

The Impact of RCEP Signing on the Foreign Trade of Inner Mongolia Autonomous Region

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Abstract: The Inner Mongolia Autonomous Region is committed to deepening reform and opening up and constantly improving the level of opening-up. The Regional Comprehensive Economic Partnership Agreement (RCEP), which will come into effect on January 1, 2022, is bound to bring great opportunities and challenges to the foreign trade of Inner Mongolia Autonomous Region. Based on the regional advantages of Inner Mongolia autonomous Region and the development of foreign trade in recent years, combined with the content of RCEP framework agreement, this paper hopes to explore a new way to optimize the layout of foreign trade in Inner Mongolia through detailed analysis. In the Inner Mongolia Autonomous Region foreign trade to produce "1+1>2" the actual effect, at the same time, the construction of high quality, high level of open economy.

Keywords: RCEP, Inner Mongolia Autonomous Region, Foreign Trade.

1. RCEP Main Content and Outline of the Status Quo of Foreign Trade in Inner Mongolia Autonomous Region

RCEP is the abbreviation of Regional Comprehensive Partnership. Its Chinese is a comprehensive "regional comprehensive economic partnership agreement"[1]. It was initiated by ASEAN in 2012 and formally signed on November 15, 2020 by 15 asean members, including China, Japan, South Korea, Australia, New Zealand and ten ASEAN countries, after eight years of negotiations and consultations.

RCEP covers 20 chapters on trade in goods, customs procedures and trade facilitation, and trade remedies. RCEP sign, not only under the multiple challenges such as globalization and trade protectionism provides participants with a multilateral cooperation stage, and with our country has long advocated the reform and opening up, the maintenance of multilateralism, and human destiny community building governing idea is consistent, build a new pattern of development is of great significance to our country.

Since the signing of RCEP, the foreign trade development of Inner Mongolia Autonomous Region has stepped into a new historical stage. In the first half of 2021, Inner Mongolia's foreign trade volume rose together, with a significant increase of 16.1% over the same period last year. The main trading partners are countries along the belt and Road and RCEP members, and the geographical direction of trade is further expanding.

2. Inner Mongolia Autonomous Region Foreign Trade Status Analysis

As a key area of the Belt and Road Initiative, Inner Mongolia's foreign trade volume has increased significantly in recent years. However, in 2020, the foreign trade of Inner Mongolia Autonomous Region also suffered a certain degree of impact under the influence of sino-US trade friction and the worldwide spread of COVID-19. This not only requires Inner Mongolia to further improve the level of opening to the outside world, but also put forward higher requirements for the transformation and upgrading of its foreign trade products.

2.1. The Energy Industry

Since the belt and Road Initiative was put forward, China has strengthened energy cooperation with countries along the routes and jointly built an energy community with a shared future. This has not only driven China's economic take-off, but also responded to the "energy security" strategy. According to statistics, Inner Mongolia ranked first in energy delivery in 2018. In 2019, Inner Mongolia's energy trade grew rapidly, showing a steady and positive trend. In terms of the international market layout of exports, the trade volume with Australia, Mongolia and other countries has increased significantly. In response to the COVID-19 shutdown policy, Inner Mongolia's energy industry exports declined for a short time. However, with remarkable achievements in epidemic prevention and control, the resumption of work and production is proceeding smoothly, the demand for energy imports is increasing, and energy supply is rapidly recovering.

2.2. Dairy Products

The "One Belt and One Road" strategy has provided a good opportunity and a broad stage for the export of Chinese dairy products. Over the years, China's dairy products have had profound experience in going abroad. In 2018, the export volume of China's dairy industry exceeded 270 million yuan, with a year-on-year increase of 68%, successfully achieving three consecutive years of growth [2]. China's milk production hit a five-year high in 2019. Under the guidance of "internationalization" as the core of development strategy, Mengniu dairy brand, the first dairy brand in China to explore the international market, put forward the long-term goal of "global dairy community". The exchanges and cooperation between Mengniu and New Zealand and Australia have laid a solid foundation for the sustainable development of dairy business. However, affected by the COVID-19, livestock and poultry industry has been greatly impacted, and the supply of livestock and poultry products is generally in short supply. China's dairy industry has also had a difficult start.

2.3. Cashmere Products

After China's accession to WTO, cashmere products are

further internationalized, but opportunities and challenges coexist. In recent years, China's cashmere industry has been greatly affected by trade barriers, trade friction and trade protection, and some countries have strengthened export restrictions on Cashmere products to China, which further increases the foreign trade risks of Cashmere products in Inner Mongolia Autonomous Region. After the integration of global textile trade, the monopoly position of cashmere products of European and American developed countries has been threatened. In order to maintain and maintain the original trade status, suppress the development of China in all aspects, concocted the "China threat theory", which further proves that China's foreign trade of cashmere products will not be plain sailing. With the severe epidemic situation abroad, a large number of export and foreign trade orders of cashmere products in Inner Mongolia Autonomous Region have been postponed or even cancelled, resulting in insufficient orders and poor sales.

3. Opportunities and challenges of RCEP to Inner Mongolia's Foreign Trade

Since the RCEP was concluded, the 15 countries have helped each other and conducted win-win cooperation, which is conducive to the member states' joint response to uncertainties in the international environment. For China, joining the RCEP brings more opportunities than challenges. The same is true for Inner Mongolia Autonomous Region.

3.1. Opportunities of RCEP to Inner Mongolia's Foreign Trade

The signing and implementation of RCEP will help lower trade barriers, reduce trade costs and improve the trade environment. Tariffs among member states will be greatly reduced and customs procedures will be more convenient, which is conducive to the export of advantageous industries in Inner Mongolia Autonomous Region. According to the data from the first half of 2021, the total import and export volume between Inner Mongolia Autonomous Region and RCEP trading partners reached 16.16 billion yuan, up 30.4 percent.

