

5th Meeting of the Commission of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership

Commission Report	
1.	The 5th meeting of the Commission of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP Commission) was held virtually on September 1, 2021. Ministers and Senior Officials from the following CPTPP members participated: Australia, Brunei Darussalam, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Viet Nam. Mr. NISHIMURA Yasutoshi, Japanese Minister in charge of the Trans-Pacific Partnership chaired the Commission.
2.	The Commission agenda is attached at <u>ANNEX A</u> .
3.	A summary of the Commission's discussion and outcomes agreed under the respective agenda items is set out below.
4.	<p>AGENDA ITEM 1:</p> <p>The Commission adopted its agenda and the Chair gave his opening remarks. The Chair reiterated the importance of the CPTPP for building back better from the impacts of the COVID-19 pandemic and expressed hope that this Commission meeting will provide further impetus to the development of the Agreement through discussing the overall implementation of the Agreement and exploring further cooperation and collaboration among CPTPP members.</p>
5.	<p>AGENDA ITEM 2:</p> <p>The Chair invited the Ministers and Senior Officials to take the official photo of the Commission meeting.</p>
6.	<p>AGENDA ITEM 3:</p> <p>Upon invitation from the Chair, the Japanese Chief Negotiator, Ambassador KAGAWA Takehiro, made a general report on this year's activities of 17 subsidiary bodies under the CPTPP Agreement (listed in <u>ANNEX B</u>) that met to date.</p>
7.	<p>AGENDA ITEM4:</p> <p>Following Item3, the Japanese Chief Negotiator reported the accession process with the United Kingdom, including preparation for the first meeting of the Accession Working Group, where the United Kingdom is expected to demonstrate its compliance with all the obligations of the Agreement.</p>
8.	AGENDA ITEM5:

The Chair invited the Ministers and Senior Officials to discuss specific topics including: steady implementation of the Agreement and progressive initiatives in the CPTPP framework, ratification of the Agreement by the Signatories, and expansion of the Agreement. The Ministers and Senior Officials welcomed the CPTPP's entry into force for Peru on September 19, 2021, and encouraged the remaining Signatories to intensify their efforts to complete their domestic procedures. They took note of the steady implementation of the Agreement, including the review work stipulated in Article 27.2.1 (b) of the Agreement. They shared the view that due in part to the unprecedented circumstances arising from the COVID-19 pandemic, further work would be required to fully evaluate the extent to which the Agreement has affected its Parties, and this work would be continued, including further technical discussions, which is to be held in 2022. The Ministers and Senior Officials also affirmed the importance of various efforts, such as holding webinars on environmental issues as part of cooperative activities under the Environment Chapter (Chapter 20), which highlights the comprehensive and progressive nature of this Agreement. They reiterated the possible contribution of the CPTPP to the global economic recovery from the impact of the COVID-19 pandemic, and given the accelerated process of digitalization, they shared support for continuing discussions on electronic commerce rules (Chapter 14) by establishing a Committee on Electronic Commerce. They took note of the progress on the United Kingdom's accession to the CPTPP, and were resolved to continue working with the United Kingdom in preparation for the first meeting of the Accession Working Group. They underscored the need for meeting and adhering to the high standards and ambitious market access commitments in accession.

9. AGENDA ITEM 6:

The Commission adopted the Decision to establish a Committee on Electronic Commerce attached at **ANNEX C**.

10. AGENDA ITEM 7:

The Ministers adopted the Joint Ministerial Statement on the occasion of the Fifth Commission Meeting attached at **ANNEX D**.

11. AGENDA ITEM 8:

The Commission acted on its report. Mr. GAN Kim Yong, Singapore Minister for Trade and Industry made remarks on his resolution and expectation for future CPTPP activities as the Chair of the Commission in 2022. The Chair gave his concluding remarks and declared the end of the 5th Commission meeting.

ANNEX A

5th meeting of the Commission of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership

AGENDA

Date and Time: 1st September 2021, 9:15 am (Tokyo Time)

Venue: Video-Conference

- ITEM 1: Adoption of Agenda followed by Opening Remarks by Chair of the Commission**
- ITEM 2: Family Photo of Ministers and Delegation Chiefs**
- ITEM 3: General report of the work of the subsidiary bodies to date this year**
- ITEM 4: General report of the progress on the accession process with the UK by the Chair of the Accession Working Group**
- ITEM 5: Discussions on specific topics by Ministers and Delegation Chiefs**
- ITEM 6: Proposed action to be taken by the Commission to decide on the establishment of the Committee on Electronic Commerce**
- ITEM 7: Adoption of Proposed Joint Ministerial Statement**
- ITEM 8: Commission Report, Final Remarks by Chair of the Commission, and Brief Remarks by Chair of the Commission in 2022**

ANNEX B

The subsidiary bodies under the CPTPP Agreement that met through August 2021

17 Subsidiary bodies met virtually in 13 sessions hosted by Japan acting as the Chair. The CPTPP members exchanged views and information on their implementation, cooperation activities and experiences under the respective Chapters at the meetings.

