https://doi.org/10.62836/emi.v4i4.477

Global Science Publishing

EMI

Economics & Management Information

https://ojs.sgsci.org/journals/emi

Article

An Analysis of the Impact of RCEP on China–Vietnam Bilateral Trade

Thanh Tuyen Vu * and Junyan Liu

School of Economics and Management, Qingdao University of Science and Technology, Qingdao 266061, China

Abstract: China and Vietnam have maintained a long-standing trade partnership, which has grown even closer since the implementation of the RCEP agreement. This paper analyzes the development and structural changes in China–Vietnam bilateral trade from 2019 to 2024. The study draws on authoritative data from sources such as China Customs, UN Comtrade, and Vietnam Customs, and employs the TCD and RCA indices to evaluate the competitiveness and complementarity of the two countries in key commodity sectors. The results indicate that RCEP has had a positive impact on bilateral trade; however, the findings also highlight Vietnam's delayed structural adjustments and its heavy reliance on China's supply chain. Finally, the paper proposes recommendations for both governments and enterprises to address issues of competition and trade deficits, promote sustainable bilateral trade development, and fully leverage the advantages offered by RCEP.

Keywords: RCEP; China; Vietnam; bilateral trade

China and Vietnam are two geographically adjacent countries that also share a high degree of cultural and customary similarity. As a result, their cooperation in the fields of economy and trade has attracted increasing attention. Over the past two decades, China has consistently been Vietnam's largest trading partner, while Vietnam has become one of China's most significant partners within the ASEAN market. In 2020, the Regional Comprehensive Economic Partnership (RCEP) was officially signed, marking a historic milestone in the process of integration and economic development between ASEAN nations and major Asian economies, and carrying particular significance for China–Vietnam bilateral trade. RCEP is expected to open new prospects for bilateral investment and cooperation, promote sustainable globalization, expand market access in manufacturing, services, and investment sectors, simplify customs procedures, harmonize rules of origin, and further facilitate trade. Against this backdrop, what changes have occurred in China–Vietnam bilateral trade during the four years since RCEP came into effect? This paper analyzes trade data from 2019 to 2024 to examine in depth the actual impact of RCEP on bilateral trade relations.

1. The Current State of China–Vietnam Bilateral Trade Development

After more than a decade of negotiations, the Regional Comprehensive Economic Partnership (RCEP) was officially signed on 5 November 2020, marking the establishment of the world's largest free trade area by trade volume, population, diversity of member composition, and development potential [1]. The agreement encompasses 15 countries, including China, Japan, South Korea, New Zealand, Australia, and the ten ASEAN nations (Singapore, Thailand, Indonesia, Vietnam, Malaysia, the Philippines, Myanmar, Brunei, Laos, and

Received: 8 July 2025; Accepted: 23 July 2025.

* Corresponding: Vu Thanh Tuyen (vuthanhtuyen30@gmail.com; Tel.: +86-19707734838)

Cambodia) [2]. Collectively, these countries account for a total population of 2.2 billion, approximately 30% of the world's population. The combined GDP of all RCEP members amounts to USD 25.6 trillion, representing 32.6% of the global economy, while their regional trade volume totals USD 11.3 trillion, or 29.1% of global trade [3]. The agreement officially came into force on 1 January 2022. For ASEAN as a whole, and particularly for China–Vietnam bilateral trade, RCEP has introduced positive changes and is expected to create a more open regional market with broader market access, fewer trade barriers, and greater export opportunities, despite introducing more regulatory requirements. This paper evaluates the development of China–Vietnam bilateral trade since 2019, focusing on changes in total trade volume and product structure, and calculates the trade integration index as well as the revealed comparative advantage (RCA) indices for major commodities between the two countries.

