

CPTPP - Comprehensive and Progressive Agreement for Trans-Pacific Partnership

Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)—a free trade agreement between Canada and 10 other countries in the Asia-Pacific: Australia, Brunei, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam.

On 1 February 2021, the United Kingdom (UK) formally requested accession to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). The Department of Foreign Affairs and Trade (DFAT) is inviting stakeholders on the commercial, economic, regional and other impacts that could be expected to arise from the UK acceding to the CPTPP.

About CPTPP

- The CPTPP was signed by the 11 countries on March 8, 2018, in Santiago, Chile
- The CPTPP entered into force on December 30, 2018, for:
 - Australia
 - Canada
 - Japan
 - Mexico
 - New Zealand
 - Singapore; and on January 14, 2019, for Vietnam
- The Agreement calls for a free trade area to be created as per requirements of Article XXIV of GATT and Article V of GATS
- The agreement mandates the duty-free entry of commercial samples having almost negligible value and printed advertising material from the territory of a signatory party
- CPTPP covers virtually all sectors and aspects of trade in order to eliminate or reduce barriers. It establishes clear rules that help create a consistent, transparent and fair environment to do business in CPTPP markets
- It eliminates tariffs and reduces barriers for 98% of exports to CPTPP member countries
- It also includes trade-related technical cooperation among CPTPP members, including with respect to small and medium-sized enterprises, regulatory coherence and economic development

Objectives of CPTPP

- CPTPP covers virtually all sectors and aspects of trade in order to eliminate or reduce barriers
- It establishes clear rules that help create a consistent, transparent and fair environment to do business in CPTPP markets

- It also includes chapters on the protection of the environment and labour to ensure that CPTPP members do not derogate from their commitments in these areas to increase trade or investment
- Straight forward rules of origin and origin procedures are set under the Comprehensive and Progressive Agreement for Trans-Pacific Partnership
- The custom procedures have been made simple effective, clear and predictable

Significance of CPTPP

In every province and territory, the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) will offer exporters a competitive advantage over exporters from other countries that do not have a free trade agreement with countries in the Asia-Pacific region.

Once fully implemented, CPTPP will eliminate tariffs on almost all Canadian exports to CPTPP markets and create better export conditions, including:

- Reduced barriers to trade
- Increased access to government procurement
- Consistent, transparent and predictable trade environment
- CPTPP helps reduce unnecessary regulatory requirements

What is the CPTPP Commission?

The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) Commission reviews the implementation of the agreement and considers ways to further advance trade and investment between CPTPP members. The Commission consists of ministers and senior officials from CPTPP members.

As of April 2021, three CPTPP Commission meetings have been held:

- **First CPTPP Commission Meeting** - The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) inaugural Commission meeting took place on January 19, 2019, in Tokyo, Japan.
- **Second CPTPP Commission Meeting** - The second meeting of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) Commission took place from October 7 to 9, 2019 in Auckland, New Zealand.
- **Third CPTPP Commission Meeting** - The third meeting of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) Commission was hosted virtually by Mexico on August 5, 2020. The topic of challenges arising from the COVID-19 pandemic and work towards post-COVID-19 economic recovery was also discussed in the commission meeting