



The Overview and Development Achievements of China's Trade Policy

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Content

1. **China's foreign trade policy and achievements**
2. **China is a trusted trading partner of CAREC countries**
3. **The opening door of China will be wider and wider**
4. **Work together to build an open world economy**



I. China's foreign trade policy and achievements

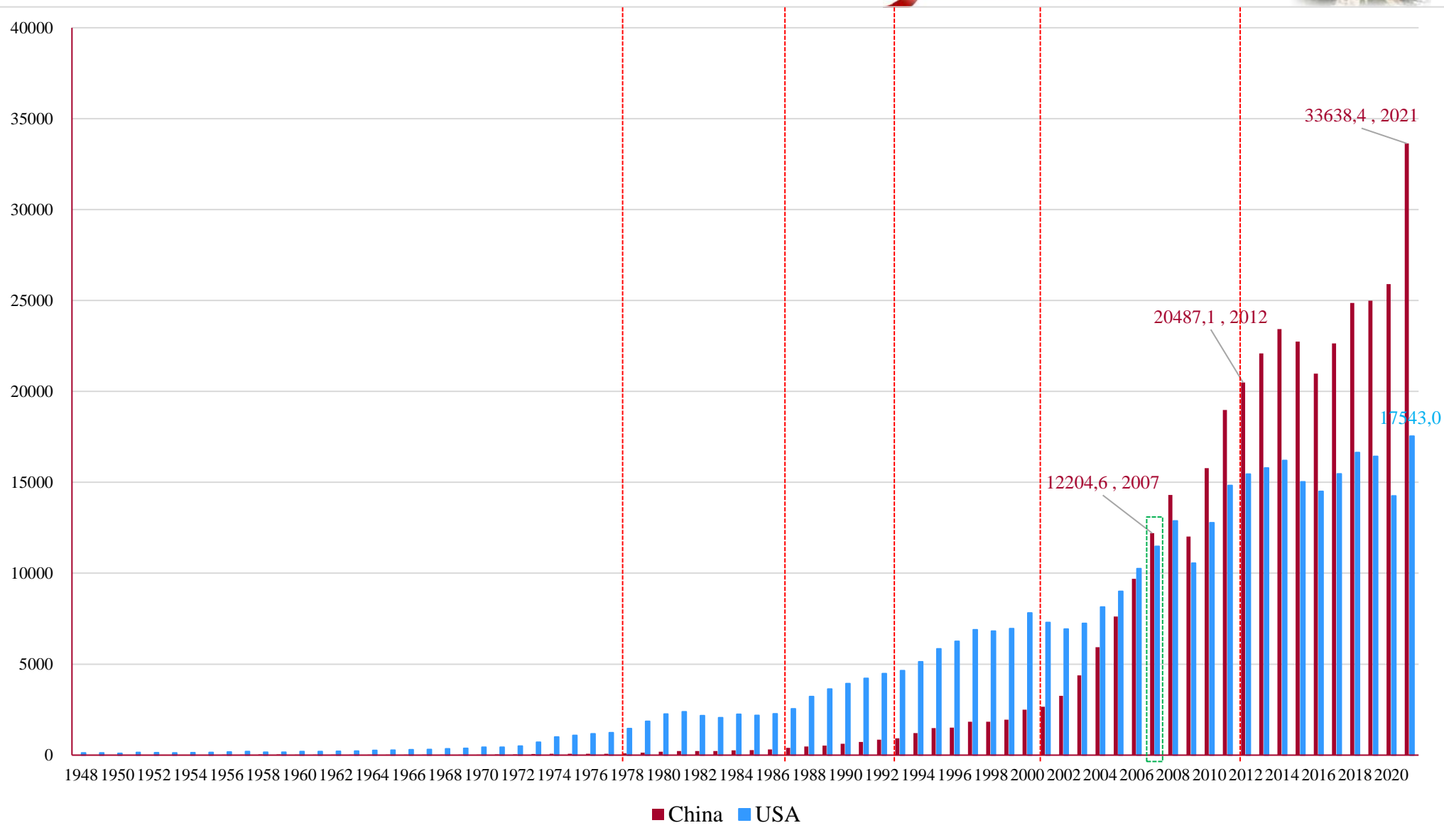
1. The concept of opening up will always be implemented
2. Mutual benefit and win-win are consistent
3. The export scale continues to expand
4. Most commodities are prioritized for export
5. Import scale has greatly increased
6. Tariff levels continue to decrease

China's foreign trade development process: the concept of opening up will always be implemented

