

Research on the Problems and Countermeasures of Suzhou "Single Window" Construction of Trade Facilitation

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Abstract

At present, under the background of the increasing tide of “anti-globalization” and China’s open economy of higher standards, it is of great practical significance for Suzhou to promote the construction of “single window” of trade facilitation. Therefore, based on the current situation of promoting the construction of “single window” for trade facilitation, this paper concludes that there are some problems, such as business coverage is limited, system functions are imperfect; information interconnection and intercommunication should be strengthened; the overflow function of “single window” is insufficient, the recognition degree need to be improved; the cross regional construction lags behind, and the integration of customs clearance in the Yangtze River Delta has not yet been realized. Furthermore, the article puts forward three countermeasures and suggestions, including clarifying the functional orientation of the construction of “single window” with local characteristics in Suzhou; providing intelligent and integrated value-added services in combination with industrial chain extension and supply chain process; and promoting the “interconnection” of Yangtze River Delta and actively seeking for complementary and docking resources.

Keywords trade facilitation; single window; Countermeasures

1 Introduction

At present, China’s economic development is facing a complex and diverse international environment. As an important by-product of economic stagnation after the global financial crisis in 2008, the tide of “anti-globalization” is stepping onto the world stage. Take the unilateralism of “US priority” pursued by the U.S. government as example, it has imposed tariffs on Chinese goods exported to the United States, and suppressed high-tech enterprises. Especially, the current COVID-19 is continuing to pressure on the economy, and the global industrial chain and supply chain also have been seriously threatened. In this context, China government has still persisted on the trade liberalization and economic globalization with a more open and inclusive attitude. The report on China’s foreign trade situation issued by the Ministry of Commerce in 2016 has clearly pointed out that the construction of “single window” will help to reduce the burden of enterprises, improve the level of foreign trade supervision and governance, and has become an important means to effectively promote the “preferential import and export” of foreign trade.

As an important open city in Yangtze River Delta and Yangtze River economic belt, Suzhou has a good foundation for export-oriented economic development. Since the reform and opening up carried out from 1978, the “New Southern Jiangsu Model” has not only promoted the rapid development of economy in Suzhou, but also greatly enhanced the competitiveness of regional industries. These development practices have fully proved that “open and win-win” is playing an important way on economic and social development. At present, it has become an important part of optimizing trade and business environment how to further improve the efficiency of customs clearance and reduce the cost of trade. In view of this, based on the construction practice of “single window” in Suzhou, this paper will analyze the existing shortcomings and problems, and put forward countermeasures and suggestions, which has important practical significance.

2 General situation of “single window” construction in Suzhou

2.1 In line with the new trend of foreign trade development, the construction of “single window” is led and driven by the government

In the context of the development of global economic integration, governments all over the world have taken various measures to simplify trade procedures, reduce trade costs, and improve the efficiency of trade supervision. And the construction of “single window” is one of the important measures, which is highly valued by the world customs organization. In 2013, the Doha round of WTO reached a package of agreements, in which countries have been encouraged to establish or maintain a “single window” to simplify customs clearance procedures. China, as the 16th member state of accepting the agreement, have made a commitment to build a “single window” within two years of the agreement’s entry into force. In order to ensure the fulfillment of the commitment, the Chinese government has formed a capital construction idea, which is designed by the central government at the top level and promoted by the local governments at all levels.

In 2015, Shanghai free trade zone first started the pilot project, and successively launched the “single window” version 1.0, version 2.0 and version 3.0. On the basis of this, the Joint Conference on port work of the State Council in 2016 issued “the framework opinions on the construction of a ‘single window’ in international trade”, proposing that some public platforms of e-ports at the central and local levels should realize functional upgrading and interconnection, and strive to build the whole country Integrated “single window” environment. On the one hand, the central government has docked with foreign trade related departments and launched the standard version of “single window” for international trade in 2017. Its business functions cover eight fields, including enterprise qualification, license, certificate of origin, means of transport, manifest declaration, goods declaration, processing trade, tax and fee handling; on the other hand, local governments at all levels are actively expanding local service functions on the basis of “the standard version”. In 2018, Jiangsu’s “single window” featured version was launched. Relying on the main e-ports, Suzhou mainly launched special government and logistics services, such as Taicang truck concession, Changshu timber supervision system and Zhangjiagang vehicle import.

