

THE ROLE OF CHINA IN THE RCEP
AGREEMENT: TO LEAD OR COUNTERBALANCE

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TABLE OF CONTENT

I. INTRODUCTION	4
II. RESEARCH METHODOLOGY	5
III. BACKGROUND OF RCEP.....	9
3.1 THE DEVELOPMENT OF RCEP.....	9
3.2 THE SIGNIFICANCE OF RCEP	14
3.3 THE IMPEDIMENTS TO CHINA ARE ALSO STIMULANTS TO AGREEMENT	17
IV. CHINA’S GOAL IN RCEP AND EVALUATION OF THE RESULT	23
4.1 RCEP AS A CATALYST TO ACCELERATE CHINA’S TRADE DEVELOPMENT	23
4.2 RCEP AS A COUNTERMEASURE TO THE UNITED STATES' INFLUENCE IN TRADE GOVERNANCE	27
4.3 RCEP AS A WINDOW OF OPPORTUNITY TO CONSOLIDATE SINO-ASEAN RELATIONS.....	33
V. CONCLUSION.....	39
REFERENCE	42

The role of China in the RCEP agreement: To lead or counterbalance?

Abstract

Understanding the engagement of China in free trade frameworks has been the focus of a large number of research papers. Using documentary analysis, this work attempt to analyze the role of China in the Regional Comprehensive Economic Partnership (RCEP) agreement during the negotiation period based on the Chinese objectives. This paper reveals three prospects of Beijing in this agreement, including its economic development through trade liberalization, counterbalancing the United States in regional trade policy, and consolidating the relations with China's strategic neighbors in the Association of Southeast Asian Nations (ASEAN). The present paper offers evidence of China was not the leading country in the negotiation period in view of the ASEAN-centrality discussion. Future research is suggested to survey the effect of the protocol after the implementation.

I. Introduction

After the race of mega free trade agreements (FTA) that were proposed and put on the negotiation agenda, remarkably the RCEP agreement became the largest mega-FTA to be signed. It entered into force on 1 January 2022, which is faster than its rival Trans-Pacific Partnership (TPP).¹ Given that the 15 RCEP member nations together account

¹ The Trans-Pacific Partnership Agreement was a multilateral trade agreement among 12 member states and was signed in 2016 February, whereafter the president of the United States, Donald Trump withdrew from it in 2017. As TPP did not enter into force, the remainder developed a new trade agreement named Comprehensive and Progressive Agreement for Trans-Pacific Partnership based on the TPP conditions and that became effective in 2018 in the absence of the US (Drysdale & Armstrong, 2021).

for about 30% of the world's population, 30% of global Gross Domestic Product (GDP), and over a fourth of worldwide trade volume, RCEP has the chance to provide considerable possibilities for enterprises in the East Asia area (ASEAN Secretariat, 2022). As the largest economy among the participants, China is often regarded as the biggest winner in this pact. This paper attempts to address the role of China in the development of the world's largest mega-FTA, to raise questions over what were China's ambitions in promoting RCEP negotiation, and to evaluate to what extent China achieved those goals.

In the following, this paper will be divided into four sections. Section two presents the research methodology of documentary analysis. Section three reviews the context of RCEP, namely its development, significance in terms of trade liberalization, regionalism, and multilateralism, and three impediments during the negotiation. Section four illustrates China's goals in relation to RCEP from three angles which are 1) the facilitation of China's trade development, 2) counter against the influence of the United States, and 3) consolidating relations with ASEAN. Section five summarizes the findings and concludes.

II. Research Methodology

This paper adopts documentary analysis as the research methodology. It is a type of qualitative method that answers the research question by analyzing and examining the collected documents, which incorporate primary sources and secondary sources (Gross,

2018). By contrast with quantitative data that measures the relations between independent and dependent variables statistically, qualitative data allow investigators to deal with the descriptive analysis granted by empirical evidence and conceptual foundation. Despite the recent surge of quantitative methods due to the contemporary data operational tools, the qualitative description still plays a profound role in underpinning academic research (Munck et al., 2020). In the field of qualitative research, political scientists and international relations researchers are motivated by the raised interpretation problems that aim at explaining the outcomes of concerning events (Ocantos, 2020). And it often suggests documents as the data source to comprehend the political issues. Based on the first-hand and interpretive differences, documents are divided into primary source and secondary source, and can present via several forms, including text, video, image, and so on (Munck et al., 2020). Meanwhile, the primary and secondary sources are complementary to the detailed study of a research topic. This method is also advantageous in terms of the increasing online access to electronic documents, which enhances the availability of relevant data to the individual researcher. As a result, the data collection process is relatively efficient (Bowen, 2009)

It is worthwhile noticing that documentary analysis has the potential for bias that researchers should be aware of. The development of documentary analysis method benefits from its combination with other research methods. In practice, it can be proceeded to either conduct qualitative research individually, or coupled with other methods such as survey (Gross, 2018). For instance, some analysis draws on the

combination of documentary analysis and interview while some purely rest on the documentary analysis (Tight, 2020). In the multiple methods context, documentary analysis often served as the “triangulation” role to avoid bias (Bowen, 2009, p. 626). However, even in only the documentary analysis method scenario, the potential defects of the biased selection should be noticed. The descriptive role inevitably brings subjective and unbalanced characteristics (Munck et al., 2020). In practice, there are several ways to alleviate the negative influence and grasp the whole picture. The objectivity can be enhanced when researcher take into account of each source’s intention, the background in which it was generated, and the target readers (Bowen, 2009). Therefore, this consideration should be reflected in the number and multi-angles of primary and secondary sources (Gross, 2018).

To answer the key question of this honors project that, what is the role of China in the RCEP agreement and what are China's goals, documentary analysis is a useful tool. This paper is aimed at identifying and illustrating the motivations of China in the involvement of the negotiation process of the RCEP agreement. It will take into account the historical, social, and political factors that facilitate or hinder the result of the signature. Because documentary analysis is suitable for a research problem that involves a long time period, multiple actors, and a complicated environment, as long as the available documents provide sufficient inclusion (Bowen, 2009). In this regard, since the RCEP agreement is at the international level and states are the main actors, the negotiation process can be all traced with the official records that are well reserved

in the ASEAN secretariat. The first-hand sources consist of the joint leader statement, joint media statement, press release, and the final signed agreement. These official records are primary and significant as they manifest the time, place, and participant countries of the negotiation process. For instance, India was one of the original negotiating countries in RCEP but withdrew in the end. Furthermore, the participant countries are responsible to educate the treaty literacy for their domestic citizens, including demonstrating the opportunities and challenges imposed by the emerging free trade agreement. Accordingly, this kind of official documents can serve as the primary source to imply the RCEP impact on their countries from the government perspective.