1.1. Total Trade Volume

China and Vietnam have consistently been significant trading partners for each other. According to data from China's General Administration of Customs, the total import and export trade volume between the two countries showed a sustained growth trend from 2019 to 2024, particularly after the Regional Comprehensive Economic Partnership (RCEP) came into effect, which further strengthened their bilateral trade ties. Specifically, in 2019, the total bilateral trade volume reached USD 161.986 billion, with China's exports to Vietnam amounting to USD 97.869 billion and Vietnam's exports to China totaling USD 64.117 billion, resulting in a trade deficit of USD 33.752 billion for Vietnam. By 2022, following the official implementation of RCEP, the bilateral trade volume had risen to USD 232.316 billion, with China's exports increasing to USD 144.357 billion and Vietnam's exports to China reaching USD 87.959 billion. Notably, by 2024, the total bilateral trade volume climbed to USD 260.65 billion, representing a year-on-year increase of 13.5%. Of this, China's exports to Vietnam rose to USD 161.889 billion (up 17.7%), while imports grew to USD 98.761 billion (up 7.2%). Data from China Customs highlights that the implementation of RCEP has provided strong momentum for the growth of China–Vietnam trade. Looking ahead, the bilateral trade volume is expected to continue expanding, demonstrating a positive development trend. Strengthening China–Vietnam trade relations not only benefits the economic growth of both nations but also further promotes regional economic integration and trade liberalization (as shown in Figure 1).

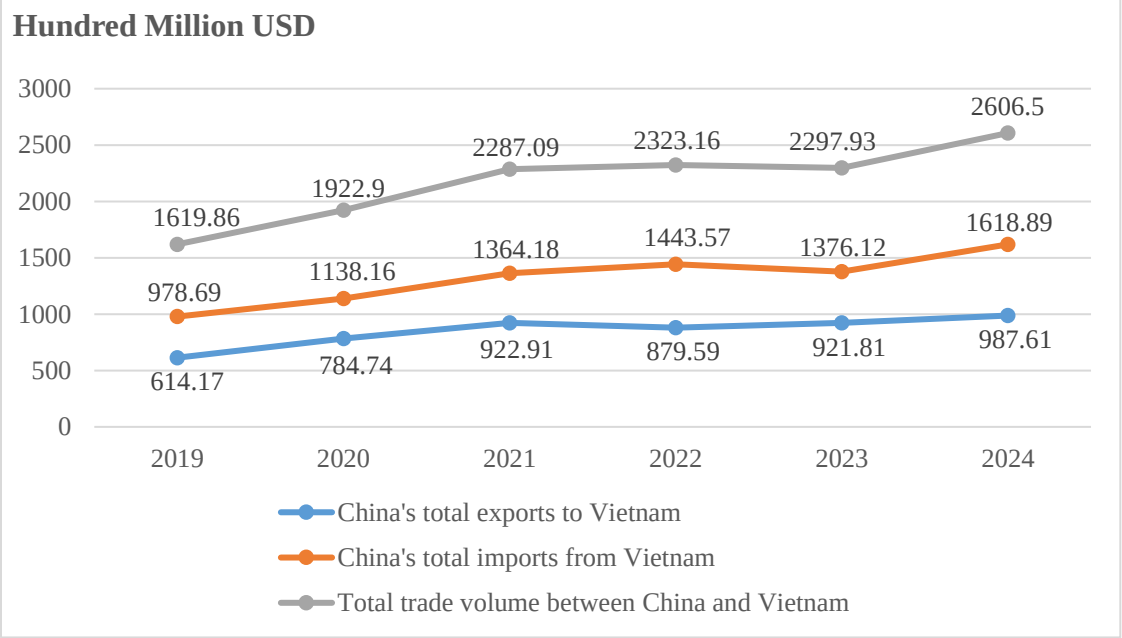

Figure 1. China–Vietnam Trade Volume, 2019–2024. Source: Database of the General Administration of Customs of China (http://stats.customs.gov.cn).

Based on Figure 2, it can be observed that the total bilateral trade volume between China and Vietnam has shown a relatively steady growth trend overall, with a significant surge in 2024, reaching USD 260.65 billion. Additionally, trade between Vietnam and China accounted for approximately one-third of Vietnam's total foreign trade, fluctuating between 31% and 35%. This indicates that China is one of Vietnam's largest and most prominent trading partners and underscores China's central role within Vietnam's supply chain. Specifically, between 2020 and 2021, following the implementation of the RCEP agreement, Vietnam's total foreign trade rose from USD 525.33 billion to USD 667.511 billion, while trade with China increased from USD 192.288 billion to USD 230.22 billion, with the trade share remaining stable at a relatively high level of around 34% to 35%. However, during 2022–2023, the total trade volume between the two countries experienced a temporary slowdown, likely due to the post-pandemic global economic deceleration, which reduced consumer demand for goods; simultaneously, rising inflation weakened global purchasing power, directly impacting global trade. Although RCEP has provided facilitation through tariff reductions, businesses, particularly those in Vietnam, required time to adjust supply chains, adapt to rules of origin, and meet new technical standards. As a result, in the short term, many companies have not yet been able to fully capitalize on the preferential benefits offered by RCEP. Entering 2024, bilateral trade between China and Vietnam experienced a strong rebound, with Vietnam's total foreign trade reaching USD 786.29 billion and bilateral trade with China hitting USD 260.65 billion, marking the highest growth level since RCEP came into effect. Nonetheless, the trade share declined slightly to 33.15%, indicating that Vietnam has also made progress in diversifying into other markets.

