

# Study on the Countermeasures of Trade Facilitation between China and Countries along the Belt and Road

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**Abstract:** Trade facilitation is one of the most important magic tools for the smooth implementation of the Belt and Road initiative, under the impact of the epidemic, the economic development of many countries along the Belt and Road has stagnated or even regressed. In order to ensure the smooth implementation of the Belt and Road initiative and promote the comprehensive recovery of the regional economy, it is necessary to promote the trade facilitation process from many aspects. This paper has taken advantage of the case analysis method and literature research method to review the current situation of China's trade with countries along the Belt and Road, focus on exploring countermeasures to promote trade facilitation along the Belt and Road, and put forward specific suggestions based on relevant factors.

**Keywords:** The Belt and Road; Trade Status; Trade Facilitation; Countermeasure Research

## 1. Introduction

Today, the international economic situation is turbulent and volatile, and the Belt and Road Initiative continues to create opportunities out of challenges, settling down well and achieving good results. The stunning achievements open a wider and closer range of cooperations among countries along the Belt and Road, expanding markets, seeking opportunities and creating prosperity together, which means the Belt and Road Initiative closely linked to the building a human community with a shared future. Up to now, many scholars have studied the factors hindering the promotion of trade facilitation of the Belt and Road Initiative and proposed corresponding solutions, but most of them are based on a single-sided research perspective. Therefore, this paper is committed to putting forward a systematic and comprehensive countermeasure.

## 2. The Current Trade Status between China and countries Along the Belt and Road

Table 1: China's Foreign Trade Volume in 2021

China's Foreign Trade Volume in 2021	Units/Trillion Yuan	Year-over-year growth rate (unit %)
Total Import and Export of China	39.1	21.4%
Total Exports	21.7	21.2%
Total Imports	17.4	21.5%

Table 2: China's Trade Volume with Countries along the Belt and Road in 2021

China's Trade with countries along the Belt and Road	Units/Trillion Yuan	Year-over-year growth rate (unit %)
Total Import and Export	11.6	23.6%
Total Exports	6.6	21.5%
Total Imports	5.0	26.4%

Source: China's Network Statistics of the Belt and Road

Since the epidemic, China's trade with countries along the Belt and Road has been developing steadily and well. New projects, enterprises and construction have been continuously incubated with creativity and vitality in the face of new challenges in the global economy, it has gradually become the backbone of expanding the trade scale and enriching the trade structure of countries along the Belt and Road, indicating that China's policy to deepen economic exchanges with countries along the Belt and

Road and build a harmonious and open international economic environment is correct and forward-looking.

Table 1 shows that China's total imports and exports to countries along the Belt and Road account for 29.6 % of China's total foreign imports and exports in 2021, and the proportion continues to grow steadily. A comprehensive analysis of table 2 data shows that the potential of trade cooperation between China and countries along the Belt and Road is being continuously released.

### **3. Analysis of Countermeasures to Promote the Trade Facilitation of the Belt and Road**

Throughout the analysis of a large number of data and scholars' study, this paper proposes corresponding solutions from four aspects: infrastructure construction, government influence and foreign trade policy, financial environment, and e-commerce [1].

#### ***3.1. Improve the Infrastructure Construction of Countries along the Belt and Road***

General Secretary Xi Jinping pointed out that the Belt and Road construction should deepen interconnection and improve the four-in-one interconnection layout of land, sea, sky and network, and should pay attention to strengthen traditional infrastructure and quantify new infrastructure.

The traditional infrastructure along the Belt and Road mainly includes railways, seaports, airports etc., of which railway construction has the heaviest status and the greatest achievements[2]. The China-Laos Railway, the China-Thailand Railway, the Hungarian-Cypriot Railway have been completed one after another, marking the leap from scratch in railway construction. As a major country in railway construction, China has been constantly exporting talents and keeping pace with capital, giving full play to the spirit of 'co-construction and sharing' and actively promoting the construction of the Belt and Road railway network. In the future, China can set up a selection and training project for relevant talents in China, and multiple enterprises can jointly build a talent exchange management system, train relevant talents in a certain project and direction, establish a talent pool and balance the needs. At the same time, speed up the construction of railway, airport and seaport at border ports, so that border provinces and ports can do their best.