Then, the secondary sources incorporate books, journal articles, research papers, and working papers. Given that RCEP has been completed and signed, many works of literature emerged that evaluate the outcome and link it with other ongoing international issues, namely the US-China trade conflict and the COVID-19 pandemic. In addition to the recent papers, there were also many works contributed during the meetings, which could offer the previous external observation on the possible future of RCEP. The selection criteria focus on China factors interpretation in the RCEP negotiation process and the inter-state relations. Considering the potential challenge of documentary analysis, this honors project collected many forms of secondary sources such as surveys, quantitative research, evaluative paper, from the academic institute, government reports, university reviews, and international organizations. In order to gain an objective picture of China's role, the secondary interpretations not only

reference to literatures from the RCEP member states, but also with respect to research from non-RCEP member countries. Therefore, after a comprehensive analysis of advantages and potential biases of documentary analysis methodology, it is found that this method is suitable for this research question, that concerning whether China was aimed to lead the regional agreement or invest in the protocol to counter balance. The following section will outline the background of the RCEP agreement by looking into its development grounds and also the political and economic factors that motivating China in the negotiation.

III. Background of RCEP

3.1 The development of RCEP

Above all, two important factors can be identified in the development of the RCEP architecture. Looking internally to the RCEP framework, the ASEAN-centric approach is both a prerequisite to reach agreement for multi-country cooperation and also allows for the use of the established bilateral FTAs in the ASEAN+1 model. Externally, the development of the RCEP is keeping with the international trend towards regionalization, with a focus on the competition with the TPP agreement.

Since initiated by ASEAN in 2012, 15 countries have spent nearly a decade negotiating and signing the unprecedented mega-FTA by the end of 2020. The involved members are 10 ASEAN countries which include Brunei Darussalam, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, and Vietnam,

plus the ASEAN's free trade partners namely China, Japan, South Korea, Australia, and New Zealand. India also participated in the foregoing negotiation rounds whereas it opted out of the agreement due to the trade deficit concerns (Gaur, 2020). During the 8-years long discussions, there were 31 full rounds of negotiation in total which consist of several ministerial and leadership meetings. Before the outbreak of the epidemic, there were 43 in-person meetings held in participating countries while the last few meetings were forced to turn virtually. Of these negotiations, ASEAN has hosted the conference as many as 27 times and China has the second most frequent host, however only four times (New Zealand Ministry of Foreign Affairs and Trade, n.d.-a).

The ASEAN-centered element is the precondition of RCEP negotiation. The first time that “ASEAN centrality” is acknowledged as the principal foundation of economic integration in this region, refers to the 2012 Joint Declaration of Leader Statement (ASEAN Secretariat, 2012). It addressed the central role of ASEAN to boost greater economic cooperation between its existing free-trade partners, and that became the core which has been repeatedly pointed out in the official documents throughout the negotiation. In addition to its initiator status, the origin of ASEAN’s center role is because it has already established many ASEAN+1 format agreements with five other RCEP members. Table 1 shows the bilateral free trade relations among these member states before RCEP. The original participation of India was expected to enlarge the implication of RCEP via filling the trade relations with China, Australia, and New Zealand. The bilateral FTA vacancies are also found between China-Japan, and Japan-

South Korea. As the China-Japan-South Korea tripartite FTA is still under negotiation, their free trade relations lack a supporting framework. By contrast, ASEAN is the only party that has concluded and entered into force bilateral FTA with all other countries. Given the interlaced network of bilateral FTAs in Asia-Pacific, it is observed that ASEAN acted as the “hub of FTAs” (Kimura, 2021, p164). Such overlapped agreements also posed a challenge called the “spaghetti bowl effect” which indicates the layered preferential trade agreement has a negative impact on the flow of trade (Kawai & Wignaraja, 2010, p. 13). Because the provisions and tariff benefits were complicated by the various FTAs, the cost during the customs clearance is inevitably increased (Ravenhill, 2017). And it could put burdens on small businesses which decrease their willingness to participate in cross-border trade.

Table 1. Bilateral Free Trade Agreement before RCEP

	China	Japan	South Korea	ASEAN	Australia	New Zealand	India
China	-		CKFTA	ACFTA	ChAFTA	NZCFTA	
Japan		-		AJCEP	JAEPa	CPTPP	JIEPA
South Korea	CKFTA		-	AKFTA	KAFTA	NZKFTA	KIEPA
ASEAN	ACFTA	AJCEP	AKFTA	-	AANZFTA	AANZFTA	AIFTA
Australia	ChAFTA	JAEPa	KAFTA	AANZFTA	-	CER	
New Zealand	NZCFTA	CPTPP ²	NZKFTA	AANZFTA	CER	-	
India		JIEPA	KIEPA	AIFTA			-

Note. Adapted from “RCEP from the middle powers’ perspective,” by Kimura. F, 2021, China Economic Journal, 14(2), p. 164.

The launch the RCEP negotiation conforms the international trend that addressing regional connections. Aside from RCEP, there were other mega-FTAs put on the agenda

² New Zealand and Japan did not establish bilateral FTA but both of them are included in the multilateral CPTPP agreement.

such as the United States-led TPP and Transatlantic Trade and Investment Partnership (TTIP). Ji, Rana, Chia & Li (2016) inspected the effects of mega-FTAs including RCEP, TPP, and TTIP on regionalism and multilateralism in a perception survey. 77% of the Asian opinion leaders agreed with the existence of the "political domino effect" which underlines the race of mega-FTAs negotiation promoted by key economies (Ji et al., 2016, p33). The domino-like metaphor refers to the spreading feature of countries engagement in trade agreements and the incentives is to decrease the cost of being excluded from partner country's market (Richard & Dany, 2012). In truth, this effect is reflected in the development of TPP and RCEP bloc which both focused in Asia. And the United States is highlighted in strengthening the incentives for other countries to follow the new situation. At this stage, the expanded anxiety of being excluded was leveraged by the United States. Despite the United States joined the TPP negotiation halfway, it has triggered the domino effect on the expanding membership of TPP, and expediting the RCEP negotiation, respectively. For TPP, the scope developed from the upgraded bilateral trade agreement within 5 Asia-Pacific Economic Cooperation member states, to a trans-regional initiative with 12 states after the United States entered negotiations (Shimizu, 2021).

