

## **China courts Vietnam and Malaysia for support on CPTPP bid**

### **Outreach to ASEAN members key to groundwork for trade negotiations**

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BEIJING/WASHINGTON -- Tuesday's ASEAN summit offered China another opportunity to chip away at any opposition to its bid to join the CPTPP trade pact in a region that is home to four of its members.

In the virtual meeting with leaders from the Association of Southeast Asian Nations, Chinese Premier Li Keqiang called for the bloc and China to deepen their economic integration and to bring the Regional Comprehensive Economic Partnership into effect as soon as possible. He proposed cooperation in areas including climate change, science and technology, and innovation, according to state news agency Xinhua.

The "economic integration" comment hinted at one of Beijing's objectives: joining the Comprehensive and Progressive Agreement for Trans-Pacific Partnership. Vietnam, Malaysia, Singapore and Brunei are part of the CPTPP, and winning them over is essential to Beijing's bid for membership.

Some of these countries present particular negotiating challenges, such as Vietnam, with which Beijing has competing claims in the South China Sea.

Li avoided making waves on the topic at the summit, saying that "peace in the South China Sea serves the common interest of China and ASEAN countries." The two sides should "expand practical maritime cooperation" and work toward a speedy agreement on a code of conduct in the region, he said.

Since its September application to join the CPTPP, China has moved quickly on its charm offensive. President Xi Jinping has called Vietnamese leader Nguyen Phu Trong and Singapore Prime Minister Lee Hsien Loong, and both countries have responded positively to Beijing's membership proposal.

COVID-19 vaccines are a potent tool in this campaign. In a call late last month with Malaysian Foreign Minister Saifuddin Abdullah, Chinese Foreign Minister Wang Yi pledged to contribute another 1 million vaccine doses to the country, bringing its donations there to at least 1.5 million. In Tuesday's summit, Li proposed further China-ASEAN cooperation in dealing with the pandemic.

One thing China has in common with the CPTPP's ASEAN members is its large number of state-owned enterprises -- a potential hurdle to joining the free trade bloc.

"Joining the [CPTPP] could be a decades-long process. It's important to make friends now," said a university professor in Beijing. "China is preparing by talking to Vietnam and Malaysia, which have many state-owned enterprises."

While the trade pact includes tight restrictions on state-owned companies, Vietnam, where these groups play a central role in the economy, has been exempted from a number of these. China may be taking notes.

"Making exceptions should be considered for problems that are particularly tough to solve," like state-owned enterprises, said a former Chinese diplomat who served as an ambassador in Southeast Asia. "The Chinese market is attractive to other countries. It's important to demonstrate these benefits to gain an advantage in negotiations."

Chinese trade with ASEAN has continued to grow during the pandemic. China's imports from ASEAN totaled \$301.3 billion last year, roughly double the figure a decade earlier.

China's overtures to ASEAN have set off alarm bells in the U.S. President Joe Biden has shown more openness to engagement with ASEAN than predecessor Donald Trump.

Biden attended a virtual summit with ASEAN leaders Tuesday after Trump skipped the annual event for three straight years, signaling that the region will be more of a priority under the current administration. He announced \$102 million in initiatives to support ASEAN's recovery from the coronavirus pandemic and tackle climate change, among others.

But the U.S.'s ability to regain its influence is limited by Biden's reluctance to go so far as to return to the CPTPP, as labor unions and other key sources of support for his Democratic party worry about the deal potentially driving jobs offshore