



Determinants of Staging Categories for Tariff Elimination in the Bilateral Tariff Arrangement between China and Japan under RCEP

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Abstract. RCEP is the first free trade arrangement between China and Japan. This paper takes the tariff concession arrangement between China and Japan under RCEP as the research object, puts forward determinants and uses the ordered Probit model for empirical testing. The research finds that, Japan has a tendency to trade protection based on national interests, and the two countries have different interest demands for products with high level of intra-industry trade. China prefers protection to safeguard group interests, while Japan prefers liberalization to promote intra-industry trade. Meanwhile, both countries show the feature of pursuing diversification of export markets, but only China follows the principle of reciprocity in tariff concessions. The findings will provide reference for China to formulate tariff concession arrangements when signing high-level FTAs with developed economies or RCEP+, CPTPP and other RTAs in the future.

Keywords: RCEP; Tariff concession arrangement; Balance of interests; Influencing factors

1 Introduction

In November 2020, China and 14 countries jointly signed the Regional Comprehensive Economic Partnership (RCEP). This was the first time that China has established a FTA with Japan^[1]. After RCEP takes effect, the total trade value between China and Japan in 2023 was 317.99 billion US dollars. Japan has replaced Korea to become China's second largest trading country, while China has been Japan's largest trading country for 17 years since 2007¹. Although the entry into force of the agreement has promoted trade cooperation between China and Japan, in recent years, the United States has implemented a 'comprehensive decoupling' strategy against China under the pretext of national security, and has drawn Japan to engage in this strategic competition, which

¹ Data from China General Administration of Customs: <http://stats.customs.gov.cn/> and Japan Customs: <https://www.customs.go.jp/toukei/srch/indexe.htm?M=23&P=0> .

may have a negative impact on Sino-Japanese relations^[2]. As we all know, RCEP implements unified rules of origin, while China and Japan both implement national tariff concessions. So the bilateral tariff concession arrangement between China and Japan under RCEP is a separate interest game between the two countries. Hence, this paper studies determinants of the construction of tariff concession arrangement between China and Japan, and deeply grasps the balance of interests reflected in tariff concession between the two countries. This will have vital guiding significance for China to formulate tariff concession arrangements that meet the requirements of economic and social development when signing high-level FTAs or RTAs in the future.

Under the background of the rapid rise of FTA, many scholars have focused on the influencing factors of FTA tariff concession arrangements. Since Grossman and Helpman (1995)^[3] explained the formation mechanism of FTA tariff concessions from the perspective of interest groups based on the ‘protection for sale’ model, foreign scholars have paid more attention to the determinants of FTA tariff arrangements, conducting research from the perspectives of negotiation reciprocity, product competitiveness, MFN tariff rate, etc. Caroline (2003)^[4] discussed the principle of reciprocity in FTA tariff concessions, and found that reciprocity only existed in FTAs where both countries were developed or developing countries. However, there is no reciprocal tariff concession when developed and developing countries sign FTAs. Hyejoon (2021)^[5] studied the factors affecting the tariff elimination stage of the China-Korea FTA and found that MFN tariff rate and agricultural products were the main factors affecting Korea's tariff concession. However, domestic scholars focus on the determinants of China's FTA tariff concession exceptional arrangements. Lv Jianxing (2021)^[6] studied the determinants of exceptional arrangements of market access in 12 China's FTAs and found that trade-creating and strategic products were more likely to be exceptions to tariff concessions. Li Yu (2022)^[7] focused on the influencing factors of the China-New Zealand FTA and found that the industries with lower import penetration, higher value-added tax payments and higher proportion of FDI were more likely to be protected by Chinese government in the FTA.

These researchs have laid a solid foundation for this study. However, the existing research on tariff concession between China and Japan mainly focuses on factual analysis and the estimation of economic effects, and only Lv Jianxing (2024)^[8] explores the impact of import competition and GVC on Japan's tariff concession under RCEP. In the current tense situation of geopolitical conflicts, this paper will conduct empirical analysis to study the impact of determinants on the construction of tariff concession arrangement between China and Japan under RCEP, and explore the balance of interests of both sides. It is expected to provide reference for China to make tariff concession arrangements when signing FTAs or RTAs with developed economies in the future.