For the RCEP states who were leaved behind from TPP have made efforts on stepping up the RCEP negotiations. The remaining RCEP states covered 6 out of 10 ASEAN members, South Korea, and China (Shimizu, 2021). It is apparent that China is the focus one for the United States. As the President Barack Obama issued a statement

to promote the proceeding of the TPP agreement in congress, he pointed that TPP will enable the United States rather than China to become the rule-maker in global trade (Office of the Press Secretary, 2016). Some considered that the United States was attempted to display the coercive diplomacy through privileged access treatment of TPP and induce Beijing to join TPP while the trade rules were mainly shaped by Washington (Wesley, 2015). In contrast, when the Commerce Minister of People's Republic of China (PRC), Gao Hucheng was interviewed about Beijing's comment on the conclusion of TPP negotiations, Gao did not reveal China's intention of joining the TPP agreement but stated the focus was on the RCEP negotiations (Ministry of Commerce, 2015).

However, their rivalry creates more uncertainty to the other remaining RCEP states such as taking sides. For instance, even if South Korea wish to maintain the double hedging policy and has made preliminary efforts to TPP, ultimately South Korea did not entered the TPP bloc but choose RCEP given the higher economic potential of a China-involved RCEP, and Beijing has also applied stress on Seoul during their bilateral FTA talks (Choi, 2018). Under such conditions, it is urgent for those RCEP negotiators who did not join TPP to complete the RCEP for keeping up with the regional trend. As Yoo and Wu found (2021), despite started from 2012, the first phased positive result of RCEP was only made in 2015 which involves the aspects trade on goods, and more concrete contents were proceeded subsequently. Consequently, it indicates that there is a competitive nature between the two frameworks. The successful conclusion

of TPP in 2015 played a role in facilitating the RCEP development, as evidenced by the suddenly smooth progress of the latter.

3.2 The significance of RCEP

In the context of the rivalry two mega-FTAs, it is observed that their shared significance is to promote regional cooperation and growth. However, the ASEAN-centrality foundation may have dualistic implications. On the one hand, the sheer size of ASEAN existing bilateral partnership with other 5 RCEP participants will be utilized to yield substantial trade benefits and regional integration. Conversely, the ASEAN-centric condition and the distinguished level of development among the members, enable the separate treatment for individual ASEAN states, which may hinder the expectations of liberalization. The next step is to analyze the importance of RCEP, that is to say, to what extent it can deliver its core objectives based on the agreement, namely trade liberalization, regional integration and multilateralism.

First, the trade liberalization of RCEP is manifested in boosting trade and economic cooperation between member countries by removing barriers to trade. It is designed to contribute by granting foreign companies the best possible market access and providing them with the same conditions for operating and investing as domestic companies. According to the simulation of Asian Development Bank, it is estimated that RCEP will play an important role for the 15 RCEP participants in respect to increasing \$514 billion in trade, \$245 billion in income per year, 2.8 million employment as of 2030 (C.-Y. Park et al., 2021). The salient embodiment of

liberalization in RCEP is the tariffs elimination commitment adhere to Chapter 2 trade in goods (ASEAN Secretariat, 2020). It is prone to generate positive effects if the tariff barriers are lowered as RCEP members committed. However, as Kimura found, the proportion of tax reduction is similar to the existing ASEAN+1 agreement which is about 91% (2021, p. 167). Though the ratio of RCEP is less than the counterpart of CPTPP, which will reach 99%-100%, it is still an aspiring deal that surpasses the most-favored-nations (MFN) commitments of World Trade Organization (WTO), and is predicted to liberalize trade against protectionism to a certain extent (Kimura, 2021).

On the other hand, the flexibility of commitment schedule may cause unintended outcome in the process of trade liberalization (Elms, 2021). Due to the commitments of custom duty, RCEP members need to minimize tariffs on each other and give a schedule of how much they will reduce each year. Because of the diverse level of development among the RCEP states, the individual period of tariffs removal takes a different length of time. According to Annex I tariffs commitments, although some countries pledged to remove all custom duty once the agreement enters into force such as Singapore, there are still other countries take longer time, notably some goods need 20 years to gradually increase the tariffs removal ratio (ASEAN Secretariat, 2020). In this regard, it reflects the flexible and inclusive feature of the RCEP while the time cost of the trade liberalization should be noted (Elms, 2021).

Secondly, the mega trade pact also served as the symbol of the recent development

of regionalism and multilateralism. In response to the question raised by Bhagwati (1991) that whether regionalism is a supporting stone or obstacle to multilateralism, Winters considered the answer has not been known yet, but regional integration agreement should be viewed as "a means to bring trading partners to the multilateral negotiating table" (1999, p. 58). In the survey of Ji et al, 62% of the "Asian opinion leaders" agreed that mega-FTAs are "building blocks to multilateralism" (2016, p. 23). From the prospect of regionalism, RCEP as the world's biggest multilateral FTA is ambitious to deepen more economic connection in the Asia-Pacific area. Based on ASEAN centrality, the RCEP mission is to enhance the engagements between ASEAN and its ASEAN+1 partners, thereby contributes to the regional trade integration development. Except for RCEP, ASEAN also maintained a central role in other East Asia integration architecture such as the ASEAN Economic Community (AEC).

Nonetheless, with a more influential China involved, it may pose a question to the effectiveness of ASEAN-centrality. Many scholars recognized the rise of China related to its increasing economic power and regional influence (Cooray & Palanivel, 2021; Tan & Soong, 2021). Given the whole ASEAN shares the diversified extent of development among its member states, the distinct political and economic influences may lead to conflicts of individual national interests, and accordingly to reduce the role of ASEAN. For instance, the highlighted affluent city country Singapore, whose GDP per capita was US\$59,784.8 and reached 13.2 times of the whole ASEAN countries GDP per capita in 2020 (ASEAN Secretariat, 2021). In view of the internal

development imbalance in ASEAN, some ascribed it to the absence of a legally binding framework by contrast with the advanced integrated organization model, European Union (EU) (Russell, 2020). But ASEAN is crucial to serve as the neutral bridge for other conflicting parties to communicate, granted by the credit (Russell, 2021). And it is the expectation that ASEAN will insist the role in the RCEP bloc, regarding the inter-states' conflicts. Then the trade pact can be positive to the multilateralism and global economy (Drysdale & Armstrong, 2021). In this regard, the role of China raises the concern about the potential leadership competition with ASEAN in RCEP. Some research disagreed with the argument of Beijing was leading RCEP by proposing that the Chinese official discourse frequently revealed as a proponent of ASEAN-centrality in regional integration (Bi, 2021). But if not, then what incentivizes China to involve in the ASEAN-centric RCEP? With the question, the next subsection will present the impediments to China which makes it found the necessity for the engagement of RCEP.