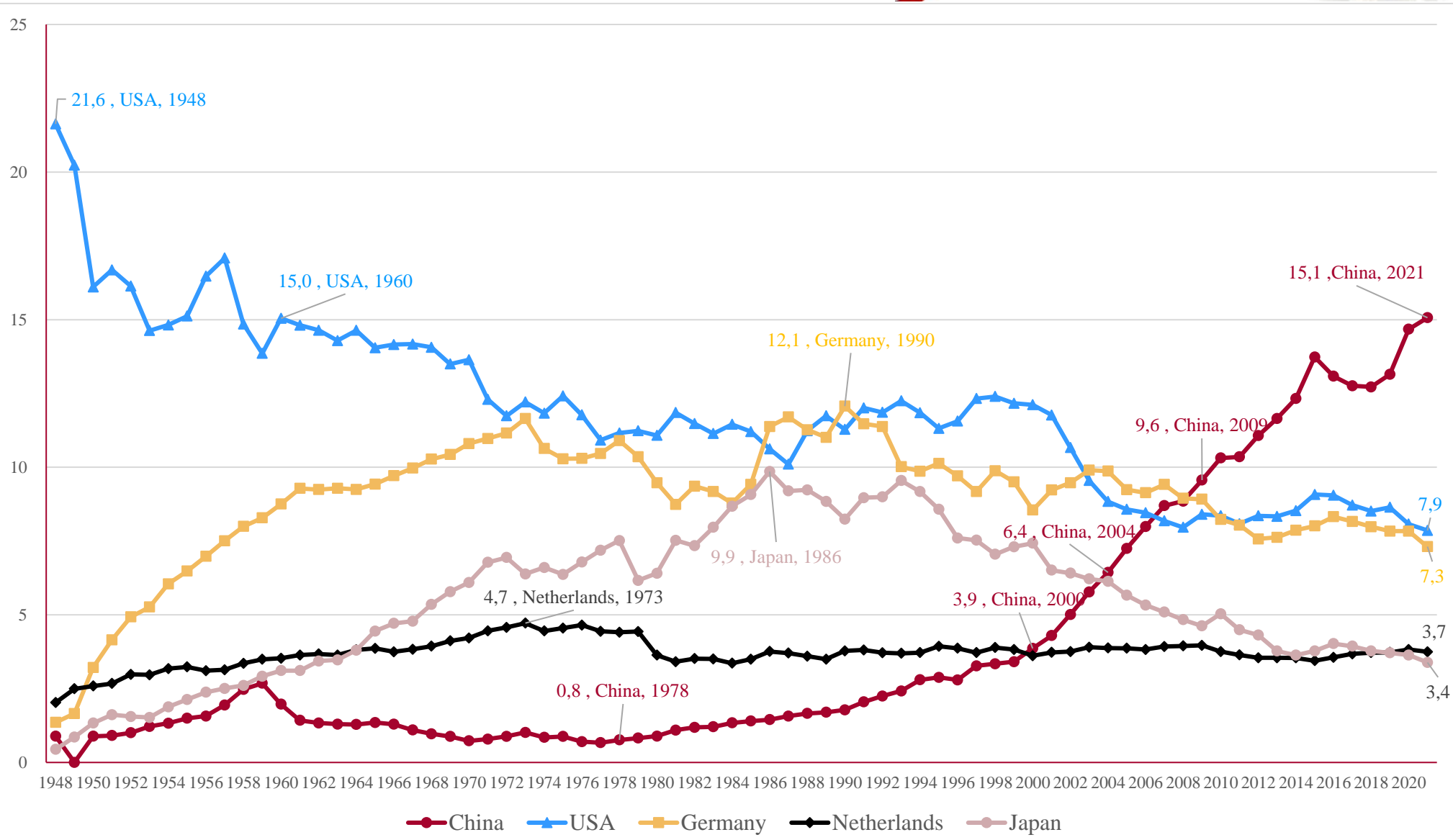


- **1st stage (1949-1978): highly centralized and unified management**
- **2nd stage (1979-1987): decentralization, liberalization and opening**
- **3rd stage (1988-1993): contracted operation, responsibility for one's own profit and loss**
- **4th stage (1994-2001): connecting with international standards and adapting to market economy**
- **5th stage (2001-2012): the comprehensive reform period based on WTO rules**
- **6th stage (2013-2021): Achieve high-quality development of foreign trade**
- **7th stage (2022-): Accelerate the construction of a strong trading country**

The largest exporter: providing the world with goods with attractive price and quality



