

Analysis on the Disadvantages Faced by the Development of Xinglong Comprehensive Bonded Zone in Changchun City and Suggestions*

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Abstract—Firstly, this paper summarizes the development status of Xinglong Comprehensive Bonded Zone in Changchun city in recent years, specifically analyses the disadvantages faced by the development of Xinglong Comprehensive Bonded Zone in Changchun city, and puts forward corresponding development countermeasures and suggestions from the government and enterprise levels. Among them, the suggestions on the development of Xinglong Comprehensive Bonded Zone in Changchun city at the government level mainly include: first, to build a platform for industrial development; second, to open up trade channels; third, to improve the strategy of attracting investment; fourth, to promote the functional innovation of the comprehensive bonded zone; fifth, to realize the good vision of the free trade zone. Suggestions on the development of Xinglong Comprehensive Bonded Zone at the enterprise level include: firstly, making use of preferential policies of the comprehensive bonded zone; secondly, giving full play to the industrial advantages of enterprises; thirdly, building a good human environment; fourthly, grasping market dynamics by using information network.

Keywords—Changchun; comprehensive bonded zone; disadvantage; development

I. INTRODUCTION

Xinglong Comprehensive Bonded Zone in Changchun city is the only comprehensive bonded zone in Jilin province. It plays an important role in the economic development and urban status promotion of Jilin province. The tendency of economic policy at the national level and the policy formulation at the provincial and municipal levels all show great concern and support for Xinglong Comprehensive Bonded Zone in Changchun city. In recent years, Xinglong Comprehensive Bonded Zone has played a very good radiation-driven role. With the joint development of surrounding areas, it has achieved a good "city-industry integration" effect and become a new industrial growth point in the eastern part of Changchun city. However, there is a

significant gap between Xinglong Comprehensive Bonded Zone which belongs to inland areas and inland comprehensive bonded zone that has achieved good results.

II. THE CURRENT SITUATION OF THE DEVELOPMENT OF XINGLONG COMPREHENSIVE BONDED ZONE IN CHANGCHUN CITY

A. Current Situation of Urban Development

In recent years, Xinglong Comprehensive Bonded Zone has played a very good radiation-driven role, and also continues to radiate to urban areas in the main industrial functional areas. In 2013, Changchun city specially planned the development service area of corresponding supporting facilities for the comprehensive bonded zone. The total area of the comprehensive bonded zone and the surrounding Kalun Lake area are 35.91 square kilometers. The joint development of the new town of the comprehensive bonded zone and the surrounding areas has achieved good "city-industry integration" effect and become a new industrial growth point in the eastern part of Changchun city. Characteristic new urban areas have quietly emerged. The high-tech zone in the northern of Changchun city and Xinglong Comprehensive Bonded Zone in the eastern of Changchun city have become the two core economic driving areas of Changchun city, realizing the coordinated development model of the integration of city and industry.

The development of Xinglong Comprehensive Bonded Zone in Changchun city in recent years not only has an important impact on the development of manufacturing enterprises, but also plays a driving role in the development of tourism industry in Changchun city. Its superior geographical location has linked the tourism industry from north to south. Changchun Comprehensive Bonded Zone is also constantly seeking the coordination and linkage effect with the surrounding industries. The comprehensive bonded zone and the International Convention and Exhibition Center gather the prominent effect of "two engines", and create the highland of modern service industry. The overall pattern of New Town of Xinglong Comprehensive Bonded Zone is "one lake, one river, two green belts, three axes, and four plates". After five years, it has gradually changed from a functional area to an industrial new town.

