Vancouver Statement on the Occasion of the Eighth Commission Meeting of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership

Ministers and Representatives of Australia, Brunei Darussalam, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, the United Kingdom, and Viet Nam met for the Eighth Meeting of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) Commission on 28 November 2024 (PST). The meeting was hosted by Canada in Vancouver on the ancestral, unceded territories of the xʷməθkʷəy̓əm (Musqueam), Sḵwx̱wú7mesh (Squamish), and Sel̓íl̓witulh (Tsleil-Waututh) peoples.

Amidst an increasingly fragmented and unpredictable international trading landscape, we affirmed the CPTPP's importance as a high-standard agreement that upholds transparent, predictable, and rules-based trade. We recognise and respect the cultural identity and diversity among and within the Members, as well as the importance of preserving each Member's right to regulate in the public interest and therefore, we reassert our commitment that the benefits of trade are shared across society, and in particular that women, Indigenous Peoples, micro, small and medium-sized enterprises (MSMEs), other under-represented groups, and all regions in our economies benefit from trade. We reaffirmed that CPTPP has an important role to play in improving the living standards of all citizens, and we reaffirmed our commitment to ensuring the agreement remains fit-for-purpose in light of the trading issues that confront Members.

At a time of resurgent protectionism, rising inflation and instability, and conflict, we reaffirmed our shared commitment to upholding the rules-based trading system, with the WTO at its core, including as a means for responding to economic coercion. As a current and future driver of economic growth, the importance of the CPTPP will only continue to grow. It is in all of our interests to ensure a region that is open, stable and prosperous, that is predictable and operates by agreed rules, standards and laws – where all countries are free from coercion.

On this occasion, we welcomed outcomes achieved on the Chair's priorities: 1) accessions 2) progressive stewardship, and 3) comprehensive utilization. We also celebrated that the *Protocol on the Accession of the United Kingdom of Great Britain and Northern Ireland to the CPTPP* will enter into force on 15 December 2024 for the United Kingdom as well as Japan, Singapore, Chile, New Zealand, Viet Nam, Peru, Malaysia, and Brunei Darussalam, and 24 December for Australia.

Priority #1: Accessions

Expanding the CPTPP ensures it remains a dynamic and living agreement. Bringing in the United Kingdom, the world's sixth-largest economy, a third G7 member, and a leading advocate for high-standards and rules-based international trade and investment is a clear demonstration of the value, interest in, and benefits of CPTPP accession.

Further reflecting the importance we place on the Agreement's expansion, Parties have achieved consensus to take a Commission decision to establish an Accession Working Group for Costa Rica to be chaired by Peru and vice-chaired by Canada. In making this decision, the Commission took into consideration the Auckland Principles, namely: preparedness to meet the Agreement's high standards; a demonstrated pattern of complying with trade commitments; and recognition that decisions are dependent on the consensus of Parties.

Today's decision is but one step in the process. We look forward to working with Costa Rica to engage in technical discussions, including legal and policy matters related to its compliance with all the existing rules, receiving Costa Rica's highest standard market access offers, and negotiating the terms and conditions of its accession.

Costa Rica's potential membership would support the mutual interests, common values and commitment to upholding the rules-based trading system shared by the Members. It would also promote market-oriented principles and help to counter protectionism and the use of unjustified trade restrictive measures. For the CPTPP to continue to be at the cutting-edge of trade rules and liberalisation, we also instruct Senior Officials to discuss how to move forward collectively on accession processes in a way that reflects all our interests and maintains the high standards of the Agreement.

We welcome the continued and growing interest from economies to join the CPTPP, acknowledging the six further accession requests. We remain committed to advancing discussions related to accession and affirm that the CPTPP continues to welcome the interest of, and remains open to, accession by economies that can satisfy the three Auckland Principles, so that the benefits of the Agreement can continue to grow through the accession process. The establishment of an Accession Working Group for Costa Rica will not prevent the consideration and discussion of the remaining accession requests by CPTPP Members.

Priority #2: Progressive Stewardship

As a 'living agreement', CPTPP Members continuously seek to improve its operation. We reaffirm our commitment to this effort as it supports economic prosperity for CPTPP Members and the well-being of our citizens. We are pleased with our significant 2024 milestones:

- Progress by CPTPP Parties to ensure notifications and Party-specific transition period reports are up to date.
- Committee work programme outcomes, including: Preparing updates to CPTPP product specific rules of origin to reflect the recent version of the Harmonized System; a workshop on the use of automated customs systems and data elements in relation to the World Customs Organization's Data Model; completion of the stand-alone review of the implementation and operation of the Environment Chapter (Article 20.19.7); and, publication of *The Growth of Supply Chain Trade within the CPTPP* report.
- An update to the 2019 Commission Decision (CPTPP/COM/2019/D001) to confirm the rotation of the CPTPP Commission Chair and Vice-Chair roles through to 2031.

