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RECONCILING BILATERALISM AND MULTILATERAL NORMS: WTO NON-DISCRIMINATION PRINCIPLES AND THE BELT AND ROAD INITIATIVE

CONCILIANDO BILATERALISMO E NORMAS MULTILATERAIS: OS PRINCÍPIOS DE NÃO DISCRIMINAÇÃO DA OMC E A INICIATIVA CINTURÃO E ROTA

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Abstract
This paper examines the legal conflicts between China Belt and Road Initiative (BRI) and the important non-discrimination regimes of the World Trade Organization (WTO): the Most-Favoured-Nation (MFN) and the National Treatment (NT). The bilateral deals that have come with the BRI, as much as they are directed towards developing world-wide infrastructure and trade, have not necessarily contributed to transparency and homogeneity with the result that they have been problematic to the multilateral system that is characterized by the WTO. The qualitative Systematic Literature Review (SLR) method was used to analyse six main academic sources, to detect common legal trends in order to identify common trends over time in literature, such as informality, bilateral asymmetry, and regulatory divergence. Findings

Resumo
Este artigo examina os conflitos jurídicos entre a Iniciativa Cinturão e Rota (BRI) da China e os importantes regimes de não discriminação da Organização Mundial do Comércio (OMC): o da Nação Mais Favorecida (NMF) e o do Tratamento Nacional (TN). Os acordos bilaterais resultantes da BRI, embora direcionados ao desenvolvimento de infraestrutura e comércio globais, não contribuíram necessariamente para a transparência e homogeneidade, resultando em problemas para o sistema multilateral caracterizado pela OMC. O método qualitativo de Revisão Sistemática da Literatura (RSL) foi utilizado para analisar seis fontes acadêmicas principais, a fim de detectar tendências jurídicas comuns e identificar padrões recorrentes na literatura, como informalidade, assimetria

denote that the BRI contracts very often meet the provisions of WTO, and very current possibilities of legal congruence appear. Legal predictability within the framework of BRI is able to be achieved to an extent that includes WTO-compatible provisions and dispute settlement mechanisms into BRI templates, which can then enforce policy coherence. In concluding its research, the authors find that simply accepting the status quo of legal innovation and institutional compatibility will help put the BRI in a position compatible and not competitive with multilateral trade governance.

Keywords: WTO, Belt and Road Initiative, MFN, National Treatment, Bilateralism, Multilateralism, Trade Law, Legal Harmonization, Systematic Literature Review, Dispute Settlement.

bilateral e divergência regulatória. Os resultados indicam que os contratos da BRI frequentemente atendem às disposições da OMC e que existem possibilidades atuais de congruência jurídica. A previsibilidade jurídica no âmbito da BRI pode ser alcançada, em certa medida, pela inclusão de disposições compatíveis com a OMC e mecanismos de solução de controvérsias nos modelos da BRI, o que pode, assim, reforçar a coerência das políticas. Ao concluir sua pesquisa, os autores constatam que a simples aceitação do status quo da inovação jurídica e da compatibilidade institucional ajudará a posicionar a Iniciativa Cinturão e Rota (BRI) em um patamar compatível e não competitivo com a governança multilateral do comércio.

Palavras-chave: *OMC. Iniciativa Cinturão e Rota. Cláusula de Nação Mais Favorecida (NMF). Tratamento Nacional. Bilateralismo. Multilateralismo. Direito Comercial. Harmonização Jurídica. Revisão Sistemática da Literatura. Solução de Controvérsias.*

1 INTRODUCTION

1.1 Background

The world trade organization (WTO) suggests the creation of new multilateral trading regime based on the principles that has a purpose to foster equality, stability and non-discriminatory attitude to the global trade. Some of the most basic ones are The Most-Favoured-Nation (MFN) principle and National Treatment (NT) obligation. MFN is a provision on the general agreement on tariffs and trade (GATT) which was included in General Agreement on Trade in Services (GATS) in the Article I and Article II in order to make sure that the advantages that are owed to members of the trade must apply to the rest of the members. Likewise, NT (GATT Art III and GATS Art XVII) guarantees that the treatment of foreign goods and services is at least as favoured as that of domestic services once they have entered the market (McCLURE, 2023). These principles depict an aspiration of universality and equity based on rules in world trade governance.

Simultaneously, the past decades have seen a sharp increase of bilateral and regional trade agreements, which are usually established beyond the scope of the WTO. The most notable of these evolutions has been the Belt and Road Initiative (BRI) by China; China started this global initiative in 2013 to promote economic connections and infrastructure construction in Asia, Africa, Europe, and other regions. The BRI promotes the distributed chain of bilateral arrangements, which incorporates free trade arrangements (FTAs), territorial financial zones (SEZs), infrastructure endeavors, and memoranda of understanding (MoUs) amongst China and its accomplice nations (Xiong et al., 2023). Although the BRI offers opportunities to develop, invest, and cooperate, it also poses legal issues concerning the compliance with the multilateral rules (especially the non-discrimination principles under the WTO).

