

# High-Quality Development of Regional Trade in Services—The Case of Guangxi

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**Abstract:** *The development of trade in services in China's border areas has special characteristics. Guangxi is located in the frontier region, and its service trade has numerous potential advantages, but the import and export are not satisfactory. Analysis with the diamond model reveals that Guangxi has abundant support of basic elements such as labour and capital, stable trade in goods and service industry support, and driven by residents' consumption and international service consumption demand, but there are still problems such as small scale of trade in services, low level of innovation, and limited support for modern service industry. Based on this, in order to promote the high-quality development of Guangxi's trade in services, relevant suggestions are put forward in terms of improving the openness of trade in services, focusing on the development of service industries comparative advantages, promoting the intergrated development of multi-industry, and strengthening the cultivation of talents.*

**Keywords:** *Trade in Services, High-Quality Development, Diamond Model, Comparative Advantages*

## 1. Introduction

At present, the world is in a situation of great change unprecedented in a century, coexisting with crises and opportunities. The international environment of global economic downturn and trade friction, as well as China's manufacturing-based industrial structure and the level of trade in services, which is far lower than that of developed countries, all indicate that it is urgent to realise the high-quality development of trade in services. In order to promote the high-quality operation of the economy, the state and governments at all levels have introduced policies to support the development of trade in services. On 29 October 2021, the Ministry of Commerce and other departments formulated the "14th Five-Year Plan for the Development of Trade in Services", which comprehensively established the goal of the high-quality development of trade in services, one of the key tasks is upgrading the development capacity of trade in service in western China. In this regard, Guangxi has issued the "14th Five-Year Plan" document for the high-quality development of modern service industry to create a globally competitive service economic centre in the southwestern, central and southern regions. At present, the trade in services of Guangxi still exists problems such as small scale, low overall quality and efficiency of development. Therefore, it is of great policy guidance significance to comprehensively analyse the endowment conditions for the development of trade in services in Guangxi and put forward the path to achieve high-quality development of trade in services in Guangxi.

## 2. Literature review

The high-quality development of trade in services is of great significance for China to stabilise employment, protect people's livelihoods, promote consumption, promote trade, pull the market and stabilise growth, and to take out a new way to effectively cope with the impacts of the situation in which the global economic growth is highly uncertain, unstable, and dominated by the downside risks, so as to realise the virtuous cycle[1]. High-quality development of trade in services is to enhance the competitive strength of trade in services and improve the level of innovation under the guarantee of a perfect institutional system of trade in services, and then achieve the coordinated and balanced development of trade in services[2].

The high-quality development of China's trade in services is faced with advantages such as the expanding scale of services, the rapid development of new business forms, and the support of trade pilot systems and external exchange platforms, but there are problems such as the low level of

openness, long-term deficit, structural imbalance in trade in services, and weak international competitiveness[1][3], which have also become one of the constraints on the high-quality development of foreign trade [4]. In order to promote the high-quality development of service trade, scholars coincidentally affirm the important role of digital trade and analyse it in this regard. Tang Jing and Xia Jiechang (2020) [5] constructed an indicator system to quantify the degree of high-quality development of trade in services, and pointed out that the implementation path of high-quality development of China's trade in services should take into account openness and security, promote structural co-ordination, promote sustainable development and enhance international competitiveness.

The uncoordinated regional development of trade in services makes the development path of trade in services in the hinterland, especially in border areas, special. Zhang Ying et al. (2016) [6] concluded that hinterland provinces need to rely on industrial policies, talent introduction policies, and the introduction of foreign investment to establish service trade export advantage industries. Gao Dan and Huang Hua (2021) [7] study that border areas are constrained by foreign trade conditions, infrastructure, business environment, talent, capital, technology, etc., there are problems of small scale of foreign trade, weak competitiveness, and insufficient supporting support, and it is necessary to promote the high-quality development of foreign trade in border areas from multiple perspectives together, such as policy improvement, platform construction, supporting support, consolidation of industrial elements of the enterprise, and border cooperation, and so on. Looking specifically at Guangxi, Wang Yaohua and Ning Longtang (2018)[8] argued that the service industry between Guangxi and ASEAN countries has trade complementarity, and priority should be given to the development of tourism, transport, construction, communication and financial services. However, Wen Xue et al. (2019) [9] concluded that Guangxi is at a generally convenient level of trade facilitation, and its transport advantage of comprehensively docking with ASEAN has not been given full play. Guangxi's service trade exists problems such as small scale, lagging development, underdeveloped processing trade industry, open platform function to be upgraded, and insufficient supporting services support[10].

