

**RCEP and the Vision of
the Maritime Silk Road:
New Frontiers for China–ASEAN
Cooperation**

Xinhua Institute

Table of Contents

Introduction	1
---------------------------	---

Chapter 1

Practice: Fruitful Outcomes from Promoting Regional Cooperation with Win–Win Benefits	3
--	---

I. RCEP Drives Regional Economic Prosperity and Integration	3
1. Trade Liberalization Achieves Remarkable Results	3
2. Investment Facilitation Mechanisms Unleash New Momentum for Regional Investment	6
3. Accelerated Industrial Integration Drives Regional Economic Integration	7
II. Fruitful Outcomes in Jointly Advancing the 21st Century Maritime Silk Road	9
1. Major Corridor Development Upgrades Regional Connectivity and Integration	9
2. Solid Progress in "Small yet Smart" Projects Benefit the People	12
3. "Digital" and "Green" Become Key Words in Innovation Cooperation	13
4. People-to-People Exchanges Enhance Mutual Understanding and Regional Trust	14

Chapter 2

Opportunities: Advancing Regional Economic Integration with an Open Vision	17
---	----

I. Strengthening Policy Coordination and Advancing the Integration of Regional Institutional Rules	17
II. Enhancing Industrial Collaboration and Advancing Regional Supply Chain Integration	18
III. Focusing on Connectivity to Foster the Rise of Regional Economic Hubs	20
IV. Strengthening Collaborative Resolve to Jointly Address External Risks and Challenges	22

Chapter 3

Vision: Building a Closer China – ASEAN Community with a Shared Future	24
---	----

I. Leveraging China's High-Standard Opening-Up to Build an Upgraded RCEP	24
--	----

II. Promoting High-Quality Integrated Development of Regional Connectivity and Industrial and Supply Chains	26
III. Deepening People-to-People Exchanges to Strengthen the Public Foundation for Cooperation.....	28
Conclusion	30
Writing Explanation and Acknowledgments	31

Introduction

"Let us keep close to our hearts people's aspiration for a better life, and put on our shoulders the mission of our times to safeguard peace and promote development. Let us work hand in hand to build on what has been achieved and work toward a closer China-ASEAN community with a shared future, and make our region and the world even more prosperous and beautiful."^①

—PRC President Xi Jinping

On December 30, 2024, a sea-rail intermodal freight train carrying 90 containers of Indonesian shortening, Hainan coconut juice, and other goods departed from the Qinzhou Railway Container Center Station in China, bound for Tuanjie Village Station in Chongqing. The departure of this train marked the 10,000th intermodal freight train of the year on the New International Land-Sea Trade Corridor. Linking the Silk Road Economic Belt in the north with the 21st Century Maritime Silk Road in the south, the New International Land-Sea Trade Corridor has continued accelerating its development. In 2024, the corridor handled 128,651 twenty-foot equivalent units (TEUs) of foreign trade via sea-rail combined transport, representing a year-on-year increase of 24%. Of these, 87,846 TEUs were goods from member countries of the Regional Comprehensive Economic Partnership (RCEP), accounting for 17% of the total freight volume—an increase of 32% over the previous year.^② This achievement offers a glimpse into the synergistic effects of RCEP and the joint efforts to build the Maritime Silk Road.

2025 marks the third anniversary of the implementation of RCEP and the tenth anniversary of China's release of the *Vision and Actions on Jointly Building the Silk Road Economic Belt and the 21st Century Maritime Silk Road*. As a leading force behind these two major multilateral cooperation frameworks, China and ASEAN have worked together to align the development of the Maritime Silk Road with RCEP, creating a model that departs from traditional trade and investment frameworks—one that is more equitable, mutually beneficial, and win-win in nature. This collaboration has effectively strengthened regional trust, enhanced the region's international influence, and reinforced the resilience and integration of regional industrial and supply chains, thereby contributing to the improvement of the global economic governance system.

With the concerted efforts of both sides, a series of landmark China-ASEAN cooperation projects—such as the China-Laos Railway, the Phnom Penh – Sihanoukville Expressway, and the Jakarta-Bandung High-Speed Railway—have been completed in suc-

^① Xi Jinping (November 22, 2021). Speech at the commemorative summit marking the 30th anniversary of China - ASEAN dialogue relations. Ministry of Foreign Affairs of the People's Republic of China.

^② <https://www.news.cn/fortune/20241230/fcd0083f5f2d45ad807d2004a27d4c41/c.html>

cession. These projects have effectively eased development bottlenecks in the region, including insufficient infrastructure investment and underdeveloped regional connectivity. In 2024, bilateral trade between China and ASEAN reached 982.3 billion USD, more than double the figure in 2013. The two sides have remained each other's largest trading partners for five consecutive years. Negotiations on Version 3.0 of the China-ASEAN Free Trade Area have been substantively concluded, which is expected to reduce tariff and non-tariff barriers further, enhance trade and investment liberalization and facilitation, support development across the ASEAN region, and advance regional economic integration.

As we look ahead, China-ASEAN cooperation will not only inject fresh momentum into regional prosperity and development but also help drive the collective growth of RCEP member states beyond the region and countries participating in the Belt and Road Initiative (BRI). Against the backdrop of accelerating changes unseen in a century, China and ASEAN are working together to uphold the multilateral free trade system, foster an open, inclusive, and non-discriminatory environment for international cooperation, advance inclusive and beneficial economic globalization, and promote the building of a community with a shared future for humanity.

Chapter 1

Practice: Fruitful Outcomes from Promoting Regional Cooperation with Win–Win Benefits

Under the dual impetus of RCEP and the Maritime Silk Road initiative, China-ASEAN regional cooperation has yielded fruitful results. As the world's largest free trade agreement, RCEP has structurally deepened regional economic integration through institutionalized trade and investment facilitation and regulatory coordination. It has reshaped the regional division of labor, strengthened the resilience of industrial and supply chains, improved resource allocation efficiency, and provided institutional support for industrial complementarity and coordinated development among member states. The construction of the Maritime Silk Road has been anchored in infrastructure connectivity, supported by livelihood-oriented "small yet smart" projects and both bilateral and multilateral people-to-people exchanges. Together, these efforts have built a multi-tiered cooperation network encompassing "hard connectivity" (physical infrastructure), "soft connectivity" (institutional alignment), and "people-to-people connectivity" (cultural and social ties).

In their cooperation, the two sides have followed the principle of extensive consultation, joint contribution, and shared benefits, exploring an inclusive governance approach that breaks rigid rules and transcends the traditional "center-periphery" model of regional cooperation. Together, they have developed an "Asian approach" that prioritizes equality, mutual benefit, and development. They offer critical theoretical insights and practical examples for diversifying the global economic governance system and building a regional community with a shared future.

I. RCEP Drives Regional Economic Prosperity and Integration

As the world's most significant free trade agreement regarding population coverage, trade volume, and development potential, RCEP has, over the past three years since its entry into force, continued to deliver institutional benefits through tariff reductions, streamlined customs procedures, and trade and investment facilitation. These measures have helped stabilize and smooth regional industrial and supply chains, effectively reinvigorated regional economic vitality, and laid the groundwork for a new model of regional cooperation characterized by shared benefits and joint development.

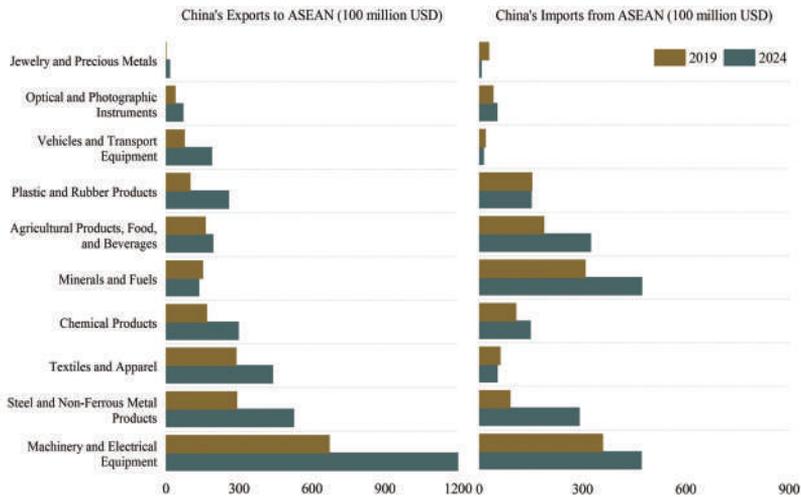
1. Trade Liberalization Achieves Remarkable Results

In the three years since RCEP took effect, the level of trade liberalization and the scale of goods trade between China and ASEAN have steadily increased. According to

official data, the zero-tariff coverage rate between China and ASEAN has remained above 65%. In 2024, bilateral trade in goods reached 982.34 billion USD (approximately 6.99 trillion RMB), marking a year-on-year growth of 7.8%.^① China and ASEAN remained each other's largest trading partners for the fifth consecutive year, establishing a pattern of deep interdependence and coordinated development.

