared to 2019.

This crisis has demonstrated the importance of cooperation and strong trading relationships. CPTPP members have responded by demonstrating our commitment to rules-based trade by maintaining open supply chains, active communication, transparency, and prompt notification of trade measures. Since its beginning, the CPTPP has had the objectives of maintaining open

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<sup>1</sup> The Committees on Trade in Goods, Rules of Origin, Agricultural Trade, Technical Barriers to Trade, Sanitary and Phytosanitary Measures, Small and Medium Enterprises, State-Owned Enterprises and Designated Monopolies, Development, Cooperation and Capacity Building, Competitiveness and Business Facilitation and Environment met for the second time since entry into force, those for Textiles and Apparel Trade, Financial Services and Regulatory Coherence, and a Professional Services Working Group had their first meetings.



markets, increasing world trade, promoting further economic integration in the Asia-Pacific and creating new opportunities for people of all incomes and economic backgrounds.

We strongly believe that given the current circumstances, it is more important than ever to counter protectionism and reinforce an open, effective, fair, inclusive and rules-based trading system to restore economic growth worldwide. We reiterate our continued resolve to fully implement the CPTPP, which sends a strong signal in support of free trade; puts in place high-standard and well-balanced rules suitable for the 21st century; ensures a transparent, predictable and business environment, boosts economic growth; and benefits businesses, consumers, families, farmers and workers in our region.

The CPTPP members are resolved to continue to work together toward post-COVID-19 economic recovery, including through our ongoing work to establish and strengthen supply chains, and to examine ways the CPTPP could be utilized to facilitate digital trade responses to COVID-19. We are committed to avoid unjustified trade restrictive measures and to implementing measures in line with the provisions of the CPTPP to facilitate the flow of essential goods and services during the pandemic, including medical supplies and equipment, medicines, agriculture and food products and other supplies across borders, in a manner consistent with international trade rules. We are committed to ensuring that supply chains remain open and connected so that international markets can continue to function in supporting the movement of agricultural products and agriculture inputs, which plays an instrumental role in avoiding food shortages and ensuring global food security. We note and appreciate measures implemented by members to facilitate the clearance of agricultural products at the border and call upon trading partners to ensure that import measures on food, animal and plant products are transparent, based on scientific evidence and relevant international standards, and are no more trade restrictive than necessary according to the circumstances. We also recognize the role that agricultural innovations may play in supporting agricultural productivity and food security and we emphasize the benefits of using relevant international standards and guidance to support a predictable and transparent trade environment.

We are also working together in exploring practical steps for future cooperation to support trade recovery from COVID-19, including through the work being undertaken in a range of relevant Committees and task Senior Officials to consider a consolidated plan to advance this work.

As part of such efforts, we underline the possible contribution of the CPTPP to strengthening regional connectivity by facilitating efforts to make global supply chains more resilient and less vulnerable to shocks. To this end, we welcome initiatives to promote exchanges of views among experts to discuss the way to achieve that goal.

While witnessing, with the COVID-19 pandemic, digital technologies are playing significantly more important roles in every aspect of our societies, we welcome the initiative to explore how



the CPTPP could be utilized to enhance digitalization in our region and how the CPTPP members can play a central role in global rule-making in this field. We shared the view that the establishment of a dedicated subsidiary body to address digital economy is useful. In this light, we instructed our Senior Officials to work further on this matter and report back to the Commission as soon as possible.

### *Multilateral Trading System*

CPTPP members reaffirm our strong commitment to upholding and supporting the WTO, which sits at the core of the rules-based Multilateral Trading System. The work of the WTO's regular bodies and Committees must be enhanced. We will also work to inject increased momentum into WTO reform, including of its dispute settlement system. We endeavour to lead by example, committing to transparency through timely notifications, particularly with respect to measures taken in response to COVID-19. We commit to ensuring that trade restrictive emergency measures designed to tackle COVID-19 are targeted, proportionate, transparent, temporary, not create unnecessary barriers to trade or disruption to global supply chains, comply with the Agreement and are consistent with WTO rules. We also support or engage in WTO negotiations to demonstrate the organization's ability to deliver on outcomes on 21st century issues in modern commerce, such as international rule-making on trade related aspects of electronic commerce, a key enabler of trade and economic activity during the COVID-19 pandemic, as well as on fisheries subsidies disciplines.

### *CPTPP entry into force by all Signatories*

We highly appreciate the updated information from those Signatories for which the CPTPP has yet to enter into force on their ongoing efforts to complete their remaining domestic procedures as soon as possible, in the context of current difficulties.

### *CPTPP expansion*

We support growing the value of CPTPP through accession and warmly welcome the interest shown by several economies to accede to the CPTPP by showing their willingness to meet the Agreement's high standards.