2.2 Based on the objective needs of the rapid development of foreign trade, Suzhou’s “single window” construction has begun to take shape

As the core area of the Yangtze River Delta economic circle and the Yangtze River economic belt, Suzhou is the frontier area of comprehensively deepening the reform and opening up, and its trade facilitation level also has an important “demonstration effect” for other regions in China. In recent years, despite of the complex external environment, Suzhou’s foreign trade has developed well. According to statistics, in 2018, the total import and export volume of the city reached 354.11 billion US dollars, an increase of

12% over the same period. Among them, exports were \$206.83 billion, an increase of 10.5%, and imports were \$147.28 billion, an increase of 14.2%. At the same time, the trade structure was further optimized. In the first half of 2018, the growth rates of general trade and bonded logistics trade were 14.9% and 64%, respectively, 8.2% and 57.3% higher than that of processing trade. Among them, the total export volume of new formats such as cross-border e-commerce, comprehensive foreign trade services and market procurement was about 1.4 billion US dollars.

At present, under the objective background of realizing the construction of Suzhou Customs clearance and promoting the healthy development of foreign trade, the construction of “single window” has achieved initial results. In 2015, Suzhou Taicang port, as a pilot port for the construction of “single window” in Jiangsu Province, became the first successful operation project of “single window” of international trade in Jiangsu Province. The customs clearance time was shortened from one day to five minutes, greatly improving the efficiency of customs clearance on the basis of integrating and sharing resources. In April 2016, “The single window of online comprehensive service platform ” of Suzhou cross-border e-commerce comprehensive pilot zone was put into service, providing a series of comprehensive “one-stop service” including data declaration, information management, risk prompt and logistics tracking to e-commerce enterprises, e-commerce platforms, payment enterprises and logistics enterprises participating in cross-border e-commerce business. The business types also covered general import (B2C), general export (B2C), bonded import (b2b2b2c), and export(B2B) and so on. At the same time, the single window service function was also constantly improved. Taking the “cross border fast loan-export loan” product launched by Suzhou Branch of China Construction Bank as an example, in August 2019, the product realized the successful docking with the “single window” system. Customers only need to log in to the “single window”, so they can handle online booking account opening, foreign exchange settlement, financing and loan and other financial businesses in one-stop manner. The financial services of “single window” have been expanded from settlement to financing. Although the above achievements have been made, generally speaking, the construction time of Suzhou “single window” is short, and many problems need to be solved in the construction process.

3 Problems and challenges in promoting the construction of “single window” of trade facilitation in Suzhou

At present, the “single window” construction of Suzhou ports is still in the initial stage of construction. Compared with the advanced “single window” of international trade at home and abroad, there are still some problems are as follows:

3.1 The service coverage is limited, and the system function need to be improved

At present, Jiangsu International Trade “single window” has electronic account, transportation vehicle declaration, origin application, export tax rebate, financial services (Bank of China financial services, CCB financial services, China export insurance financial services, ICBC financial services, Minsheng Bank financial services, China Merchants Bank financial services, Pacific Insurance Financial Services, agricultural bank financial services, Bank of Nanjing gold It covers the main contents of customs clearance supervision and related trade service links, including seven functional modules: financial services), platform development services, local characteristic services (Taicang container truck discount, Changshu timber supervision system, Zhangjiagang vehicle import, Jiangyin port material supply, Lianyungang sea rail intermodal transportation and container operation Entrust, Nantong Haimen Dieshiqiao, Zhenjiang ship cargo integration). However, due to the influence of multiple factors (there is a gap between the basic software and hardware facilities of each participating department, the participation of each department is different,