The industrial complementarity between China and ASEAN countries has continued to deepen. As shown in Figure I, by 2024, ASEAN's exports of steel and non-ferrous metal products to China had more than tripled compared to 2019, while exports of resource-based products—such as agricultural goods, food and beverages, and mineral fuels—had increased by over 50%. During the same period, China's exports to ASEAN of three major categories—electromechanical products, chemicals, and textiles and apparel—each grew by more than 70%, with exports of plastic and rubber products and transportation equipment doubling. Trade facilitation measures have significantly strengthened industrial complementarity, deepened the division of labor and collaboration along industrial and supply chains, and further enhanced resilience against risks.

Figure I: China-ASEAN Trade in Goods by Major Category in 2019 and 2024^②



Source: General Administration of Customs of China

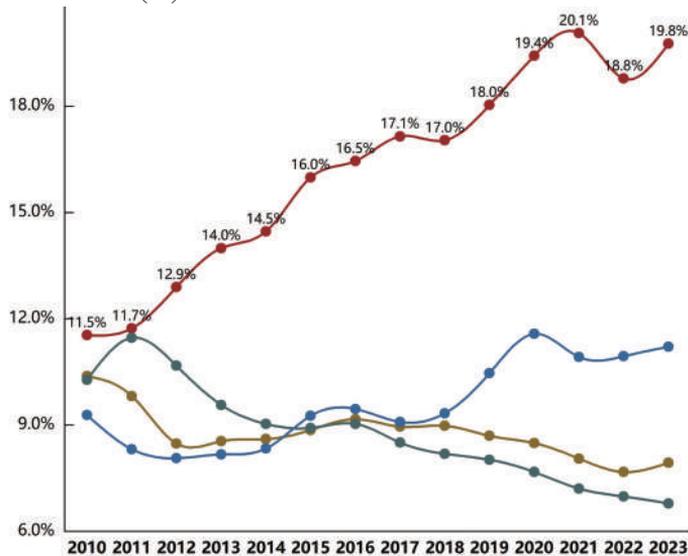
The share of China-ASEAN goods trade in ASEAN's total foreign trade had risen from 11.5% in 2010—when the China-ASEAN Free Trade Area was first established—to nearly 20% in 2023, surpassing the trade share between ASEAN and its other major trading partners (see Figure 2).

Figure 2: ASEAN's Main Trade Partners: Bilateral Trade in Goods as a Share of To-

^① http://asean.china-mission.gov.cn/stxwx/202501/t20250113_11532245.html

^② Due to the impact of the COVID-19 pandemic, trade data for 2020 and 2021 showed abnormal fluctuations. Therefore, this report uses 2019 data as the reference point for the period prior to the entry into force of RCEP.

tal Trade, 2010-2023 (%)



Source: ASEAN Statistics Division (ASEANstats)

Data show that since RCEP entered into force, trade in intermediate goods between China and ASEAN has risen to 67% of total trade volume. This development indicates the formation of a more closely integrated and resilient production and supply chain network between the two sides, providing a solid foundation for stable regional economic growth.

In services trade, RCEP has enabled full market access in over 65% of service sectors for regional investors, significantly advancing digital trade cooperation between China and ASEAN. This development has fostered coordinated development in digital infrastructure, cross-border e-commerce, and talent development.

Cross-border e-commerce, in particular, has emerged as a new engine of regional trade growth. In China's Guangxi Zhuang Autonomous Region alone, over 100 registered cross-border e-commerce enterprises have helped more than 1,000 small and medium-sized enterprises (SMEs) enter international markets.^①

By innovatively applying RCEP's cumulative rules of origin and tariff concessions, Pingxiang City in Guangxi has leveraged its geographic and resource advantages to build a dual-function trade hub integrating cross-border e-commerce and livestream sales. This initiative is steadily transforming the local "transit economy" into a thriving "port economy." In the first seven months of 2024 alone, the city's total import and export volume surged by over 400% year-on-year.^② Vietnamese livestream hosts are now directly marketing Chinese 3C products to consumers in Hanoi, creating a "digital

^① <http://swt.gxzf.gov.cn/zfxgk/fdzdgknr/zwdt/gxsw/t19209250.shtml>

^② http://www.pxszf.gov.cn/xwzx_1560/zwyw/t18874899.shtml

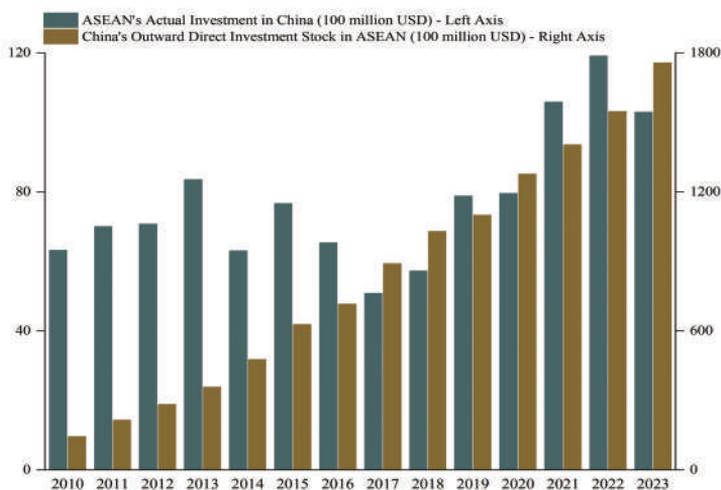
bridge" that significantly enhances trade efficiency and highlights the immense potential of innovation in services trade. The "overseas warehouse + local store" model effectively uses RCEP's digital trade provisions, significantly reducing customs clearance times and aiming to achieve same-day delivery. Specialty products such as Vietnamese rattan crafts and Thai durians are now being sold to Chinese consumers via live-streaming platforms. The "Pingxiang Model" illustrates the synergy between RCEP's rules of origin and digital infrastructure, offering a "Chinese solution" for advancing high-standard regional free trade.

2. Investment Facilitation Mechanisms Unleash New Momentum for Regional Investment

RCEP's negative list approach and efficient dispute resolution mechanism have significantly driven growth in China-ASEAN bilateral investment. Taking into full account the development levels of member states, RCEP has streamlined dispute settlement procedures—reducing consultation periods to 30 days, limiting panel reviews to around 150 days,^① and eliminating the appellate process to ensure finality. This "fast-track" mechanism has significantly reduced operational risks for investors.

These institutional innovations have markedly boosted regional investment activity (Figure 3). In the two years following RCEP's entry into force, China's stock of direct investment in ASEAN grew at an average annual rate of nearly 12%, with non-financial investment growth accelerating to 12.6% in 2024.^② Meanwhile, ASEAN's actual investment in China remained above USD 10 billion annually from 2021 to 2023, with an average annual growth rate exceeding 10%.

Figure 3: China-ASEAN Bilateral Investment, 2010-2023



Source: Ministry of Commerce of China

^① http://fta.mofcom.gov.cn/rcep/rcep_new.shtml

^② https://www.gov.cn/lianbo/fabu/202501/content_7001274.htm

The bilateral investment structure between China and ASEAN has seen a clear upgrade, with strategic emerging industries such as clean energy and artificial intelligence becoming new focal points of cooperation. This shift is driven both by RCEP's diversified investment rule framework and by the proactive positioning of China and ASEAN amid the ongoing restructuring of global industrial chains.

One landmark project under RCEP's investment facilitation policies is Midea's air conditioner plant in Thailand. Located in Chonburi Province, the facility covers 208,000 square meters and has a planned annual production capacity of over 4 million units. In collaboration with China Unicom, Huawei, and Thai telecom operator AIS, the plant has established Southeast Asia's first fully 5G-connected smart factory, enabling end-to-end digital production control.^①

Under the RCEP framework, Thailand's combined advantages of its Eastern Economic Corridor (EEC) and zero-tariff policies have provided Midea with a strategic gateway to the Asia-Pacific market, allowing it to efficiently integrate regional industrial chain resources and extend its digital capabilities to empower traditional industries across ASEAN. This successful model of cross-border cooperation has set a benchmark for smart manufacturing in the region and opened up new opportunities for deeper China-ASEAN industrial chain collaboration.