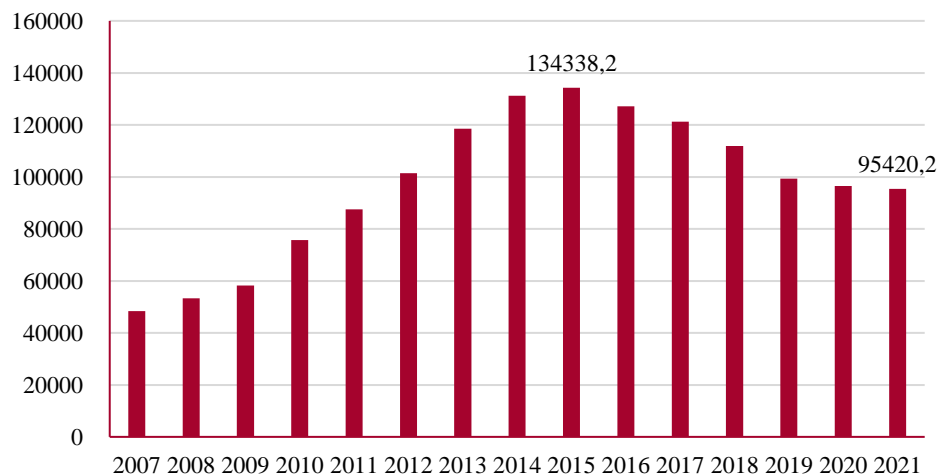
China's export share in the international market continues to increase



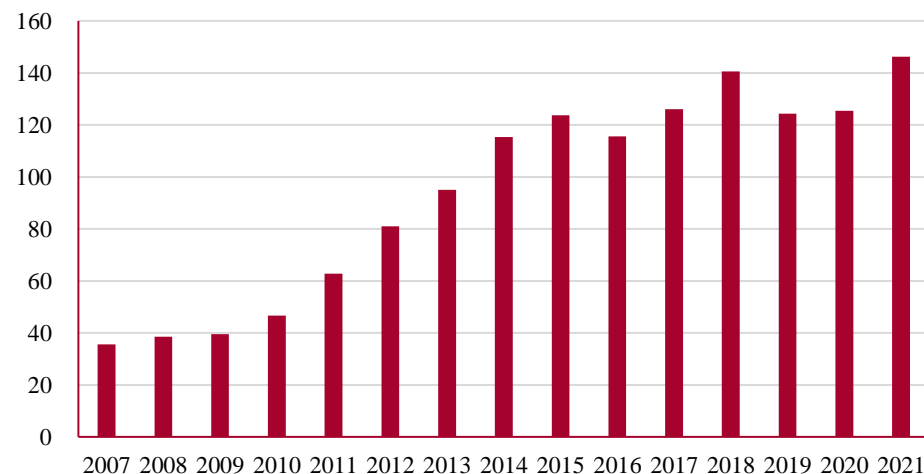
China is the largest exporter of major commodities in the world (export volume & export amount)



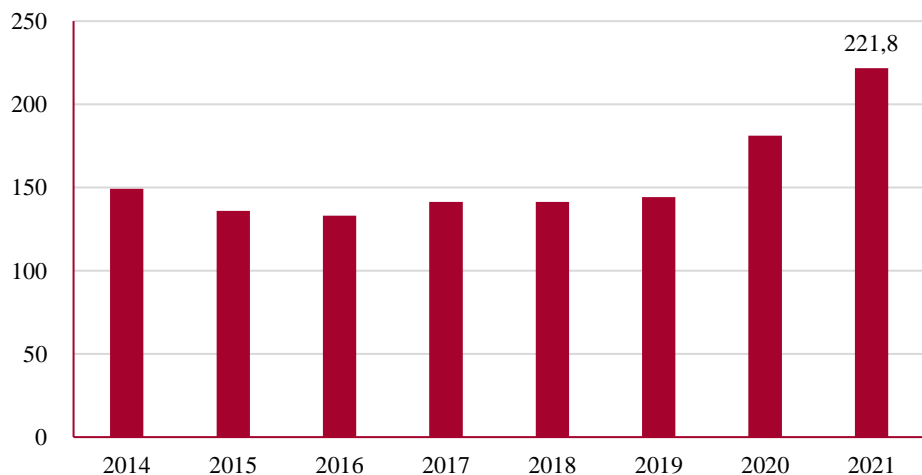
Cellphone Export (million)



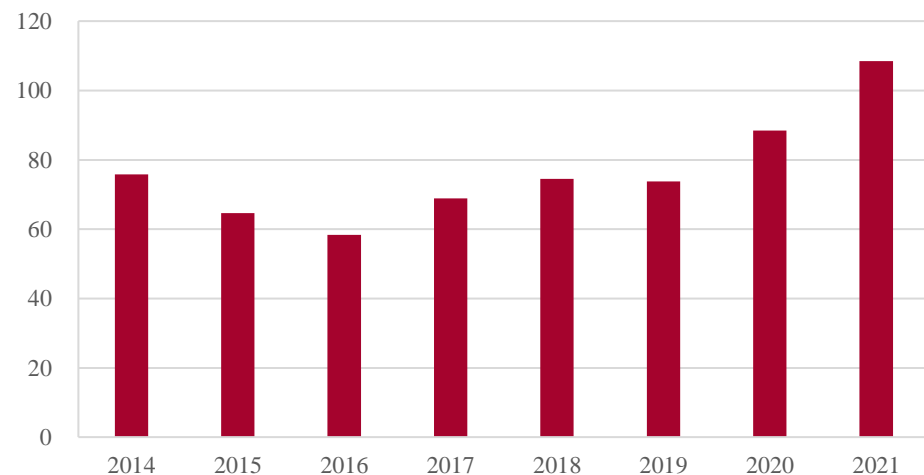
Cellphone Export (\$, Billion)



