Financial Service Trade: RCEP Building Blocks

EABC RCEP Business Stakeholders’ Consultations & Dialogue with the RCEP Trade Negotiating Committee
Session 2: Market Access and Non-Tariff Barriers for Services and Investments

Thaweelap Rittapirom
Director & Executive Vice President, Bangkok Bank Public Company Limited
and The Thai Bankers’ Association Representative

Arnoma Room, Arnoma Grand Hotel Bangkok, Thailand: July 23, 2018
Key Factors to Consider

• Prudential measures will still be an issue. Regulators are unlikely to loosen their grip on policy space.

• Capital market activities are gaining momentum. Opportunities are open for non-banking service firms together with competition.

• Technology disruption is impacting traditional finance. More challenges are for banks, some are reassessing their business model.

• Digital trade will soon occupy the top agenda of trade negotiation.
Observations on Current Status

- ASEAN integration is still underway but more work needs to be done. ASEAN Trade in Services Agreement or ATISA is encouraging and it needs a collective effort.
- For banking, Qualified ASEAN Bank or QAB scheme has made some progress but realization of benefits and perhaps, action is still a challenge.
- Common agreement on data economy is still needed.
- Engagement with stakeholders is still limited.
Proposal to RCEP TNC

• Technology advancement is blurring certain sub sectors of finance – the negative list approach may face stronger headwind.
• Of all four modes, cross-border service may be the most optimal for many to operate – common and agreed policies on taxing and regulating should be discussed. Perhaps, a working group to study should be explored.
• Against the looming trade war, window is now open for RCEP to reinforce the multilateralism. Concrete results are thus expected.
Thank You