and the development degree of each functional block is different, etc.), the business coverage is still limited and the system function need to be improved. For example, compared with the “single window” business of international trade between Shanghai and Zhejiang in the Yangtze River Delta region, the former sets up a special free trade zone (including related businesses such as first entering the zone and then customs declaration, entry, exit, second-line import and export, leftover material trading center, entering the special free trade zone) and Import Expo Zone; the latter develops cross-border customs clearance and market procurement services, based on the industrial development characteristics of cross-border e-commerce and small commodity export. However, the “single window” construction feature of Jiangsu (including the relevant ports) is not obvious, and the targeted development of localized service function is still not in-depth.

3.2 The promotion mechanism covers a wide range of areas, and information interconnection need to be strengthened

As the process of international trade management involves the collaborative operation of customs, commodity inspection and quarantine, transportation, taxation and other departments, there is a common problem in the construction of “single window” that is difficult to coordinate across departments. In the early stage of the construction of “single window”, the State Council authorized the General Administration of Customs to make overall arrangements for the construction of “single window” in the form of “inter-ministerial joint conference system of port work under the State Council”. At the same time, the local governments at all levels should actively cooperate and adopt the mode of “vertical management and horizontal union” for construction. Taking Changshu port “single window” construction as an example, a special working group was set up under the Changshu city opening and innovation work leading group. The leader of the team was the leader in charge of the municipal government, and the leaders of the municipal port, customs, State Inspection Bureau, maritime administration, border inspection station and other major organizations participated in the work. But in the actual execution, the model inevitably has the characteristics of strong vertical management and weak horizontal integration. Especially when the focus of the participants is inconsistent with their interest demands, it is difficult to coordinate.

At the same time, the information systems of various institutions operate in different systems and have strong independence. At present, most of them provide “single window” related e-government functions in the way of “link”, which often fails to realize the docking of business opening service integration, and objectively causes the existence of multiple information islands, which not only reduces the efficiency of international trade supervision services, but also fails to meet the “one-stop”, “one-stop” mode of foreign trade enterprises “Multi agent, whole business” collaborative work requirements. Therefore, we should actively break the “island effect” and open the comprehensive service interface of the whole business integration, which will help enterprises realize the interconnection with port operation departments, freight forwarders, logistics transportation and financial institutions through a “single window”, and build an information sharing mechanism.

3.3 The identification degree needs to be improved, and the overflow function of “single window” is insufficient

In line with the original intention of understanding the core demands of “single window” service objects, this paper conducts relevant research on several foreign trade enterprises, freight forwarding companies and customs declaration companies in Suzhou during the research process. Through interviews and interviews, it is found that the recognition and acceptance of “single window” need to be improved, which are mainly reflected in the following aspects: firstly, they are accustomed to relying on the traditional operation mode, and the user experience is not good. Taking the customs declaration link as an example, the customs broker

is very familiar with the previous E-port customs declaration system, and can often do one hand single, one hand blind record, enter accurate and fast (each entry only takes three to 40 seconds); while the use of the new system input requires a certain amount of learning and adaptation time, especially in the early stage of system use, the system often appears unstable, “crash” and so on. It further affects the new user experience; secondly, the charge is higher than the traditional mode, and the comparative advantage of “single window” is not prominent. Through the investigation, it is found that the “single window” increases about 1.5 yuan per ticket compared with the traditional mode. Although the absolute value of the increase is not large, it is still one of the factors that affect the customs declaration enterprises that pay attention to the cost accounting in their daily business. At the same time, with the deepening of government reform at all levels, government services are gradually developing towards informatization and digitization. Foreign trade related business operation is becoming more and more convenient. The comparative advantage of “single window” is not obvious. Taking export tax rebate as an example, the current national tax and local tax are combined, and the salesman can directly log in to the website of the electronic tax bureau to operate. The process is simple, fast and efficient.