Simultaneously, BRI contracts are often praised for enhancing infrastructure investment, trade diversification, and international relationships, particularly in developing and emerging economies. However, the contrast between the multi-lateral WTO regime and the bilateralism in the BRI style reacts to a kind of a fault line in the trading world. The bilateral agreements included in the BRI are likely to generate exclusive trading advantages, uneven treatments among partners, and no-transparency dispute settlement, which may pose a threat to the principles of trade liberalization upheld by the WTO (Fu, Chen, & Xue, 2023). Such a dynamic has been particularly controversial following the increase of geopolitical tensions and strategic application of trade policy to define national interests.

1.2 Problem statement

The expansion of Belt and Road Initiative bilateral agreements is a legal and normative challenge to the WTO non-discrimination core obligations. Although regional trade agreements (RTAs) are condoned when they involve specific conditions (e.g., Article XXIV of the GATT, Enabling Clause), selective and asymmetric BRI agreements such as preferential market access, omission of MFN or NT, or waivers of Chinese state-owned enterprises (SOEs) raise questions about their compatibility with WTO regulations. Moreover, such inconsistency of transparency and dispute settling

instruments on these bilateral agreements can be considered as one of the factors causing fragmentation of these trade governance and erode confidence in multilateralism.

This challenge is not merely theoretical. In practice, BRI arrangements have envolved discrepancies in tariffs regime, preferential treatment of Chinese state-owned enterprises (SOEs), and special investment protection measures that may conflict with MFN and NT regulations. Such legal grey areas increase uncertainty regarding enforceability, legal coherence, and the international oversight of BRI agreements, which are often shaped by informal arrangements and exhibit limited alignment with the WTO's dispute settlement mechanisms (Xu, 2022; Kortukova & Nevara, 2023). In addition, as nations continue to move towards more national security-based trade policies, as witnessed against Russia with the withdrawal of MFN trade status, the parameters of WTO rules are ever being challenged (Son & Vang-Phu, 2023).

1.3 Objective of the study

The proposed study is designed to carry out a critical analysis of how bilateral trade and economic agreements of the BRI are balanced against the WTO obligation of MFN and NT. It aims to offer a systematic legal and institutional review of the bilateralism connected to BRI via WTO law, norms of trade, and legal theory.

The research has three core objectives:

1. To examine how selected BRI bilateral agreements incorporate—or neglect—non-discrimination principles as defined under WTO law.
2. To identify legal and institutional mechanisms that can bridge gaps between bilateral arrangements and multilateral disciplines.
3. To propose policy and legal reforms for China, BRI partner countries, and the WTO that promote normative coherence and regulatory transparency.

By addressing these goals, the study aims to provide both theoretical insight and practical guidance to stakeholders navigating the intersection of bilateral trade strategy and multilateral legal obligations.

1.4 Significance of the Study

This study holds significance in two interrelated domains: academic scholarship and international trade policymaking. From an academic perspective, it contributes to the expanding field of international economic law by exploring how emerging trade architectures such as the BRI interact with longstanding legal norms under the WTO. While much has been written about the economic and geopolitical dimensions of the BRI, relatively few studies have conducted legal-empirical analyses of how these agreements comply with or deviate from WTO non-discrimination principles. This paper fills that gap by grounding its inquiry in doctrinal analysis, treaty interpretation, and thematic content review drawing from WTO legal texts, case law, and comparative bilateral agreements.

From a policy standpoint, the study offers a structured framework for reconciling BRI bilateralism with WTO multilateralism. For China, the findings can inform the development of legally consistent trade agreement templates and reinforce its leadership in international trade governance. For BRI host countries, the study provides evaluative tools to better assess the trade-offs involved in entering bilateral deals. For the WTO, it presents constructive pathways to facilitate normative convergence through peer review mechanisms, transparency dialogues, and treaty adaptation strategies.

Ultimately, the research promotes a vision of inclusive globalization, where flexibility in bilateralism does not come at the cost of fairness, legal certainty, or institutional legitimacy.

2 LITERATURE REVIEW (REVISED WITH CONSISTENT IN-TEXT CITATIONS)

2.1 WTO's Non-discrimination principles

According to the WTO, the multilateral system of law relies on two main notions of trade on the premises of the Most-Favoured-Nation (MFN) and the National Treatment (NT) obligations (Odio, 2020). These principles were initially introduced within the General Agreement on Tariffs and Trade (GATT) of 1947- namely in Articles I and III- and were later on translated into the World Trade Organization (WTO) system when it

was established in 1995. The principles are also codified in the General Agreement on Trade in Services (GATS) under Article II and Article XVII. Jaipuriar (2021) maintains that an exemption granted by a member of WTO to any country concerning trade, such as a reduction of tariffs is extended to all the member countries under the MFN principle. At the same time, the NT requirement states that a foreign product or service, which has penetrated the domestic market, will be treated no less favourably than the similar products or services that are domestic. Together, these principles promote fairness, reduce trade distortion, and enhance legal predictability.

