

New Global Trade Rule and Chinese Free Trade Zone

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Abstract: New Rules of International Trade and Investment reflects the appeal to the global interests rebalance, cuts trade barriers in goods trade, service trade and investment. The TPP agreement includes the new challenges and opportunities in Chinese trade regulation and economic operation mode. Shenzhen may first try to adopt the rules of the TPP agreement and carry out the high standard trade and investment rules.

Keywords: TPP; New Rules of International Trade and Investment; Chinese Free Trade Zone

New rules of the international trade and investment has important strategic significance to rebuilt the global trade and investment rules, global trade governance rules and global credit system, makes the permanent world multilateral trade system suffering a severe challenge. In the process of negotiating the world trade agreements with the exception of China, the countries points just by the 13th Five-Year planning recommendations, The country develops rapidly new higher level of the open economy system, enhance country's institutional discourse power in global economic governance, pushing forward the construction of "the Belt and Road Initiative all"(B&R), in order to promote the opening to the outside world of a higher level and a higher standard.

1 The strategic connotation of the new Global trade and investment rules and opportunities and challenges to China

Trans -Pacific Partnership Agreement(TPP) is a breakthrough point to The United States to create a new global trade and investment strategy, there is likely to become the evolution direction of the new rules for the global international trade and investment in the future , representing the trend in the evolution of the "world trade" to the "rule trade" . The TPP is an agreement with high standards, high goals, rebalancing, not only contains the full content of the multilateral trading system, but also contains the Non-economic content of laws and regulations, social groups, ecological environment, business model and public evaluation , etc., committing to achieve trade and investment liberalization and regional economic integration in the Asia Pacific Region. In the

process of economic globalization, China has become an important part in the world economy , without China's participation in the TPP, TTIP and TISA and other regional trade agreements, reflecting the retrogression of world economic liberalization and the development of economic globalization, Because China is in the process of rapid development of reform and opening up and transformation and upgrading, If China is excluded from the TPP, if China is excluded from the outside of the TPP, Will cause greater impact on the relevant industries.

The demands of Global trade and investment interests rebalance, create a new platform of the Asia Pacific Regional Integration. Asia Pacific region is the fastest growing economy in the world, Is also an important strategy export market for the United States, Using TPP to return to the Asia Pacific, Is the result of the rebalance the interests of the global trade and investment, is the purpose of Rebalance to Dilute the United States to seek political and military fields in the Asia Pacific Region by economic means. The United States not only to strengthen economic and trade relations with the Asia Pacific countries, but also to intervene in the establishment of economic mechanisms and institutional arrangements. Countries involved in the TPP negotiations include 12 developed and developing countries, and member countries account for 40% in the global economy.

In May 5, 2015, "Several opinions of the State Council on building a new system of open economy " clearly pointed out, focusing on implementation the Belt and Road strategy, Beijing Tianjin Hebei collaborative development strategy and the Yangtze River Economic Belt strategy, promoting two-way opening in the east and west , promoting infrastructure interoperability, expanding the development and opening of the border, formatting a new pattern of all-round opening; establishing the management mode of adapting to the international high standard investment and trade rules, forming participate in the coordination mechanism of international macroeconomic policy, promoting the improvement of the international economic governance structure; oriented to innovation driven, quality and efficiency as the core, to create a competitive and orderly market environment, enhancing the position in the global value chain, promoting industrial restructuring and upgrading, these elements all show that China's new round of reform and opening up is consistent with the content of the TPP negotiations. However, China's economic freedom degree is still very low. According to the 2015 "economic freedom of the world "report from the Canadian public policy think tank, Felisha research shows that in the size of government, rule of law and property rights, sound money, freedom of international trade and regulatory and

five categories of nearly 50 index, evaluation 157 countries around the world (region), Hong Kong is the highest ranked, China ranks 111th, China's market environment and economic freedom still need to improve larger, so China's reform and opening up the road also need more rapid development.

