



Research Article

Innovative Development Strategies for China's Pilot Free Trade Zones under the New Development Pattern

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Abstract: The China's Pilot Free Trade Zones are an important hub for the promotion of China's domestic and international double circulation, and is the key to opening up the "double circulation" blockage and promoting a wider range of reform and opening up to build a new development pattern. Although China's Pilot Free Trade Zones have achieved a lot in promoting the construction of a new development pattern, there are still five problems: the regional layout needs to be optimized, the domestic trade circulation test task needs to be strengthened, the level of policy and system coordination needs to be improved, the cultivation of innovative development driving force needs to be enhanced, and the risk prevention and control system needs to be improved. Under the background of China's active construction of a new development pattern, it is necessary to further optimize the layout of the Pilot Free Trade Zones, increase the domestic trade circulation development test task, strengthen the coordination and cooperation of various policies and systems, cultivate the innovative driving force of high-quality development, enhance the ability to prevent and defuse opening risks, and further play the role of the Pilot Free Trade Zones in serving the new development pattern.

1. New Requirements for the Construction of Pilot Free Trade Zones in Building a New Development Pattern

The New Development Pattern is by no means a closed domestic economic cycle; the emphasis is on an open double cycle of domestic and international development. Overall, the construction of a New Development Pattern puts forward five major requirements for the construction of China's Pilot Free Trade Zones.

1.1 *Optimizing the regional layout of the Pilot Free Trade Zone*

In order to form a New Development Pattern that is "Dominated by the Domestic Microcycle", it is crucial to tackle the issue of regional development gaps in China. If the gap between the economic development of the central and western regions, the northeastern region and the eastern region widens gradually, the free flow of resource factors will be hindered due to the ladder-type gaps in domestic economy, and domestic microcycle will become a small interregional cycle of fragmentation.

Therefore, in the context of the New Development Pattern, can be established in the central, western, and northeastern regions of China. The aim is to promote the formation of FTZs from the point of continuous development, further drive the economic development of neighboring regions, enhance the role of leading and driving the economic development of the central and western regions and the northeastern region, smooth production, distribution, circulation, consumption of all links, and promote the formation of a virtuous cycle of the national economy, in order to build a new pattern of development to consolidate the foundations. New

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zones or expansion areas can be established based on the existing Pilot Free Trade Zones in the central and western regions and the northeastern region of China. This will expand the development space and carrying capacity of the Pilot FTZs for reforms, and help to play a radiation-driven role, driving the integration of neighboring regions into the New Development Pattern.

1.2 Increasing the mandate of the domestic circulation experiment

In order to smooth the domestic circulation, it is necessary to strengthen the supporting role of the circulation system, this can be achieved by deepening the reform of the circulation system. building a modern logistics system, improving the modern trade circulation system, etc., Additionally, it is important to enhance the fundamental role of consumption in economic development and the key role of investment in optimizing the supply structure, by doing so, constructing a strong domestic market with strong demand for consumption and investment.

In light the background of the New Development Pattern, the future FTZs should focus on increasing the experimental tasks related to domestic trade circulation in the design of experimental tasks, this will allow for the deepening the reform of the circulation system by utilizing full play to the advantages of system innovation in the FTZs, the aim is to unclog the channels of commodity and service circulation, improve efficiency, and reduce transaction costs for society as a whole. In order to promote a virtuous cycle in the national economy, the city aims to upgrade traditional consumption, foster new types of consumption, increase public consumption, improve the policy of duty-free stores, and strengthen the protection of consumer rights. These experimental tasks are related to the circulation of domestic trade and aim to create a higher level of dynamic equilibrium where demand leads to supply and supply creates demand.

