

Cross-border E-commerce Newsletter

Issue No.2 (2024)

July 8, 2024

Contents:

- ◆ Value of China's int'l trade in goods, services up 13 pct in April
- ◆ China's industrial profits up 3.4% in January-May
- ◆ China to extend anti-dumping duties on styrene
- ◆ Chinese companies' brand strength sets new high
- ◆ China's wearable device shipments increase notably in Q1
- ◆ China pushes for construction of overseas warehouses
- ◆ Digitalization level in China's business sectors continues to improve
- ◆ China's cross-border e-commerce accelerates
- ◆ China's online retail sales up 11.5% in January-April period
- ◆ More foreign agricultural, food products enter Chinese market
- ◆ **[RECOMMENDED EXHIBITIONS]**
 - The 12th China Arbitration Week in 2024
 - The 2024 China High-level Dialogue on Maritime and Commercial Arbitration
- ◆ **[Business Opportunities]**
 - IMPORT INQUIRY | Cocopeat
 - IMPORT INQUIRY | Cotton Yarn
 - BUSINESS OFFER | Special Vehicle Production
 - BUSINESS OFFER | Flour Machinery

1. CHINA BUSINESS

Value of China's int'l trade in goods, services up 13 pct in April

The value of China's international trade in goods and services exceeded 4.11 trillion yuan in total in April 2024, increasing by 13 percent year on year, official data showed.

In U.S. dollar terms, export and import values of the country's international trade in goods and services amounted to 297.4 billion U.S. dollars and 281.6 billion U.S. dollars, respectively, with a surplus of 15.9 billion U.S. dollars, the State Administration of Foreign Exchange said.

The export value of goods reached 1.9 trillion yuan while the import value totaled 1.62 trillion yuan, resulting in a surplus of 281.5 billion yuan.

The export value of services trade amounted to 205.9 billion yuan and services trade import value stood at 374.7 billion yuan, producing a deficit of 168.8 billion yuan.

Tourism was the biggest contributor to services trade, with its trade value amounting to 179.9 billion yuan, followed by transport services and other commercial services, according to the administration.

(Source: Xinhua)

China's electronics manufacturing sector expands on strong production, exports

China's electronics manufacturing industry posted a strong performance in the first four months of this year, driven by a steady increase in production and recovering domestic and global demand.

The combined profits of major companies in the sector soared 75.8 percent year on year to 144.2 billion yuan (about 20.3 billion U.S. dollars) in the January to April period, according to the Ministry of Industry and Information Technology. During the same period, the combined operating revenue of these firms stood at 4.67 trillion yuan, up 7.9 percent year on year. The ministry attributed the robust expansion to the sound performance in both the supply and demand side of the sector.

From January to April, the value-added industrial output of the sector's major companies rose 13.6 percent from the same period a year earlier, up 7.3 percentage points from the country's overall industrial output growth rate.

According to customs data, China exported 44.01 million units of laptops in the first four months, rising 9.6 percent year on year. Exports of mobile phones came in at 241 million units, up 4.6 percent.

Major companies in the sector refer to those with an annual main business revenue of at least 20 million yuan.

(Source: Xinhua)

China's industrial profits up 3.4% in January-May

Profits of China's major industrial firms increased 3.4 percent year-on-year in the first five months of the year, official data showed on June 27th.

Industrial firms with an annual main business revenue of at least 20 million yuan (about \$2.81 million) saw their combined profits reach 2.75 trillion yuan during the January-May period, according to the National Bureau of Statistics (NBS).

The profits of the equipment manufacturing sector continued to increase rapidly in the January-May period, with the combined profits of the sector gaining 11.5 percent year-on-year, said the NBS. The surge contributed 3.6 percentage points to the country's overall growth in industrial profits, making equipment manufacturing sector the largest contributor, said the NBS.

A breakdown of the data showed profits of sectors including electronics, transportation equipment and auto manufacturing also posted strong growth.

