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# Innovating Foreign Service Initiatives To Build A Harmonious And Integrated Yiwu

Region	Asia and the Pacific
Award Scheme	Guangzhou Award
Sustainable Development Goals	Goal 11 - Make cities and human settlements inclusive, safe, resilient and sustainable

## Summary

In recent years, Yiwu has been committing to further deepen its service functions for foreigners and with its efforts in creating a good business, entrepreneurship and living environment for them. Improving the living environment for foreigners is the best barometer for the City of Yiwu to measure improvement of the living environment for all of its inhabitants.

## Background and Objective

These practices are implemented for the following reasons: In order to meet the service needs of foreign business people and trading enterprises, reduce transaction costs, and enhance service capabilities, Yiwu Municipal Government promotes “One Stop Government Service” to handle foreign-related administrative and approval matters. With the gradual increase of foreigners in the community, the needs of foreigners are increasingly diversified, and the communities need to meet the social, cultural, political and self-fulfillment needs of foreigners. In catering to these needs, the inhabitants of Yiwu are the co-beneficiaries as the overall level and diversity of services increases; In addition to the exchanges between foreign business people and the Chambers of Commerce in Yiwu, more and more foreign businessmen hope to contribute to Yiwu by engaging in public welfare and voluntary activities. Engagement with foreign business people has extended from the purely commercial aspect to social and cultural realms. In order to prove their identity, foreigners need to carry a passport with them. However, if the passport is lost, the procedures for reissuance are cumbersome. Some only can be reissued after they return to their country. In order to provide convenience for foreigners, Yiwu Municipal Public Security Bureau, together with Yiwu Citizen Card Service Card Company, has developed the Foreign Merchant Card for foreigners in Yiwu. With this identity card, foreigners in Yiwu can access all public services that are provided to local Chinese. These practices aim to achieve a set of goals as follows. The integrated services adopted by the International Trade Service Center is designed to promote the coordination and communication between all departments, and break the information “silos” between them. This integrated approach to policy, service delivery and access to information is a major governance breakthrough and has not only resulted in improved services and reduced transaction costs for foreign business people but is also helping to establish a smarter and more coherent public administration. Adhering to the principle of “one network (Zhejiang Government Service Network) for all businesses”, and relying on the two terminals of Zhejiang government service network, namely, computer terminal and mobile terminal (APP), the mode of “online application and delivery by express” is available to all the businesses. In the field of foreign trade enterprise registration, we set up comprehensive windows jointly operated by multi-departments, to implement the operation process of “one-window acceptance and simultaneous handling”, and to realize the transformation from “departments” to “windows” and from “multiple windows” to “one window”, so as to make it convenient for enterprises. By introducing foreigners to participate in the resolution of foreign-related trade disputes, the PMCFD breaks language and cultural barriers, makes the foreign-related legal matters more targeted and effective, and improves the trust of all parties in foreign-related dispute resolution and mediation. By enhancing information exchange and cooperation with other departments, the PMCFD provides a sound dispute-resolving channel for both Chinese and foreign business people. The service provides for a convenient space and manner in which to solve disputes and continue business cooperation while improving the perception of trust, impartiality and credibility. The service has vastly strengthened international understanding and trust, and improved the business environment. By providing a platform for businessmen from all over the world to exchange, cooperate, help and support each other, we can enhance friendship, and promote mutual exchanges and cooperation, which can make foreign businessmen feel at home and warm to enhance their sense of integration. The Foreign Merchant Card issued to foreigners living in Yiwu with the functions of identity verification, consumer payment and public service, makes foreigners enjoy citizenship treatment as a reality. After technological improvement, the Foreign Merchant Card is now in electronic form, which can be automatically stored in mobile phones. As a result, foreigners are not required to present any papers to public authorities and have the same access rights to public services as local Chinese. The implementation of these practices entails the close collaboration of various institutions. The International Trade Service Center is the foreign-related government service platform of the municipal government and is incorporated into the comprehensive government service system of the administrative service center. The Management Committee of the International Trade Service Center is specifically responsible for the daily operation of the center and the management of various government departments, social organizations and intermediaries. The People’s Mediation Committee for Foreign-related Disputes is composed of 13 foreign mediators doing business in Yiwu and 28 Chinese mediators representing market operators and judicial administrative



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staff. It plays a major role in foreign-related disputes mediation. Yiwu People's Mediation Committee for Foreign-related Disputes has already established coordination mechanism with such government departments as Yiwu People's Procuratorate, Yiwu People's Court and Yiwu Public Security Bureau. Besides, 3 judges of the Yiwu People's Court are appointed as dispute mediation instructors for foreigners. The international integration community building project is under the administration and guidance of Yiwu Civil Affairs Bureau, and is implemented by Jimingshan community managers and professional social workers - Tongyue social workers. The Yiwu International Family is under the administration of Yiwu Bureau of Commerce. And the Foreign Service Center of Yiwu Bureau of Commerce is responsible for the management and guidance of the specific work. The Foreign Merchant Card is developed by Yiwu Public Security Bureau and Yiwu Citizens Card Service Company for foreigners in Yiwu.