2 Determinants of Tariff Concession Arrangement between China and Japan

2.1 Model Specification

The construction of the FTA tariff concession arrangement is intertwined with the complex political and economic interests of both contracting parties. This paper draws inspiration from Choi's (2011)^[9] idea of constructing an ordered Probit model with the stage category of tariff elimination as the dependent variable, and integrates relevant determinants proposed by multiple scholars to construct the following ordered Probit model to test the impact of various factors on the construction of bilateral tariff concession arrangement between China and Japan under RCEP. The model is set as follows:

$$\begin{aligned} Stage_{ikj} = & \beta_0 + \beta_1 RCA_{ik} + \beta_2 \ln EP_{ikj} + \beta_3 GL_{ikj} + \beta_4 IDP_{ik} + \beta_5 ISD_{ik} + \beta_6 PS_{ik} \\ & + \beta_7 Agri_{ik} + \beta_8 TC_{ikj} + \beta_9 RECI_{ikj} + \varepsilon_{ikj} \end{aligned} \quad (1)$$

Where i stands for China (Japan) under RCEP, j stands for Japan (China), k stands for product (HS6 digit code), and ε_{ikj} is the perturbation term of the model.

2.2 Variable Description and Data Source

Dependent Variable

This paper draws on Hyejoon's (2021)^[5] method for dividing tariff elimination staging categories, dividing them into five stages based on the average tariff reduction period of products, and assigns values of 1-5 to each stage in turn: the first stage is to eliminate tariffs on the date the FTA enters into force; the second stage is to eliminate tariffs within 11 years from the day of the FTA entry into force; the third stage is to eliminate tariffs in 11-16 years; the fourth stage is to eliminate tariffs in 16-21 years; the fifth stage is that tariffs on products are partially reduced or remained at base rate. The tariff reduction period comes from the China FTA Network.

Independent Variable

This paper divides the determinants into three categories: national interest, interest group and international negotiation, and explains each variable and its sign prediction in the following discussion.

Influencing Factors of National Interest.

RCA_{ik} represents the revealed comparative advantage index of country i on product k . If the value is high, a country will have a comparative advantage in the export of this product and will be more likely to establish liberalized tariff arrangements. Because it is conducive to promoting international competition to stimulate the innovation of domestic related industries, thereby improving product international competitiveness. The expression is as follows:

$$RCA_{ik} = \frac{X_{ik} / X_i}{X_{wk} / X_w} \tag{2}$$

Where X_{ik} and X_{wk} are the exports of country i and the world on product k , X_i and X_w are the total exports of country i and the world. The data is from UN Comtrade Database. To make the results as representative as possible, average exports from the start of RCEP negotiations in 2012 to the signing of RCEP in 2020 are used.

EP_{ikj} represents the export potential of country i exporting product k to country j . For products with high export potential, a country wants to make liberalized tariff arrangements in exchange for others' reciprocal market opening. This paper uses the measurement method of Zheng Hang (2021)^[10], and the expression is as follows:

$$EP_{ikj} = X_{ikrow} - X_{ikj} \tag{3}$$

Where X_{ikrow} and X_{ikj} are the exports of product k exported by country i to the rest of the world and by country i to country j . The data source is the same as above and the logarithm is taken to alleviate the endogeneity problems.

GL_{ikj} represents the intra-industry trade index between country i and country j on product k , which value ranges from 0 to 1. Generally, a country will make liberalized tariff arrangements for products with high level of intra-industry trade. It can help the country obtain intra-industry trade products produced by the contracting party at a lower cost, so that the complementary advantages of both contracting parties can be fully utilized. Moreover, it can also meet the needs of domestic consumers for product diversification. The expression is as follows:

$$GL_{ikj} = 1 - \frac{|X_{ikj} - M_{ikj}|}{X_{ikj} + M_{ikj}} \tag{4}$$

Where X_{ikj} denotes the exports of product k exported by country i to country j , and M_{ikj} denotes the imports of products k imported by country i from country j . The data source is the same as above.