3.3 The impediments to China are also stimulants to agreement

Three concurrent crucial incidents happened during the RCEP negotiations, which served as the pressures from both outside and inside of RCEP on China. One is the combination of the China-US trade confrontation and the outbreak of the global pandemic that caused the rise of protectionism and international downturn. Meanwhile, the territorial disputes over the South China Sea (SCS) shed the light on some ASEAN states which were reluctant to bandwagon with Beijing, which irritates the relation between China and ASEAN. These incidents have motivated China to realize that

RCEP could provide a scope for it to break through.

From the external of RCEP, academic discussion about the drivers of China's participation has considerably focused on the impact of Western policies on China's isolation in international trade (Choi, 2018; S. C. Park, 2017; Wesley, 2015). Specifically, the Sino-US friction generates the most negative economic effects on the world economy. If the antagonism is persistent as of 2030, world trade flows will be shortened by \$1053 billion, world incomes will be diminished by \$514 billion as well as 3 million world jobs will be cut down (C.-Y. Park et al., 2021). The contradictions are not only reflected in the trade deficit between the US and China, but also in the political and ideological dimensions (Cooray & Palanivel, 2021). And that ultimately resulted in Washington's "rebalance to Asia" policy which aimed to strengthen its ties with the Asia-Pacific partners but excluded China under Obama administration (Office of the press secretary, 2015, para. 1). Beijing's engagement in RCEP negotiation is frequently regarded as the countermeasure to the emerging TPP framework because the former is helpful to foster an international trade environment that is more friendly to itself (S. C. Park, 2017). Meanwhile, the Sino-US conflicts are also seen as a strong incentive for other RCEP members to conclude at the end of 2020. In light of the downturn caused by the two leading economies and the pandemic on the global market, a large agreement that could activate regional economic connections and enhance bilateral trust is essential. If the Sino-US trade conflicts continues, RCEP could increase \$514 billion in trade, \$245 billion in income, and 2.6 million job for the 15 members,

to partially offset the negative impact (C.-Y. Park et al., 2021). Hence, it implies that the United States was unable to effectively proceed the long-term plan to bring China into the United States-led trade bloc due to the change of the US government. But the successful signature and ratification of RCEP infers that China has made a reasonable decision to engage in RCEP.

Moreover, the rising concerns over the unsettled SCS disputes served as the internal RCEP impediment of negotiation which provoke reluctant views to cooperate with Beijing. The conflicting sovereignty claim between China and four ASEAN states, namely the Philippines, Vietnam, Malaysia, Brunei, has intensified the Sino-ASEAN relations. In light of the Chinese construction work and the regular navy patrol, it has put pressure on and caused the sense of being threatened of other claimants. Though China insisted the sovereign and territorial integrity based on history grounds, without the resolution regarding the international law, its efforts in reclamation area are more likely to be seems as militarization, namely the source of regional insecurity. And that harms the image of China in the concurrent RCEP negotiations. The result of the 2016 arbitration for the SCS disputes between the Philippines and China did not bring a verdict of the ownership. But some area controlled by China was determined as having no legal basis to become sovereign territory by any party, both PRC and Philippines. In other words, the resulting ground on the United Nations Convention of the Law of the Sea (UNCLOS) indirectly refuted China's claim (Yoo & Wu, 2021). Unsurprisingly, it was firmly refused by Beijing who argued the arbitration procedure is problematic

(Ministry of Foreign Affairs of PRC, 2016). In contrast, the United States has positioned itself as a security provider for other claimants and is responsible to defend international law and freedom of navigation (Rolf & Agnew, 2016). As a result, given Beijing's assertiveness in territorial and sovereignty integrity due to increasing power, the messages perceived by its neighbors prone to be negative (Tan & Soong, 2021). It appears that the necessary trust for the parallel RCEP negotiation background between the ASEAM states and China would be undermined.

Furthermore, the division within ASEAN countries has deepened over the views towards negotiating the RCEP agreement with China. It is interpreted that China's tough attitude over SCS will drive the ASEAN claimant states to incline to the United States as hedge measure (Song, 2016). In truth, the four ASEAN claimants did not show a consolidated stance to balance against Beijing through the US. The proactive camp, Vietnam and the Philippines made more efforts in the resistance against China. For instance, as mentioned, the Philippines initiated arbitration under the UNCLOS framework in 2016. Vietnam acted as the TPP proponent followed with the US, and contributed to the agreement in 2016 while RCEP has slow progress (New Zealand Ministry of Foreign Affairs and Trade, n.d.-b). Both governments adopted the international tools to counter against the role of Beijing as a rising regional hegemon. And it shed lights on the weakened role of ASEAN's "peace, freedom and neutrality" (Southgate, 2021, pp. 9–10). On the other hand, the rest of ASEAN states were inclined to act implicitly to this conflict. Some scholar argued that despite the institution is based

on shared interests, showing an assertive stance in this dispute to preserve the four member states and antagonize China are less priority for the rest non-claimant ASEAN states. (Hu, 2021). The divergence regarding the SCS disputes once deterred the release of the ASEAN joint statement in 2012 (Russell, 2021).

Although the 2016 UNCLOS arbitration did not recognized the sovereignty propositions of both two involved claimant parties, Philippines and China, it still escalated the tension between China and ASEAN. In the same month that the arbitration result was announced, all ASEAN states and China held a meeting in Vietnam and issued a joint statement, stressing the resolution of SCS dispute should via the negotiations by “sovereign states directly concerned” pursuant to the 1982 UNCLOS framework (ASEAN Secretariat, 2016). As a timely joint response, it reflects the stance of ASEAN as a whole that attempted to avoid further escalation between China and some ASEAN states. To mitigate the dispute, China and ASEAN states started the negotiation for the Code of Conduct (COC) in 2017 which has not been concluded yet. And it is doubtful whether the COC can declare sovereignty or resolve conflicts among the involved countries in the dispute (He, 2020). PRC expects to conduct bilateral talks between the sovereign claimants and the resolution based on consensus (Radtio, 2019). However, it may lead to the instrumentalization of regional influence to the negotiation and drives the ASEAN claimant states to seek the balance through other means.

