

PRESS STATEMENT

EABC MALAYSIA LAUNCHES RBAC MALAYSIA NETWORK TO STRENGTHEN RCEP UTILISATION AND ENHANCE MALAYSIAN EXPORTS

Kuala Lumpur, August 20, 2026 – The Regional Comprehensive Economic Partnership (RCEP) is the world's largest free trade agreement, bringing together 15 economies across ASEAN, China, Japan, the Republic of Korea, Australia and New Zealand. Collectively, these economies account for about 30 per cent of global output and a market of more than 2 billion people.

For Malaysian businesses, RCEP provides opportunities that extend beyond preferential tariffs. The Agreement also covers services, investment, electronic commerce, intellectual property, competition, government procurement, SMEs and economic and technical cooperation.

Despite this wide coverage, actual business utilisation of RCEP remains below its potential. The EABC-JETRO Business Outlook Survey found that while 60.3 per cent of companies were aware of RCEP, utilisation remained below 20 per cent. Among companies not using the Agreement, 48.1 per cent cited uncertainty over procedures, requirements and practical implementation as a major challenge.

To address this gap, the East Asia Business Council (EABC) Malaysia Chapter has established the RCEP Business Advisory Council (RBAC) Malaysia Network as a structured national platform for businesses to raise practical implementation issues, share their experience and put forward recommendations on how RCEP can work better for companies.

Malaysia is the first RCEP participating country to establish a national RBAC Network and initiated the concept of developing such national business networks under RBAC. The Network is intended to strengthen direct business engagement with the relevant Malaysian authorities and provide a clear channel for private-sector views to be brought into the wider RCEP process.

The Network was launched at the inaugural Roundtable on RCEP and Launch of the RBAC Malaysia Network held at Wisma FMM on August 19, 2026, with close to 60 participants attending physically and virtually from government agencies, companies, business associations and the wider trade, services and investment community.

The key role of the RBAC Malaysia Network is to bridge the gap between the provisions negotiated under RCEP and the practical experience of businesses using the Agreement. Issues raised by companies can be taken up with MITI and the relevant implementing agencies in Malaysia and, through RBAC, channelled to regional platforms including the RCEP Joint Committee and engagement with RCEP Economic Ministers.

The Network will focus on practical areas such as Rules of Origin, customs procedures, preferential tariff claims, certificates of origin, non-tariff measures, services market access, investment barriers, digital trade and other operational issues faced by companies across RCEP markets.

The inaugural Roundtable already identified several areas for improvement, including simplifying Rules of Origin, accelerating the digitalisation of certificates of origin, strengthening SME outreach and improving the availability of consistent RCEP utilisation data.

One practical issue raised was the need for wider acceptance of PDF versions of certificates of origin across all 15 RCEP economies. Where original hard-copy documents are still required, shipments can arrive before the documents, creating unnecessary delays and additional storage, detention and demurrage costs. Mutual recognition of electronic documentation would make it easier and less costly for businesses to use RCEP preferences.

The Network will also support proposals to expand the ASEAN Tariff Finder to cover all 15 RCEP economies, allowing businesses to more easily compare preferential tariffs and applicable Rules of Origin across the region.

The RCEP General Review in 2027 provides an important opportunity to address implementation gaps and consider improvements that can make the Agreement more practical, business-friendly and responsive to changing trade, investment and supply-chain needs.

The RBAC Malaysia Network will consolidate business feedback ahead of the review so that Malaysia's private-sector recommendations are grounded in actual company experience. This will be important in identifying where procedures remain difficult, where implementation differs across markets and where changes are needed to make RCEP more commercially meaningful.

Beyond improving the use of tariff preferences, RCEP should also be used to strengthen intra-RCEP trade, investment and supply-chain integration. Stronger links among businesses across the 15 economies can support greater regional sourcing, alternative supply arrangements, services linkages, technology partnerships and cross-border investment, while helping companies build more resilient supply chains.

The RBAC Malaysia Network will provide Malaysian businesses with a stronger and more organised voice in this process and help ensure that RCEP develops as a practical platform for trade, investment and regional business growth.

The Federation of Malaysian Manufacturing (FMM) serves as Secretariat to the RBAC Malaysia Network in its capacity as Secretariat to the EABC Malaysia Chapter.

**Tan Sri Dato' (Dr.) Soh Thian Lai**

Chairman, East Asia Business Council (EABC) Malaysia Chapter
and RCEP Business Advisory Council (RBAC) Malaysia Network

About the East Asia Business Council (EABC) Malaysia Chapter

The East Asia Business Council (EABC) is the official private sector advisory body representing industry views across the ASEAN Plus Three framework, comprising ASEAN, China, Japan and the Republic of Korea. Established in 2003 and endorsed by ASEAN Plus Three Leaders, EABC channels private sector positions into structured dialogue with governments at ministerial level across 13 member economies. The EABC Malaysia Chapter is chaired by Tan Sri Dato' (Dr.) Soh Thian Lai, appointed by Yang Berhormat Datuk Seri Johari Abdul Ghani, Minister of Investment, Trade and Industry. The Federation of Malaysian Manufacturing (FMM) serves as Secretariat to the EABC Malaysia Chapter.

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Tan Sri Dato' (Dr.) Soh Thian Lai, Chairman of the EABC Malaysia Chapter and RBAC Malaysia Network, together with representatives from government agencies, industry, business associations and the wider trade, services and investment community at the inaugural Roundtable on RCEP and Launch of the RBAC Malaysia Network held at Wisma FMM on August 19, 2026