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B. Current Situation of Business Operation

Up to now, there are 37 imported projects in Xinglong Comprehensive Bonded Zone of Changchun city. Among them, there are 32 projects in the region, including 12 production projects, 16 international trade projects, 3 service projects, and 1 modern logistics project. The total investment is expected to reach 7.57 billion RMB and the annual import and export volume is expected to reach 1.24 billion US dollars. In addition, there are 158 projects currently under discussion, including Alibaba's "rookie" cross-border e-commerce industrial park, Danmash Logistics, International Import Commodity City, Hong Kong Qishi International Cold Chain Logistics, and Wanda MALL. At present, Xinglong Comprehensive Bonded Zone in Changchun city is actively exploring the construction of trade park and cross-border trade e-commerce core area. As the core area of cross-border trade e-commerce service pilot project of Changchun city, Xinglong Comprehensive Bonded Zone will meet the needs of large domestic and foreign e-commerce enterprises and logistics enterprises for cross-border business, and will be an important growth point to achieve leapfrog development in the future. Around the two dominant industries of automobile and railway passenger car, while serving FAW and Changke import and export business, and increasing local business volume, it is also necessary to actively undertake the transfer of processing trade in developed areas, and focus on the production and export of new energy automobile power batteries and vehicles.

III. ANALYSIS ON THE DISADVANTAGE OF THE DEVELOPMENT OF XINGLONG COMPREHENSIVE BONDED ZONE IN CHANGCHUN CITY

A. Customs Clearance and Transportation Costs of Enterprises Need to Be Reduced

The economic development of Jilin province has been restricted and hindered by the unsmooth trade channels for a long time. Jilin province belongs to the inland provinces. There are no ports. There are no international freight routes to other countries except two routes for Russian cargo aircraft. The main international trade channels are also carried out by means of railway/highway transportation (land route) — the port of Dalian (Dalian port or Yingkou port); secondly, by means of railway/highway transportation (land route) and the section of a highway or railway to Beijing, and then by air route for foreign trade. The common point of these routes is that the Xinglong Comprehensive Bonded Zone in Changchun city does not have complete initiative and decision-making power. The original intention and advantage of bonded zone is to bond. However, too many ports and airlines will spend more time and increase huge time cost at the same time of increasing cost, which will greatly reduce the attractiveness of comprehensive bonded zone to enterprises and greatly reduce the volume of trade. After all, the strategy of development by borrowing resources is not a long-term strategy. Therefore, if Xinglong Comprehensive Bonded Zone wants to maintain its advantages and influence, it must find ways to solve the restrictions of foreign trade channels.

B. Single Function and Limited Development Space

Although the nominal comprehensive bonded zone contains many functions, such as bonded warehousing, international trade, international transit, international procurement, commodity exhibition, direct marketing center, cross-border e-commerce services, international import and export commodity inspection, research and development, etc.. However, in the actual operation and operation process, due to the lack of normative policies and normative restrictions, many nominal functions of comprehensive bonded zone are nominal and unreal in practice. This phenomenon is more evident in R&D, international procurement, after-sales service and other functions. Therefore, the functions of the existing comprehensive bonded zone are generally put in practice only in terms of export processing, bonded warehousing and other single functions. Especially, the object of service is only limited to a very few industries, or only serves some low-tech, and foundry enterprise with large fluidity. This is not conducive to the stability and development of the comprehensive bonded zone, and will lower the risk resistance to local economy. Although Xinglong Comprehensive Bonded Zone in Changchun city has the strong support of the government, it does not have the conditions to develop processing and trade because of its inland location and lack of close ports. In view of various limitations, e-commerce enterprises have become the main enterprises in the comprehensive bonded zone in the actual operation process, and the characteristics of high liquidity and high failure rate limit the development potential and ability of the comprehensive bonded zone. Although Xinglong Comprehensive Bonded Zone has introduced e-commerce enterprises such as Alibaba's "rookie" network and Aliexpress, as well as many logistics enterprises such as S.F. Express and Shengtong International Logistics. Based on the weak foundation of e-commerce industry and the fact that e-commerce projects are not technology-intensive enterprises, they generally have the characteristics of small scale and small number. Therefore, it is difficult to form a better industrial agglomeration effect.

