

# Hainan FTP policies highlight efforts to open up

Central authorities released 22 special measures this month to relax market access

By YUAN SHENGGAO

Massive growth opportunities for global stakeholders are within reach in south China's Hainan Free Trade Port, as the country's government has revealed packages of preferential policies over the past 10 days, according to officials and experts.

Another set of policies is expected in the near future to further facilitate free trade and investment while improving market access for foreign investors.

Cong Liang, deputy head of the National Development and Reform Commission, said during an April 12 news conference held in Beijing that more than 110 policy documents have been published to promote the smooth launch of the Hainan FTP's construction during the past three years. A free trade port policy and institutional framework has also been initially established.

Hainan FTP has welcomed the central government's support in broadening market access and further opening up its financial sector.

The central government launched a series of 22 special measures on April 8 to relax market access in the Hainan Free Trade Port, involving sectors such as medicine, healthcare, finance, education, high tech, culture and new energy vehicles.

Highlighting the government's ongoing efforts to expand its opening-up to the outside world, a document jointly released by the NDRC and the Ministry of Commerce said that China will allow the sale of prescription drugs over the internet. Authorities will also support the island in its development in the online gaming sector by exploring the delegation of approving online games to Hainan.

Officials plan to support the building of charging stations for new energy vehicles while pressing ahead with autonomous driving technologies.

On April 9, the central government released guidelines with 33 detailed measures, which aim to further facilitate free trade in Hainan, perfect its financial market system, further open up its financial market,



A cruise liner docks at Sanya Phoenix Island International Cruise Terminal, Hainan province. WU WEI / FOR CHINA DAILY

enhance innovation, improve financial services and strengthen financial regulation.

Wang Shouwen, vice-minister of commerce, said the ministry together with another 19 departments will jointly reveal 28 special measures to promote the liberalization and assist trade in goods and services in the near future, in a move to boost high-quality free trade port growth in Hainan.

The coming measures will help break barriers on the import and export of crude oil, refined oil, sugar and other goods.

The measures will also cancel regulations for automatic import licenses as well as import licenses for mechanical and electrical products, and allow technology import and export businesses to leapfrog filing and registration hurdles for foreign trade operators.

The policies will also boost the secondhand car export business in Hainan and support the island province's development of new types of offshore international trade and digital, technological and cultural trade, enhancing the exhibition economy and innovating modes of international cooperation in service trade to help foster a new global or regional off-



Latest innovative medicines and medical equipment are on display at an exhibition in the Boao Lecheng International Medical Tourism Pilot Zone on April 13. LING NAN / FOR CHINA DAILY

shore international trade center and a regional international exhibition hub in Hainan FTP.

China has released a negative list for foreign investment in Hainan Free Trade Port, which became effective on Feb 1.

Xu Shanchang, head of the department for institutional reform at the NDRC, said the latest moves demonstrate China's resolve for reform and opening-up to global investors and consumers.

"The measures will develop Hain-

an into a benchmark for worldwide market access and create a highly attractive market environment," he said.

Yu Tao, director of the Hainan free trade port research center of the South China Sea Research Institute, said the new measures make great breakthroughs and represent the CPC Central Committee's unprecedented support for Hainan's reform in the field of market access.

The new policies will help make Hainan a strategic highland for domestic and international "dual circulation".

"As important basic institutional arrangements by the central government, the new steps will certainly release huge policy dividends, strengthen confidence and expectations of domestic and overseas investors and accelerate the flow of international high-caliber resources to Hainan," he said.

Mark Wang, president and CEO of HSBC (China), said the supportive policies will activate Hainan's financial market and attract more international institutions and capital, providing capital support for the construction of various projects, including infrastructure projects in Hainan.

"The development of the Hainan Free Trade Port must use the world's

Continuing releases of favorable policies are driving a growing number of enterprises to start or expand their business in Hainan.

Hainan has held 14 consecutive centralized contract signing activities for key projects since 2018, with a total of 741 projects signed at an agreed investment of 519.6 billion yuan (\$79.84 billion), according to data from the provincial government.

"The country will work out an action plan for the construction of those major projects, and set up a reserve system for major projects," said Cong, deputy head of NDRC.

"We have paid close attention to Hainan FTP's zero-tariff policy on shipments for a long time," said Wang Peng, vice-chairman of Guohang Ocean Shipping Group.

He said the company plans to spend between 4-5 billion yuan to launch 20 freighters in Hainan and set up a regional headquarters in Haikou, the provincial capital.

Wang said that he was most attracted by the two tax-free policies: the "zero tariff" policy for imports of vehicles and yachts, as well as the export tax rebate policy for domestic ships registered in "China Yangpu Port" and engaged in international transportation. "Both policies will save us a lot of costs," Wang said.

Justin Downes, deputy CEO of Extreme International from the United Kingdom, said the company will develop land-based extreme sports projects to supplement tourism products in Sanya, a coastal resort city at the southern tip of Hainan island where water sports is booming.

Opening-up policies are creating a wide range of opportunities and turning Hainan into a highland for foreign investment, experts said.

Official statistics show that 80 countries and regions made investments in Hainan last year, doubling the number from 2019.

A total of 1,005 overseas-funded enterprises were established, surging 197.3 percent over the previous year. The island province's actual use of foreign capital stood at \$3.03 billion, marking the third consecutive year that the inflow of foreign investment has doubled from the previous year.

Experts say the favorable policies and the location of the Hainan FTP at a key intersection of domestic and international dual circulation will give the FTP strong new momentum for growth and will continue to attract domestic and foreign investment as it enjoys vigorous and high-quality development.