In terms of new infrastructure, it is crucial to focus on accelerating the popularization of Internet-related facilities and equipment and promoting the promotion and landing of high-tech technologies. China is experienced in new infrastructure construction, for example, Huawei, China Unicom, China Mobile and other leading domestic new infrastructure companies have made significant achievements and breakthroughs in the construction of broadband network coverage and 5G base stations, which play a leading role in multiple different fields.

#### ***3.2. Formulate Foreign Trade Policies Suitable for National Conditions***

Foreign trade policy is related to the development direction and prospect of one country's foreign trade, so it should be adapted to national conditions. Despite regional differences in foreign trade policies, countries along the Belt and Road should open foreign trade policies, deepen foreign trade transactions and promote regional economic development on the basis of mutual consultation and interaction[3]. Meanwhile, customs policies play a significant role in foreign trade[4]. In order to reduce economic, political and legal disputes caused by differences and promote trade facilitation, countries along the Belt and Road should establish a transparent and unified customs environment to improve the efficiency and quality of customs clearance. China must also continuously improve its foreign trade system and establish a complete regulatory system.

#### ***3.3. Create a Well-Connected and Diversified Financial Environment***

Investment and financing are the core of the financial environment. Without it, many enterprises cannot invest and develop overseas. To build a good investment and financing environment under the Belt and Road Initiative, international financial institutions such as the Asian Infrastructure Investment Bank, the Silk Road Fund, the World Bank, the BRICS Development Bank and the Asian Development Bank should undertake the due obligations[5]. In the meantime, regional economic organizations should first stimulate the financial environment internally, and then communicate and cooperate with each other outside regions, so that the financial environment can be interconnected, three-dimensional and stable. Deepening financial integration as well as attracting multilateral development institutions,

financial institutions in developed countries, and enterprises capable of investing to participate in investment can make the investment environment achieve self-sufficiency.

The development of financial market is inseparable from the rich and diversified financial instruments, which guarantee the stability of complex financial markets, and the improvement of market system, which needs to be constantly explored, formulated and improved. The adjustment of any system has a certain policy adjustment delay. Therefore, when formulating the financial system about the Belt and Road Initiative, the complexity of policy downward should be reduced, and the inclusiveness of national financial systems should be considered in combination with the large financial environment of the Belt and Road Initiative.

#### **3.4. Vigorously Promote the Development and Promotion of E-Commerce**

Under the Belt and Road Initiative, cross-border e-commerce has become an important point for foreign trade, an air Silk Road will be built through it. However, due to various objective and subjective factors, the penetration of cross-border e-commerce in many countries along the Belt and Road varies greatly, so the development needs to meet the requirements of regionalization. China can strengthen its support for e-commerce enterprises with strong development momentum, deepen its influence on foreign cross-border e-commerce industry, and make the whole cross-border e-commerce platform more streamlined and convenient for development and management.

In addition, countries along the Belt and Road and countries participating in RCEP are highly overlapping. Combining the e-commerce market of the countries along the Belt and Road with the RCEP agreement can promote the realization of 'zero' tariff of commodities in these countries, saving customs working time and cost, making cross-border logistics more convenient and rapid.

The development of cross-border e-commerce is the development of technology and information. Only by making the circulation of information faster and more transparent, can we better judge the prospect and potential of the development of cross-border e-commerce, meet the needs of consumers and enterprises, and make the development grow faster. Cross-border payment is a key part of cross-border e-commerce. While promoting the development of cross-border platforms, we should also take actions to make it more convenient.

#### **4. Conclusions**

Exploring the way of Belt and Road trade facilitation can not be limited to a single factor, but should be fully considered. In the process of exploration and development, we must make the best use of materials, make full use of its advantages and talents. The establishment of systematic promotion strategies can enable multiple industries and departments to cooperate and operate efficiently.

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