General Review

In 2023, CPTPP Members laid the groundwork for the General Review by endorsing the *Terms of Reference for Conducting the General Review*. In 2024 Members advanced the General Review per Article 27.2.3, which outlines that the Commission shall review the Agreement's operation, with a view to updating and enhancing it, through negotiations as appropriate, to ensure that its disciplines remain relevant to the trade and investment issues and challenges confronting the Members.

The CPTPP was designed to be a 'living agreement' meant to evolve, to address emerging and new challenges to our trading system. Through the General Review, we seek to maintain the CPTPP's status as the standard-bearer for trade agreements to ensure we maintain a competitive business environment, boost economic growth, deepen trade and investment relationships, and contribute to collective efforts to address collective global challenges such as environmental protection and climate change.

Officials have made good progress on the General Review throughout 2024. Detailed review of all 30 Chapters took place, alongside assessments of cross-cutting and emerging issues. We received and endorsed the *Interim Report by Senior Officials to Ministers on Progress on the General Review of the CPTPP* (annexed). Accepting the recommendations, we call on Senior Officials to advance the necessary work as soon as practicable and to report on progress of each identified issue by the 2025 Commission Meeting.

We emphasise that the issues identified in the *Interim Report* do not represent the full range of issues we expect to be assessed in the General Review as all areas of the Agreement continue to be deliberated upon and considered. We commit to dedicate the resources necessary to finalize the overall General Review Report from Senior Officials with a set of recommendations on next steps to be referred to the Commission in 2025. Based on the work to date and the upcoming General Review Report in 2025, we will determine a range of options to update and enhance the operation of the Agreement, including through negotiations, as appropriate.

Economies interested in accession should remain aware of the progress made in the General Review process, as outlined in the Interim Report, and share the perspective that the Agreement is not static.

Priority #3: Comprehensive Utilization

CPTPP benefits are fully realized once they are utilized by traders and investors. We remain committed to ensuring that businesses in CPTPP economies have the awareness, knowledge, and tools to effectively leverage the Agreement's benefits. To this end, a concerted effort was made to directly engage with stakeholders on the margins of CPTPP meetings this year, including in Brunei Darussalam, Canada, and the United Kingdom. These events showcased the Agreement's benefits, explained how best to leverage the Agreement in practice, and deepened dialogue between stakeholders and policymakers in CPTPP economies.

Further to our shared commitment to ensuring that the benefits and opportunities from the CPTPP are more widely shared, including by under-represented groups in trade, we recognize the successful completion of the Inclusive Trade Symposium organized on the margins of Eighth Commission meeting. Facilitated by Canada as Chair, the Symposium provided an inclusive platform for stakeholders, Indigenous business representatives and trade experts, non-governmental organizations, academia, and international leading experts from research institutes to exchange views and offer recommendations on how the CPTPP can further foster inclusive trade and allow traders from all backgrounds to best reap the benefits of the Agreement.

We also note the launch of a website by a non-governmental organization, *the Asia Pacific Foundation of Canada,* to act as a repository of public-facing CPTPP documents. These may include: Joint Statements; Committee reports; Commission Decisions; links to CPTPP information on Members' government websites; and digital tools to support traders, investors, academics, and other stakeholders. While not an endeavour by CPTPP Members, we recognize the potential of this initiative to enhance transparency, promotion, and utilization of the Agreement.

New Horizons: CPTPP Trade & Investment Initiatives

To further enhance the CPTPP's positive influence on the international trading system, we task Senior Officials to explore initiatives, including dialogues, where trade and investment issues can be discussed with partners to be selected. In the midst of increased turbulence across the global economic landscape, these initiatives will serve to facilitate effective and timely collaboration on key trade policy issues and support joint efforts to uphold the rules-based trading system, while maintaining the independence and harmony of interests. For clarity, trade and investment initiatives will not be a replacement, nor a pre-requisite for, or connected in any way to the distinct process of accession to the CPTPP, which remains a top priority for Members.

Looking Ahead

As Canada's year as Commission Chair approaches its end and leadership responsibilities of the Agreement transfer to Australia in 2025, we reaffirm our support for the rules-based multilateral trading system and our collective commitment to the principles of free, open, and predictable trade enshrined in the CPTPP.

Annex - Interim Report by Senior Officials to Ministers on Progress on the General Review of the CPTPP

In 2024, Senior Officials launched and completed the initial review of all 30 Chapters of the CPTPP and cross-cutting issues. Additionally, Members engaged stakeholders to ensure that the Agreement can continue to deliver benefit to all. Recalling Ministers' instructions to Senior Officials in Arequipa, Peru, in May 2024, we sought to identify areas where updates and revisions to the CPTPP could be advanced most quickly. With the overall intent to update and enhance the Agreement through negotiations as appropriate, this *Interim Report by Senior Officials to Ministers on Progress on the General Review of the CPTPP* identifies areas where we recommend expeditiously undertaking more in depth and focused discussions and to report on progress of each identified issue by the 2025 Commission Meeting.