In summary, the high-quality development of trade in services is a top priority for promoting high-quality economic development. There are fewer studies on the high-quality development of service trade in Guangxi, and there is a lack of research support on the positioning and realisation path of high-quality development of service trade. This paper starts from the current situation of service trade development in Guangxi, uses the diamond model to comprehensively analyse the material basis for the high-quality development of Guangxi's trade in service from six aspects: production factors, related and supporting industries, demand conditions, enterprise structure and competition in the same industry, the government and opportunities, analysing the path of high-quality development that enhances the competitive strength of Guangxi's trade in services, improves the level of innovation in the trade in services, and promotes the coordinated and balanced development of the trade in services.

### **3. Analysis of the current situation of trade in services in Guangxi**

#### **3.1 Overall size**

Guangxi's trade in services is in an export disadvantageous position with small scale and weak competitiveness. In terms of scale, in 2014, the import and export of Guangxi's trade in services was 4.450 billion dollars, accounting for 10.98% of the total foreign trade of that year, and climbed to the highest point in 2015, with the total import and export of trade in services reaching 6.008 billion dollars, accounting for 11.76% of the total foreign trade of that year, and then showing a downward trend to 2.566 billion dollars in 2021. Sub-import and export, in addition to the import and export of 2015 was basically flat, Guangxi's import and export of trade in services is basically in deficit, but the deficit continues to shrink from 576 million dollars in 2016 to 280 million dollars in 2019, and in 2020 by the impact of the epidemic, there was a substantial reduction in domestic exports, and the deficit appeared to expand again. Measurement with the TC index found that Guangxi's trade in services was in an export disadvantageous position, and the disadvantage was improved during 2016-2019, with the TC index rising from -0.16 to -0.08, and the disadvantageous position was further deepened by the impact of the epidemic.

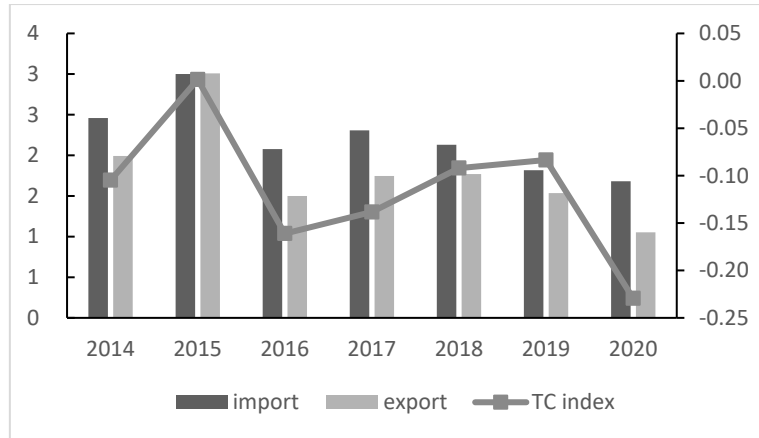


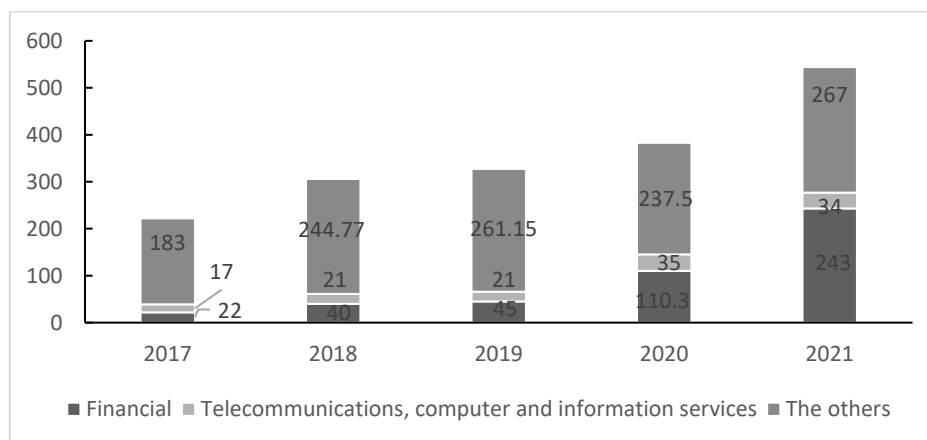
Figure 1: Import and export value of trade in services in Guangxi (US\$ billion) and TC index, 2014-2020.

