Study on the Countermeasures for Suzhou Area of Jiangsu Free Trade Zone to Seize the Construction Opportunity of Hainan Free Trade Port

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Abstract

The construction of Hainan Free Trade Port is a major measure to show China's determination to expand opening-up and actively promote economic globalization. Hainan has a tradition of supporting the economic development of "enclaves", and key parks are the main engine for the construction of Hainan Free Trade Port. Suzhou has rich experience in trans-provincial "enclave" cooperation. Suzhou Free Trade Zone should seize the opportunity of hainan Free Trade Port construction, actively strive to carry out "enclave" cooperation with Hainan, make further progress in high-quality development, and constantly promote the construction and development of pilot free trade zone to achieve greater results.

Keywords

Jiangsu Free Trade Zone; Suzhou Area; Hainan Free Trade Port; "Enclave" cooperation

Introduction

In June 2020, the CPC Central Committee and the State Council issued the Overall Plan for the Construction of Hainan Free Trade Port, which clearly defined the development goals of Hainan Free Trade Port. According to the plan, the Hainan Free Trade Port will become a new benchmark for China to comprehensively deepen reform and opening-up in the new era and a new pillar of China's open economy. It has been more than a year since the general plan for the Construction of Hainan Free Trade Port was officially announced, and the construction of Hainan Free Trade Port has accelerated. On April 7, 2021, the central people's government of the People's Republic of China website. The Ministry of Commerce on supporting the construction of free trade port in hainan opinions on some special measures to relax market access, to further support the

hainan to build free trade port market access system with Chinese characteristics and the market environment, facilitate free convenient flow of factors of production. Xu Weina (2021) points out that the implementation of the above opinions means that Hainan Free Trade Port will usher in significant policy dividends after its third anniversary.

The establishment of the Hainan Free Trade Port is a major strategic decision made by the CPC Central Committee with both domestic and international situations in mind to promote the innovative development of socialism with Chinese characteristics, and a major measure to demonstrate China's determination to open wider to the outside world and actively promote economic globalization. The construction of Hainan Free Trade Port will bring new development opportunities to the all regions. Since its establishment in 2019, Suzhou Area of Jiangsu Free Trade Zone has been constantly opening up and innovating, actively promoting the implementation of various experimental tasks, and injecting strong vitality into the opening and starting city of Suzhou. In the face of new opportunities, Suzhou must not just be a "spectator" of Hainan Free Trade Port, but must take the initiative to seize the linkage opportunities and strive to build a Park with Hainan Free Trade Port as soon as possible, which is a path worthy of discussion.

Hainan Has a Tradition of Supporting the Development of the "Enclave" Economy

Hainan's Early Document on Policies to Support the Development of the "Enclave" Economy

Hainan is one of the early provinces in China to introduce policies to support the development of "enclave" economy. As early as 2015, the Hainan Provincial Government issued an implementation opinion on the implementation of the "enclave" economic policy in provincial parks, encouraging cities and counties, development zones due to different functional locations, resource and environmental constraints, planning or industrial support restrictions and other reasons can not be implemented in the region of the project to other provincial parks (referred to as "enclave") to settle and build, promote the optimal allocation of resources and rational layout of projects in the parks of the province, and promote industrial clustering. The opinions stipulate that cities, counties and regions should, on the basis of equal consultation and voluntary cooperation, jointly determine the "enclave" projects and project planning and construction, operation and management, and benefit distribution, so as to achieve corresponding responsibilities and powers, benefit sharing, reasonable division of labor, complementary advantages and staggered development among each other, and eliminate lowering the threshold and disorderly competition.

Hainan Has Established a More Scientific and Reasonable Mechanism for Input and Benefit-Sharing in the Enclave Project

The implementation opinions of the "enclave" economic policy clarify the division of responsibilities, benefit sharing and input sharing between the exclave and enclave areas, and establish a more scientific and reasonable enclave project input and benefit sharing mechanism: the local retained part of the fiscal and tax revenues and statistical indicators formed by the completed projects in the enclave parks are proportionally

