Recent Updates on the Regional Comprehensive Economic Partnership

Purpose: Information
Submitted by: ASEAN Secretariat
Recent Updates on the RCEP

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Entry into Force

❖ As of May 2022, the RCEP Agreement has entered into force for 12 RCEP members

❖ Indonesia and the Philippines are still in the process of completing their ratification process
Implementation preparation

Trade in goods

- **Transposition of tariff reduction schedules (TRS)**
  - From HS 2012 to HS 2017 and from HS 2017 to HS 2022

- **Rules of Origin**
  - Transposition of product specific rules (PSR) to HS 2022 by end of Q2 2022.
  - Implementation of RCEP PSR in HS 2022 latest by 1 January 2023
  - Exchange of database of approved exporters, specimen and official seals of issuing bodies amongst all Parties

Institutional issues

- **RCEP Joint Committee**
  - Established Subsidiary Bodies (Committees on Goods, Investment and Services, Business Environment, and Sustainable Growth)
  - Monitors implementation of the agreement
  - Will develop accession procedure

- **Establishment of the RCEP Secretariat**
  - Functions
  - Placement/location
  - Funding mechanism
Implementation issues

Challenges

• Political situation
• Different national capacities
• Resourcing
• Transparency and business awareness
• Negotiation on built-in agenda (cumulation, proof of origin, etc.)

Way forward

• Flexible approach on bilateral basis
• Economic and technical cooperation chapter and cooperation provisions in respective chapters
• Interim RCEP Support Team based at ASEAN Secretariat
• Business outreach conducted with business councils/associations
• Research to support built-in agenda
RCEP and CP-TPP: Building blocks to FTAAP?

Some provisions partially used CP-TPP as reference
- Trade facilitation
- Services
- Movement of natural persons
- Investment
- Intellectual property
- Electronic commerce
- Competition
- Government procurement
- Small and medium enterprises

Practical approaches across LDCs, emerging, and high-income countries
- Introduced new elements for LDC ASEAN members
- Broader cooperation provisions for capacity building
- Differentiated implementation timelines
- First FTA to link China, Japan, and Rep. of Korea