## Actions and Implementation

Establish International Trade Service Center and create a precedent for one stop service of foreign-related examination and approval service matters. Yiwu established an International Trade Service Centre in January 2012, with 13 foreign-related departments, including 52 foreign-related affairs windows, which can handle 125 kinds of foreign-related examination and approval matters. It has become an all-round and one-stop comprehensive foreign-related service platform that integrates foreign-related administrative approval, public services, intermediary services, international exchange and information exchange. Innovate and promote "One Stop Government Service". Carry out one-window reception and integrated services, to realize the transformation from "multiple windows" to "one window"; and promote online work by using Internet + government services and big data, focusing on the reform idea of "data running and people running errands", according to the business mode of "online application, online processing and express delivery"; vigorously reduce the application materials, optimize the examination and approval process, and facilitate foreign businesses by direct reduction, data sharing and departmental circulation; and cancel the copier, implement express delivery, enhance the sense of foreign trade reform, and maximize the convenience of foreign businessmen. The People's Mediation Committee of Foreign-related Disputes in Yiwu is the first of the kind in China and possibly in the world. The work of people's mediation has been deepened, and the mechanism of "conciliation by foreigners" has been highly innovative. Yiwu People's Mediation Committee for Foreign-related Disputes has continuously improved the mediation mechanism, optimized the mediation work procedure and innovated the mediation work methods, to promote the "double enhancement" of the mediation success rate and the mediation satisfaction rate, and to achieve the goal of "case-end, matter-end, and people-harmony". In mediation, foreign-related mediation adheres to the "dual-track" mediation procedure which is flexibly used by ordinary procedure and summary procedure. Both sets of procedures adhere to the principle of people-oriented, taking into account the seriousness and flexibility of mediation work, and achieves good social effect and legal value. As of the end of July, 2018, Yiwu People's Mediation Committee for Foreign-related Disputes has mediated 489 foreign-related disputes relevant to 26 countries including the United States, Russia, Australia, Pakistan, Iraq and India, with a total amount of 61.0856 million yuan, and with a successful mediation rate of 96%. It has recovered 31.1498 million yuan of economic losses for Chinese and foreign businessmen. Promote the pilot project of building international integrated communities and establish China's first foreigners service centre. In cooperation with Tongyue Social Work Service Centre of Yiwu City, Yiwu Civil Affairs Bureau implemented the pilot project of building international integrated community in Jimingshan Community of Jiangdong Sub-district in Yiwu City in 2014. In accordance with the concept and method of social workers' professional services, it provides language training, life services, cross-cultural exchanges and business exchanges for foreign businessmen and residents living in and around the community, to serve local economic development with innovative community governance. Establish Yiwu International Family Club. Regularly carry out such foreign-related activities as foreign policies publicity and training, economic and trade exchanges, charitable public welfare, cultural exchanges, international sports and foreign centralized publicity to effectively promote Sino-foreign friendship and Sino-foreign exchanges and cooperation. Issue Foreign Merchant Card. In July 2016, Yiwu Municipal Public Security Bureau, together with Yiwu Citizen Card Service Company, developed Foreign Merchant Card for foreigners in Yiwu, on which the basic information and photos of foreigners are included.