3. Accelerated Industrial Integration Drives Regional Economic Integration

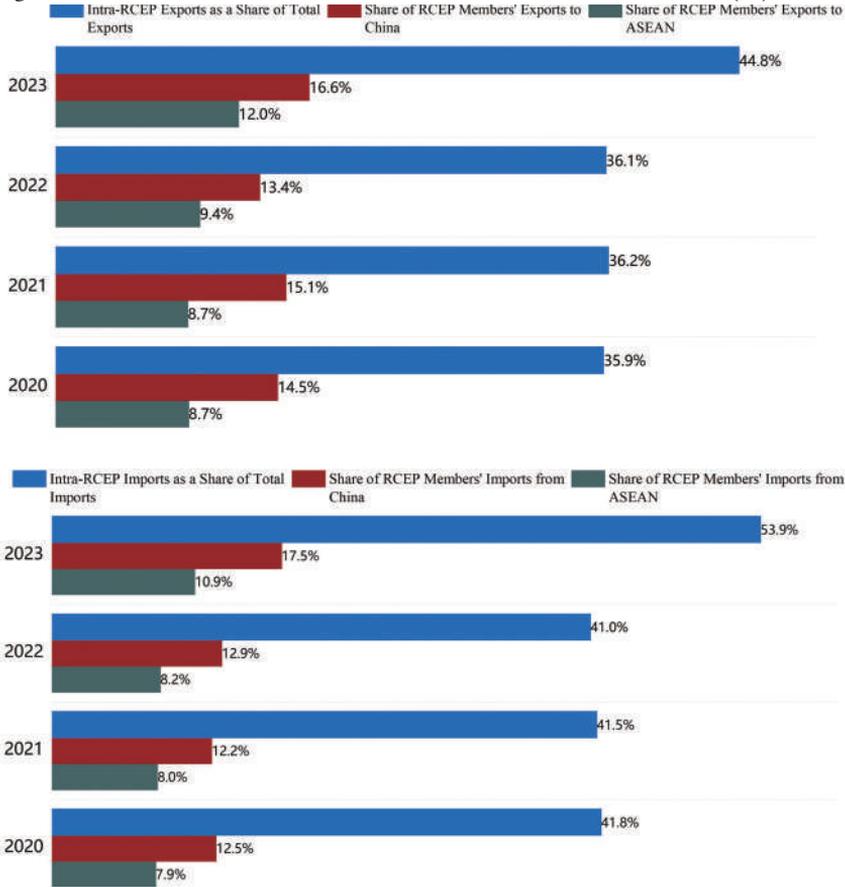
Driven by the institutional benefits of trade and investment facilitation under RCEP, enterprises across the region have accelerated the coordination of their supply chains. Through expanded cooperation in production capacity and the optimization of global industrial chain networks, China and ASEAN have significantly strengthened their roles as key hubs in regional economic integration.

From the perspective of trade structure, 45% of goods exported within the RCEP region in 2023 were destined for member country markets—an increase of 8.9 percentage points compared to 2020. This growth highlights the strengthening impact of RCEP's rules of origin and tariff reduction policies on intra-regional trade linkages.

At the same time, RCEP has significantly improved the efficiency of resource allocation throughout the region. In 2023, imports from within the region accounted for nearly 54% of total imports among member countries, up 12.1 percentage points from 2020. This increase suggests that regional supply chain integration has entered a new, more advanced stage.

^① https://com.gd.gov.cn/zcqqgfwpt/zcqzx/content/post_4422181.html

Figure 4: Share of Intra- and Extra-RCEP Trade in Goods, 2020-2023 (%)



Source: UN Comtrade Database; General Administration of Customs of China

This transformation has not only solidified the roles of China and ASEAN as core hubs of regional trade, but also positioned RCEP's regional supply chain cooperation as a model for global free trade zone development. Take electromechanical products, for example. Intra-regional trade in this sector within RCEP has continued to grow, with approximately 68% of the region's manufactured electromechanical products ultimately exported to markets outside RCEP, such as the EU and the United States. This pattern not only reflects the global competitiveness of the region's manufacturing industry, but also underscores RCEP's positive impact in enhancing industrial coordination by lowering trade barriers. The deepening of this "manufacturing regionally, selling globally" model has further strengthened Asia's position in global manufacturing value chains.

The implementation of RCEP is also reshaping the global system of industrial division of labor. Its institutional innovations have significantly lowered the costs of restructuring regional industrial chains, facilitating the upgrading of manufacturing to-

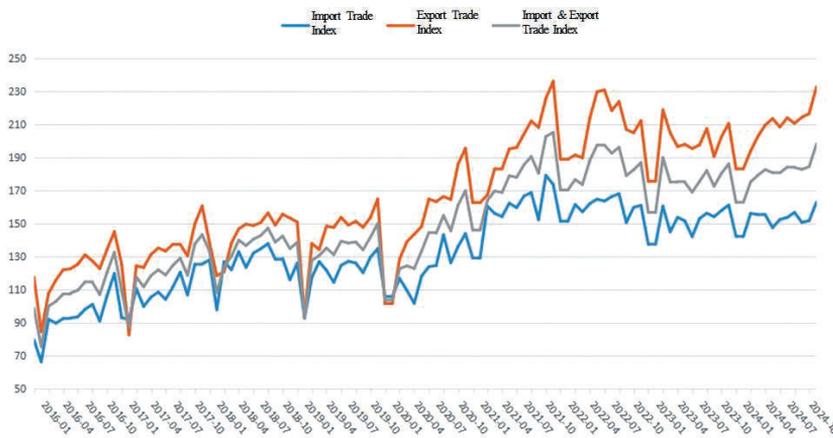
ward technology-intensive and high-value-added industries. Cooperation between China and ASEAN continues to deepen in areas such as the digital economy and emerging industries.

With the continued release of RCEP's policy benefits, China-ASEAN manufacturing is expected to develop a more competitive innovation ecosystem—offering an "Asian solution" to global economic growth.

II. Fruitful Outcomes in Jointly Advancing the 21st Century Maritime Silk Road

In early October 2013, during his visit to Indonesia, President Xi Jinping proposed strengthening maritime cooperation with ASEAN countries to jointly build the 21st-Century Maritime Silk Road. This initiative has become a key component of the BRI. Over the following decade, with ASEAN as the pioneering region and central hub, participating countries have collaboratively achieved substantial and tangible outcomes.

Figure 5: Trends of Maritime Silk Road Trade Index Since 2016



Source: Ningbo Shipping Exchange

1. Major Corridor Development Upgrades Regional Connectivity and Integration

For a long time, inadequate transport infrastructure has been a major bottleneck for economic development across ASEAN countries. Since the proposal of the 21st-Century Maritime Silk Road, infrastructure has become a priority area for cooperation between China and ASEAN nations. All ten ASEAN member states have now joined the Asian Infrastructure Investment Bank. Numerous infrastructure projects have been steadily and efficiently advanced, turning once-ambitious blueprints into concrete "golden corridors," effectively driving urban development and improving livelihoods in partic-

ipating countries—contributing not only to regional but also global connectivity.

"Major Arteries" Built from Scratch. Driven by Maritime Silk Road cooperation and the principle of extensive consultation, joint contribution, and shared benefits, many major infrastructure projects have been successfully implemented. Notable examples include Cambodia's first expressway—the Phnom Penh – Sihanoukville Expressway; Vietnam's first urban light rail line—the Cat Linh – Ha Dong Line; Laos's first standard-gauge modern railway—the China-Laos Railway; and Indonesia's, as well as Southeast Asia's, first high-speed railway—the Jakarta – Bandung HSR. These landmark projects have successively entered into operation, significantly advancing local economic and social development.

The 665-kilometer East Coast Rail Link (ECRL) is under construction in Malaysia. The ECRL begins in Kota Bharu in the east and ends at Port Klang in the west, traversing the Malay Peninsula and connecting the Pacific and Indian Oceans. It runs through four Malaysian states, linking developed and underdeveloped areas. As the most significant economic and trade cooperation project between China and Malaysia, once completed, the ECRL will serve as the main transport artery between Malaysia's east and west coasts. It is expected not only to promote balanced regional development in Malaysia but also to become a key part of the future Pan-Asian railway network.

In Cambodia, the Phnom Penh – Sihanoukville Expressway, which connects the capital with the country's largest deep-water port, began construction in 2019 and opened to traffic in October 2022. The completion of the expressway has reduced travel time between the two cities from five hours to under two, significantly improving the logistics corridor for maritime trade from Cambodia's interior to its coastal areas. The long-awaited express route, once envisioned by Cambodia's "Father of Independence," Norodom Sihanouk, has finally been realized through joint efforts under the Maritime Silk Road initiative.

"Major Hubs": Enhanced Quality and Efficiency. In Laos, the opening of the China-Laos Railway has added 422.44 kilometers of rail within the country. Laos's per capita railway length rose from last place among 149 railway-operating countries to 28th globally and first among ASEAN countries. In the three years since its launch, the China-Laos Railway has seen strong passenger and freight traffic growth. In 2024, the Lao section alone handled 4.786 million tonnes of freight, and it is expected to reach its designed freight capacity of 5 million tonnes by 2025—five years ahead of schedule. The launch of the China-Laos Railway has transformed Laos from a landlocked country into a land-linked one. The railway now connects more than ten countries and regions participating in the BRI, including Laos, Thailand, Vietnam, and Myanmar, further strengthening Laos's role as a regional transport hub.

In Indonesia, the Jakarta – Bandung High-Speed Railway, which ushered the country into the "high-speed rail era," was named *Whoosh* by former President Joko Widodo. The name was inspired by the sound of a bullet train speeding past. It is also an acronym in Bahasa Indonesia, representing time-saving, efficiency, and advancement, reflect-

ing the railway's convenience to the Indonesian people. With the railway now in operation, travel time between Jakarta, the largest city in Indonesia, and Bandung, the third largest, has been reduced from over three hours to just 46 minutes. Indonesia has thus become the only country outside China to operate high-speed rail at a commercial speed of 350 kilometers per hour. The construction and operation of the Jakarta – Bandung High-Speed Railway have strengthened China – Indonesia's cooperation in the railway sector, with both sides now studying the possibility of further extending the line.

