

Study on Problems and Countermeasures of Foreign Trade in X City

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Abstract—As a strong foreign trade city in Hunan Province, the foreign trade economy of X city has maintained a steady growth trend in recent years, but there are still many problems. This paper focuses on the problems of single trade mode, insufficient endogenous power, serious homogeneous competition, slow transformation and upgrading of foreign trade in X city. It puts forward corresponding development countermeasures from eight aspects: developing processing trade, cultivating foreign trade growth point, diversifying foreign trade market, consolidating new platform for opening to the outside world, developing new forms of foreign trade, supporting enterprises to enhance innovation ability and upgrade manufacturing level, supporting enterprises to develop domestic market and build brand, and helping enterprises to reduce costs.

Keywords—X city; foreign trade; problems; countermeasures

I. INTRODUCTION

X city has always regarded foreign trade economy as an important engine of its economic development, and set up an open economic development leading group, with the main leader as its leader. A joint meeting system for speeding up the implementation of the strategy of "opening up and rising" has been set up. The Vice Mayor in charge is the convenor of the meeting, and the heads of departments of commerce, finance, economic development zones, port offices, customs, foreign exchange and taxation are members. They are responsible for coordinating the development of opening up. In 2018, according to the working idea of "steady growth, adjusting structure, rotating force and improving quality", the foreign trade work of X city focused on "steady" and "raising" efforts, focusing on tapping potential and expanding market to implement fine services for enterprises, and the foreign trade economy of the whole city maintained a steady growth trend. From January to July, the total import and export volume of the city reached US \$ 246 million, an increase of 29.1%. There were 20 newly approved self-owned import and export enterprises, and 317 self-owned import and export enterprises in the city at present. Twenty-three enterprises have achieved "breaking zero" and 23 enterprises have "doubled" their performance.

II. THE CURRENT SITUATION OF FOREIGN TRADE IN X CITY

A. Development Kinetic Energy Strengthened

In 2018, the Municipal Government further improved the Four and Ten Policies for Industrial Breakthrough, broadened the scope of incentive and support for foreign trade, focusing on increasing support for brand development, market expansion, talent introduction and cost reduction. In the first half of the year, the whole city realized more than 5.69 million yuan of incentive and support funds for foreign trade incentives, amounting to more than 26 million yuan. Effectively carry out enterprise support activities to help foreign trade enterprises solve more than 30 kinds of problems. The commerce department has held policy seminars for foreign trade enterprises, anti-dumping training sessions and overseas exhibition and promotion meetings. It has conducted quarterly foreign trade business training, and trained more than 300 business personnel in the first half of the year.

B. Development Platform Tapered

X city has always regarded the platform construction as the grasp of improving the level of foreign trade, and accelerated the construction of an open large channel platform. First, X city actively builds a service platform. Hunan Anxun Logistics has been selected as the undertaking enterprise of the park's comprehensive foreign trade service center, providing free full process services for the park's foreign trade business, effectively reducing the cost of foreign trade of the park's enterprises, and successfully established the "National Demonstration Zone for the Quality and Safety of Export Daily Ceramics and Electric Ceramics" to provide services for the park's enterprises to carry out foreign trade. In the first half of 2018, foreign trade imports and exports reached 158 million US dollars, an increase of 12.8%. Second, X city actively builds a display platform. Since last year, the city has not only guided enterprises to participate in overseas exhibitions, but also paid great attention to using the platform of China Expo to carry out exhibition activities. During the follow-up exhibition period, China Expo, which receives more than 20,000 domestic business guests, has created a never-ending China Expo, and received more than 300 foreign business, negotiation and enterprise representatives. The government

guides enterprises to continue to do a good job in setting up and displaying ceramic perennial exhibition areas in Berlin, Germany, and to guide Hualian Ceramics Industry to make use of the resources advantages of Frankfurt underwriters to promote art ceramics to go out. Third, X city builds logistics platform in time. Through government guidance and enterprise promotion, in June 2018, Shenzhen Yantian International Inland Port-X City Port was officially launched. The operation of the Inland Port enabled X City to realize the inward migration of coastal port functions. The cargo handling, logistics costs, customs clearance capacity and customs clearance facilities have been greatly improved. The cost has obviously decreased, and enterprises have gained more benefits.