IDP_{ik} is the index of dispersion power of industry k in country i , it captures the extent to which an amount of production is induced for the whole industry when a unit of demand is created in an industrial sector. Since industries with greater backward linkage need to use many domestic intermediate products for production, a country will make protective tariff arrangements to prevent the entry of finished products from contracting countries, so as to ensure the sustainable production of domestic upstream industries. The expression is as follows:

$$IDP_{ik} = \frac{\sum_{a=1}^n \bar{b}_{akb}}{\sum_{b=1}^n (\alpha_b \cdot \sum_{a=1}^n \bar{b}_{akb})} \quad (b = 1, 2, \dots, n) \tag{5}$$

Where \bar{b}_{akb} represents the inverse matrix of complete consumption coefficient; α_b represents the composition coefficient of the final product, which is the proportion of the final product quantity in department b to the total final product quantity. The data is from the OECD-ICIO database. Due to the availability, the input-output table from 2012 to 2018 is used. Finally, the calculated industry data is mapped to the HS6 digit code product level.

ISD_{ik} represents the index of sensitivity degree of industry k in country i , which refers to the degree of demand response received by a certain sector when a unit of final use is increased in the national economy. Because the industries with greater forward linkage effect can produce the intermediate goods needed by many downstream industries, a country will make liberalized tariff arrangements to promote downstream industries to obtain intermediate goods from contracting countries at a lower cost for production. The expression is as follows:

$$ISD_{ik} = \frac{\sum_{b=1}^n \bar{d}_{akb}}{\sum_{a=1}^n (\beta_a \cdot \sum_{b=1}^n \bar{d}_{akb})} \quad (a = 1, 2, \dots, n) \quad (6)$$

Where \bar{d}_{akb} represents the inverse matrix of complete distribution coefficient; β_a represents the component coefficient of the initial input sector, which is the proportion of the initial input of sector a to the total initial input. The data source and processing are the same as IDP_{ik} .

Krugman's strategic industry protection theory holds that a country needs to protect strategic products for the sake of national economic or industrial security. PS_{ik} indicates whether country i defines product k as a strategic product. This paper uses the measurement method of Lv Jianxing (2021)^[6] for reference. If the tariff rate of a product is higher than the average level in the year before FTA negotiation, it is a strategic product, and is assigned a value of 1. Otherwise, it is assigned a value of 0. The data is from the WITS database.

Agriculture has a fundamental position in the national economy. If a country's agricultural products are controlled by foreign countries, due to the inability to be produced in a short time, once they cannot meet the domestic demand in time, it may have an adverse impact on social stability and national security, so a country will formulate protective tariff arrangements for agricultural products. $Agri_{ik}$ indicates whether country i defines product k as an agricultural product. This paper regards the products in chapter HS01-24 as agricultural products and assigns them a value of 1, while the rest of the products are assigned a value of 0.

Influencing Factor of Interest Group.

According to Grossman and Helpman's (1995)^[3] 'protection for sale' model, domestic manufacturers facing great import competition can overcome the dilemma of collective action and lobby the domestic government for trade protection because their interests are damaged and they are more likely to organize effectively. TC_{ikj} represents import-competitive products facing trade creation, measured by the penetration rate of import, the expression is as follows:

$$TC_{ikj} = \frac{M_{ikj}}{M_{ikw}} \quad (7)$$

Where M_{ikj} and M_{ikw} are respectively the imports of products k imported by country i from country j and from the world. Imports are from UN Comtrade Database and calculated using the average value in 2012-2020.

Influencing Factor of International Negotiation.

$RECI_{ikj}$ indicates whether country i implements the principle of reciprocity to country j in the negotiation of product k . Since the independent variable is the tariff elimination stage promised by country i to country j , in order to test the reciprocity of negotiation, the tariff elimination stage promised by country j to country i is used here to measure. If the two change in the same direction, it proves that there is reciprocity in the negotiation.

3 Empirical Results and Analysis

According to the variables and model proposed in the previous section, this section will empirically analyze the impact and marginal effect of various determinants on the bilateral tariff concession arrangement between China and Japan under RCEP (Table 1), and conduct robustness tests by replacing estimation methods (Table 3).

3.1 Benchmark Regression Results

In Contrast, Japan Is More Inclined to Trade Protection Based on National Interests

According to the estimation results in Table 1, it is found that the influencing factors based on the consideration of national interests are significant, indicating that this motivation has a significant impact on the construction of Sino-Japanese tariff concession arrangement under RCEP. However, for both countries, EP has a positive sign, showing that neither country has the intention to commit to liberalization in exchange for others' reciprocal market opening for products whose exports are competitive in the rest of the world but small in the contracting country's market. This may be because the global trade environment has faced many uncertainties in recent years^[11], in order to reduce the risk of a sharp decline in foreign trade market, China and Japan are more inclined to diversify their export markets. In addition, the results of GL between China and Japan have opposite signs, indicating that the two countries have different interest demands for intra-industry trade products. The reason for these results will be explained in detail in the next part.