"Greater Connectivity": A Long-Held Dream Realized. Thirty years ago, ASEAN leaders proposed building the Southeast Asia section of the Pan-Asian Railway. However, the proposal made little substantive progress for a long time due to constraints such as funding, technology, and international political environment. Today, projects like the China – Laos Railway, the Jakarta – Bandung HSR, the China – Thailand Railway under construction, and the planned Lao Cai – Hanoi – Haiphong standard-gauge railway in Vietnam have injected fresh momentum into the long-awaited development of a Southeast Asian rail network. A new driver of regional cooperation is gradually taking shape.

Beyond land routes, China and ASEAN countries have also jointly pioneered the New International Land-Sea Trade Corridor, creating a new model of "rail-road-sea" multimodal transport. With Chongqing and Singapore serving as dual hubs, the corridor has gained rapid traction—expanding from a single route to a network reaching 560 ports in 127 countries and regions worldwide as of the end of February 2025. Regarding the Air Silk Road, the air passenger and cargo transportation network between China and ASEAN continues to grow denser, making the region the most open aviation market in the world.^①

Where energy infrastructure connectivity is concerned, China Southern Power Grid has established grid interconnections with ASEAN countries such as Vietnam, Laos, and Myanmar through multiple transmission lines of 110 kv and above, enabling the orderly exchange of cross-border electricity. Clean energy accounts for over 90% of this power exchange, providing strong support for coordinated regional economic development and meeting essential electricity needs. This interconnected power network has created a regional structure of mutual assistance in managing electricity surpluses and shortages, where a "grid-led power supply" model helps reduce the intensity of power resource development. The project has also pioneered a demonstration model for "wet-dry season power exchange" in electricity cooperation. Since the hydropower output characteristics of the participating countries are similar to those of the receiving provinces in China, the project integrates the Guangdong-Hong Kong-Macao Greater Bay Area—which has a strong demand for clean electricity and a high degree of compatibility between power load and hydropower output—into the adjustment network. These ef-

^① Office of the Leading Group for Promoting the Belt and Road Initiative. (2023, December). *Development report on jointly building the Belt and Road by China and ASEAN countries* (p. 7).

forts allow for broader seasonal electricity exchanges, optimizing the allocation of clean energy across a wider area. As a result, this innovative model for clean power utilization serves as an essential example for further advancing cross-border electricity cooperation.

2. Solid Progress in "Small yet Smart" Projects Benefit the People

"Small yet smart projects directly affect the people. In the future, we should prioritize such projects in our international cooperation, enhance overall planning, make good use of foreign aid funds to achieve maximum impact with minimal input, and develop more grounded and people-oriented initiatives." That was the heartfelt expectation expressed by President Xi Jinping at the third Belt and Road Forum on International Cooperation in 2021. While large-scale infrastructure has profoundly reshaped China – ASEAN connectivity, a range of "small yet smart" livelihood projects have also made steady progress, improving the lives and livelihoods of people across the region and contributing to poverty alleviation and job creation in ASEAN countries.

"Small yet Smart" Projects Synergize with Large-Scale Infrastructure. Integrating large infrastructure projects with smaller supporting facilities and livelihood assistance initiatives has become common in advancing BRI cooperation. In Laos, for example, alongside the construction of the China – Laos Railway—dubbed the "golden corridor"—resettlement villages were built for residents affected by the project. Four such sites were developed along the railway in Luang Namtha, Oudomxay, and Luang Prabang provinces. These villages were equipped with schools, health clinics, public restrooms, and other essential facilities precisely tailored to meet local needs and significantly improve the host communities' well-being.

"Leaving Behind a Team That Stays." As the saying goes, "Give a man a fish, and you feed him for a day; teach him how to fish, and you feed him for a lifetime." In 2016, the first overseas Luban Workshop was established in Thailand. Over the past decade, the program has expanded to several ASEAN countries, including Vietnam, Laos, Cambodia, Malaysia, and Indonesia. The workshops offer training in information technology, mechanical manufacturing, construction engineering, e-commerce, and CNC (computer numerical control) technology—closely aligned with the development needs of partner countries. The Luban Workshops have received wide acclaim for their high talent cultivation and program design standards. Several international-level teaching standards developed through the initiative have been approved by partner countries' education authorities and incorporated into their national education systems.

As project construction progresses, vocational education has become a key area of talent cooperation. The China-aided Laos Railway Vocational and Technical College project, one of the core supporting initiatives of the China-Laos Railway, has filled the gap in Laos' railway technical education. During the Jakarta-Bandung High-Speed Railway construction process, the college trained 45,000 Indonesians, cultivating many skilled workers in welding, electrical engineering, machinery, and concrete pouring. At the EMPP power plant in Malacca, Malaysia, Edra Power Holdings Sdn Bhd, a subsid-

ary of CGN Energy International Holdings Co., Ltd., is training local talent in power plant operations. In March 2024, the Cambodia-China Applied Technology University—the first overseas applied technology university established by China's vocational education sector—officially opened, welcoming its first batch of undergraduate students. Implementing these projects has helped host countries build "a workforce that stays," empowering talent development through knowledge and skills exchange and injecting vitality into deepening connectivity across multiple fields.

Disaster Relief and Poverty Reduction: Prioritizing People's Well-Being. China and ASEAN have continuously strengthened cooperation mechanisms and platforms for disaster management, rolling out a series of practical measures. In December 2022, the first China-ASEAN Forum on Emergency Management Cooperation was successfully held. China and Indonesia jointly built an earthquake early warning network, provided seismic monitoring equipment to Laos, shared relevant data with Thailand through China's National Earth Observation Data Sharing Platform, and offered multiple rounds of disaster relief assistance to the Philippines in response to typhoons.

China's targeted poverty alleviation model has gained wide recognition and promotion across ASEAN countries. Joint village-level poverty reduction projects have been implemented with countries such as Cambodia, Laos, and Myanmar. Among them, pilot cooperation projects in Bansok Village in Vientiane and Xianglong Village in Luang Prabang Province, Laos, have become successful examples of "empowerment-based" poverty alleviation. In Myanmar, Aikyawda Village, the demonstration site of a Chinese-supported poverty reduction project, was selected as the field visit destination during the 11th ASEAN Ministerial Meeting on Rural Development and Poverty Eradication in 2019.^①

3. "Digital" and "Green" Become Key Words in Innovation Cooperation

Expanding Momentum in Digital Cooperation. In recent years, China and ASEAN have launched a series of collaborative initiatives in digital technology. These include Beidou satellite navigation application projects targeting countries such as Indonesia and Laos; a jointly constructed China – Thailand submarine cable project that enables broadband connectivity between the two countries; the establishment of cloud computing centers in Laos, Cambodia, and Myanmar; and the China – Singapore joint project, the "NUS Artificial Intelligence Innovation and Incubation Center." Focusing on the *Action Plan to Implement the China – ASEAN Digital Economy Partnership (2021 – 2025)*, the two sides have steadily advanced win-win cooperation in smart cities, 5G, artificial intelligence, e-commerce, big data, blockchain, and telemedicine.

In addition, China and ASEAN are working to build effective mechanisms for cooperation in digital security, jointly enhancing their capabilities and resilience in the digi-

^① Office of the Leading Group for Promoting the Belt and Road Initiative. (2023, December). *Development report on jointly building the Belt and Road by China and ASEAN countries* (p. 29).

tal domain. Based on principles of fairness, mutual benefit, and complementarity, the two sides are setting a new model for international cooperation in digital governance, laying a solid foundation for the future development of regional rules and standards.

Sustained Momentum in Green Economy Cooperation. China and ASEAN share strong incentives for collaboration in the green economy. In 2021, the two sides adopted the China – ASEAN Environmental Cooperation Strategy and Action Framework (2021 – 2025) to jointly address climate challenges, focusing on clean energy industry chains and applying environmental protection technologies. China has also pledged to provide ASEAN with 1,000 advanced and applicable technologies to support its green economic transition. Mechanisms, such as the China – ASEAN Ministerial Meeting on Science and Technology and the Technology Transfer Center, have been established to promote policy alignment and joint research and development, particularly in clean energy technologies. Platforms such as the China – ASEAN Clean Energy Cooperation Network and the China – ASEAN Artificial Intelligence Cooperation Center further support collaboration among industry, academia, and research institutions.

Furthermore, the Action Plan for a Closer China – ASEAN Science and Technology Innovation Partnership Toward the Future (2021 – 2025), issued in 2021, identifies life sciences, marine science and technology, and microelectronics as priority areas for cooperation while also proposing exploration of new collaboration models aligned with the Fourth Industrial Revolution. At the 12th Meeting of the China – ASEAN Joint Committee on Scientific and Technological Cooperation in 2024, further initiatives were proposed, including enhanced cooperation among science parks, exchange programs for young scientists, and targeted technology transfer initiatives to improve the regional innovation ecosystem.