C. The Policy Advantage of the Comprehensive Bonded Zone Is Weakening Continuously

It is undeniable that the enterprises in the comprehensive bonded zone have obvious policy advantages (such as bonded warehousing, processing and export, etc.). In the early stage of operation, although there are restrictions on customs supervision, regional purse seine and entrance, the impact is not significant because of the strong support given to enterprises. However, with the passage of time, some preferential policies of the government have been gradually abolished, and the corresponding preferential treatment for enterprises can no longer be given. The advantages of the policies are weakening. For example, the enterprises in the comprehensive bonded zone calculate and collect taxes according to the state of export. For the enterprises outside the comprehensive bonded zone, the products processed with simple raw materials for contract manufacturing are converted according to the price of raw materials, which has no advantage for the enterprises in the bonded zone. On the contrary, it will increase the relative cost, thus losing the

attraction for enterprises. In addition, in the way of customs supervision policy, the comprehensive bonded zone generally implements a simple one-size-fits-all closed management mode, which adds a lot of cumbersome audit and supervision links, and is restricted by more restrictions than those enterprises outside the bonded zone. In this way, it not only increases the operating costs of enterprises, but also reduces the competitiveness of enterprises in the same industry, and inhibits the development of enterprises. Therefore, it is necessary to modify the operation system and management mechanism of the existing comprehensive bonded zone.

D. The Development of Modern Service Industry Can Not Meet the Actual Needs

From the point of view of industrial life cycle stage, different leading industries and industrial development stages will match each other in different industry cycles. If there are mismatches, it is not conducive to economic development. Generally speaking, the leading industry in the later stage of industrialization is the tertiary industry for the economies with higher level of economic development. However, the theory of industrial cycle has not been verified in the economic development zone where Xinglong Bonded Zone is located. According to the industry cycle, the economic development zone has already belonged to the post-industrial stage, and its regional development has gradually merged with the urban areas. Its dominant industry is still the second industry, and the proportion of the tertiary industry is still low.

The representative industries of the tertiary industry, such as finance, medical care, science and education services, e-commerce business, have not yet formed a leading force in the economy, and strategic emerging industries such as information commercialization, entertainment and leisure have not been greatly developed.

IV. SUGGESTIONS ON THE DEVELOPMENT OF XINGLONG COMPREHENSIVE BONDED ZONE IN CHANGCHUN CITY

A. Suggestions on the Development of Xinglong Comprehensive Bonded Zone in Changchun City at the Government Level

1) Constructing industrial development platform: In the social environment of "mass entrepreneurship and innovation", the future development of Xinglong Comprehensive Bonded Zone in Changchun city needs to build a platform for industrial development. First, the government should create a technology-intensive innovation incubation platform. In the tide of international industrial transfer, comprehensive bonded zones need to focus more on the cultivation of technology-intensive industrial platforms so as to achieve sustainable development. Taking the high-tech enterprises in developed countries as the object of investment invitation, the Industrialization Center of R&D and production has been established. Second is to build a good platform for international trade exhibition and

marketing. On the basis of existing convention and exhibition centers, the government should build multi-functional exhibition and marketing centers (such as, conference, exhibition, and international logistics), enhance the attractiveness of domestic and international enterprises, and strive to enhance the international competitiveness and influence of Xinglong Comprehensive Bonded Zone. Thirdly, while stabilizing the domestic market, combining with the development status and trend of the optoelectronic and electronic industry in the world, the comprehensive bonded zone needs to consolidate and expand the industrial agglomeration platform. After that, in order to be in line with internationalization, it is necessary to build an industrial cooperation platform with neighboring countries (such as, Japan, Korea, and Russia). Finally, the government should combine Jilin province's competitive advantages, create characteristic industrial parks, and cooperate with the enterprises stationed in Jilin province to promote local characteristic products to go out actively.

