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**PHÂN TÍCH SỰ ỔN ĐỊNH TRONG CẤU TRÚC NHẬP KHẨU DẦU THÔ CỦA
TRUNG QUỐC TRONG BỐI CẢNH HIỆP ĐỊNH RCEP VÀ CĂNG THẲNG
THƯƠNG MẠI MỸ - TRUNG, VÀ HÀM Ý CHÍNH SÁCH VỚI VIỆT NAM**

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Tóm tắt

Bài viết nghiên cứu và đánh giá các chính sách được Trung Quốc ứng dụng trong việc ổn định cấu trúc nhập khẩu dầu thô dưới tác động của các cơ hội từ Hiệp định Đối tác Kinh tế Toàn diện Khu vực (RCEP) và thách thức từ cuộc chiến tranh thương mại Mỹ - Trung. Bằng cách thực hiện phân tích dữ liệu nhập khẩu dầu thô của Trung Quốc từ năm 2013 tới 2025, bài viết định hướng kiểm tra các kết quả về chỉ số thương mại và phân tích các đặc điểm giao thương và sự thay đổi trong định hướng chính sách thương mại. Các kết quả chỉ ra mối liên kết mạnh mẽ giữa những điều kể trên với sự thay đổi về bối cảnh thương mại và chính trị thế giới, từ đó xác định được cách thức mà nước này quản lý cấu trúc nhập khẩu dưới tác động của các sự kiện địa chính trị quan trọng. Từ các kết quả thu thập được về mặt chính sách và phân tích dữ liệu, bài viết đưa ra những hàm ý chính sách khái quát cho chính phủ Việt Nam do nhận thấy nhiều điểm tương đồng.

Từ khóa: RCEP, FTA, an ninh năng lượng, chiến tranh thương mại Mỹ - Trung, Việt Nam

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HOW CHINA'S CRUDE OIL IMPORT STRUCTURE IS STABILIZED IN THE CONTEXT OF RCEP AND TRADE TENSIONS WITH THE UNITED STATES AND POLICY APPLICATIONS FOR VIETNAM

Abstract

The study assesses how general policies are utilized to stabilize China's oil import structure with opportunities from the Regional Comprehensive Economic Partnership (RCEP) Agreement and challenges from the U.S. - China trade war effects. By analyzing the trade data in crude oil between 2013-2025, the research aims to review the results and analyse China's trade patterns and shifts in policies. The findings show strong connections with global dynamics, helping to identify how the country manages its import structure in the case of twisting geopolitical events. From recognizing certain patterns in common, the research also connects the findings with practical insights and strategic recommendations for Vietnam in general due to certain similarities.

Keywords: RCEP, FTA, energy security, U.S.-China trade war, Vietnam

1. Introduction

1.1. Research rationale

Within complex political scenarios, many sectors of global trade have been severely affected. The 21st century witnesses a trade war between China and the United States that particularly leaves an impact on trade flows of almost all goods and services, including energy security (Ethan Teekah, 2026). Since 2018, the trade war has created unpredictable ripple effects. New tariff and restriction policies came up, leaving a profound impact on the global economy.

Among suffering fields, crude oil (of HS code 2709) is no exception both by direct or indirect way (Hoai Linh, 2025). This is a “naturally occurring liquid made from hydrocarbon and organic materials formed by ancient plants and animals”, “nonrenewable resource” (Daniel Liberto, 2025). China's economic engine is heavily fueled by crude oil, making it an indispensable lifeblood for its industrial stability (Yuan, Zhao and Umair, 2023). It means not only socio-economic benefits to a country, but also the ability to maintain industries, manufacturing and their position in trading. Due to its scarcity nature (IMF, 2011), the energy has been turned into a geopolitical weapon and triggered trade tensions (Amurutha M. V., Eby J., 2026), leading to serious, irreversible effects.

During the escalation of trade war between the United States and China, numerous sanctions on strategic global oil exporters, which were imposed by the States, have forced China to seek alternative crude oil suppliers to maintain economic stability (Carole Nakhle, 2025), coinciding with a major shift towards Southeast Asian exporters (Linh Trang, 2025), showing a tactical change in crude oil import structure. In 2022, the Regional Comprehensive Economic Partnership (RCEP) came into effect, which allows China to import crude oil from member countries at 0% tariff and diversify its supply sources (FTA Center, 2020).

Given the significant lack of empirical studies on how China maintains its energy structure within new opportunities from RCEP and challenges from various sanctions pressure resulted from the trade war, the authors have chosen the topic: **“How China’s crude oil import structure is stabilized in the context of RCEP and trade tensions with the United States and policy applications for Vietnam”** for this research. This study would examine the index of the country’s oil imports from 2013 to 2025 given that China has a high level of dependence on oil imports and are exposed to the systemic risks of the international oil markets (Vlado Vivoda, 2009).

Additionally, Vietnam has certain factors in common with China regarding geographic location, governing features, especially the status of reliance on oil imports, yet still an emerging economy which requires time and source availability to accommodate better backups for its oil structure. Therefore, The study seeks to filter significant policy recommendations for this country in the context of geopolitical instability and war that have left continuous fluctuations in crude oil prices. From the study, it is urgent for the government to review feasible plans in order to control cost-push inflation and stabilize the macroeconomic situation.

1.2. Research objectives

The primary goal of the research is to investigate how China manages their crude oil import structure while incurring the impacts of constant sanction pressure from the U.S. and benefiting from the RCEP agreement. Through collecting time-series, non-missing data regarding its import value of the most importing countries and 14 other RCEP member states, the research analyzes the trade patterns of China within twisting political and trade events. To achieve the aforementioned aim, the study focuses on the following objectives:

- To synthesize the theoretical framework and empirical literature regarding the RCEP agreement, energy security, supply diversification, and trade tensions’ effects on China.
- To analyze the level of supply concentration and diversification among crude oil suppliers using indicators including import growth rate, market share distribution and the Herfindahl–Hirschman Index (HHI).
- To evaluate the implications of changes in supplier concentration for long-term energy security and supply stability.
- To propose policy recommendations that promote diversification toward more sustainable and stable energy resources for countries seeking to strengthen energy security, among which Vietnam is a typical example.

1.3. Research questions

To achieve the research objectives, this research addresses the following questions:

- What role does RCEP play in stabilizing China's oil supply amid US sanctions?
- How concentrated or diversified are crude oil supply sources among major exporting partners within the selected regional framework?

- What policy measures can be proposed to enhance energy security through diversification toward more stable and sustainable energy suppliers and resources?

2. Literature review

2.1. Empirical research

China's crude oil import structure has attracted increasing attention in the context of global energy market volatility and growing geopolitical tensions. Although many empirical studies have examined the determinants of China's oil imports, their findings vary across different contexts and research approaches. Therefore, reviewing previous empirical studies is necessary to better understand these dynamics under the context of trade tensions with the United States and apply to Vietnam's specific nature.