These principles have been challenged in recent WTO cases in the dispute settlement process especially on matters that are politically sensitive. In the case of revocation of MFN status to Russia, Son and Vang-Phu (2023) examined the legal consequences of using GATT Article XXI: the national security justification. They indicated how such exceptions raise enforceability and universality of MFN obligations. Despite the intention of MFN and NT to ensure discrimination does not occur, WTO law has always been changing due to changing political factors and the emergence of regional and bilateral trade agreements. These developments including the rise of preferential trade frameworks necessitate a renewed examination of how WTO principles can be applied to contemporary trade structures like the BRI (McClure, 2023; Elliot, 2018).

2.2 Bilateralism under the BRI

The Belt and Road Initiative (BRI) is considered to be one of the most ambitious bilateral and regional economic projects of the XXI century. Unlike multilateral trade agreements, which are overseen by the WTO, the BRI is mostly bilateral in its functioning, including free trade agreements (FTAs), memoranda of understanding (MoUs), special economic zones (SEZs), and infrastructure investment agreements (Manzanares Muñoz, 2024; Zongze, 2019). According to Chan (2021), BRI bilateralism is characterized by asymmetrical negotiations between China and developing countries, in which the agreement draft favours China on a disproportionate level. Such agreements can grant privileged access to Chinese firms, be free of particular regulatory requirements, or have particular procurement advantages. The imbalance of bargaining power to negotiate mutual benefit in the smaller states having minimal or no potential to bargain

on the basis of law or institutional prospects in part insinuates anomalies as per the WTO axiom of non-discrimination development.

Chan (2021) further demonstrated the cautious approach of Singapore to the BRI in terms of its careful attention to not violating its WTO commitments in its cooperation on digital and infrastructure trade. That implies that not all BRI agreements will encompass MFN and NT compatible provisions, but this is not consistent across the board. According to Fu, Chen, and Xue (2023), despite the BRI increasing the trade of agricultural and industrial goods, it mostly does so through fragmented and ad hoc arrangements, which are off-reported to the WTO. This lack of notification and legal formality hinder the ability to gauge the compliance of the BRI with WTO requirements and undermine the international trading regulations.

To align with the theme of non-discrimination, it is essential to challenge how the bilaterality of BRI may be failing to comply with the universality and comparable treatment exactions of WTO MFN and NT provisions.

2.3 Institutional tensions and fragmentation

The increase in bilateral and regional trade pacts has resulted in what Bhagwati has called as the “spaghetti bowl” of the trade-rules that are contradictory and overlap each other. As Ogbodo (2024) has clarified, such overlapping pacts threaten the transparency, authenticity and consistency of WTO law and especially its MFN and NT principles. Ayalew (2022) notes that regional schemes such as the African Continental Free Trade Area (AfCFTA) seek to “multilateralize” such overlapping arrangements in an effort to limit fragmentation. However, the informal, bilateral and frequently opaque nature of the BRI agreements introduces new dimensions of complexity, such as the inability of dispute resolutions, little legal transparency and uniform regulatory requirements. The lack of notification and integration with WTO systems undermines the transparency essential for coherent multilateral trade governance.

While some scholars argue that RTAs and bilateral deals can act as “building blocks” toward eventual multilateralism, this depends heavily on institutional design and intention. In the case of the BRI, the predominant bilateralism and lack of dispute resolution mechanisms may act more as stumbling blocks than stepping stones. The

increasing disconnect between BRI-style bilateralism and WTO principles reflects a growing institutional tension that demands legal and policy innovation to preserve the relevance of the multilateral system.

2.4 Theoretical framework

According to Raustiala and Victor (2004), Regime Complex Theory explains how overlapping, non-hierarchical governance systems such as the WTO and BRI interact without a central authority. In such environments, actors must navigate between conflicting obligations, interpretive standards, and institutional mandates. The WTO and BRI illustrate this well: the former promotes legally binding multilateral rules, while the latter advances economic cooperation through flexible bilateralism.

Institutional Complementarity offers a more optimistic perspective. As Belete Hailu (2024) posited, institutions with different mandates and structures can still reinforce one another if their actions align toward shared goals. For example, in case the BRI agreements introduce WTO compatible dispute settlement systems and transparency measures they would become de facto extensions of the multilateral system.

Finally, Legal Pluralism in International Economic Law acknowledges that international trade does not operate under a specific law. The legal norms are rather developed by various actors as states, corporations, and international bodies working according to various legal traditions. This perspective allows for normative flexibility while highlighting the need for coordination to prevent fragmentation (Manzanares Muñoz, 2024; Tamanaha, 2021).

Overall, these theories frame the BRI-WTO interaction not as a zero-sum contest but as a dynamic field of legal negotiation and institutional adaptation.

2.5 Literature gap

Despite a growing literature on the economic and geopolitical dimensions of the BRI, there remains a significant gap in research analysing how its legal instruments align with WTO non-discrimination principles. As noted by Manzanares Muñoz (2024), most BRI studies focus on trade facilitation, infrastructure, or investment flows, without

evaluating whether the resulting agreements are WTO-compliant. Furthermore, as Jaipuriar (2021) highlighted, while MFN and NT principles have been studied extensively in the context of GATT and GATS, there is a lack of empirical assessment applying these norms to actual BRI texts. Few studies offer legal text analysis of BRI bilateral agreements to determine the presence or absence of WTO-consistent clauses.

