



Media Release

RCEP Agreement a boost to Singapore businesses

Singapore, 16 November 2020 – The Association of Small & Medium Enterprises (ASME) welcomes the signing of the Regional Comprehensive Economic Partnership (RCEP) Agreement and looks forward to rallying small and medium-sized enterprises (SMEs) to tap on emerging opportunities that could arise from this collaboration.

Involving 15 Asia-Pacific countries – 10 ASEAN economies, along with China, Japan, South Korea, New Zealand and Australia – the RCEP is the world's biggest trade agreement, accounting for an estimated 30 per cent of global gross domestic product.

In a time where the COVID-19 pandemic has severely disrupted economic activities and livelihoods across the world, the signing of the RCEP Agreement is critical in building a sustainable response towards collective economic recovery for the region. Through the alignment of regulations, the RCEP aims to promote a more conducive environment for freer trade and the flow of foreign investments, as well as increased protection in areas such as digital trade and intellectual property. Apart from strengthening regional supply chains, it also encourages inclusive development and job creation for member countries.

The RCEP puts Asia in the lead in shaping the new global trade architecture at a time when borders have been closed and protectionist measures enforced, as well as the United States being less enthusiastic about joining global trade deals, and talks on a post-Brexit trade deal between the European Union and the United Kingdom have stalled.

Mr Kurt Wee, President of ASME, said “The signing of the 15-member RCEP Agreement represents the biggest trade bloc opportunity for many SMEs amidst this COVID-19 crisis and could be a



much-needed boost for their business growth. With China being one of the biggest economies, businesses would stand to benefit from having access to the large Chinese market, as well as investments from Chinese companies. The inclusion of the ASEAN member states also presents greater prospects for the region due to ASEAN's high economic growth rate and fast-growing middle class. In time to come, we hope that there will be an easing of business travels between these 15 countries in order to better facilitate business and trade, and to capitalise on these new opportunities.”

As a strong proponent of internationalisation, ASME remains committed to helping SMEs venture beyond local shores and enter new markets. Even as the future of international travel remains uncertain, ASME has continued to explore various ways, be it through virtual means, for SMEs to showcase their products and services overseas, as well as connect with industry counterparts in those respective countries. The RCEP signifies exciting opportunities for SMEs looking to expand their trade activities within the Asia-Pacific region, and ASME looks forward to sharing more information and updates regarding the new trade agreement as it takes effect, along with educating SMEs about how they can leverage the agreement to grow their businesses further.

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ABOUT ASME

ASSOCIATION OF SMALL & MEDIUM ENTERPRISES (ASME)

The Association of Small & Medium Enterprises (ASME) is a not-for-profit organisation established in 1986 for entrepreneurs, by entrepreneurs. With wide-ranging services and programmes, ASME strives to equip member SMEs with the business knowledge and market opportunities to help them grow their businesses.

ASME, as the champion of a pro-enterprise Singapore, bridges the public and the private sectors to promote a more conducive business environment which facilitates the start-up, growth and development of a larger pool of SMEs. The two ASME flagship awards – The Entrepreneur of the Year Award and Singapore Prestige Brand Award – are in recognition of SMEs' successes.

ASME will continue to roll out new SME-relevant programmes to enhance its position as THE business association For Entrepreneurs, By Entrepreneurs.

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