Comprehensive to barriers cutting and market access of trade in goods, trade in services and investment in the field of trade, Covers the new trade and regulatory model. To conduct a comprehensive cutting various barriers in the field of trade in goods, trade in services and investment, to create new competitive, opportunities and benefits for enterprises, workers and consumers of the Contracting States. Negotiation includes the Internet technology With the emergence of new technologies and the digital economy, Standardizing the definition of state-owned enterprises, supervision mode and the role in the global economy, reinvigorate the international investment the rights of using trade agreement, Improving innovation, competitiveness and productivity from the field of trade mode and regulation mode .

TPP based on the considerations the of the full value chain, the whole industry chain and the whole production chain, keep the production and trade links retained in the members of the Ministry of internal, and further conduct facilitation and liberalization in the field of trade and investment .TPP rebuild the distribution mechanism about the trade mode and interests , contains the different economic development level countries in the Asia Pacific region, with the United States, Japan, Canada and other developed countries, also have Vietnam and Malaysia and other country that is similar to China's economic structure , will have a larger trade diversion and trade creation effect. Negotiation includes the Internet technology With the emergence of new technologies and the digital economy, Standardizing the definition of state-owned enterprises, supervision mode and the role in the global economy, reinvigorate the international investment the rights of using trade agreement, Improving innovation, competitiveness and productivity from the field of trade mode and regulation mode .According to the current China's industrial structure, the foreign capital enterprise of the TPP members country make alternative trade that make smaller impact on China's short-term.

Firstly, currently, the TPP negotiations are only reached a preliminary agreement in the ministerial meeting, also through the national approval, and further agree on specific protocol details. Secondly, China and Singapore, Australia and Japan already is the biggest trading partner, but also

reached a bilateral trade agreement, this long established trade mode, is not something that can eliminate in the short term. At the same time, China continues to promote the RCEP negotiations, Will also weaken the negative impact of TPP on China.

The new trade patterns of the TPP in the field of trade in goods of the whole value chain of, Access breakthroughs in the field of service trade, finance and investment, in the long run, Will have a huge impact on the much-needed transformation of the manufacturing sector and the urgent need for rapid development of services and the financial sector in the China. The famous international economics institute named American think-tank Peterson, and the President of the United States trade consultant, estimates the TPP cause trade diversion will cause China to lose about \$100 billion a year in exports. Combined with Some restrictive and closed rules Such as the rules of origin in the TPP agreement, Will lead to the deterioration of China's trade and investment environment in the Asia Pacific region, indirect effects on the international trade and investment.

The high standards of regional trade and investment rules and institutions are above the WTO. TPP agreement acknowledges that the parties have signed the multilateral, regional, multilateral and bilateral trade agreements, still belongs to the scope of the WTO +, so the TPP etc. Establish the new regional trade and investment rules, will finally return to the WTO, play a role under the multilateral trade system, become a right and proper Global trade and investment rules.

TPP negotiations almost fully include all of the WTO agreement, agreement, the issue and the dispute settlement mechanism, these high standard new regulations are likely to cause the seriously weaken on the effectiveness of WTO, World trade will trade according to the new rules of the TPP, the WTO will further marginalized, eventually the TPP and TTIP will have the purpose to replace the WTO multilateral trading system. China as support actively the multilateral trade regime, need to be alert to the consciousness, And actively work to eliminate this trend, through other regional and bilateral agreement, to balance and promote the TPP into the multilateral trading system.

China as a super power in global trade, should adhere to the principle of equality and democracy and win-win cooperation, to integrate and participate in establish the high standard global economic and trade investment and new rules for global governance that safeguard the interests of the world and protect the environment of all countries. China has been taking an active attitude towards the treatment of TPP, TTIP and TISA and other "super FTA", Strengthen cooperation with

neighboring countries, developing countries and the bricks, actively explore jointly sharing global governance rules and the concept of talent cultivation.

2 the main content of the TPP agreement and its impact on China

TPP take priority access treatment in the field of trade in goods that is Tariff and non-tariff barriers; firstly, ensure the level of trade and employment opportunities of the Contracting States. For industrial products, start implement immediately zero tariff measures, specific products Zero Tariff implementation time are included in the plan table, and take full transparency principle, all the Contracting States need announced all goods trade tariffs or other information, while approval of import and export license system, but need to increase the transparency of trade and procedures. For agricultural products can give a certain transition period to implement a comprehensive zero tariff.