2.1.1. Research on China's crude oil import dynamics

Huang *et al.* (2025), in the article "*How do economic policy uncertainty and geopolitical risk affect oil imports? Evidence from China and India*", have analysed the relationship between economic policy uncertainty (EPU), geopolitical risk (GPR), and crude oil imports in the two largest emerging oil-importing economies, China and India. Using a wavelet quantile correlation framework, the study analyzes the dynamic interaction between risk indicators and oil import volumes across different quantiles and time horizons, allowing the author to capture both short-term and long-term fluctuations. China is the world's largest crude oil importer, with import dependence exceeding 72% in 2023. This heavy reliance on global markets exposes the country to external risks and uncertainties. However, compared with India, China shows greater resilience due to its more diversified energy mix and wider range of import partners (Huang, *et al.*, 2025). Overall, this study has established the reason for the need of stabilization in the context of global trade tensions, but it does not provide a detailed assessment of the actual situation or detailed statistical data regarding China's crude oil import structure.

Additionally, the article "*Assessing the security of crude oil supply chain: The case of China*" by Liu *et al.* (2025) provides a critical empirical and theoretical foundation for understanding how China stabilizes its import structure amidst U.S. trade tensions and the implementation of the RCEP. The study finds that China's energy security remains vulnerable due to its heavy reliance on imported crude oil. Following the 2022 Russia–Ukraine conflict, China has gradually adjusted its import structure by increasing oil imports from neighboring regions, including Russia and Southeast Asia, raising their share from about 20.7% to 23.6% (Liu, *et al.*, 2025). This shift reflects a strategic move toward more politically stable regional partners, which may help mitigate exposure to geopolitical uncertainties and potential sanctions pressures.

2.1.2. Empirical studies applying RCEP to analysis

Zhang *et al.* (2021) in the study "*Estimating the Effects of the RCEP and Its Impact on China's Supply Chain*." have investigated the impact of RCEP on China's economy and supply chain, followed by the explanation of how China enters the global industrial chain. The authors apply the Global Trade Analysis Project (GTAP) computable general equilibrium model to

simulate the implementation of several key provisions of the agreement, including tariff reductions, expanded rules of origin, and the reduction of technical barriers to trade (TBT) among member economies. Conducted in the context of supply chain restructuring after COVID-19, the simulation results indicate that regional trade agreements enhance energy connectivity by lowering trade costs and improving institutional predictability. As tariffs and technical barriers decline, trade in manufactured goods within the region increases, while some industries face stronger competition due to intensified intra-regional market access. However, the study mainly focuses on manufacturing supply chains and does not specifically analyze the implications of RCEP for energy commodities or crude oil trade.

The study “*The RCEP in an Emerging Multi-polar Order: Examining Energy Transition Implications*” by Chatzinikolaou & Vlados (2025) analyzes RCEP’s role in energy transition and global order dynamics using SWOT & globalization frameworks. The study implies that RCEP is becoming a strategic regional framework that strengthens China’s energy security in a multi-polar world by shifting oil and fuel trade toward politically reliable Southeast Asian partners and away from sanction-sensitive global channels. The RCEP is applied through specific trade and investment mechanisms (rules of origin, investment chapters, and services trade provisions) to create the institutional infrastructure necessary for a regional energy transition. Through institutional integration and regional infrastructure, RCEP stabilizes China’s imports under U.S. pressure while reducing exposure to Western financial and logistics systems. For Vietnam, this creates opportunities to expand its role in regional energy supply and investment attraction, but also risks deeper dependence on China-centered networks, making diversification within RCEP essential for long-term resilience.

However, Gultom & Fathun (2024) “*Challenges for China in the Establishment of Regional Comprehensive Economic Partnership*” also shows that implementing RCEP may face many obstacles, including regional competition, differences in levels of development, and geopolitical factors which must be carefully managed to ensure bilateral benefits. This article adopts a qualitative approach, studying previous research related to RCEP development, provides a broad economic-political analysis of RCEP with a focus on China, but does not go in depth into energy trade in the context of sanctions or how RCEP could stabilize imports under pressure from the United States.

2.1.3. Overview of studies in the U.S. - China trade tension and its impacts on the supply chain from the side of China

Current U.S. sanction pressure on China has happened long ago, dating back to the late 2001s, and escalated back in early months of 2018 (Ethan Teekah, 2026). Beside the difference in ideology, the 2 countries also come to compete in different domains including but not limited to economy, technology and weapons (Ethan Teekah, 2026). Along the way, the trade war escalated through different sanction decisions imposed on the other country, or any other trade policies that can hinder the flow of goods and services (James Chen, 2026). The supply of products with HS code 2709, especially crude oil, have been subject to drastic changes because

of different sanctions declared by Washington D.C. This overview will provide a chronological order of major impactful events and mainly on imported goods and services to China.

The trade tensions have critically escalated over time and generated sequential effects on different countries. Following the contextual crude oil and petrochemical sectors have been incurring the consequences of multiple bilateral actions from both parties of the tension. Particularly, at its peak, the tension has brought back difficulties and obstacles for Gulf countries in the trade of natural resources, leading to afterward block in the quantity of oil trade. In 2013, the Belt and Road Initiative have been part of China's expanding plan where the development of all aspects have been encouraged rapidly, boosting trade and pushing strategic partnership establishment through a network of railways, ports, pipelines, and roads, connecting Asia with Africa and Europe (Dana Rice, 2013). Gulf countries who are traditional suppliers of crude oil is also part of the plan. As the counter-reaction to the massive, China-led, global infrastructure and economic development strategy (that can strengthen their influence on these countries' policy direction at an extent) (Momo Zhao, 2025), the U.S. implemented several strategies namely: (1) *established preferential trade zones with traditional oil exporters* such as Saudi Arabia and the United Arab Emirates (UAE) (Ahmed Aboudouh, 2026); (2) *pushing resource monopolization* through inter-sectoral influence namely cutting-edge AI microchips investment (Valentina Pasquali, 2026). Through different activities promoted towards reducing rivalry's influence over a region, it is observable that the trade tensions have brought back sequential effects, where the two countries do not directly apply trade restrictions on each other like the other sectors but there are third parties that incur the consequences of the competition. As part of China's traditional suppliers, that Gulf countries are pushed to the position of balancing ties bench-marks critical signs of being unstable resources, which could change via unpredictable geopolitical situations. Thereby, this implies that the trade tension have left sequential effects and critical losses to China in the import market of important natural resources.

The study conducted by Ka Zeng and Soo Yeon Kim (2024) "*Chinese Firms in the US-China Trade War: Decoupling through Reshoring?*" on Chinese firms under the context of the trade war has highlighted the tension as the factor for a short-run reallocation of Chinese outward FDI through a regression model. The result points out that the trade war itself left a, no matter how huge it seems, mere impact on a short-run. The country has already aimed at the long run rather than an immediate response to tariff shocks. In a 2022 study by Mingxun Miao and Liying Yang "*The Impacts of China-US Trade War on Chinese Industry*", the overall impacts of the trade war between China and the U.S. has been examined. Particularly, they interpreted that the tension has resulted in: (1) *a rise in production costs and order cancellations*; (2) *restrictions on government procurement in the field of technology*; and (3) *a slight moderation in trade volumes*.