We emphasise that the issues identified do not represent the full range of issues identified during the General Review analysis to date. The recommendations below (listed alphabetically) should not be construed as pre-judging the ultimate outcomes of the full General Review. We are continuing our analysis and deliberations on the CPTPP as a whole and will continue to engage with interested parties. We anticipate the full General Review report with a set of recommendations on next steps to be referred to the Commission in 2025.

Customs Administration and Trade Facilitation

Customs Administration and Trade Facilitation provisions simplify customs and border procedures, increase the volume and speed of goods trade, and lower costs of trade. These benefits accrue to all traders, including MSMEs, and accelerate economic growth overall. Customs administration is undergoing significant change, including technological innovations, to which the Agreement needs to respond.

Recommendation 1: Senior Officials to deepen discussions on how the Agreement can further facilitate trade among the Members, including by the potential establishment of a dedicated committee or working group.

Economic Coercion

The recent rise in incidents of economic coercion, which threatens the rules-based international system, undermines the functioning of and confidence in free, fair, and open trade. Economic coercion is not in keeping with the high standards of the Agreement, or expectations of CPTPP membership. We reaffirm our shared concerns with and opposition to economic coercion by any government. We also reaffirm our strong interest to work collaboratively, as the CPTPP can play a significant role to deter economic coercion and mitigate its risks. It is in our collective interest to uphold an open, inclusive, rules-based, and multilateral trading system, with the WTO at its core.

Recommendation 2: Senior Officials to deepen discussions, including possibly on how to deter, build resilience to, and mitigate the risks and the effects of economic coercion.

Electronic Commerce

The role of electronic commerce has evolved significantly since the signature of CPTPP in March 2018. In 2023 and 2024, the e-Commerce Committee, established by the Commission in 2021 to help our economies to be equipped to harness the benefits of the digital revolution, explored future areas of work and identified interest in potentially modernizing the CPTPP Electronic Commerce Chapter to ensure it remains the high watermark for digital trade disciplines.

Recommendation 3: Senior Officials to conclude exploratory discussions in 2025 on possible ways to improve the Electronic Commerce Chapter.

Environment

We share the view that trade agreements are a tool to help address collective environmental challenges, including the unprecedented triple planetary crises of climate change, biodiversity loss, and pollution that are mutually reinforcing and intrinsically linked. We seek to promote environmental conservation, reduce environmental degradation and biodiversity loss, and sustainably manage natural resources as important public goods that can also drive long-term economic growth and sustainable development. Climate change is an existential issue with which we are concerned.

Recommendation 4: Senior Officials to deepen discussions to identify meaningful ways to address collective environmental challenges such as climate change, biodiversity loss, and pollution, including considerations to potentially update the Environment Chapter.

Financial Services

Financial Services provisions improve transparency and competition, benefit businesses and consumers, and preserve the right of financial regulators to take action to ensure the integrity and stability of the financial system. As this sector grows and evolves, the Agreement should be adapted accordingly.

Recommendation 5: Senior Officials to conclude exploratory discussions in 2025 on possible ways to improve the Financial Services Chapter.

Global Value Chains & Supply Chain Resilience

Global Value Chains and Supply Chain Resilience across the CPTPP are cornerstones of our collective prosperity. Due to CPTPP provisions, supply chains are deepening, making trade more efficient and resilient during crises. However, recent events including pandemics, natural disasters, geopolitical tensions, and economic coercion highlighted supply chain vulnerabilities and the importance of global value chains and supply chain resilience. We recognize that transparency, diversification, security, sustainability, trustworthiness, and reliability are essential principles on which to build and strengthen resilient supply chain networks among trusted partners, and we also recognize the need to draw lessons from other forums.

Recommendation 6: Senior Officials to deepen discussions on how to strengthen supply chain resilience and deepen value chains among the Members.

Inclusive Trade

We reaffirm our shared commitment to ensuring that the benefits and opportunities from the CPTPP are more widely shared, including by under-represented groups in trade. In particular, during this past year, CPTPP Members discussed Trade and Gender Equality and Trade and Indigenous Peoples.

i. Trade and Gender Equality

Barriers to trade continue to exist for women from diverse backgrounds. We can significantly advance gender equality, women's economic empowerment, and promote women's participation and leadership in international trade. Addressing barriers experienced by women will contribute to building and sustaining public support for trade, ensuring that the benefits of international trade are shared fairly across society.

ii. Trade and Indigenous Peoples

It is important to recognize Indigenous Peoples' trade interests and perspectives, including addressing potential trade and investment barriers faced by Indigenous Peoples' businesses. We support greater Indigenous Peoples' trade and investment participation and collaboration

between the Members. We recognise and respect the cultural identity and diversity among and within the Members, as well as the importance of preserving each Member's right to regulate in the public interest. CPTPP should draw on standards in applicable international agreements and arrangements, as appropriate, that support trade and investment by Indigenous Peoples.