At the same time, in the field of trade in goods, TPP agreement in order to ensure the whole industry chain, the supply chain, the chain of production and investment in the TPP members, formulated the new rules of origin, in order to ensure the production of intermediate links are also carried out in the TPP countries, and enjoy the preferential tariff. According to the requirements of textile and garment that Using TPP yarn and fiber in each contracting party area, and special safeguard measures for the textile industry shall be taken for the TPP.

TPP agreement was signed, the contents of zero tariff and rules of origin in the field of trade in goods, it is likely to cause China's manufacturing industry to be forced out of the plight of the industry. China's current industrial structure still needs to be adjusted, high-end manufacturing and service industry is still in relatively low level, so the agreement will have a significant impact on the processing trade and the production and export of finished goods in China, while "raw material shortage list mechanism can be used to provide part of the yarn and fiber, but great transfer effect and creation effect caused a huge decline in China's textile production and exports, a large number of workers unemployed. According to the "Not to join the" big TPP "Chinese will therefore lose 2.2% of GDP" article write by Ma Jun, who is the chief economist of the people's Bank of China Research, Study TPP member countries will benefit from the FTA, which South Korea's GDP accumulated benefit was 2.2%, Vietnam was 2.1%, China is 2.0%, Japan was 1.3%, Australia is 1.2%, the United States is 0.3%;but such as China that non TPP members will suffer

losses, if China does not join the TPP, could result in the loss of 2.2% of GDP, these losses will come from non - agricultural sector.

New rules are in the field of service trade and cross-border investment. The field of trade in services continues to follow the WTO national treatment; most favored nation treatment, transparency, but further removed quantitative restrictions and localization requirements in the field of services, to further increase market access, while allowing cross-border service related capital free transfers and processing problems about natural flow of the visa. The field of Investment prohibited discrimination against foreign investors, using high level access to national treatment, negative list, minimum treatment and most favored nation treatment, investment to enjoy the free transfer, establish an independent and authoritative international President channel. At the same time other regional investment agreements established foreign investors with a super national treatment, such as investment liberalization rules and investors - government dispute settlement mechanism, given the multinational in signatory countries have greater power, may require signatory countries make compensation to the loss of the multinational corporation due to changes in the legal and policy, these rules may make capital power overriding national rights on.

The new rules in the field of service trade has a big impact on China, at present, Chinese access restrictions is very high in the field of service industry, among 160 service department, with no strings attached and fully open the service sector is insufficient five one, Chinese financial supervision mode strict and cautious. Although China's FTA strategy is focused on the opening of the service sector, but the explore to the current open and regulatory model has a big gap with the contents of the latest regional agreements with TPP. According to the service trade limit index results the by OECD measure ,Chinese degree of restriction is very high in the field of accounting, aviation transportation, construction, commercial bank, computer, construction, courier, distribution, engineering, insurance, law, marine transportation, cinema, railway transport, road transport, recording, telecommunications, radio and television and 18 service trade field , ranking third in the 40 countries, embodied in the entry of foreign capital, the flow of personnel and other discrimination measures, barriers to competition and regulatory transparency in five aspects.

Chinese degree of restriction is very high in the field of investment, The new international investment agreements will bring greater challenges to China, China needs to build a negative list of foreign investment management mode, Sound guidance catalogue and project approval system

for foreign investment, Chinese free trade zone has been successfully adopted Foreign investment and overseas investment record management system, access to the enterprise "single window" system, further expanded the free trade account function of integration of the foreign currency operation.

service trade enterprises and international investment enterprises will also be subjected to greater impact Under the framework of CEPA, although can take advantage of CEPA agreement, can foretaste service trade and investment liberalization with Hong Kong, but a breakthrough is very limited and hard landing in the field of service industry and investment. According to the OECD's service trade restrictiveness index method., Analysis and Study on the all the CEPA agreements , although assessed the constraints of measures under the framework of CEPA is ranked in China after, still up to fourth bits in OECD40 countries limit the index.