2.2. A literature review on the Regional Comprehensive Economic Partnership Agreement (RCEP)

2.2.1. The foundation of RCEP

The Regional Comprehensive Economic Partnership (RCEP) is a free trade agreement (FTA) that officially takes effect on January 1, 2022. It encompasses the ten ASEAN members and five key partners including China, Japan, South Korea, Australia, and New Zealand.

The negotiation for this agreement lasted for 8 years, from 2012 to 2020. In August 2012, with the participation of 10 members of ASEAN (Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Vietnam) and the six countries with which ASEAN has existing Free Trade Agreements (FTAs) – Australia, China, India, Japan, Korea, and New Zealand, the form of Guiding Principles and Objectives for Negotiating the Regional Comprehensive Economic Partnership (RCEP) among these 16 countries was launched. Until May 9th 2013, the first round of negotiations was officially generated in Brunei. After 31 full negotiations round combined with 19 ministerial meetings, and 4 summits, RCEP agreement was officially signed on November 15th, 2020 by 15 RCEP member countries with the exception of India that announced its withdrawal from the agreement in 2019.

The agreement covers 20 chapters concerning various aspects related to trade in goods, trade in services, investment, temporary movement of natural persons, rules of origin, customs procedures and trade facilitation, sanitary and phytosanitary measures, intellectual property, competition, government procurement, general provisions and exceptions. The primary objective is establishing a modern, comprehensive, high-quality, and mutually beneficial economic partnership framework to facilitate regional trade and investment expansion. It officially came into force with six ASEAN countries ((Brunei, Cambodia, Singapore, Thailand, Laos, and Vietnam) and four partner countries (China, Japan, Australia, and New Zealand) on January 1st, 2022, followed by Korea on February 1st, 2022; Malaysia on March 18th, 2022, Indonesia on January 2nd, 2023 and Philippines on February 21th, 2023.

2.2.2. Main contents of RCEP

RCEP agreement covers 20 chapters concerning various aspects related to trade in goods, trade in services, investment, temporary movement of natural persons, rules of origin, customs procedures and trade facilitation, sanitary and phytosanitary measures, intellectual property, competition, government procurement, general provisions and exceptions. The primary objective is establishing a modern, comprehensive, high-quality, and mutually beneficial economic partnership framework to facilitate regional trade and investment expansion. Expanding on these commitments, RCEP has directed a progressive phase-out of approximately 90% of import tariffs within a 20-year time-frame since its commencement.

This study follows two chapters of RCEP that are most relevant to energy trade stabilization including Trade in Goods, and Rules of Origin. These commitments contribute to tariff reduction, and originating rules which are critical factors in liberalizing China's crude oil under external geopolitical pressures.

a. Trade in Goods

The “Trade in Goods” of RCEP lays the foundation for liberalizing trade in merchandise among member states. Its core provisions center on reducing or eliminating tariffs in a progressive way, combined with improving market approach ability and enhancing transparency in trade regulations. This commitment applies to all goods that are traded among RCEP members, consisting of crude oil.

First of all, this agreement sets out tariff reduction and elimination commitments through country-specific schedules. Every member state pledges to lower import duties over a transitional period that leads to preferential market access expansion within the region. Besides, included national treatment principles require imported goods to be treated the same as those that are produced domestically, ensuring a fair-competitive environment for all merchandise.

In addition to tariff measures, RCEP also generates a framework to regulate and monitor the implementation of non-tariff barriers. Members have to guarantee the transparency of non-tariff measures (NTMs), consistent with WTO obligations, and not unnecessarily restrictive to trade. Simultaneously, governments have the obligation to issue legal documents related to trade and promptly notify any modifications to bolster legal predictability. Moreover, quantitative restrictions, such as import or export quotas, except under clearly defined circumstances, are restricted in this agreement to promote the free flow of goods within the region and reduce the likelihood of arbitrary trade barriers. Safeguard mechanisms are concurrently allowed, but following strict procedural requirements, so that trade liberalization remains the general rule.

b. Rules of Origin

The “Rules of Origin (ROO)” of RCEP establishes the criteria for determining whether a goods qualifies as originating within the RCEP region and is therefore eligible for preferential tariff treatment. This chapter covers two main sections. *Section A: Rules of Origin* include the treatment applied to packing and packaging materials and containers for transportation and shipment, and the treatment of accessories, spare parts and tools. *Section B: Operational Certification Procedures* provides detailed procedures for applying the RCEP proof of origin, claiming preferential tariff treatment, and verifying the originating status of a good. Under the agreement, a product is considered as originating if it is wholly obtained within a member state or if it satisfies specific product-based rules, such as regional value content (RVC) requirements or a change in tariff classification (CTC). These criteria are designed with a view to ensuring preferential treatment is granted exclusively to products with sufficient regional economic contribution.

A significant feature of RCEP’s ROO system is the cumulation mechanism, which allows producers to count inputs sourced from any RCEP member state toward meeting origin requirements. This provision facilitates regional production networks as well as encourages the integration of supply chains across member economies. By recognizing inputs from multiple member states as originating, this agreement reduces administrative burdens and additionally enhances sourcing flexibility.

Furthermore, provisions on certification and verification procedures are established to guarantee transparency and prevent misuse of preferential tariffs at the same time. Thanks to clear requirements about documentation and streamlined origin certification processes, the predictability in cross-border trade is increasingly bolstered.

2.2.3. Commitments of the RCEP related to crude oil imports stabilization

2.2.3.1. Tariff and Non-Tariff Framework

Under RCEP agreement, the trade of crude oil (HS 2709) is governed to achieve the high level of trade liberalisation among the Parties, ensuring not only cost-efficiency through tariff elimination but also operational fluidity through the removal of non-tariff barriers. Once the product meet the Rules of Origin (ROO), it is entitled to the following treatments:

a. Tariff Liberalization

Article 2.4 of Reduction or Elimination of Customs Duties states that “*Except as otherwise provided in this Agreement, each Party shall reduce or eliminate its customs duties on originating goods of other Parties in accordance with its Schedule in Annex I (Schedules of Tariff Commitments).*”. Crude oil (HS 2709), when imported from RCEP member states to China, starts with the base rate of 0.0% and remains this customs duty stable during the following years.

b. Elimination of Non-Tariff Barriers (NTMs)

Based on Article 2.17 of General Elimination of Quantitative Restrictions, every Party is forbidden from imposing or keeping any prohibition or restriction other than duties, taxes, or other charges on the importation or exportation of goods. For the crude oil trade, this means that once ROO is satisfied, China and RCEP countries cannot impose any quotas, import and export licensing requirements, or other quantitative measures that would limit the volume of oil traded within the bloc.