The marginal effect results in Table 1 show that among all the factors of national interest, IDP , $Agri$ and PS are the most influential determinants for tariff concessions between China and Japan. For each 1% increase in IDP of China and Japan, the probability of liberalized tariff concession arrangements tends to decrease by 49% and 50% respectively. Compared with non-agricultural products, the probability of China

and Japan making liberalized tariff concession arrangements for agricultural products is reduced by 8% and 14% respectively. Compared with non-strategic products, the probability of China and Japan making protective tariff concession arrangements for strategic products is increased by 9% and 12% respectively. In addition, by comparing the absolute values of estimated coefficients between China and Japan, it is found that Japan tends to make stricter tariff concession arrangements for strategic products than China, while China is more inclined to liberalized tariff concession arrangements for agricultural products and industries with greater backward linkage effect than Japan. All these show that China is more inclined to trade liberalization in constructing bilateral tariff concession arrangement under RCEP, while Japan is more inclined to trade protection.

Import-Competitive Interest Groups Facing Trade Creation Can Lead to Protective Tariff Arrangement

It can be seen from Table 1 that the estimated coefficients of *TC* between China and Japan are significantly positive, showing that the higher the import penetration rate of a country's products, the greater the import impact on domestic products resulting from the commitment to tariff concession with the contracting party, so domestic interest groups have more incentive to lobby governments to formulate protective tariff arrangements. This result verifies the hypothesis of Grossman and Helpman(1995)^[3] and is consistent with other related findings.

The Reciprocity of China's Negotiation Is The Main Determinant Based on International Negotiation Considerations

Among the empirical results of international negotiation factors, only the reciprocity of China's negotiation is a significant factor influencing the tariff concession arrangement. The reason is that at the beginning of the RCEP negotiations, Japan has already eliminated MFN tariff on 43% of tax items, and only needs to negotiate the remaining 57% of tax items. Therefore, there is insufficient evidence to show that Japan follows the principle of reciprocity in the tariff negotiations with China. However, as a developing country, China has always adhered to the principle of mutual benefit and win-win in the RCEP tariff negotiations with Japan.

Table 1. Estimated results of tariff elimination stage and marginal effect of ordered probit

Variables	China	China marginal effect		Japan	Japan marginal effect	
	Ordered probit model	Low tariff elimination stage	High tariff elimination stage	Ordered probit model	Low tariff elimination stage	High tariff elimination stage
RCA	-0.1134*** (0.0136)	0.0291*** (0.0035)	-0.0223*** (0.0027)	-0.0435*** (0.0134)	0.0115*** (0.0035)	-0.0032*** (0.0010)
lnEP	0.0643*** (0.0068)	-0.0165*** (0.0017)	0.0127*** (0.0014)	0.0214*** (0.0060)	-0.0056*** (0.0016)	0.0016*** (0.0004)
GL	0.1074**	-0.0276**	0.0211**	-0.2823***	0.0744***	-0.0207***

	(0.0540)	(0.0139)	(0.0106)	(0.0611)	(0.0161)	(0.0046)
IDP	1.8943*** (0.3009)	-0.4869*** (0.0770)	0.3728*** (0.0599)	1.8850*** (0.2158)	-0.4968*** (0.0557)	0.1384*** (0.0173)
ISD	-0.4111*** (0.0730)	0.1057*** (0.0187)	-0.0809*** (0.0145)	-0.2742*** (0.1017)	0.0723*** (0.0268)	-0.0201*** (0.0075)
PS	0.4434*** (0.0377)	-0.1140*** (0.0096)	0.0873*** (0.0077)	1.6626*** (0.0511)	-0.4382*** (0.0094)	0.1221*** (0.0071)
Agri	0.7128*** (0.0870)	-0.0832*** (0.0223)	0.1403*** (0.0173)	0.5182*** (0.0667)	-0.1366*** (0.0174)	0.0381*** (0.0052)
TC	0.5927*** (0.1088)	-0.1523*** (0.0279)	0.1167*** (0.0216)	0.7544*** (0.0704)	-0.1988*** (0.0182)	0.0554*** (0.0057)
RECI	0.0733*** (0.0190)	-0.0188*** (0.0049)	0.0144*** (0.0038)	0.0202 (0.0177)	-0.0053 (0.0047)	0.0015 (0.0013)
N	4115	4115	4115	4302	4302	4302

Note: ***, **, * indicate significance at the 1%,5% and 10% levels. The number in parenthesis indicates the standard error.