Son and Vang-Phu (2023) raised concerns about the legal implications of invoking national security exceptions under Article XXI GATT, but this discourse has not yet been extended to the context of BRI-related trade arrangements. Likewise, legal pluralist perspectives have been theoretically explored but rarely applied to the BRI-WTO interface. Additionally, there is insufficient integration of legal theory with treaty analysis. Although Regime Complex Theory and Institutional Complementarity are still very helpful contributions, they have never been operationalized in the study of actual trade arrangements concluded under BRI.

This study fills these gaps by systematically reviewing the literature and critically assessing some of the trade agreements signed under BRI based on the evaluation of the related laws. Through this, it serves to the better estimation of how bilateralism may be reconciled with multilateral trade principles.

3 RESEARCH METHODOLOGY

This study employs a qualitative research design, utilizing a Systematic Literature Review (SLR) to analyze the interplay between bilateral trade tools to the Chinese Belt and Road Initiative (BRI) and multilateral principles of non-discrimination codified in WTO law. The SLR approach was selected over traditional doctrinal and comparative case study approaches due to the ability to synthesize with a degree of structure and repeatability a wide selection of legal and institutional sources, providing thematic generalizations with greater applicability to varied BRI settings (Van Dinter, Tekinerdogan, & Catal, 2021).

3.1 Research design

The research is based on a document-driven qualitative method, without empirical fieldwork, based on the approach of Gioia, who emphasizes text-based theory development, focusing on concept rather than on data (Gioia, 2021). Instead of interviews or surveys, the entire basis of the research lies upon the textual interpretation of the WTO legal instruments and BRI trade agreements as well as the peer-reviewed academic works and the case law of the WTO. The approach is especially applicable to the field of law and policy studies where normative interpretation and comparative treaty analysis come into play as in the case of assessing legal conformity in multilateral-bilateral regimes.

3.2 Data collection

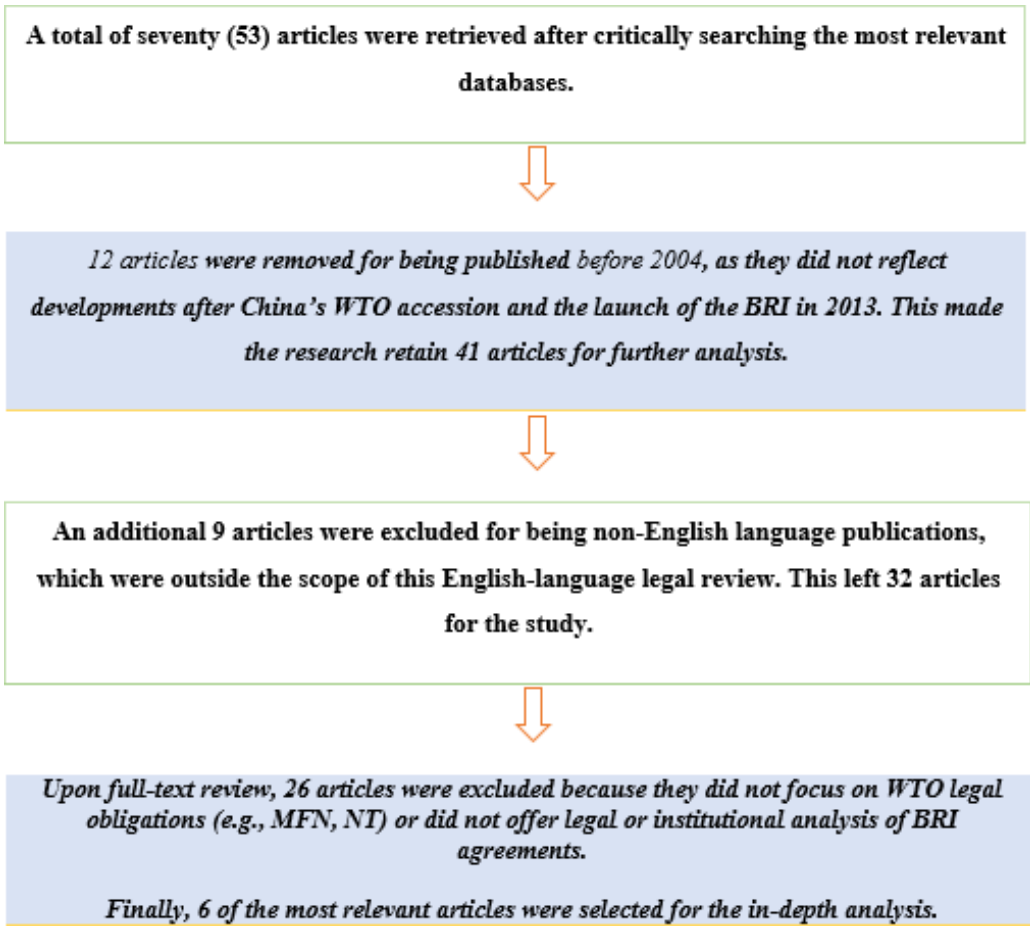
Data was collected from a mix of **primary legal sources** and **secondary academic literature**. Primary sources include WTO agreements such as GATT 1947 and GATS, dispute settlement reports, and selected BRI bilateral agreements (where texts were available). Secondary sources consist of journal articles, legal commentaries, books, and policy briefs indexed in academic databases such as JSTOR, HeinOnline, SpringerLink, and Google Scholar. The study followed **a structured search protocol** based on inclusion and exclusion criteria. Inclusion required that sources be published between 2004 and 2024, be written in English, and directly address issues related to WTO non-discrimination principles or the legal/institutional design of BRI agreements. Excluded were articles that dealt only with the economic impact of BRI or trade flows without legal or normative analysis. A PRISMA (Preferred Reporting Items for Systematic Reviews and Meta-Analyses) flow was informally applied to ensure transparency and rigor in the identification, screening, eligibility, and inclusion of sources (Van Dinter et al., 2021).

