

RCEP: Kickstarting Two 'Golden Decades' for Ningbo

By Xu Zhuowei

On the first day of 2022, the Regional Comprehensive Economic Partnership (RCEP) Agreement entered into force for ten of its participating countries: China, Japan, New Zealand, Australia, plus six ASEAN countries—Brunei, Cambodia, Laos, Singapore, Thailand, and Vietnam. The RCEP's coming into effect marks the birth of the largest trade bloc in history by population size and by GDP. With its uniquely diverse membership, the RCEP is set to unleash unprecedented growth potential.

Issuing the First Certificates of Origin

Midnight of January 1, 2022 found the staff of the Ningbo Council for the Promotion of International Trade (CCPIT Ningbo) working overtime to issue the first RCEP Certificates of Origin for four eligible Ningbo companies. These companies are manufacturers of textiles, paper, base metals, and plant-based products with the intent of exporting to Australia and Japan. The Certificates will make them eligible for tariff reductions worth \$1,606.

After the RCEP takes effect, tariffs on trade in goods within the bloc will be immediately or gradually reduced to zero. Ultimately, tariffs on more than 90% of goods traded between the member states will be eliminated. The trade agreement will make the region's industrial chain and supply chain much more influential through integration and allow companies in China and other member countries to link and upgrade their production capacity.

"To make the most of the RCEP's benefits, Ningbo's exporters should apply for the Certificates of Origin as soon as they can, discuss the new RCEP policies with clients, and negotiate prices accordingly. Meanwhile, companies should adjust and optimize their market structure to increase their import and export trade with RCEP member countries," a staff member of CCPIT Ningbo advised.



An auto parts export company located in Ningbo Hangzhou Bay New Zone.

[Photo By Zhuo Songlei]

Sharing Development Opportunities

"Look behind me! This plot of land used to be a piece of wasteland, but now it is a thriving industrial park, the most important nickel and cobalt production base in Indonesia and even the world!" Hu Honggen, the deputy general manager of Ningbo Lygend's OBI Island Park, proudly said.

Over the past five years, Lygend has handled more than a quarter of China's total nickel ore trade and ore shipping volume; it has long been China's biggest nickel ore importer. Lygend's overseas business is mainly located in RCEP member countries such as Indonesia, the Philippines, and Malaysia.

The first phase of a nickel and cobalt wet smelting project established with \$2 billion from Lygend and its Indonesian partners went into operation in 2021. It was identified as a "major construction project of the Belt

and Road Initiative" by Zhejiang Province and recognized as a national strategic investment project by Indonesia. On June 23, 2021, the plant shipped off its first batch of 5,500 tons of nickel cobalt hydroxide for export.

The implementation of the RCEP Agreement has made Cai Jianyong, Chairman of Ningbo Lygend, more confident about the company's next steps. In his view, the RCEP's coming into effect will bring about shared gains for all members and could further boost China's "dual circulation" strategy. On the one hand, Indonesia's rich natural resources can now be fully utilized and exported to China, Japan, and South Korea with ease as intermediary goods; on the other hand, batteries produced in China using Indonesian minerals could now be exported to the entire RCEP area at lower tariffs. Accounting for 30% of global GDP, the RCEP trade bloc will optimize the allocation of resources, technology, capital, and markets between members and bring direct benefits to companies such

as Lygend as they launches overseas projects and develops existing trade ties.

The Previous and Upcoming Two Decades

This much-anticipated moment represents a watershed occasion for Ningbo. China joined the WTO 20 years ago. Since then, Ningbo's annual import and export volume has been increasing steadily, from \$8.89 billion in 2001 to over \$160 billion in 2021. It became the sixth city in China to exceed the trillion-yuan mark in international trade volume.

Today, on the cusp of China's new round of opening up, Ningbo's open economy is expected to usher in two new "golden decades" thanks to the RCEP.

Statistics indicate that in recent years, manufacturers from Ningbo's traditional industries—textiles, garments, stationery, and electromechanical equipment—have made significant invest-

ments in Southeast Asia. As of October 2021, Ningbo's investment in RCEP member countries stood at \$7.55 billion, accounting for 27.38% of the city's total overseas investment.