1.3 Synergizing policy and institutional systems

It is necessary to base ourselves on the domestic cycle, synergize the promotion of a strong domestic market and the construction of a strong trading nation, form a strong gravitational field for global resource factors, promote the coordinated development of domestic and external demand, imports and exports, and the introduction of foreign investment and outward investment, and accelerate the cultivation of new advantages for participation in international cooperation and competition. Therefore, it is important to grasp the systemic characteristics of some policy systems that promote the construction of a New Development Pattern. In the future, China's Pilot Free Trade Zone should give more prominence to "internal and external coordination" in formulating policies and systems.

It is important to emphasize the coordination of the management of different links. While upgrading the level of openness, Pilot Free Trade Zones should also strengthen the rules, regulations, management, standards and other systematic openness, and build up a system of management during and after the process that connects with the high level of openness, so that the international cycle can better serve the domestic cycle. However, the coordination of domestic and international rules should be emphasized. To better connect the domestic cycle with the international cycle, it is necessary to accelerate the standardization of internationally accepted rules in areas such as intellectual property rights, environment, labor, regulatory consistency, state-owned enterprises and competition policy, anti-corruption, taxation, and other domestic policies and systems.

1.4 Increased reliance on innovation as a driving force for development

The construction of a New Development Pattern requires the enhancement of the adaptability of the supply system and the promotion of innovation in the mode of production and industrial organization. Therefore, in the context of the new development pattern, the Pilot Free Trade Zones should take "Innovation" as the main driving force for development. Firstly, it should develop high-end high-tech industries and improve the level of industrial innovation and development. To enhance the supply of high-quality products, we will actively develop high-end high-tech industries such as integrated circuits, biomedicine, intelligent manufacturing, and the digital economy, relying on China's large-scale market and complete industrial system. Additionally, expand the opening up of the service industry, support the transformation and innovation of traditional industries and release the consumption potential of high-end services. The agreement aims to increase access to trade in services through commercial presence, cross-

border delivery, offshore consumption, and movement of natural persons, and allow foreign investment to enter more service areas. Additionally, it seeks to gather high-end resources such as talents, information and capital to provide factor protection for innovative development. Promote the opening up of talents, data and capital, further facilitate the stopover of high-level overseas talents, promote the facilitation of cross-border flow of capital, and provide innovative impetus for the construction of a New Development Pattern by gathering high-quality overseas resources.

1.5 Integrating openness and safe development

To build a New Development Pattern, it is essential to address and resolve all kinds of risks in politics, economy and security outside the country. Therefore, in the context of the New Development Pattern, the focus of risk prevention and control in the Pilot Free Trade Zone is not only to pay attention to the risk of opening up the industry itself, but also on guarding against correlation risk, formulate preventive and control measures to deal with correlation risk in advance. Additionally, it is necessary to regularly summarize and evaluate the experience of the Pilot Free Trade Zone's system innovations in the areas of investment management, trade supervision, financial openness, talent mobility, transportation management, and risk control, in order to hold the bottom line of not incurring economic and security risks. security risks.

2.Shortcomings of the Construction of the Pilot Free Trade Zone in the Context of Building a New Development Pattern

Although China's Pilot Free Trade Zone has achieved a lot of results in promoting the construction of a New Development Pattern, there are also five aspects of the problem, such as the regional layout still has room for optimization, the task of domestic trade circulation experiment needs to be strengthened, the level of coordination of policies and systems still needs to be improved, the cultivation of innovation and development momentum needs to be strengthened, and the system of risk prevention and control still needs to be perfected.

