#### **CHAPTER 23**

## **DEVELOPMENT**

\*This Chapter of CPTPP remain unchanged in comparison with that of TPP (according to WTO Center-VCCI)

#### **Article 23.1: General Provisions**

- 1. The Parties affirm their commitment to promote and strengthen an open trade and investment environment that seeks to improve welfare, reduce poverty, raise living standards and create new employment opportunities in support of development.
- 2. The Parties acknowledge the importance of development in promoting inclusive economic growth, as well as the instrumental role that trade and investment can play in contributing to economic development and prosperity. Inclusive economic growth includes a more broad-based distribution of the benefits of economic growth through the expansion of business and industry, the creation of jobs, and the alleviation of poverty.
- 3. The Parties acknowledge that economic growth and development contribute to achieving the objectives of this Agreement of promoting regional economic integration.
- 4. The Parties also acknowledge that effective domestic coordination of trade, investment and development policies can contribute to sustainable economic growth.
- 5. The Parties recognise the potential for joint development activities between the Parties to reinforce efforts to achieve sustainable development goals.
- 6. The Parties also recognise that activities carried out under Chapter 21 (Cooperation and Capacity Building) are an important component of joint development activities.

## **Article 23.2: Promotion of Development**

- 1. The Parties acknowledge the importance of each Party's leadership in implementing development policies, including policies that are designed for its nationals to maximise the use of the opportunities created by this Agreement.
- 2. The Parties acknowledge that this Agreement has been designed in a manner that takes into account the different levels of economic development of the Parties, including through provisions that support and enable the achievement of national development goals.

3. The Parties further recognise that transparency, good governance and accountability contribute to the effectiveness of development policies.

#### Article 23.3: Broad-Based Economic Growth

- 1. The Parties acknowledge that broad-based economic growth reduces poverty, enables sustainable delivery of basic services, and expands opportunities for people to live healthy and productive lives.
- 2. The Parties recognise that broad-based economic growth promotes peace, stability, democratic institutions, attractive investment opportunities, and effectiveness in addressing regional and global challenges.
- 3. The Parties also recognise that generating and sustaining broad-based economic growth requires sustained high-level commitment by their governments to effectively and efficiently administer public institutions, invest in public infrastructure, welfare, health and education systems, and foster entrepreneurship and access to economic opportunity.
- 4. The Parties may enhance broad-based economic growth through policies that take advantage of trade and investment opportunities created by this Agreement in order to contribute to, among other things, sustainable development and the reduction of poverty. These policies may include those related to the promotion of market-based approaches aimed at improving trading conditions and access to finance for vulnerable areas or populations, and SMEs.

## **Article 23.4: Women and Economic Growth**

- 1. The Parties recognise that enhancing opportunities in their territories for women, including workers and business owners, to participate in the domestic and global economy contributes to economic development. The Parties further recognise the benefit of sharing their diverse experiences in designing, implementing and strengthening programmes to encourage this participation.
- 2. Accordingly, the Parties shall consider undertaking cooperative activities aimed at enhancing the ability of women, including workers and business owners, to fully access and benefit from the opportunities created by this Agreement. These activities may include providing advice or training, such as through the exchange of officials, and exchanging information and experience on:
  - (a) programmes aimed at helping women build their skills and capacity, and enhance their access to markets, technology and financing;

- (b) developing women's leadership networks; and
- (c) identifying best practices related to workplace flexibility.

## Article 23.5: Education, Science and Technology, Research and Innovation

- 1. The Parties recognise that the promotion and development of education, science and technology, research and innovation can play an important role in accelerating growth, enhancing competitiveness, creating jobs, and expanding trade and investment among the Parties.
- 2. The Parties further recognise that policies related to education, science and technology, research and innovation can help Parties maximise the benefits derived from this Agreement. Accordingly, Parties may encourage the design of policies in these areas that take into consideration trade and investment opportunities arising from this Agreement, in order to further increase those benefits. Those policies may include initiatives with the private sector, including those aimed at developing relevant expertise and managerial skills, and enhancing enterprises' ability to transform innovations into competitive products and start-up businesses.

## **Article 23.6: Joint Development Activities**

- 1. The Parties recognise that joint activities between the Parties to promote maximisation of the development benefits derived from this Agreement can reinforce national development strategies, including, where appropriate, through work with bilateral partners, private companies, academic institutions and non-governmental organisations.
- 2. When mutually agreed, two or more Parties shall endeavour to facilitate joint activities between relevant government, private and multilateral institutions so that the benefits derived from this Agreement might more effectively advance each Party's development goals. These joint activities may include:
  - (a) discussion between Parties to promote, where appropriate, alignment of Parties' development assistance and finance programmes with national development priorities;
  - (b) consideration of ways to expand engagement in science, technology and research to foster the application of innovative uses of science and technology, promote development and build capacity;
  - (c) facilitation of public and private sector partnerships that enable private enterprises, including SMEs, to bring their expertise and

- resources to cooperative ventures with government agencies in support of development goals; and
- (d) involvement of the private sector, including philanthropic organisations and businesses, and non-governmental organisations in activities to support development.

## **Article 23.7: Committee on Development**

1. The Parties hereby establish a Committee on Development (Committee), composed of government representatives of each Party.

## 2. The Committee shall:

- (a) facilitate the exchange of information on Parties' experiences regarding the formulation and implementation of national policies intended to derive the greatest possible benefits from this Agreement;
- (b) facilitate the exchange of information on Parties' experiences and lessons learned through joint development activities undertaken under Article 23.6 (Joint Development Activities);
- (c) discuss any proposals for future joint development activities in support of development policies related to trade and investment;
- (d) invite, as appropriate, international donor institutions, private sector entities, non-governmental organisations or other relevant institutions to assist in the development and implementation of joint development activities;
- (e) carry out other functions as the Parties may decide in respect of maximising the development benefits derived from this Agreement; and
- (f) consider issues associated with the implementation and operation of this Chapter, with a view towards considering ways the Chapter may enhance the development benefits of this Agreement.
- 3. The Committee shall meet within one year of the date of entry into force of this Agreement, and thereafter as necessary.
- 4. In carrying out its functions, the Committee may work with other committees, working groups and any other subsidiary body established under this Agreement.

## **Article 23.8: Relation to Other Chapters**

In the event of any inconsistency between this Chapter and another Chapter of this Agreement, the other Chapter shall prevail to the extent of the inconsistency.

# **Article 23.9: Non-Application of Dispute Settlement**

No Party shall have recourse to dispute settlement under Chapter 28 (Dispute Settlement) for any matter arising under this Chapter.