(Source: China Daily)

China to extend anti-dumping duties on styrene

China will continue to impose anti-dumping duties on imported styrene from its Taiwan region, South Korea and the United States from June 23, with an implementation period of five years, according to information released by the Ministry of Commerce.

Styrene is a chemical extensively used in the plastics and rubber industries.

The duties range from 6.2 percent to 7.5 percent for South Korea, 3.8 percent to 4.2 percent for China's Taiwan region, and 13.7 percent to 55.7 percent for the US, said the ministry in an online notice.

The Commerce Ministry initiated a review of the anti-dumping measures on styrene imports from China's Taiwan region, South Korea and the United States in June 2023, following an application from the styrene industry in the Chinese mainland.

It was determined that if the anti-dumping measures were terminated, the dumping of styrene from the two countries and the Taiwan region could persist or reoccur, potentially harming the styrene industry in the Chinese mainland, said the notice.

(Source: China Daily)

Chinese companies' brand strength sets new high

The overall brand strength of Chinese companies has increased by 17 percent from 18,035 to 21,150 year-on-year from 2023 to the first half of this year, reaching a new high in history, according to the Kantar BrandZ 2024 Chinese Global Brand Builders report.

Jointly compiled by the international market research firm Kantar and Google, the report, released on June 20th, surveyed global consumers from 11 international markets on their opinions about Chinese global brands. The brand strength scores were calculated, taking into account three major factors: meaningful, difference, and salient.

The significant increase in the overall brand strength of Chinese companies highlighted the vitality of Chinese brands in the global market, said Doreen Wang, CEO of Kantar Greater China and global chair of Kantar BrandZ.

Wang also noted that the combination of China's industrial chain ecosystem and innovative technology has become a new competitive strength for Chinese global brands.

(Source: Xinhua)

China's wearable device shipments increase notably in Q1

China's shipments of wearable devices increased 36.2 percent year on year to reach 33.67 million units in the first quarter of this year, according to the latest industry report published by global market research firm International Data Corporation (IDC).

During the period, smartwatch shipments rose 54.1 percent year on year to 9.1 million units. In breakdown, shipments of smartwatches for adults gained 62.8

percent year on year to 5.05 million units, while the shipments of children's smartwatches rose 44.4 percent to 4.04 million units, according to the report.

The country saw 3.7 million units of wearable bracelets shipped in the first quarter, up 29.6 percent from a year ago, the report shows.

The shipments of ear-worn devices surged 30.6 percent year on year to 20.75 million units, said the IDC.

(Source: Xinhua)

China to impose FTA tariff rates on certain Serbian imports

China will impose the tariff rates it has pledged under a free trade agreement (FTA) signed with Serbia on certain imports from the country, the Customs Tariff Commission of the State Council announced June 27th.

The adjustment takes effect on July 1, 2024, the same day the FTA comes into force.

The implementation of the agreement will further stimulate the potential for bilateral trade and investment cooperation, promoting higher-level cooperation between the two countries, the commission said in a statement.

After the deal comes into force, China will exempt tariffs on some Serbian imports such as electric generators, electric motors, tires, beef, wine and nuts, according to China's Ministry of Commerce.

The FTA, signed last October, is the 22nd of its kind for China and the first one inked with a central or eastern European country, making Serbia China's 29th global free trade partner.

(Source: Xinhua)

Industrial goji berry output value hits 4 bln USD in China's Ningxia

The output value of the goji berry industrial chain in northwest China's Ningxia Hui Autonomous Region totaled 29 billion yuan (about 4 billion U.S. dollars) in 2023, official data showed on May 29th.

In 2023, the goji berry planting area in Ningxia covered 325,000 mu (about 21,667 hectares), with an annual fresh goji berry output of 320,000 tonnes.

There are now more than 120 types of goji berry products, which have been exported to more than 50 countries and regions across the world, according to a press conference ahead of the seventh goji berry expo set to be held in Ningxia.

(Source: Xinhua)

2. CHINA'S E-COMMERCE INDUSTRY

China pushes for construction of overseas warehouses

China will promote the construction of overseas warehouses and expand cross-border e-commerce exports, said He Yadong, spokesperson for the Ministry of Commerce.