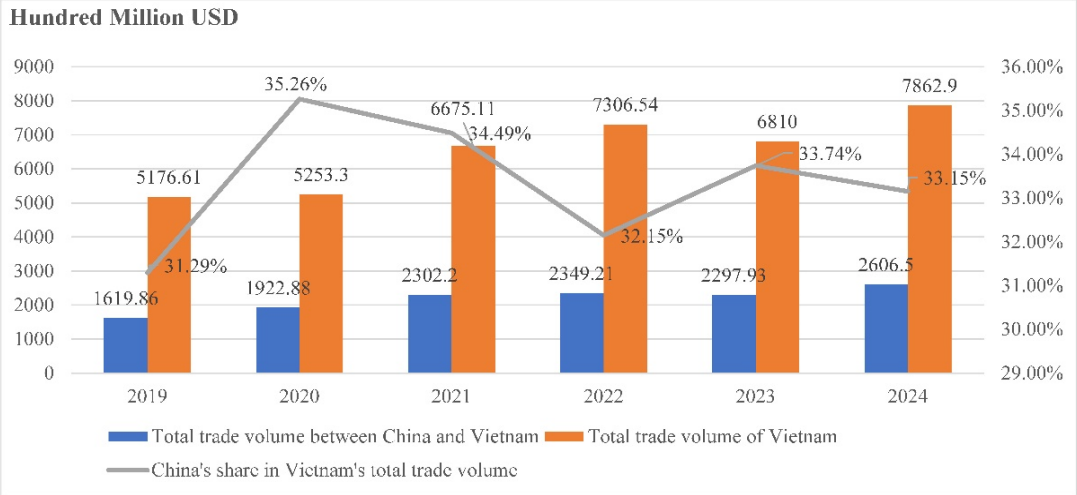

Figure 2. Comparison of Vietnam's Total Trade and China–Vietnam Bilateral Trade, 2019–2024. Source: UN Comtrade Database (https://comtrade.un.org/).

Referring to the Trade Concentration Degree (TCD) proposed by economist Browm, this index is used to measure the closeness of trade relations between China and Vietnam. When the TCD value is less than 1, it indicates that the trade relationship between Country A and Country B is relatively loose; when the TCD value is greater than 1, it reflects a relatively close trade relationship between the two countries [4]. Based on data from the United Nations Commodity Trade Statistics Database and the World Trade Organization, this paper calculates the degree of trade integration between China and Vietnam (China's exports to Vietnam) and between Vietnam and China (Vietnam's exports to China), with the results presented in Table 1.

Table 1. China–Vietnam Trade Concentration Degree Index, 2019–2020.

Years	2019	2020	2021	2022	2023	2024
TCD (China-Vietnam)	2.99	2.99	2.80	2.92	2.99	2.64
TCD (Vietnam-China)	2.26	2.40	2.31	2.23	2.44	1.46

Source: UN Comtrade Database (https://comtrade.un.org/).

From 2019 to 2024, the Trade Concentration Degree (TCD) index between Vietnam and China exhibited significant fluctuations, reflecting structural changes in bilateral trade under the influence of global and regional factors. Specifically, the TCD index for China's exports to Vietnam (China–Vietnam TCD) remained at a relatively high level, fluctuating between 2.8 and 2.99 from 2019 to 2023, indicating that China's export structure continued to closely align with Vietnam's import demand. However, by 2024, this index declined to 2.64, suggesting a weakening in China's trade complementarity, which may be attributed to trends of localized production or intensified competition from other RCEP member states.

