

Navigating Asia's Shifting Financial Landscape: RCEP, Diplomacy, and Cross

Global Finance · Practice Test · 15 Questions

1. What is the primary objective of the Regional Comprehensive Economic Partnership (RCEP) agreement, which came into effect in 2022?

- A) To establish a unified currency for all member nations.
- B) To create the world's largest free trade zone by consolidating existing FTAs and liberalizing trade in goods and services.
- C) To establish a joint military alliance among East Asian countries.
- D) To implement a continent-wide carbon tax on all member states.

2. India's 'Act East Policy,' an evolution of the 'Look East Policy,' primarily aims to foster stronger economic and strategic relations with which region?

- A) Western Europe
- B) North America
- C) East and Southeast Asia
- D) The Middle East

3. South Korea's 'New Southern Policy' (NSP) aims to elevate its relations with ASEAN and India to a similar level as its relationships with which four major powers?

- A) Russia, Canada, Brazil, and Mexico
- B) China, Japan, the United States, and Russia
- C) Australia, New Zealand, Singapore, and Thailand
- D) India, Vietnam, Indonesia, and Malaysia

4. As of early 2026, India had withdrawn from negotiations for which major Asian trade agreement, although it may commence accession negotiations at any time?

- A) CPTPP (Comprehensive and Progressive Agreement for Trans-Pacific Partnership)
- B) RCEP (Regional Comprehensive Economic Partnership)
- C) ASEAN-China Free Trade Area (ACFTA)
- D) ASEAN-India Free Trade Area (AIFTA)

5. The RCEP agreement brings together the ten ASEAN member states with which three other North Asian economies, forming the world's largest trade bloc?

- A) Mongolia, North Korea, and Taiwan
- B) China, Japan, and South Korea
- C) Russia, South Korea, and Mongolia
- D) Japan, Taiwan, and North Korea

6. Which of the following is a key objective of the ASEAN+3 Macroeconomic Research Office (AMRO) in relation to the Chiang Mai Initiative Multilateralisation (CMIM)?

- A) To de-list member states from international financial watchlists.
- B) To provide liquidity support during crises as part of a regional financial safety net.
- C) To coordinate tourism policies across ASEAN+3 countries.
- D) To establish a common digital currency for the region.

7. What is a significant expected outcome of the RCEP agreement concerning trade among its member states?

- A) A complete elimination of all tariffs, including on sensitive agricultural products.
- B) The harmonization of rules of origin, which is expected to facilitate cross-border supply chain integration.
- C) The establishment of a single market with free movement of labor across all member countries.
- D) The creation of a common external tariff for all goods imported into the RCEP region.

8. South Korea registered a trade deficit with which country for the first time in 30 years in May 2022, indicating a shift in trade dynamics?

- A) Japan
- B) The United States
- C) China
- D) Vietnam

9. The 'Act East Policy' under the Modi administration emphasizes a more proactive role for India, building upon the earlier 'Look East Policy.' What is a key focus of this policy?

- A) Reducing India's reliance on domestic industries and promoting imports.
- B) Strengthening strategic partnerships and security cooperation, particularly with Vietnam and Japan.
- C) Diverting all trade away from Southeast Asian nations towards Central Asia.
- D) Prioritizing cultural exchange programs over economic or strategic ties.

10. China's Belt and Road Initiative (BRI) aims to improve global connectivity. Which of the following is a stated goal of the BRI?

- A) To exclusively promote Western investment in Asia.
- B) To develop new markets for Chinese firms and channel excess industrial capacity overseas.
- C) To reduce China's trade with all other participating countries.
- D) To discourage infrastructure development in all participating nations.

11. The Regional Comprehensive Economic Partnership (RCEP) is the world's largest free trade agreement. Which of the following countries is NOT a member of RCEP?

- A) Australia
- B) South Korea
- C) India
- D) New Zealand

12. The ASEAN Economic Community (AEC) aims for ASEAN to become a single market and production base. What is the strategic plan guiding ASEAN's economic integration agenda for 2026-2030?

- A) AEC Blueprint 2030
- B) ASEAN Vision 2050
- C) AEC Strategic Plan 2026 - 2030
- D) Hanoi Plan of Action 2030

13. Which of the following countries is a key economic partner for South Korea under its 'New Southern Policy,' with significant focus on infrastructure development and market access for Korean companies?

- A) United States
- B) Germany
- C) Vietnam
- D) Canada

14. The China-Japan-South Korea Free Trade Agreement (CJKFTA) negotiations, which resumed in 2024 after stalling in 2019, have been impacted by factors including geopolitical tensions and the implementation of which larger regional trade agreement?

- A) CPTPP (Comprehensive and Progressive Agreement for Trans-Pacific Partnership)
- B) RCEP (Regional Comprehensive Economic Partnership)
- C) USMCA (United States-Mexico-Canada Agreement)
- D) EAEU (Eurasian Economic Union)

15. In the context of ASEAN economic cooperation, the development of a regional digital economy framework agreement, known as DEFA, is a significant initiative. What is its primary aim?

- A) To standardize regional currency exchange rates.
- B) To create a more coherent regional approach to digital trade, data, and innovation.
- C) To establish a unified ASEAN space program.
- D) To develop a common agricultural policy across ASEAN nations.