2.1 Regional layout is not yet optimized

China's Pilot Free Trade Zone currently has room for improvement in further optimizing and improving its spatial layout and better promoting the formation of a New Development Pattern. This is mainly manifested in two aspects: first, some provinces in the central-western and northeastern parts of China have not yet laid out the Pilot Free Trade Zone. The central and western and northeastern regions play an important role in building a New Development Pattern in China. Take the western region as an example, the western region has 72% of the country's land area, 27% of the population, 20% of the total economic output. Additionally, foreign trade accounts for only 7% of the country's utilization of foreign capital, while foreign investment accounted for 7.6% and 7.7% respectively. The establishment of additional Pilot Free Trade Zones in the central, western and northeastern regions is conducive to giving full play a crucial role of the Pilot Free Trade Zones, and stimulating the unique role of these regions in expanding domestic demand, expanding a new space for development, and fostering the formation of a strong domestic market. Secondly, the established Pilot FTZs have not yet been associated with key regions. Comprehensive bonded zones are an important platform for an open economy and play an important role in developing foreign trade, attracting foreign investment and promoting industrial transformation and upgrading. The comprehensive bonded area will be included in the scope of the Pilot Free Trade Zone, which is conducive to the formation of functional superposition advantages, and further play the role of the Pilot Free Trade Zone to promote the formation of a New Development Pattern. Currently, some of China's Pilot Free Trade Zones are not linked to comprehensive bonded areas and other important regions.

2.2 Insufficient experiments in domestic trade circulation

At present, China's Pilot Free Trade Zone in the domestic trade circulation area to explore the strength of the slightly insufficient, manifested in two aspects: on the one hand, the Pilot Free Trade Zone program involves fewer tasks aimed at the circulation of domestic trade. The overall program of China's Pilot Free Trade Zones around several major tasks related to trade, investment, financial openness and innovation, the transformation of government functions, and services to national strategies. In the 28 programs that have been

issued, domestic trade circulation is mainly reflected in the promotion of logistics development and other aspects, there is no task specifically aimed at the reform of the circulation system, the establishment of a unified national market and other tasks in the field of domestic trade circulation. Additionally, the management of the Pilot Free Trade Zone is still oriented to foreign trade and foreign investment as the main assessment. Currently, China's development level of the Pilot FTZs is still more focused on import and export, as well as the utilization of foreign capital, foreign investment and other aspects, relatively more attention to the degree of export-oriented indicators. There is relatively less emphasis on domestic trade and investment, such as circulation efficiency and consumption levels. It is important to balance the attention given to both export-oriented indicators and domestic development.

2.3 Low level of policy coordination

There are still coordination issues with some policies and systems in China's Pilot Free Trade Zones are still not coordinated, resulting in a lack of interaction between the internal and external circuits of "leading from within and promoting from outside", which has yet to be formed. The main performance in three aspects: First, there is a gap with the new rules of international trade and economic integration. Although China's Pilot Free Trade Zone has been opened up on a pilot basis in the fields of finance, entertainment, medical care, shipping, telecommunications, engineering, etc., there is still a gap between the coverage and content and the requirements of the new rules of international trade and economic cooperation. For instance, China faces challenges in accepting the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) in areas such as sanitary and phytosanitary measures (SPS), competition policy, intellectual property rights, labor, regulatory consistency, state-owned enterprises, and designated monopolies. Additionally, the Pilot Free Trade Zone has not fully explored these new rules of international trade and economic cooperation. Furthermore, there are still numerous hidden barriers to foreign investment. The lack of coordination in the management system is a clear reflection of the high level of liberalization. Additionally, there are still institutional barriers in certain key aspects.

For instance, certain Pilot Free Trade Zones in China are investigating methods to ease the entry of private and non enterprise units financed by foreign investors to establish non-profit elderly care institutions. While there are no institutional barriers to the access of private and non enterprise units funded by foreign investors to establish non-profit elderly care institutions, during the registration process, foreign investors have encountered issues during the registration process. Specifically, the legal representative of 'private non-enterprise units' must be a Chinese citizen, whereas the legal representative of foreign-funded enterprises is typically not a Chinese citizen. As a result, many foreign projects being unable to be implemented. Thirdly, the coordination of some open policies in the pilot free trade zone is poor. The main manifestation is the lack of coordination in open policies in different fields, which reduces the effectiveness of open policies. For instance, although China's pilot free trade zones have opened up foreign-owned human resource service institutions. However, the willingness of foreign-owned human resource service institutions is not strong at present. The primary reason is that with the popularization of the Internet, human resource service institutions now primarily recruit through online channels. However, if foreign-owned human resource service institutions want to carry out online recruitment, they are also constrained by the requirement that the proportion of foreign-owned shares in value-added telecommunications services should not exceed 50%, resulting in difficulties in the problem of difficult access and operation.