Conversely, the TCD index for Vietnam's exports to China (Vietnam–China TCD) showed a steady downward trend, falling from 2.40 in 2020 to 1.46 in 2024. Although the Regional Comprehensive Economic Partnership (RCEP) officially came into effect in 2022 and was widely expected to stimulate regional trade flows, the actual data reveal a continuous decline in Vietnam's export alignment with Chinese demand. The reasons may include Vietnam's inability to effectively leverage tariff preferences and institutional benefits under RCEP, as well as delays in adjusting its export structure to meet China's shifting import demand, which has moved away from raw materials and primary processed goods toward high-technology products, semiconductors, and premium consumer goods.

In summary, while RCEP presents substantial opportunities for regional economic integration, the economic effectiveness of China–Vietnam bilateral trade still relies heavily on enterprise adaptability and domestic policy support. The decline in the TCD index for Vietnam's exports to China serves as a critical signal, underscoring the need for Vietnam to reassess its trade strategy, enhance production capacity, and improve the quality of its export goods in order to secure a competitive position within the increasingly intense RCEP market landscape.

1.2. Structure of Trade Commodities

Over the years, as key import and export partners, China and Vietnam have engaged in highly diversified bilateral trade, covering a wide range of sectors. According to authoritative statistics from the General Administration of Customs of China, the General Department of Vietnam Customs, and Tendata, based on HS-6 classification, prior to the entry into force of the RCEP agreement in 2019, China exported nearly 2850 product types to Vietnam, while Vietnam exported approximately 2340 product types to China. By 2024, under the steady implementation of RCEP, the number of product types exported from China to Vietnam had further increased to around 3210, while Vietnam's exports to China grew to approximately 2480 product types. These figures clearly reflect the breadth of product coverage and the continued expansion of cooperation between the two countries, particularly following RCEP's implementation. As shown in Tables 2 and 3, which present the top ten categories of bilateral imports and exports, the primary product categories for both countries remained largely consistent before and after RCEP came into effect. This consistency indicates that trade relations between China and Vietnam are stable and highly complementary, with particularly notable alignment in the manufacturing and processing sectors. Such a highly coordinated trade structure provides a solid foundation for fostering the long-term stability and sustainable development of bilateral trade relations.

The Revealed Comparative Advantage (RCA) index is a widely used tool in international economics for measuring a country's relative comparative advantage in the export of specific goods compared to the global level. The index was introduced by economist Béla Balassa in 1965 with the aim of analyzing national trade structures and competitive advantages based on actual trade data. When the RCA value is greater than 1, it indicates that the country possesses strong international competitiveness in a particular industry or product; if the RCA value is less than 1, it implies that the product or sector lacks comparative advantage; and if the RCA equals 1, it suggests that the country's competitiveness is roughly at the global average level [5].

As shown in Table 4, China maintains high and diversified RCA advantages across multiple industrial manufacturing and equipment sectors. However, in certain industries—such as steel, plastics, and textile machinery—RCA values have been gradually declining, which may be linked to Vietnam's increased localization of production or its imports of related products from other RCEP member states. Conversely, RCA values in sectors such as medical equipment and construction materials have risen, reflecting shifts in Vietnam's domestic consumption patterns and the influence of infrastructure investment policies.

Table 2. Top 10 commodities in China-Vietnam trade in 2019.

China Exports to Vietnam	Vietnam Exports to China
Machinery and equipment	Electronic equipment
Electronic products	Machinery and equipment
Plastic products	Plastic products
Steel and steel products	Steel and steel products
Fertilizers	Fertilizers
Textiles	Textiles
Chemicals	Chemicals
Paper products	Paper products
Food and agricultural products	Food and agricultural products
Automobiles and parts	Automobiles and parts

Source: Database of the General Administration of Customs of China (http://stats.customs.gov.cn).

Table 3. Top 10 major commodities in China-Vietnam trade in 2024.

China Exports to Vietnam	Vietnam Exports to China
Machinery and equipment	Electronic equipment
Electronic products	Machinery and equipment
Plastic products	Plastic products
Steel and steel products	Steel and steel products
Fertilizers	Fertilizers
Textiles	Textiles
Chemicals	Chemicals
Paper products	Paper products
Food and agricultural products	Food and agricultural products
Automobiles and parts	Automobiles and parts

Source: Database of the General Administration of Customs of China (http://stats.customs.gov.cn).