4. People-to-People Exchanges Enhance Mutual Understanding and Regional Trust

As the saying goes, "Friendship, which derives from close contact between the people, holds the key to sound state-to-state relations." Thirty years ago, China and ASEAN established a dialogue partnership, becoming pioneers in regional cooperation. Bound by intertwined cultures and shared future, China and ASEAN countries enjoy a long history of friendly interaction. People-to-people exchange has become an enduring spiritual bond linking both sides. Over time, such exchanges have produced positive results continuously, with the concept of a shared future gaining deeper roots in people's hearts.

Increasing Diversity in Cultural and Tourism Exchanges. Under the frameworks of China – ASEAN (10+1), ASEAN Plus Three (10+3), RCEP, and the BRI, cultural and tourism cooperation mechanisms between China and ASEAN countries have steadily improved. Cooperation platforms have grown more diverse, and areas of collaboration have expanded. Together, they have established a comprehensive, multi-level, multi-channel mechanism and network for cultural and tourism exchange.

China and ASEAN have successfully organized a wide range of cultural exchange events, including the ASEAN Cultural Exchange and Cooperation Forum, the Maritime Silk Road International Arts Festival, the China - ASEAN Culture and Arts Week, the China - ASEAN Culture and Tourism Week, and the China - ASEAN (Nanning) Theater Week. They have also jointly proposed the establishment of a China - ASEAN Library Alliance. In addition, cities from China, Malaysia, Myanmar, the Philippines, and other countries have co-launched the Silk Road Tourism Cities Alliance.

During the 2024 China - ASEAN Year of People-to-People Exchanges, the *Joint Initiative on Strengthening Regional Tourism Cooperation Between China and ASEAN* was released. Related activities have continued to grow in depth and scope, sparking a new wave of cultural and people-to-people exchange and cooperation between the two sides.

Education Cooperation Deepens. Education is a vital component of China - ASEAN people-to-people exchanges, and talent cultivation is a key pillar for the development of both sides. China and ASEAN countries have engaged in multi-level, multi-faceted educational collaboration. The number of exchange students between the two sides has exceeded 200,000, and Chinese universities now offer programs in all ten official ASEAN languages. Most ASEAN countries have incorporated the Chinese language into their national education systems, and 48 Confucius Institutes have been established throughout the region. Platforms such as the China - ASEAN Youth Exchange Week, the China - ASEAN Young Leaders Scholarship, and Luban Workshops, along with initiatives like the "China - ASEAN Thousand-School Partnership Plan" and the "10,000-Training and Seminar Program," have steadily advanced, providing a broad stage for youth engagement and exchange.

Media Engagement Grows Stronger. Media exchanges and cooperation have become an indispensable force in deepening China - ASEAN relations and fostering exchange and mutual learning between civilizations. Media cooperation continues to expand through joint reporting, cultural visits, co-produced programming, collaborative content sharing, and forums. The two sides have co-hosted events such as the China - ASEAN Year of Media Exchange, the China - ASEAN Audiovisual Week, and the Lancang - Mekong TV Week. According to incomplete statistics, in recent years, more than 70 Chinese audiovisual works—amounting to over 1,200 episodes—have been translated and broadcast on mainstream television channels and digital platforms across multiple ASEAN countries. Meanwhile, Chinese television networks and digital platforms have introduced more than 300 ASEAN audiovisual programs, totaling over 9,500 episodes.

The above practices of China - ASEAN cooperation—especially in institutional innovation—carry significant weight both regionally and globally. They challenge outdated regional economic development models by enhancing infrastructure connectivity and reconfiguring industrial chains, breaking away from the traditional "core-periphery"

framework. In doing so, they promote greater equality and mutual benefit, helping to elevate both sides within global value chains. At the same time, they offer an "Asian model" for global governance—one that emphasizes development and sovereign equality and provides a more inclusive, open alternative. This cooperation also supports the creation of shared mechanisms for delivering regional public goods. Rather than relying on unilateral dominance, China and ASEAN have built a framework grounded in consultation, joint construction, and mutual benefit. In essence, China – ASEAN cooperation has pioneered a new approach that transcends traditional trade and investment paradigms. It is more equitable, mutually beneficial, and genuinely win-win. It has strengthened regional trust, enhanced the region's global standing, improved industrial and supply chain integration and resilience, and made a meaningful contribution to advancing global economic governance.

Chapter 2

Opportunities: Advancing Regional Economic Integration with an Open Vision

Over the past decade, China's Maritime Silk Road initiative has delivered a wide range of regional public goods across areas such as policy coordination, infrastructure, finance, technology, social development, and livelihood improvement. The Regional Comprehensive Economic Partnership (RCEP) has further reinforced the rule-based framework and institutional support underpinning China - ASEAN economic and trade cooperation. Promoting synergy between RCEP and the Maritime Silk Road initiative will enable both mechanisms to complement and enhance each other, fully leveraging their respective strengths. Such coordinated development will generate new momentum for shared growth—achieving results greater than the sum of their parts ("1 + 1 > 2")—and drive regional economic integration to a higher level.

The theory of regional economic integration holds that regional cooperation can achieve economies of scale and synergistic effects by lowering trade barriers, optimizing resource allocation, and coordinating policies. RCEP, with its focus on tariff reductions and rule harmonization, aligns closely with this economic logic. At the same time, the Maritime Silk Road initiative extends the traditional concept of integration by combining physical connectivity with soft cooperation mechanisms. More importantly, the scope of both RCEP and the Maritime Silk Road goes beyond China and ASEAN, encompassing numerous economies outside the region. In the context of a slowing global economic recovery and rising cumulative risks, China - ASEAN cooperation not only promotes regional socio-economic development but also integrates broader markets, greater production capacity, and a wider range of sectors. Such expanded cooperation will inject greater stability and fresh momentum into the global economy, contributing to developing a more inclusive and equitable form of economic globalization.

I. Strengthening Policy Coordination and Advancing the Integration of Regional Institutional Rules

Over the years, China and ASEAN have established a multi-level, multi-platform, and multi-stakeholder communication framework guided by head-of-state diplomacy. This framework includes mechanisms such as China - ASEAN (10 + 1) cooperation; twelve ministerial-level meetings covering foreign affairs, trade, transportation, and the fight against transnational crime; and senior officials' meetings such as the Joint Cooperation Committee and the Connectivity Cooperation Committee. These mechanisms have provided effective and pragmatic channels for regional policy coordination, ensuring strong alignment in development strategies, economic and technical policies, man-

agement rules, and regulatory standards. Notably, in 2024, when China served as the rotating co-chair (non-ASEAN side) of RCEP, it worked with Indonesia to establish procedures for accessing new members. That same year, the RCEP Support Unit (RSU) officially began operations, further deepening regional institutional cooperation.

Building on existing achievements, China and ASEAN can further deepen regularized policy communication mechanisms, promote policy alignment, explore innovative cooperation models, and advance multilateral collaboration. Efforts can be focused on the following policy areas to open up new spaces for cooperation:

Enhancing Mutual Recognition of Regional Rules and Standards. We must promote "connectivity" in areas such as standards, technical regulations, and conformity assessment procedures and work together to develop internationally influential rules and standards.

Expanding Trade and Investment Facilitation Measures. We must simplify customs procedures and reduce non-tariff barriers to create more cross-border market opportunities—especially for small and medium-sized enterprises—thereby broadening cooperation into more industries and sectors.

Building and Improving a Secure Investment Protection System. We must enhance financial security and project sustainability, support the provision of regional public goods such as infrastructure, and help regional stakeholders enter global markets.

Deepening High-Quality Cooperation in the Digital Domain. We must advance both "hard connectivity" in digital infrastructure and "soft connectivity" in such areas as electronic payments and cross-border data flows, laying a solid foundation for developing digital industry cooperation.