C. Strengthened Market Expanding Ability

The government guides enterprises to develop the market, and enterprises continue to expand their development space. First, cultural linkage promotes transformation. In November 2017, Hong Kong Peng Industry and Yufeng fireworks were recognized by the Ministry of Commerce as "key enterprises of national cultural export in 2017-2018". The integration of ceramics and culture promotes the connotation of the industry, enhances product taste, promotes the development of the ceramic industry to the high end, and promotes the transformation of the industry. Second, X city actively organizes enterprises to participate in exhibitions. In recent years, the organizations and enterprises have participated in the Nuremberg Gift Exhibition, Frankfurt Consumer Goods Exhibition, Hanover Industrial Exposition, the 22nd Macao International Trade and Investment Exhibition, Hong Kong Global Resources Exhibition and other major exhibitions, and achieved good results. This spring Canton Fair has achieved a double harvest of orders and markets, with an order turnover of 83.66 million US dollars, an increase of 15.3%, X City, China. Brand influence has increased significantly. Third, X city actively explores overseas markets. With the influence of Dubai in the United Arab Emirates, the development of "one belt and one road" and the development of the African market have been accelerated. In recent years, the export volume of the "two markets" has accounted for 6% of the city's total exports.

III. PROBLEMS AND SHORTCOMINGS

From the perspective of X city's foreign trade environment, products, brands and enterprises, the main problems and shortcomings are as follows:

A. Single Mode of Trade

The main mode of trade in X city is general trade. In the past two years, almost no enterprises have carried out processing trade. Because the industrial chain is not long and the degree of agglomeration is not high, the development of processing trade is more difficult and difficult.

B. Insufficient Endogenous Motivation of Enterprises

Traditional industries, traditional products and traditional trade are the main factors restricting the upgrading of foreign

trade. Enterprises have also made positive attempts in the transformation, but the effect is not very obvious. From the perspective of enterprises, enterprises lack strong desire for innovation investment and introduction of high-level talents, resulting in slow product replacement, low cultural connotation, low added value of products, most products are free from the low-end market, and it is difficult to occupy a place in the high-end international market.

C. Trade Barriers in the International Market Are Heavy, and Enterprises' Ability to Resist Risks Is Weak

X city lacks aircraft carrier foreign trade enterprises, small and micro enterprises are weak in resisting pressure and vulnerable to risks, especially in the face of Sino-US trade frictions and EU anti-dumping, enterprises are relatively passive. Taking ceramics as an example, the competition of international ceramics market is fierce, and influenced by the trade war of the United States, trade frictions are increasing. Many countries have adopted new trade protection measures, such as improving the quality standards of ceramics products and establishing technical barriers to trade, especially for the strict restrictions on the leaching of lead and cadmium, Launching Anti-dumping measures, and proposing by foreign customers to domestic producers.

D. Homogeneous Competition Is Serious

There are not many products with core technology and independent intellectual property rights in X city. Export products enterprises rely on OEM production. The phenomenon of homogeneity and imitation of products is very serious. Competition is fierce, and most of them are price competition. Enterprises with strong innovation ability are easy to be imitated and followed.

E. Slow Transformation and Upgrading

For a long time, restricted by technological innovation, talent introduction, equipment upgrading, capital investment and other aspects, most enterprises are relatively backward in production mode, management level, corporate image and brand building.

F. The Cost Burden Is Heavy

The adjustment of relevant national policies (such as environmental protection) has led to a sharp rise in the prices of raw materials and packaging materials; labor costs account for more than 40% of the total cost, and are rising every year. In addition, the financing of small and medium-sized foreign trade enterprises is difficult and expensive, the cost of products is rising, and the cost competitive advantage is gradually lost.

