

TRADE FACILITATION PRACTICES IN CHONGQING CROSS-BORDER E-COMMERCE COMPREHENSIVE PILOT ZONE

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ABSTRACT

Currently, the global cross-border e-commerce is booming, which objectively puts forward higher requirements for trade facilitation. Since 2015, China has set up 165 integrated pilot zones for cross-border e-commerce in batches, aiming to provide replicable and propagable experience for promoting the healthy development of cross-border e-commerce in China on an early and pilot basis. This thesis focuses on the trade facilitation practices and their according effectiveness in Chongqing, using the platform of this inland integrated pilot zone for cross-border e-commerce with the largest cross-border e-commerce consumer market in the west of China. Since the trade facilitation in the Chongqing integrated pilot zone for cross-border e-commerce has its internal problems and also faces external challenges, this thesis attempts to propose corresponding countermeasures in terms of upgrading governance capacity, highlighting Chongqing's characteristics and reinforcing the strength of international cooperation.

Key words: integrated pilot zones for cross-border e-commerce; trade facilitation; Chongqing; effect

Since the beginning of the 21st century, global digital trade has developed rapidly, with the growth of cross-border e-commerce representing a major innovation in international trade practices. The inherent characteristics of cross-border e-commerce make it highly sensitive to trade facilitation measures. As a major exporting country with a vast consumer market, China must explore trade facilitation strategies for cross-border e-commerce to maintain its competitive advantage and ensure high-quality development in the new era. Zhong et al. (2022)

Since 2015, China has successively established 165 Cross-Border E-Commerce Comprehensive Pilot Zones (hereinafter referred to as "pilot zones") in cities such as Hangzhou, Tianjin, Chongqing, and Ningbo. These zones are designed to serve as testing grounds for standardizing transaction processes, payment systems, logistics, and regulatory models in cross-border e-commerce, while promoting technological and institutional innovation. Zhang & Li As experimental platforms in different regions, the pilot zones play a key role in exploring more efficient trade facilitation measures and boosting regional economic growth. Among them, the Chongqing pilot zone—one of the earlier ones established in inland China—has strategic significance in balancing development and serving as a model for other inland regions. However, since cross-border e-commerce in Chongqing started relatively late, there are still areas requiring further exploration. Therefore, this paper focuses on studying the trade facilitation practices of the Chongqing pilot zone.

1 BACKGROUND OF CHINA'S ESTABLISHMENT OF CROSS-BORDER E-COMMERCE COMPREHENSIVE PILOT ZONES

1.1 INTERNATIONAL

1.1.1 MEETING THE NEEDS OF GLOBAL E-COMMERCE DEVELOPMENT

With the deepening of the information revolution—particularly the advancement and widespread adoption of internet technologies—e-commerce has flourished worldwide. Cross-border e-

Table 1: E-commerce Annual Total/GDP Ratio in 14 Major Global Markets in 2022

Major Market	E-commerce/GDP (%)	Major Market	E-commerce/GDP (%)
Mainland China	11.24	Mexico	1.95
Brazil	7.88	Germany	1.89
United States	4.68	Singapore	1.62
France	4.29	Spain	1.50
Japan	3.25	Canada	1.48
Italy	2.79	United Kingdom	0.71
Australia	2.25	Hong Kong (China)	1.95

Source: Calculated based on the 2022 PayPal Cross-Border E-commerce Report.

Table 2: Major Cross-border E-commerce Supply Markets in 14 Global Markets (2022)

Major Market	Main Cross-border Supply Markets	Major Market	Main Cross-border Supply Markets
Brazil	China: 57%; USA: 31%; Japan: 8%	Germany	China: 30%; USA: 20%; UK: 14%
Singapore	China: 56%; USA: 29%; Korea: 19%	USA	China: 27%; Canada: 11%; UK: 9%
Hong Kong (China)	China: 45%; Japan: 40%; USA: 38%	Mexico	USA: 59%; China: 43%; Japan: 13%
Spain	China: 45%; USA: 20%; UK: 17%	Canada	USA: 58%; China: 27%; UK: 9%
Italy	China: 35%; USA: 26%; UK: 26%	Australia	USA: 39%; China: 27%; UK: 17%
France	China: 35%; USA: 20%; UK: 14%	China	USA: 38%; Japan: 34%; Korea: 27%
Japan	China: 31%; USA: 31%; Korea: 31%	UK	USA: 28%; China: 26%; Germany: 8%

Source: Same as Table 1, pages 13–96.

