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Signature of the Regional Comprehensive Economic Partnership (RCEP) Agreement

JEITA wholeheartedly welcomes the announcement of the November 15, 2020 signature of Regional Comprehensive Economic Partnership (RCEP) Agreement by 15 RCEP member countries in and around East Asia. Our respect goes to the governments involved in the negotiations for the considerable efforts required to reach this point.

The RCEP Agreement will be Asia's biggest free trade agreement, encompassing 30 percent of world GDP, 30 percent of world trade, and around 50 percent of Japan's trade. It also represents the first trade agreement that Japan has concluded with key trading partners China and Korea. Asian business is extremely important for JEITA member companies, and we look forward to the agreement driving the development of robust supply chains in the region.

We expect that the creation of rules in 20 areas amongst RCEP members will generate more free trade, economic development, economic integration, and deregulation, which will in turn promote innovation, grow investment, and create jobs.

JEITA particularly welcomes the chapter on e-commerce, which secures free data flows and bans data localization requirements. We envisage this contributing to the realization of the Data Free Flow with Trust (DFFT) concept created by the G20 Summit hosted by Japan in June 2019, as well as to the growth of digital economy in East Asia.

While Japan already has cooperative relationships with RCEP member countries, we believe that the RCEP Agreement will promote supply chain diversification and R&D cooperation, as well as the further expansion of corporate partnerships. We urge the Japanese government to continue working toward the early entry into force of the agreement.

India was unfortunately not in a position to sign the RCEP Agreement at this point, but we understand that the content of the agreement has been designed with India's future participation in mind. We ask the Japanese government to continue to encourage India to reconsider so that a legal framework strengthening the economic relationship between Japan and India can be realized as soon as possible.

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