



PRESS STATEMENT

THE SIGNING OF THE REGIONAL COMPREHENSIVE ECONOMIC PARTNERSHIP (RCEP) AGREEMENT

Today, on behalf of the Government of Malaysia, I signed the historic Regional Comprehensive Economic Partnership (RCEP) Agreement together with 14 other RCEP Participating Countries (RPCs). Being an integral part of the week-long 37th ASEAN Summit, led by YAB Prime Minister Tan Sri Muhyiddin Yassin, the signing of the RCEP Agreement represents the high point of the Summit which was convened virtually in its entirety.

Witnessing this momentous occasion, the Prime Minister said that the signing signifies to the world that ASEAN, with its 5 FTA partners, places utmost priority on regional economic integration that facilitates cross border trade, investments and the easing of non-tariff measures.

The signing is the culmination of 8 years of arduous and protracted negotiations involving 31 rounds of negotiations, 8 Ministerial Meetings and 4 Summits. Undoubtedly, it represents a significant and imperative milestone in the integration and revitalisation of economies of the 15 parties.

Further, this will also be a testament to the strengthening of the multilateral trading system as well as upholding the development agenda in the WTO. Being the largest Free Trade Agreement (FTA) in the world, covering 15 countries with 2.2 billion or nearly a third (29.7%) of the world's population, RCEP represents US\$24.8 billion or almost a third (28.9%) of the world's GDP based on World Bank's 2018 data. With different economic development levels of all parties, RCEP will contribute to sustaining Malaysia as a preferred trading hub and investment destination.



To Malaysian businesses, it will mean tariff elimination and reduction for merchandise goods, including the facilitation of export and import of goods among the RCEP countries. Service providers including e-commerce will be able to enjoy greater market access in terms of cross border supply and establishing commercial presence in the RCEP markets.

In addition, RCEP will promote, facilitate and protect the investment climate of participating countries within the region. This also includes information exchange and promotion of transparency measures to facilitate business and investment within the RCEP area.

Realising that SMEs play pivotal role to the backbone of every economies, RCEP could provide a level playing field between developed and least developed countries. There is a specific chapter on SMEs providing provisions for information exchange and promotion of transparency measures to facilitate business and investment within the region including providing economic and technical cooperation especially to SMEs.

RCEP can be an economic recovery tool against COVID-19 which will help to ensure opening of markets as well as uninterrupted supply chain.

The RCEP amalgamates and streamlines the existing ASEAN+1 FTAs involving Japan, Korea, China, Australia and New Zealand into an inclusive and comprehensive agreement that will enhance inter and intra-regional trade and investment, strengthen regional value chains, as well as facilitate transparency, information sharing and harmonisation of technical regulations and standards.

RCEP reflects our strong commitment for international trade, connectivity, rules-based multilateral trading system and enhancing free flow of trade and investment.

DATO' SERI MOHAMED AZMIN ALI
SENIOR MINISTER
MINISTER OF INTERNATIONAL TRADE AND INDUSTRY
15 NOVEMBER 2020