G. Exchanging Rate Fluctuation Affects Enterprise Benefit

Enterprises are not sensitive to exchange rate fluctuations, so it is difficult to establish an effective price response mechanism to exchange rate fluctuations. Frequent fluctuation of exchange rate has a great impact on business performance. The exchange loss of a ceramics exporter in

this city in 2017 is 8.82 million yuan higher than that in 2016 because of exchange rate fluctuation.

H. International Logistics Cost Is on the High Side

As the "Hunan-Europe Express Line" has not yet extended to X City, it is difficult for the city's foreign trade export to directly dock with it. The international logistics export channel of X City mainly relies on the ports of the Yangtze River Delta and the Pearl River Delta, which leads to the long logistics time and high cost of foreign trade export.

IV. SOLUTIONS

In view of the above problems and shortcomings, we should focus on the following aspects:

A. Developing Processing Trade and Fostering Foreign Trade Growth Points

It is necessary to develop processing trade. First, The government will vigorously introduce leading enterprises and projects of export-oriented entities, vigorously introduce general processing trade, and strive to introduce a new foreign trade enterprise that plays a supporting role in imports, so as to enhance the potential of sustainable development of foreign trade. Second, it is necessary to focus on developing foreign trade in economic development zones, guide enterprises to develop foreign trade business, actively introduce export-oriented and foreign trade enterprises, and promote foreign investment to settle down.

It is necessary to foster the growth point of foreign trade. First, X city actively promotes the "zero-breaking and double-folding" of foreign trade. The government will focus on helping small and medium-sized foreign trade enterprises to expand their business and expand their share. The government will focus on policy support, business guidance and enterprise assistance to effectively promote breakthroughs and growth in performance. The second is to cultivate new exporters. On the basis of stabilizing traditional industries such as ceramics, fireworks and other traditional markets such as Europe and the United States, we should actively support foreign trade enterprises with foundation to carry out foreign trade business, develop markets for enterprises with strength, and open up their horizons to seize new international markets. Third, we should focus on training and introducing a number of foreign trade talents. The government will continue to do a good job in basic training, improve the overall quality of foreign trade salesmen, actively guide enterprises with strong foreign trade ability to introduce a number of professional personnel in brand planning, market development and operation management, and provide human resources support for enterprises to enhance their foreign trade development ability.

B. Diversification and Development of Foreign Trade Market

The first is to make the traditional market a reality. We should focus on expanding the traditional market, sticking to the original share, focusing on Europe, the United States,

Japan and other major markets, in-depth development of European and American markets, explore high-end markets, and promote art ceramics and ceramic culture to the European and American markets. The second is to open up new markets. We should actively organize enterprises to participate in exhibitions at home and abroad, vigorously expand the market of all the countries along the belt, and actively explore new markets such as ASEAN, South Asia, the Middle East and Africa. The third is to expand new ways of foreign trade. A city actively docks with the platform of Shanghai Free Trade Area and strengthens the docking with Shenzhen Import and Export Chamber of Commerce.

C. Tamping the New Platform of Opening to the Outside World and Developing the New Form of Foreign Trade

It is necessary to tamp the new platform for opening up to the outside world. One is to use integrated platforms to serve enterprises. Give full play to the advantages of logistics and integrated service platform, and guide Anxun Logistics Park Foreign Trade Integrated Service Center to do a good job in fine service. The second is to expand the foreign trade market by "one section and one meeting". It is essential to make full use of the influence of tourism festivals and ceramics expositions, actively guide a number of domestic and foreign dealers and purchasers to participate in activities, forming the exhibition effect. The third is to accelerate the establishment of overseas e-commerce platform. It is essential to make use of the opportunity of setting up overseas e-commerce platform in Changsha, guide enterprises to actively dock with Changsha platform of National Overseas e-commerce, integrate X city's foreign trade, X city's brand and X city's products into the national platform, and use the national platform to improve the development space of X city's foreign trade.