Plus, the public opinion illustrated the worry of ASEAN and the subsequent

reaction. According to the survey reported by the ISEAS-Yusof Ishak Institute in Singapore, China has been losing confidence from the ASEAN people which declined yearly from 2019 to 2021(Seah et al., 2021). The “No confidence” towards China ascended from 51.5% in 2019 to 63% in 2021(Seah et al., 2021, p. 42). In particular, the main source of distrust of China centers on the SCS claiming countries as expressed by 82.1% of Philippines and 75.4% of Vietnam respondents while the limited confidence comes more from Cambodia and Laos, which have closer ties with China (Seah et al., 2021). In contrast, although the United States did not directly take part in the dispute or as a UNCLOS signatory, the general ASEAN respondents still perceived an increasing trust degree of the US. Given the role of “strategic partnership and security provider”, the confidence towards the United States enlarged from 27.3% in 2019 to 48.3% in 2021 (Seah et al., 2021, p. 2). In line with the above-mentioned ASEAN states which were discontent to China, Philippines (62.6%), and Vietnam (60.6%) are the top two countries that perceived confidence towards the US (Seah et al., 2021, p. 50). It reflects that a closer tie between some ASEAN states with China’s rival is due to the heightened sense of insecurity caused by China. In this case, the challenged Sino-ASEAN relation constrained Beijing to transform its stance on RCEP to a more proactive approach since 2016 (Yoo & Wu, 2021). Because RCEP can serve as the crucial instrument of “reassurance policy” for PRC to maintain its linkage with South-eastern countries (Raditio, 2019, p. 99).

IV. China's goal in RCEP and evaluation of the result

4.1 RCEP as a catalyst to accelerate China's trade development

The effects of RCEP are conducive towards China's goal of accelerating its trade development. First, the absence of China-Japan-South Korea FTA is filled and China is the main beneficiary among three of them due to economic interest. Secondly, the trade liberalization facilitates the domestic market reform to a deeper level. Thirdly, its two strengths are reinforced in light of global supply chains and digital trade. The former role is elevated via the less burdens on cross-border trade pursuant to rules of origin chapter. The latter one is benefited because the e-commerce chapter of RCEP manifests China's pro-trade characteristic. However, China needs more endeavor to deliver on its promises regarding fair competition in RCEP.

RCEP represents an unprecedented high-quality mega-FTA for China that it has never participated in before. According to WTO, China is ranked as the world's largest exporter and the second largest importer in trade in goods, while the manufacturing industry constitutes the 92.9% of total export, 59.7% of total import (2021). RCEP marks a milestone of China because it is the first trade arrangement that incorporates China, Japan, and South Korea which are the key three economies in East Asia. Before RCEP, the historical hostility and increased nationalism caused difficulty in negotiating a trilateral FTA among them. Thanks to ASEAN-centrality, RCEP provided one document to support further trade liberalization and market-driven economic cooperation for China, Japan, South Korea, and also other countries in the Asia-Pacific

region. It is estimated that the significant step will benefit China, Japan, and South Korea with additional incomes of \$127 billion, \$60 billion, and \$28 billion as of 2030 respectively (C.-Y. Park et al., 2021). Particularly, it is an important chance for China to test reform and express its pledge to broader international plurilateral liberalization and economic cooperation based on the commitments in RCEP (Drysdale & Armstrong, 2021). Meanwhile, granted by the triumph of conclusion and signature, China as the largest economy in RCEP, has proven itself capable of negotiating with varied countries in a multilateral pact which is much more complicated than bilateral FTA (Gao & Shaffer, 2021). The multilateral governance of RCEP is also advantageous for China to promote its Belt and Road Initiative (BRI) (Vines, 2018).

The agreement involved two well-performed trade elements for China, namely global supply chains and digital commerce. Its brand as the world factory is unrivaled due to its top ability in transnational production chains. China replaced the United States as the world's biggest manufacturer in 2010 and China's share of world industrial value-added exceeded 28% of the total in 2018 (Jiang & Yu, 2021). In the scope of RCEP, the value-added creation in China has reached 49% in terms of "through backward linkages" and 35% regarding "through forward linkages" in 2015 (Flach et al., 2021, p. 95). In order to liberalize trade barriers, Chapter 3 of RCEP unifies the rules of origin which enables the RCEP tax advantages are available for product with over 40% value added in RCEP region based on Article 3.5, and lower the burden of documents preparation for customs clearance when product passing through the RCEP

states (ASEAN Secretariat, 2020; Hsieh, 2021). It can incentivize enterprises to adopt RCEP approach to trade rather than pre-existing bilateral treaties (Kimura, 2021). Therefore, the rules of origin in RCEP will maximize the benefits of China-oriented supply chains for RCEP signatories (Gao & Shaffer, 2021). From the domestic level, Li investigated the effects of RCEP on companies which concern the import and export process in China (2021). It found that the closer a Chinese company is to RCEP member nations' supply chains, the more probable it is to expect gains from the pact (Li, 2021). In this regard, China's role in global supply chains is empowered by the rules of origin in RCEP architecture by facilitating the trade process. The role of policymaking is addressed to meet the diverse needs and conditions of businesses based on their position in global supply chains (Li, 2021).

From another aspect valued by China, RCEP addressed the great development potential of electronic commerce in this region. Because of the efficient logistics, its e-commerce transaction field is highly-developed in the domestic level within two decades (WTO, 2021, p. 150). However, the e-commerce governance is urgently needing more modern regulations in the international system. In WTO, the process of negotiating new rules on digital trade and services has been impeded by the Doha Development Agenda. It led countries switched to establish modern e-commerce governance in regional FTAs and three models accordingly emerged which led by the US, EU, and China (Gao, 2022). In particular, the core values for China is to promote commodity exchange and for the United States is to ensure the free flow of data

regarding the governance of electronic trade (Gao & Shaffer, 2018). The causes are related to the different e-commerce strength of these two countries. The main Chinese digital companies focus on buying and selling real goods such as Alibaba and JD.com while the US counterparts operate mainly through provide digital services for customer and need to set the data storage devices globally (Gao, 2018). Chapter 12 of RCEP include the pro-trade measures through paper-free authorization and signature refer to Article 6 (ASEAN Secretariat, 2020). But the RCEP countries also agree on the delay implementation for the least developed countries, including Cambodia, Laos and Myanmar for additional 5 years as transitional period (ASEAN Secretariat, 2020, Chapter 12.5). Some interpreted despite the “soft-law” mechanism of RCEP, it is still an improved version of the former ASEAN+1 FTA regarding digital commerce area considering the clearer legal terms (Hsieh, 2021, p. 91). Further clauses to complement will be negotiated with great chance under the regular RCEP ministerial meetings after the framework came into force.