## Outcomes and Impacts

The initiatives have achieved considerable accomplishments: As of 2018, 117 of the 125 foreign related examination and approval matters has realized "One Stop Service" hitting the fulfillment rate of 93.6%. Among them, 31 matters could be operated through the internet without the need of personal presence at all. Since the reform, the application procedure of foreign related matters has been largely streamlined, and 26 matters have been cancelled or merged, 279 copies of materials have been cancelled, and an average cut of 2.96 materials for each matter has been witnessed. The registration process for foreign-funded enterprises and foreign trade enterprises has been implemented in a "one-window" way. In 2017, more than 328 thousand application of all kinds were settled. Foreign businessmen take part in dispute mediation work and deeply integrate into Yiwu society. Since the establishment till the end of July, 2018, Yiwu People's Mediation Committee for Foreign-related Disputes has mediated 489 foreign-related disputes, with a total amount of 61.0856 million yuan, and a successful mediation rate of 96%. It has recovered 31.1498 million yuan of potential economic losses for Chinese and foreign businessmen. It has been publicized and reported by CCTV from many different angles and in different columns. People's Daily, Xinhua News Agency, China News Agency, Arabian Peninsula Television and other domestic and foreign medias have reported more than 100 times the story of Yiwu foreign mediation and mediators. Foreigners' self-management and service level have been improved, and their participation in social construction has been improved. The number of foreigners living in communities has increased year by year, and the average length of residence has been prolonged. Chinese and foreign residents live in a more harmonious atmosphere, and have successfully hosted Chinese and foreign cultural exchanges such as New Year's



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Eve party, Spring Festival couplets, and community exotic exhibitions. The sense of "home" is becoming more and more popular in the heart of the foreign businessmen in Yiwu. Foreigners' participation in Yiwu's harmonious construction is deeply rooted in the hearts of the people. Since its establishment, the International Family Sunrise Public Welfare Club has carried out more than 120 public welfare activities such as consolation for low-income households, blood donation, environmental protection, schooling assistance for poor students, large-scale public welfare photo exhibition and so on. The total value of donated goods exceeds 800,000 yuan, benefiting more than 2,500 people directly. The convenience of Foreign Merchant Cards is recognized by the foreigners in Yiwu, and the demand for application is very large. By the end of 2017, 24591 cards were issued. And these change can be measured with several indicators: The convenience for foreigners in handling matters has been improved, for example, after the implementation of "One Stop Government Service" Reform, the number for foreigners going to administrative departments to do business has been reduced, the number of materials to be submitted has been reduced, and the waiting time has been shortened. At the end of each year, Yiwu Judicial Bureau assesses the work of Yiwu People's Mediation Committee for Foreign-related Disputes according to the success rate of case mediation and the normative nature of mediation, and review the mediated cases to ensure that the mediation work is carried out in an orderly manner according to law. In the first half of each year, the Yiwu People's Mediation Committee for Foreign-related Disputes conducts the re-election and re-appointment of mediators, and recruits new mediators through self-recommendation, recommendation, examination and evaluation procedures. The participation of foreigners in public welfare activities has been promoted, the number of residents living in communities has increased, and the length of residence has lengthened. The participation of foreigners in social activities and cultural exchanges has increased. The demand for application of Foreign Merchant Card is very large. By the end of 2017, 24591 cards were issued. To facilitate the implementation of the practices, the city has taken the following measures. International Trade Service Centre: Assess the window staff according to the "Yiwu Administrative Service Centre Window and Staff Assessment Measures"; expand service functions, by innovatively introducing 18 foreign-related intermediaries; adopt the "online application, online processing, express delivery" mode for foreign-related business; and employ foreign businessmen as foreign-related effectiveness supervisors. The People's Mediation Committee for Foreign-related Disputes shall formulate and strictly implement the system of monthly meetings and the in-term duty system for people's mediators and ; adhere to the "one post and two duties" of the people's mediator and implement the project of "integrating overseas personnel into Yiwu"; establish the "mediation and collegial mechanism", improve the "three must" information transmission mechanism, and actively create flexible and effective mediation procedures; improve the linkage mechanism between departments involved in foreign-related disputes, establish a "think tank" of legal services for foreign-related disputes, and establish a cooperative mechanism with universities for multilingual lectures on popularizing foreign-related laws; establish a normative system of dishonest behaviour, and inform the businessmen of dishonest trade within the scope of the work of the Yiwu People's Mediation Committee for Foreign-related Disputes, so that the businessmen can know the dishonest information in time and prevent the occurrence of dishonest trade disputes. In the process of promoting the building of international integrated communities, an autonomous committee of Chinese and foreign residents was set up, with one foreign resident as the principal person in charge and several foreigners as the backbone, to mediate foreign-related disputes in the community, and a system of integral management of voluntary services was established to link voluntary services with Chinese language training so as to achieve sustainability. The International Family presents the most dynamic member award and the International Exchange Contribution Award to its member clubs, and the Best Contribution Award to 20 members each year. The success of the initiative has also contributed to the improvement of the city's reputation. By the end of 2017, Yiwu International Trade Service Centre had received 202 batches of visitors and medias from home and abroad, including 27 batches of foreign envoys and delegations, and more than 50 interviews with domestic and foreign media. The successful mediation experience of Yiwu People's Mediation Committee for Foreign-related Disputes and the story of foreign mediators have attracted wide attention of leaders at all levels and many domestic and foreign medias since the CCTV News Broadcast twice. In 2015, the International Trade City Judicial Station, which operates the Yiwu People's Mediation Committee for Foreign-related Disputes, was awarded the third-class collective merit by Jinhua Judicial Bureau. It was awarded the "Special Recommendation Award" by the 3rd Guangzhou Award Organizing Committee, the 2016 Yiwu Mayor Award, and the 4th Excellent Case Award of Public Management Innovation in Zhejiang Province. During the implementation of international community integration, the Autonomous Committee of Chinese and Foreign Residents won the silver medal of Zhejiang Provincial Volunteer Service Project Competition in 2018. The "Love Without Borders - 7.15 Yiwu World Merchant Blood Donation Day" project organized by the International Family Sunrise Public Welfare Club won the bronze prize of the 2008 Zhejiang Provincial Volunteer Service Competition. Both the CEO of the Sahara Investment and Trade Club and the CEO of the International Family Sunrise Public Welfare Club have won the Yiwu City Friendship Prize. Issuance of Foreign Merchant Card has achieved good results. Since 2017, the entry-exit administration of Hubei, Shandong, Sichuan, Yunnan and Hangzhou, Huzhou and other places have sent special trips to Yiwu to study, and the relevant experience has been affirmed by the central ministries and commissions. Since the issuance of the Foreign Merchant Cards, people's network and other important media all have reported such issues.

