

**CPTPP Committee on State-Owned Enterprises and  
Designated Monopolies**

**Committee Report**

1. The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) Committee on State-Owned Enterprises and Designated Monopolies (SOEs Committee) met virtually on July 14, 2021 (Japan Standard Time, GMT+9). Delegates from the following CPTPP members participated: Australia, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Viet Nam (Brunei Darussalam was absent). Ms. AKITA Yuko, Negotiator for Economic Partnership Agreements of the Ministry of Foreign Affairs of Japan, chaired the Committee.

2. The Committee agenda is attached at **ANNEX A**.

3. A summary of the Committee's discussion and any outcomes agreed under the respective agenda items is set out below.

4. **AGENDA ITEM 1: Adoption of the Agenda**

The Committee adopted the draft agenda without any amendment.

5. **AGENDA ITEM 2: Transparency**

Members shared information regarding new updates on their respective SOEs list notifications.

The Committee had a broad discussion on timing and methods of the SOEs list notification.

- i. The Committee recognized the requirement under Article 17.10 for members to update their respective SOEs list annually.
- ii. The members that have not notified their respective SOEs list in 2021 expressed the intention to notify their respective lists as soon as possible.
- iii. To ensure a fruitful discussion, members were encouraged to provide their future notifications prior to the annual meetings of the Committee.

Members exchanged information and their views on publication of their respective SOEs lists. Japan publishes its SOEs list on its official website. Canada expressed that

they were willing to publish their respective SOE notification lists on a reciprocal basis.

#### 6. AGENDA ITEM 3: Threshold Calculation

The Committee recognized the requirement under Annex 17-A to adjust the SDR threshold every three years, and for members to notify the applicable threshold in their respective national currencies in line with paragraph 4. The members that have not notified their converted threshold yet shared their plan to notify the amount as soon as possible.

No members reported a major change in their national currency vis-a-vis the SDR according to the Annex 17-A paragraph 6.

The Committee had a broad discussion on the approaches for adjustment of the threshold calculation in 2022.

- i. Members considered the risk of a one-year delay for the next adjustment due to the likelihood that the IMF would not publish the base data required for the adjustment until after July 2022.
- ii. Members agreed on the necessity to initiate the adjustment of the threshold immediately after publication of the base data, and on the importance of the role of the Chair in 2022 (Singapore) on this matter. Singapore expressed its intention to take initiative on this adjustment by providing the threshold calculation during the intersessional period in 2022 after the IMF's publication of the necessary data, including the updated SDR valuation basket.
- iii. Prior to the 2022 meeting of the Committee, members will endeavour to complete the adjustment of the threshold and notification of the SOEs list based on the updated threshold in their respective currencies. In this regard, members shared the view that it would be preferable to schedule the date of the Committee in or after August 2022.

#### 7. AGENDA ITEM 4: Technical Cooperation

Some members shared information regarding their technical cooperation activities on promoting SOEs disciplines within multilateral fora like the Asia-Pacific Economic Cooperation (APEC) forum. Members are invited to follow up and get involved in promoting SOEs disciplines under other frameworks.

#### 8. AGENDA ITEM 5: Operation and Implementation

Some members (Chile, Malaysia and Peru) that are undergoing the process of CPTPP

ratification, updated the Committee on the status of their internal procedures. Canada shared its concerns that changes to Mexico's energy sector are harming Canadian investment and requested clarifications in relation to the CPTPP SOE obligations. Mexico asked Canada to send its concerns by e-mail and expressed its willingness to respond by e-mail, after confirmation with competent authorities.

**9. AGENDA ITEM 6: Cooperative Efforts**

Some members shared information on their current, under review, prospective and finalized Free Trade Agreement (FTA) negotiations with SOE disciplines. FTAs containing SOE provisions that came into force recently were mentioned.

**10. AGENDA ITEM 7: Committee Report**

Members were of the view that they finalize the Committee report by correspondence.

The Committee has tentatively agreed that the next meeting of CPTPP SOEs Committee will be held in or after August 2022. The details will be coordinated by the incoming Chair (Singapore).

## **ANNEX A**

### **CPTPP Committee on State-Owned Enterprises and Designated Monopolies**

<b>AGENDA</b>	
Date and Time:	14th July 2021, 10:00 am (Tokyo Time)
Venue:	Video-Conference
ITEM 1:	Adoption of the Agenda
ITEM 2:	Transparency (Article 17.10)
ITEM 3:	Threshold Calculation (Annex 17-A)
ITEM 4:	Technical Cooperation (Article 17.11)
ITEM 5:	Operation and Implementation (Article 17.12)
ITEM 6:	Cooperative Efforts (Article 17.12)
ITEM 7:	Committee Report