2.2.3.2. Rules of Origin

The RCEP agreement institutes specific rules of origin to determine which goods are eligible for preferential tariff treatment. First, according to Article 3.2(a), a goods qualifies for originating status if it is “wholly obtained or produced in a Party as provided in Article 3.3”. Pursuant to Article 3.3(e), crude oil that is taken from soil or subsoil beneath the seabed is regarded as a natural substance wholly obtained in a particular Party. In addition, for others, like synthetic crude oil, which use non-originating materials to produce in a Party must satisfy requirements set out in Annex 3A (Product-Specific Rules) (Article 3.2(c)). Under this Annex, crude oil (HS Code: 2709) traded between China and RCEP nations is subject to specific originating criteria:

HS Code (HS 2012)	Product Description	Product-
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Chap ter	Headi ng	Subhead ing		Specific Rules
27	27.09	2709.00	Petroleum oils and oils obtained from bituminous minerals, crude	CTH

Source: The RCEP agreement

In which:

- **CTH (Change in Tariff Heading)** means that all non-originating materials used in the production of the goods have undergone a CTC at the four-digit level of the Harmonized System

- + **CTC (Change in Tariff Classification)** requires that any non-originating materials (materials imported from outside the RCEP bloc) must undergo enough processing to change their HS Code (Harmonized System code) before the final product is exported.

2.3. Research gap

The security of China's oil supply and the wider economic implications of the RCEP have been covered in previous research, but it is unclear how the agreement might affect crude oil trade in the face of external pressure, and is generally lacking in sector-level comparison and analysis. The majority of the literature pays little attention to energy commodities like crude oil and instead concentrates on manufacturing supply chains or offers a broad political and economic analysis of RCEP. In light of international trade tensions and geopolitical risks, some studies focus on firms or emphasize the necessity for China to stabilize its oil supply and list a number of policy instruments that are employed to achieve this goal. However, these studies neither include comprehensive information on a sector-level analysis on this product nor show the relationship between its import situation and policies applied to manage the power of supplying parties. As a result, the ways in which these external pressures influence China's oil supply chains remain insufficiently examined. Therefore, the role of RCEP in helping China stabilize and diversify its crude oil imports, particularly under pressure from U.S. sanctions, remains under-explored in the existing literature.

2.4. Research Hypothesis Development

2.4.1. An overview of the theoretical ground

Conducted by Pfeffer and Salancik in 1978, the **Resource Dependence Theory** has been developed through a study called “*The External Control of Organizations*” (Drees and Heugens, 2010). Specifically, they provide a sufficient set of evidence that prove the reliance of an organization on external stakeholders for critical resource like capital, labor and materials. Further than providing a strategy for developing plans of organizations and businesses, the theory came over as a relevant theoretical foundations for research in the field of international trade. In a broader and politic-related landscape, the theory implies that the autonomy and

survival in specific sectors can be determined by the ability to secure the critical external resources. The theory, additionally, was expanded further than the original provision. In the study conducted by T. Casciaro and M. J. Piskorski titled “*Power Imbalance, Mutual Dependence and Constraint Absorption: A Closer Look at Resource Dependence Theory*”, it has been extended towards the side of balance maintenance in power control. Particularly, the theory has been accessed through the aspect of optimizing benefits for organization as a whole. That by, the research has underlined a scenario that urges states to minimize the power of the entities that provide resources or control them.

Within the development and completion of RDT, the authors posits 2 core principles that requires organizations to ensure: (1) *whoever controls the resources (or the transportation route) will seize the power over the side who needs those sources*; and (2) *the ultimate goal that an organization, or in this case a country, needs to accomplish is reducing external suppliers’ ability to control and increasing strategic independence over their energy*. These findings provide an important theoretical standing for this research as it shapes the hypotheses, authors’ choice of indicators and the analysis of the results. Specifically driven from the theory, the study called “Resource Dependence Theory: A Review” (2009) by A. J. Hillman, M. C. Withers, and B. J. Collins have stated that organizations, in this case, nations, will seek to improve their powers over others, mainly through accessing vital sources. Accordingly, crude oil is considered to be a vital source due to its finite nature and its critical contribution to production, economic activities and improving living standards (Daniel Liberto, 2023). Additionally, China, in a competition with the U.S. in petrochemical industry and other manufacturing sectors as a result of the trade tension, needs to counter critical actions taken by the U.S. in gaining a superior power over them through specific measures to: (1) *restructure the distribution of their suppliers* by shifting towards those that are less subject to changes and direct influence of the U.S. as well as the effect of the trade tension, and (2) *strengthen national independence over energy resources*.

2.4.2. The relationship between the suppliers’ market share and China’s plan of power re-balancing in the crude oil import structure

Drawing from the RDT together with the study by Drees and Heugens in 2010, the authors come to realize the linkage between market share and market power. They have collected that the “size of the organization”, in this case the supplying party, will result in their ability to “create and appropriate more value through economies of scale and market power” (Drees and Heugens, 2010). By that, suppliers seizing the market power get to determine and shape the trade dynamics through various tools: price adjustment, input dependence and bargaining leverage (Rhoades, 1985). Meanwhile, the study conducted by Daojiong Zha on “China’s energy security: Domestic and international issues” (2006) have stated that “the country’s thirst for oil forces Beijing to aggressively pursue international sources of supply, driving up international oil prices”. High oil prices as a result of escalated international tensions not only directly affect the global supply chain but also stress certain level of pressure on manufacturing sectors and living standards. In short, market share is the reflection of power and control. When market share leans towards the side of a particular party, their power becomes a threat for the

organization, in this case, China. Because these critical impact can disrupt the existing stability, the country needs to mitigate it through power re-balancing, re-structuring the market share to reduce the reliance on them.

With the link between the market power and market share of suppliers, this study comes to a hypothesis that changes in market share distributing among suppliers will testify the process of power re-balancing, thereby reflecting China's measures in stabilizing crude oil imports and the efficiency of import policies.

H1: China increases the market share of its strategic partners to lower the influence of traditional suppliers that incurred part of the U.S. - China trade tensions' sequential effects

2.4.3. The relationship between Herfindahl-Hirschman Index (HHI) and diversification

In the review for RDT, diversifying operations have been part of the priority to mitigate the dependence of organizations on the present parties with which it exchanges (Hillman et al., 2009). Diversification refers particularly to the concept of acts that focuses on managing risks and aims at reducing a state's strategic vulnerability by "spreading import dependencies across a wide range of suppliers, thereby ensuring that no single external disruption can significantly impair national energy stability" (Vlado Vivoda, 2000). In the research conducted by Hong on "*China's dilemma on Iran*" (2013), the balance between energy security and foreign policy considerations have been discussed. Besides, potential response measures, such as increasing diversification of suppliers and shipping options, have been explored, showing a connection between reducing concentration and lowering dependence on external forces. In this regard, the portfolio approach can help evaluate both the potential impacts of supply disruption scenarios and the efficiency of proposed prevention and mitigation strategies. In addition, the Herfindahl-Hirschman Index (HHI) is widely used as a measurement of the market power (Bromberg, 2022) that can determine the market competitiveness. In order to diversify its import market, the country would keep the index at a low, or moderate, level to avoid critical losses.