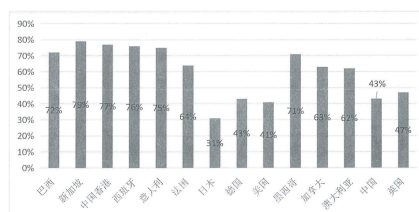


Figure 1: Percentage of cross-border online shopping consumers in 14 major markets around the world in 2022

commerce, built upon the foundation of domestic e-commerce, represents a major breakthrough in traditional international trade and has become a new engine of national economic growth. According to the 2022 PayPal Cross-Border E-Commerce Report¹, e-commerce continues to thrive in fourteen major global markets. The report shows that in thirteen of these countries, annual e-commerce turnover accounts for over 1% of GDP; Brazil exceeds 5%, and China surpasses 10%. Against this backdrop of global competition in developing cross-border e-commerce, China began establishing pilot zones in 2015 to better align with international e-commerce development trends.(see **Table 1**)

1.1.2 PARTICIPATING IN THE FORMULATION OF INTERNATIONAL E-COMMERCE RULES

Although the digital economy is booming, different countries have varying strengths and priorities. For instance, the U.S. and Europe emphasize services trade based on the free flow of data, while China focuses more on cross-border e-commerce. Due to these differing interests, the progress in formulating multilateral rules related to e-commerce has been slow. The World Trade Organization (WTO) has yet to achieve substantial breakthroughs in this area. Currently, developed countries in the West lead discussions on e-commerce in regional trade agreements, but a comprehensive set of multilateral rules is still lacking. It is therefore in China's interest to actively engage in shaping international e-commerce regulations to safeguard its own development needs. Establishing cross-border e-commerce pilot zones helps China explore pathways to participate in the development of multilateral rules and contribute to the formulation of concrete international standards.Zou (2022)

1.2 DOMESTIC DRIVERS

1.2.1 PROMOTING STANDARDIZATION IN E-COMMERCE GOVERNANCE

As a new form of business, e-commerce lacks a fully developed regulatory framework. In recent years, China's cross-border e-commerce sector has faced challenges in areas such as taxation, statistical monitoring, legal systems, and customs clearance. Addressing these gaps requires bottom-up policy experimentation. Pilot zones serve as tailored testing grounds for formulating and adjusting regulations, avoiding overly rigid standards that might be impractical, while also preventing overly lax rules that could lead to disorder. Notably, the E-Commerce Law of the People's Republic of China², which came into effect in 2019, contains three provisions specifically related to cross-border e-commerce. In 2023, the government issued a new policy bulletin on tax arrangements for returned goods in cross-border e-commerce exports, further clarifying taxation rules, innovations in customs clearance, and replicable regulatory models—all of which benefited from pilot zone experiences.

1.2.2 UNLOCKING DOMESTIC AND INTERNATIONAL MARKET POTENTIAL

The 2022 PayPal Cross-Border E-Commerce Report also highlights that China has become a key source market for cross-border online shopping in eight countries or regions (see **Table 2**). However, when examining the proportion of consumers who shop internationally online relative to total consumers, China's share stands at only 43%(See **Figure 1**). China ranks 11th in the world, while nine major markets have over 50% of consumers engaging in cross-border online shopping. This indicates that while China plays a major global role as a cross-border e-commerce supplier, there is still untapped potential in stimulating domestic consumer demand for international purchases. The establishment of cross-border e-commerce pilot zones can accelerate the development of both domestic and international markets. Notably, as each pilot zone has its own characteristics and key market partnerships, they are well-positioned to support the development of a "dual circulation" model that links domestic and global economic flows.

1.3 STRATEGIC SIGNIFICANCE OF THE CHONGQING CROSS-BORDER E-COMMERCE PILOT ZONE

As part of the second batch of national pilot zones, the Chongqing cross-border e-commerce pilot zone holds significant strategic importance. From a geopolitical perspective, Chongqing serves as

¹<https://www.paypalobjects.com/marketing/web/c2/campaigns/borderless-commerce/Borderless-Commerce-Report-2022.pdf>

²<http://www.npc.gov.cn/wxzlhgb/c27214/gb2020/202006/P020230313538731037747.pdf>

a strategic hub for the Western Development Strategy and as a key junction of the Belt and Road Initiative and the Yangtze River Economic Belt. Its experience can provide valuable guidance for the development of cross-border e-commerce in inland regions. Economically, Chongqing boasts the largest cross-border e-commerce consumer market in western China, making it one of only two western cities selected in the second batch of pilot zones.³

2 THE IMPORTANCE OF PROMOTING TRADE FACILITATION IN CHINA'S CROSS-BORDER E-COMMERCE

2.1 POSITIVE IMPACT OF TRADE FACILITATION ON CHINA'S FOREIGN TRADE AND NATIONAL ECONOMY

Trade facilitation refers to the simplification of procedures and formalities for the movement of goods, the harmonization of laws and regulations, and the improvement of infrastructure, all aimed at accelerating the flow, clearance, and release of goods to create a transparent and predictable trade environment. Park et al. (2021)

Empirical studies have shown that trade facilitation positively affects China's foreign trade and national economy. Specifically:

- Trade facilitation reduces import time, thereby increasing the volume of time-sensitive imports;
- It shortens export time, boosting the export of high-cost goods;
- Improved facilitation reduces regional uncertainties and financing constraints, spurring inter-regional innovation;
- It also enables regions to gain access to advanced knowledge and expertise through trade, promoting economic development.