Besides, although RCEP emphasizes China's area of expertise, it is required to make changes to reach the deal in order to level the playing field for foreign enterprise. Under RCEP, the member states are obligated to encourage the online commerce environment through protecting the right of consumer as well as enhancing the confidence refer to article 7 (ASEAN Secretariat, 2020, Chapter 12). To comply with the requirements in RCEP, China has inadequacies of ensure the competition in online economy platforms. Specifically, Chinese government has maintained the

“accommodative and prudential” approach to the e-commerce platform regulations in a long time which draws the concern about the anti-competitive situation, and the consequential harm to consumers (P. Wu et al., 2021, p. 6). However, it seems that China has taken a step forward to attempt to regulate the dominance of Chinese online platforms in align with the RCEP direction. For instance, soon after the RCEP signatory, Beijing started the investigation on the internet giant Alibaba which involves the unfair competition to force consumer’s choice between e-commerce platforms (Baruzzi, 2021). And it also implemented a series of statement to regulate the monopoly behaviors in online platforms (Xinhua news, 2022). These efforts reveal that China is paving the way for regional e-commerce integration in the future. In this regard, despite China being the leading country in the digital economy and wishing to added China's value in international governance, the priority task is to seize the opportunity of RCEP that can demonstrate its ability in transnational e-commerce.

4.2 RCEP as a countermeasure to the United States' influence in trade governance

The framework of RCEP offers China a preferable tool to leverage against the United States in the field of trade governance. It is because the main emphasis of the RCEP is traditional approach to promote cross-border trade that caters to the need of China in maintaining its regional influence. The strict level of TPP regulations on labor, environment and anti-competitive behavior are less favorable to China’s growth. As the US absented in the RCEP negotiations, it is less strained for PRC to present in regional

trade affairs.

There are two points related to the US that prompted China to join RCEP. One is to recover the economic losses of the trade antagonism and the other one is to seek the alternative of the US-led TPP agreement. As mentioned in section two, the decoupling Sino-US trade relations plus the COVID-19 pandemic constitute a serious impediment to global economy which drove the RCEP conclusion. For China, RCEP is projected to mitigate nearly half of the trade losses (\$234 billion), one fourth of the income damage (\$127 billion), and 30% of lessened employment (1.4 million jobs) caused by the trade confrontation as of 2030 (C.-Y. Park et al., 2021). However, in addition to counteracting losses, this paper argued that RCEP matters more for Beijing in respect to foster a China-friendly trade framework. From the perspective of rule-making, China has transformed from a passive rule-taker to an important rule-shaper in RCEP (Gao & Shaffer, 2021; Gong, 2021). As discussed, RCEP is seen as the remedy for western policy of isolating China when TPP was concluded. Nonetheless, what elements of TPP made it perceived as potential constraints by PRC? And to what extent that it has found the hedging strategies in the RCEP provisions? To answer it, the following discussion will start from illustrating the pre-existing China-US conflicts in the field of WTO that triggers the demand of new rules in international trade governance. Then it will expound that RCEP could offer China its preferred approach to engage in the new mega-FTA.

While WTO serves as the largest multilateral trade system, the expanded membership exerted a negative impact on its negotiation function. The difficulty to reach an agreement in the Doha round for introducing new rules has altered some developed countries mind into the regional trade negotiations, such as the US and the EU (Ravenhill, 2017). Some arguments stated that one of the reasons for the US' swerve is the perception that China has received more unfair benefits from the WTO (Gao & Shaffer, 2018). That asymmetry is mainly reflected in the US contention that China has not fulfilled its commitment to become a market economy as it pledged in 2001 (Ezell, 2021). As a latecomer, WTO helped China in integrating with the world through a rule-based cooperation which has contributed to the sheer size of economy for China. However, the non-market economy status has plunged China into many problems. China is the key respondents regarding anti-dumping and countervailing duties in WTO dispute settlement mechanism. Based on the World Bank Global Anti-Dumping Database that gathered all relevant litigations until 2015, Schiavo and Zhu found that from 2004 to 2015, China accounts for 36% of the US-launched investigations while 76% of these cases adjudicated that the US could levy 158% average ratio tariffs on Chinese export goods, which is almost four times the mean of all other exporters (2020). The accession protocol of PRC stipulated the separate determination of dumping measures for non-market economy refer to Article 15 (WTO Secretariat, 2001). Other WTO member states could adopt "surrogate country" approach to find the dumping practice, refers to compare the export price of goods from China and a random third-party state, if Chinese price is much lower, than it contributes to unfair competition

(Hošman, 2021, p. 3). Hence, Beijing has confronted with serious protectionism force enforced by Washington due to the non-market economy status.

China was inspired to develop its capacity amid the WTO dispute settlement body. Given the long-term efforts Chinese government has made in cultivating the domestic environment for international trade law that could be sensitive to the WTO requirements, it has transformed China become more assertive to defend its interest and turned to a skilled performer in trade governance (Gao & Shaffer, 2018). For instance, Chinese state-owned-enterprises (SOEs) has drawn the most concerns regarding the negative effect of state-led capitalism on non-discrimination principle within WTO, such as the government subsidies in strategic industries (Ezell, 2021). As the current WTO rules are inadequate to regulate SOEs behaviors, it also raised concerns that whether SOEs has political missions regarding the non-transparent connections between government and SOEs during the transnational cooperation (Wu, 2019). In this regard, the U.S. department of commerce imposed many countervailing and anti-dumping investigations on Chinese SOEs, as public bodies to intervene other private companies and therefore added relevant tariffs on Chinese exports (Gao & Shaffer, 2018).

However, China as complainant has successfully appealed the imposed duties by the US through pointing the measurement in what constitutes public bodies under the WTO rules (Gao & Shaffer, 2018). The criteria of public bodies for the US is whether

it controlled by the government whereas for WTO, it depends on whether it served government functions (WTO secretariat, 2012). The regulation of SOEs activities, coupled with other new emerging problems like “forced joint ventures and technology transfer” prompted the US to invest in new rules in international trade governance (Ezell, 2021, p. 17). But the consensus-based WTO framework makes it hard for the US to maintain the dominant position in rule-making negotiation as more emerging economies joined (Ravenhill, 2017). Consequently, the United States pushed forward the TPP agreement to induce China to play by a higher standard trading order. For instance, in terms of SOEs behaviors, the TPP agreement particularly established a chapter focus on the SOEs stipulation, which specify it in respect to the ownership pursuant to Article 17.1 Chapter 17 (Office of the US trade representative, 2016).

In the context of the US rebalance strategy, China has found the RCEP as the leverage to maintain its regional influence in Asia-Pacific region. First, RCEP represents China’s endorsement of liberalization. PRC has made great efforts in legitimating its authoritarian government in international order. Chinese president Xi Jinping put forward “Major country diplomacy with Chinese characteristics” in the Central Conference on Foreign Affairs in 2018 June which is officially adopted as the guiding thought (Xinhua, 2018). Some analyzed that the essence of “Major country diplomacy” for China is to constructively renegotiate the international rule order, involving the reformation in China’s favor (Smith, 2021, p. 8). Despite the high-profile of BRI and Asian Infrastructure Investment Bank (AIIB), these were a “soft law-based

scheme” without concrete jurisprudence (Hsieh, 2021, p. 77). Moreover, as China attempted to narrate itself as a responsible power in global affairs, it failed to achieve recognition as market economy in a WTO dispute compliant regarding EU measures related to price comparison method (WTO Secretariat, 2020). In this regard, RCEP can help China by presenting its active involvement in multilateral negotiations and justify itself through a rule-based framework.