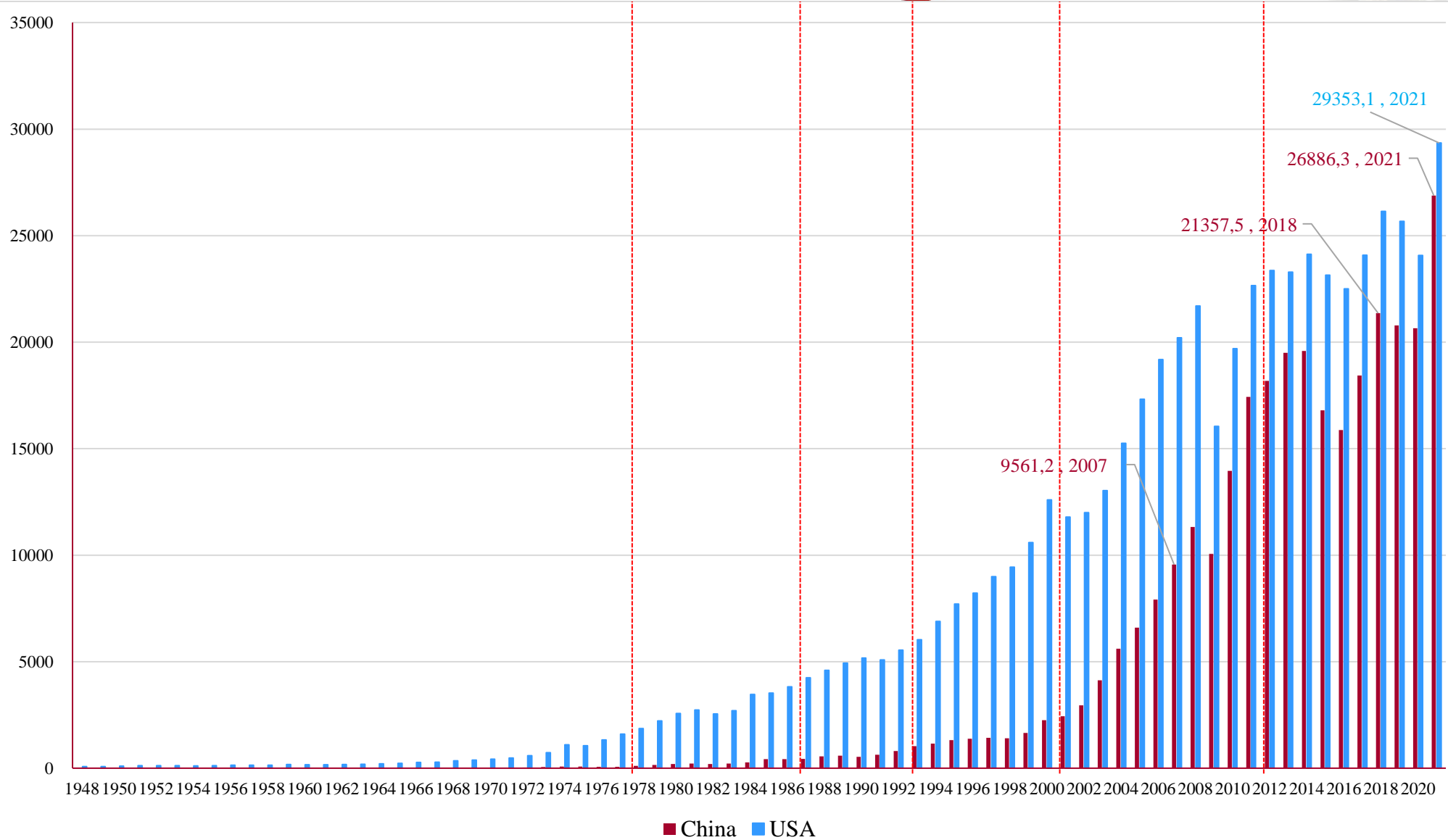
Laptop Export (million)