3.4 Cross regional construction lags behind, and the integration of customs clearance in the Yangtze River Delta has not yet been realized

With the CPC Central Committee's major decision-making and deployment of the national strategy to promote the regional integration development of the Yangtze River Delta, the Yangtze River Delta economy has also ushered in a major historical development opportunity. In May 2019, after deliberation at the meeting of the Political Bureau of the CPC Central Committee, the outline of the regional integrated development plan for the Yangtze River Delta was formally adopted, which clearly pointed out that as one of the regions with the most active economic development, the highest degree of openness and the strongest innovation ability, the Yangtze River Delta should build a high-quality development region around the two core development goals of “integration” and “high quality”. It can be expected that optimizing the business environment and actively promoting the “single window” construction of trade facilitation will become an important measure to promote the integration of the Yangtze River Delta. In fact, as early as 2015, the deepening plan for the construction of Shanghai Free Trade Zone clearly proposed that it would actively promote the construction of a “single window” for trade facilitation in the Yangtze River Delta region, and strive to realize the integration of customs clearance in the Yangtze River economic belt. But unfortunately, due to the differences in the recognition degree of governments at all levels, as well as the unbalanced construction of “single window platform”, the construction of “single window platform” in the Yangtze River Delta is basically in its own way. In the process of construction, it has not been considered to standardize and upgrade it to meet the needs and characteristics of other regions.

4 Countermeasures and suggestions on promoting the construction of “single window” of trade facilitation in Suzhou

4.1 Clarify the construction function orientation of Suzhou local characteristic version “single window”

As mentioned above, the “single window platform” of all provinces and cities has basically been put into operation in the mode of “National Standard Version + local characteristic version”. The national standard version focuses on the provision of government services, which mainly meets the basic business needs in foreign trade. It is characterized by standardization and homogeneity, and is difficult to achieve the original design intention of providing diversified services for foreign trade development, business types and enterprise demands. But on the other hand, it also provides space for improvement and perfection

for the construction of “single window” with local characteristics. Moreover, with the deepening reform and development of Customs integration in the future, the original Customs District restrictions and regional restrictions will be gradually eliminated. In theory, foreign trade enterprises can freely choose any “single window” in any region of the country for business operation, which will face increasingly fierce competition for local ports with obvious territorial characteristics. Therefore, the current “single window” construction should be based on the long-term, with clear functional positioning and clear advantages. We should pay attention to the following aspects:

- (1) Clear “single window” local characteristics of the overall direction. Based on the original intention of basically optimizing the business environment and promoting trade facilitation with the construction, “single window” should serve the needs of industrial economy and regional economic development, and provide characteristic services and applications for the participants of industrial chain and supply chain. For example, a “single window” can be used to accumulate massive data, conduct deep data mining, and form a sharing mechanism to provide application services such as early warning analysis and risk assessment for foreign trade management institutions, import and export enterprises, and provide data support for government decision-making and economic policy-making.
- (2) Perfect government service function to help the construction of free trade zone. The construction of “single window” can be combined with the construction of pilot free trade zone to improve the informatization development level of free trade zone. Taking Taicang port as an example, on the basis of learning from the practical construction experience of Shanghai Free Trade Zone, Taicang Port took the lead in establishing a “single window” for international trade in 2016. Relying on the data information center of Taicang port, the project has realized the data sharing of Taicang port with Jiangsu entry exit inspection and Quarantine Bureau, Jiangsu maritime administration, and Jiangsu border control corps and other regulatory departments, and has realized “one declaration, one inspection and one release” for customs inspection. According to the calculation, after the seamless docking of cargo and ship data, each cargo ship will reduce about 2 to 3 hours of detention time, which not only saves the port storage costs, but also significantly improves the business processing efficiency.