## Sustainability and Scalability

Goal 10: Reduce inequality within and among countries Goal 11: Make cities and human settlements inclusive, safe, resilient and sustainable Target 1: Access for all to adequate, safe and affordable housing and basic services and upgrade slums Target 2: Access to safe, affordable, accessible and sustainable transport systems for all Target 3: Participatory, integrated and sustainable human settlement planning and management Goal 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions for all



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## Gender and Social Inclusivity

There have been problems arising in the process of optimizing the service for foreigners, but the city has taken the following measures in consideration of local conditions. In the process of promoting the “One Stop Government Service” and constantly improving the foreign service platform, local government has difficulties in coordinating with those vertically managed departments in charge of a large number of foreign related examination and approval matters. The Municipal Party Committee and Municipal Government attach great importance to it, and require the Customs, Foreign Exchange Bureau and other vertical departments to vigorously support the economic development of Yiwu and the establishment of international trade service center, and invite all departments to the administrative service centers at coastal port cities for investigation and research, to provide a basis for the feasibility of gathering all the related departments in one platform.. Regulating the daily supervision and management of the people’s mediators. The management of the mediator team is another major problem facing the people’s mediation work in foreign disputes. People’s mediators for foreign-related disputes come from different countries and engage in different industries. Most of them work for free and part-time, with no fixed working hours. To this end, the Yiwu People’s Mediation Committee for Foreign-related Disputes has formulated and strictly implemented the in-turn duty system and monthly work meeting system for people’s mediators. Thus, the team management is transformed from loose to close. In the monthly meeting, in addition to routine case analysis and work deployment, regular business training is organized to improve their professional level. Promoting sustainable operation of projects. The establishment of a volunteer service score system and the exchange of points for class hours, on the one hand, has raised the attention of foreign students to Chinese language training, on the other hand, has formed a two-way positive interaction to promote the sustainability of the project. After the change of the passport number of foreigners, it is difficult to determine the identity of a foreigner. Therefore, Yiwu Public Security Bureau actively innovated and added the unique code for the foreigner’s identity on the Foreign Merchant Card, which solved the problem that the same foreigner cannot be identified after the change of such number.

## Initiative Contribution

This initiative is a direct response to SDG 16: to promote peaceful and inclusive societies for sustainable development and to provide access to justice for all. In the case of Yiwu, this means a special focus on foreigners who come to Yiwu to do business and the many foreigners already living in Yiwu. The corresponding government policies include: Establishing International Trade Service Centre. The General Plan for the Comprehensive Reform on International Trade in Yiwu City, Zhejiang province approved by the state Council clearly proposed to "optimize the development environment of international trade by optimizing its management and service mechanism." In February 2017, the People's Government of Zhejiang Province issued its implementation plan for the reform of “One Stop Government Service”, putting forward the requirement that at the end of 2017, all people and enterprises only need to go to one government office to resolve all of their problems; In October, 2014, the Fourth Plenary Session of the 18th Central Committee of the Communist Party of China pointed out that it is necessary to promote law based multi-level and multi-field governance and to improve the mechanism for preventing and resolving social conflicts and disputes. Based on the practice of the pilot project of comprehensive reform on international trade, Yiwu has established China's first People’s Mediation Committee for Foreign-related Disputes. The Municipal Party Committee and Municipal Government in 2015 clearly put forward the requirement of cultivating “universal culture”. In 2015, the office of the Municipal Foreign Affairs Leadership Group committed itself to strengthen the implementation of annual “10 initiatives to improve foreign related management and service” and called for the establishment of “International Family”.