Following the screening of the records, 6 articles were included in the final analysis out of the initially 53 records. The screening procedure included an assessment of titles/abstracts, full-text eligibility, and identification of duplicates. Thematic coding was then applied to the documents that had been selected. The interpretive nature of the data and its legal nature caused manual coding to be adopted instead of software-based

instruments like NVivo. Themes were grouped into four dimensions, i.e. legal asymmetry, transparency, WTO alignment, and dispute resolution mechanisms. These codes were then been compared across with WTO legal benchmarks in order to have consistency and relevance of analysis.

Figure 1

Prisma Framework



3.3 Data analysis method

Key insights were extracted by using thematic content analysis. The legal texts were coded in terms of either the presence or absence of the MFN and NT clause, dispute settlement procedures, and WTO-consistency clause. Analysis of academic articles used to determine dominating themes, including institutional fragmentation, legal asymmetry,

transparency gaps and regulatory coherence. These themes were then cross-checked with the legal framework of the WTO in order to evaluate convergence or divergence. The comparative legal analysis also facilitated the analysis of how various BRI agreements (e.g. China-Pakistan, China-Malaysia) work around/with the norms of the WTO. There was interpretive rather than statistical analysis according to the qualitative research principles.

3.4 Ethical considerations

Though this research study did not deal with live humans, ethical standards were incorporated by ethical citation and prevention of misinterpretation. As Laryeafio and Ogbewe (2023) contend, even qualitative research relying on literature has to overcome such ethical issues as intellectual integrity, cultural relevance in the context of international contracts, and the proper portrayal of the legal stances of states. All the sources were referenced and there was no distorted or misrepresented source of secondary data.

4 RESULTS

This section presents the results of a Systematic Literature Review (SLR) based on six selected academic sources as well as relevant primary legal texts. These sources were analysed for insights into the legal compatibility of the Belt and Road Initiative (BRI) with WTO non-discrimination principles, including the Most-Favoured-Nation (MFN) and National Treatment (NT) obligations. The studies were coded for key legal, institutional, and regulatory features, and grouped into thematic categories to illustrate recurring patterns and divergences.

Table 1

Systematic Literature Review

Author(s)	Year	Focus Area	Key Findings	WTO Alignment Commentary
Chaisse & Kirkwood	2021	WTO accession as leverage for BRI	Suggests China can use WTO obligations to	Supports potential alignment through

			frame BRI as rule-based and inclusive	WTO-consistent provisions
Wang (G.)	2019	Legal foundations of BRI	Urges establishment of rules-based governance for BRI agreements	Advocates stronger legal commitments under WTO disciplines
Bhambhani & Singh	2024	Bilateral Investment Treaties (BITs) and human rights	Discusses harmonization of BITs with human rights and global norms	Suggests use of multilateral benchmarks including WTO for legitimacy
Wang (H.)	2021	Typology and features of BRI agreements	Highlights informality, strategic ambiguity, and bilateralism in BRI agreements	Points to lack of enforceability and limited WTO reporting
Khan, Abd Elrhim, and Soomro	2021	WTO reform from China's perspective	Discusses China's dual strategy: WTO reform and BRI expansion	Suggests China's commitment to WTO is strategic, but BRI often bypasses norms
Shi & Li	2023	Sustainability and regulation in BRI	Emphasizes need for regulatory alignment with international standards	Encourages adoption of WTO-aligned sustainable development norms

4.1 Informality and bilateral asymmetry in BRI agreements

BRI agreements often exhibit legal informality and asymmetry provisions, raising concerns about their alignment with WTO non-discrimination principles. Unlike formal trade agreements notified to the WTO under Article XXIV of GATT, many BRI instruments including Memoranda of Understanding (MoUs), Letters of Intent, and Framework Agreements lack binding commitments and are rarely subject to enforceable dispute settlement mechanisms. Wang (2021) emphasizes that BRI agreements generally avoid treaty-level formality, instead reflecting China's preference for flexible, strategic instruments that allow adaptation based on political or economic context. This informality may serve diplomatic and developmental goals but results in inconsistent application of core trade principles such as the Most-Favoured-Nation (MFN) obligation under GATT Article I. The legal framework governing such agreements is not standardized, further motivating BRI stakeholders to treat one another differently. This disparity of treatment may be a breach of the MFN (Most favoured Nations) policy, whereby benefits of trade bestowed on a member should also benefit others.