### 3.2 Industry structure

Guangxi's trade in services is dominated by traditional tourism and transport, with the proportion of knowledge-intensive trade in services rising and the trade structure being optimised. Modern logistics, finance, convention and exhibition, medical and health care and other industries have development advantages but are still at a disadvantage.

Tourism services are the pillar industry of Guangxi's trade in services, with the number of inbound tourists and foreign exchange earnings from tourism maintaining high growth, with foreign exchange earnings from tourism reaching US\$3.511 billion in 2019. Transport services still maintain stable growth in the epidemic period, of which the import and export of transport services in Guangxi reached US\$290 million and US\$145 million in the first half of 2022, an increase of 70.9 %. Knowledge-intensive services are dominated by other business services, financial services, telecommunications, computer and information services, with trade reaching US\$1.882 billion in 2017-2021, increasing from 5.48 % to 21.20 % of total trade in services. Among them, financial services have grown more than tenfold in five years, with their share continuing to rise; the volume of trade in telecommunications, computer and information services has doubled.

In addition, rich natural landscape resources, biodiversity, ethnic diversity, cultural diversity, climatic comfort and high tolerance of Southeast Asian culture give Guangxi comparative advantages in the development of traditional Chinese medicine, recreation and health care industry. Health care, pension and tourism industry to achieve the integration of the advantages of the new structure. Under the construction of the new western land and sea corridors, Guangxi's modern logistics, regional financial services, convention and exhibition, and international education and other industries have the same development advantages, but their trade scales are small and still in a disadvantageous position.



Data resource: Guangxi Department of Commerce

Figure 2: Trade in knowledge-intensive services in Guangxi, 2017-2021 (US\$ million).

#### **4. Analysis of conditions for high-quality development of trade in services in Guangxi**

This section uses Michael Porter's diamond model to analyse the influencing factors of Guangxi's trade in services. From the diamond model, there are six factors affecting the international competitiveness of trade in services, which are: production factors, related and supporting industries, demand conditions, enterprise structure and competition, and the auxiliary factors are government and opportunities[11].

##### **4.1 Factors of production**

Porter divided the factors of production into two categories: basic factors and advanced factors, and in the trade in services, the former includes unskilled labour, capital, etc., and the latter includes high-quality talents, knowledge and technology inputs etc. Guangxi has abundant basic factors, but the level of scientific research inputs is low, the service industry lacks innovation power, while the lower wage level is difficult to attract high-level talents.

Fixed asset investment and foreign direct investment in Guangxi's service industry have been growing, while it mostly flowed into the traditional service industry. On fixed asset investment, data from the Bureau of Statistics showed that in 2019, transport, storage and postal services, water conservancy, environment and public facilities management, real estate, leasing and business services, and education absorbed more than 67% of fixed asset investment, with the former two accounting for more than 45%. Foreign direct investment, on the other hand, mostly flowed into manufacturing and its related areas. Real estate, transport, storage and postal services absorbed more foreign direct investment.

Guangxi is rich in total labour force, but there is a scarcity of high-level talents. In 2021, the total labour force resources in Guangxi reached 36.3 million people, accounting for 72.1% of the total population. Data from the Department of Education shows that the number of college graduates in the region for the class of 2022 is 383,000, and the number of locally employed people only accounts for 62.84 %, which is far lower than the proportion of local students, and more talents flow into the Pearl River Delta region. Salaries in the transport, information technology and scientific research service sectors, which have the highest salary levels in the region, are still lower than the average levels in the western region and the country, and some service sectors are even lower than the average level in the region, with lower salary levels attracting limited high-level talents.

Guangxi insists that innovation is the first driving force to promote high-quality development. In terms of investment in knowledge and technology, Guangxi's investment in scientific research expenditure by industrial enterprises on a regular basis has risen year by year, with an increase of 156.61 % over the period from 2011 to 2022. The index of comprehensive science and technology level has been located in the second echelon of the national comprehensive science and technology innovation level for two consecutive years, and the index of high-tech industrialisation level has entered the top ten in the country for six consecutive years. However, the overall level of overall knowledge and technology investment and scientific research capacity is weak, far below the national average, and the level of innovation is still low.