For Vietnam, while electronic products remain one of its primary export sectors to China, their RCA index has dropped below 1, signaling a weakening of international competitiveness in this industry. In contrast, the textile and apparel sector demonstrates a significant rise in RCA, indicating that Vietnam has achieved notable progress in deeply integrating into RCEP regional supply chains and benefiting from related policy adjustments. Meanwhile, although agricultural, forestry, and fishery products still maintain a certain level of comparative advantage, their RCA values exhibit a slight downward trend. Notably, RCA values for machinery and mineral products have risen sharply, suggesting that Vietnam's export structure is progressively shifting toward higher value-added industrial goods.

2. Analysis of the Current Situation of China–Vietnam Bilateral Trade

Throughout the course of bilateral cooperation, it is evident that China has become Vietnam's largest trading partner, particularly following the formal and stable implementation of the Regional Comprehensive Economic Partnership (RCEP). The China–Vietnam bilateral trade relationship has continued to expand in terms of scale, product diversity, and depth of cooperation. Pragmatic cooperation has long been a prominent feature of China–Vietnam relations and serves as a key driving force for advancing bilateral ties. Notably, China has maintained its position as Vietnam's largest trading partner for over two decades, while Vietnam has consistently ranked among China's leading trading partners in the ASEAN region. Last year, the total bilateral

trade volume surpassed USD 200 billion, accounting for roughly one-third of Vietnam's total import and export value [6]. However, alongside this trade growth, challenges such as trade dependency and trade deficits have also emerged, raising important questions about whether these issues might affect the long-term sustainability of the bilateral relationship.

Table 4. RCA Index of Major China–Vietnam Trade Products in 2019 and 2024.

2019			
China exports products to Vietnam		Vietnam exports Chinese products	
Products	RCA	Products	RCA
Mechanical and electrical products	2.71	Electronic products	1.25
Steel products	2.79	Textiles and clothing	0.62
Automobiles and parts	2.16	Agricultural products	2.16
Chemical products	1.79	Aquatic products	1.36
Plastic products	2.73	Wood products	1.41
Electronic components	1.67	Machinery and equipment	1.72
Photovoltaic products	2.47	Rubber products	1.11
Building materials	0.91	Plastic products	0.57
Medical equipment	2.22	Mineral products	1.59
Textile machinery	2.14	Furniture	1.7
2024			
China exports products to Vietnam		Vietnam exports Chinese products	
Products	RCA	Products	RCA
Mechanical and electrical products	2.23	Electronic products	0.81
Steel products	1.41	Textiles and clothing	2.44
Automobiles and parts	1.84	Agricultural products	1.55
Chemical products	2.1	Aquatic products	1.23
Plastic products	1.1	Wood products	0.59
Electronic components	1.7	Machinery and equipment	2.12
Photovoltaic products	1.97	Rubber products	1.49
Building materials	1.5	Plastic products	1.54
Medical equipment	2.56	Mineral products	2.29
Textile machinery	1.37	Furniture	1.15

Source: UN Comtrade Database (https://comtrade.un.org/).

2.1. Analysis of China–Vietnam Bilateral Trade Dependence and Trade Balance under the Impact of the RCEP Agreement

Through an analysis of the current state of bilateral trade, it is evident that as of 2024, there exists an asymmetric trade dependency between China and Vietnam. China accounts for approximately 33.15% of Vietnam's total foreign trade (a slight increase from 31.29% in 2019), while Vietnam represents only around 2.9 – 3.2% of China's total foreign trade. This demonstrates that Vietnam's reliance on the Chinese market is substantially greater than China's dependence on Vietnam. Although both nations are developing countries, there exists a significant disparity in production capacity, which has positioned Vietnam in a dependent role within the regional value chain. The considerable trade deficit Vietnam maintains with China stems from differences in their positions within the supply chain, value chain, and industrial chain. Its ongoing expansion is a concern, as it may become a substantial obstacle to advancing bilateral cooperation [7].

Due to its incomplete domestic supply chain, Vietnam remains positioned primarily at the lower tiers of the value chain, with activities focused on processing and assembly that generate relatively low value added. Most industrial inputs, such as circuit boards, plastic materials, and industrial equipment, are heavily dependent on imports from China.