Particular emphasis on equal treatment can be found in primary texts of WTO (Article I of GATT 1947) but the preferential treatment of Chinese enterprises can be witnessed in BRI documents (e.g., China-Pakistan MoU, China-Malaysia Investment

Agreement) that include privileges like exemptions in application of public procurement regulations and lowering tariffs, which are not being applied uniformly. Such deviations are points of suspicion regarding compatibility.

Khan, Abd Elrhim, and Soomro (2021) argue that such bilateral instruments usually entail unequal relations of power, with China, a more powerful party, obtaining preferable conditions, such as preferential access to Chinese state-owned enterprises (SOEs), exclusive concessions, and lax local regulations. These asymmetries are in sharp contrast to mutual benefit and reciprocity that is promoted by WTO. In addition, even the National Treatment (NT) provisions are often not included in BRI accords, which makes them even more distant towards the WTO principles that stipulate the treatment of foreign and domestic goods, services, and investments that have been introduced on the market to be equal after they are introduced to the marketplace.

4.2 Opportunities for normative harmonization

Legal divergence notwithstanding, researchers find ways of bridging the BRI bilateralism and WTO multilateralism. Chaisse and Kirkwood (2021) suggest that China might use its membership and commitments to the WTO strategically toward reframing the BRI as an international order operated by rules. They claim that the accession of China to the WTO gave a normative pattern of legal and regulatory alignment, and that the BRI can take advantage of standards of aligning its form with well-established legal frameworks. One of the recommendation is to incorporate MFN-like provisions in the BRI agreements to negate the apparent discrimination. Moreover, Chaisse and Kirkwood argue that dispute resolution procedures may also be based on the Dispute Settlement Understanding (DSU) of the WTO, which provides certainty and equity. These reforms would improve the legal predictability of BRI partners and would diminish the tension between it and the wider multilateral trading system.

Similarly, Wang (2019) proposes institutionalization of the BRI legal framework. Wang states that it would reduce the anxieties of selectivity as well as arbitrariness by creating a formal legal system to monitor adherence and exercise of transparency and autopeacification of conflicts. Institutional design can incorporate WTO-friendly language regarding transparency, technical obstacles to trade and investment protection.

Although harmonization is not required with WTO membership, the results provide that harmonization may be generated due to the integration of WTO principles in BRI legal documents. In that regard, the legal development of the BRI towards multilateral compatibility is not only feasible but also necessary in order to protect its legitimacy amongst developing and developed trading parties.

4.3 Regulatory integration and sustainability considerations

Another theme that has emerged in the recent literature is the need of agreements under the BRI frameworks to incorporate the wider regulatory and norm frameworks, particularly concerning international law norms of sustainable development. Shi and Li (2023) argue that by ensuring that the BRI abides by international standards of sustainability (including those reflected in WTO technical and environmental agreements), the BRI would not only be more legitimate, but would also help with long-term stability in countries. Their research suggests that three-tiered regulation of BRI: the incorporation of international sustainability requirements into bilateral contract; the alignment of BRI host country regulators to WTO-compatible environmental and labour requirements; and the cross-border coordination of sustainable infrastructure building. The given framework would enhance the international legal image of BRI and reduce the regulatory exceptionalism typically applied to Chinese foreign investments.

Bhambhani and Singh (2024) extend this argument to the context of human rights, stating that BRI-related Bilateral Investment Treaties (BITs) must include the obligations in line with the multilateral norms, such as WTO. Their text substantiates the notion that the concept of harmonization could extend beyond facilitating trade to social and ethical responsibilities. As an example, NT and MFN may be extended so as to include standards of corporate social responsibility (CSR) and grievance procedures to allow the indigenous people who are affected by the NT and MFN to complain about the situation. This overlap between the WTO and sustainability/rights-based governance is an indication of a maturing of the BRI as a system of global governance, rather than an economic project. Although the implementation is still inconsistent, these academic pieces highlight that a WTO compliant BRI does not have to be rigid; rather, it can be structured so that it presents a perfect combination of the strategic interests and multilateral responsibility.

4.4 Strategic dualism: WTO advocacy vs. BRI practice

The difference between the rhetoric of Chinese support in reforming the WTO and its actions based on the BRI is an example of strategic dualism. Khan et al. (2021) write that this dualism is a strategic move that would place China in the position of enjoying both rule-based and pragmatic multilateralism. China, on the one hand, actively promotes the modernization and preservation of the WTO system. Conversely, the BRI deals it cuts tend to exist within legal silos, isolated from the disciplines, transparency schemes, and non-discrimination obligations of the multilateral order. This duality causes an institutional tension and a normative tension. The WTO practice of rule-making, non-discrimination and, accountability based on peers contrasts with the BRI penchant to privacy, informality and state-to-state negotiation. As Khan et al. argue, this undermines confidence in the WTO's capacity to act as a universal regulatory forum and may encourage other major economies to pursue similar parallel strategies.