##### **4.2 Related and Supporting Industries**

Trade in services is usually accompanied by trade in goods, and the development of the service sector determines the scale and structure of trade in services. This section therefore analyses trade in goods and the development of services in the region as related and supporting industries.

Guangxi's foreign trade has been growing and is basically in surplus. From 2011 to 2020, the total foreign trade of Guangxi rose from 23.356 billion dollars to 98.050 billion dollars, with an average annual growth rate of 26.65 %, and the surplus in 2020 will reach 11.316 billion dollars. The rapid growth in the import and export of electromechanical products and high-tech products drives the import and export of maintenance and other after-sales services, promotes the development of related industries such as commercial services, computer and communication technology, transport and modern logistics in the region, and pushes the growth of the import and export of trade in services.

The service industry is the basis for the development of trade in services and an important measure of the international competitiveness of trade in services. After 2018, the value added of Guangxi's service industry account for more than 50 % of GDP, with a value added of 1264.39 billion yuan in

2021, contributing 53.3 % to economic growth, as Guangxi's economy transforms into a service-led economy. In terms of specific industries, the proportion of traditional service industries such as wholesale and retail, transport, accommodation and catering has declined, while the proportion of modern service industries such as finance and real estate has risen, with the financial industry rising from 10.47% in 2011 to 13.63% in 2021. The rising status of the modern service industry is driving the expansion of the scale of trade in services exports.

### 4.3 Requirements

According to Porter, domestic demand conditions are the driving force for industrial development, including the scale and quality of demand. On the one hand, the restructuring of Guangxi's residential demand is conducive to promoting the cultivation of export competitiveness in related industries, and on the other hand, RCEP and China-European liner have broadened Guangxi's international demand.

Consistent with the national economy mainly driven by consumption, Guangxi's economy also mainly relies on consumption to drive, and residents' consumption demand has been rising, while the epidemic period is still maintaining a steady progress, it is expected to be in strong demand. As shown in the table below, in terms of composition, consumption expenditures on food, tobacco, alcohol and clothing showed a clear downward trend, while consumption expenditures on transport and communication, medical care, education, culture and entertainment rose relatively significantly, gradually shifting from basic consumption to service consumption. The strong demand in the relevant industries is conducive to promoting the development of related service industries such as transport, computers and health care, and fostering the export competitiveness of the relevant industries.

The broadening of international demand is also favourable to the development of services trade in Guangxi. The passage of the China-Europe liner has broadened the scope of the international dry port hinterland and expanded international and domestic demand. In addition, with the implementation of RCEP, the further cuts in barriers to trade in goods and services in various countries, intra-regional trade creation and trade transfer expose Guangxi to a larger market demand, especially in the areas of e-commerce, finance and transport which are the focus of opening up under RCEP.

Table 1: Consumption expenditure per capita of Guangxi residents and its composition, 2014-2021.

Year/ Index	Consumption expenditure per inhabit-ant (yuan per person)	Food, Tobacco and Liquor	Clothes	Transport and Communications	Residence	Household Goods & Services	Health Care	Education Culture and Recreation
2014	10274.31	35.82%	4.48%	11.66%	22.79%	5.98%	6.61%	10.85%
2015	11401.00	34.74%	4.41%	12.68%	22.45%	5.90%	6.82%	11.23%
2016	12295.18	34.42%	4.33%	12.54%	22.25%	5.78%	7.38%	11.74%
2017	13423.66	32.85%	4.21%	13.99%	21.67%	5.68%	8.01%	11.81%
2018	14934.75	30.44%	4.13%	14.40%	21.89%	6.01%	9.14%	12.05%
2019	16418.30	30.64%	3.95%	14.52%	21.28%	5.75%	9.84%	12.22%
2020	16356.78	34.18%	3.64%	12.89%	21.88%	5.68%	9.42%	10.80%
2021	18087.90	32.20%	3.93%	13.67%	20.44%	5.85%	9.69%	12.63%

Data resource: China Statistical Yearbook

### 4.4 Enterprise structure and competition

Enterprise competitive advantage is reflected in internal and external services, internal services include enterprise management, human resource management, financial management, etc., and external services include market development, capital financing, logistics management and other environmental interactive services and additional services such as product branding, advertising, cultural positioning, etc. The realisation of internal and external services relies on the high quality talents of the enterprise, and the competitive advantage of the enterprise is reflected through the competitive advantage of talents.