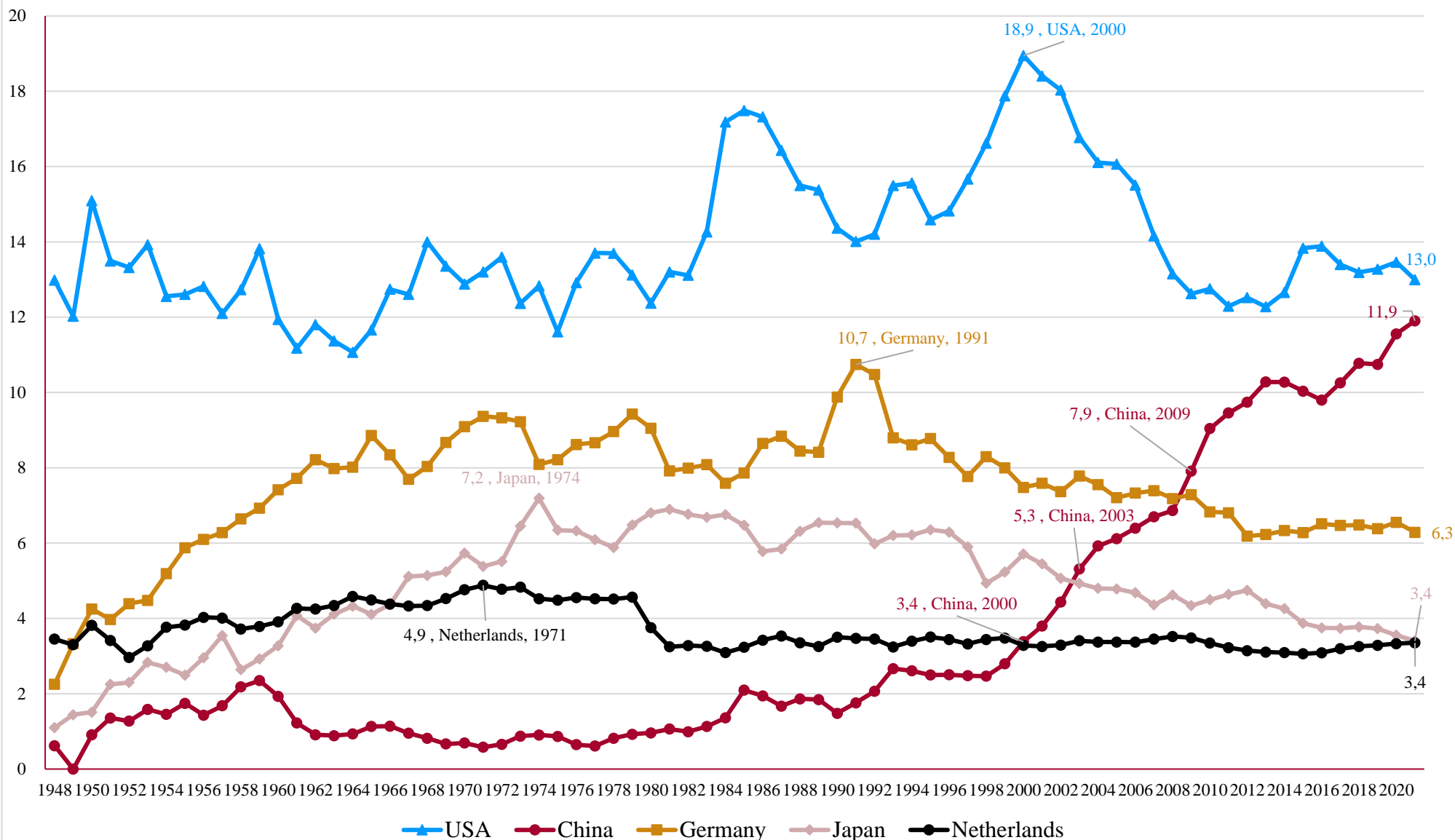
Laptop Export (\$, Billion)



The second largest importer: actively expand imports from all countries in the world



China's import share in the international market has increased significantly



China's overall tariff level continues to decrease



- Since joining the World Trade Organization 21 years ago, China has always been a staunch supporter, active participant and important contributor to the multilateral trading system.
- China has fully fulfilled its WTO commitments. In 2010, the relevant tax reduction commitments were fulfilled, and the average import tariff level of all commodities decreased from 15.3% in 2001 to 9.8% in 2010.
- After further independent tax reduction, the total import tariff level of China reached 7.4% in 2021, and the total import tariff level of China dropped to 7.1% in 2022. Taking the actual trade volume in 2021 as the weight, through weighted average calculation, the overall import MFN tax rate of China in 2022 is 2.1%.
- Up to now, China has signed 19 free trade agreements with 26 countries and regions, with free trade partners covering Asia, Oceania, Latin America, Europe and Africa. The trade volume between China and its free trade partners accounts for about 35% of the total foreign trade.