Compared with traditional international trade, cross-border e-commerce is characterized by smaller quantities, higher frequency, fragmented orders, and shorter cycles. These characteristics make cross-border e-commerce significantly more sensitive to trade facilitation measures, and thus, it requires a higher standard of facilitation.

2.2 SHORTCOMINGS IN CHINA'S TRADE FACILITATION PRACTICES FOR CROSS-BORDER E-COMMERCE

According to the 2023 China Trade Facilitation Annual Report by the Beijing Ruiku Center for Trade Security and Facilitation, which assessed China's implementation of the WTO Trade Facilitation Agreement, trade facilitation in China was found to be generally sufficient as of August 2022—but with several notable deficiencies:

- The English version of the Chinese customs portal has limited content coverage and lacks timely updates;
- There is no mechanism for establishing common enquiry points at the regional level in cooperation with customs unions or regional integration bodies;
- Consultations with domestic traders and stakeholders are not institutionalized or regularly conducted;
- Early declaration rates for imports and exports are only sporadically reported, with no standardized public disclosure system; Wang (2019)
- The methodology for measuring customs clearance time lacks transparency—issues such as how to exclude irrelevant delays and distinguish between gross and net clearance time remain unresolved;
- The customs accreditation standards have changed frequently in recent years, with businesses reporting difficulty in keeping up with the pace of adjustments.

³https://www.comnews.cn/content/2022-07/24/content_13706.html

3 PRELIMINARY DEVELOPMENT OF TRADE FACILITATION IN THE CHONGQING PILOT ZONE (2016–2019)

3.1 PURPOSE OF ESTABLISHING THE CHONGQING PILOT ZONE

According to the Implementation Plan for the China (Chongqing) Cross-Border E-Commerce Comprehensive Pilot Zone (2016), the Chongqing pilot zone was established with the goal of promoting the practical implementation of trade facilitation in cross-border e-commerce and exploring pilot experiences suitable for the development of inland regions.

More specifically, the development objectives of the Chongqing pilot zone include leveraging its unique advantages—such as the three integrated “three-in-one” open platforms and the “Yuxinou” international rail intermodal transport corridor—to improve cross-border e-commerce service platforms and build a comprehensive support system encompassing logistics and warehousing Khan et al. (2018), inspection and certification, payment and settlement, and more. The zone also aims to establish mechanisms for regulatory services, information sharing, smart logistics, credit guarantees, risk prevention, and statistical monitoring, all tailored to the needs of cross-border e-commerce development.

Key tasks related to trade facilitation in the Chongqing pilot zone include:

- Building a “single window” platform for international trade and cross-border e-commerce;
- Innovating customs supervision, inspection and quarantine services, and foreign exchange receipt and settlement management;
- Optimizing tax management services;
- Improving logistics and warehousing services;
- Enhancing the efficiency of port services;
- Promoting technological innovation such as big data development and application;
- Establishing a statistical monitoring system for cross-border e-commerce;
- Experimenting with the development of an after-sales guarantee system for traded goods.

3.2 INITIAL TRADE FACILITATION PRACTICES IN THE CHONGQING PILOT ZONE

3.2.1 LEVERAGING EXISTING CONDITIONS TO PROMOTE TRADE FACILITATION

The China-Europe Railway Express (CR Express) is an international containerized rail transport service that runs on fixed schedules, routes, and frequencies between China and Europe, as well as countries along the Belt and Road Initiative. In September 2017, the first-ever cross-border e-commerce cargo transported via dedicated railway service—the China-Europe Cross-Border E-Commerce Express—arrived in Chongqing, marking a milestone in the use of rail transport for cross-border e-commerce. Vo et al. (2022)

The Chongqing pilot zone has fully utilized the CR Express to enhance trade facilitation, capitalizing on its advantages in speed, cost, customs clearance, and operational systems:

- **Speed:** The CR Express requires only 14 days for delivery, reducing transit time by about 20 days compared to traditional sea freight.
- **Cost:** The freight cost is roughly one-fifth of air transport, while the cargo capacity is over ten times higher.
- **Customs Clearance:** A “One Pass” system is adopted, allowing for unified declaration, single inspection, and streamlined clearance across the entire route.
- **Operational Stability:** Regular, fixed schedules provide exporters and importers with greater flexibility in shipping logistics.