3.2 Mechanism Test

According to the analysis in the last part, China and Japan have different interest demands for high-level intra-industry trade products. Actually, the sign of China's *GL* is opposite to the theoretical expectation. Although most traditional literature holds that a country will accelerate the liberalization process of the high level of intra-industry trade products to fully leverage the complementary advantages of the contracting parties. However, MJ Gilligan (1997) pointed out that it is possible for a country to make protective tariff arrangements for high level of intra-industry products^[12]. Specifically, due to the increasing returns to scale, enterprises with a high degree of participation in intra-industry trade usually produce a specific type of product, so they generally have monopoly power in the market and can overcome the dilemma of collective action. Therefore, in order to safeguard their own interests, these enterprises use their political action ability to lobby their government to provide trade protection for related products. To explore the existence of the mechanism mentioned above in tariff arrangements for high level of intra-industry trade products in China and Japan, based on formula(1), this paper draws on the model and method of Lv Jianxing (2021)^[6] and introduces the interaction term between the variable of political action ability and intra-industry trade index to reveal the mechanism. The estimated econometric formula is as follows:

$$\begin{aligned}
 Stage_{ikj} = & \beta_0 + \beta_1 RCA_{ik} + \beta_2 \ln EP_{ikj} + \beta_3 GL_{ikj} + \beta_4 IDP_{ik} + \beta_5 ISD_{ik} + \beta_6 PS_{ik} + \beta_7 Agri_{ik} \\
 & + \beta_8 TC_{ikj} + \beta_9 RECI_{ikj} + \beta_{10} friction_{ikj} + \beta_{11} friction_{ikj} * GL_{ikj} + \varepsilon_{ikj}
 \end{aligned}
 \tag{8}$$

Among them, *friction*_{ikj} indicates whether a manufacturer of a country on product *k* has the political action ability to a contracting country. This paper uses whether a country initiates trade frictions against a contracting country to measure. Trade friction data is from the Global Trade Alert Database (GTA). This paper focuses on the harmful and uncertain cases of import bans and import license requirements which are import

related non-tariff trade measures, and classifies these two categories as trade frictions. If a country initiates trade frictions against the contracting country on product k in 2012-2020, then $friction_{ikj}$ is 1, otherwise it is 0.

The mechanism test results are shown in Table 2. The results of $friction$ are significantly positive, indicating that products with political action ability of China and Japan are more likely to obtain trade protection in tariff arrangements. Meanwhile, the estimated result of China's interaction term is significantly positive, showing that Chinese enterprises producing high level of intra-industry trade products will use their political action ability to lobby their government to set protective tariff arrangements for these products. However, Japan's interaction term is not significant, which means that for high level of intra-industry trade products, Japanese enterprises don't use their political action ability to influence the government to formulate tariff arrangements.

Table 2. Mechanism test regression results

Variables	China	Japan
RCA	-0.1113*** (0.0136)	-0.0441*** (0.0134)
lnEP	0.0616*** (0.0068)	0.0212*** (0.0060)
GL	0.0908* (0.0550)	-0.2822*** (0.0612)
IDP	1.8689*** (0.3010)	1.8642*** (0.2161)
ISD	-0.4383*** (0.0733)	-0.2742*** (0.1017)
PS	0.4498*** (0.0377)	1.6640*** (0.0511)
Agri	0.7006*** (0.0871)	0.5154*** (0.0667)
TC	0.5706*** (0.1091)	0.7557*** (0.0704)
RECI	0.0745*** (0.0191)	0.0211 (0.0177)
friction	0.2409* (0.1403)	1.3619* (0.7725)
GL*friction	0.4975* (0.2955)	-0.8546 (1.3301)
N	4115	4302

3.3 Robustness Test

To verify whether the influence of each independent variables on the tariff elimination stage is robust, this part selects two different estimation methods for testing. First, the ordered Logit model is used for estimation. Second, Article XXIV of the WTO/GATT

states that the conditions for establishing a free trade agreement are that tariffs must be substantially reduced and the transition period shall not exceed ten years. Meanwhile, referring to Lv Jianxing (2021)'s research^[6], this paper defines tariff arrangements with a transition period of more than ten years, partial or no tariff reduction as tariff concession exceptional arrangements with a value of 1, and the rest as general tariff concession arrangements with a value of 0. The Probit model is used here for estimation. Table 3 shows that the robustness test results of the two methods are basically consistent with the benchmark regression results.

