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SU Qingyi : mathe_sqy@163.com

Why China Should Join CPTPP ^①

China formally submitted a request to join the Comprehensive and Progressive Trans-Pacific Partnership, or CPTPP, trade agreement in September, drawing wide public attention.

In fact, China's attitude toward the partnership has always been a matter of considerable interest. It had expressed an open and inclusive attitude toward its predecessor, the Trans-Pacific Partnership, even before negotiations for the agreement were completed. But when the Trump administration announced its withdrawal from the TPP, China didn't make clear whether or not it would apply for membership.

China's decision to apply for CPTPP membership was made after careful

^① SU Qingyi, Deputy Director of International Trade Division, Institute of World Economics and Politics, Chinese Academy of Social Sciences. This article has been published in *China-US Focus*, 29th December 2021.



evaluation. The TPP had been regarded as an important step by the Obama administration to restore U.S. influence in the Asia-Pacific region, and negotiations were dominated by the United States. Obama also made it clear that the United States should firmly take the lead in formulating international trade rules and prevent China from playing a prominent regional role. Therefore, even aside from the high standards for market access and regulations, some of the original provisions of the TPP appeared to target China.

After his inauguration, Donald Trump pulled the U.S. out of the TPP. The remaining 11 countries shelved some provisions and renamed the agreement the CPTPP, which opened the door for China to seek membership. Its application was made on its own initiative.

Yet China still needs to evaluate carefully whether it can accept — or is capable of making efforts to reach — the market access and regulation requirements of the CPTPP. A more important factor that needs to be taken into consideration is whether joining the CPTPP will bring unacceptable losses to China's own economy and institutions. China's formal application demonstrates its belief that the advantages of joining the CPTPP outweigh the disadvantages.



Now that it has applied to join, China will strive for complete accession. The application is by no means an empty gesture but a task of paramount importance. As early as 2013 with the establishment of the China (Shanghai) Pilot Free Trade Zone, China began to benchmark international economic and trade rules. After years of work, many breakthroughs have been made. In the next few years, a large number of pilot free trade zones will continue to focus on benchmarking CPTPP rules and will serve as important references for China's future negotiations. It is apparent that China will work hard to join the CPTPP, since it is clearly in the country's interest.

This means that China will not blindly exclude the international economic and trade rules formulated by the United States. In addition, it demonstrates China's determination to actively participate in constructing the world trade system and promote economic globalization.

However, China's accession to the CPTPP also faces many challenges. To begin with, it is uncertain whether the current members will agree and allow it to enter the negotiation stage. It is also possible that some members will ask for conditions more stringent than the average requirements for CPTPP membership. The situation also hinges on whether the United States will try to block China's membership.



If China's willingness to make big concessions still cannot earn the acceptance of some other members, then it is bound to slow down its efforts to join the agreement and continue to work for more favorable conditions.

CPTPP members and other economies should take a positive view of China's application to join the CPTPP, even though there are political obstacles between China, some member states and the United States. However, we should not take a one-sided view and simply assume that China cannot reach the CPTPP's high standards. There are great discrepancies in the level of development of current member states. Some have won exceptions by way of transitional arrangements because they are currently unable to immediately meet the standards.

China's accession to the CPTPP is a long-term process in which the country will move ever closer to the level of the CPTPP. Its market scale is huge, accession will bring enormous economic benefits to member states and even other economies in the Asia-Pacific region. Therefore, CPTPP members should assess China's application objectively.

In short, China's joining the CPTPP represents its clear choice to adhere to the high standards and rules of international economics and trade. CPTPP members



and the United States should take a positive view of China's application. If they deliberately hinder China's accession and violate the principle of balancing rights and obligations, member states and even the entire Asia-Pacific region will lose an important opportunity for shared prosperity.

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