Additionally, the Chongqing pilot zone established China’s first international mail processing center at a railway port, designed to explore more convenient customs clearance models for two-way import-export cargo along the China-Europe rail corridor.

By the end of December 2019, the “Yuxinou” CR Express line had operated over 4,400 trains cumulatively, with nearly 1,300 trains dispatched in 2019 alone, ranking among the top nationwide in terms of frequency and performance indicators.⁴

3.2.2 TECHNOLOGICAL INNOVATIONS IN TRADE FACILITATION

The technological exploration of trade facilitation in the Chongqing pilot zone primarily relies on big data. From platform development to customs clearance procedures, the application of advanced technologies has significantly enhanced the zone’s level of intelligent management.

In terms of platform development, Chongqing was the first in China to implement the “Single Window” system for international trade within the cross-border e-commerce regulatory framework. This system integrates information from customs, inspection and quarantine authorities, enabling coordinated operations across departments and effectively eliminating redundant declarations by enterprises. Additionally, the zone launched an “Internet + Customs” integrated online service platform, which enables 24/7 autonomous outbound clearance for released cross-border e-commerce parcels. Wu (2020)

Regarding customs clearance procedures, as early as 2017, the zone had achieved a 77% paperless inspection declaration rate and a 74% paperless certificate of origin declaration rate.⁵ Moreover, it introduced an automated identity verification system that cross-checks consumer information submitted by e-commerce enterprises with national police identity databases, streamlining the declaration process and facilitating regulatory oversight.

3.2.3 INSTITUTIONAL INNOVATIONS IN TRADE FACILITATION

The early development of the Chongqing pilot zone also included significant institutional experimentation in several areas.

In terms of the inspection and quarantine system:

- Chongqing was among the first regions in China authorized to carry out import food approval, significantly shortening quarantine approval times.
- It reformed the export food registration system by accepting third-party conformity assessment results, thereby reducing registration processing time.
- The zone introduced a classification-based management system for exported food products, which greatly reduced the frequency of on-site inspections.
- It also pioneered a policy that exempts small-batch cross-border imports from mandatory product certification and special testing, significantly lowering the market access cost for bonded warehousing models and shortening approval timelines.
- Furthermore, Chongqing established a joint customs-inspection mechanism and implemented a “one machine, two screens” operation mode at on-site e-commerce sorting lines, which has markedly improved inspection efficiency.

In terms of the customs clearance system, the Chongqing pilot zone took a lead role through a range of institutional measures aimed at reducing clearance time, improving efficiency, and lowering costs:

1. It implemented 24/7 outbound clearance for released cross-border e-commerce parcels.
2. It conducted clearance tests at Chongqing Airport Customs for the “9610” model—a B2C cross-border export mode—which features the innovative “single-list release, aggregated declaration” system, effectively addressing issues related to tax refunds.
3. It introduced a “pre-sorting before customs declaration” supervision model, reducing the rate of amendment or cancellation of declarations and enabling more precise regulation.⁶

⁴<http://www.customs.gov.cn/customs/xwfb34/mtjj35/2752638/index.html>

⁵http://www.customs.gov.cn/chongqing_customs/jyjy91/jhzj82/3339760/index.html

⁶http://www.customs.gov.cn/chongqing_customs/515855/515856/1082868/index.html

4. It promoted the “pre-declaration” model for customs clearance, reducing cargo dwell time at ports.
5. It adopted a flexible, scenario-based approach by formulating targeted customs clearance support plans in advance of major promotional events, ensuring smooth and timely processing during peak periods.

3.3 OUTCOMES OF INITIAL TRADE FACILITATION PRACTICES IN THE CHONGQING PILOT ZONE

3.3.1 ACCELERATED CUSTOMS CLEARANCE

Overall clearance time refers to the total time from the arrival of goods at the port to their final release and removal, including multiple stages such as arrival, unloading, declaration, inspection, release, and pickup. In contrast, customs clearance time specifically refers to the time taken by customs from declaration to release within a single operational segment. The two metrics have distinct implications. Schott (2025)

Overall, the introduction of the “Single Window” system for international trade has reduced port clearance time in the Chongqing pilot zone by more than 10%. In 2017, the overall clearance times for imports and exports at Chongqing ports were 239 hours and 15.12 hours, respectively. By November 2018, these times had been reduced to 98.53 hours and 7.04 hours, respectively—exceeding the State Council’s goal of reducing overall clearance times by one-third compared to 2017.⁷ By the end of 2018, Chongqing had achieved reductions of 65.49% for imports and 93.78% for exports compared to 2017, effectively meeting ahead of schedule the national target set for the end of 2021, which called for a 50% reduction.