2) Opening the trade channel: In view of the fact that the Xinglong Comprehensive Bonded Zone is located in Jilin province in inland area, it brings many inconveniences in the process of international trade flow, which to some extent restricts the development of the comprehensive bonded zone. Therefore, in the future development process, the government should focus on unblocked trade channels. Therefore, it is suggested to strengthen the construction of modern logistics platform to achieve smooth logistics. First of all, it is needed to construct the fast passage of airports in the comprehensive bonded zone, and the link and dredging of railway stations and national highways. Secondly, the information management system of Xinglong Comprehensive Bonded Zone will be established step by step by making use of modern information conditions. Using the multi-department cooperation among information department, statistics department and business department of Jilin province, the government can explore and utilize the information of comprehensive bonded zone in a more comprehensive way. At the same time, it combines with the information system of customs communication system, accelerates the construction of electronic customs ports on the basis of using mature electronic processing technology, and gradually integrates with international practices, so as to build a good electronic information platform to provide modern support for trade circulation.

3) Improving the strategy of attracting businesses and investment: The ability to attract businesses and investment is the driving force to ensure the sustainable development of Xinglong Comprehensive Bonded Zone. Therefore, the future work should focus on improving the policy of attracting business and investment. The author puts forward five suggestions for attracting business and investment from five aspects. Firstly, five major changes in attracting business and investment have been realized, which are respectively from the focus on quantity to the emphasis on

quantity and the improvement of quality. From paying special attention to the promotion of investment scale in the past, the government has gradually shifted the attention to scale economy and output efficiency. The government has gradually changed the attention from the current industrial enterprises as the main target of attracting business and investment to the modern logistics industry in tertiary industry. Driven by the increment of business and investment of bonded zone in the past, it gradually transforms into incremental promotion, while constantly tapping the growth potential of stock. The government gradually changes the focus on the preferential orientation of attracting business and investment of domestic enterprises in the past to continuously improving the orientation of attracting business and investment of overseas enterprises. Secondly, Xinglong Comprehensive Bonded Zone should construct a multi-level project system of attracting business and investment. The purpose is to attract the enterprises to settle in the market, attract domestic and foreign enterprises with resource advantages, and attract key projects by upgrading the industrial chain, so as to gradually form a step-by-step project layout. Thirdly, Xinglong Comprehensive Bonded Zone should continuously improve its service capability for the projects of attracting business and investment, and continuously optimize its service capability for existing enterprises. Finally, the government should draw lessons from the successful operation experience of domestic comprehensive bonded zone, and bring investment attraction into the performance evaluation system of relevant party and government organs. The government should not only introduce the service, but also emphasize the later stage of construction, commissioning, operation and other links.

4) *Promoting the functional innovation of comprehensive bonded zone:* In order to cope with the increasingly fierce competition from domestic and foreign homogeneous comprehensive bonded zones, Xinglong comprehensive bonded zone in Changchun city should focus on promoting functional innovation, and the pilot right of corresponding policies will play a significant promoting effect. Firstly, the government should focus on promoting the superposition effect of enterprise management right in the region, so as to make the comprehensive bonded zone a complete legal corporate entity. The government should continuously expand the approval power of Xinglong Comprehensive Bonded Zone to save the time cost of enterprises in the zone. On the basis of the existing functions of the comprehensive bonded zone, it forms the usual cooperation with customs, inspection and quarantine departments to strive for the expansion of logistics allocation capacity. Based on the existing service departments, a one-stop service platform with government as the guide and service as the purpose is established. Specialized service teams are dispatched to carry out docking services with counterpart enterprises.