Furthermore, RCEP provides China with a new FTA template that differs from other emerging multilateral trade treaty like the US-led TPP agreement (Gao & Shaffer, 2021). It is certain that partake a closer regional agreement is beneficial to China. But RCEP is a more practical option which allows China to proceed incremental market reforms which conduce to domestic political stability (Choi, 2018; Gong, 2021). Firstly, the contrast between RCEP and TPP centers on the different considerations on trade and inside-border regulation (Gong, 2021). The manifestation of China’s influence in RCEP is it places more weight on trade facilitation instead of the regulation of environment and labor problems (Gao & Shaffer, 2021; Lando, 2022). Secondly, RCEP does not include supervisions against bribery and SOEs in contrast to TPP and CPTPP. Thirdly, the dispute settlement mechanism draws concerns. The scope of resolving dispute within RCEP does not cover government procurement and e-commerce which are separately marked in the bottom of chapter 12 and 16 (ASEAN Secretariat, 2020; Hsieh, 2021). Meanwhile, the WTO-like dispute settlement body is absent. Because RCEP does not establish a particular institution to adjudicate as WTO did. As an

ASEAN-style agreement, RCEP complies with the “informality, consultation and consensus” principle to deal with dispute (Lando, 2022, p. 5). Also, the application of binding jurisprudence is limited to state-to-state dispute while lack of the investor-state-dispute mechanism (Drysdale & Armstrong, 2021; Kimura, 2021).

However, RCEP also leaves the room for new rules and potential members. Under Chapter 18, 15 RCEP members will need to hold Ministerial Meeting every year and set up 4 councils concerning “goods, services and investment, sustainable growth and the business environment” respectively (Kimura, 2021, p. 168). The forum can link the members to exchange the opinions and propose new content to the framework. It features RCEP as a “living agreement” that can advance in the following cooperation with respect to parties’ consensus (Hsieh, 2021, p. 70). Therefore, RCEP offers China an alternative in international trade order with respect to its need. When the domestic environment is ready for further liberalization, Beijing can propose certain rules in the RCEP negotiation. More importantly, as RCEP deepen China’s ties with the regional economy, it served as a hedging measure against the US-led TPP agreement when China in need. As the US opted out TPP, the conclusion and ratification of RCEP can further prove China as a rule-based player in international trade architecture.

4.3 RCEP as a window of opportunity to consolidate Sino-ASEAN relations

China employed the mega-FTA approach to reassure its significant trade partner ASEAN which is consistent with the geopolitical objectives of Beijing, which used to

apply the economic presence to increase the political influence in regional network of free trade areas. In light of the polarized opinion about the rising power, as well as the sovereignty conflicts, Chinese leadership expected the economic gains of RCEP can increase the interdependence between China and ASEAN, which rewarding its friendly cooperator image. However, despite the growing economic dependence by ASEAN, China need to actively hasten the process of the SCS dispute resolution with other claimants, then its close relations in the southeast Asian can exert the positive impact in the rising China.

The goal of China establishing a closer relationship with ASEAN in RCEP recur to its need of realizing the “Strategies of Peaceful Rise” (Yu, 2020, p. 206). As far as the rising China is concerned, the source of its constraints from the outside is contributed by seeing Beijing as a threat to the current international order, which is framed by the existing global hegemon (Tan & Soong, 2021). From the perspective of realist, China’s surrounding states would play in the existing hegemon side to restrain the rising power of Beijing (Mearsheimer, 2006, as cited in Yu, 2020). To avoid the containment policy, PRC adopted Free Trade Area tactic to yield economic gains for its trade partner and persuade them that cooperating with China can bring mutual affluence, which accordingly decrease the harmful image (Yu, 2020). In this regard, China has utilized its economic strength to construct its regional network of free trade since 2002. The first signed FTA is the China-ASEAN Comprehensive Economic Cooperation agreement at the sixth China-ASEAN Summit in 2002, which following expansion

regarding the trading terms in goods, service and investment in 2004, 2007 and 2009 subsequently (Ministry of Commerce of PRC, n.d.). By adopting such gradual approach to expand the content of FTAs step by step, there are two outcomes for China and its trade partners. The initial stage of FTA will benefit the partnership with economic gains by the access to Chinese market, then in the second stage, the trade partner will become more dependent on China in the field of investment and export but also associate with the weakened bargaining chip of the trade partner (Sampson, 2021). The more “interdependence” in China’s network of free trade area, the more likely that its neighborhood will less likely to restrain the development of China in the regional integration (Yu, 2020, p. 206). In this respect, undoubtedly, RCEP is an imperative instrument for Chinese leadership to pave the way for its desired development strategy.

Among the 15 RCEP participants, ASEAN has the strategic status for China in terms of not only the quantity of countries, but also in geopolitical interest. The key terms of PRC’s targeted ASEAN relation are “harmony, stability and peace” (Bi, 2021, p. 85). Given the recognition of ASEAN are important player in its neighboring area, the strengthened political and economic relations between them are advantageous to China’s development. First, the shared developing countries status of China and most of the ASEAN states indicates the common interests of growth. Beijing views the opportunity to cater to the development intention of the Southeast Asian states. The influence of China on ASEAN has increased in terms of both economic and geopolitical dimensions. Economically, ASEAN has been moving up the list of China’s trade

partnership. The total trade volume of ASEAN has surpassed Japan becoming the third largest trade partner of China in 2011 (before ASEAN initiated RCEP), exceeded the the US in 2019, and transcended the EU in 2020 becoming the largest trade partner of China, while China has maintained the largest trading partner of ASEAN for 12 years (China news, 2011; Ministry of Commerce of PRC, 2021).

Geopolitically, the mutual support is beneficial to both of their concerning regional scheme. On China side, PRC always frames itself as the ASEAN-centrality proponent in the regional cooperative connection in the high-level interaction (Bi, 2021). Besides the responsive participation of RCEP, Chinese leadership frequently deliver public statements on the role of ASEAN-centrality throughout their dialogue history (Bi, 2021). In March 2022, when the State Councilor and Foreign Minister of PRC Wang Yi discussed the Sino-ASEAN relation, he said that “We will continue to make ASEAN a priority in China's diplomacy and firmly uphold the ASEAN-centered regional cooperation architecture” (Ministry of Foreign Affairs of PRC, 2022). On ASEAN side, their demonstrated support in BRI is of the greatest importance for China. 10 ASEAN member state have participated in the process of “joint building of BRI” since 2017 (Bi, 2021, p. 90). It illustrates that China has attached importance to its relation with ASEAN in this region, as manifested in different fields.