Set up an import promotion & innovation demonstration zone and actively expand the import scale



S.N	Name	Approval time	Batch approved	S.N	Name	Approval time	Batch approved
1	Shanghai Waigaoqiao Free Trade Zone	September 2011	1 st batch	23	Shanghai Huaihai Xintiandi Import Trade Function Zone	November, 2022	4 th batch
2	Tianjin Dongjiang Bonded Zone	December 2012	2 nd batch	24	Zhangjiagang, Jiangsu		
3	Suzhou Industrial Park			25	Xinwu District, Wuxi, Jiangsu		
4	Ningbo Bonded Area			26	Ouhai district, Zhejiang		
5	Shanghai Hongqiao Business District			27	Anhui Wuhu Economic and Technological Development Zone		
6	Liaoning Jinpu New District	November, 2020	3 rd batch	28	Jinjiang, Quanzhou, Fujian		
7	Kunshan City, Jiangsu Province			29	Jiangxi Ganzhou land port		
8	Yiwu, Zhejiang			30	Yantai Economic and Technological Development Zone, Shandong		
9	Hefei Economic and Technological Development Zone			31	Zhengzhou Airport Economic Comprehensive Experimental Zone		
10	Huli District, Xiamen			32	Wuhan East Lake New Technology Development Zone		
11	Qingdao West Coast New Area			33	Yuhua District, Changsha, Hunan		
12	Nansha District, Guangzhou			34	Shenzhen Qianhai Shekou Free Trade Area		
13	Tianfu New Development Zone, Sichuan			35	Huangpu District, Guangzhou		
14	Xi 'an International Port Area			36	Guangxi Beihai tieshangang district		
15	Beijing Capital International Airport Airport Economic Zone			37	Hainan Yangpu Economic Development Zone		
16	Tianjin Economic and Technological Development Zone	38	Chongqing Liangjiang New Area				
17	Tangshan Caofeidian Area, Hebei	39	Chengdu Qingbaijiang District				
18	Shanxi Transformation Comprehensive Reform Demonstration Zone	November, 2022	4 th batch	40	Guizhou Comprehensive Bonded Zone		
19	Qisushui international Logistics Hub Industrial Park, Inner Mongolia			41	China Laos Mohan-Moding Economic Cooperation Zone		
20	Liaoning Yingkou Economic and Technological Development Zone			42	Lanzhou New District of Gansu Province		
21	Jilin Automobile Economic and Technological Development Zone			43	Alashankou City, Bortala Mongolian Autonomous Prefecture, Xinjiang		
22	Suifenhe city, Mudanjiang, Heilongjiang						

Provide the least developed countries with zero tariff treatment



- On November 29th, 2021, President Xi Jinping announced in the keynote speech at the opening ceremony of the 8th Ministerial Conference of the Forum on China-Africa Cooperation that the products of zero tariff treatment for the least developed countries that have established diplomatic relations with China will be further expanded. For the products of 98% tax items originating in the least developed countries, the preferential tax rate of zero tax rate is applicable.
- Prior to this, China has granted zero tariff treatment to 97% products of 42 countries, including the Republic of Angola, and 95% products of the Democratic Republic of Timor-Leste and the Federal Republic of Myanmar.
- Since September 1, 2022, the preferential tax rate of zero will be applied to imported products with 98% tax items originating in 16 least developed countries such as Togo.
- Since December 1, 2022, the preferential tax rate of zero will be applied to imported products with 98% tax items originating in 10 least developed countries such as Afghanistan.



II China is a trusted trading partner of CAREC countries

- 1. China is the largest exporter of CAREC**
- 2. China is the largest importer of CAREC**
- 3. Trade potential between China and CAREC is huge**

China is the largest export destination of CAREC countries



		2018 (\$, 100 Million)	2019 (\$, 100 Million)	2020 (\$, 100 Million)	2018 (%,share)	2019 (%,share)	2020 (%, share)	YoY, % (2019/2018)	YoY, % (2020/2019)
	Total	1231.7	1250.8	1061.7	100.0	100.0	100.0	1.6	-15.1
1	CHINA	171.7	199.4	186.3	13.9	15.9	17.6	16.1	-6.6
2	ITALY	185.2	149.4	117.6	15.0	11.9	11.1	-19.3	-21.3
3	TURKEY	48.7	71.4	62.7	4.0	5.7	5.9	46.5	-12.1
4	UNITED STATES	52.5	51.1	48.3	4.3	4.1	4.6	-2.7	-5.6
5	NETHERLANDS	72.9	55.6	44.0	5.9	4.5	4.2	-23.7	-20.8
6	SWITZERLAND	31.2	32.7	41.8	2.5	2.6	3.9	5.0	27.7
7	UNITED KINGDOM	37.7	38.0	36.0	3.1	3.0	3.4	0.8	-5.3
8	RUSSIA	33.5	39.9	33.7	2.7	3.2	3.2	19.2	-15.5
9	INDIA	25.3	30.3	28.8	2.1	2.4	2.7	19.4	-4.7
10	FRANCE	47.8	46.7	25.6	3.9	3.7	2.4	-2.4	-45.2
11	UZBEKISTAN	20.7	24.3	23.5	1.7	2.0	2.2	17.8	-3.5
12	SPAIN	32.4	38.7	22.5	2.6	3.1	2.1	19.2	-41.8
13	AFGHANISTAN	24.8	21.8	21.4	2.0	1.7	2.0	-12.3	-1.7
14	GERMANY	26.4	26.7	20.9	2.1	2.1	2.0	1.3	-21.6
15	GREECE	14.7	16.9	19.4	1.2	1.4	1.8	15.6	14.4
16	UNITED ARAB EMIRATES	15.3	17.5	15.4	1.2	1.4	1.5	14.7	-12.0
17	ROMANIA	19.2	20.8	14.6	1.6	1.7	1.4	8.2	-29.7
18	UKRAINE	17.5	15.5	13.6	1.4	1.2	1.3	-11.3	-12.3
19	KAZAKHSTAN	20.0	20.9	12.9	1.6	1.7	1.2	4.7	-38.6
20	SOUTH KOREA	33.5	33.9	11.7	2.7	2.7	1.1	1.1	-65.5