Data from 2019 to 2024 on the Trade Complementarity Index (TCD) indicate a high level of complementarity in China–Vietnam trade, but also reveal a strong underlying dependency. Moreover, the bulk of Vietnam's exports consist of minimally processed or low value-added agricultural products, rubber, and mineral resources, underscoring Vietnam's lack of independent competitiveness within the regional supply chain. According to the Industrial Competitiveness Index (CIP) report published by the United Nations Industrial Development Organization (UNIDO) in 2023, China ranked second globally as of 2021, whereas Vietnam was positioned at 35th [8]. This gap reflects decades of industrial development and illustrates the stark differences between the two nations in terms of economic scale, structure, and developmental stage. Fundamentally, China benefits from a vast domestic market and a highly scaled industrial system. This enormous scale enables Chinese enterprises to capitalize on "economies of scale", whereby greater production lowers per-unit costs, generating nearly unmatchable price competitiveness.

In addition, China has established an almost fully integrated industrial supply chain, with end-to-end localization from raw materials to finished products. This closed-loop system not only reduces external dependence and optimizes cost control but also significantly enhances production efficiency. In recent years, China has achieved "leapfrog development" in science and technology, with annual government and corporate R&D investments amounting to hundreds of billions of U.S. dollars. This has propelled breakthroughs beyond assembly and processing into areas such as design, proprietary patents, and high-tech industries, including 5G (Huawei), new energy vehicles (BYD), artificial intelligence, and renewable energy. Furthermore, China boasts world-class modern infrastructure, including automated deep-water ports, high-speed rail, and a dense highway network, supported by highly efficient logistics systems that substantially reduce transportation time and costs. Large-scale investments in higher education and vocational training have cultivated a vast, highly skilled workforce of engineers, researchers, and technicians.

By contrast, Vietnam's economy and domestic market remain relatively small, and its industrial development is still in an early stage. Local enterprises typically operate on a modest scale, and the supporting industrial ecosystem remains underdeveloped. Vietnam's heavy reliance on imports of raw materials, components, and equipment—much of which comes from China—not only inflates production costs and limits domestic value creation but also leaves the Vietnamese manufacturing sector vulnerable to external shocks. Vietnam's investment in R&D remains limited, with production still dominated by processing and assembly. The degree of technological localization is low, and the country lacks high value-added "Made in Vietnam" products with independent brands and global influence. Although Vietnam's infrastructure and logistics systems have improved, bottlenecks persist, with certain regions frequently operating beyond capacity. Vietnam's logistics costs remain disproportionately high as a share of GDP, undermining the price competitiveness of its products. While Vietnam benefits from a demographic dividend and low-cost labor, it continues to face a shortage of highly skilled talent in high-tech sectors.

In conclusion, the CIP ranking disparity is not merely a statistical difference but rather a reflection of the profound divergence in the breadth, depth, and maturity of the two countries' industrial ecosystems. China has transitioned from the "world's factory" to a "technological and manufacturing powerhouse" while Vietnam remains at the stage of an "emerging manufacturing hub" striving to ascend the global value chain. Although the Regional Comprehensive Economic Partnership (RCEP) facilitates bilateral trade, if Vietnam cannot effectively leverage the agreement amidst its still-developing domestic manufacturing base, it may exacerbate its dependence on Chinese raw materials and technology. Particularly under tariff reduction policies, Vietnamese enterprises may prefer low-cost imports over investing in localization, which could weaken their long-term capacity for autonomous development.

Given the current trade landscape, it is undeniable that Vietnam faces a persistent and substantial trade deficit with China. However, this deficit is not merely a consumer-driven shortfall but rather a "structural

deficit" wherein Vietnam effectively "borrows" China's production capacity and resource supply to sustain its export-driven economic growth. With the full implementation and gradual stabilization of RCEP, its impact on China–Vietnam trade balance carries both positive and negative dimensions. On the downside, RCEP's tariff reductions and streamlined customs procedures have made imports of Chinese machinery, equipment, and raw materials more convenient, efficient, and cost-effective, which could lead to an initial widening of Vietnam's trade deficit during the early phase of the agreement's implementation.

At the same time, RCEP presents Vietnam with strategic opportunities to expand exports and gradually rebalance its trade structure. The agreement provides a stable and transparent legal framework that enables Vietnamese products—particularly agricultural goods (such as durian and passion fruit), seafood, and consumer products—to access China's 1.4 billion-strong market in a more compliant and sustainable manner. By leveraging the "cumulation of origin" rules, Vietnamese enterprises can import raw materials from other member states such as Japan and South Korea, complete processing in Vietnam, and export to China while still enjoying preferential tariffs. This mechanism can help Vietnam reduce its reliance on a single-source supply from China, enhance the added value and competitiveness of "Made in Vietnam" products, and foster greater diversification.