shared between the two sides. The "Implementation Opinions on the Implementation of Enclave Economic Policies in Provincial Parks (for Trial Implementation)" released on November 24, 2015 on the website of the Hainan Provincial People's Government stipulates that: first, all tax revenues, including taxes paid for project construction and land use, shall be collected and administered by the tax authorities in the enclave area, and shall be paid locally according to the territorial principle. The local tax authorities shall be responsible for the collection and administration of all tax revenues, including taxes paid for project construction, land use, etc., and shall pay them locally according to the principle of territoriality. After the enterprise enjoys the local tax rebate preferential policy, the local level (city and county) tax retention part is shared between the exclave and enclave places according to the ratio of 9 to 1 or 8 to 2. The implementation of the share of local revenue is limited to VAT, corporate income tax, personal income tax, resource tax and other five taxes, other taxes, non-tax revenues and government funds, etc., to the project enclave cities and counties to enjoy. Second, the "enclave" project regular statistical survey, according to the current national statistical reporting system, by the enclave government statistics department is responsible for statistics. In the city and county assessment, the relevant statistical indicators are counted in the full amount of the enclave cities and counties; in the city and county information published for public use, the relevant statistical indicators are split according to the proportion of the local share of fiscal revenue, respectively, counted in the exclave and enclave. Hainan Province also provides: the provincial treasury from the cities and counties to share 50% of the "enclave" project formed by tax revenue, non-tax revenue and government funds and other income subsidies to cities and counties (according to the exclave and enclave 5:5 ratio share).

Key Parks Are the Main Engine for the Construction of the Hanan Free Trade Port

Key Parks Are the Main Undertaking Places and Early and Pilot Platforms for the Implementation of the Early Policies of the Hainan Free Trade Port

With the official announcement of the "Overall Plan for the Construction of Hainan Free Trade Port", 11 key parks were launched in Haikou Jiangdong New Area, Yangpu Economic Development Zone, Boao Lecheng International Medical Tourism Advance Zone, Haikou National Hi-Tech Industrial Development Zone, Haikou Comprehensive Free Trade Zone, Sanya Yazhou Bay Technology City, Sanya Central Business District, Wenchang International Space City, Lingshui Li'an International Education and Innovation Pilot Zone, Hainan Ecological Software Park and Haikou Renaissance City Internet Information Industry Park. Innovation Pilot Zone, Hainan Ecological Software Park and Haikou Fuxingcheng Internet Information Industrial Park are listed simultaneously. The 11 key parks, as model zones and pilot zones, are the main undertaking place and early pilot platform for the implementation of the early policies of the Hainan free trade port before 2025. According to the "Hainan free trade port construction overall plan" requirements, Hainan will vigorously develop tourism, modern services and high-tech industries in key parks, and constantly strengthen the foundation of the real economy and enhance industrial competitiveness. At present, these key parks to grasp the investment, grasp the enthusiasm of the project is unprecedented, some of the parks intend to carry out "enclave" "garden in the park" and other forms of cooperation with well-known development zones, in order to gather the fastest speed of high quality and high standard of project investment The fastest way to gather high-quality and high-standard project investment.

Analysis of the Industrial Correlation Between the Suzhou Free Trade Zone and Key Parks

In terms of industrial relevance, Suzhou can focus on one of the three key parks in Hainan to explore the feasibility of cooperation. One is Boao Lecheng International Medical Tourism Advance Zone: pilot development of licensed medical care, health management, care and rehabilitation, medical beauty and anti-aging and other international medical tourism-related industries, gathering international and domestic high-end medical tourism services and international cutting-edge pharmaceutical science and technology achievements, creating an international medical technology service industry gathering area, the only real-world data application advance zone in mainland China. Second, Haikou National High-tech Industrial Development Zone: the only national high-tech zone in Hainan Province, focusing on the development of high-tech industries such as medicine and medical devices, high-end low-carbon manufacturing, intelligent sensors and information technology. Third, Haikou Renaissance City Internet Information Industrial Park: positioned as a digital economy headquarters cluster and international offshore innovation and entrepreneurship base, focusing on the development of four major industries: smart things, digital trade, technology finance and international offshore innovation and entrepreneurship.

Since Hainan free trade port will realize the whole island homogenization, so, in addition to key parks, other industrial parks in Hainan that can be developed in a large area can also be used as an alternative cooperation object. For example: Baisha Li Autonomous County plans to adopt the "management committee + platform company" organizational model to promote cooperation in the development and construction of the "International Chaozhou (Hainan) Industrial Park", although the current foundation is relatively weak, but the development of great determination, policy concessions are also very strong, the county The county is interested in the successful experience of the Sino-Singapore Su Chu High-tech Zone, Sino-Singapore Jiashan Modern Industrial Park, county leaders specifically to the Sino-Singapore Group for consultation.