## Boao Forum for Asia expands island's cooperation

By YUAN SHENGGAO

Boao Forum for Asia has become a "gold-lettered signboard" for Hainan to promote opening-up and build a free trade port, said officials from the provincial government.

"The Boao Forum for Asia, which marks its 20th anniversary this year, has provided an important platform and channel for Hainan to comprehensively deepen reform," said Wang Sheng, director-general of the Hainan Provincial Foreign Affairs Office.

"That includes opening-up, promoting foreign exchange and cooperation, expanding the province's 'international circle of friends' and enhancing its international reputation."

Wang said after 20 years of serving the BFA, Hainan has developed an institutional arrangement and service guarantee environment that is in line with international rules.

"We are glad to see the forum has solidified a high-quality foreign affairs human resource team with a clear world vision and strong international insights."

While ensuring quality service for the meeting, Hainan has also been committed to building BFA into an important window to show and practice the idea of a community of shared future for mankind, Wang said. By taking advantage of the BFA resources, Hainan has built a



From top: Boao Forum for Asia plays a key role in Hainan's opening-up to the outside world. Visitors gather at the Boao International Conference Center in Hainan.

PHOTOS BY MA ZHIPING / CHINA DAILY

new bridge for exchanges and cooperation between countries participating in the Belt and Road Initiative. The bridges have come through the launching of sideline forums including the China-ASEAN Governors and Mayors Dialogue, the 21st Century Maritime Silk Road: Islands Economic Cooperation Forum and a forum themed on the South China Sea, Wang said.

Thanks to the exchanges, Hainan has cooperated with a dozen ASEAN provinces and cities, signing a number of practical economic and trade cooperation agreements. ASEAN has become Hainan's largest trading partner.

The forum provides participants from all countries an opportunity to see the development and

changes of Hainan in person while allowing local people to broaden their vision and become more open-minded, said Zhong Yechang, chairman of the Hainan Federation of Social Sciences.

Chi Fulin, head of the Hainan-based China Institute for Reform and Development, said the Boao Forum for Asia has become an important platform for foreign countries to learn about China, and also a platform for China to make friends and transmit information to the international community.

Chi said Hainan can make better use of its status as host of the BFA to deliver more voices and seek more contacts with the outside world to serve the development of the Hainan Free Trade Port.

## Expo showcases top-notch brands

By YUAN SHENGGAO

Preparations are in full swing for the first China International Consumer Products Expo, which is about two weeks away from opening in Hainan. Invitations to the event have closed, forcing many companies to wait for another year for a booth, organizing officials said.

The expo will be hosted at the Haikou International Convention and Exhibition Center in Haikou, capital city of South China's Hainan province.

It aims to promote the development of the modern service industry in the Hainan Free Trade Port as well as the development of the Hainan FTP as an international tourism consumption center.

Shen Xiaoming, Party secretary of Hainan province, said the Hainan expo will be one of the highest-standard exhibitions in China and is a practical way for implementing the CPC Central Committee's strategic plan to comprehensively deepen reform and opening-up in Hainan. Shen said Hainan is doing its best to guarantee service, prevent and control risk, and make the expo a grand consumer event that meets international standards and earns a global reputation.

The expo, to be held from May

7-10, will have a total exhibition area of 80,000 square meters and feature fashion, jewelry and diamonds, food and supplements, as well as hospitality and professional services.

The international boutique exhibition area will cover 60,000 sq m, accounting for 75 percent of the total venue area.

A total of 648 overseas exhibitors and 1,193 global brands from 69 countries and regions, have signed up for the event, with Switzerland serving as the guest country of honor. More than 10 countries including Japan, France, South Korea, Canada, Ireland, and Thailand will organize delegations to participate in the event, which is expected to be the largest consumer products exposition in the Asia-Pacific region, according to the organizers.

Wang Bingnan, vice-minister of commerce, said the event, co-hosted by the Ministry of Commerce and the Hainan provincial government, is seen as an important initiative to better meet people's needs and a significant platform to foster a new development paradigm.

He said that China, considered the world's most promising consumer market, will remain committed to its core national policy of opening-up and will hold events such as the Hainan expo as plat-

forms for international exchange and cooperation. The event will be the first international expo in the tropical province since China released a master plan in June to build Hainan Island into a globally influential, high-level free trade port by the middle of the century. The plan says that products imported for display at national-level exhibitions will enjoy a tax-free policy during the exhibition period.

Shen Danyang, executive vice-governor of Hainan, said the expo will focus on "new high-tech, high-quality and featured" consumer products and will be made a top expo in China in terms of international influence, the value of exhibits per unit area and the number of products to debut.

He said the expo provides an opportunity for the display and transactions of quality global consumer products in the Chinese market while also creating business opportunities for Chinese and foreign players for global sales.

Brand producers including LVHM Group, Richemont Group, Jaguar Land Rover, Burberry, Shiseido, Omron, Tapestry Group, Johnson & Johnson, Dell, Tesla, Swatch, Swarovski, Coach and Hans Yachts, have confirmed participation in the event.

The number of domestic brands participating in the exhibition has also exceeded 800. Chinese companies set to exhibit include Huawei Technologies, Oppo and Vivo, according to Han Shengjian, director-general of the Hainan Provincial Bureau of International Economic Development.

Han said domestic and foreign duty-free business enterprises, high-end retailers, large-scale shopping malls, commercial real estate enterprises, top e-commerce and luxury e-commerce companies will host matchmaking sessions and seek business opportunities at the expo.



The first China International Consumer Products Expo is to be hosted at the Haikou International Convention and Exhibition Center in Haikou, Hainan province. SHI ZHONGHUA / FOR CHINA DAILY