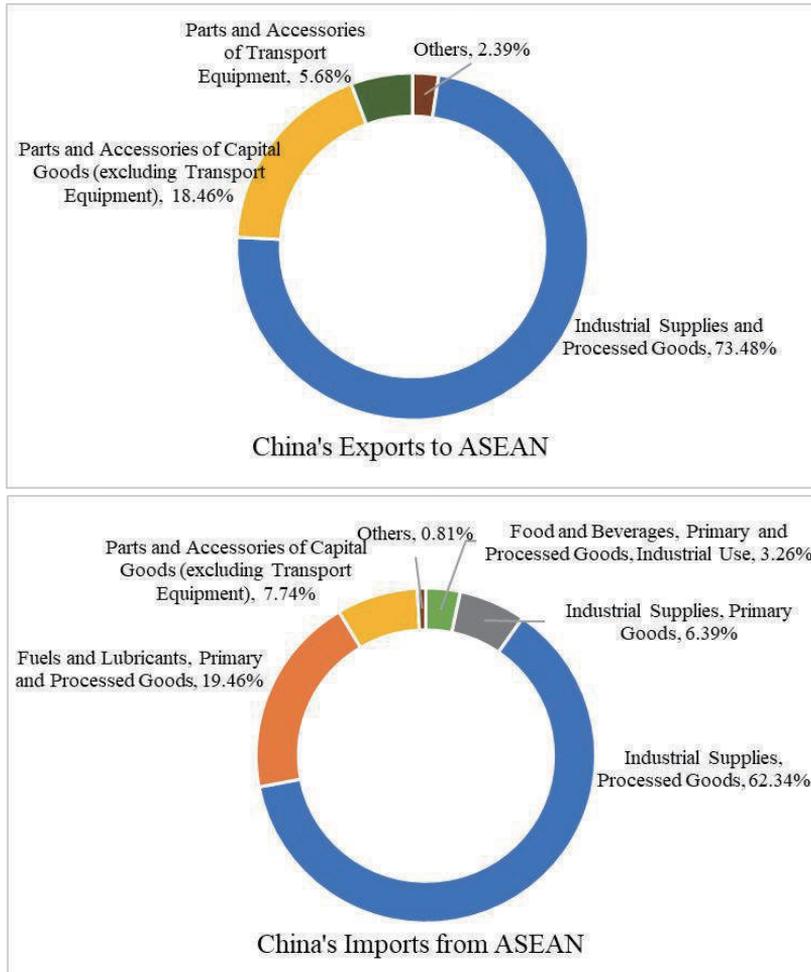
Further Optimizing Rules of Origin. We must simplify certification processes, improve rule transparency, and strengthen cross-border coordination. A unified standard of origin will help reduce corporate compliance costs and minimize potential disputes and trade barriers.

II. Enhancing Industrial Collaboration and Advancing Regional Supply Chain Integration

In recent years, ASEAN countries have leveraged their comparative advantages in labor-intensive industries—such as light industrial goods, electromechanical products, and components—as well as in energy and raw materials to absorb international industrial transfers efficiently. Meanwhile, China, with its mature industrial system, strong manufacturing base, advanced technological capabilities, and competitive advantages in sectors such as textiles, electrical equipment, and optical devices, has provided ASEAN countries with critical intermediate goods and technological support. Through this process, the two sides have gradually formed a mutually beneficial "regional cycle" model: ASEAN exports primary products to China, imports capital-intensive machinery and equipment and technology-intensive intermediate goods from China, and then exports

labor-intensive consumer products to both China and third-party markets.

Figure 6: Share of Chinese – ASEAN Imports and Exports in Goods by Major Category in 2023



Source: UN Comtrade Database

China and ASEAN, with their geographic proximity and strong economic complementarity, share a solid foundation for further deepening industrial cooperation. In the face of rising global economic uncertainties, the two sides can speed up regional production and supply chain integration and connectivity by adopting diversified cooperation models. This acceleration will support the high-quality restructuring of regional production networks, position industrial cooperation as a long-term growth driver of bilateral economic and trade cooperation, and help both sides enhance their competitiveness in global production and supply chains.

Accelerating the Development of Emerging Manufacturing Sectors. China has significantly increased its manufacturing investments in Southeast Asia in recent years. These investments span not only traditional industries such as electromechanical equipment, chemicals, metal and non-metal products, and textiles and garments but also emerging sectors like photovoltaics and new energy vehicles. As we look ahead, more innovative models of international production capacity cooperation are expected to emerge, including "Two Countries, Twin Parks" and even "Multiple Countries, Multiple Parks."

Expanding Cross-Border E-Commerce Collaboration. Cross-border e-commerce platforms in China and other countries are actively reshaping their procurement and supply chains, with a growing focus on ASEAN markets. Fueled by the anticipated institutional benefits of RCEP and the forthcoming China – ASEAN Free Trade Area 3.0, the rollout of China – ASEAN cross-border e-commerce platforms is expected to accelerate significantly.

Promoting High-Quality Agricultural Cooperation. With the increasing utilization of RCEP's regional cumulation rules of origin and the growth of cross-border e-commerce in agricultural products, agricultural cooperation between China and ASEAN is poised to grow in scale and quality. Future collaboration is expected to extend into new fields such as digital, smart, and green agriculture, thereby enhancing the sustainability of the agricultural professional skills across the region.

Expanding Financial Cooperation with a Focus on Service Industries. First, efforts are being made to improve local currency settlement and cross-border payment systems, thereby facilitating trade and investment. Second, green finance and sustainable development cooperation is deepening, particularly in support of clean energy hubs and low-carbon transition projects. Third, digital finance and technology cooperation is expanding through mechanisms such as the China – ASEAN Digital Ministers' Meeting and their results. These initiatives aim to align standards in areas like artificial intelligence and big data, promote the establishment of joint laboratories, and foster cooperation between fintech applications and financial data security.

III. Focusing on Connectivity to Foster the Rise of Regional Economic Hubs

ASEAN countries have long been constrained by insufficient transportation infrastructure, which has hindered trade flows and economic growth. Infrastructure development now presents a vital opportunity for the region—not only overcoming geographical barriers but also strengthening regional connectivity through economic growth, industrial clustering, and social advancement. This development has created ripple effects, extending from individual nodes to corridors and, ultimately, to broader integrated zones—driving the formation and rise of key regional economic hubs.

Laos Railway Economic Belt. Historically a landlocked country, Laos faced limited economic development due to its lack of external transport links. The opening of the

China – Laos Railway has transformed it into a land-linked nation, connecting it with China's Western Land – Sea New Corridor and extending its reach to Thailand, Vietnam and beyond. Since its launch, the railway has significantly improved freight efficiency, cutting logistics costs along the route by 20% – 30% and offering a fast track for regional trade. Vientiane has emerged as a regional transportation hub, with goods able to reach inland China directly or be transshipped through Thailand to other ASEAN countries. This hub effect has not only elevated Laos's economic status but also spurred commercial activity in numerous small and medium-sized towns along the route, giving rise to a "railway economic belt." The railway has generated more than 100,000 jobs and stimulated local economies through multiplier effects, increasing both tax revenues and household consumption. As this economic belt continues to grow, further southern extensions of the railway are expected to enhance its role as a pivotal economic node driving development across the region.

Kuantan Port and Surrounding Industrial Zone. Located on the east coast of Malaysia, Kuantan Port is a flagship China-Malaysia collaboration under the Maritime Silk Road initiative. Operational since 2018 and upgraded in 2023, the port has seen a significant boost in throughput capacity and can now accommodate large container vessels. Through the "twin parks" model—linking the China-Malaysia Qinzhou Industrial Park with the Kuantan Industrial Park—the port forms a dynamic maritime connection with China's Beibu Gulf Port in Guangxi. The adjacent Malaysia – China Kuantan Industrial Park has attracted significant investment from heavy industries such as steel and chemicals. The port's upgrade has reduced shipping time between China and Malaysia's east coast, lowering overall logistics costs by approximately 15%. Looking ahead, integration with Malaysia's East Coast Rail Link (ECRL) will create a seamless sea-land transport network, further solidifying Kuantan's role as a key maritime economic hub in southern ASEAN and positioning it as an emerging regional manufacturing base.

China – Thailand Railway Economic Corridor. As Thailand's capital and economic center, Bangkok is already a vital transportation and trade hub in Southeast Asia. The first phase of the China – Thailand Railway, linking Bangkok to Nakhon Ratchasima, is currently under construction, while the second phase—extending from Nakhon Ratchasima to Nong Khai in the border region with Laos—is planned to connect directly with the China – Laos Railway. Once operational, the first phase will reduce travel time between Bangkok and Nakhon Ratchasima from four hours to just one and a half, dramatically improving logistics efficiency and stimulating economic growth in northeastern Thailand. This corridor is expected to foster new industrial clusters and integrate more deeply into the RCEP regional supply chain. Nakhon Ratchasima will emerge as a logistics and industrial node for the region, supporting agricultural processing (e.g., rice, bananas), manufacturing, and enhanced connectivity between Bangkok's port economy and the inland markets of Laos and China. Once the China – Thailand Railway is fully linked with the China – Laos Railway, it will serve as a strategic corridor connect-

ing southwestern China, Laos and the Gulf of Thailand.

In addition, the "hinterland manufacturing + Sihanoukville Port" economic belt formed along Cambodia's Phnom Penh – Sihanoukville Expressway, as well as the spill-over effects of the Jakarta – Bandung High-Speed Railway and its potential future extension eastward, are expected to strengthen the economic foundations of their respective regions further.

IV. Strengthening Collaborative Resolve to Jointly Address External Risks and Challenges

Opportunities and challenges often go hand in hand. While embracing the opportunities, it is also essential to acknowledge the risks and challenges facing China – ASEAN cooperation. These include mounting global instability, ongoing impact of natural disasters, increased pressure on the multilateral trading system, growing volatility in international financial and monetary systems, rising difficulties in international investment, financing, and industrial and supply chain cooperation, the heightened barriers to cross-border investment and financing, the fragmentation of industrial chains and rising risks to regional supply chain resilience and the splintering of digital governance rules and technical standards. Of particular concern is the behavior of certain countries moving against the tide of globalization, abusing tariff measures and erecting excessive trade barriers. These actions have severely undermined the stability of the global trading system and dealt a significant blow to global economic confidence.