Following the implementation of the “7×24-hour” outbound clearance system for cross-border e-commerce parcels, clearance times have been drastically reduced. A representative from Chongqing Gangteng Technology Co., Ltd. noted in an interview that:

“In the past, it took about two days from order receipt to parcel packaging and dispatch. With the 7×24-hour system, customs clearance applications and review can be initiated at any time after receiving an order—clearance can now be completed in as little as one hour.” Shan et al. (2020)

Moreover, the zone’s time-sensitive clearance strategy has yielded notable results. For example, during the 2017 “Double 11” shopping festival, Lianglu Cuntan Customs processed 79,000 parcels, while Xiyong Customs processed 55,000 parcels. During peak hours, their respective average processing capacities reached 25,000 and 16,000 parcels per hour.

3.3.2 EXPANSION OF IMPORT AND EXPORT VOLUMES

According to statistics from Chongqing Customs, in 2017, the number of cross-border e-commerce orders in Chongqing reached 15 million, ranking sixth nationally. In 2018, the Chongqing pilot zone handled a cumulative 22.84 million retail import e-commerce declarations, moving its national ranking up to fifth place.⁸

From 2016 to 2018, the value of Chongqing’s cross-border B2C retail imports was RMB 2.1 billion, 3.2 billion, and 4.8 billion, respectively, representing an average annual growth rate of 33.9%.

3.3.3 STREAMLINED APPROVAL PROCEDURES FOR IMPORT AND EXPORT

Thanks to the international trade “Single Window,” the Chongqing pilot zone has achieved more than a 30% optimization in its customs clearance procedures at ports, significantly simplifying approval processes across import and export stages. By the end of 2018, the Chongqing pilot zone had reduced the number of regulatory certificates required for import and export procedures from 86 to 48, successfully meeting the State Council’s target. Li et al. (2024)

⁷http://www.customs.gov.cn/chongqing_customs/515907/515909/2083382/index.html

⁸http://www.customs.gov.cn//chongqing_customs/515907/515908/2273738/index.html

3.3.4 FORMATION OF REPLICABLE PRACTICES

Chongqing's Liangjiang New Area has adapted reform measures from China's Free Trade Zones (FTZs) to its own local conditions, including the implementation of split-line supervision of inbound and outbound goods within bonded port zones. As of early 2017, three innovative systems piloted in Chongqing had already been replicated nationwide. The Xiyong Comprehensive Bonded Zone has also continuously reformed to optimize the business environment by streamlining administration and delegating authority. Its policies such as "3C Exemption" and "Four Selfs and One Simplification" have become nationally recognized FTZ innovation cases. Moreover, the Chongqing pilot zone was the first in China to implement a special regulatory policy exempting small-batch cross-border e-commerce imports from mandatory certification and specific inspection requirements—a series of initiatives summarized by Xinhua News Agency as the emerging "E-commerce Thinking" model.⁹

4 THE CURRENT STATE OF TRADE FACILITATION IN THE CHONGQING PILOT ZONE (2020–EARLY 2023)

4.1 BREAKTHROUGHS IN TRADE FACILITATION

4.1.1 OVERCOMING THE CHALLENGES OF THE COVID-19 PANDEMIC

In response to the COVID-19 crisis, the Chongqing pilot zone adopted several innovative strategies, including remote work systems and relaxed operational requirements, to ensure business continuity.

First, the zone maintained 24/7 customs clearance via an online service portal. In emergencies, "cloud communication" was conducted through video conferencing with enterprises, enabling real-time information verification. Yuzhou Customs adopted a "closed-loop onsite + remote work" model to ensure the uninterrupted operation of international cargo trains.¹⁰

Second, the pilot zone activated contingency "accept with missing documents" procedures, enabling 24-hour rapid online responses to clearance anomalies during the pandemic. It also extended payment deadlines, waived late fees, and implemented innovative multi-use guarantee mechanisms to support businesses facing operational and financial difficulties.¹¹

Finally, for urgently needed imported production equipment and raw materials, the zone offered facilitated inspections during unloading, "door-to-door" verifications, and in-process checks during equipment installation, significantly easing customs procedures for essential goods.¹²

4.1.2 BREAKTHROUGHS IN OVERALL CLEARANCE TIME

Since 2020, the Chongqing pilot zone has prioritized reducing overall clearance time by reforming clearance models, customs-logistics workflows, and institutional transaction costs at ports.