China is the largest export destination of CAREC countries



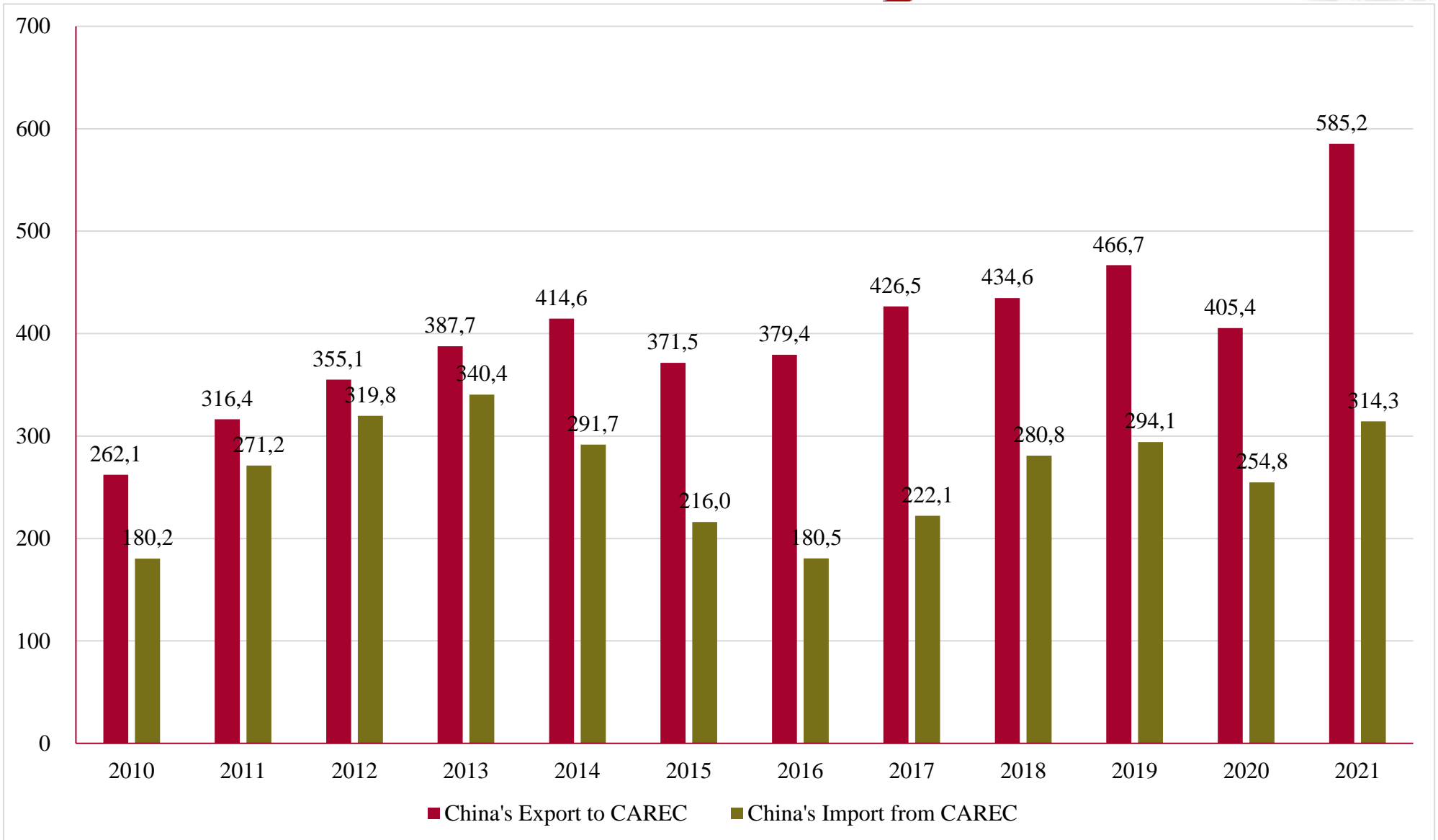
- **China is the largest export destination of Kazakhstan (2021).**
- **China is Pakistan's second largest export destination country (2021).**
- **China is Azerbaijan's 19th largest export destination country (2021).**
- **China is the largest export destination of Uzbekistan (2021).**
- **China is the largest export destination of Mongolia (2021).**
- **China is the largest export destination of Georgia (2021).**
- **China is the sixth largest export destination of Kyrgyzstan (2021).**
- **China is the seventh largest export destination of Tajikistan (2020).**
- **China is the third largest export destination of Afghanistan (2020).**