Suzhou Industrial Park Has Rich Experience in Cross-provincial "Enclave" Cooperation

Suzhou Free Trade Zone is located in Suzhou Industrial Park, which has accumulated rich experience in cross-province "enclave" cooperation, and is a successful example of Suzhou's "high level of introduction" and "high level of going out "It is a successful example of two-way opening up. Liang Dong, Chen Xinlin and Zhao Jiangang (2020) analyzed the bottleneck of land supply faced by the construction of Suzhou FTZ, and proposed to break the geographical boundary and geographical bearing area of Suzhou FTZ, gather all the resources that can be used by Suzhou FTZ, and take the opportunity of early and pilot implementation to break through the bottleneck of land constraint.

In recent years, Suzhou Industrial Park has explored "government-led", "enterprise-led", "counterpart support" and "close cooperation In recent years, SIP has explored various modes of "enclave economy" such as "government-led", "enterprise-led", "counterpart support", "close cooperation", etc., and participated in the construction of 12 Sino-foreign industrial parks in total, which enhanced the radiation-driving ability and promoted the coordinated development of the region, and initially formed the pattern of "two parks" of local

park and cooperative park. The pattern of "two parks" has taken shape. Su Su, Su Tong, Su Chu, Su Xiang, Su Yin, China-Singapore Jiashan Modern Industrial Park and other cooperative parks have all become the brand highlights of local high-quality development.

Successful Cases in the Sino-Singapore Su Chu Hi-Tech Zone (Formerly Su Chu Modern Industrial Park)

The Sino-Singapore Su Chu Hi-tech Zone (formerly Su Chu Modern Industrial Park) is an example. This zone is a model project for inter-provincial coordination in the Yangtze River Economic Belt development strategy, and is also the first project jointly built by Suzhou Industrial Park and other provinces, with a planning area of 36 square kilometers. Implementation of the "double main body" management and operation mechanism and "market-led, government support, complementary advantages, benefit-sharing" development model. Ltd. was established as a joint venture with Chuzhou City Investment Company in the proportion of 56% and 44% respectively (with a registered capital of RMB 800 million) as the main development body. According to the business agreement, the Management Committee of the Development Zone is responsible for the administration of the Development Zone, land acquisition, expropriation, relocation, resettlement and compensation, protection of landless farmers, public facilities and other work, while the Sino-Singapore Su Chu Company is mainly responsible for planning, infrastructure construction, investment promotion and software transfer, etc. The two sides have established a "one party, two committees" working mechanism. mechanism, that is, regularly held joint meetings of the Management Committee, the development company, the establishment of the Investment Promotion Committee and the Land Planning Committee, major matters adhere to common consultation, joint decision-making. At present, the district has been led by the Sino-Singapore Group to compile more than 30 conceptual plans, general development plans and special plans, and the experience of city-industry integration has been replicated and promoted in the whole province of Anhui; the cumulative investment in fixed assets is about 30 billion yuan, 20 square kilometers of "nine passages and one leveling"; nearly 300 projects have been signed and introduced, with the agreed introduction of capital of more than 70 billion yuan, the establishment of more than 400 enterprises of various types, electronic information, new energy and new materials, automotive and equipment manufacturing, nutrition and health four leading industries have taken shape, becoming a foreign investment concentration area and economic growth pole in Chuzhou City. The high-quality development of the Sino-Singapore Suzhou-Chu Hi-Tech Zone, both significant political and social benefits, but also to the development of the main body has brought good economic benefits. According to the commercial agreement, Sino-Singapore Su Chu's development revenue is derived from land level development and related agency service income (calculated as 65.36% of the revenue from the transfer of all available commercial and residential land, and Sino-Singapore Group's brand export and software transfer revenue is calculated as 5% of the revenue from the transfer of all available commercial and residential land). In view of the good cooperation basis and effectiveness, Suzhou and Chuzhou signed the "Sino-Singapore Suzhou-Chu Hi-Tech Industrial Development Zone Cooperation Framework Agreement" in Wuhu on May 2019, agreeing to expand the development of the zone in the existing cooperation manner (expansion of approximately 41 square kilometers); On April 16, 2020, the Department of Science and Technology of Anhui Province and the Chuzhou Municipal Government adopted the "China-Singapore Suzhou-Chu Hi-Tech Industrial Development Zone Expansion Study Report", laying a solid foundation for the substantive promotion of the expansion of the development of the zone.

