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7 October 2026

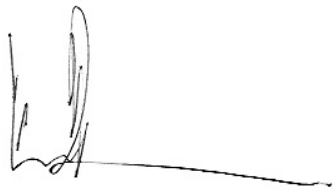
Dear RCEP General Review Team,

Subject: General Review of the Regional Comprehensive Economic Partnership Agreement (RCEP)

Business Council for Sustainable Development Australia (BCSDA) welcomes the opportunity to contribute to the General Review of the Regional Comprehensive Economic Partnership Agreement (RCEP). BCSDA supports RCEP as strategically important regional trade and investment architecture and recommends an implementation-first review focused on making the Agreement easier for business to use, reducing avoidable behind-the-border duplication, and modernising implementation where emerging requirements are already affecting transactions and regional value chains.

This submission builds on BCSDA's March 2026 submissions to the General Reviews of IA-CEPA and ChAFTA and draws on publicly available 2026 RCEP, private-sector and OECD evidence. BCSDA is content for this submission to be made public. Artificial intelligence tools assisted research collation, evidence mapping and drafting; the policy analysis, recommendations and final content are those of BCSDA.

Yours faithfully,



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Executive summary

RCEP is valuable because it provides a common regional framework across ASEAN, Australia, China, Japan, Korea and New Zealand. The first General Review is an opportunity to improve the commercial usability of that architecture and keep implementation relevant as business conditions change.

The evidence points to an uneven utilisation picture. A 2026 research conference convened by the Asia Competitiveness Institute in collaboration with the RCEP Support Unit found low utilisation in enterprise surveys in parts of the region and continued non-tariff barriers, while recommending better utilisation data, rules-of-origin reform, interoperable customs systems and sector-specific regulatory cooperation. Private-sector surveys likewise identify uncertainty about procedures and practical implementation. At the same time, Japanese data show substantial and growing RCEP use. The practical implication is targeted action: preserve what is working, while addressing identifiable implementation friction in markets, sectors and transaction pathways where use remains constrained. [2][3][4]

The direction of travel is also clear. RCEP Ministers in September 2026 emphasised stronger implementation, business utilisation and preparation for the General Review, including modern and emerging issues. DFAT has asked stakeholders to address implementation, business barriers and opportunities including digital trade, green economy and critical minerals. [1][5]

BCSDA recommends an evidence hierarchy for the Review:

1. Priority 1 - first-order: make RCEP easier to use. Improve utilisation evidence, simplify and digitise origin and trade documentation where feasible, and improve the decision utility of existing business guidance across overlapping agreements.
2. Priority 2 - evidence-led: reduce behind-the-border duplication in priority supply chains. Use sector implementation tracks only where evidence demonstrates material friction, testing regulatory cooperation, conformity-assessment recognition and data interoperability against net-burden-reduction, confidentiality and technology-neutrality safeguards.
3. Priority 3 - conditional: address emerging trade issues only where they create a demonstrated cross-border trade or investment friction, regional action adds value beyond domestic or specialist regimes, and the proposed RCEP response passes the net-burden test. Relevant examples may include green-economy, supply-chain-resilience, critical-minerals and carbon or traceability data issues.

Two implementation disciplines should apply throughout: use existing RCEP bodies first, strengthening institutional capacity only where implementation evidence shows a delivery gap; and use phased pilots with transaction-level or process-level measures of success rather than claiming region-wide causal effects.

1. Why the General Review should be implementation-first

RCEP Parties have agreed to undertake a General Review under Article 20.8 to keep the Agreement fit for purpose and responsive to evolving business needs. DFAT is seeking evidence on how the Agreement is operating, barriers to trade and investment, and potential improvements. [1]

The Fifth RCEP Ministers' Meeting on 21 September 2026 reinforced that emphasis. Ministers highlighted effective business utilisation, stronger implementation, economic resilience and preparation for the General Review. The accompanying work program anticipates consideration of modern and emerging issues and continued engagement with business and other stakeholders. [5]

BCSDA therefore recommends a clear hierarchy of action. Priority 1 - utilisation and usability - should be the first-order task of the Review. Priority 2 should follow where sector evidence demonstrates a material behind-the-border problem. Priority 3 should be activated for verified emerging trade frictions where regional cooperation can add value beyond existing domestic or specialist regimes and reduce net business burden.

BCSDA design principle: Every proposed RCEP measure should be tested against one practical question: does it reduce the time, cost, uncertainty or duplication faced by firms without weakening legitimate regulatory outcomes?

