

of the eastern regions in opening-up should be strengthened, the pace of opening-up in central, western and northeastern regions should be accelerated, the opening-up of border areas should be strengthened, and the opening-up to, and cooperation with, Hong Kong, Macao and Taiwan should be deepened.

— **Improving level of foreign investment and economic cooperation.** Support should be provided for enterprises to participate in the reshaping of global industrial and supply chains; domestic and foreign industrial coordination should be promoted. Efforts should be made to promote steady and orderly development of outbound investment and cooperation, and encourage Chinese products, services, technologies, brands, and standards to go global. Outbound investment should be carried out in an innovative way. Efforts should be made to push transformation and upgrading of outbound contracted projects, promote the orderly development of outbound labor cooperation, and improve foreign investment cooperation policies and service systems.

#### **IV. Always Adhering to Reform and Opening-up as A Strong Driving Force**

History at home and abroad has made it clear that openness brings progress, and closure will inevitably lead to a country lagging behind. Opening-up is the fundamental way for a country to become prosperous and strong, as well as a key strategy for China's development. For more than 40 years of reform and opening-up, it is precisely because China persisted in pursuing its development through opening-up to the outside world and promoting reform, development and innovation through opening-up, the country has achieved the great transition from a closed and semi-closed state to a state of all-round opening-up, so that its overall national strength and international influence have improved. The wider China opens up, the better it develops, and the better it develops, the more open it is. The door to China's opening-up will not possibly be closed. China should further deepen reform and pursue higher-level opening-up to provide a strong impetus for building a new development paradigm.

At present, China's reform has entered the deep-water zone. The opening-up dividend of its WTO membership is disappearing, and it still faces severe challenges in carrying out reform and opening-up in some key areas and links. They have become institutional obstacles restricting high-quality development and high-quality life.

**The unified domestic market needs to be improved.** In recent years, China has

made great progress in breaking regional blockades and establishing a unified national market, but some market restrictions and local protectionism still exist.

**The level of opening-up to the outside world needs to be improved.** China has gradually opened up in areas where the cost of opening-up is low, the impact of opening-up is less significant, and it is relatively easy to build consensus. However, there is still huge room for further opening-up. At present, China's openness index is 0.74, ranking 40<sup>th</sup> in the world, which is significantly lower than rankings of developed countries; the openness of the service industry is obviously lagging behind.

**The ability to coordinate openness and security needs to be improved.** Over the past 40 years of Reform and Opening-up, China has strengthened its overall national strength and significantly improved its security maintenance capabilities in the process of expanding openness. The current international situation is more complex, with increasing external risks and challenges. China's ability to manage the complex situation of openness and security is yet to be able to adapt to the changing environment.

China's development is inseparable from the world, and China is also indispensable for the prosperity of the world. Since the Reform and Opening-up policy was launched, China has adhered to the basic national policy of opening-up to the outside world, leveraged its low-cost advantages of labor and other factors, seized the important opportunities of economic globalization, and actively participated in the international division of labor. By utilizing external markets to promote domestic development, China has achieved high-rate economic growth and the Chinese people have succeeded in building a moderately prosperous society. Previously, they cannot even sustain their basic life. Since the outbreak of the COVID-19 pandemic, major provinces such as Zhejiang, Jiangsu, and Shandong provinces, and cities such as Shenzhen and Suzhou, have obvious advantages in terms of complete industry chains. They also have greater awareness and ability to seek opportunities in crisis. As a result, compared with the nation's average level, they have performed better in terms of foreign trade and investment.

Practice has fully proved that opening-up enhances overall strength. The more open a place, the stronger its overall strength, the greater its economic resilience, and the higher its degree of security. Therefore, **full opening-up will bring great development and great development will bring high level of security.**

At the current critical stage, new economic development mode is replacing the old and new growth drivers are replacing the traditional ones. The domestic comprehensive deepening of domestic reforms has entered the deep-water zone; and the international uncertainties are increasing. It is more necessary, therefore, for China to promote the opening-up of the world through expanding its own all-round opening-up, contribute to the global economic recovery through promoting its domestic economic recovery, and unswervingly utilize opening-up to generate growth impetus and dividends.

— **Unswervingly expand opening-up in an all-round way.** It is necessary to comprehensively improve the level of opening-up to the outside world, and promote trade and investment liberalization and facilitation. A new higher-level open economy system needs to be built, efforts should be made to continue to deepen the openness of commodity and factor mobility. And it is necessary to steadily expand the institutional openness of rules, regulations, management, and standards to establish an institutional system and regulatory model that are in line with internationally accepted rules. A shift from *opening-up of factors* to *institutional opening-up* needs to be promoted, and efforts need to be made to push forward reinforcement and deep-level integration of the domestic and international dual cycles.

— **Building a new commanding height of reform and opening-up.** Through institutional innovation, a new reform and opening-up commanding height that play a leading and exemplary role should be established. Reforms should be deepened in an all-round way and action should be taken to implement high-standard market system construction. High-quality development of pilot free trade zones and ports should be promoted. The leading and exemplary role of pilot free trade zones should be brought out, greater reform autonomy should be allowed, opening-up stress tests should be strengthened, and the dividends of Reform and Opening-up should continue to be released continually. And it is necessary to steadily promote the construction of the Hainan Free Trade Port.

— **Better participating in international economic and trade cooperation.** China should adhere to the principle of extensive consultation, joint contribution and shared benefits to deepen the BRI economic and trade cooperation. It should actively participate in the reform of the WTO, push efforts to improve WTO rules, and improve the level of trade policy compliance. It should push forward improvement in global economic governance mechanisms, deepen cooperation with the United Nations and

related agencies, support major economic governance platforms playing a larger role, and actively participate in the formulation of economic governance rules in emerging fields. It should optimize the layout of free trade areas, promote the signing of more high-standard free trade agreements, properly deal with CPTPP-related work, and speed up the negotiation process of the China-Japan-Korea free trade agreement. It should also promote coordination and cooperation among major countries, deepen economic and trade relations with neighboring countries, and strengthen solidarity and cooperation with developing countries.

— **Effectively coordinating development and security.** China should take a holistic view of national security; the more open, the more important it is for China to pay attention to security, and strive to strengthen its own competitiveness, openness supervision capabilities, and risk prevention and control capabilities, so as to improve its resilience. It should improve the industrial damage early warning mechanism, promote international industrial security cooperation, and maintain the security of the industrial and supply chains. It should adhere to opening-up to become more capable of preventing risks, and dynamically maintain national economic security at a higher level.