This dualism also complicates dispute resolution. WTO adjudication relies on enforceable legal obligations and public proceedings, whereas BRI disputes are typically resolved through political dialogue, ad hoc tribunals, or Chinese domestic institutions. The absence of transparency and third-party review mechanisms weakens the legal predictability that investors and trading partners seek. The literature reveals that unless China's WTO engagement is mirrored in its BRI conduct, legal fragmentation will persist. However, scholars note that this divergence is not inevitable. Institutional innovation such as voluntary notification of BRI agreements to WTO bodies, use of WTO-compatible language in BITs, and promotion of third-party dispute settlement can reduce normative gaps and foster systemic convergence.

4.5 Thematic synthesis and implications

Across all reviewed sources, the central insight is that the BRI is legally flexible but normatively inconsistent. The absence of MFN and NT commitments, the informal nature of agreements, and strategic asymmetry create structural challenges for WTO compatibility. However, scholars also consistently suggest that there is significant room for legal convergence especially through the intentional incorporation of multilateral

norms into bilateral arrangements. Chaisse and Kirkwood (2021) and Wang (2019) present constructive pathways for institutional and legal harmonization. Shi and Li (2023) and Bhambhani and Singh (2024) reinforce this perspective by demonstrating how broader normative values like sustainability and human rights can be layered into BRI frameworks using WTO principles as a legal foundation.

The result is an intellectual framework, whereby bilateral and multilateral need not be mutually exclusive. BRI agreements may be carried out in a legal framework that is multilateral-friendly, with laws that do not discriminate against non-members of the WTO based on the non-discrimination provisions of the WTO. The solution to the dilemma between serving and adhering to bilateral and multilateral is not a matter of either one but a matter of engineering hybrid sources that draw their power in different sources of law.

5 DISCUSSION

The results of the systematic literature review demonstrate that there is a complicated association involving the concept of the Belt and Road Initiative (BRI) together with the multilateral norms that are entrenched in the World Trade Organization (WTO) in the form of a most-favoured-nation (MFN) principle and the principle of national treatment (NT). Although the BRI has fostered notable infrastructure and trade collaboration in Asia, Africa and Europe, the bilateral and frequently informal character of bilateral cooperation in the BRI resistance against WTO non-discrimination tenets and the non-coordination of the international justice of trade system is posing a threat. The main problem based on the analysis is the legal asymmetry of and selective transparency of BRI agreements. Some of these agreements are designed to be flexible and secretive, which can be financially beneficial to the Chinese diplomatic agenda, but it goes against the WTO requirement of predictability and consistency (Wang, 2021). According to WTO, the benefits granted to one member of the organization should be granted to the whole, but BRI arrangements often provide unique conditions to certain nations in the country, failing the MFN obligation (WTO, 1947). This encourages legal fragmentation, and defeats to the playing field approach to trade provided by multilateral trade law.

However, this discussion is not one-sided. Various researchers claim that the incompatibility between BRI and the WTO norms does not have to be lawless. According to Chaisse and Kirkwood (2021), China can use legally sound terms of WTO agreements to recast the BRI agreements and increase the legitimacy of such agreements as well as diminish criticism. They cite the Northern example of WTO entry of china as one where a domestic and international regulation systems can be evolved to the normative convergence of two systems. The more rule-based approach to the BRI is also promoted by Wang (2019), who suggests that legalizing WTO-based obligations would help diminish the uncertainty and enhance trust of the partners. In this context, there is potential in harmonization since China has a potential and interest in integrating transparency and non-discriminatory measures into its bilateral agreements. These may include the MFN-type measures, settlement of dispute through the WTO Dispute Settlement Understanding (DSU), and notification of agreements to WTO Secretariat. Although this would involve moving away from strategic ambiguity to legal precision, it is a move that is gaining traction in legal circles (Wang, 2019; Chaisse & Kirkwood, 2021).

The discussion also indicates a wider pattern of global trade governance, namely convergence of economic and social as well as environmental norms. According to Shi and Li (2023), the BRI agreements may also be improved by the incorporation of sustainability criteria and the WTO-compatible mechanisms of regulations. Their three-level framework which involves international responsibility, national regulatory consistency and cross-border collaboration is one of the solutions that offers the right direction to bring the BRI investments to global trade and environment goals. Furthermore, Bhambhani and Singh (2024) state that Bilateral Investment Treaties (BITs), to which most of the BRI activities are connected with, can also be used as a source to entrench human rights and corporate accountability legal requirements. They promote the principles of non-discrimination provisions in BITs and a reflection of similar WTO commitments and the introduction of a treaty with fair or grievance procedures. The strategy can give a legal framework of BRI investments a stronger standing and make trade more inclusive and balanced.