2. What the evidence says about utilisation and business friction

The 2026 ACI Research Conference on RCEP assembled 29 papers across trade and investment, value chains, digital trade, non-tariff measures and sustainability. The Conference synthesis - research evidence intended to inform policymakers, not an agreed RCEP negotiating position - found that RCEP has mainly reinforced existing regional trade and production linkages, that utilisation reported in enterprise surveys remains low in some markets and user groups, and that non-tariff measures continue to constrain benefits. It recommended better utilisation monitoring, completion of work on full cumulation and product-specific rules of origin, interoperable customs single windows, electronic exchange of certificates and documents, and sector implementation tracks for regulatory cooperation, mutual recognition, standards and certification. [2]

Private-sector evidence points in the same direction. The RCEP Business Advisory Council reports that a survey of more than 500 companies found widespread awareness but uncertainty about how to use the Agreement. In Malaysia, 48.1 per cent of surveyed non-users cited uncertainty about procedures, requirements and practical implementation as a major challenge. These findings support a business-usability agenda, but they should not be generalised to every RCEP market. [3]

Japan provides an important counterpoint. JETRO reports that 184,773 Form RCEP certificates were issued in 2025, up 14.3 per cent, and that RCEP accounted for 36.1 per cent of the value of Japanese imports using EPA preferences. This reinforces the need for targeted rather than blanket claims: RCEP can be commercially valuable where its preferences and procedures are competitive, but firms will choose among overlapping agreements according to relative benefit and usability. [4]

3. Priority 1 - make RCEP easier to use

BCSDA recommends that the Review place utilisation and day-to-day usability at the centre of implementation. The objective should be to help businesses identify when RCEP is the best available pathway and complete origin, customs and related requirements with less avoidable administrative effort.

Priority actions should include:

- a practical utilisation-monitoring framework that can identify where low use reflects limited tariff value, documentation burden, lack of awareness, competing FTAs or other barriers;
- completion of the review of full cumulation and product-specific rules of origin, with a focus on operational simplicity for regional supply chains;
- greater use of electronic certificates, trade documents and interoperable single-window processes where feasible; and
- improvements to the decision utility of existing DFAT and RCEP business tools, including clearer comparison of rules-of-origin pathways, documentary requirements and transaction-relevant differences where multiple FTAs are available.

A practical starting sequence would be to select a small number of common transaction pathways, map where businesses must choose between RCEP and overlapping FTAs, identify avoidable documentary or rules-of-origin friction, and improve the decision utility of existing DFAT and RCEP guidance around those real transactions. Existing digital-document and single-window work should be used wherever it can remove repeat steps. For business, the intended result is simpler agreement choice, clearer documentation requirements and fewer avoidable process errors or duplicate steps.

4. Priority 2 - reduce behind-the-border duplication in priority supply chains

For some traded goods and value chains, the commercial barrier is no longer the tariff alone. Standards, technical regulations, conformity assessment, certification, product information and assurance requirements can determine whether market access is usable in practice.

BCSDA recommends sector-specific implementation tracks under existing RCEP bodies where credible evidence demonstrates material friction and a realistic prospect of reducing cost, delay or duplication.

The practical objective should be regulatory cooperation, clearer equivalence, mutual recognition or interoperable data where these approaches can improve market usability while preserving legitimate regulatory outcomes.

The 2026 ACI RCEP research conference recommended sector-specific implementation tracks to address behind-the-border barriers and advance regulatory cooperation, mutual recognition, standards and certification. This is research-conference evidence rather than an agreed RCEP position. AANZFTA provides a regional example of modernisation through paperless trading, electronic documentation and single-window arrangements, alongside upgraded rules and a Trade and Sustainable Development chapter. [2][6][7]

A practical starting sequence would be:

- Select one or two priority value chains using evidence of repeated testing, certification, documentary or data-handling friction, then map where substantially the same evidence is being requested more than once.
- Identify a bounded recognition, equivalence or data-reuse opportunity and test it against three design safeguards: net burden reduction, confidentiality and data minimisation, and technology neutrality.
- Run a time-bound pilot through the relevant existing RCEP body and measure the practical result - for example duplicate steps removed, recognition achieved, processing time reduced or data fields reused. For business, the test is straightforward: fewer repeated compliance steps without weakening the underlying regulatory outcome.

5. Priority 3 - modernise implementation for emerging trade issues

Priority 3 should focus RCEP on emerging sustainability, resilience and data issues where they already create trade or investment friction and where regional cooperation can improve the transaction pathway.

Activation should require three tests:

1. a demonstrated cross-border trade or investment friction;
2. clear regional additionality beyond domestic or specialist regimes; and
3. a credible prospect of reducing net business burden while protecting confidentiality.