Guangxi's service industry is dominated by state-owned enterprises, with insufficient market competitiveness and limited resource integration capacity due to the lack of high-quality talents. By the end of 2020, there are a total of 2,902 legal entities in the service industry in Guangxi, of which 15.5% have revenues of more than 100 million yuan and 1.4% have revenues of more than 1 billion yuan, and

they are basically state-owned enterprises. Under the structure dominated by state-owned enterprises, enterprises are inefficient and regional development lacks vitality. State-owned enterprises have financial and policy support, its service trade business more dependent on the existing industrial industry chain, to extend the chain to make up for the strong chain work for two ends of the industrial chain of design and service direction. The enterprises lack of differentiated development and international vision, have insufficient market competition and development, and limited ability to integrate resources.

Enterprise competition, by 2020, Guangxi has built a total of 38 autonomous region-level modern service industry agglomerations, with a combined revenue of more than 200 billion yuan, of which more than 10 billion yuan of agglomerations reached 6. However, the agglomerations still have the problems of function similarity, irrational positioning, duplication of construction, and a single ecosystem, with a limited attraction to well-known service enterprises, and a lack of competitive new kinetic energy innovation main body.

#### **4.5 Governments**

The development of trade in services will be affected by government policies, and the government provides enterprises with a favourable soft and hard environment by improving market mechanisms and relevant laws and regulations, strengthening infrastructure and other measures, guiding enterprises to carry out innovative activities, promoting industrial upgrading, and fostering relevant talents, so as to promote the high-quality development of trade in services.

Guangxi's soft environment is poor, high institutional costs, governmental environment, business environment, industrial support, talent constraints on rapid economic development, intensive development, sustainable development. Although Guangxi has been committed to optimising the business environment, and the assessment of the business environment in 2020 is in the middle and upper level of the country, but compared with the eastern coastal areas, Guangxi's business environment score is still low. The favourable policy that Guangxi's 14th Five-Year Plan for Trade in Services puts forward tourism, transport, construction, finance, culture, medical care, architecture and exhibition as key areas to promote the high-quality development of trade in services further improves the soft environment for service enterprises in Guangxi. Guangxi's hard environment is relatively good, the construction of new western land and sea corridors is steadily advancing, and the construction of international three-dimensional transport network of "one nucleus, two circles, four clusters, five networks and nine corridors" is gradually improving, and the support of infrastructure is constantly increasing.

#### **4.6 Chances**

The policy superposition of RCEP and the upgraded version of China-ASEAN FTA has also brought more development opportunities for Guangxi and stimulated new growth points and cooperation priorities. The signing of RCEP has lowered the barriers to trade in services for countries in the region. In the field of trade in services, China has made a commitment to open up all 12 service sectors, and further increased the degree of openness in service sectors such as business services, communication services, financial services, transport services, health-related services and social services; other member countries have also made a high level of commitment to open up in service sectors such as construction, healthcare, financial services, transport and real estate. In addition, the advancement of China-ASEAN 3.0 negotiations will promote further liberalisation and cooperation in trade in services. Under the policy stacking effect of RCEP and the upgraded version of China-ASEAN FTA 3.0, Guangxi is faced with unprecedented opportunities, and the further reduction of barriers to trade in services will help Guangxi introduce advanced service trade management and technology and cultivate the competitiveness of advantageous service industries.

#### **4.7 Conclusion**

Guangxi's location conditions, humanistic environment, production factors, policies and regulations have given comparative advantages to the development of tourism, transport, recreation, traditional Chinese medicine, modern logistics, finance, exhibition and other industries, and the diversified industries have laid a solid industrial foundation for the high quality of Guangxi's service trade. In addition, Guangxi is ushering in the policy superposition opportunity period of RCEP and China-ASEAN 3.0 upgraded version of the negotiation, with the continuous promotion of international

economic cooperation, Guangxi's service industry will continue to grow steadily in terms of investment in fixed assets, foreign direct investment and other financial support with the proportion of the upward trend, which provides sufficient financial support for the development of the service industry. On the one hand, a large number of knowledge and technology inputs, and digital infrastructure construction have laid a solid industrial foundation for the Guangxi to achieve the modernisation and digital development of service trade to provide solid scientific and technological support. On the other hand, the booming development of goods trade and service industry between Guangxi and ASEAN will also drive the development of related service trade. In addition, the demand structure of the residents gradually shifted to the consumption of services, and the development of service trade is faced with a larger international and domestic market demand.