Due to the critical relationship, the research comes to the hypothesis that the changes in market concentration reflects the policy of the country in shifting towards a more independent power control situation.

H2: The Herfindahl-Hirschman Index regarding crude oil suppliers have been decreased to manage the market concentration and generate better efficiency in stabilizing their import structure.

3. Data and methodology

3.1. Research design

The research refers to the guiding process of answering research questions (Saunders et al., 2023) and testing theoretical expectations. In line with the objective of examining structural changes in China's oil import patterns under RCEP and U.S sanctions pressure, this study adopts a deductive, quantitative, longitudinal, and explanatory research design. Regarding the research approach, the study follows the deductive approach. Based on the theoretical

foundation of RDT, the study derives testable hypotheses regarding structural shifts in China's oil import composition as a reaction to contextual elements including trade tension and regional trade agreement (RCEP). Alongside with the RDT, the trade indicators are also selected based on the World Bank's proposed list of trade indicators to provide the measurement methods. In addition, the research employs a quantitative methodology that collects macro-level trade data to conduct mathematical calculation of trade indicators from countries that are the key suppliers for China's crude oil import market. Quantitative analysis enables objective measurement of trade growth, supplier shares, and diversification patterns over time.

Due to critical lack of trade data from certain countries throughout 12 years measured, the research takes into consideration only sufficient ones. This explains the lack of strategic partners of China such as Islamic Republic of Iran and the key global oil exporter U.S. Moreover, the study adopts a longitudinal time-series design, covering the period 2013-2025. The study considers RCEP an interruption event that can influence trade indicators and an alternative that is less subject to geopolitical dynamics and twists.

3.2. Measurement and data sources

3.2.1. Measurement

a. Overview on selected indicators

The study refers to 3 indicators to estimate the impact of RCEP on crude oil import of China: **import growth rate to China**, **share of RCEP suppliers**, and **trade concentration** in China with collected data from 2 periods: 2013 - 2022 and 2022 - 2025.

There are different models taken into consideration to measure the impact of RCEP but has been finally replaced by the mathematical calculation of aforementioned indicators and ordinary comparison of data between pre-RCEP and post-RCEP period and trade situation. The main reason derives from the main drawback of regression models where measurements for non-linear relationships can be disrupted due to unpredictable causes of geopolitical events. Furthermore, the study can barely interpret changes over time. Therefore, 3 indicators including (but not limited to) import growth rate, market share by supplier and the Herfindahl-Hirschman Index are adopted to measure the general import situation thanks to their ability to analyze and identify market trends, market entry barriers, and potential growth sectors. (World Integrated Trade Solution, 2010).

b. Import growth rate

The import growth rate measures the annual percentage change in China's total oil import value and serves as an indicator of the dynamic adjustment of trade flows over time. It captures whether oil imports accelerate, decelerate, or contract following the implementation of RCEP in 2022. This indicator act as a supplemental index that assists the authors in analyzing trade pace together with strategies to moderate the import market. By comparing the average growth rate in the pre-intervention period (2013-2022) with the post-intervention period (2022-2025), the study evaluates whether a structural shift in import dynamics occurred. In the context of an interrupted time-series comparative design, changes in mean growth rates provide evidence of

potential policy-associated adjustments, while avoiding strong causal claims. An increase in post-RCEP growth would suggest enhanced trade expansion or stabilization consistent with improved regional trade facilitation and institutional certainty.

$$g_t = \frac{M_t - M_{t-1}}{M_{t-1}} \times 100$$

where g_t denotes import growth rate; M_t represents total import value in year t of the product crude oil.

c. Share of import market by supplier

The share of RCEP suppliers represents the proportion of China's total oil imports sourced from RCEP member economies in a given year. This variable captures structural reorientation in supplier composition and reflects the extent to which China's oil sourcing becomes more regionally concentrated within the RCEP framework. By aggregating import shares from member countries and comparing pre- and post-implementation averages, the study assesses whether RCEP is associated with increased intra-regional reliance. A rising RCEP supplier share may indicate deeper regional integration, tariff advantages, or enhanced trade facilitation effects under the agreement. Within the quasi-experimental time-series framework, shifts in supplier share are interpreted as structural adjustments temporally aligned with the policy intervention.

$$S_{i,t} = \frac{M_{i,t}}{M_t}$$

where $M_{i,t}$ represents the import value of a member i in year t ; and M_t denotes the total import of China's regarding the product code 2709 in year t .

d. Trade concentration (Herfindahl - Hirschman Index or HHI)

This index has been widely used as a measurement of market competitiveness, or the concentration of trading in one market and considered the "size distribution of firms in a market" (U.S. Department of Justice, 2024). It is calculated by "squaring the market share of each firm" within the market competition and "summing the resulting numbers" (U.S. Department of Justice, 2024).

$$HHI_t = \sum \left(\frac{M_{i,t}}{M_t} \right)^2$$

In line with the topic, the index is used to measure the degree of concentration in China's oil import sources. It is calculated as the sum of squared market shares of each exporting country, where higher values indicate greater dependence on a limited number of suppliers. In the context of energy security and supply stability, a declining HHI reflects increased diversification of import sources, thereby reducing vulnerability to geopolitical shocks or unilateral supply disruptions. Within the interrupted time-series comparative framework, changes in HHI before and after RCEP implementation are interpreted as structural adjustments in sourcing patterns. Regarding the comparison criteria, if $HHI < 1,500$, that market is

considered a competitive marketplace. $1,500 < \text{HHI} < 2,500$ would result in a moderately concentrated marketplace and $\text{HHI} < 2,500$ or greater would be a highly concentrated marketplace (U.S. Department of Justice, 2024).

3.2.2. Data sources

This study relies on secondary data to construct a comprehensive panel of China's import flows of the product with HS code 2709. Secondary trade data are preferred when the research objective is to analyze macro-level trade patterns and institutional effects over time, as they ensure comparability and better numeric assessment in the scope of the research. The 3 measurements are majorly calculated from the result of import value from year 2013 to 2025. Trade statistics, henceforth, are sourced from internationally recognized databases, specifically United Nations Comtrade Database and ITC Trade Map because of their recognized credibility (United Nations, 2025; International Trade Center, 1999-2019) by the United Nations, United Nations Trade and Development/World Trade Organisation.