The Bailong Textile Park in Vietnam and the Laos Xieng Khuang International Trade City, built by Ningbo's enterprises in RCEP member countries, have been identified as "Overseas Economic and Trade Cooperation Zone" by Ningbo's municipal-level authorities. Additionally, Bailong was named a provincial-level "Overseas Economic and Trade Cooperation Zone". The implementation of the RCEP will undoubtedly accelerate the growth of Ningbo's international trade and two-way investment across many sectors, while bringing about new opportunities for Ningbo's "dual circulation" strategy and the further opening-up of its economy. Against this backdrop, the city is feeling the pulsing beat of new hope and gradually finding its place on the global stage.



双语汇 Different Tongues

院士公园：彰显“院士之乡”的文化底蕴

By Xu Zhuowei

Ningbo Academician Park is located in Yinzhou's Higher Education Park. It was built to celebrate the achievements of Ningbo academicians in the Chinese Academy of Science and Chinese Academy of Engineering. The Park has lush woods, emerald lawns, and a clear, winding stream.

宁波院士公园位于高教园区内，是为了表彰和纪念宁波籍院士的功绩而建设的。公园内乔木森森、绿草茵茵，一条清澈的小河蜿蜒流过。

There are 89 bronze statues of Ningbo academicians in the Park, including Tong Dizhou, "the father of cloning in

China"; Bei Shizhang, "the father of Chinese biophysics"; geneticist Tan Jiazhen; communications engineering expert Zhu Gaofeng; mathematician Chen Shuxing, and more.

院士公园矗立着89尊宁波籍两院院士的铜雕像，包括“中国克隆之父”童第周院士、中国生物物理学奠基人贝时璋院士、遗传学家谈家桢院士、点燃中国通信工程之光的朱高峰院士、数学家陈恕行院士等。

Ningbo is well-known in China for producing great scholars and researchers. There are currently 120 CAS and CAE academicians who can trace their roots back to Ningbo. Not only have they made great contributions to the



Ningbo Academician Park. /宁波院士公园。

[Photo by Tang Yan] 唐严 摄

advancement of science and technology in China, they also hold high prestige internation-

ally.

宁波钟灵毓秀、人才荟萃，是中国著名的院士之乡。截至2021年

底，宁波有两院院士120人，他们不但为中国科技发展作出了巨大贡献，在国际上也拥有崇高的威望。

SPOTLIGHT

Heartening Holiday Figures from Ningbo's Consumer Market

By Dong Na

"When the New Year holiday started, the number of customers at our restaurant increased significantly. Compared to an ordinary weekend, it went up by about 25%. Latecomers had to wait 40 to 60 minutes for a table," a restaurant owner said. During the 2022 New Year holiday, Ningbo's consumer market performed well.

From January 1 to 3, Ningbo's top fifty retailers and caterers reported an accumulated total revenue of 798 million yuan. Though lower than 2021 levels, the figure is 2.7% higher than the same period in 2020. On January 3, revenues reached 203 million yuan, surpassing that of the same date in 2021 and 2020.

During this New Year holiday, Ningbo shoppers have demonstrated a markedly stronger purchasing power. The sales of high-priced goods such as tobacco and alcohol; cosmetics; gold jewelry; and home appliances and digital devices witnessed a year-on-year growth of 43.5%, 2.3%, 22%, and 3.2% respectively. In particular, on January 2, the sales of gold and silver jewelry; cosmetics; and tobacco and alcohol were 6.4 times, 11.4 times, and 3.9 times higher compared to the same date in 2021.

On New Year's Eve and New Year's Day, the traffic and sales of Ningbo MIXCONE increased by 24% and 18% year-on-year respectively; catering and jewelry retail outlets at the mall saw their revenues go up 25% and 20% compared to the year before, thanks to the holiday effect. The 9th anniversary of In-City Plaza's opening in Yinzhou coincided with the first day of the New Year; single-day footfall on December 31 reached 42,000 and sales hit 5.35 million yuan.

The opening of Metro Line 5 makes commuting much more convenient for Ningbo shoppers. "If I took the bus to Hankyu Department Store, it would have taken nearly 40 minutes. Now it's faster: I can walk to a subway station near my home and be at Hankyu in 15 minutes," one citizen said. Many businesses near subway stations benefited from the new line's opening. A restaurant manager in Hongtai Plaza reported a significant rise in diners during this year's holiday compared to the year before.

Chief Adviser: Zhao Qingchuan
Proofreader: Xu Zhuowei