1. Labour Council
2. Committee on Regulatory Coherence
3. Committee on Financial Services
4. Committees on Trade in Goods and Agricultural Trade
5. Committee on Environment
6. Committee on Sanitary and Phytosanitary Measures
7. Committees on Rules of Origin and Origin Procedures and Textile and Apparel Trade Matters
8. Committees on Cooperation and Capacity Building and Development
9. Committees on State-Owned Enterprises and Designated Monopolies
10. Committee on Temporary Entry for Business Persons
11. Professional Services Working Group
12. Committees on Competitiveness and Business Facilitation and Small and Medium Enterprises
13. Committee on Technical Barriers to Trade

ANNEX C

Decision by the Commission of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership regarding the Establishment of a Committee on Electronic Commerce

The Commission decides as follows:

1. In accordance with Article 27.2.2(a) (Functions of the Commission), the Commission hereby establishes a Committee on Electronic Commerce composed of government representatives of each Party.
2. The objectives of the Committee are to:
 - (a) enhance each Party's implementation of Chapter 14;
 - (b) consider electronic commerce matters of mutual interest; and
 - (c) enhance cooperation on electronic commerce matters.
3. The Committee shall:
 - (a) discuss any issues related to the implementation or operation of Chapter 14; and
 - (b) provide the Commission with advice and recommendations as appropriate;
4. The Committee shall meet annually or as it decides otherwise.
5. In carrying out its functions, the Committee may work with other committees, working groups and any other subsidiary bodies established under this Agreement. The Committee may, as necessary and by consensus by the Parties, seek advice from, and consider the work of, appropriate experts, such as those from relevant business communities, international organisations, and non-governmental organisations.
6. This decision is effective as of the date of adoption by the Commission, and shall be made publicly available by the Chair of the Commission.

ANNEX D

Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) - Joint Ministerial Statement on the occasion of the Fifth Commission Meeting

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 fifth meeting of the CPTPP Commission, hosted by Japan on September 1, 2021. We are pleased with the solid progress that has been made since the Agreement entered into force in 2018 and reaffirm the significant contribution of the Agreement to the global economy as well as the importance of further collaboration, as highlighted in the following areas:

Welcome the CPTPP's entry into force for Peru and encourage ratification for remaining Signatories

We express our delight at the entry into force of the Agreement for Peru foreseen on September 19, 2021, after its notification of the completion of its applicable legal procedures on July 21, 2021. We firmly believe that Peru's addition as the eighth Party, and its steady implementation of the Agreement, will realise more mutual benefits as well as maintain and further strengthen solidarity within CPTPP's entire membership. We encourage the remaining Signatories to intensify their efforts to complete their domestic procedures so that the Agreement will enter into force for all Signatories as soon as possible.

Continued importance of the CPTPP in supporting recovery from COVID-19

Amidst the uncertainty of the global economy caused by the COVID-19 pandemic and the emergence of inward-looking tendencies, we reaffirm our strong belief in the importance of

countering protectionism and the use of unjustified trade restrictive measures and reinforcing an open, effective, fair, inclusive and rules-based trading system to restore economic growth worldwide. Given such unprecedented circumstances, we reaffirm that innovative, high standard agreements like the CPTPP are a significant contributor to trade and economic recovery from the impact of COVID-19. We underline the contribution of CPTPP to making global supply chains more resilient and less vulnerable to shocks, and to enhancing the digital economy and connectivity. In this regard, we will continue our work on strengthening supply chain resilience, advancing the integration of small and medium enterprises in global supply chains and facilitating e-commerce through steady implementation and effective advancement of the Agreement. We are also committed to working collectively as well as with the private sector to provide for an enabling trade and investment environment for vaccine research and development, manufacturing and delivery.

We reaffirm our strong commitment to upholding and supporting the rules-based multilateral trading system, with the WTO at its core, including as a tool to counter economic coercion. CPTPP members reaffirm their commitment to collaborate to achieve a successful outcome at the 12th WTO Ministerial Conference.

We remain resolved to ensure trade restrictive emergency measures designed to tackle COVID-19 are targeted, proportionate, transparent, and temporary, do not create unnecessary barriers to trade or disruption to global supply chains, comply with this Agreement and are consistent with WTO rules and will support efforts to unwind remaining restrictive measures when appropriate.