4. Results and findings

4.1. Results of Import growth rate

Table 1: Import growth rate of crude oil to China before and after RCEP

		RC EP_tot al	Russia n Federation	Sa udi Arabia	An gola	Ir aq	O man	Bra zil	Ku wait	Unite d Arab Emirates
Before RCEP	2013									
	2014	-18	26	-13	-3	16	14	28	4	9
	2015	-27	-31	-44	-48	-39	-38	9	-25	-44
	2016	70	-3	-25	-13	-16	-21	13	-15	-25
	2017	17	42	32	44	30	10	47	47	6
	2018	23	60	45	26	63	42	84	68	63
	2019	15	-1	35	-7	6	-4	18	-9	13

	019									
	2020	-30	-26	-30	-39	-19	-22	-25	-17	32
	2021	86	46	57	40	38	74	7	70	65
After RCEP	2022	134	44	48	14	48	30	21	61	97
	2023	23	3	-17	-18	-10	-14	23	-38	-18
	2024	31	4	-11	-7	5	0	-5	-37	-17
	2025	-2	-21	-9	-9	-10	-22	10	5	-5

Sources: Calculated by authors

As soon as RCEP entered into force, it was reported an exponential increase in the import growth rate of RCEP member states, surging from 86% in 2021 to 134% in 2022 while other non-party states went up slightly. This considerable transformation indicates the immediate effect of RCEP on promoting crude oil trade flows from Parties in this agreement to China, signaling an immediate concentration on RCEP partners. In addition, with a larger import rate in 2022, a large quantity of China's crude oil was also used to stockpile in order to ensure Chinese strategic petroleum reserve (IEA Report). After the initial skyrocket, the import growth rate gradually moderated and moved toward a more stable trajectory. In 2023 and 2024, this rate of RCEP member states maintained positively meanwhile other nations, except the Russian Federation and Brazil, witnessed a negative change in their growth rate. However, until 2025, the percentage of RCEP_total experienced a remarkable decrease (from 31% to -2%), but it was in parallel with the general downward trend of the market as after the period from 2022 to 2024, the demand for importing crude oil in China decreased to tighten its storage capacity rather than any contraction in purchasing intent (Vortexa, 2026)

On the whole, before RCEP, non-RCEP partners including the Russian Federation, Saudi Arabia and Brazil served as China's primary sources of crude oil. The import growth rate during this state fluctuated continuously, and was recorded with a frequency of negative numbers. Additionally, China's crude oil depended significantly on the Middle East (including Iraq, Oman, Kuwait, UAE) and West Africa (Angola), all of which are sensitive regions suffering

from various geopolitical volatility and American sanctions (Amrutha M. V., Eby J., 2026). In contrast, after RCEP, the number deliberately remained positive in the first three years. Simultaneously, a clear downward trend in growth emerged for most traditional non-RCEP suppliers which means that China had a tendency to divert to a more stable region and also withdraw from those are highly risky, specifically Saudi Arabia, Kuwait and Angola; concentrating in RCEP member countries combined with Russian Federation, Brazil and United Arab Emirates. In addition to the changes, Chinese governors have also transitioned towards electricity and low-carbon energy since the 2020s (Laëtitia Guilhot, 2022), which could lead to disrupting the process of increasing import in crude oil.

4.2. Results of Share of China's crude oil by suppliers (%)

		RC EP_ total	Russia n Federation	Sa udi Arabia	An gola	Ira q	Om an	Bra zil	Ku wait	Unite d Arab Emirates
Be fore RCEP	20 13	2.1 5	8.99	19. 29	14. 48	8.1 5	9.07	1.73	3.31	3.81
	20 14	1.7 0	10.93	16. 18	13. 53	9.0 9	9.93	2.14	3.33	3.98
	20 15	2.1 0	12.84	15. 47	11. 85	9.4 3	10.3 9	3.95	4.25	3.82
	20 16	4.1 5	14.45	13. 40	11. 86	9.1 6	9.53	5.16	4.15	3.32
	20 17	3.4 7	14.64	12. 64	12. 21	8.5 0	7.50	5.44	4.36	2.53
	20 18	2.8 8	15.84	12. 40	10. 39	9.3 7	7.24	6.77	4.97	2.79
	20 19	3.2 8	15.44	16. 57	9.5 8	9.8 4	6.84	7.91	4.46	3.11
	20 20	3.1 3	15.52	15. 73	7.9 3	10. 78	7.23	8.01	5.04	5.56
	20 21	4.0 3	15.71	17. 03	7.6 9	10. 26	8.71	5.95	5.93	6.35

er RCEP	Aft	20 22	6.6 6	15.97	17. 78	6.1 7	10. 70	7.98	5.09	6.73	8.82
		20 23	8.8 9	17.86	16. 00	5.5 1	10. 46	7.45	6.83	4.52	7.90
		20 24	12. 02	19.18	14. 75	5.3 0	11. 39	7.71	6.73	2.96	6.78
		20 25	12. 97	16.60	14. 69	5.2 8	11. 28	6.59	8.12	3.41	7.05

Table 2: Comparison of the market share of China's crude oil imports by suppliers before and after RCEP

Sources: Calculated by authors

The share of China's crude oil by suppliers experienced a soar in the statistics of RCEP_total. Prior to RCEP, the share by its member states accounted for only a small proportion in total, with the highest share being 4.15% in 2016 and the lowest one being 1.7% in 2014. However, immediately after RCEP was effective, there was a rocket from 4.03% (2021) to 6.66% (2022) in the figures of the aforementioned category, and further reaching the percentage of 12.97% in 2025. The period of four years since the agreement came into play witnessed a tripling of RCEP_total share, which highlights the structural shift from distant suppliers toward regional proximity.

Parallel to the rise of RCEP, the Russian Federation still maintained its position as a key supplier, with a consistently rising market share (peaking at 19.18% in 2024), meanwhile traditional African and Middle Eastern suppliers saw their influence wane, particularly Angola's share dropped from 14.48% (2013) to 5.28% (2025), Kuwait's share nearly halved by 2025 and others continuously fluctuated. In conjunction with these trends, the increasing share of RCEP and Brazil (8.12% in 2025) suggests that China is building a "multi-layered" shield to reduce vulnerability to any single geopolitical actor.

From interpreting the data, the research suggested that **there have been a strategic decrease in the market share of traditional suppliers** including Saudi Arabia and Oman due to their forming close ties with the USA through specific measures of partnership (Michael Singh, 2024). Together with the downward adjustment in market share of the Gulf partners, China came to increase the share of other suppliers regarding Russia and RCEP as a result of improving negotiations and signals of sustainability. The increase in Russia's market share is partially attributed to the construction of the land pipeline that directly transport crude oil from Russia to China and other importers (Carol Zu, 2022). The ESPO (Eastern Siberia-Pacific Ocean) oil pipeline have substantially reduced cost of shipment for both countries, thereby generating greater opportunities to stabilize its import structure amidst geopolitical issues.

Besides, RCEP, with the elimination in taxation have reduced a great deal of tariff barriers for China, contributing to the growth of import and market management.