Times of historic transformation often create opportunities to strengthen cooperation. At such pivotal moments, it is all the more important for China and ASEAN to stay historically grounded, strengthen unity, and pursue mutual benefit. Both sides have long made cooperation and development a central pillar of their bilateral relationship—this shared commitment has been the driving force behind their ability to weather risks and challenges, lead regional cooperation, and become a model for Asia-Pacific collaboration. In November 2024, at the 19th G20 Leaders' Summit, President Xi Jinping announced eight major actions China would take to support global development. That same year, the ASEAN Summit proposed nine priority areas for regional cooperation focused on strengthening connectivity, enhancing recovery capacity, and boosting growth resilience. Together, these initiatives have helped chart a clearer path forward for deepening China – ASEAN cooperation in pursuit of shared development.

For years, China has regarded ASEAN as a priority in its neighborhood diplomacy and a key region for high-quality BRI cooperation. At the same time, ASEAN countries have consistently viewed China as a trustworthy and close partner. The two sides have accommodated each other's major concerns, respected their respective development paths, and seen their political mutual trust grow ever stronger. In the years to come, China and ASEAN will continue to stand firmly together in close collaboration. They will uphold the principles of openness and inclusiveness in global governance, ad-

here to the spirit of genuine multilateralism featuring extensive consultation, joint contribution, and shared benefits—and promote an economic globalization that is both inclusive and beneficial to all. Together, they will work toward building an even closer China – ASEAN community with a shared future.

Chapter 3

Vision: Building a Closer China – ASEAN Community with a Shared Future

Under President Xi Jinping's and ASEAN leaders' strategic guidance, significant progress has been made in building the "Five Homes" -- peace, tranquility, prosperity, beauty, and amity -- as the comprehensive strategic partnership continues to gain strong momentum. China – ASEAN cooperation has become the most successful and dynamic model of regional collaboration in the Asia-Pacific, serving as a vivid example of advancing a community with a shared future for mankind. As we look to the future, both sides are well-positioned to seize historic opportunities, deepen strategic alignment, stay attuned to global trends, overcome disruptions, share opportunities and jointly foster prosperity. These efforts will translate the comprehensive strategic partnership into tangible outcomes and pave the way for new strides toward building an even closer China – ASEAN community with a shared future.

I. Leveraging China's High-Standard Opening-Up to Build an Upgraded RCEP

Against the backdrop of mounting challenges to globalization, the achievements of RCEP have not come easily, and its importance to the global multilateral trading system has drawn widespread attention. In October 2024, the leaders of China and the ten ASEAN countries jointly announced the substantial conclusion of negotiations on the China – ASEAN Free Trade Area (FTA) 3.0 and issued the *Joint Statement on the Substantial Conclusion of the China – ASEAN FTA 3.0 Upgrade Talks*. This milestone reflects the two sides' firm commitment to a rules-based trade environment and their shared determination to deepen economic integration and pragmatic cooperation in a complex global context. The FTA 3.0 upgrade delivers significant added value on top of the existing *China – ASEAN Free Trade Agreement* and the *Regional Comprehensive Economic Partnership (RCEP)*. It expands cooperation into emerging areas such as the digital and green economy, customs procedures and trade facilitation, support for micro, small and medium-sized enterprises (MSMEs), and economic and technical cooperation. These enhancements will deepen mutually beneficial collaboration between China and ASEAN, improve regulatory alignment and standards interoperability and promote trade facilitation and inclusive development. The two sides aim to sign the *Protocol to Further Upgrade the China – ASEAN Comprehensive Economic Cooperation Framework Agreement and Certain Agreements Thereunder* in 2025.

Given the varying levels of development and different national conditions across China – ASEAN countries, RCEP incorporates considerable flexibility in its standards. It

grants extended transition periods for less-developed members in areas such as tariff concessions and negative lists for market access. Although this flexibility and differentiation pose a challenge to unified regulation and enforcement, they also suggest great potential for future quality upgrades and institutional improvements within RCEP. As the primary driving forces behind the agreement, ASEAN and China are well-positioned to further align their understanding and steadily promote RCEP's continued upgrading. On the foundation of these achievements, RCEP can be further enhanced to raise regional free trade standards and align more closely with the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). Such efforts would create more opportunities for deeper integration between regional and global economies.

Leveraging China's Expanded High-Standard Opening-Up for Cooperation. China will methodically expand both autonomous and unilateral opening-up while steadily advancing institutional opening-up -- a strategy that aligns closely with RCEP's rule-based framework. Its effort will further accelerate regional economic integration and provide greater market access for ASEAN goods entering the Chinese market. With a middle-income population exceeding 400 million, China offers a vast and growing market for ASEAN goods and services, allowing distinctive ASEAN products to become more deeply embedded in China's consumption chains. At the same time, this dynamic will stimulate demand in ASEAN for Chinese electromechanical products and related services, generating mutual market benefits. As China increases its imports of raw materials from ASEAN -- such as minerals and rubber -- and combines these with its strong manufacturing capabilities, a closed-loop regional supply chain will take shape, linking raw materials to finished goods. This level of integration will not only enhance the resilience of regional supply chains but also empower China and ASEAN with greater strategic initiative in the ongoing restructuring of global value chains.

Steadily Advancing the Expansion and Upgrading of Rules and Standards. To further unlock the region's economic potential and enhance its global influence, China and ASEAN need to steadily advance the expansion and upgrading of regional rules and standards. This effort will deepen regional economic integration and inject fresh institutional momentum into China - ASEAN cooperation, enhancing its resilience and competitiveness amid an increasingly complex international landscape. The two sides should prioritize mutual recognition and interoperability of regional rules and standards, making this a key development area. Efforts should focus on facilitating dialogue and alignment among member states in service sector regulations, governance frameworks and technical standards -- such as ESG (Environmental, Social, and Governance) criteria and carbon emission certification. The scope of implementation can be gradually expanded from bilateral agreements to multilateral frameworks. In addition, China and ASEAN should work to strengthen RCEP's internal regulatory architecture by upgrading its rule systems to establish a "firewall" that protects regional cooperation from externally imposed rules or disruptions. Active support for RCEP expansion will also be essential to broaden its global impact and influence continuously.

Establishing an Evaluation and Review Mechanism to Deliver More Rules-Based Public Goods. China and ASEAN could work together to promote the establishment of a regular evaluation and review mechanism under the RCEP Support Unit (RSU). This mechanism would comprehensively assess the agreement's implementation and the extent to which member states fulfill their commitments. It would include auditing key indicators -- such as using rules of origin and disclosing critical information -- and proposing binding corrective measures, followed by further evaluations within agreed time-frames to track progress. In parallel, both sides could jointly develop and offer more rules-based and institutional public goods. These may include compiling a comprehensive negative list for the services sector, building on the China-ASEAN carbon footprint mutual recognition platform to advance the implementation of a unified RCEP digital single window, introducing differentiated transition period provisions within the RCEP framework and promoting innovative financing instruments -- such as non-dollar settlement pools (including RMB-denominated transactions) linked to carbon quotas.

II. Promoting High-Quality Integrated Development of Regional Connectivity and Industrial and Supply Chains

China - ASEAN cooperation requires not only the advancement of "soft connectivity" through bilateral institutional frameworks but also higher standards for providing "hard connectivity" public goods. As we look ahead, both sides can work together to chart a new vision of smart, green and inclusive development, injecting fresh momentum into regional economic integration and building a community with a shared future. On this basis, China and ASEAN can jointly strengthen regional industrial and supply chains to support industrial upgrading and move up the value chain in the context of global value chain restructuring and supply chain realignment. This deeper collaboration can help both sides overcome the "middle-to-low-end lock-in" and achieve meaningful industrial transformation. Further integration of their supply chains also holds the potential to position China and ASEAN as leaders in value creation across emerging sectors such as new energy and artificial intelligence.

Co-Creating a New Vision for High-Quality Connectivity. The future regional infrastructure framework will steadily take shape as a comprehensive "point-line-plane" system. Greater cross-border coordination in infrastructure development will significantly improve logistics efficiency and enhance the resilience of regional supply chains. Building on the existing "port - railway - industrial park" logistics system and the dual sea - land hub multimodal transport framework, digital technologies are poised to play a transformative role in boosting logistics performance. Applying advanced technologies such as automated container yards and uncrewed container trucks, alongside developments in port IoT upgrades, blockchain-enabled cross-border data platforms and intelli-

gent "single window" customs clearance systems will drive the emergence of new smart logistics hubs across the region. This integrated approach will position China and ASEAN as one of Asia-Pacific's most interconnected and technologically advanced infrastructure networks. In addition, the two sides can further expand the region's external infrastructure connectivity by exploring establishing a multilateral standards system for regional infrastructure investment. Continued efforts to deepen the "north-south corridor and land-sea linkage" cooperation framework will also be key, along with efforts to encourage broader participation from countries outside the region in connectivity initiatives.