Successful Cases of Sino-Singapore Jiashan Modern Industrial Park

On October 22, 2020, Jiashan County People's Government reported that the high-level planning and construction of the modern industrial park in Xinjiang Jiashan has been written into the "Yangtze River Delta Ecological Green Integrated Development Demonstration Zone Overall Plan" and "Yangtze River Delta Regional Integrated Development Plan Outline" respectively. ", and was successfully selected as one of the first "10,000 mu and 100 billion" new industrial platform cultivation list in Zhejiang Province. The Sino-Singapore Jiashan Modern Industrial Park is the first major industrial platform for regional cooperation after the regional integration of the Yangtze River Delta has been elevated to a national strategy, and it is also an important layout of Sino-Singapore Group to further implement the national strategy of regional integration of the Yangtze River Delta. The project, with a total planning area of about 16.5 square kilometers, is jointly built by the Sino-Singapore Group and the People's Government of Jiashan County, and will be launched at the end of 2018. Similar to the Sino-Singapore Suzhou Hi-tech Zone, the project will be managed by a "dual body" model, with the establishment of an industrial park management committee and a development company. The project is being developed and constructed in accordance with the PPP cooperation model, with a cooperation period of 18 years, and has been successfully included in the Ministry of Finance's PPP project database.

At present, the Sino-Singapore Jiashan Modern Industrial Park is fully responsible for the planning and construction, infrastructure construction, industrial investment and operation management of the park by the park management committee, with clear development objectives, orderly advancement of the work, and continuous improvement of industrial function support, relying on the strategic location advantage of the integration of the Yangtze River Delta, it will strive to build a sample of Jiashan leading the integration of the Yangtze River Delta with higher quality development.

Suggestions for Countermeasures to Seize the Opportunity of the Construction of Hainan Free Trade Port in Suzhou Free Trade Zone

In 2020, Jiangsu Province issued "Several Opinions on Supporting the High-Quality Development of China (Jiangsu) Pilot Free Trade Zone" and its first batch of supporting implementation rules, 30 new policies to empower the better development of the Pilot Free Trade Zone. The Suzhou FTZ should seize the opportunity of the construction of Hainan free trade port and focus on the following tasks.

Top-Level Design for "Enclave" Cooperation with Hainan

The free trade port is not an upgraded version of the free trade zone, but requires a higher degree of openness and more holistic, forward-looking and international institutional arrangements for opening up. In other words, Hainan free trade port will become a new highland of reform and opening up with higher level of openness, better business environment and stronger radiation effect. According to Bai Ming (2021), the new height of opening up of Hainan free trade port is "high" in the top-level design idea of strategic positioning; "high" in the system integration of system innovation; "high" in the alignment with the standards of the

system; "high" in the system integration of the system innovation. It is "high" in the highest level of the international free trade port. Opportunity is fleeting, seizing it is an opportunity, not seizing it is a challenge. High-level coordination and top-level design are important foundations for the success of the "enclave" cooperation. It is recommended that the Suzhou Municipal Party Committee and Municipal Government actively seek the support of the National Development and Reform Commission, the Ministry of Commerce and the Jiangsu Provincial Party Committee and Government. Suzhou Free Trade Zone should actively seek to carry out "enclave" cooperation with Hainan, not only to demonstrate Suzhou's initiative to serve the national strategy and play a role, but also to move forward Suzhou, especially the Suzhou Free Trade Zone open innovation tentacles, to achieve a "win-win situation This is a win-win situation.

Thematic Research to Demonstrate the Feasibility of Enclave Cooperation

The function of Suzhou Free Trade Zone is to build a world-class high-tech industrial park and to create a highland of all-round opening, international innovation, high-end industry and modern governance. The cooperation between Suzhou Free Trade Zone and Hainan free trade port must be thoroughly researched and fully proved. It is recommended that Suzhou's development and reform, commerce and other departments, together with the Suzhou Industrial Park, set up a task force to carry out special research, and take the initiative to dock with the relevant departments of the Hainan free trade port, to thoroughly demonstrate the feasibility of "enclave" cooperation between Suzhou and Hainan. Ding Hong (2021) pointed out that the construction of the free trade zone should focus on promoting linkage innovation and amplify the effect of high-level opening. Seek and build a number of characteristic platforms, carriers and mechanisms to promote the pilot free trade zone and more areas with conditions for linkage development, promote exchanges and cooperation between domestic regions and international, to create a high-quality development community.