B. Suggestions on the Development of Xinglong Comprehensive Bonded Zone in Changchun City at the Enterprise Level

1) *Utilizing preferential policy of comprehensive bonded zone:* Enterprises in Xinglong Comprehensive Bonded Zone in Changchun city should make full use of its policy advantages. Firstly, in terms of tax policy, enterprises should make full use of the bonded in the region and tax exemption for intra-regional transactions (such as the machinery, warehousing facilities, factory buildings and other materials required for infrastructure projects of regional production) to implement tax exemption policy; and use tax exemption for parts and components assembled into finished products) to reduce the operating costs of enterprises. Secondly, using the favorable foreign exchange policy of the comprehensive bonded zone, the enterprises can realize the foreign exchange purchase activities of projects outside trade within a larger scope of demand. At the same time, the enterprises can make full use of the two-way operation of logistics and capital flow to make the transaction more smooth and fast. Thirdly, enterprises can make full use of customs policy and use the port function of comprehensive bonded zone to realize trans-port sales. At the same time, the customs declaration business in the area is more convenient than that outside the area. Finally, enterprises can carry out processing trade, commodity exhibition and international trade in the area, so as to open up broader trading mechanism and trade opportunities for enterprises. On the basis of making full use of the policy advantages, the core competitiveness of enterprises in domestic and international markets is constantly improved.

2) *Giving full play to the industrial advantage of enterprises:* Changchun has comparative competitive advantages in industrial development, such as automobile and parts industry, characteristic agricultural products processing industry, etc. For enterprises in the supply chain of automobile and parts industry, they can continue to carry out differentiated development strategy in the process of maintaining stable growth. According to the local industrial structure and the development trend of future demand and based on strengthening the automobile and spare parts industry, it is a good strategy for enterprises to focus on the weak links in the industrial chain of new energy automobile development, automobile after-sales service and so on. According to the current trend of green food development, enterprises in the characteristic agricultural product processing industry chain should rely on the good industrial foundation and the support of the surrounding scientific research institutes to constantly innovate the development mode of enterprises, and consolidate and enhance the advantages of the industrial chain. For enterprises without comparative competitive advantage, they can only focus on the needs of leading enterprises in the industrial chain to locate their own development direction and find their own core competitiveness.

3) *Constructing a good humanistic environment:*

Contemporary competition is mainly the competition of talents, and talents are one of the driving forces of enterprise development. Therefore, enterprises should focus on building an attractive environment for talent introduction and support, opening up an effective channel for talent introduction, strengthening the implementation of relevant policies and measures for talent introduction and training, and helping enterprises solve their own difficulties with technical and managerial talents. The enterprises should continuously cultivate the spirit of innovation, tolerate the failure, and form a good incentive driving mechanism. In addition, enterprises can make full use of the talent advantages of local universities (such as Jilin University, Northeast Normal University, etc.) and set favorable employment conditions to recruit talents. The enterprises should respect the innovative spirit of the employees, and construct the mechanism of sharing the interests of employees. The employees will foster a good sense of ownership, adhere to the spirit of "mass entrepreneurship and innovation", and improve the entrepreneurial enthusiasm. Emphasis should be laid on training talents with multi-linguistic competence and foreign trade knowledge to enhance the international competitiveness of enterprises.

4) *Using information network to grasp market dynamics:*

With the rapid development of network information technology, the speed of information dissemination is increasing. Internet information platform can not only reduce the cost of information collection, but also reduce the information asymmetry. It can also continuously reduce the transaction cost of enterprises, and accurately grasp the development status and future trend of the industry. Therefore, enterprises should actively cultivate information collection and analysis departments in the interior, and make better use of public information publishing platform to timely understand the surrounding policy trends, operation progress, foreign trade information, real-time information release of inspection and quarantine, etc. in the comprehensive bonded zone. According to the changes of international demand and competition, enterprises should formulate their response strategies accurately, and strive to establish risk early warning and loss control mechanisms, so as to better avoid risks, reduce enterprise costs, and enhance the competitive advantages.

V. CONCLUSION

This paper puts forward some countermeasures and suggestions for the development of Xinglong Comprehensive Bonded Zone in Changchun city. Due to the limited research ability of the author, and the real-time and deviation of the data collected during the actual investigation and visits, some problems have not been thoroughly studied and explored.

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