- First, in terms of clearance model reform¹³, the zone promoted pre-declaration, two-step declaration, and two-stage access policies; simplified required documents; digitized verification materials; optimized tax collection systems; and deepened reforms in diversified guarantee mechanisms—all contributing to faster cargo release. A "green channel" for agricultural and perishable products was launched, ensuring customs procedures are completed within one hour upon arrival at customs-supervised facilities.¹⁴

⁹http://www.customs.gov.cn/chongqing_customs/jy jy91/jhz j82/3339760/index.html

¹⁰http://www.customs.gov.cn//chongqing_customs/515855/515856/4705450/index.html

¹¹http://www.customs.gov.cn//chongqing_customs/515907/515908/3519015/index.html

¹²http://www.customs.gov.cn//chongqing_customs/515860/515872/zfxxgkml76/3723234zwgk/index.html

¹³http://www.customs.gov.cn/chongqing_customs/515855/515856/4321115/index.html

¹⁴http://www.customs.gov.cn//chongqing_customs/515860/515872/zfxxgkml76/3723060zwgk/index.html

- Second, in customs-logistics integration, Chongqing pioneered the “departure confirmation” model for river-sea intermodal transport, replacing the traditional sequential handoff model with a parallel processing model. This reduced transfer time from at least one day to just two minutes. It also piloted “direct pickup at the ship” for imports and “direct loading upon arrival” for exports, as well as “arrival confirmation” procedures to enhance port throughput efficiency.Changhong (2024)
- Third, in reducing institutional transaction costs, the number of regulatory certificates required in clearance processes was further reduced from 86 to 41, with online verification replacing physical submission for all but a few security-sensitive cases. The zone also conducted in-depth analyses of key steps in the clearance process. For example, automotive parts exempt from CCC certification were allowed under a “declare first, verify later” model.

In addition, technological innovations have further shortened clearance time. Lianglu Cuntan Customs promoted barcode-based declaration for e-commerce goods, greatly enhancing data entry efficiency.¹⁵ At railway ports, the pilot zone used license plate recognition and large-scale container scanning for non-intrusive intelligent inspections, minimizing manual unpacking. These measures supported the “fast inspection and immediate release” model for the China-Europe freight train, which has since been extended to international rail lines linking China with Laos and Vietnam.¹⁶

As of 2020, Chongqing’s import clearance time had been reduced to 68.32 hours, a 71.46% decrease from 2017 levels. Export clearance time dropped to 0.39 hours, a 97.41% reduction compared to 2017.¹⁷

4.1.3 BREAKTHROUGHS IN CONSUMER EXPERIENCE

With the rapid growth of the domestic cross-border e-commerce market, consumer expectations for after-sales service have significantly increased.

Previously, overseas direct shipping often meant complex return procedures and high international shipping costs for consumers. Enhancing the consumer experience has thus become critical for the sustainable development of cross-border e-commerce.

To address this, Chongqing Customs established the first cross-border e-commerce retail import return center warehouse in the Lianglu Cuntan Comprehensive Bonded Zone. This marked a concrete achievement in implementing the “Return Center Warehouse Model”—a policy included in the sixth batch of reform measures promoted by the State Council.¹⁸ It also signified a substantial breakthrough in improving the consumer experience within the Chongqing pilot zone.

4.1.4 BREAKTHROUGHS IN LOCAL ENTERPRISE DEVELOPMENT

Enterprises often have implicit demands for trade facilitation measures, and such facilitation, in turn, contributes significantly to nurturing local businesses.

The 19th National Congress of the Communist Party of China emphasized the unwavering commitment to both strengthening the public sector and supporting, encouraging, and guiding the development of the non-public sector. In line with this, both the central and Chongqing municipal governments have introduced tax cuts and fee reductions to support the import and export growth of private enterprises. Combined with continuous improvements in the local business environment, private enterprises have become a key driver of Chongqing’s foreign trade growth.Yang et al. (2023)

In January 2022, the Xiyong Cross-Border E-Commerce Industrial Park (eBay Park) and the Yubei Cross-Border E-Commerce Talent Incubation Base were inaugurated in the Xiyong Microelectron-

¹⁵http://www.customs.gov.cn//chongqing_customs/515855/515858/4517080/index.html

¹⁶http://www.customs.gov.cn//chongqing_customs/515855/515858/4527077/index.html

¹⁷http://www.customs.gov.cn//chongqing_customs/515855/515856/3538563/index.html

¹⁸http://www.customs.gov.cn//chongqing_customs/515855/515858/3326123/index.html

ics Industrial Park, part of Western (Chongqing) Science City. This marked a successful collaboration between Xiyong and eBay, helping thousands of Chongqing-based small and medium-sized enterprises (SMEs) access international markets.¹⁹

4.2 COMPARISON BETWEEN CHONGQING AND OTHER CROSS-BORDER E-COMMERCE PILOT ZONES

4.2.1 OVERALL COMPARISON WITH OTHER PILOT ZONES

In October 2021, the Ministry of Commerce conducted its first comprehensive evaluation of 105 cross-border e-commerce pilot zones established in the first five batches nationwide. The evaluation system covered seven categories—including basic conditions, policy measures, import-export volumes, overseas warehouse construction, and industrial park development—with over 40 specific indicators. JIANG & YUQIAN (2025)

Pilot zones were ranked in four tiers:

- Outstanding performance,
- Good performance,
- Emerging results, and
- Still in the early stages.