2.4 Weak impetus for innovation and development

Promoting innovation in science and technology innovation to play a key role in unclogging the domestic and international cycles, and for positioning China proactively in the global market. China's Pilot Free Trade Zone has two primary challenges in cultivating innovative development momentum. The development of high-end high-tech industries still faces policy and institutional obstacles. At present, many of China's Pilot Free Trade Zones vigorously develop high-end high-tech industries such as integrated circuits, biomedicine, digital economy, etc., but in the process of development is still faced with a number of policy and institutional barriers, which restricts the further enhancement of the level of development. Take the integrated circuit industry as an example, currently affected by international trade friction and technology blockade, enterprises are difficult to buy new equipment from abroad. Additionally, foreign technology is more advanced than China's by over 10 years. For instance, they can produce 14nm products using old equipment, while domestic integrated circuit enterprises still struggle to keep up. However, the related outdated equipment is currently not listed as an imported good, and is even included in the Catalogue of Prohibited Imports of Mechanical and Electrical Products. This has resulted in a shortage of production equipment for integrated circuit manufacturing enterprises.

However, the Pilot Free Trade Zone needs to strengthen its focus on high-end elements. In the past, China's Pilot Free Trade Zone in the past in the open policy to focus more on promoting the opening of industry, while the high-end talent, data and information, capital and other factors in the field of open policy design is relatively insufficient, one of the important reasons is that some areas are not combined with the actual needs of the region, just simply deepen the opening measures. Taking the open policy for foreign doctors as an example, the Interim Measures for the Administration of Short-Term Practice of Medicine by Foreign Physicians in China stipulates that foreign physicians shall practice medicine in China on a short-term basis for a period of not more than one year. In response to this policy, many of China's Pilot Free Trade Zones have already relaxed the time for foreign physicians to practice medicine to three years. However, from the actual effect, most of the physicians who come to China for long-term practice are African doctors, Korean traditional Chinese medicine, etc., and are not very attractive to high-level physicians from Europe and the United States. The main reason is that these high-level doctors from Europe and the United States do not have a greater need to extend the time limit for practicing in China, and their main need is to have a special visa mode for them, so that they can better support the implementation of multi-frequency short-term medical practice in China.

2.5 Risk prevention and control system are not yet perfect

Integrating the development and security of the Pilot Free Trade Zone is crucial to guarantee for the Pilot Free Trade Zone to play its role in serving the New Development Pattern. Currently, the weakness of risk prevention and control in China's Pilot FTZs is mainly concentrated in the field of innovation, this is evident in the lack of a comprehensive risk prevention and control system for small and medium-sized scientific and technological enterprises that are acquired by foreign capital. There are a large number of small and medium-sized science and technology enterprises in many of China's Pilot Free Trade Zones, which are not large in scale and volume, but have great potential for development in breaking through some "neck-breaking" technological fields. China's Pilot Free Trade Zones have not yet established a risk prevention and control system for these small and medium-sized science and technology enterprises, and they are not yet able to comprehensively grasp the business development and financing situation of the enterprises, which may result in the merger and acquisition of these small and medium-sized science and technology enterprises by foreign investors in the course of their development, leading to the loss of key technologies.

3 Countermeasures and Suggestions for Promoting the Construction of Pilot Free Trade Zone under the New Development Pattern

The Pilot Free Trade Zone is an important hub for the mutual promotion of China's domestic and international double-cycle, and is the key to opening up the "double-cycle" blockage and promoting a wider scope of reform and opening up to build a New Development Pattern. In the context of China's active construction of a New Development Pattern, it is necessary to further optimize the layout of the Pilot Free Trade Zones, increase the tasks of experimenting on the development of domestic and international trade circulation, strengthen the coordination of various types of policies and systems, cultivate the innovation power of high-quality development, enhance the ability to prevent and resolve open risks, and further play the role of the Pilot Free Trade Zones in the service of the New Development Pattern.