Both sides should further expand the external connectivity of regional infrastructure by developing multilateral investment standards and advancing the "north-south corridors and land-sea connections" framework, thereby encouraging greater participation from non-regional partners in joint connectivity initiatives.

Advancing Deeper Integration in Industrial Chain Specialization. The shift from broad-based division of labor to technology-intensive specialization in industrial chains has become an inevitable trend. As we move forward, the two sides should concentrate on key sectors such as new energy, electronic information and advanced manufacturing to foster cross-border industrial clusters. This endeavor will promote technology sharing and innovation, increase the share of high-value-added segments within supply chains and help establish a new "regional production, global sales" model.

Given the varying levels of development among ASEAN member states, future cooperation must prioritize capacity-building efforts. Participating countries can strengthen their industrial support capabilities through targeted technical assistance and vocational education programs. For example, expanding the reach of vocational training platforms such as the Luban Workshop will help cultivate skilled technical workers in ASEAN and enhance their ability to absorb industrial transfers. This inclusive approach will ensure that supply chain integration delivers shared benefits for all member states while reinforcing the long-term sustainability of regional cooperation.

Enhancing Regional Supply Chain Specialization and Fostering a Healthy Industrial Division of Labor. China - ASEAN-led regional industrial cooperation should place greater emphasis on top-level planning and policy coordination. Within a framework of "resources + technology + production bases + regional and global markets," key segments of the industrial chain such as core technology R&D, component manufacturing, assembly, OEM processing and resource refinement, should be rationally distributed across the region according to each country's comparative advantages. In traditional industries, efforts should be made to reduce structural competition and actively cultivate a balanced and constructive model of regional industrial division.

China can draw on its experience to assist ASEAN countries in digitally upgrading their traditional manufacturing sectors. The two sides should also work together to build green supply chains, focusing on advancing low-carbon technologies and circular economy practices. Supporting small and medium-sized enterprises in adopting clean

production technologies will help ensure the green transition is inclusive and widely beneficial. This model not only aligns with global environmental trends but also enables both sides to jointly expand their share in international markets through green product exports. In addition, agricultural cooperation between China and ASEAN plays a vital role in regional poverty reduction. China should continue to increase its support for technical assistance and capacity-building initiatives, helping ASEAN countries enhance their capabilities in sustainable agricultural development.

Seizing Opportunities in Emerging Sectors to Lead in New Quality Productive Forces. Digitalization is a key driver of high-quality integration. In the future, China and ASEAN should deepen the application of technologies such as 5G, big data and blockchain across supply chains. For example, blockchain can be used to enable full traceability throughout the supply chain, enhancing transparency and efficiency in China – ASEAN agricultural trade. Smart technologies can optimize cargo routing and reduce time costs. At the same time, integrating cross-border e-commerce and digital payments can help small and medium-sized enterprises better participate in regional supply chains. China and countries within ASEAN with mid-to-high-end manufacturing capabilities are well-positioned to pursue deeper collaboration in emerging and strategic sectors. These include smart manufacturing, new energy storage and equipment production, biopharmaceuticals, big data, cloud computing and artificial intelligence. Such cooperation will help both sides reach the upper end of global value chains while promoting the development and expansion of regional value chains.

China and ASEAN share similar aspirations for the development of artificial intelligence and hold compatible governance philosophies. Together, they can work toward building an inclusive and sustainable AI ecosystem. This initiative includes accelerating upgrades to regional network infrastructure, deepening cooperation on computing capacity and jointly demonstrating real-world applications of AI to better empower economic and social development across the region.

III. Deepening People– to– People Exchanges to Strengthen the Public Foundation for Cooperation

President Xi noted that China and ASEAN countries share deep cultural affinities and interconnected destinies rooted in a long history of friendly exchanges. People-to-people engagement serves not only as an enduring spiritual bond between the two sides but also as a profound foundation for their future-oriented and mutually reinforcing partnership. Looking ahead, higher-level, broader-ranging, and higher-quality people-to-people exchanges will further serve as a vital bridge connecting China and ASEAN. These efforts will foster deeper mutual understanding, affection, and integration among their combined population of over two billion, helping to cultivate a favorable cultural atmosphere and social environment for building a shared home.

Accelerating People-to-People Exchanges. Following the solid achievements of the

2024 China – ASEAN Year of People-to-People Exchanges, the two sides have agreed to designate 2025 as another Year of People-to-People Exchanges to deepen cooperation in this area further. Thanks to sustained efforts from both sides, cultural and people-to-people exchanges are developing rapidly, with the scale of cross-border travel and interaction now approaching pre-pandemic levels. As we move forward, the two sides could further expand visa-free entry policies, streamline visa and border control procedures, and introduce additional measures to facilitate people-to-people mobility. As multiple entry-exit facilitation measures take effect, the "Discover China" and "Discover ASEAN" initiatives are expected to gain continued momentum, emerging as a new trend in global tourism and further enhancing the reputation of China – ASEAN cultural cooperation.

Building a Multi-Dimensional People-to-People Exchange Network. China and ASEAN are also working together to strengthen a multi-dimensional, interwoven network for people-to-people exchanges. Through diverse channels—including political parties, local governments, sister cities, youth and women's groups, the media, think tanks, and civil society—both sides are actively expanding cooperation in education, culture, tourism, sports, public health, and human resource development. These joint efforts are helping to weave a denser and more resilient exchange network. As we move forward, the two sides can further expand two-way student mobility, deepen joint think tank collaboration, and align talent development, academic research, and regional development strategies. These efforts will provide a stronger scientific and intellectual foundation for advancing China – ASEAN regional cooperation to a higher level.

Conclusion

The China–ASEAN relationship has grown into the most successful and vibrant model for cooperation in the Asia–Pacific and is a vivid illustration of building a community with a shared future for humanity.^①

—PRC President Xi Jinping

Since ancient times, China and ASEAN countries have been connected by land and sea, living as close neighbors. From the ancient Maritime Silk Road to Zheng He's voyages to the joint development of the BRI, our peoples have shared deep cultural affinities and blood ties, with a profound friendship that has endured through the ages. Over the years, China and ASEAN have upheld the principles of sincerity and mutual support, mutual benefit and reciprocity, coordination, and inclusiveness—charting a path of long-term good-neighborliness, shared development, and common prosperity. China and ASEAN are bound together as good neighbors, good brothers, and good partners—inseparable and indispensable to one another. Looking ahead, China will continue to work hand in hand with ASEAN countries, staying true to the founding aspiration of unity and self-strengthening, embracing the spirit of win-win cooperation, and building a shared home that is peaceful, secure, prosperous, beautiful, and friendly.

In retrospect, the grand tapestry of China – ASEAN cooperation has become ever more vibrant and far-reaching: infrastructure projects have bridged mountains and seas; "small yet smart" initiatives have improved people's livelihoods; green and digital innovations are charting the course for the future; and people-to-people exchanges have brought hearts and minds closer together. This vibrant chapter of our new era has been written together—with openness and inclusiveness as its foundation, mutual benefit as its driving force, and a shared destiny as its guiding conviction.

Standing at a new historical juncture, China – ASEAN cooperation is not only a powerful engine of regional prosperity but also a beacon of hope for global development. With vast potential yet to be tapped and a future full of promise, both sides should uphold the principle of extensive consultation, joint contribution, and shared benefits; deepen strategic alignment; seize the opportunities of our time; and broaden the path of cooperation to yield even greater results. Together, we will build an even closer China – ASEAN community with a shared future and jointly create a brighter tomorrow for the Asia-Pacific region.

^① Xi Jinping (2020, November 27). *Speech at the opening ceremony of the 17th China – ASEAN Expo and China – ASEAN Business and Investment Summit.*

Writing Explanation and Acknowledgments

The think tank report "RCEP and the Vision of the Maritime Silk Road: New Frontiers for China-ASEAN Cooperation" is led by Fu Hua, President of Xinhua News Agency and Chairman of the Academic Committee of Xinhua Institute, with Lyu Yansong, Editor-in-Chief of Xinhua News Agency, as the deputy head and Ren Weidong, Deputy Editor-in-Chief of Xinhua News Agency, as the executive deputy head.

Other members of the project team include Liu Gang, Pan Haiping, Cao Wenzhong, Li Yue, Xue Ying, Liu Hua, Zhang Wenjuan, Chen Yu, Shao Li, Shi Chunjiao, Yang Boyao, Liu Hongcan, Zhao Xu, Wu Changwei, Yan Jie, Yang Tianmu, Li Tao, Li Feihu, Liu Mingxia, Yang Delong, Zhao Yixuan, etc.

Since the initiation in the winter of 2024, the research team has taken several months for interviews, in-depth investigations, writing, revision and proofreading. During the process of writing and releasing the report, experts and scholars have provided valuable assistance and guidance. These include Zhai Kun, Vice Dean of the Institute of Area Studies of Peking University, Li Wei, Assistant to Dean of the National Academy of Development and Strategy, RUC, and Zhong Feiteng, Research Fellow at the National Institute of International Strategy, Chinese Academy of Social Sciences. We extend our heartfelt gratitude to all of them.