In sum, while RCEP may initially contribute to a widening of the China–Vietnam trade deficit, this should not be viewed as purely negative. From a long-term supply chain perspective, RCEP is not a "panacea" but rather a "test of capability". If Vietnam can utilize RCEP as a platform to restructure its trade composition, strengthen the quality and autonomy of its domestic industries, and climb to higher tiers of the global value chain, it holds the potential to narrow its trade deficit over the medium to long term and forge a more balanced and sustainable partnership with China.

2.2. Analysis of the China–Vietnam Trade Commodity Structure under the Impact of RCEP

RCEP is emerging as a crucial catalyst driving a profound restructuring of the China–Vietnam trade commodity structure. This transformation is regarded as a pivotal moment for upgrading the quality and status of both countries' products within the regional value chain. For Vietnam's exports, RCEP is prompting a notable shift in its export composition—from raw materials and low value-added goods toward processed and higher-technology products. This shift is driven primarily by two mechanisms. First, the harmonization of sanitary and phytosanitary (SPS) measures and quarantine procedures has created conditions for high-quality agricultural products—particularly durians and passion fruit—to enter the Chinese market legally and sustainably, gradually replacing the previously high-risk border trade model. Second, the flexible rules of origin allow Vietnamese enterprises to utilize raw materials sourced from 15 member countries, enabling deeper integration into more complex stages of regional electronics and machinery value chains, rather than being confined solely to basic processing and assembly.

On the import side, RCEP has reinforced and institutionalized China's role as Vietnam's key supplier of intermediate goods and production materials. Imports of machinery, raw and auxiliary materials (such as fabrics, electronic components, and chemicals) from China have become more convenient, helping optimize cost structures for Vietnam's domestic manufacturing sector but simultaneously intensifying the economy's dependence on China's supply chain. Moreover, as Chinese manufactured goods enter the Vietnamese market under preferential tariffs and improved market access, Vietnam's domestic consumer goods industries face heightened competitive pressures.

Therefore, RCEP's influence on the China–Vietnam trade commodity structure extends beyond mere expansion in scale to a qualitative transformation. The agreement is reshaping Vietnam's role within the regional value chain, offering critical opportunities for upgrading its manufacturing sector and promoting the export of higher value-added products, while simultaneously presenting significant challenges—most notably, the competitiveness of Vietnamese enterprises and their economic autonomy when engaging with a vastly larger trading partner.

3. Proposals for Promoting the Development of Vietnam–China Bilateral Trade under the Context of RCEP's Implementation

Against the backdrop of RCEP's implementation, China and Vietnam's bilateral trade faces numerous opportunities and challenges. Therefore, to fully leverage the benefits of RCEP and maximize the development of bilateral trade, coordinated efforts between the state and enterprises are essential.

3.1. From the Government Perspective

Based on the RCA index calculated above, it can be seen that products such as agricultural goods, aquatic products, textiles, footwear, and electronic components possess strong competitiveness following the implementation of RCEP. This is because RCEP provides a long-term and substantial tariff reduction schedule covering over 90% of tariff lines. This presents an opportunity for China–Vietnam bilateral trade to advance to new heights. Both governments should assist enterprises in acquiring information, formulating appropriate export strategies, facilitating business-to-business connections, improving customs procedures, and reducing the time and costs associated with exports for companies in both countries. In addition, the two nations must strengthen negotiations to remove non-tariff barriers and further open their markets to a wider range of goods. Establishing and operating effective trade remedy mechanisms can help enterprises from both countries minimize losses and develop appropriate response strategies.