3.1 Further optimize the layout of Pilot FTZs

First, promote the establishment and expansion of new Pilot FTZs. In the central and western and northeastern regions to establish a number of additional Pilot Free Trade Zones. At present, China's northeastern region is still Jilin, the central and western regions are still Inner Mongolia, Shanxi and other places have not set up a Pilot FTZ, you can consider setting up a Pilot FTZ in these areas, and other areas around the formation of synergies to promote the northeastern, central and western regions of the new impetus for economic development, and to narrow the gap between the eastern region's economic development to play a leading role in the Pilot FTZ. At the same time, the Pilot FTZs with a higher level of development can be selected to further add new zones or expand areas, carry out in-depth differentiated exploration, and further expand the development space and reform pilot carrying capacity of the Pilot FTZs.

Secondly, it encourages the establishment of development alliances among Pilot FTAs. Support the Yangtze River Delta, Guangdong, Hong Kong and Macao, Beijing-Tianjin-Hebei, the northeastern region, the

Chengdu-Chongqing region, and the central and western regions to set up a number of Pilot FTA alliances, to make breakthroughs in key areas such as innovation cooperation, infrastructure connectivity, industrial transfer and enterprise, ecological and environmental protection and governance, and strengthen the development of linkage and cooperation in the fields of scientific and technological research and development, performance transformation, energy security and environmental protection and governance, to make breakthroughs in key areas such as innovation cooperation, infrastructure connectivity, industrial transfer and enterprise, ecological and environmental protection and governance, and to strengthen the development of linkage and cooperation in scientific and technological research and development and performance transformation, energy security and unified market construction, so as to realise the complementary advantages and mutual benefits of the pilot FTAs and achieve mutual benefits. The Pilot Free Trade Zone will realise complementary advantages and mutual benefits.

Thirdly, promoting the integration and development of Pilot Free Trade Zone and Comprehensive Protection Zone. Promote the development synergy between Pilot FTZs and ZPAs, clarify the top-level design for the development of ZPAs under the construction of Pilot FTZs, and promote ZPAs to study and formulate strategic planning and industrial planning for ZPAs, taking into account the functional positioning and development goals of the Pilot FTZs in which they are located, so as to form a synergy for development. Promote the extension of bonded functions of the ZIPPA to the Pilot FTZ, and allow a variety of industries, such as aviation maintenance, bonded R&D, bonded maintenance, remanufacturing, etc., to be carried out outside the ZIPPA, so as to release the dividends of the bonded system. Promote the upgrading of the functions of the ZIPZ within the Pilot Free Trade Zone, and explore the possibility of granting the ZIPZ functions such as "off-shore", further reducing the controls on cross-border capital, personnel exchanges and data flows, and creating a special economic functional zone with more influence and competitiveness in the international market.

3.2 Increasing the experimental tasks of domestic trade circulation development

First, deepen the reform of the circulation system. Explore and improve the cultivation mechanism of modern circulation enterprises in the Pilot Free Trade Zone, and promote the innovative development of circulation enterprises. Establishing a cross-border management system for circulation, adapting to the development trend of cross-border operation of circulation enterprises, and encouraging the Pilot Free Trade Zone to explore the abolition of unnecessary licensing requirements, so as to promote innovation and entrepreneurship and cross-border operation of enterprises. In accordance with the principle of inclusive and prudent development, establish a filing system for new modes of circulation, keep pace with the development of the industry, and stimulate the vitality of the development of new modes of circulation. Explore the implementation of income tax exemptions and reductions for enterprises engaged in production and operation in key livelihood areas in the Pilot Free Trade Zone; reduce or waive value-added tax and income tax for cold-chain logistics enterprises and distribution centers; and adopt tax incentives for national or regional circulation enterprises operating across the border with a unified identification, , etc.