Table 3. robustness test results

Variables	China		Japan	
	Ordered logit model	Probit model	Ordered logit model	Probit model
RCA	-0.1931*** (0.0233)	-0.0665*** (0.0191)	-0.0904*** (0.0257)	-0.0436*** (0.0151)
lnEP	0.1127*** (0.0118)	0.0299*** (0.0089)	0.0561*** (0.0109)	0.0231*** (0.0070)
GL	0.2013** (0.0938)	0.1213* (0.0727)	-0.5652*** (0.1110)	-0.3194*** (0.0699)
IDP	3.5683*** (0.5242)	3.3218*** (0.3768)	3.7579*** (0.3974)	2.0982*** (0.2415)
ISD	-0.7285*** (0.1273)	-1.0358*** (0.0943)	-0.5589** (-0.2287)	-0.3056** (0.1251)
PS	0.7306*** (0.0663)	0.9721*** (0.0529)	3.0480*** (0.0945)	1.5759*** (0.0589)
Agri	1.3398*** (0.1490)	0.3565*** (0.1258)	0.8859*** (0.1196)	0.3171*** (0.0803)
TC	1.1037*** (0.1893)	0.5504*** (0.1504)	1.3863*** (0.1241)	0.9066*** (0.0823)
RECI	0.1208*** (0.0325)	0.2535*** (0.0314)	0.0211 (0.0319)	-0.0123 (0.0202)
_cons		-3.3288*** (0.4627)		-3.9239*** (0.3188)
N	4115	4115	4302	4302

4 Conclusion

In the current complicated international environment, FTA tariff concession arrangement, as an important means to promote bilateral trade cooperation, is the result of the political and economic interest game between the contracting parties. This paper proposes the mechanisms of the influencing factors and uses the ordered Probit model to empirically test these determinants of the construction of bilateral tariff concession arrangement between China and Japan under RCEP. The main research conclusions can be summarized in the following two aspects:

First, the baseline regression results show that in the bilateral tariff arrangement, China and Japan tend to make protective tariff arrangements to protect strategic products, agricultural products, import-competitive products facing trade creation and industries with greater backward linkage effect, and tend to make liberalized tariff arrangements for products with comparative advantages and industries with greater forward linkage effect to open up domestic markets. But only China follows the principle of reciprocity in negotiations. In addition, due to global trade security considerations, China and Japan choose to slow down the liberalization process of products with great export potential, indicating the characteristic of pursuing diversification of export markets. Second, the mechanism test results show that China and Japan have different interest demands for intra-industry trade products. China can be influenced by domestic enterprises with political action ability and makes protective tariff arrangements for high level of intra-industry trade products they produce, while Japan hopes to promote intra-industry trade through tariff concession.

Based on the above conclusions, this paper hopes to propose some suggestions for China to formulate tariff concession arrangements when signing bilateral FTAs with developed economies or RCEP+, CPTPP and other RTAs in the future. First, China should formulate FTA tariff concession arrangements in stages based on product characteristics. For products with comparative advantages and industries with greater forward linkage effect, China may consider promoting tariff concession as soon as possible, or even implementing liberalization immediately. For strategic products, agricultural products, import-competitive products facing trade creation and industries with greater backward linkage effect, China can use the transition period to open its domestic market gradually to win opportunities for the development of related industries. In order to reduce geopolitical risks, China can also use the transition period to gradually reduce tariffs on products with great export potential. Second, China needs to strengthen communication with interest groups, widely listen to their interest demands, combine the national objectives with interest group demands, and then work out a more appropriate tariff concession arrangement. Third, the principle of mutual benefit and win-win is not only determined by the rules of the construction of FTA themselves, but also valuable experiences gained by China in the practice of tariff negotiations. Therefore, when conducting tariff concession negotiations in the future, China should still adhere to the principle of reciprocity and exchange market for market to achieve a win-win situation.

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