Recommendation 7: Senior officials to establish a working group on inclusive trade.

Innovation

The CPTPP does not include a dedicated mechanism to address specific challenges or opportunities that arise from innovation and technology. Given the importance of innovation to economic prosperity, we should consider how CPTPP can best adapt to these new challenges and opportunities.

Recommendation 8: Senior Officials to continue discussions exploring different approaches to bring Innovation into the Agreement to support trade and economic growth.

Management of Administrative Work

We take our responsibility as stewards of the Agreement seriously. Nevertheless, we acknowledge the workload arising from the implementation of the CPTPP commitments, including the General Review, as well as the increasing CPTPP accession requests. While Members have adopted several policies to mitigate administrative burdens, we recognize the need for further improvement, including the possible establishment of a secretariat.

Recommendation 9: Senior Officials to establish a dedicated working group to provide recommendations to the Commission in 2025 on the development of tools to reduce the administrative burden on Members and improve the effective implementation and operation of the Agreement. These discussions should cover a range of approaches, including, but not limited to, the possible establishment of a secretariat.

Market Distorting Practices

Market distorting practices go against the principles shared by CPTPP Members. They distort the normal functioning of markets, undermine free and fair trade, and create unlevel playing fields. We reaffirm our concerns with the use of market distorting practices and recognize the importance of further understanding the global impacts they may have. We also reaffirm our commitment to uphold the rules-based multilateral trading system, with the WTO at its core. To this end, we commit to upholding existing transparency obligations that shed light on market distorting practices and to continue exploring cooperation, including in relevant multilateral fora, on these issues.

Recommendation 10: Senior Officials to continue discussions to scope issues and deepen understandings, including through member driven initiatives such as workshops, and provide recommendations for next steps in coordination with relevant committees.

Micro, Small, and Medium-Sized Enterprises

As job creators and a driver of the economy, micro, small, and medium-sized enterprises (MSMEs) are a CPTPP priority. The Agreement supports, fosters, and promotes MSMEs through its implementation, but also through inclusive activities, and outreach with non-governmental organizations. In 2024, the relevant experts of the Small and Medium-Sized Chapter explored future work areas, including a more inclusive approach.

Recommendation 11: Senior Officials to deepen discussions on the Small and Medium-Sized Chapter with a view to promoting fuller participation of MSMEs in global trade.

Sustainable Agriculture and Food Systems

Sustainable productivity growth in agriculture and food systems is critical to: achieve the UN Sustainable Development Goals; address global food insecurity and meet increasing food and

nutrition requirements, and; minimise negative, and enhance positive, contributions of agricultural production to meet international commitments to limit climate change and encourage the conservation and sustainable use of biological diversity.

Trade and investment rules should assist the transition to more sustainable and resilient agriculture and food systems. To ensure that sustainability measures and international trade rules are compatible, rules should provide economies the flexibility to set sustainability measures which best suit their unique domestic circumstances, while ensuring trade remains fair and open.

Recommendation 12: Senior Officials to deepen discussions on the scope of Sustainable Agriculture and Food Systems and provide recommendations for next steps.

Next Steps

Building on the successful work done so far, Senior Officials commit to dedicate the resources necessary to refer the General Review Report to the CPTPP Commission in 2025. The objectives of the General Review are reconfirmed as follows:

- Review the operation of the CPTPP to ensure the disciplines contained in the Agreement remain relevant to the trade and investment issues and challenges confronting the Members.
- Identify provisions that would benefit from revision or updating, and the potential for the development of new provisions or Chapters.
- Review the operation of the CPTPP with a view to identifying ways to facilitate maximum utilisation of the CPTPP by traders and investors and to improve the uptake of the Agreement.
- Ensure the Agreement remains of the highest possible standard.

Moving forward, Senior Officials will continue to work toward making recommendations in 2025 to establish parameters for negotiations to update and enhance existing chapters and to include emerging trade issues in the Agreement, as relevant. We will also continue to consider all areas and Chapters covered by the Agreement. We will carry out this work with a strong commitment to the principles of openness, inclusivity, and fairness that underpin the CPTPP.

The growing interest from economies seeking to join CPTPP demonstrates there is strong demand for rules-based trade and membership in agreements that can adapt to the evolving trade environment.

The direction set out above will serve as a foundation for future enhancements to the CPTPP. Together, we will continue to champion rules-based international trade, fostering prosperity and resilience across our diverse economies.