However, as Khan et al. (2021) highlights a peculiar duality still exists in Chinese trade stance in the world arena. Though Beijing repeatedly advocates WTO reform and

multilateralism, there are unconditional practices in the BRI that frequently violate WTO rules in support of ad hoc multilateralism. Such two-tier approach when uncontrolled may promote fragmentation of regime, undermine multilateral enforcement, and inspire other actors in the world to reciprocate bilateralism. These effects would further erode the normative power of WTO and diminish the temptation to engage in international trade cooperation. The main implication is that legal and institutional integrity is the key to maintain integrity of the world trade. With the enhanced infiltration of trade in geopolitics as well as climatic commitments and social justice issues, international legal regimes should consider the flexibility of states coupled with regard on normativity. A recalibrated BRI has the potential to become a strong force of such an evolution.

Finally, this discussion supports the idea that bilateral and multilateral governance of trade does not have to be at conflict with one another. By fully embracing legal creativity and devotion to WTO-compliant transformations, China and its BRI participants will find a way to mutually balance flexibility and fairness to create a world of inclusive, transparent, and sustainable trade cooperation.

6 CONCLUSION AND RECOMMENDATION

This research contributes critically to the discipline of international economic law since it provides a legal and institutional examination of the interplay and the differences between bilateral agreements under China Belt and Road Initiative (BRI) and the multilateral principles of the World Trade Organization (WTO), including the Most-Favoured-Nation (MFN) and National Treatment (NT) principles. The BRI-related bilateralism reviewed under the prisma of non-discrimination in WTO shows us the clearly recognizable picture of a complex and changing legal order. Although the Belt and Road Initiative has immensely elevated China as a world leader in trading and investments, it has also created a lot of turbulence in the multilateral trading regime. The point of convergence between these tensions is the fact that many of the agreements in the BRI are so incompatible with the WTO core principles of Most-Favoured-Nation and National Treatment due to their informal nature and country-specificity. These principles require consistency and fair treatment between members, which BRI bilateralism struggles to achieve regularly by being flexible, of a strategic nature, and containing no

binding commitments. However, research results indicate that the presumed opposer of BRI bilateralism and WTO multilateralism is not arefing. However, there is a strong normative fit potential, given that China and the countries involved in the BRI deliberately have to incorporate clauses into the agreements that conform to WTO rules and regulations. Researchers like Chaisse and Kirkwood have pointed at the use of WTO accession obligations as a model that could be applied to legal and regulation reform under BRI jurisdictions. Likewise, Wang provides the emphasis on the institutionalization of the transparency, disputes, and compliance patterns reflecting multilateral standards and norms.

To overcome these challenges, this paper suggests China should become more rules-oriented when it comes to how BRI agreements are designed, as well as implemented. In particular, new negotiations are to be made through provisions that allow clear expression of MFN and NT in even bilateral dealings. In this way, China would strengthen its professed intentions to be multilateralist and abbreviate normative conflicts between its worldwide infrastructure project and the WTO legal framework. Besides, BRI arrangements will be more credible and legally predictable through incorporation of WTO-compatible transparency provisions and third-party settlement of disputes, which will address particularly developing country partners. Overall, the results argue in favour of the proactive nature of the policy implying compliance with the law, policy consistency and multilateral interaction. A future of the global trade governance relies not merely on the survival of such multilateral institutions as WTO, but on their capacity to evolve and accommodate regional or bilateral innovations. When structured on a WTO-compatible basis, the BRI can be used not as an alternative to multilateralism but as its reinforcement and amendment on both sides of the rapidly evolving world order.

7 IMPLICATIONS

The implications of this study to international trade law, policy and governance are considerable. It plays an important role when it comes to the academic implications because it analyzes the interplay between the agreements of the BRI, and the principles of non-discrimination of the WTO, and provides a model that can be used to resolve the conflict between bilateralism and multilateral norms. It is legally significant since it

proves that informal and asymmetrical agreements like BRI arrangements can be adjusted to a WTO-consistent format, by being sensitively incorporated with MFN, NT and transparency rules. The policymakers, as they will mostly be those in China, can use the findings in the study as a direction to move on improving the legitimacy of BRI by embarking on legal structuring that is within the WTO framework. To the BRI partner countries, the paper highlights the requirement of legal protection to promote an even-handed result. Finally, WTO itself is also requested to be more active in embracing the regional trade efforts and thus, this can further cement its core in global trade governance as well as in illustrating some degree of systemic coherency on a fragmented landscape of trade.

8 FUTURE DIRECTIONS

The study could be further developed by future studies which should carry out cross-legal comparisons of individual BRI bilateral agreements and their WTO obligations, preferably with the use of empirical data or case-based doctrinal. The bilateral, in-depth examination of an agreement like the China-Pakistan Economic Corridor (CPEC) or China-Malaysia investment treaties might provide tangible material of inconsistency in the law or the chances of normative convergence. In addition, scholars may want to examine the changing nature of digital commerce, environmental responsibility, and corporate responsibility in BRI trade agreements as well as their interface with WTO agreements. With further development of trade diplomacy of China, longitudinal analysis of any changes in the language used in BRI-related contracts over the period of time would also provide a significant contribution to the analysis of the direction of legal cross-border harmonization in the field of global trade governance.

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Authors’ Contribution

All authors contributed equally to the development of this article.

Data availability

All datasets relevant to this study's findings are fully available within the article.

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