The TPP's new rules in the field of financial services main content of the new rules is to increase the country's financial sector across the border and investment market access opportunities, establish consultation between the state and effective supervision mechanism. Embodied in: 1.In the form of a negative list of specific obligations in the financial sector, The most favored nation treatment for the new financial industry, new products and new services; 2 .allow the financial sector to take cross-border services, not mandatory for the financial services provided must set up operations in the other Contracting Party, allowing cross-border sales financial products; 3 regulate financial markets and financial system among the country , Recognition of regulatory procedures for insurance services, securities management, electronic payment card services and information transmission and data processing services, and other fields;4. Set up a neutral and transparent investment arbitration mechanism, Provisions on the settlement of investment disputes relating to the minimum standard of treatment.

New rules in the field of finance will bring huge challenges to China's fragile financial system and rigorous model of financial regulation. The study conducted by Huang Yipping who is Beijing University National Development Research Institute vice president , showed that foreign banks accounted for the proportion of the total assets of domestic banks in 2013 was 1.9%, lower than the level of just joined the WTO ,the degree of financial openness in China is the lowest level in the world . At the same time, according to the 2015 economic freedom index by the Heritage Foundation ,Chinese financial liberalization index is 30, not only far below 80 of Hong Kong and

Australia, 80 of Singapore and South Korea, even lower than 60 of Malaysia, Taiwan and Thailand, ranking No. 136 in the world. The liberalization index of China's financial institutions access is 35, which is much lower than the average of 85 and high-income countries with average 100. So facing new rules in the financial sector, not only need to study and deal with the new financial tools, but also need to be wary of the financial crisis from the multinational financial institutions, and emerging financial business format will also suffer heavy blow.

The safety and free rules is in the field of telecommunications services and electronic commerce. The field of telecommunications stressed the importance of market forces and business negotiations, constructed the safe and efficient telecommunications network with that has common interests, Make the network access competition rules including mobile communication service providers, each Contracting Party's telecommunications service provider must provide a standardized and efficient interconnection, line rental service, shared location service, For the distribution and use of scarce resources such as frequency, number and access, the principle of nondiscrimination must be followed. The New Rules recognize the main business of telecom service providers in the territory, but it does not rule out the other Contracting States involved in the field of telecommunications competition model, and promote the international mobile roaming service competition.

Electronic commerce negotiations is to ensure that the driving force of the Internet and the digital economy, promote the free flow of global information and data, Provisions of the contracting state enterprises to carry out business in the other Contracting States, not set up a data center in the local conditions as a condition, there is no need to submit or open source software; ban on electronic transactions tariffs; prohibition of TPP parties take discriminatory measures or network blockade for favoring domestic producers or suppliers. In order to promote the development of electronic commerce, encourage the TPP parties to promote enterprises promote paperless trade and the government paperless office; to encourage the provision of electronic certification and signature services for business transactions.

China Telecom, China Mobile and China Unicom monopolized the China Telecom market, and the degree of openness is very low, compared to OECD countries, the restrictions behind Indonesia in terms of foreign investment access and competition in the field.

E-commerce integration of Internet technology and financial services, showing the situation of the rapid development in China, especially in the implementation of the FTA strategy, cross-border e-commerce has made a great breakthrough. The report "FTA set up and business platform for business opportunities analysis" by JETCO shows that 2014 Chinese e-commerce market size is 12.3 trillion yuan, increased by 21.3%, which online shopping 48.7% growth, the year of the permeability in social total retail sales of consumer goods first break 10%, has become an important force to promote the development of e-commerce market.

The unified framework of Standardize and manage state owned enterprises. According to "2013 China business environment survey results" in the United States, show that 70% of the companies in the United States think that Chinese state-owned enterprises get the benefits of financing from the government, 51% of American firms think that state-owned enterprises is in an advantageous position in the administrative licensing and approval, 47% of American firms think that state-owned enterprises get benefit in the tax preferential, also these American companies also believe that China's state-owned enterprises get preferential status and treatment in obtaining government orders, land costs, the cost of other financial subsidies, public utilities and other aspects. From this survey data can show that the United States government strongly promote Competitive neutrality of state - owned enterprises, has the important significance of the U.S. national export and investment strategy. So the TPP new rules about state owned enterprises redefines the proportion of state-owned enterprises identified as the country accounted for 20%, governments take competitive neutral supervision mode, including neutral jurisdiction, subsidies for neutral and other noncommercial help neutrality, to maintain fair competition environment about state-owned enterprises and non-state-owned enterprises and foreign-funded enterprises, while the provisions of the state-owned enterprises list in between contracting states sharing.

