

## **The Internal Relations and Strategic Docking of China's Free Trade Zone Services and the Belt and Road Initiative**

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**Keywords:** China's free trade zone services, “belt and road”, Internal relations

**Abstract:** With the continuous development of China's economy, the China Free Trade Zone and the “Belt and Road” strategy have spawned, and they play the same role. They are also strategies for economic development in the new era. China's free trade zone has a very important relationship with the “Belt and Road”. The China Free Trade Zone is the foundation and foundation for the development of the “Belt and Road”. The development of China is moving forward as a whole. The goal between these two is to expand and open the market as much as possible, and to increase the convenience of trade and the freedom of investment. The core elements include the region and the system, the ability to carry out cooperation and exchanges between different regions, economic union, and the introduction of the system. The policies and strategies that promote the two can be implemented and developed. In the future, China needs to be able to set up a corresponding coordination structure, adjust and improve the fault tolerance mechanism, and finally increase the level of dividend sharing in the free trade zone to deepen its financial cooperation and provide a more reliable funding chain. This article studies the internal relationship and strategic connection between the two to further improve the relevant theoretical system of the “Belt and Road” and the service of the China Free Trade Zone.

### **1. Introduction**

The basic formation of the framework of China's free trade zone was the establishment of the third batch of free trade zones in April 2017. It has formed a '1 + 3 + 7' model, and its new structure is a combination of land and sea, and eastern The western and central regions coordinate with each other and provide a supporting role for the development of the “Belt and Road”. The level of development of the free trade zone is relatively high, and its system includes that the foreign investment system, trade supervision system, and financial system are basically established and innovated on the basis of the original, further bringing the countries along the “Belt and Road” Deepening of interaction and communication, and removing certain barriers, obstacles and trade barriers. The internal connection and connection between the “Belt and Road” and the services of the China Free Trade Area is quite profound. This article stands on this angle to effectively clarify the development strategy direction, and explores the way of the connection between the two, and proposes reasonable The suggestions and opinions finally provided the theoretical basis for China's free trade zone services and the development of the “Belt and Road”.

### **2. Functional Attributes of China's Free Trade Zone Supporting the Belt and Road Initiative**

The free trade zone focuses on the innovation of the system in the cultural industry system and the economic and trade management system. By virtue of these two forces, it can reduce the obstacles to circulation in international trade and realize different market elements in international development and exchanges. Get full flow. In addition, to successfully connect and develop these two strategies, it is necessary to ensure the completeness and connectivity of its infrastructure, and to give play to its characteristics and advantages of free trade in different transportation hubs to achieve geographical and transportation communication. And union. Henan and Shaanxi officially became free trade zones in 2017. The main reason is that these two provinces are located at locations that connect to transportation hubs, further improving the efficiency of logistics operations,

transportation, and passenger distribution, and reducing the cost of each of these Kind of cost.

## **2.1 The Two Connotations Are Interconnected**

The concept of the China Free Trade Zone includes free investment, marketization of trade, internationalization, and standardized management, while the “Belt and Road” includes a number of concepts such as smooth trade, currency circulation, communication policies, and road connectivity. There are interrelated phenomena in the philosophy, and at the same time it shows a value spirit and attitude of mutual benefit and win-win development.

## **2.2 There is a Connection between the Two Functional Values**

The functional value of the “Belt and Road” requires China to continuously develop itself and develop outwards, open up new markets and spaces, and further promote China's economic development model to change again and develop in a balanced state. Regional economic cooperation has been deepened through the transportation network. The China Free Trade Zone aims to provide convenient and free trade, and aims to eliminate barriers and barriers between trade. It can be found that the value function between the two is basically to promote economic development and strengthen the degree of opening up to the outside world. The “Belt and Road” free trade zone itself also needs to take the core areas and regional nodes of some regions as strategic support. China's free trade zone has important links with the regional nodes and hubs in the “Belt and Road”. It also showed a superior characteristic and development characteristics, and further connected different regional networks to effectively bring out the role of regional network linkage and element aggregation in the “Belt and Road”.

## **2.3 China's Free Trade Zone Promotes the Continuous Innovation and Development of the “Belt and Road” System**

In order to achieve economic freedom, the China Free Trade Zone focuses on establishing and innovating different management systems, and using this to provide feasible practical experience and a standardized institutional environment for the construction and forward development of the “Belt and Road” initiative, promotes The creation of the “Belt and Road” system can rely on the establishment of the China Free Trade Zone to create more experience. The “Belt and Road”, especially China 's openness to the outside world, is continuously deepening, promoting the extent and depth of regional cooperation among the countries along the route, and effectively realizing free trade, investment, finance going international, and simplifying administrative management. The reversal of economic model development and the accumulation of some experience in participating in international trade-related negotiations have created a good and healthy atmosphere and environment for business operations under the rule of law.

## **3. China's Free Trade Zone Services and the Strategic Integration of the “Belt and Road”**

### **3.1 Using the China Free Trade Zone as a Window to Promote “Belt and Road” Cultural Exchanges**

The China Free Trade Zone has a high degree of attention to the supervision of the cultural industry, and has adopted a number of innovative measures, such as expanding the scope of the cultural industry's operating permits, and will continue to streamline the approval process for cultural-related activities, and The simplification of the procedures and procedures for the import and export trade of goods has promoted the convenience of its trade. It will build a dispute resolution mechanism for the relevant cultural industries and guarantee the knowledge results in the form of laws. These measures have promoted free trade. The development of the district's cultural industry model has distinctive characteristics, and has provided a better trade platform for the “Belt and Road” to conduct cultural exchanges and related cooperation with other countries. The current construction of the “Belt and Road” has shown a clear and concrete development trend, allowing other countries to have a clearer and more comprehensive understanding of it. However, there are currently different values, thinking, and cognition levels in different countries. There are some

misunderstandings about the construction of the “Belt and Road”. In the face of such misunderstandings, efforts need to be made to eliminate them and strengthen publicity. The cultural supervision system established by the China Free Trade Area effectively transmits the correct concepts of the country, and strengthens cultural exchanges with other countries, and strengthens the spread of its own culture in other countries. Elimination of barriers and false cognitions, further achieving the commonality of different public opinions and consciousness.