Cross-border e-commerce serves as a vital force for boosting the development of China's foreign trade. Over the past five years, China's cross-border e-commerce trade has grown more than tenfold, He told a regular press conference.

The ministry will push for the release of guidelines on expanding cross-border e-commerce exports and advancing the construction of overseas warehouses, he said.

During the first quarter of 2024, China's cross-border e-commerce trade reached 577.6 billion yuan (about 81.23 billion U.S. dollars), rising 9.6 percent year on year, of which exports amounted to 448 billion yuan with a growth rate of 14 percent.

China has over 120,000 cross-border e-commerce entities and more than 1,000 cross-border e-commerce industrial parks. The number of overseas warehouses has surpassed 2,500 so far, covering a total area of over 30 million square meters.

(Source: Xinhua)

Digitalization level in China's business sectors continues to improve

The digitalization level in China's business sectors has continued to improve this year, the Ministry of Commerce said on June 25.

According to the MOC, China's e-commerce activities since the beginning of the year have played a positive role in promoting consumption recovery and expanding international economic and trade cooperation.

In the first five months, online retail sales totaled 5.77 trillion yuan (\$810.11 billion), representing an increase of 12.4 percent from a year earlier, the MOC said, noting that promotional activities on the online e-commerce platforms such as "618" shopping festival powered the retail sales growth.

The country has also signed new memorandums of e-commerce cooperation with Serbia and Bahrain, expanding the number of Silk Road E-commerce partner countries to 32, according to the ministry.

In the first quarter of 2024, the proportion of cross-border e-commerce in total platforms of exports increased to 7.8 percent. Cross-border e-commerce activities contributed more than 1 percentage point to export growth in the first three months, the ministry said.

(Source: Xinhua)

China's cross-border e-commerce accelerates

China's cross-border e-commerce is developing at an accelerated rate through favorable policies, comprehensive pilot zones for cross-border e-commerce, companies going global faster, and more young people engaging in the sector.

The country's cross-border e-commerce trade rose 9.6 percent year on year to 577.6 billion yuan (\$79.95 billion) in the first quarter of this year, data from the General Administration of Customs showed.

In 2023, China's cross-border e-commerce developed rapidly, as exports rose by more than 1.8 trillion yuan, up 19.6 percent. Last year, Shanghai's airports saw export declarations from three Chinese e-commerce platforms increase by over 10 times over the previous year, according to the customs of Shanghai Pudong International Airport.

China has more than 100,000 cross-border e-commerce entities and over 200,000 independent cross-border e-commerce sites. The country's support services for cross-border e-commerce have also improved. As of 2023, China had over 1,800 overseas warehouses, and Chinese banks could provide full-chain and full-cycle services for domestic cross-border e-commerce operators.

The building of comprehensive pilot zones for cross-border e-commerce has also played a vital role in boosting China's cross-border e-commerce. Since 2015, China's Ministry of Commerce (MOFCOM) has established 165 comprehensive pilot zones for cross-border e-commerce. The scale of cross-border e-commerce of enterprises in these pilot zones has accounted for over 95 percent of the national total.

China has also stepped up efforts to roll out support policies for comprehensive pilot zones for cross-border e-commerce.

Recently, an official with the MOFCOM said that the ministry would work with relevant departments to steadily advance the construction of cross-border e-commerce comprehensive pilot zones, continuously improve supporting policies, enhance regulatory facilitation, accelerate the establishment of industrial chains and ecosystems adapted to the development needs of cross-border e-commerce, and promote the high-quality development of cross-border e-commerce.

In September 2022, Chinese e-commerce giant Pinduoduo launched its cross-border e-commerce platform Temu. To date, the platform has helped quality products at over 100 manufacturing industry belts in provinces like Zhejiang, Guangdong, Shandong, and Anhui reach over 50 countries and regions.