## Innovative Initiative

The Yiwu initiative a truly revolutionary both in China and abroad. It is concerted initiative that responds to SDGs 10, 16 and 17 in all of the facets and focuses on foreigners as a first entry point. This is a bold experiment designed to see what it means to be a truly international city worthy of a truly international sense of belonging, citizenship and inclusion. Researches conducted by the city have shown that while many cities have established one-stop shop types of service windows no other city has adopted such a comprehensive approach that allows foreigners to fulfil a role in the local justice system, to have equal rights and access to all public information and services and to participate fully in all aspects of community life and community building. The key innovations of the initiative can be summarized as follows. Yiwu International Trade Service Center aims at integrating services from all departments, and to provide “one-stop” service and rich professional foreign service resources for foreign businessmen on one platform. Innovate and promote “One Stop Government Service” for foreign-related affairs. By reducing unnecessary materials, breaking the data barriers between various departments, and making full use of internet technologies, foreign businessmen and enterprises can get maximum convenience. Yiwu People’s Mediation Committee for Foreign-related Disputes helps resolve foreign-related disputes in trade and commerce and to create a more trustworthy business environment. The international integrated community building project improves quality of life and provides social and cultural information services to foreign businessmen and residents living in the community. It is somewhat similar to a social and welfare services facility. The International Family program enhances friendship, promotes exchanges and cooperation, inspires in the foreign businessmen a sense of belonging, and creates a favorable environment for the prosperity of international trade by providing a platform for businessmen from all over the world to exchange, cooperate, help and support each other. The Foreign Merchant Card provides identity cards to foreigners in Yiwu and help them enjoy access services as the locals do.



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## Resources devoted to delivery

The resources used for the initiative include Financial resources: Expenses incurred in the operation of International Trade Service Center, the Foreign Related Disputes Mediation Committee, the international integration community building project and the issuance of Foreign Merchant Card are financed by the Yiwu Municipal Government, and the operating funds of the International Family are financed by foreign businessmen themselves. Human resources: The International Trade Service Center has 147 staff members from 12 government departments, who perform the functions of window administrative examination and approval and foreign-related public services. The People's Mediation Committee for Foreign-related Disputes is composed of outstanding personnel from foreign businessmen, market operators, cooperative institutions and lawyers' associations. The International Family is made up of Chinese and foreign businessmen from different countries and regions with strong appeal, great influence and dedication to exchanges between China and foreign countries. Knowledge resources: The International Trade Service Center relies on professionals from various foreign-related departments. The People's Mediation Committee for Foreign-related Disputes has established a cooperation agreement with Yiwu Lawyers' Association, which appoints lawyers with certain foreign language proficiency and rich experience to work at the committee to mediate and answer legal questions encountered in the mediation process at any time. At the same time, for each foreign mediator, the "1 to 1" pairing legal service mechanism is established, which has a lawyer to contact a foreign mediator to provide legal advice and assistance. Yiwu Tongyue Social Workers, a non-profit private organization sponsored by social work teachers of Yiwu Industrial and Commercial Colleague, is responsible for implementing the building of international integration community. 4. Institutional source: In 2017, the International Trade Service Center combed 476 administrative powers and other matters related to foreign-related examination and approval services in 26 departments of the city and formed a list of foreign-related administrative powers to be published to the public, and formulated measures to implement the regular adjustment and publication of the contents of the list of foreign-related powers. The Yiwu People's Mediation Committee for Foreign-related Disputes and the People's Court have established a working mechanism for the connection of foreign-related civil and commercial proceedings, and the Yiwu People's Mediation Committee for Foreign-related Disputes and the People's Procuratorate have established a working mechanism for the connection of foreign-related procuratorial and mediation, which have added a safeguard mechanism for the establishment of a more perfect foreign-related mediation system. The cooperation between Jimingshan Community and Yiwu Industrial and Commercial Colleague on the establishment of a practice base for college students provides a guarantee for the sustained operation of the project.