### **3.2 Using the China Free Trade Zone as a Platform to Promote International Economic and Trade Cooperation Along the Belt and Road**

#### **3.2.1 Attracting More Foreign-Funded Enterprises to Enter the China Free Trade Zone**

Compared with other regions, the institutional advantages created by the improvement of its system in the China Free Trade Zone have facilitated investment in the region to be more convenient and free. At the same time, the supervision method is more advanced, and its market competitiveness is extremely competitive on international trade platforms. Strong. Through these favorable macro-environments, the government's promotion and exchanges, the participation of the market as the main body, and the exchange of multiple factors such as information resources, the countries along the Belt and Road are encouraged to further publicize their institutional dividends and increase more enterprises, Companies and individuals guide the free trade zone to enhance the momentum and vitality of economic development.

#### **3.2.2 Promote the Flow of Market Factors in the Free Trade Zone**

The most basic element in a market economy is the market entity. It is necessary to increase the initiative, enthusiasm, and initiative of the market entity's participation in the “Belt and Road” initiative, further deepen the flow of market entities, and allow the development of economic and trade cooperation And promote the effective connection with the “Belt and Road”. The countries participating in the “Belt and Road” basically belong to developing countries and new economies. These countries have low economic levels, and the competitiveness and strength of their local companies are weak. Therefore, they stand for profit and reduce costs. From the perspective of risks, the China Free Trade Zone has a strong appeal for these enterprises, and provides China with more trading targets and corresponding opportunities for cooperation. By using the China Free Trade Zone as a hub to develop markets along the “Belt and Road”, and using the system created in the zone, it provides effective policy support for some enterprises, and encourages more countries along the route to take advantage of China 's free trade zones. Learn about influence and share economic dividends.

#### **3.2.3 Promoting Asia-Pacific Economic and Trade Liberalization through the Belt and Road Initiative**

China should carry out the docking work of its free trade zone and the Belt and Road Initiative in accordance with different locations and regions, with a focus, and without worry and level. Use the East Asia and Central and Eastern Europe FTA as the center of the docking strategy, and carry out exchanges and interactions in many aspects and fields, such as culture, economy, and population mobility, and find common interests between the two sides, such as financial currency In terms of development, parks, infrastructure, and tourism, we will use the China Free Trade Zone as a platform and carrier, and allow China to build free trade routes and networks along the Belt and Road. In addition, constructive FTAs must be prepared. As key positions in the Asia-Pacific region play an important role in forming the “Belt and Road” international strategic support point, it is necessary to allow different countries to try to construct FTA points of interest first, so that countries can It generates a certain level of human cognition, which broadens the way for subsequent negotiations.

### **3.3 Introduce a Negative List System**

The introduction of this system is to be able to effectively solve the problems of investment

information asymmetry and national treatment maximization. Because the laws of each country are formulated in accordance with the national conditions of their own country, there are large differences, which leads to the inability of foreign capital to fully understand its system in entering different countries, and ultimately results in continuous levels and levels of business risks. rise. Therefore, the introduction of the negative list system, taking national treatment as a principle, clarifying the criteria for market access, and allowing domestic and foreign enterprises to enjoy the same treatment and rights, urge enterprises to understand their systems and regulations at a glance, and promote different Market elements can flow continuously in the areas covered by the Belt and Road Initiative.

### **3.4 Setting Up a Coordination Body At the National Level**

The promotion of national strategy involves the interests and relationships between different departments and regions. It is necessary to fully coordinate, so it is necessary to set up a corresponding coordination structure to ensure its long-term and stable development. It is necessary to build professional, scientific and independent national institutions, reduce problems due to conflicts of ideas and interests, and fully reconcile the relationship between the central and local governments to avoid protectionism in the free trade zone. In addition, we need to coordinate the development of multiple areas in which it is docked, promote effective docking of its resources, and build national institutions to provide better coordination services and coordinate benefits.

### **3.5 Provide Funding for Strategic Construction Required for Financial Cooperation**

The improvement and development of the “Belt and Road” and the docking with the China Free Trade Zone require a considerable amount of funds to promote it. Although the Silk Road Fund and the AIIB have already been supported, due to the long construction period of the “Belt and Road”, The amount of engineering is large, and the funds provided by it are no longer suitable for its development. In this case, it is necessary to achieve financial accommodation to solve the problem. First, we must be able to build a stable Asian currency system, and build a financing and credit system on the basis of this. We can exchange currency between different countries, expand the scope of settlement and scale; and, again, we need to invest in the Asian Investment Bank. And development bank 's influence and the role of funds are increased, and the corresponding financing institutions are accommodated, and more high-credit companies and financial bidding are introduced into China. In this way, the “Belt and Road” and China The docking of the free trade zone was successful.

### **Acknowledgment**

Fund Project: Phased achievements of the Fujian Social Science Planning Project of 2018, “Fujianquan National Independent Innovation Demonstration Zone, Science and Technology Coupling Efficiency Evaluation and Mechanism Innovation Research” (project number: FJ2018C035).

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