The reform of state owned enterprises is one of the key issues in Chinese new round of reform, So the content of the agreement in the field of state-owned enterprises has great influence on China, state-owned enterprises cannot enjoy subsidies, access to the industry, the government relief, the government preferential policies, and other special treatment, due to industry admittance restrictions is cancelled, The state owned enterprises in commercial competitive industries will face more competition from foreign enterprises, reform of state-owned enterprises is imminent.

3 the impact of TPP negotiations on China and response to the judgment

The development direction of the national construct the open economic system is coupled with the content of the TPP negotiations. In May 5, 2015, "Several opinions of the State Council on building a new system of open economy " clearly pointed out, focusing on implementation the Belt and Road strategy, Beijing Tianjin Hebei collaborative development strategy and the Yangtze River Economic Belt strategy, promoting two-way opening in the east and west , promoting infrastructure interoperability, expanding the development and opening of the border, formatting a new pattern of all-round opening; establishing the management mode of adapting to the international high standard investment and trade rules, formatting participate in the coordination mechanism of international macroeconomic policy, promoting the improvement of the international economic governance structure; oriented to innovation driven, quality and efficiency as the core, to create a competitive and orderly market environment, enhancing the position in the global value chain, promoting industrial restructuring and upgrading, these elements all show that China's new round of reform and opening up is consistent with the content of the TPP negotiations. However, China's economic freedom degree is still very low. According to the 2015 "economic freedom of the world "report from the Canadian public policy think tank, Felisha research shows that in the size of government, rule of law and property rights, sound money, freedom of international trade and regulatory and five categories of nearly 50 index, evaluation 157 countries around the world (region), Hong Kong is the highest ranked ,China ranks 111th, China's market environment and economic freedom still need to improve larger, so China's reform and opening up the road also need more rapid development.

TPP agreement reconstruct trade and investment rules and investment control system based on the whole value chain and the whole industry chain, For China, the short-term impact is small, but the long-term impact is huge. TPP rebuild the distribution mechanism about the trade mode and interests , will have a larger trade diversion and trade creation effect, the members of the TPP negotiations contains the different economic development level countries in the Asia Pacific region, with the United States, Japan, Canada and other developed countries, also have Vietnam and Malaysia and other country that is similar to China's economic structure , the purpose is to establish a regional integration platform in the Asia Pacific region, to attract the country to join the Asia Pacific Region. The content of TPP negotiation more based on the considerations the of the

full value chain, the whole industry chain and the whole production chain, hope keep the production and trade links retained in the members of the Ministry of internal, and further conduct facilitation and liberalization in the field of trade and investment .Negotiation includes the Internet technology With the emergence of new technologies and the digital economy, Standardizing the definition of state-owned enterprises, supervision mode and the role in the global economy, reinvigorate the international investment the rights of using trade agreement, Improving innovation, competitiveness and productivity from the field of trade mode and regulation mode .According to the current China's industrial structure, the foreign capital enterprise of the TPP members country make alternative trade that make smaller impact on China's short-term.

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The new trade patterns of the TPP in the field of trade in goods of the whole value chain of, Access breakthroughs in the field of service trade, finance and investment, Once an agreement is reached, in the long run, Will have a huge impact on the much-needed transformation of the manufacturing sector and the urgent need for rapid development of services and the financial sector in the China. The famous international economics institute named American think-tank Peterson, and the President of the United States trade consultant, estimates the TPP cause trade diversion will cause China to lose about \$100 billion a year in exports. Combined with Some restrictive and closed rules Such as the rules of origin in the TPP agreement, Will lead to the deterioration of China's trade and investment environment in the Asia Pacific region, indirect effects on the international trade and investment.

The reconstruction of the global trade and investment system and the global governance rules must be actively involved in China. China as a global trade superpower, must be integrate and participate in establishing the new rules about global economic trade and investment and global governance , further optimize the structure and model of export product , in the same time ,establishing and maintaining the interests of all countries in the world and the protecting international high standards of their environment. But ,at present China is excluded from the

outside of the TPP, TTIP and Tisa and other "super FTA", but China has been the attitude to actively integrate into the economic globalization, and actively build the new rules of the global trade and investment, and support the reconstruction of open Global trade and investment system and global governance rules under the framework of the multilateral trading system, and actively explore the concept and talent training about the rules of global governance .