At the same time, the development of Guangxi also faces the following problems: firstly, the scale of trade in services is small, without realising the economy of scale, and is in an export disadvantageous position in the international market. Secondly, it lacks the support of high-quality talents, and there is a serious loss of talents. Thirdly, the overall strength of the knowledge and technology inputs is weaker, and the level of innovation is lower; and the investment flows more to the traditional service industry, and the support for the modern service industry is limited. Therefore, in the context of regional economic integration continues to promote, Guangxi should combine its own foundation, face up to the development problems, formulate reasonable policies, grasp the opportunities of the times, and achieve economic development.

## **5. Policy recommendations**

### ***5.1 Increasing the degree of openness of Guangxi's service market and promote full competition***

The Government should optimise the business environment and cultivate new advantages in the culture of openness. While strengthening infrastructure construction, the Government should introduce relevant support policies to attract more investment flows to Guangxi, and guide domestic and foreign investment in the region to flow more to emerging service industries such as computers, financial services, insurance and accounting, and scientific and technological services, so as to cultivate knowledge-intensive service-trade enterprises and form industrial clusters. It should also simplify the rules and deregulate competition as much as possible. Competition can achieve the survival of the fittest, while too much regulation will open the door to bureaucratic corruption and bribery; concentrate on strengthening the protection of property rights; the government should pay attention to the guidance of the region's cultural endowment, and should devote itself to the construction of an open culture that does not exclude new elements, so as to form the region's cultural superiority, and to lay the foundation for the long-term development of trade in services. While stressing the advantages of resources, the government should mobilise the motivation, entrepreneurial spirit, creativity and enthusiasm for learning knowledge of all citizens.

Liberalise market access in the service sector and promote the free flow of service factors. With the overlapping opportunities of RCEP and China-ASEAN 3.0 negotiations, the main obstacles to free trade have shifted from tariff barriers in the area of trade in goods to regulatory and non-tariff barriers in the area of trade and investment in services, as well as to the openness of the market. Guangxi should strengthen the construction of the FTZ, fully implement the pre-access national treatment plus negative list management system, substantially relax market access, and expand the opening of the service industry to the outside world. Learn advanced management technology and experience through knowledge spillover by attracting more domestic and foreign advanced service industry enterprises to station in Guangxi. Give full play to the systemic advantages of early and pilot implementation in Guangxi's pilot free trade zone, and actively explore innovative paths for opening up and transformation, so as to lead by example and promote the free flow of service factors.

Improve the policy protection system for trade in services and support the development of service trade enterprises. Led by the planning of trade in services, the government should refine the details of policy support for trade in services and promote the implementation of trade in services policies, such as continuing to strengthen the support of special funds for the development of trade in services, simplifying the administrative examination and approval procedures for the movement of natural persons, the examination and approval process for import and export of trade in services, and supporting the construction of a public service platform for trade in services. Adopt pragmatic and effective measures to promote trade in services, reduce transaction costs and improve transaction efficiency. For example, in the construction of information exchange platform, it can combine RCEP,

China-ASEAN countries' characteristics, and cooperate with relevant departments, research institutions or universities in the countries in the region to set up a multi-language database of information on the supply and demand of service enterprises, and share information on the investment environment, trade policies, exchange of talents, supply and demand of projects, and financing solutions of various countries in different categories.