Second, explore the establishment of a consumption promotion mechanism. It will improve the macro-guidance system for enterprise wage distribution, promote collective wage bargaining in accordance with the law, and establish a wage determination mechanism and a normal growth mechanism that reflect the supply and demand in the human resources market and the economic efficiency of enterprises. It will establish a post-consumption evaluation system for products and services, improve the safety prevention mechanism for products and services in the whole process, and establish a sound system for monitoring and evaluating the consumption environment. Conditional Pilot Free Trade Zones are encouraged to explore the establishment of a social assistance method that combines cash assistance for basic living of low-income groups, in-kind assistance and assistance services, and to authorize the assistance standard in accordance with the standard of meeting the basic needs of life, and to adjust it dynamically according to the price level.

Third, improve the duty-free consumption policy system. Actively develop duty-free retailing of imported brands, attract the first store of famous brands to gather resources, support internationally famous brands to improve the layout of domestic outlets, and create an international consumption center where consumption resources of globally famous brands gather, so as to better meet the demand for consumption upgrading of Chinese residents. Improve the policy of duty-free stores in the city, and promote the quality and upgrading of urban consumption.

3.3 Strengthening the coordination of various policy regimes

First, promote the coordination of foreign investment access and market access. In addition to national security, public security, financial security, ecological security, public health and other major public interests, the negative list for market access should be further reduced, and the threshold for market access for all types of market entities should be lowered. We will thoroughly eliminate unreasonable post-entry restrictive thresholds set up by various regions and departments through local regulations, departmental rules and normative documents, and establish a regular and periodic clean-up mechanism to solve the problem of the "Glass Door" of market access.

Secondly, it promotes the opening up of the industry and the opening up of upstream, downstream and related industries in a coordinated manner. Take the lead in the Pilot Free Trade Zone to vigorously promote the opening up of R&D, design, maintenance, after-sales services related to the upstream and downstream of the manufacturing industry, support enterprises to carry out high-tech, high-value-added offshore testing, global maintenance and re-manufacturing business, and explore the development of inbound maintenance and re-manufacturing of construction machinery, numerically-controlled machine tools, aircraft parts and components, and so on. Gradually eliminate policy differences between the service industry and the manufacturing industry in terms of taxation, finance, science and technology and factor prices.

Third, promote trade and investment policy coordination. Encourage enterprises in the Pilot Free Trade Zone to increase R&D involving, maintenance and after-sale service trade in the development of trade in goods. They are encouraged to invest and set up factories in countries with a high level of trade cooperation, and improve the level of investment cooperation through trade cooperation. Give full play to the role of import trade in promoting industrial development, encourage the import of productive services such as architectural design, commerce and logistics, consulting services, R&D and design, energy conservation and environmental protection, and environmental services, etc. in the Pilot Free Trade Zone, and increase the import of technological equipment, high-end parts and components, and resource-based products that contribute to the transformation and development of the manufacturing industry and other industries. Explore the coordination of outbound and inbound enterprises, and encourage outbound enterprises to develop and grow overseas to make return investment and bring high-quality foreign resources back to China. Strengthen efforts to verify the authenticity of return investment, utilize block-chain and other emerging technologies to grasp the investment and operation of enterprises, accurately identify foreign investors and actual controllers of equity structure, and effectively control outbound investment.

Fourth, promote the coordination of domestic and foreign regulations and standards. Actively implement the "Soft Obligations" in the RCEP agreement, such as "striving for the release of express cargo and perishable cargo within 6 hours after their arrival". Make full use of development advantages of the Pilot Free Trade Zone in the fields of digital economy and cross-border e-commerce, and expand opening up in the fields of digital economy and the Internet. Promoting the cross-border flow of data, paperless management, mobile payment and other areas to speed up the formulation of standards, and providing practical experience for the formation of an international rules system in our favour.

