

REGIONAL COMPREHENSIVE ECONOMIC PARTNERSHIP AGREEMENT ENTERS INTO FORCE ON 1 JANUARY 2022

1. The Regional Comprehensive Economic Partnership (RCEP) Agreement will enter into force on 1 January 2022, following the ratification by ten Parties – Australia, Brunei, Cambodia, China, Japan, Laos, New Zealand, Singapore, Thailand, and Viet Nam.¹

2. Minister for Trade and Industry Mr Gan Kim Yong said, “The entry into force of the RCEP will provide a boost to the trade and business ties between Singapore and the RCEP parties. We are heartened that many Singapore businesses indicated that they were keen to explore utilising the RCEP Agreement when it enters into force during outreach events. That the RCEP agreement is entering into force about a year after it was signed, is testament to the region’s determination and commitment to deepening economic integration amidst difficult times. We look forward to the swift ratification of the RCEP by all remaining parties so that the full potential of the Agreement can be realised.”

3. Come 1 January, businesses will be able to enjoy tariff elimination of about 92% for goods traded amongst signatory parties for which the Agreement has entered into force. They will also benefit from additional preferential market access for specific products including mineral fuels, plastics, other chemical products, miscellaneous food preparations and beverages in selected RCEP markets such as China and Japan. With streamlined rules of origin and regional cumulation provisions, businesses will have greater flexibility to tap on these preferential market access benefits and be able to take advantage of regional supply chains.

4. Businesses stand to benefit from enhanced commitments above existing ASEAN Plus One free trade agreements (FTAs) in some sectors, as well as a more transparent approach that would provide greater certainty for businesses. Investors also stand to benefit from commitments to prohibit performance requirements and provisions that lock in future relaxation of measures.

5. The RCEP Agreement is a modern, comprehensive, high-quality, and mutually beneficial economic partnership that builds on existing bilateral agreements that ASEAN has with its free trade partners. As the largest FTA to-date, the RCEP covers about 30% of global GDP (US\$26 trillion) and 30% of the world’s population. The RCEP Agreement comprises 20 Chapters, including new areas such as Intellectual Property, Competition Policy, e-Commerce, Government Procurement and SMEs.

6. Companies interested in business and investment opportunities in RCEP markets can contact Enterprise Singapore at <https://go.gov.sg/helloesg> or refer

¹ RCEP will enter into force for the Republic of Korea on 1 February 2022, 60 days after its instrument of ratification was deposited.

to the MTI website (www.mti.gov.sg/Improving-Trade/Free-Trade-Agreements/RCEP) for more information about the RCEP Agreement.

MINISTRY OF TRADE AND INDUSTRY
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ANNEX A: Infographic on the benefits of the RCEP

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ANNEX A

Infographic on the benefits of the RCEP

Regional Comprehensive Economic Partnership (RCEP) Agreement

The agreement will enter into force on **1 January 2022**

- 15 NOV 2020** Signing of the agreement
- World's largest free trade agreement
- 30% GDP** Comprising 30% of global GDP and about 1/3 world population

Key Benefits for Singapore Businesses

<p>Trade in Goods</p> <ul style="list-style-type: none"> On average, tariff elimination of about 92% of goods traded amongst RCEP Parties Additional preferential market access for specific products including mineral fuels, plastics, other chemical products, miscellaneous food preparations and beverages in selected RCEP markets such as China, Japan, Korea <p>Non-Tariff Measures (NTMs) Provisions</p> <ul style="list-style-type: none"> Enhanced provisions that aim to bring down trade transaction costs for businesses <p>Rules of Origin</p> <ul style="list-style-type: none"> Streamlined rules for greater flexibility to tap on preferential market access benefits With regional cumulation, businesses can take advantage of regional supply chains <p>Customs Procedures and Trade Facilitation</p> <ul style="list-style-type: none"> Simplified procedures for more efficient clearance of goods, including release of express consignments and perishables within 6 hours <p>Trade in Services</p> <ul style="list-style-type: none"> Enhanced commitments above existing ASEAN Plus One FTAs in Professional Services, Business Services, Research and Development, Computer and Related Services, and Distribution and Logistics Services, among others More transparent approach to allow greater certainty for businesses 	<p>Investment</p> <ul style="list-style-type: none"> Commitments to prohibit performance requirements on investors Provisions to lock in future relaxation of measures and mitigate backtracking <p>Electronic Commerce</p> <ul style="list-style-type: none"> More conducive digital trade environment for businesses Enhancement in areas such as online consumer protection, online personal information protection, transparency, paperless trading and acceptance of electronic signatures <p>Intellectual Property (IP)</p> <ul style="list-style-type: none"> Businesses can obtain greater protection when venturing into RCEP markets. This includes protection for non-traditional trademarks such as sound marks and industrial designs Cost and time savings for businesses as a single patent or trademark application will be accepted across RPCs <p>Competition</p> <ul style="list-style-type: none"> Businesses protected from anti-competitive activities through competition law regimes and cross-border enforcement cooperation <p>Government Procurement</p> <ul style="list-style-type: none"> New area of cooperation that is not in existing ASEAN agreements Increased transparency through publication of laws, regulations and procedures
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