Long Xiaopeng (2017) [9] notes that geographical proximity and longstanding friendly exchanges create favorable conditions for China–Vietnam border trade. However, outdated infrastructure, weak regional economic foundations, and international disputes have hindered its development. Therefore, he suggests that China and Vietnam should strengthen infrastructure construction and improve trade service systems. Since infrastructure serves as the lifeline of trade—particularly cross-border trade—the governments of both nations, especially Vietnam, should prioritize resource allocation to enhance the connectivity of transportation infrastructure, research and promote international railway intermodal projects capable of transporting bulk goods, and reduce logistics costs. Modernizing port infrastructure and establishing integrated logistics hub centers in border areas are also crucial. These centers should provide a full range of functions, including bonded warehouses, cold storage facilities, centralized inspection sites, packaging, irradiation services, and single-window electronic customs clearance. This would not only accelerate customs processing but also ensure product quality, particularly for agricultural goods. Furthermore, the governments and trade promotion agencies of both countries should shift their operational approach from passive support to proactive development by establishing national branding for key industries and providing in-depth market intelligence, thereby stimulating consumption and promoting the growth of bilateral imports and exports.

3.2. From the Enterprise Perspective

Enterprises can be regarded as the key actors in determining whether the advantages of RCEP can be fully leveraged, with their proactivity and internal transformation serving as critical factors for survival. Therefore, businesses must strengthen their capabilities, actively adapt, and proactively study relevant policies, regulations, and tariff commitments applicable to their products. Optimizing supply chains and enhancing corporate value, while flexibly applying RCEP's cumulative rules of origin to diversify products, reduce risks, and optimize costs, are essential measures.

Enterprises from both countries—particularly those in Vietnam—should undergo strategic transformation, shifting from primary product exports toward deep processing. Investments in processing technologies not only enhance the added value of products but also ensure compliance with food safety standards, extend shelf life, and enable greater product diversification to penetrate higher-end market segments. Furthermore, enterprises in both countries must increase the value of exported goods by strengthening quality management and after-sales services.

Quality management and after-sales service are critical links in enhancing the added value of export products. China and Vietnam's enterprises should establish and improve quality management systems to ensure consistent and reliable product quality [10].

Funding

This research received no specific grant from any funding agency in the public, commercial, or not-for-profit sectors.

Author Contributions

T.T.V. was responsible for the conception and design of the study, data collection, analysis, and interpretation of data. T.T.V. also drafted the manuscript and approved the final version for submission. J.L. provided invaluable support and contributions to this research. Special thanks are extended to her for offering valuable insights and constructive feedback during the preparation of this manuscript. All authors have read and agreed to the published version of the manuscript.

Institutional Review Board Statement

Not applicable.

Informed Consent Statement

Not applicable.

Data Availability Statement

Not applicable.

Conflicts of Interest

The authors declare no conflict of interest. There are no financial or personal relationships that could have influenced the research presented in this manuscript.

References

1 Yuan M, Zhang X. Opportunities, Challenges, and China's Strategic Choices Brought by the Signing of RCEP. *Price Theory and Practice* 2021; 2021(**01**): 82–86.

2 Gao H, Wang M, Shi Z. Comparative Study on the International Competitiveness of China's Swine Industry. *Journal of Northwest A&F University* 2020; **20**(**01**): 145–152.

3 Zhang J, Dong L. The Regional Comprehensive Economic Partnership (RCEP) and Asia-Pacific Regional Economic Cooperation. *Contemporary World* 2021; 2021(**01**): 36–43.

4 Brown A. Trade Concentration and Export Risk. *Journal of International Economics* 1989; **12**(**3**): 45–59.

5 Balassa B. Trade Liberalization and Revealed Comparative Advantage. *The Manchester School of Economic and Social Studies* 1965; **33**: 92–123.

6 Xing X, Fan A. China–Vietnam Relations: From "Comrades and Brothers" to a "Community of Shared Future". *Global Times*. 2025. Available online: https://world.huanqiu.com/article/4MGX68pPhlz(accessed on 15 July 2025).

7 Jin D, Feng F. Causes and Countermeasures of Vietnam's Trade Deficit with China under the RCEP Context. *International Trade* 2022; 2022(**12**): 79–80.

8 UNIDO. Industrial Development Report 2022: The Future of Industrialization in a Post-Pandemic World. Vienna: United Nations Industrial Development Organization. 2023. *Available online:* https://www.unido.org/resources-publications-flagship-publications-industrial-development-report-series(accessed on 20 August 2024).

9 Long, X. Several Reflections on the Development of China–Vietnam Border Trade. *Legal Vision* 2017; **2017**(**34**).

10 He J, Lü J. The Impact of RCEP's Entry into Force on China-Vietnam Bilateral Trade and Countermeasures.

Regional Economy 2024; 2024(**16**): 141–144.