Critical-minerals traceability illustrates the issue. An OECD-IEA survey of 90 leading companies found that more than half identified implementation cost and lack of interoperability between traceability systems as key obstacles, while confidentiality and data quality also constrained adoption. Half identified regulatory consistency as the top priority for scaling traceability. [8]

Where those tests are met, the next step should be deliberately bounded: nominate the relevant existing RCEP body, define the specific transaction or supply-chain problem, agree the minimum data, evidence or recognition outcome required, run a limited pilot, and review whether it reduced friction before scaling. Possible applications include consistent minimum data concepts, recognition of credible evidence or cross-border policy alignment that removes duplication. For business, this creates an earlier and more disciplined pathway for resolving new regional trade friction as requirements evolve.

Regional trade architecture is already evolving in this direction. The AANZFTA Upgrade includes stronger e-commerce, paperless-trading and Trade and Sustainable Development provisions. ACFTA 3.0 adds dedicated cooperation on the digital economy, green economy and supply-chain connectivity. Together, they provide useful regional implementation experience for RCEP to assess selectively against its own mandate and evidence base. [6][9]

6. Implementation architecture: three asks, two enablers

Priority	Use existing RCEP route first	Practical starting method	Business test
1. Utilisation & usability (first-order)	Joint Committee / customs / RoO bodies	Select common transaction pathways; map FTA choice and documentary friction; improve existing guidance and digital-document pathways.	Firms can identify the appropriate pathway more easily and avoid unnecessary documentary steps or errors.
2. Standards & interoperability (evidence-led)	Goods/TBT and relevant technical bodies	Select 1-2 value chains; map duplicate testing, certification and data requests; pilot recognition, equivalence or data reuse.	Fewer duplicate tests, certificates or data fields; shorter transaction processing where the pilot applies.
3. Emerging issues (conditional)	Relevant existing RCEP body	Apply the three activation tests; define a bounded problem and outcome; run a time-bound pilot with a review point.	Verified friction is reduced without increasing net business burden or weakening legitimate regulatory outcomes.

Enabler 1 - existing bodies first; early harvest and phased delivery. The 2026 ACI RCEP research conference recommended prioritisation and phased implementation, while also identifying possible institutional-capacity needs. BCSDA recommends using existing RCEP bodies first and strengthening capacity where implementation evidence demonstrates a delivery gap. [2]

Enabler 2 - measurable evidence and pilot-level feedback. RCEP should maintain structured private-sector input and evaluate specific reforms using measures that can reasonably be attributed to the pilot: process steps removed, duplicate documents avoided, recognition achieved, processing time for the relevant transaction, and qualitative business feedback. Economy-wide outcomes can then be assessed separately using evidence proportionate to the reform.

7. Design principles for practical implementation

- Use existing RCEP institutions and mechanisms as the default implementation route, adding capacity or structure where evidence demonstrates a delivery gap.
- Target reforms to verified utilisation or transaction friction, recognising that RCEP use is uneven across markets, sectors and firms.
- Prefer interoperability, recognition and data reuse over a single prescribed platform, while protecting confidentiality and allowing technology-neutral delivery.
- Preserve legitimate domestic policy diversity while improving the cross-border interface between standards, documentation and assurance requirements.
- Keep RCEP focused on trade-facilitation and implementation problems where regional action has additional value, while specialist regimes continue to regulate substantive policy outcomes.
- Use evidence proportionate to the claim and measure results at the level the intervention can reasonably influence, particularly for pilots and early-harvest reforms.

8. What this could mean for Australian business

For an Australian business, the value proposition is practical: easier choice between overlapping trade agreements; fewer avoidable documentary, testing, certification or data-handling steps; and an earlier

mechanism for addressing new regional trade friction as carbon, traceability, digital and supply-chain requirements evolve.

If these directions gain traction through the General Review, BCSDA would be prepared to translate the framework into a practical RCEP Business Usability & Interoperability diagnostic for members and implementation partners. The tool could test agreement-choice clarity, transaction friction, duplicate evidence requirements and emerging interoperability issues, and feed structured implementation evidence back into the RCEP review and delivery process. This would allow policy recommendations to be tested against real business usability rather than treated as one-off advocacy positions.

9. Conclusion

The General Review should strengthen RCEP by improving the commercial value of what already exists and modernising implementation where business conditions have changed. The sequence matters: first make RCEP easier to use; then address verified behind-the-border duplication in priority sectors; and then act on emerging issues where demonstrated trade friction, regional additionality and net-burden reduction justify an RCEP response. Each step should begin with a bounded implementation pathway, use existing machinery where fit for purpose, and be tested against observable business outcomes.

This approach is consistent with the September 2026 Ministerial emphasis on implementation, utilisation, business engagement and modern and emerging issues. It is also consistent with the 2026 ACI RCEP research conference evidence that reforms should be prioritised, phased and directed toward operational barriers. [2][5]

BCSDA would welcome continued engagement with DFAT and other stakeholders as the General Review progresses, including the opportunity to provide further technical input based on publicly available business, research and institutional evidence.

References

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