According to public reports, ten pilot zones were ranked in the top tier (“outstanding performance”), namely: Hangzhou, Ningbo, Qingdao, Shanghai, Guangzhou, Shenzhen, Zhengzhou, Xiamen, Nanjing, and Yiwu.

Fifty pilot zones, including Wenzhou, Luoyang, Lanzhou, Nanchang, Yinchuan, and Xiangtan, were categorized as having “good performance,” while forty others—including Lishui—were placed in the third tier with “emerging results.”²⁰ Chongqing was not among the top-tier pilot zones.

In May 2021, the national average overall import and export clearance times were 38.93 hours and 2.12 hours, respectively—representing reductions of 60.03% and 82.74% compared to 2017. By December 2021, Chongqing’s import and export clearance times had decreased by 73.85% and 96.13%, respectively, exceeding the national average.

4.2.2 COMPARISON WITH EASTERN COASTAL REGIONS

According to existing research on the performance of pilot zones, most top-ranked pilot zones are located in eastern coastal regions, while those in central and western inland regions generally rank lower. The ten pilot zones rated as having “outstanding performance” by the Ministry of Commerce are almost entirely coastal cities.

In terms of specific trade facilitation measures, for example:

- Qingdao developed delivery and logistics services tailored to live-streaming sales, including 24/7 automated customs gate clearance and dedicated clearance channels for major promotional events like “Double 11” and “Double 12”, effectively improving logistics turnaround and avoiding port congestion.
- Ningbo upgraded its online integrated service platform, creating three major modules—clearance services, comprehensive services, and innovation incubation—while promoting multi-scenario digital applications. It also advanced a “Four Ports” strategy linking seaports, airports, dry ports, and information ports, successfully launching China’s first cross-border e-commerce sea-rail intermodal train (“ZIM Express”), providing a fast and seamless logistics channel.

Compared with these eastern pilot zones, Chongqing still shows gaps in trade facilitation capacity and institutional maturity.

¹⁹http://www.customs.gov.cn/chongqing_customs/515855/515856/4269229/index.html

²⁰<https://baijiahao.baidu.com/s?id=1729616460370161414&wfr=spider&for=pc>

4.2.3 COMPARISON WITH INLAND REGIONS IN CENTRAL AND WESTERN CHINA

Among central and western regions, Chongqing has performed relatively well in recent years. However, when compared with Zhengzhou, the only inland pilot zone ranked among the top ten nationally, Chongqing still lags behind in terms of trade facilitation.

Since its establishment, Zhengzhou's pilot zone has actively explored a "Big Data + Cross-Border E-Commerce" model. In 2016, it launched the Henan Foreign Trade Big Data Center, which utilized the province's independently developed Single Window data analysis system. Zhengzhou also built a comprehensive service platform to facilitate one-stop customs clearance. Additionally, its "E-commerce + Bonded Center + Personal Parcel Supervision" (1210 model) ensured full-process regulatory control and instant customs release for online orders.²¹

4.3 CHALLENGES FACING TRADE FACILITATION IN THE CHONGQING PILOT ZONE

4.3.1 LIMITED FULFILLMENT OF STRATEGIC POSITIONING

The Chongqing pilot zone was originally positioned as a cross-border e-commerce experimental zone with inland characteristics, aimed at providing development experience and serving as a model for other inland regions in China.

However, its trade facilitation practices have yet to fully realize this positioning. First, although Chongqing has effectively leveraged its three China-Europe freight train routes, this also puts it in direct competition with other cities that host China-Europe railway lines. Second, Chongqing still lacks a fully developed cross-border e-commerce service platform and comprehensive institutional mechanisms that fully support all aspects of cross-border e-commerce development.

Ultimately, the Chongqing pilot zone has not yet developed a distinct development path that is best suited to Chongqing itself or to the broader inland regions of China. As a result, its performance in various national evaluations has remained relatively undistinguished.

4.3.2 PRESSURE IN ADAPTING TO HIGH-STANDARD MULTILATERAL AGREEMENTS

In recent years, trade facilitation requirements in regional trade agreements have become increasingly stringent. For example, both the Regional Comprehensive Economic Partnership (RCEP) e-commerce chapter and the United States-Mexico-Canada Agreement (USMCA) digital trade chapter include provisions that require parties to share e-commerce data, support paperless trade, and recognize the legal validity of electronic signatures. They also emphasize consumer data privacy and prohibit merchants from sending unsolicited marketing communications.²²

The RCEP's chapter on trade facilitation further emphasizes consistency and transparency in law enforcement, and requires more efficient pre-arrival processing, shorter release times, and greater use of information technology.²³ Given that Chongqing's trade facilitation level is not among the most advanced in China's pilot zones, adapting to such high-standard multilateral frameworks poses considerable pressure.