To support more companies in industrial belts in seizing new opportunities to go global and build new foreign trade channels, since this year, Temu has continued to hold dozens of industrial belt matchmaking events in the Yangtze River Delta region, the Pearl River Delta region, the Beijing-Tianjin-Hebei region, and Jiaodong region.

(Source: People's Daily Online)

China's online retail sales up 11.5% in January-April period

China's online retail sales saw steady expansion in the first four months of 2024, with emerging growth forces continuing to boost consumption, official data showed on May 21.

The country's online retail sales rose 11.5 percent year-on-year to 4.41 trillion yuan (\$620.52 billion) during the period, according to the Ministry of Commerce.

Specifically, online retail sales of physical goods climbed 11.1 percent year-on-year to 3.74 trillion yuan, contributing 23.9 percent of China's retail sales of consumer goods, the ministry said.

The country's consumption of key online services monitored by the ministry jumped 25.1 percent year-on-year in the same period, and its consumption of digital, green and health commodities also grew rapidly.

In April, China's online sales of home appliances and furniture increased 9.3 percent and 12.2 percent, respectively, supported by the country's consumer goods trade-in policy.

(Source: China Daily)

China's trade fair signals cross-border e-commerce development

Over the past years, cross-border e-commerce goods have become much more diversified, larger and heavier, according to the observations of Kelvin Ho, senior director in charge of eBay's business development in China.

Ho's words were supported by several special exhibition areas in the just-concluded cross-border e-commerce trade fair, part of the sixth Western China International Fair for Investment and Trade.

This year's Western China International Fair for Investment and Trade was held from May 23 to 26 in Chongqing Municipality, southwest China. The exhibited products included auto and motorcycle parts, general machinery, and new energy facilities.

At the booth of Chongqing AMM Machinery Manufacturing Co., Ltd, three large rotary tillers were on display. These were also popular products with foreign clients from major agricultural producers such as India and Türkiye. Now more than 20 percent of the company's sales value is from cross-border e-commerce.

eBay is one of the largest online markets selling autos, motorcycles and related parts across the globe. As more sellers flow in, products that are much heavier, larger, and meet American and European market access standards, have entered the e-commerce market. Some 120 vehicle accessories, 30 wheels and parts and 30 braking products are sold every minute on eBay.

(Source: People's Daily Online)

More foreign agricultural, food products enter Chinese market

More and more types of agricultural and food products from foreign countries have been permitted to enter the Chinese market, providing Chinese consumers with more diverse choices.

Pork from the Netherlands, dried prunes and fresh blueberries from Serbia, and fresh cherries from Hungary have been allowed to be exported to China on the condition that they meet the country's quarantine and health requirements, according to a recent announcement by the General Administration of Customs (GAC).

China's expansion of imports of agricultural and food products has created more opportunities for foreign suppliers to enter the Chinese market.

Today, Chinese consumers can buy an array of foreign food on e-commerce platforms, including Australian steaks, Brazilian beef ribs, Spanish ham, Danish

pork cracklins, Ecuadorian shrimps, and New Zealand green-lipped mussels. The list is getting longer.

(Source: People's Daily Online)

Flower industry flourishing amid growing demand

ELang Yu, who runs a physical store at Dounan Flower Market in the city of Kunming, Yunnan Province, has witnessed this shift first-hand. "People now place great importance on ceremonies and celebrations. Fresh flowers have become a common way of expressing love," he said.

Dounan witnesses 40 million flowers of 1,600 varieties traded every day, making it a vibrant barometer of China's fresh-cut flower industry.

With about 1.5 million hectares dedicated to flower cultivation and more than 5 million people involved in the industry, China has become the world's largest flower producer, and an important flower trader and consumer.

The booming demand is being met by a growing number of online florists, allowing urban consumers to order flowers with just a few taps on their smartphones. According to internet statistics company Statista, China's flower e-commerce is on the rise due to the development of logistics services, with its market size expected to reach 164.4 billion yuan by 2025.