4.3. Results of HHI Index measuring trade concentration

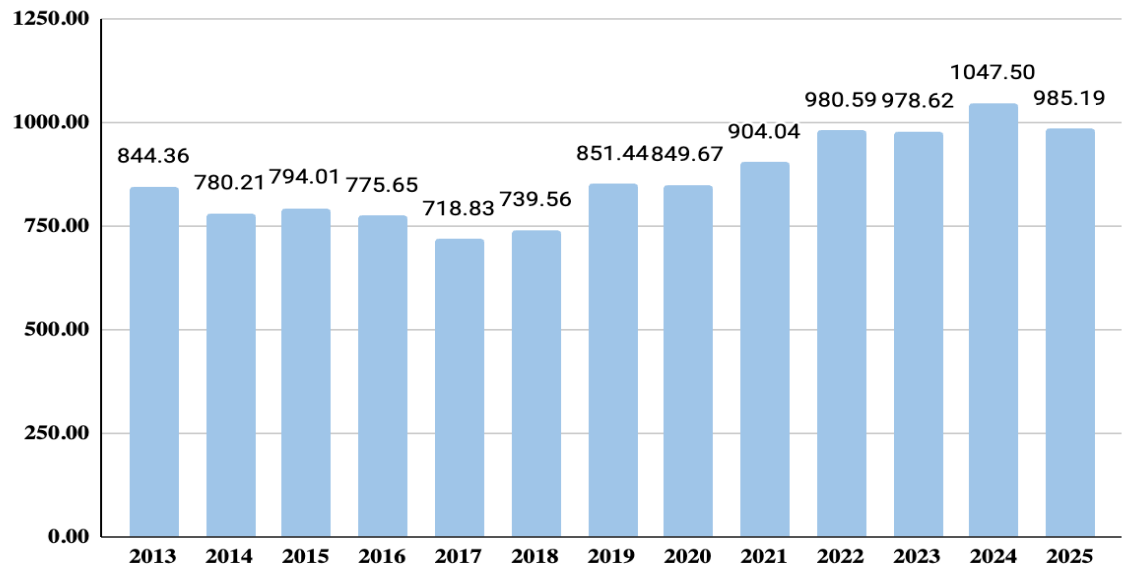


Figure 1: HHI of crude oil in China between 2013-2025

Sources: Calculated by authors

This table has demonstrated the tendency of rising trade concentration towards RCEP members. Overall, the market shows $HHI < 1500$, generally indicating China’s crude oil import market as a competitive one. Specifically from 2013 to 2021 a low level in the HHI statistics from 718.83 to 904.04 was reported. However, figure after RCEP shot up to 980.59 before touching the peak of 1047.50 in 2024. This implies that the market is transitioning from a fragmented state to a moderately concentrated one. The HHI’s upward trend coincides with a three-fold increase in the RCEP bloc's share and Russia's sustained high market presence, explaining that in lieu of maintaining a broadly distributed supply base in volatile areas, China has concentrated its efforts on secure trade corridors and politically stable allies to mitigate the impact of U.S. sanctions.

The result implies a sign of diversification and power re-balancing where traditional and giant suppliers have been less influential in the market. With the ceasing, probably towards evenly distributed, market share, the Chinese government aims to reduce potential risks once the supplying source were disrupted. Additionally, on giving a supplemental observation with the Import Growth Rate, the research came to conclude that fluctuation in crude oil import rate over the years have generated a chance for the country to gradually tackling the problem of their suppliers, together with switching towards more reliable, sustainable providers and sorts of energy.

In contrast with the predicting steady drop in HHI, China managed its moderation around the middle level of HHI. This happens due to the drawbacks of a low HHI where China would

lose the economies of scale advantage. This country is a giant oil importer of the globe, a low HHI means a highly competitive market where multiple suppliers provide the product for the country. In this scenario, China would have to import in small quantity from each exporter, leading to the drop in discount for massive purchase. Compared to the invariably high demand for oil import, it leads to unnecessary costs and reducing quality because crude oil is not a wholly obtained product (the difference in oil processing can affect the oil quality in its entirety) (RCEP). Therefore, the authors conclude that **a moderate HHI is reasonable due to the requirement to maintain balance between cost and market management.**

5. Policy implications for Vietnam

The findings on structural stabilization of crude oil imports under regional trade integration provide important lessons for Vietnam. As an economy with increasing demand for refined petroleum products and crude inputs for domestic processing (Hoa Khoa & Minh Hue, 2026), Vietnam also faces similar exposure to geopolitical factors that eventually lead to price volatility and supply chain disruptions. Based on the data available on ITC Trademap, the current importation of Vietnamese crude oil reveals a significant strategic vulnerability as it depends mostly on the Middle East, particularly Kuwait and UAE or United States of America. These regions often face complex geopolitical tensions and systemic risks, such as regional conflicts, maritime blockades in the Strait of Hormuz, or sudden shifts in U.S. foreign policy and sanction regimes, which raises a concern for Vietnam to diversify its importation, gradually change its supplier to some more stable cooperators, while utilizing bilateral agreements to benefit from tariff preferences and strengthening domestic oil reserves.

5.1. Enhance supply diversification

The importance of a diverse supply resource has been underpinned by multiple studies. Therefore, under the context of unstable energy security, the Vietnamese government should maintain, or enhance, the current levels of diversification in order to mitigate the threats posed by potential disruptions as recommended by Vivoda (V. Vivoda, 2009). Current statistics on ITC Trademap have shown that Vietnam should expand long-term procurement contracts with not only major exporters but also regional partners where trade facilitation mechanisms are already institutionalized through bilateral trade agreements and international trade-related organisations' motivation. By lowering overdependence on a limited number of exporters, Vietnam can reduce systemic vulnerability and improve negotiation leverage in price-setting.

5.2. Pivot towards sustainable suppliers and resources

The volatility in global crude oil markets, partly influenced by geopolitical tensions and sanctions, highlights the risks of over-dependence on a limited number of fossil fuel suppliers. This policy implication is driven from the shift of China towards Russia and RCEP member states and their applications of electronics in several aspects of socio-economic development. In response, authoritarians should consider: *(1) diversifying energy partnerships by strengthening cooperation with stable energy exporters; and (2) simultaneously increasing investments in renewable energy sources such as solar, wind, and hydropower.*

Regarding the imports of traditional crude oil, it is vital that the government shift towards energy sources where there is a low chance of incurring systemic disruptions such as war triggers, conflicts for natural resources to enhance long-term energy security and reduce vulnerability to global supply disruptions. In addition, expanding regional energy cooperation could help Vietnam secure more reliable and diversified energy supplies through cross-border electricity trade and shared renewable energy projects. Policies that encourage private and foreign investment in clean energy infrastructure, along with improved regulatory frameworks for renewable energy development, would further support the transition toward a more sustainable energy system and reduce systemic disruptions.