²¹Jia Xiaokui, Summary of innovative experience and inspiration of the "Zhengzhou model" of cross-border e-commerce comprehensive pilot zone, Foreign Economic and Trade Practice, Issue 10, 2020, pp. 21-24

²²Li Hongbing, Wang Lijun, Zhao Chunming, Comparison of international rules on cross-border e-commerce under the RCEP framework and China's countermeasures, International Trade, No. 4, 2022, pp. 30-38

²³http://fta.mofcom.gov.cn/article/fzdongtai/202504/56541_1.html

5 STRATEGIES FOR ADVANCING TRADE FACILITATION IN THE CHONGQING PILOT ZONE

5.1 UPGRADING GOVERNANCE CAPACITY

5.1.1 CONTINUOUSLY STRENGTHENING DIGITAL SERVICE CAPABILITIES

At present, Chongqing lacks an integrated online platform directly supporting cross-border e-commerce, and relevant information must still be accessed through customs websites and other fragmented channels. Drawing on the experience of pilot zones in Hangzhou and Ningbo, Chongqing should develop a comprehensive online cross-border e-commerce service platform that facilitates fast and convenient access to information for businesses, regulators, and service providers. Ren & Zhang (2023)

In particular, the zone could study Hangzhou’s “Six Systems and Two Platforms” model, and work toward building an integrated framework that includes:

- Information-sharing system
- Financial services system
- Smart logistics system
- E-commerce credit system
- Statistical monitoring system
- Risk prevention and control system

This would enrich Chongqing’s digital infrastructure and significantly improve its digital governance capacity.

5.1.2 ENHANCING SMART INFRASTRUCTURE AT PORTS

Although Chongqing has engaged in some technological exploration within its trade facilitation efforts, these initiatives have been largely institutional rather than technical. Moving forward, the zone should focus more on technological innovation to improve smart port infrastructure—for example, by learning from other advanced customs practices, collaborating with local universities for technology development, and cultivating high-quality technical talent.

5.2 HIGHLIGHTING CHONGQING’S UNIQUE ADVANTAGES

Many of Chongqing’s inherent advantages remain underutilized, leading to homogenized competition with other pilot zones. Chongqing should seek collaborative development rather than competition with neighboring zones—especially with the Chengdu pilot zone in the Chengdu-Chongqing Economic Circle, as well as with other China-Europe railway hub cities and Yangtze River e-commerce zones. Lei (2022)

By jointly exploring harmonized trade facilitation measures, such collaborations would also better align with high-standard agreements like RCEP.

In addition, with the establishment of Wanzhou Airport, Chongqing is gaining further advantages in transport infrastructure. The pilot zone should capitalize on this opportunity to explore facilitation measures in multimodal transport, including air, rail, and river-based logistics.

5.3 STRENGTHENING INTERNATIONAL COOPERATION CAPACITY

5.3.1 FULLY TAPPING INTO THE OPPORTUNITIES OF THE BELT AND ROAD INITIATIVE

Trade cooperation is a core component of the Belt and Road Initiative (BRI). Improving trade facilitation, removing trade barriers, and creating a better business environment are central to achieving high-quality BRI development.

As Chongqing is located within the Silk Road Economic Belt, the pilot zone is well-positioned to engage in bilateral and multilateral cooperation with BRI countries. This strategic position should be fully leveraged to carry out pilot trade facilitation initiatives tailored to the Belt and Road context.

5.3.2 ACCELERATING ADAPTATION TO RCEP STANDARDS

Since the RCEP came into effect in early 2022, Chongqing has seen increased trade cooperation with RCEP member countries. In 2022, Chongqing Customs issued 979 RCEP certificates of origin, amounting to RMB 479 million in trade value. Chongqing's total import and export volume with other RCEP countries reached RMB 258.53 billion, representing a 9.2% year-on-year increase, 1.7 percentage points above the national average growth rate.²⁴

However, if the Chongqing pilot zone aims to deepen cooperation with RCEP countries and gain further economic benefits, it must enhance its trade facilitation standards and better align with RCEP provisions.

5.3.3 STRIVING TO EXCEED WTO TRADE FACILITATION AGREEMENT STANDARDS

The WTO Trade Facilitation Agreement (TFA) serves as a global baseline for trade facilitation. In some specific areas, Chongqing's practices still fall short of the TFA's benchmarks. To establish long-term, stable international partnerships, the Chongqing pilot zone must adjust its facilitation policies in line with the TFA and aspire to exceed its standards, thereby earning a seat at the table in higher-quality regional trade agreements.

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²⁴http://www.customs.gov.cn//chongqing_customs/515907/515909/4800309/index.html

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