(Source: People's Daily Online)

3. RECOMMENDED EXHIBITIONS

The 12th China Arbitration Week in 2024

The 12th China Arbitration Week will be held globally from **23 September to 29 September, 2024**. To further expand the influence of the China Arbitration Week, promote arbitration legal services, share the story of China's arbitration, and raise the credibility of arbitration, we sincerely invite you to jointly host arbitration-related events during this China Arbitration Week.

Initiated by CIETAC and in collaboration with Renmin University of China, All China Lawyers Association (ACLA) and Beijing Lawyers Association, the China Arbitration Week is a platform focusing on arbitration and other means of dispute resolution. China Banking Association (CBA), China Real Estate Association (CREA), Insurance Association of China (IAC), and Legal Daily are also members of the Organizing Committee of the China Arbitration Week.

The events of China Arbitration Week are held in September each year in dozens of cities in and out of China. The previous eleven editions of the China Arbitration Week received wide recognition and active participation globally: The Supreme People's Court of PRC, China Council for the Promotion of International Trade (CCPIT), the United Nations Commission on International Trade Law (UNCITRAL), the International Council for Commercial Arbitration (ICCA), the International Centre for Settlement of Investment Dispute (ICSID), arbitration institutions from home and abroad, local CCPIT branches, provincial and municipal lawyers' associations, renowned domestic universities, law firms, companies, chambers of commerce, and academic societies have participated in China Arbitration Week as organizers, co-organizers, or in various other forms to jointly build and share the China Arbitration Week platform. Specially, many famous international arbitration institutions, such as the International Chamber of Commerce (ICC) International Court of Arbitration, the International Centre for Dispute Resolution (ICDR) of American Arbitration Association (AAA), the Singapore International Arbitration Centre (SIAC), the Hong Kong International Arbitration Centre (HKIAC), the Stockholm Chamber of Commerce (SCC) Arbitration Institute, the German Arbitration Institute (DIS), had organized events in or sent delegates to the China Arbitration Week. Over the past eleven years, China Arbitration Week events were held in more than 50 cities, with millions of participants both online and onsite, gradually becoming one of the most influential events in international arbitration circles.

This year's China Arbitration Week continues the hybrid format with online and onsite events. We will assist in the promotion of the events through CIETAC's promotional channels on WeChat, Weibo, the official website of China Arbitration Week, Legal Daily's website, etc. The organizers of events will be listed on the official publication of China Arbitration Week. **Registration for the China Arbitration Week activities is free of charge.** For those who are interested, please send your event proposals to China Arbitration Week Organizing Committee on or **before August 16, 2024.**

Contacts:

Zhao Jinxin, 010-82217621, zhaojinxin@cietac.org

Li Xinyu, 010-89163096, lixinyuyjs@cietac.org

**The 2024 China High-level Dialogue on Maritime and Commercial
Arbitration**

Date: 27 June, 2024

Location: China World Hotel, Beijing

Program:

- Panel Discussion I: Hot Issues in international Arbitration

Topics:

- 1.Revision of arbitration rules outside the Chinese Mainland
- 2.Chinese parties in arbitration outside the Chinese Mainland
- 3.Advantages of arbitration in HKSAR
- 4.Revision of the Chinese Arbitration Law and the formation of an international arbitration center
- 5.Application of artificial intelligence in international arbitration

- Panel Discussion II: Hot Issues in Maritime Legal Area

Topics:

- 1.Structural changes in the shipping market under great changes -legal risks, opportunities and challenges
- 2.Contractual performance risks, environmental legal liabilities and labor law issues
- 3.Legal opportunities: Green shipping, digital transformation and new markets' accessibility
- 4.Legal challenges: Issues related to data privacy and security, new ship types and new fuels

- Panel Discussion III: Hot Issues in Commercial Legal Area

Topics:

- 1.The pros and cons of the newly established Company Law on the registered capital subscription system: a dynamic balance between the benefits of the term and the security of the transaction
- 2.The civil liability of controlling shareholders and actual controllers as de facto directors and shadow directors
- 3.The validity of the external guarantee contract signed by the company's legal representative beyond its authority

Open Links for Online Attendees:

This symposium could be viewed via the following links. The language will be both Chinese and English with simultaneous interpretation provided. Please scan the following QR code to watch the symposium online.