At present, the epidemic prevention and control has been normalized. China has received more than 2.8 trillion doses of vaccine, and herd immunity is gradually forming. At the same time, China implements the concept of a community with a shared future for mankind and exports and donates vaccines to more than 100 countries and regions, presenting an image of a responsible major country, which is conducive to China's foreign trade work.

3.2. Challenges of RCEP to Inner Mongolia's Foreign Trade

Compared with the coastal areas in southeast China, Inner Mongolia autonomous Region is far away from the ten asean countries and other signatory countries, so it has certain disadvantages in geographical location and economic ties. Therefore, Under the leadership of the CPC Central Committee, Inner Mongolia Autonomous Region should actively integrate into RCEP, take the initiative to strengthen exchanges and cooperation, and effectively analyze and connect the advantages of the Autonomous Region with the needs of member states.

The COVID-19 outbreak in 2020 has been ravaging the world for two years. After the outbreak, China took resolute

measures to quickly control the epidemic and gradually restored the order of work and life. However, the normalization of the epidemic has also caused a considerable impact on the economy of all countries. In the short term, the economy of all countries is weak, and the demand and consumption of energy and dairy products are reduced. In addition, due to the COVID-19 outbreak, China has implemented the policy of preventing imports from abroad, which brings new challenges to the inspection and quarantine of the movement of people and goods, and to some extent, will cause the rise of trade costs.

4. Development Strategy of Inner Mongolia's Foreign Trade after RCEP signing

4.1. Value of RCEP signing to Inner Mongolia Autonomous Region

After the signing of RCEP, economic and trade exchanges are conducive to giving full play to the economic characteristics of our region. We will strengthen cooperation and exchanges with RCEP signatories in energy, dairy and livestock industries, tourism and other industries with regional characteristics. On the one hand, it gives full play to the leading role of key leading enterprises, on the other hand, it also expands the level of opening up to the outside world. By allowing high-quality products and technologies from member states to enter the market and high-quality products from China to go abroad, we can better meet the growing needs of our people for a better life and enable our people to truly enjoy the dividends brought by the signing of the RCEP.

4.2. Comprehensive Requirements for Inner Mongolia Autonomous Region for RCEP Signing

The signing of RCEP not only brings great opportunities, but also puts forward new requirements for the development of Inner Mongolia Autonomous Region in all aspects. We should seize the hard-won opportunity to strengthen regional exchanges and cooperation, promote the formation of a new development pattern, and help our region better meet the diverse challenges in the wave of globalization.

4.2.1. Requirements for Talent Cultivation

Implement the mode of school-enterprise cooperation, pay attention to the practicality and effectiveness of talents. Language is a basic skill for the development of foreign trade industry, attracting and cultivating talents proficient in relevant national languages, and Chinese training as a foreign language will also gain greater development as an emerging industry. Product is the passport of international trade and an essential element of foreign trade [3]. Foreign trade talents should be familiar with the advantages and disadvantages of product price and performance. In addition, Internet operation skills, software skills, market research skills are also essential to foreign trade talent quality requirements.

4.2.2. Requirements for Foreign Trade Enterprises

First of all, foreign enterprises should constantly optimize their own structure, improve the added value and popularity of products, and actively expand the export of competitive industries. Secondly, foreign enterprises should adapt to the economic and cultural development level of different countries and regions, pay attention to avoid risks while expanding new markets, actively understand and respect local

customs and habits, and show the good spirit of Chinese enterprises. Finally, foreign enterprises should not only give full play to their own strengths, but also be good at sharing their development experience and China's story with friends in the economic and trade circle, so as to help RCEP members build up confidence and share their own beauty.

4.2.3. Requirements for Customs Officers

Customs is the gatekeeper of foreign trade. After the signing of RCEP, the trade volume between member states will increase, and so will the related work of customs. Therefore, the improvement and construction of a "service-oriented" customs team is of great significance. Customs personnel should clarify their job responsibilities and master solid professional and operational abilities [4]. Customs personnel should also adapt to the trend of information development, improve their information processing capabilities, and build a customs team with higher law enforcement capabilities. In addition, strengthening the sense of responsibility of customs officers and guarding the first hurdle is of positive significance at a time when the COVID-19 pandemic is not completely over.

4.2.4. Requests for Financial Support

Increase financial support, especially for the development of advantageous industries in Inner Mongolia Autonomous Region. Modern information technologies such as big data and artificial intelligence should be integrated to build a whole-process overseas product distribution and overseas sales network. To promote industrial, supply, value and innovation chains into the high-end, promote the development of Inner Mongolia's foreign trade and relative connection with the global system. It is important to remember that economic and technological integration cannot be achieved without strong financial support. Therefore, governments at all levels in developing countries should build a more stable and sustainable financial supply system.

5. Summary

In short, based on China's basic national conditions, economic facts and epidemic developments, this paper explores the impact of the RCEP framework agreement on the foreign trade of Inner Mongolia Autonomous Region. RCEP framework agreement signed to the Inner Mongolia autonomous region to the development of foreign trade provides new kinetic energy, only a better grasp of our industrial structure and the characteristic, the development of competitive industries to stimulate the coma industry forward, they can better let the Inner Mongolia autonomous region energy industry, dairy products, the advantages of the cashmere industry industry abroad, absorb innovation elements in open communication, build a benign forms. Only in this way can we find the optimal solution of the combination of economy, efficiency, benefit and fairness in line with development, and boost the vigorous economic development of Inner Mongolia Autonomous Region, so as to create an open, modern and dynamic Inner Mongolia!

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