We reaffirm our commitment 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 call upon trading partners to ensure that import measures are transparent, based on scientific evidence and relevant international standards, and are no more trade restrictive than necessary. We recognize that supporting the movement of agriculture and food products plays an instrumental role in avoiding food shortages and ensuring global food security.

Establishment of Committee on Electronic Commerce

The pandemic has accelerated the process of digitalization and the adoption of digital solutions. The CPTPP, with its advanced electronic commerce rules, sets up its members as front runners in the development of a stable and trustworthy business environment for the facilitation of trade by electronic means.

We are committed to the enhancement of digitalization in the Asia-Pacific region and to contributing to global rule-making in this field. In April, CPTPP members participated in the CPTPP E-Commerce Webinar to discuss the relevance and benefits of the CPTPP's electronic commerce rules for consumers and business. The Parties have reached a decision to establish a Committee on Electronic Commerce to facilitate continued discussion of the implementation and operation of the Electronic Commerce Chapter. The new Committee will further explore ways to promote digitalization within the region and position the CPTPP to play a central role in global rule-making in this field.

Steady implementation of the Agreement and initiatives in the CPTPP framework to advance the Agreement

We have been steadily implementing the Agreement for more than two and half years. We noted the work of the Agreement's 17 subsidiary bodies that met virtually this year ahead of this Commission meeting¹. The Commission notes with appreciation

¹ The Committees on Trade in Goods, Agricultural Trade, Rules of Origins, Textiles and Apparel Trade, Sanitary and Phytosanitary Measures, Technical Barriers to Trade,

the progress made, such as the work by the Professional Services Working Group to advance development of non-binding guidelines for the drafting of mutual recognition agreements for professional qualifications, and the formal establishment of the Working Group on Products of Modern Biotechnology formed under the Committee on Agricultural Trade, among other developments.

The Commission takes note of the review work stipulated in Article 27.2.1(b) of the Agreement, including preliminary technical exchanges on the evaluation of the Agreement among the CPTPP members. We share the view that due in part to the unprecedented circumstances arising from the COVID-19 pandemic, it is not possible to fully review the impacts of the Agreement on the economic relationships and partnerships among the Parties in a meaningful manner, and further work would be required to fully evaluate the extent to which the Agreement has affected its Parties, including its positive contribution. We reaffirm the importance of this review mechanism under the Agreement, and instruct Senior Officials to continue to work on this matter, including holding further technical discussions at the earliest possible opportunity in 2022.

Based on our common recognition that promoting conservation of the environment and sustainable management of natural resources can be a driving force of the long-term growth of the global economy, we have undertaken efforts to advance the cooperative activities among the CPTPP members under the environment chapter (Chapter 20), which also highlights the comprehensive and progressive nature of this Agreement. These efforts include the workshop on combating illegal trade of wildlife species held in March, as well as a series of webinars which respectively focused

Financial Services, Temporary Entry for Business Persons, State-Owned Enterprises and Designated Monopolies, Environment, and Capacity Building, Competitiveness and Business Facilitation, Development, Small and Medium Enterprises, and, Regulatory Coherence, Labour Council, and Professional Services Working Group met virtually to consider matters arising from their applicable Chapters in the Agreement.

on prevention of the spread of invasive alien species, conservation and sustainable use of biodiversity, circular economy and resource efficiency, and climate change and decarbonization, held from June to August. We believe that such initiatives in the CPTPP framework will contribute to addressing global environmental challenges, including climate issues for the international community, which is especially timely at this juncture given that the meetings of the Conference of the Parties to the Convention on Biological Diversity and the UN Framework Convention on Climate Change are scheduled to take place shortly.

The accession process with the United Kingdom and CPTPP expansion to extend its high standard rules

We take note of the progress on the United Kingdom's accession to the CPTPP since the decision on June 2, 2021 to commence the accession process and establish an Accession Working Group. We continue to work with the United Kingdom in preparation for the first meeting of the Accession Working Group and look forward to the United Kingdom fully demonstrating its compliance with all the obligations of the Agreement at the said meeting. The United Kingdom's possible accession would provide an opportunity to advance the CPTPP's high-standard rules for the 21st century and further promote free trade, open and competitive markets and economic integration in the Asia-Pacific region and beyond. We also reaffirm that the CPTPP is open to accession by economies committed to the Agreement's objectives, able to meet and adhere to its high standards and ambitious market access commitments, and having demonstrated a pattern of complying with trade commitments.

The next CPTPP Commission meeting will be hosted by Singapore in 2022.