China is the largest import source country of CAREC countries



		2018 (\$, 100 Million)	2019 (\$, 100 Million)	2020 (\$, 100 Million)	2018 (%,share)	2019 (%,share)	2020 (%, share)	YoY, % (2019/2018)	YoY, % (2020/2019)
	Total	1385.5	1388.0	1256.5	100.0	100.0	100.0	0.2	-9.5
1	CHINA	312.7	314.7	289.1	22.6	22.7	23.0	0.7	-8.1
2	RUSSIA	106.3	116.2	113.9	7.7	8.4	9.1	9.3	-1.9
3	SOUTH KOREA	45.6	73.0	79.5	3.3	5.3	6.3	60.1	8.8
4	TURKEY	59.1	61.8	57.1	4.3	4.5	4.5	4.5	-7.6
5	UNITED STATES	59.9	61.0	55.4	4.3	4.4	4.4	1.8	-9.1
6	UNITED ARAB EMIRATES	90.9	68.6	49.4	6.6	5.0	3.9	-24.5	-28.1
7	GERMANY	51.6	48.6	47.0	3.7	3.5	3.7	-5.8	-3.3
8	KAZAKHSTAN	36.3	40.1	41.6	2.6	2.9	3.3	10.5	3.7
9	JAPAN	49.2	35.7	28.5	3.6	2.6	2.3	-27.5	-20.1
10	ITALY	31.1	36.0	25.6	2.2	2.6	2.0	15.8	-29.0
11	INDONESIA	27.6	26.5	25.5	2.0	1.9	2.0	-4.3	-3.5
12	FRANCE	16.5	17.6	21.1	1.2	1.3	1.7	6.6	20.1
13	IRAN	25.3	27.5	20.9	1.8	2.0	1.7	9.0	-24.2
14	UKRAINE	19.1	17.0	20.1	1.4	1.2	1.6	-11.2	18.2
15	SAUDI ARABIA	32.8	25.0	19.2	2.4	1.8	1.5	-23.8	-22.9
16	INDIA	30.3	23.1	17.4	2.2	1.7	1.4	-23.8	-24.9
17	MALAYSIA	17.5	16.1	17.3	1.3	1.2	1.4	-7.9	7.5
18	UZBEKISTAN	17.5	16.5	17.2	1.3	1.2	1.4	-6.1	4.4
19	QATAR	23.7	21.9	14.9	1.7	1.6	1.2	-7.5	-32.0
20	UNITED KINGDOM	18.0	16.2	14.3	1.3	1.2	1.1	-10.1	-11.2

Trade potential between China and CAREC is huge





III The opening door of China will be wider and wider

1. The “20th CPC National Congress” emphasizes opening up to the outside world
2. Sharing the opportunity of China's big market
3. Sharing institutional opening opportunities
4. Sharing opportunities for deepening international cooperation

Continue to open wider to the outside world & promote all parties to share opportunities in China's big market



- **The 20th National Congress of the Communist Party of China (CPC) stressed:**
- **China adheres to the basic national policy of opening to the outside world, firmly pursues an open strategy of mutual benefit and win-win, adheres to the correct direction of economic globalization, constantly provides new opportunities for the world with the new development of China, and promotes the construction of an open world economy.**
- **China will promote all countries to share opportunities in China's big market.**
- **China will promote all countries to share institutional opening opportunities.**
- **China will promote all countries and parties to share opportunities for deepening international cooperation.**



IV Work together to build an open world economy

- 1. Maintain genuine multilateralism**
- 2. Promote trade and investment liberalization and facilitation**
- 3. Promote stable economic and trade growth in the region**
- 4. Make development achievements more beneficial to countries in the region**
- 5. Promote to build an open world economy**

Work together with CAREC, promote to build an open world economy



- CAREC countries should work hand in hand, continue to safeguard the multilateral trading system with the World Trade Organization as the core, and actively promote the reform of the World Trade Organization.
- CAREC countries should work together to promote trade and investment liberalization and facilitation, and promote to build an open world economy.
- CAREC countries should work together to promote the steady growth of intra-regional trade and investment.
- China is willing to continue to expand the import scale from CAREC countries.
- China is willing to share its experience in FTA negotiation and implementation with CAREC countries.

Thanks for listening

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梁明观察

Liang Ming Observations