### ***5.2 Optimising the structure of trade in services and accelerating the integration of services and other industries***

According to comparative advantages, focus on developing special industries and creating "Guangxi brands". Guangxi has advantages in the development of tourism, modern logistics, finance, convention and exhibition, and medical and health care. On the one hand, it is necessary to continue to strengthen the development of traditional service industries such as tourism and transport, for example, in tourism, actively introducing foreign investment, attracting well-known tourism enterprises to cooperate in Guangxi, drawing on the advanced development experience of ASEAN and other developed regions in the tourism industry, further developing border tourism, cultural tourism + recreation, cross-border tourism and other modes of tourism, fostering tourism boutique products, creating a tourism industry with national characteristics, and building an international tourist destination. In terms of transport services, develop modern logistics, accelerate the construction of sea, land and air three-dimensional transportation network, and different municipalities in the region to carry out specialised division of labour, and improve the efficiency of the use of resources in sea, land and air ports. At the same time, it is necessary to build a multimodal transport platform integrating customs clearance, approval and transshipment, reasonably allocate capacity resources, improve transport efficiency, and turn Guangxi into a logistics distribution centre and a transport hub centre of southwestern China and Southeast Asia. On the other hand, guiding the flow of capital more to finance, convention and exhibition, medical and health care, international education and other industries, strengthen financial policy support for key advantageous industries, while developing market potential through the introduction of foreign forces. While developing characteristic industries, we should pay attention to cultivating "Guangxi brand" and enhancing the added value of the industry.

Improving the level of innovation in trade in services and developing the digital economy. On the one hand, strengthening the alliance between the government, enterprises, universities and other research institutes, enhance investment in knowledge and technology, and encourage service innovation. On the other hand, developing the digital economy, accelerating the transformation and upgrading of digitalisation and intelligent networking, and promoting business model innovation. Through the implementation of digital projects, it will comprehensively promote full digital coverage of service trade links, create personalised user-tailored services, and enhance core competitiveness. In addition, it is necessary to accelerate the digital infrastructure interconnection of China-ASEAN and even RCEP countries, build a strong digital service platform covering more scenarios, and provide scientific and technological support for the high-quality development of trade in services.

Promote the integration of the three industries, promote the development of industrial servicing and manufacturing servicing, plus the construction of the whole industry chain layout, so that the service industry chain to the spider, flattened chain development, personalised services to enhance core competitiveness. At the same time to promote the construction of agricultural digital servicing, encouraging "cross-border e-commerce + rural areas", "Internet + agriculture" and other industries to integrate and develop, gives full play to the advantages of Guangxi's agricultural resources, and explores the potential of agricultural development through the depth of agricultural service. On the other hand, promoting the integration of different industries in the service industry, such as "cross-border e-commerce+logistics", "logistics+overseas warehouse", etc., exploring the development of new business models of trade in services, and constructing a system of the whole ecological chain of trade in services.

### ***5.3 Giving full play to geographic advantages and highlight distribution and gateway functions***

Guangxi has a special geographical location, in the policy superposition area of the new western land and sea corridor, the Great Bay Area and the China-ASEAN Economic Circle, and has a natural advantage in the construction of regional hubs and portals with special characteristics. Guangxi have to build service China - ASEAN, connected to the construction of the Greater Bay Area, service to the construction of the southbound channel, service to Guangxi's economy of the hub and gateway, to build a "southward, northward, east integration, westward" all-round opening up of the new pattern.



Therefore, Guangxi should continue to connect railways, highways and sea routes, build a three-dimensional transport network, and strengthen the connection and conversion of multimodal transport, shorten the loading time and improve the efficiency of multimodal transport operation. To build the logistics hub status of Guangxi, through the well-connected sea, land and air three-dimensional transport network, linking China's economic circle and Southeast Asia's economic circle. In addition, it is necessary to build Guangxi into a regional centre integrating transport hub centre, financial service centre, education and training centre, conference centre, cultural and creative centre, etc., with comprehensive development, so as to highlight Guangxi's function as a distribution and gateway.

#### **5.4 Strengthening human resources development for trade in services**

Firstly, the introduction of talents should be strengthened, and new management experience and technology should be introduced from outside the region. Within the region, the government should introduce a strong talent settlement policy to attract more high-quality talents to stay in Guangxi. Outside the region, it should further lower the barriers to the movement of natural persons and allow cross-border movement of talents in specialised fields such as accounting, auditing and translation, so as to take advantage of knowledge spillovers and introduce advanced management experience and technology.

At the same time, it must strengthen the cultivation of composite talents. The government should strengthen the integration of university resources and the monitoring of service quality to ensure that the majors with competitive strength expand enrollment, form a scale, and then establish a brand; promote school-enterprise cooperation to cultivate applied talents with theoretical guidance and able to practice flexibly; promote transnational cooperation in the field of education, and cultivate international composite talents: economic and trade, ethnomedicine, and small languages can be pioneered to create a model speciality for international education cooperation.

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