5.3. Leverage regional trade agreements towards energy security

This policy recommendation derives from the escalation of multiple conflicts that could hinder the negotiation process towards trade efficiency and peace-keeping. Trade agreements play a key role in stabilizing oil supply as negotiation progress has a direct impact on acquired results. Therefore, Vietnam's government should not only stand their position on negotiation with other countries in this domain, but also establish strategic trade partnerships through trade agreements.

Moreover, drawing from China's tactical shift under the RCEP framework, Vietnam should prioritize diversifying its sourcing toward regional partners combined with maximizing the crude oil procurement from Brunei or Malaysia and also taking advantage of RCEP to leverage preferential 0% tariffs and proximity. It's actually a strategic pathway for Vietnam to strengthen its energy resilience and mitigate the risks associated with long-haul maritime logistics.

5.4. Strengthen national oil reserves

Beside reducing dependence on imported fossil fuels and expanding the share of renewable energy in its energy mix, Vietnam authoritarians should develop proper plans both in the short run and long run regarding the use and distribution of traditional energy, especially crude oil. A strong national reserve can support a country in case of an emergency due to sudden, irresistible disruptions of the supply chain and handle long-term energy resilience while advancing its long-term climate and sustainable development goals. This can be conducted through: (1) *saving energy, managing the consumption market*; and (2) *developing independent oil extraction technology*.

China's development of the ESPO land pipeline (Carol Zu, 2022) is an example of a strategic diversification of energy transport routes, enabling direct crude oil delivery from Russia while avoiding maritime vulnerabilities like the Malacca Strait. As a result, this infrastructure helps China to reduce reliance on sea-based supply chains, which is prone to geopolitical disruptions and enhances energy security through overland alternatives.

Vietnam should prioritize constructing national strategic petroleum reserves integrated with commercial storage in key South Central regions, emulating China's model but adapted to the balancing-ties nature of the bamboo diplomacy. Unlike China's position with the U.S., Vietnam, on their way to boost the efficiency of oil trading, should balance international

relations with their partners, taking into careful consideration the contextual effects of their actions.

6. Conclusions

6.1. Limitations

Despite the significant findings, this research acknowledges several inherent limitations that should be considered when interpreting the results. This study is limited in the Product Scope and Classification (HS Codes) when it focuses exclusively on one HS Code (2709) which is petroleum oils and oils obtained from bituminous minerals, and crude oil. Besides this is one of the most critical energy imports for China (Yuan, Zhao and Umair, 2023), the broader energy landscape involves other essential components such as Natural Gas (LNG), refined petroleum products, and coal (HS Code: 2711, 2710, 2701). Due to narrowing the scope to only one HS code, the research may not fully capture whether China is shifting the import growth rate of refined products from RCEP member states or not. If China actually pivots toward importing refined oils from RCEP rather than refining them domestically, the true extent of its energy reliance on this region would far exceed the data calculated.

As the agreement officially comes into force on January 1st, 2022, the observation window is limited to just 4 years (2022-2025) which is quite short and difficult to reflect the comprehensive influence of RCEP on the realignment of crude oil imports into China. This short period may also suffer from the strong effect of the conflict between Russia and Ukraine. Consequently, the observed surge in RCEP import growth and the shifts in trade concentration (HHI) are not solely the results of the RCEP agreement's implementation but are heavily intertwined with the immediate strategic responses to the geopolitical crisis.

This research is built on secondary data with the official databases from UN Comtrade and ITC Trademap that can hardly capture every nuance of abnormal or unrecorded trade flows. Despite the assurance of consistency and objectivity in the quantitative results, the research can merely reflect the entire nature of politics. Recognizing that global geopolitical shifts can be much more complex where data itself can only partly disclose, this study comes to conclude the Chinese crude oil importing trends in the context of formal trade frameworks and documented RCEP policy impacts.

6.2. Direction for future research

Future research should adopt a multi-commodity approach via assessing crude oil in tandem with other products namely refined oil, natural gas or coal. Through this way of examining, researchers can determine whether the shift toward RCEP is a localized trend or a comprehensive structural realignment of China's entire energy import portfolio. Analyzing the patterns of these products will clarify whether the observed reliance on RCEP is significant or not when considering the full spectrum of energy trade.

As the RCEP agreement matures, further study should extend the time span. By designing a longitudinal research, the structural effects, driven by RCEP's permanent tariff concessions, and the temporary strategic responses to exogenous geopolitical shocks are also decoupled

explicitly, leading to a more accurate result about the actual impact of RCEP, especially in the long-term.

While macro-level quantitative analysis reveals broad trade trends, micro-level research is also crucial to examine China's domestic situation. This will help to provide a more thorough and detailed evaluation into the stability of China's oil structure landscape. It is vital to synthesize qualitative insights from industry-specific reports with case studies of major refineries, and expert interviews to find out the specific behaviors of state-owned refineries and regional energy logistics providers. Thereby, following studies can grasp a better understanding into the hidden mechanisms of supply chain resilience. This hybrid approach will clarify how domestic policy mandates and corporate logistics decisions at the ground level contribute to the stabilization of China's crude oil structure under unpredictable events and global shocks.

6.3. Conclusion

Under the context of RCEP and trade tensions with the United States, China has shown a tactical stability in its crude oil structure. The study has fulfilled the remaining gap from the previous studies by performing a quantitative analysis on the crude oil import structure of China under 2 specific events: RCEP and tensions with the United States and proved the relationship between the adjustment of the market share with the will of power-rebalancing. Overall, China is influenced by these events, yet not so severe due to the government's preparations in policies and social development plans.

Particularly, the study found that the country has diversified supplying resources ever since the tension signals became clear, by expanding their imports not only in scope but also in the value of crude oil. Besides, China has, generally, shown signs of a strategic shift from their traditional OECD Middle East partners towards more stable, and less subject to disputes. Despite unpatterned changes in import value, the government has made efforts in bringing the levels of imports to a stable level. Together with domestic management regulations of energy use, China's oil reserves have shown signs of balance. That said, the country has incurred, to a certain extent, consequences from the trade war with the United States and benefited from RCEP as additional resources that are less subject to conflicts. Moreover, the country itself also took a proactive step towards replacing traditional energy with electronics and sustainable energy in socio-economic aspects such as transportation and civil constructions.

To maximize the current sources and the support of FTAs in general and RCEP in specific, Vietnam should be more active in shifting their suppliers towards more secure ones and seek to expand import resources to stabilize their inputs. Negotiation plays a central role in helping Vietnam to achieve free trade agreements, which eventually assists this target of the government. Furthermore, it is important that the government consider specific measures to maintain national reserves, and enforce energy transitions to reduce the dependence on traditional energy use to the minimum level. Besides, due to certain limitations of the scope, periods and data selected, the study encourages future research to apply other analysis methods on a more moderate scale. This helps researchers to gain a closer, multi-faceted look into

China's ability to stabilize its crude oil, and other products, structure within the landscapes of global energy insecurity.

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