4 Policy recommendations about China FTA Strategy encirclement

The important mission of China's FTA strategy is to face the emerging trade in goods, trade in services and investment negotiation rules. To study and formulate policy rules for trade in goods, trade in services and investment, the pilot in the trade in goods, trade in services and investment new rules, making pressure test, seeking the development path of China's reform and opening up. In 2013, "General plan of free trade zone in Chinese Shanghai" issued by the State Council, propose that the Shanghai Pilot Free Trade Zone "should Take the lead in establishing the international investment and trade rules system Conform to the requirements of internationalization and legalization, make the experimental area become an important carrier of China's further integration into the economic globalization". In 2015, "the notice about further deep reform and opening up program in Chinese Shanghai free trade zone "issued by the State Council, once again stressed, "take the lead in establishing trade and investment rules system that conforms to the requirement of internationalization, marketization and legalization, make the free trade zone become an important carrier of China's further integration into the economic globalization". In the free trade zone of Fujian, Guangdong and Tianjin, it has put forward the requirement that "establishing a new system to adapt to the rules of international investment and trade".

To make full use of the rules of the world trade organization, innovation dispute settlement mechanism. The rapid development of current regional trade agreements will not have any impact on the World Trade Organization, is entirely within the rules of the world trade organization system, the point has been discussed at the beginning of the establishment of the EU, as long as the content of regional trade agreement negotiations do not caused new trade barriers and obstacles to the multilateral trade system of the World Trade Organization, that is allowed to exist. So Chinese FTA construction should continue to fully study and according to the rules of the world trade organization, strengthen the legal construction of FTA, ensure that the results about

the reform of the FTA is system and long-term, accelerate the function expansion and innovation of the FTA, FTA implementation regulation mode of the negative list, comprehensive explore supervision mode about trade in goods and services , establishing FTA unified rules or regulations , innovate dispute settlement mechanism about intellectual property and antitrust .

The State Council open "Opinions on implementing the system of negative list of market access "Highlighted "in accordance with the principle of pilot, and gradually open, from 31 December 2015 to December 1, 2017, making trial Market access negative list system in some area, to accumulate experience, and gradually improving, explore and form a unified national market access for the negative list and the corresponding institutional mechanisms , from 2018,Formally implement the national unity of the negative list of market access system." Clear the general requirements, main tasks and measures to implement market access in the negative list system,; market access in the negative list system is refers to the State Council as a list of explicitly listed in the territory of the people's Republic of China prohibitions and restrictions on the investment management industry, field, business etc., all levels of government taken in accordance with the law corresponding management measures and a series of institutional arrangement. Except for Market access negative list of industries, fields, business, etc., all kinds of market players can access equally and legally. From establish the access mechanism, examination and approval system, supervision mechanism, social credit system and incentive punishment mechanism, information publicity system and information sharing system, law system and other six aspects that adapt to market access in the negative list system, puts forward the secure measures to implement the market access of the negative list system ; and require establish the investment system, the commercial registration system, foreign investment management system adapt to the system, and create a market environment of bargain equal competitive. It is emphasized that all localities and departments to promote the height of the national system of governance and governance capabilities of modern, fully aware of the importance and urgency about implement the negative list system of market access, and Make the development and implementation of the negative list of market access, accelerate related to the reform and construction of the supporting system, to ensure the effectiveness of the reform.

To strengthen the liberalization and facilitation in the field of trade of goods, trade of services and investment, looking for the construction path about Chinese free trade zone. In the free trade zone

with TPP agreement about facilitate customs regulations in the trade of goods, trade of services, improve the efficiency of customs clearance, truly make the transnational flow in accordance with the provisions of the personnel, goods and capital, guiding enterprise certificate Voluntarily international environmental standards and the international labor standards, strengthen enterprise the awareness of intellectual property rights. For foreign enterprises, private enterprises and state-owned enterprises, implement a unified national treatment, to establish a truly fair and just market economy environment. In the free trade zone within the service area of the new business and new business, according to the provisions of the TPP agreement, first take completely opening measures in the free trade zone, leading China service new formats can through the FTA to go out, to Strength the supporting role of strategic emerging services to high-end manufacturing industry, and promote the development of high-end manufacturing industry, promote the transformation and upgrading of the industrial structure.

