



**Andrew Barr MLA**

Chief Minister

Treasurer

Minister for Climate Action

Minister for Economic Development

Minister for Tourism

Member for Kurrajong

Mr Dave Sharma, MP

Chair

Joint Standing Committee on Treaties

Department of the House of Representatives

PO Box 6021 – R1.109 Parliament House

CANBERRA ACT 2600

Our ref: CMTEDD2021/1984

Dear Mr Sharma

*Dave*

Thank you for your invitation to submit comments on the *Regional Comprehensive Economic Partnership Agreement*. I am pleased to provide comments in this correspondence.

Export is vital to growing and diversifying the ACT economy. Exporting improves the scale and sophistication of ACT companies over the long term, for example, in the defence, space and renewable-energy sectors. As trade activity moves in the direction of the new normal, the ACT Government wants its experienced and prospective exporters to be in a pro-active and competitive position to successfully serve markets crucially in the Indo-Pacific region.

RCEP would benefit ACT exporters and our economy in a number of ways.

RCEP's geographic and sector scope strongly aligns with markets of ACT focus, as outlined in *Canberra's International Engagement Strategy* (IES).<sup>1</sup> The IES identifies five Priority Markets, of which four are parties to RCEP (Singapore, New Zealand, China and Japan); and three markets of growing focus over time for the ACT (Indonesia, Malaysia and the Republic of Korea). RCEP can also positively impact all the Key Capability Areas of our economy, which include Education and Research, Tourism, Defence and Cyber Security, Renewable Energy, ICT and eGovernment, Space and Spatial Science and Health and Sports Science.

<sup>1</sup> See: [Canberra's International Engagement Strategy \(act.gov.au\)](https://act.gov.au/canberra-international-engagement-strategy)

The ACT is primarily a service economy. For example, services exports comprised 94 per cent of all trade in the quarter ending December 2019.<sup>2</sup> A large number of our exporters can benefit from RCEP's obligation provisions to provide equal and fair access to foreign service suppliers; and its commitment provisions to enhance transparency and predictability to domestic regulation affecting trade in services. Many Canberrans also provide professional services abroad, and they would benefit from RCEP's disciplines addressing 'behind-the-border' barriers to professional-service practice.

Related to services, companies and individuals providing services and goods alike would be supported by terms that make it easier for people conducting business in RCEP-member markets and their families to cross borders and work and live.

Intellectual property is an important component of value to businesses, universities and other organisations across every Key Capability Area of our economy. RCEP's rules on IP protection – which broadly reflect Australia's own – will give more confidence to our exporters in RCEP markets.

Small to medium-sized enterprises comprise a substantial proportion of businesses in the ACT and, for many of them, export activity fulfils a critical part of their strategies for growth and development. These companies would benefit from the Agreement's provision of a framework of activities and programs that can assist SMEs in their export activity in RCEP markets.

Finally, our exporters' success will always depend in part on stability in the markets into which they export. Non-tariff barriers are unfortunately a prominent contributor to instability in trade environments and our exporters would benefit from the Agreement's mechanism for addressing NTBs in any of the RCEP-member markets.

For its benefit to ACT exporters, our economy, and all the economies of this contemporary trade partnership, The ACT Government supports Australia's participation in RCEP.

Accompanying this submission is Canberra's International Engagement Strategy, which I hope you find relevant.

Thank you once again for your invitation to provide comments on the *Regional Comprehensive Economic Partnership Agreement*.

Yours sincerely

Andrew Barr MLA  
Chief Minister

7 MAY 2021

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<sup>2</sup> ACT Government, 2021, *International Trade of Good and Services – December 2020*, 2 March 2021, Canberra, Page 2. Values seasonally adjusted. See: [recache \(act.gov.au\)](https://recache.act.gov.au)