3.4 Cultivating innovative power for high-quality development

First, promote the establishment of high-end high-tech industries in the Pilot Free Trade Zone. It will lead the opening up and development of characteristic advantageous industries, promote the cultivation of characteristic leading industries in the Pilot Free Trade Zone, increase the support for financial innovation, and grow strategic emerging industries and modern service industries. Accelerate the cultivation of integrated circuits, biomedicine, artificial intelligence, quantum technology, commercial aerospace, and other high-end industries with significant leading role. Support their respective Pilot Trade Zones in key industrial areas and key links in the industrial chain, attract a number of Fortune 500 companies, industry-leading enterprises, well-known R & D institutions and innovation services, in the Pilot Trade Zone layout of a number of major industries and key technological breakthroughs in the innovation of special.

Secondly, expanding the opening up of productive services to support the transformation and innovation of the manufacturing industry. In the Pilot Free Trade Zone, the first to pilot the negative list management mode of cross-border trade in services, and further expand the opening up of the service sector. Focusing on meeting the needs of the transformation and upgrading of China's manufacturing industry, multinational corporations are encouraged to set up research and development centers, relax the criteria for foreign-funded research and development institutions to be recognized as high-tech enterprises, and carry out "reverse

innovation". Eliminate the requirements for foreign investment in securities companies, fund custodians, non-financial institutions, such as the number of years of operation, legal personality and other business requirements. Explore the relaxation of business restrictions on foreign enterprises in the wholesale and retail industry importing culture, medicine and other products, and reduce the scope of foreign investment in legal, accounting, transportation, express delivery and other businesses, as well as the qualification requirements of personnel.

Third, promote the clustering of resource elements. Explore the improvement of the international talent evaluation mechanism, assess human resource categories with remuneration level as the main indicator, and establish a market-oriented talent mechanism. Facilitate the settlement of foreign exchange outside the facilitation quota for payment of tuition fees for international schools in China for their accompanying children. Piloting the quota management system for foreign talents and exploring the "Recommendation System" mode of talent introduction. Exploring the improvement of account functions to enhance the service level of foreign-related economic and trade activities in an all-round way. Actively explore the e-invoicing and financial service innovation based on big data and blockchain. Strengthen international cooperation on internet data, enhance the protection of rights and data such as patents, copyrights and trade secrets, and promote international digital economy exchanges and cooperation. Accelerate the application of 5G and blockchain scenarios, and explore big data applications on 5G, 5G smart application scenarios and products for key industries.

3.5 Enhancing the ability to prevent and mitigate the risks of openness

On the one hand, it will explore an opening-up model that is conducive to risk prevention and control. It will innovate the development mode of liberalization in relevant fields, explore gradual and orderly liberalization by stages, and prevent the risks of liberalization. Design a "two-pronged" management system for maintenance, liberalisation of service industries, cross-border data flow and movement of people, and follow the "offshore-offshore", "offshore-limited onshore" and "offshore-internal" modes of liberalisation. The government will gradually liberalize in accordance with the steps of "offshore-offshore", "offshore-limited onshore" and "offshore-onshore". The government will proactively identify risk points in the process of liberalization in the relevant areas, introduce sound countermeasures, gradually enhance its ability to supervise risks, and then push for liberalization on a wider scale after the supervisory measures have been perfected. On the other hand, strengthen the flexibility of security review of foreign investment. Improve the national security review mechanism for foreign investment and explore the establishment of a security review system for foreign investment that is compatible with the negative list management mode. Actively drawing on the experience of the United States in its security review of foreign investment, foreign investment in major infrastructure, key technologies and areas involving national security will be given a qualitative description of the nature of the foreign enterprise, but it will be up to the foreign enterprise to judge whether or not it meets the conditions, and the relevant departments of our country will retain the power to review and terminate the transaction at any time, so as to enhance the initiative in risk prevention and control.

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