As an important step to increase regional interdependence for its development strategy, China viewed RCEP as an opportunity to deepen the integration with other

regional powers. To achieve that ultimate goal, the prudent manner for PRC to behave in RCEP is to showcase the recognition of ASEAN-centrality like other participants (Tan & Soong, 2021). Many literatures agreed that ASEAN centrality indeed existed in the negotiations but opinions diverge on the meaning of such centrality. One illustration is ASEAN raised the original idea of establish East Asia mega-FTA based on its trade hub position in 2011 and then propelled the following negotiations, which mostly host and chaired by ASEAN member states (Shimizu, 2021). On the other hand, some researchers confined the centrality in the mere channel function of ASEAN in the RCEP negotiations but the rule contributions came from other state, such as Japan (Tan & Soong, 2021). According to the interview to Pak Iman Pambagyo, the ex-chairman of the RCEP Trade Negotiation Committee who negotiated with the multinational delegates, Japan presented a tough stance on maintaining the quality of RCEP which exerted a positive impact on the conclusion (METI Journal, 2021, para. 7). But however the centrality is expressed, the precondition of concluding the agreement does not change. Without upholding that central role of ASEAN, the process may not be reached given China is not the only main player.

From the consequences of RCEP, the strategic relationship between China and ASEAN is seems on the trajectory as Beijing targeted. First, it will create economic gains for both of them. China is the largest beneficiary in terms of economic gains as discussed before. Under the same condition, the whole ASEAN will earn the additional \$80 billion, \$21 billion in trade and income. The Southeast Asian countries' dependence

on China is increasing in the final few years of negotiation and the following RCEP implementation is estimated to enhance the tendency. For instance, Vietnam have the highest China-related trade value to its GDP, as Chinese import accounts for 24.5% of its GDP in 2019 which grew from 18.1% in 2016, and Chinese export accounts for 37.4% in 2019 which increased from 29.7% in 2016 (Bi, 2021, p. 94). Based on the trade promotion approach of RCEP, it will reinforce the economic relations and interdependency between them.

However, the anticipation of PRC that ASEAN would perceive a better China image have not been fulfilled yet since the signing ceremony. According to the analysis of China's economic image in the mainstream media news of ASEAN, the responses of individual ASEAN states to Beijing's presence in RCEP indeed involved the economic threat elements at different levels and implies that China is important but not the only cooperator for ASEAN by emphasizing the deepened connection with Japan, South Korea and New Zealand (Sun et al., 2021). Moreover, the latest ASEAN 2022 survey published by ISEAS-Yusof Ishak Institute records the worries on China's increasing regional influence start to slightly decrease, in terms of economic (from 68% to 64.4%) and political (from 86.5% to 76.4%) aspects (Seah et al., 2022, pp. 20–22). In the options of what the Chinese leadership should do, the most popularity (77%) considered that Beijing should be more respectful to their countries' sovereignty and decrease the limitation on their countries' foreign affairs, which all Brunei and Laos respondents have chosen (Seah et al., 2022, p. 37). The second most ASEAN-favored action (64.6%)

is Beijing should deal with the territorial disputes in respect to international law which increase from the previous year (55.2%) (Seah et al., 2022, p. 37). It echoed with the finding in ASEAN mainstream media report of RCEP, that Philippines mentioned China's participation as well as Australia as a "close partnership" in its stance of the SCS dispute (Sun et al., 2021, p. 166). Therefore, although RCEP has been signed, the slow progress of territorial conflicts hinders the perception of China as a reliable regional cooperator in ASEAN. The more Beijing pursues regional leadership, the more sentiments about the China's threat from its neighbors, and conversely, if China is willing to serve as a supporting role, it is more likely to achieve a win-win outcome of trade liberalization with RCEP members in the future (Tan & Soong, 2021).

V. Conclusion

This project was motivated by the observation that the engagement of China with the multilateral frameworks has increased in recent years while RCEP is the important milestone in the development of China's free trade network. To investigate the role of China in the RCEP negotiations process, this paper uses documentary analysis to expound the negotiation background of RCEP, identify the obstacles to China during the 8 years process, and then assess to what extent China obtained its objective reward in the regional framework. In particular, the Chinese engagement is driven by the impediments of the external RCEP background, that the rising protectionism and sluggish economy in the wake of major countries trade conflicts as well as the interior of RCEP participants, that the intensified relation between China and ASEAN due to

the territorial SCS controversy.

This study examines the main intentions of China in RCEP in three different layers that develop from the impediment's analysis. The first goal is to promote its economic development by a more liberalized free trade agreement. Second, China requires a mega-FTA as leverage to counterbalance the regional influence of the US over trade governance in the developmental regional architecture. The third layer is to strengthen the cooperation connection with its significant neighbors in Southeast Asia by upholding the ASEAN-centric building. Further analysis shows that the positive effect of the RCEP conclusion to China's goals is reinforced amid the pro-trade provisions in the favor of Beijing, but weakened during the consolidation of China-ASEAN relations to comfort ASEAN claimants. In addition, findings from this research reveal that China employed RCEP as an instrumental FTA policy to increase its regional economic and political influence but did not play a leading role in the negotiations, though it was an important player. The ASEAN-centrality is the consequence of PRC's support and other RCEP participants' recognition. At a broader level, the role of China in RCEP is to cultivate a harmonious geopolitical environment surrounded by its reliable partners, and to discourage the policy of containment. Then, it can pave the way based on the development strategy as Chinese leadership designed.

Overall, the findings of this paper highlight the important roles of the United States and ASEAN in influencing the considerations of PRC. The presence of the United

States in the Asia-Pacific region reflects the contradicted views with China in respect to the rule-based trade and regional security. In contrast, China and ASEAN shared common interest for economic and political purposes. However, the SCS disputes is still the unescapable burden posed in front of the cooperation. An implication of this is the possibility that Chinese leadership will further reinforce its influences on the ASEAN claimant states and bring out the effect of interdependence, and the implementation of RCEP is the emerging approach. The findings in this project are subject to the limitations, caused by the data sources that are published during the negotiations and the ratification period of RCEP. The avenue for future research relates to the role of China after the implementation in 2022, especially regarding to the development of new contents, and the enforcement of trade liberalization.

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