4.2 Providing intelligent and integrated value-added services by combining industrial chain extension and supply chain process

- (1) Improve the integration of business function modules. During the construction of “single window”, it is suggested to conduct in-depth investigation on the needs of foreign trade enterprises, and actively invite business experts to participate in the design and decision-making of construction schemes, avoiding that decision has been made by regulators centralized discussion resulting in foreign trade-related business is simply connected and linked. For example, business function modules are suggested to be developed and integrated according to the vertical business process, that is, the function modules are connected in series according to the main business types. Under the principle of “single window” emphasizing one-time input, the business scope can be continuously selected and the information filling range can be reduced. If you choose to declare general import and export goods or bonded import and export goods declaration, the scope of information can be narrowed according to the choice of license and settlement method, which can avoid mistakes in business links or information omission, and will also help to improve operational efficiency.
- (2) Based on the service object and core function, the value-added business is designed and the charging system is designed reasonably. At present, the development and maintenance cost of the “single window” construction is mainly supported by the government financial investment. With the gradual improvement and development of the characteristic business, the subsequent maintenance costs still

need to invest, but also to pay the operating costs of new features. Therefore, based on the different needs of service objects, it is particularly important to distinguish between general functional services and value-added services, and to formulate a reasonable charging system. Referring to the charging mode of “single window” in Hong Kong, it is suggested to distinguish between general functional services and value-added services, that is, general services are charged according to the number of transactions, and a certain price control (setting a ceiling price) is carried out, so as to promote the improvement of business coverage and customs clearance efficiency on the premise of not increasing the user’s burden; on the other hand, actively design and develop characteristic value-added services, such as financial services, integrated market services, data mining, etc., extending and expanding value-added services to the front and back ends of the industrial chain and supply chain. For this part of value-added services, it may be considered to calculate separately according to user needs, through the implementation of differential pricing to increase revenue, with a view to reducing the financial burden of the Government, and forming a good self-maintenance of the virtuous circle of funds mechanism.

4.3 Promote the Yangtze River Delta “interconnection” and seek complementary and docking resources

- (1) Promote the integration of digital ports and realize interconnection and sharing with regional ports. It is true that cross-regional and cross-sectoral collaboration in the process of “single window” construction is difficult, the main reasons are two reasons: first, the construction cycle is relatively short, the development is relatively hasty, and the standardization of data elements lags behind the relevant laws and administrative systems. At present, the General Administration of customs is actively leading and coordinating with relevant departments to gradually improve. It is believed that in the near future, the lack and dislocation of top-level design will be constantly improved and straightened out. Second, there are differences in the understanding of local governments at all levels, which often act on their own, and establish a “single window” in the form of free competition, including construction mode, operation mode, data format, documents, and information fields. At the same time, as the “single window” in different places is basically developed on the existing “public platform of E-port” of each customs port, there is an objective mismatch between the platform design and the function of “single window”. Therefore, the construction of supporting soft and hard environment and other infrastructure is very important.
- (2) Relying on the Yangtze River Delta integration cooperation mechanism, promote cross-sectoral cooperation and cross-regional docking. At present, to promote the Yangtze River Delta “interconnection” and actively realize the cross regional “single window” construction, we should actively use the cooperation mechanism formed in the process of Yangtze River Delta integration. As early as 1992, the joint meeting system of the directors of the economic cooperation offices of 15 cities in the Yangtze River Delta has been established; in 2004, the three provinces (cities) of Shanghai, Jiangsu and Zhejiang officially launched the “forum on economic cooperation and development of Shanghai, Jiangsu and Zhejiang” attended by the executive vice governors of provinces (cities), to coordinate the promotion and implementation of relevant development topics in the way of rotation; in 2018, with the “Yangtze River Delta integration” officially established as the national development strategy and regional cooperation mechanism have been further strengthened. The “Yangtze River Delta Regional Cooperation Office” jointly established by Shanghai, Jiangsu, Zhejiang and Anhui provinces (cities) has been formally established and organized to coordinate various work, focusing on five key aspects of planning docking, strategic coordination, thematic cooperation, market integration, and mechanism improvement to jointly promote the Yangtze River Delta integration. Based on the above cooperation and development mechanism, it is suggested that the cross regional construction of “single window”

should be regarded as the special cooperation project of “integration and high-quality development of Yangtze River Delta”, and the government should play an active role in overall planning and orderly promotion.

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