



## Regional Comprehensive Economic Partnership (RCEP)

18<sup>th</sup> November 2020

*Reference points taken from The Melbourne Age newspaper, Wikipedia and DFAT website*

Following eight years of negotiations, the Regional Comprehensive Economic Partnership (RCEP) was signed Sunday 15<sup>th</sup> November 2020 after agreements were reached across the \$30-trillion market.

The trade agreement between 15 member states (Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam, Australia, China, Japan, New Zealand and South Korea) accounts for approximately 30% of the world's population and just under 30% of the global GDP.

### **What the Australian government says about the RCEP**

RCEP is a modern, comprehensive, high-quality and mutually beneficial free trade agreement covering trade in goods, services, investment, economic and technical cooperation, and there are new rules for small and medium sized enterprises, government procurement, intellectual property, competition, and e-commerce.

Australia already has important trade and investment relationships with several RCEP countries, and existing bilateral free trade agreements with China, Indonesia, Japan, Korea, Malaysia, New Zealand, Singapore and Thailand, as well as a regional trade agreement known as the ASEAN-Australia-New Zealand Free Trade Area. Key statistics include:

- Goods exported to other RCEP countries were valued at \$264 billion, which was 76 per cent of Australia's total goods exports.
- Services exports to other RCEP countries were valued at \$47 billion, which was 51 per cent of Australia's total services exports.
- Two-way trade in goods and services with other RCEP countries was valued at \$522 billion, which was 61 per cent of Australia's total two-way trade in goods and services.
- Foreign investment in other RCEP countries was valued at \$429 billion, which was 17 per cent of Australia's total foreign investment. In 2018, other RCEP countries' foreign investment in Australia was valued at \$501 billion, which was 14 per cent of all foreign investment in Australia.

### **What is the impact for Australian seafood exports?**

While there is no noted implication under RCEP for Australian seafood exports, the agreement does not expedite reductions on existing tariffs faced by Australian exports to member States, with timelines for reduction on any remaining tariffs as per Annex 1 - text of RCEP (below)

*RCEP's rules in areas such as customs procedures, quarantine and technical standards will address non-tariff barriers by promoting greater transparency and cooperation among RCEP countries, while reaffirming existing WTO rights and obligations, should assist seafood exporters in any such disputes.*

For FULL INFORMATION: <https://www.dfat.gov.au/trade/agreements/not-yet-in-force/rcep/rcep-text-and-associated-documents>