X city will actively develop new forms of foreign trade. First, we should actively cultivate new foreign trade industries. Focus on the cultivation of new products such as bags, waterproof materials and electronic products. Secondly, the government should actively develop new models, integrate superior resources, work hard and make small micro-ceramic enterprises develop foreign trade enterprises under a window and a platform, and promote the takeout business model of "company + base + factory". The third is to establish an international marketing network. Relying on the management of trade intermediaries and supply chains, the marketing network is established to expand foreign trade performance.

D. Increasing the Financial Support to Enhance the Anti-risk Ability of Enterprises

First, it is suggested that the Provincial Department of Commerce should increase its business guidance and financial support for the holding of Porcelain Fair in X City. Secondly, it is suggested that X City apply to the provincial government for the establishment of a national exhibition platform "fireworks exposition" sponsored by the provincial government and co-sponsored by X city and Liuyang city. Third, the government will increase financial support for foreign trade enterprises in X city in market development,

regional brand building and platform building, as well as in dealing with trade frictions. Fourth, the government will support the listing of enterprises. Emphasis will be placed on increasing support for the listing of real economy, manufacturing enterprises, industry leaders, regional pillar enterprises and national brand enterprises in terms of policies and funds. Fifthly, it is suggested that the Provincial Department of Commerce help foreign trade enterprises improve their ability to cope with Sino-US trade frictions and EU anti-dumping.

E. Supporting Enterprises to Enhance Innovation Ability and Upgrade Manufacturing Level

It is essential to support enterprises to enhance innovation capability. The first is to support enterprises to build innovative platforms such as provincial engineering centers, provincial design centers and new R&D centers; the other is to encourage enterprises to strengthen cooperation between industry, universities and research institutes and peers; the third is to support increasing the training and introduction of professional and technical personnel; and the fourth is to encourage enterprises to establish R&D centers in first-tier cities or overseas talent gathering places to develop high-quality, high added value and differentiated products.

It is necessary to support enterprises to upgrade their manufacturing level. The first is to support intelligent manufacturing and technological transformation, and give special and priority policy support to reduce the threshold of enterprise transformation; the other is to support e-commerce enterprises to enhance the backend supply support capacity, and to provide financial subsidies in building intelligent warehousing, shooting base and developing software systems; the third is to support the development of new ceramic materials industry, promote the transformation of traditional ceramic industry to technology-intensive direction, and cultivate it. New growth poles for the industry in the future.

F. Supporting Enterprises to Develop Domestic Market and Build Brands

Firstly, it is necessary to increase the policy and financial support for brand enterprises to participate in exhibitions, build end-brand stores and build Internet marketing channels; secondly, it is necessary to subsidize the enterprises by putting in advertisements and making propaganda videos and other propaganda materials; thirdly, it is necessary to make full use of the media, propaganda reports, investment promotion and other means to provide free brand promotion opportunities for enterprises, so as to provide a bridge for enterprises. Fourthly, enterprises should try to develop new forms of business, such as experience economy, culture and tourism economy, and give financial support; fifthly, they should strengthen the protection of knowledge products and crack down on them.

G. Helping Enterprises Reduce Costs

The first is to counsel small and medium-sized private enterprises, establish exchange rate fluctuation response mechanism, reduce exchange losses; the other is to reduce

the impact of national environmental protection policy on the prices of raw materials and packaging materials, and promote the reform of electric power in the ceramic industry; the third is to increase the export tax rebate rate of daily-use ceramic industry and incorporate social security paid by labor-intensive enterprises into the value-added tax. Fourth, increase credit support to export enterprises, and further reduce the financing costs of enterprises.

H. Opening the Extension Line of "Hunan-Europe Express Line" X City as soon as possible

It is suggested that the provincial government and relevant departments should study and implement the extension line of "Hunan-Europe Express Line" to X City to improve the speed of export logistics and reduce the cost of logistics.

V. CONCLUSION

Export is one of the main driving forces of economic growth in X city. It is hoped that X city can attach importance to its problems and shortcomings in foreign trade, adopt effective countermeasures, establish a long-term mechanism, enhance its strengths and make up for its weaknesses, so as to enable its foreign trade export business to achieve steady growth and long-term development.

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