Contacts:

Mr.Peng Xiao, 86-10-82217926, xiaopeng@cmac.org.cn

Ms. Aoshuang Zhang, 86-010-82217921, zhangaoshuang@cmac.org.cn

Ms. Momo Chen, 86-010-82217922, chenmomo@cmac.org.cn

4. BUSINESS OPPORTUNITIES

IMPORT INQUIRY | Cocopeat

A long-term Purchase Demand of Cocopeat from a Hebei Enterprise.

Company Profile :

The company was founded in 2016, located in Chengde, Hebei Province. It is a high-tech state-owned enterprise integrating R&D, production and sales. The main business includes: R&D, production and sales of cultivation substrate, bio-organic fertilizer, seedling cultivation, as well as treatment and utilization of agricultural waste. The company owns two large-scale production bases with specialized scientific research teams and has passed ISO9001 quality management system certification. The company is committed to Promoting the progress of agricultural scientific and technological development as well as turning agricultural waste into resource.

Specification:

Purchase quantity: >2000 cabinets/year

pH value 5.5-6.5

EC value < 0.5ms/cm

Soaking amount > 12

Purchase Mode: Overseas Direct Purchase

IMPORT INQUIRY | Cotton Yarn

There is a sourcing need of Vietnamese cotton yarn from a Chinese company.

Specification:

—Weaving yarn OE16, OE21, OE32, OE34 etc.

Suppliers should provide the information of the cotton yarn, includes:

—Quotation with terms of CIF Shanghai;

—The list of the main equipment for cotton yarn production;

- The cotton-producing country of the yarn;
- The bleaching and dyeing condition of the cotton yarn;
- Acceptability of a L/C at 90 days after sight;
- The Uster test report for the cotton yarn;
- Cotton yarn samples after reaching a preliminary cooperation intention.

BUSINESS OFFER | Special Vehicle Production

Taian Aerospace Special Vehicle Co., Ltd. is a state-owned enterprise designated for the production of special vehicles. It belongs to the First Academy of China Aerospace Science and Technology Group Corporation (China Academy of Launch Vehicle Technology Research Institute).

The company is the leading enterprise of heavy military special vehicles in China. The company has undertaken the scientific research and production of military vehicles and equipment as well as heavy-duty special vehicles for oil fields, mines and other systems. Its products are recognized by both military and civilian quality systems. The company has also owned multiple major national scientific research and production projects.

Product Catalog:

The company has an annual production capacity of 10,000 special vehicles of various types, including:

- Tractors T90/T70/T60;
- Special Vehicles C20/C30/C40/H40/H50/M40;
- Forest Fire Truck Chassis;
- Mining Vehicle TASS3731;
- TAS5360TXJ(6X6)/TAS5480TXJ(8X8)/TAS5550TXJ(10X10/8)/
TAS5660TXJ(12X10/8)/TAS51000TXJ(14X12)Workover Rig.

BUSINESS OFFER | Flour Machinery

A Chinese flour machinery producer is seeking for buyers.

1.Flour production equipment: milling machines, plansifters, purifiers, vibrating screens, grading stoners and packaging scales.

2.Steel structure building construction and relevant equipment.

For the contacts of the above or more business opportunities, please send the following information to tradeinvest@itc.ccpit.org :

- (1) Company name, main business, product catalogue, etc.
- (2) Scanned copy of business license
- (3) Contact person and contact information
- (4) Interested products and business projects

THE CROSS-BORDER E-COMMERCE NEWSLETTER, initiated by the Department of Industry Promotion of China Council for the Promotion of International Trade (CCPIT) and compiled by CCPIT Information Center, provides information regarding Chinese trade policy watch, industry update and business opportunities in China. It caters to the needs of international e-commerce companies, import & export trade dealers, foreign embassies, chambers of commerce and industry of all countries who are seeking biz updates and trade opportunities.

Welcome to subscribe **FREE** to our newsletter at zhaotian@itc.ccpit.org.