The unique advantages of Suzhou Free Trade Zone in connecting with Singapore's Free Trade Port, the brand effect of winning the "four consecutive championship" in the comprehensive assessment of the national economic development zone, and the successful experience of cross-provincial "enclave" cooperation, should be said to be attractive to Hainan free trade port. trade port is attractive. As long as there is a high level of promotion, the free trade zone will be able to replicate the successful cases of Sino-Singapore Suzhou High-tech Zone and Sino-Singapore Jiashan Modern Industrial Park.

Interaction and Exchange, Learning from the Reform Experience of Hainan Free Trade Port

Hainan free trade port officially released the "Boao Lecheng International Medical Tourism Early Zone System Integration and Innovation Reform Program", which proposes to promote system integration and innovation reforms in medical and health care "minimal approval" reform, free and convenient trade of licensed medicine and equipment, foreign personnel The reform plan is to promote system integration and innovation in the areas of medical and health care "minimal approval" reform, free and convenient trade of licensed medicine and equipment, facilitation of foreigners' stay and residence, and facilitation of cross-border capital flow, so as to achieve "three synchronization" of medical technology, equipment and medicine with the international advanced level. According to Jiang Huizi (2021), according to the newly released "Article 22"

special access measures, the Boao Lecheng Medical Tourism Advance Zone can legally use new drugs that are not listed in China but only used abroad, which will attract people who need to seek medical treatment abroad to switch to China and promote the return of medical services. The specific reform measures released by the program include the creation of the only domestic unlisted licensed pharmacy and machinery full process traceability platform, the establishment of the only domestic unlisted innovative pharmacy and machinery centralized storage bonded warehouse, the creation of the only domestic "global special drug insurance" innovative pharmaceutical insurance payment method, innovative medical and pharmaceutical two-in-one agency regulatory model, the first domestic clinical real world A series of system integration and innovation reform measures, such as the new model of using data for pharmacy registration.

Liu Ping and He Yaoming (2021) proposed that the construction of Hainan free trade port should not only draw on the successful experience and practices of the Shanghai Pilot Free Trade Zone, but also strengthen the exchange of experience with other developed regions, and strive to transform its advanced experience into a vivid example of Hainan's innovative practice. In recent years, Suzhou's biomedical industry has grown rapidly, and in 2020, the Suzhou Municipal Party Committee and Municipal Government issued the "Implementation Plan for Building a Biomedical and Health Industry Landmark in Suzhou (2020-2030)", which clearly indicates that Suzhou will build a world-class biomedical and health industry landmark. On July 16, 2021, Xinhua Daily reported that Suzhou attaches great importance to the development of biomedical industry, and explicitly takes it as the "No. 1 industry" to build, benchmarking with the "global pharmaceutical valley" Boston, USA. It strives to build an internationally renowned and the most competitive and influential industrial landmark in China – "China Pharmaceutical Valley".

In order to build a "China Pharmaceutical Valley" that is internationally renowned, the most identifiable and influential in China, it is necessary for Suzhou to learn and replicate the innovative experience of Boao. Suzhou Free Trade Zone should take up the mission, strengthen the interaction and exchange with Hanan free trade port, deepen the integrated innovation of biopharmaceutical industry system, enhance the scale of biopharmaceutical industry, gather high-end talents in the field of biopharmaceutical, create the best ecological environment for the development of biopharmaceutical industry, and build an ecological system of biopharmaceutical industry with Suzhou characteristics. The core area of Suzhou's world-class biopharmaceutical industry landmark is fully built, effectively turning the blueprint into reality and driving the city's power through the engine drive.

In the past two years since its establishment, Suzhou Free Trade Zone has solidly pushed forward the implementation of various experimental tasks and achieved a number of innovative results that can be replicated and promoted. Innovation is the core of the work of the Free Trade Zone, Suzhou Free Trade Zone should concentrate its efforts, focus its positioning, improve its position, learn from the innovative experience of Shanghai Free Trade Pilot Zone and Hainan Free Trade Port, share the dividends of the free trade policy through innovation, expand and strengthen the open economy and the real economy, take another step forward in high-quality development, and continuously promote the construction and development of the Free Trade Pilot Zone to achieve greater results.

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