

## **Joint Leaders' Statement on the Regional Comprehensive Economic Partnership (RCEP) Negotiations**

1. We, the Heads of State/Government of the Regional Comprehensive Economic Partnership (RCEP) Participating Countries – the ASEAN Member States and ASEAN's free trade agreement (FTA) partners: Australia, China, India, Japan, Korea, and New Zealand – gathered on 14 November 2018 in Singapore, on the occasion of the 2<sup>nd</sup> RCEP Summit.
2. We reaffirmed our commitment made at the launch of the negotiations to achieve a modern, comprehensive, high-quality and mutually beneficial economic partnership agreement establishing an open trade and investment environment in the region to facilitate the expansion of regional trade and investment and contribute to global economic growth and development.
3. We noted that the task to conclude the RCEP negotiations is becoming more urgent and significant given the current headwinds faced by the global economy. In this regard, we undertook the collective commitment to deliver on the expeditious conclusion of the RCEP negotiations to foster an open, inclusive, and rules-based trading system, and demonstrate to the world that it is possible to make trade work for all.
4. We recalled our instruction to the Ministers and negotiators at the 1<sup>st</sup> RCEP Summit in 2017 to intensify efforts in 2018 to bring the RCEP negotiations to conclusion, and our resolve to ensure they have the necessary support to achieve this outcome.
5. We welcomed the substantial progress made in RCEP negotiations in 2018. We have advanced to the final stage of negotiations. We are determined to conclude a modern, comprehensive, high quality, and mutually beneficial RCEP in 2019.
6. We welcomed the conclusion of 7 Chapters to date, namely the Chapters on Economic and Technical Cooperation, Small and Medium Enterprises, Customs Procedures and Trade Facilitation, Government Procurement, Institutional Provisions, Sanitary and Phytosanitary Measures, and Standards, Technical Regulations and Conformity Assessment Procedures, of which 5 were concluded in this year alone. The status of the negotiations is described in the Annex to this Joint Statement. We highlighted the need to heighten this momentum to bring all remaining Chapters and Annexes to conclusion.
7. We reiterated the value of continued engagement with various stakeholders of the RCEP, including representatives from the business sector, non-government organizations, and other stakeholders, in ensuring that RCEP remains inclusive.

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## **ANNEX**

### **Status of the RCEP Negotiations (as at November 2018)**

Without prejudice to the ongoing negotiations, the following describes the status of the RCEP negotiations as at November 2018:

#### **Market Access Negotiations: Final Push toward a Commercially Meaningful Outcome**

Negotiations on goods and services market access and on investment Reservation Lists have advanced significantly with all RCEP Participating Countries (RPCs) intensively engaged in a series of bilateral and plurilateral negotiations throughout the year. There has been a genuine effort by RPCs to progress market access negotiations while recognizing that different RPCs have different sensitivities toward each other.

RPCs are within reach of concluding market access negotiations to meet the goals in the Guiding Principles and Objectives for Negotiating the RCEP, but some work is needed to close the remaining gaps. Special consideration may need to be given to the fact that not all RPCs have in place bilateral free trade agreements among themselves, without undermining the potential expansion and deepening of regional supply chains among the 16 RPCs.

#### **Rules Negotiations: Ensuring a Platform for Growth**

Negotiations on rules have also progressed substantially. This year alone, RPCs managed to conclude the Chapters on Customs Procedures and Trade Facilitation (CPTF); Government Procurement; Institutional Provisions; Sanitary and Phytosanitary (SPS) Measures; and Standards, Technical Regulations, and Conformity Assessment Procedures (STRACAP); which, added to the earlier concluded Chapters on Economic and Technical Cooperation (ECOTECH) and on Small and Medium Enterprises, bring the total number of concluded chapters in RCEP to seven.

Significant progress has also been made in other chapters and relevant annexes, with some almost concluded while others require further technical work or horizontal consideration due to their cross-cutting nature, i.e. settlement of relevant issues in other chapters is required to conclude some chapters.

Negotiations on rules are directed toward an RCEP agreement that is modern and relevant to the current realities, yet adaptable to future developments while allowing RPCs the flexibility to respond to challenges arising from their diverse circumstances.

#### **Capitalizing on the Momentum: Concluding the Negotiations**

Given the significant progress achieved this year, there is a strong resolve for RPCs to build on the current momentum and bring RCEP negotiations to a conclusion by next year. Towards this end, all RPCs will allocate and commit resources necessary to conclude negotiations in 2019. All RPCs will also seek creative, pragmatic, realistic, and mutually acceptable solutions to the remaining issues without undermining the objective to achieve comprehensive, balanced, and commercially meaningful outcomes.

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