1.1 Full implement investment management model about the negative list of market access

The investment management model of pre-establishment national treatment plus negative list has gradually become a new trend in the development of international investment rules. TPP take investment rule of the pre-establishment national treatment and negative list. Therefore, in order to adapt to the development trend of rule, facing to the challenge of TPP, China free trade area of the test is not only necessary to accelerate the implementation of published the third edition of the trade test area of foreign investment in the negative list, but also need to implement “Opinions on implementing the system of negative list of market access “by the central deep restructuring , a pilot of foreign-funded enterprises with a unified implementation negative list management, to make the market play a decisive role in the allocation of resources, better play the role of government, construct business environment legally, build a new open economic system. In the process of full implementation of market access for the negative list, China free trade area of the test to make government responsibility list and the list of powers, clarify the boundary of government and market; accelerate to improve the commercial registration system, administrative examination and approval system, social levy credit system, things afterwards supervision system that match to the negative list of market access.

1.2 Expand the service industry opening to the outside world

TPP agreement requires eliminate and reduce all tariffs and non-tariff barriers about the trade in goods and services, regulating the national treatment and most favored nation treatment for cross-border services. For the retention measures about member states require use a form of negative list to express. The TPP high standards to the service industry opening up to the outside world has caused great pressure on the opening up about the service industry, but also set a new standard for China's service industry opening up to the outside world. China Free Trade Zone have necessary to carry out stress testing for the state , through reduce the service industry special management measures in the negative list of foreign investment , step by step opening the produce services and the life service industry. In the specific industry, such as the financial industry and the telecommunications industry, due to involve in the national security or economic security, is also treated as a sensitive area alone in the TPP text. When China free trade area of the test in dealing with such industries and fields open issues, should be adhering to the principle of the step by step and caution, making the related fields into the second negative list that can take retaining measures in the future, has been fully tested related areas open for the impact of the national economy at the same time, avoiding endangering the economic security.

1.3 Promote trade facilitation measures, to Promote personnel to cross border free movement

Trade facilitation and personnel cross border free flow is the goal of TPP's efforts to implement. For example, TPP parties agreed to make more transparent rules, including announced the customs laws and regulations, to avoid customs clearance of goods without unnecessary delays and Withholding, and to provide the customs service transportation for express transportation, "business people temporary entry section "encourage parties to the TPP authorities provide temporary entry application information, to ensure the application fee is reasonable, and as far as possible quickly handle the application and notify the applicant. Therefore, China free trade test area should vigorously carry out the innovation of customs supervision system. In the special customs supervision area, implement the customs supervision service mode about "first open line", "second tier security and efficiently manage". Implement international multimodal transport, establishing Cross border rapid clearance mode between China free trade zone and district, to achieve Seamless connection between a bonded port and a first port. At the same time, can promote the inspection and quarantine supervision system innovation, study and formulate Branch Management of FTA test area, optimization business process of inspection and quarantine, a

reasonable division of first-line and second-line functions. Personnel cross-border free flow is also a major measure that Chinese FTA test area can follow TPP. FTA test area should explore rapidly Provide convenient policy support for overseas business professionals and professionals in the area to carry out business, especially Guangdong free trade zone test should take the geographical advantage that adjacent to Hong Kong and Macao's, for the national authorization allowing Hong Kong lawyers, accountants, architects, engaged in foreign involving Hong Kong, Macao business in the FTA test area. First try to promote Guangdong, Hong Kong and Macao service industry personnel vocational qualification recognition, and explore Hong Kong and Macao people working and living in the FTA test area, their Social security can effective convergence with Hong Kong and Macao. For people in the mainland China FTA test area go to Hong Kong and Macao can "sign a multi-line".

1.4 Accelerate the pace of financial innovation and opening up

TPP agreement in principle regulate, Foreign investment income foreign exchange transfer should be free to use the currency in accordance with the transfer of the market exchange rate without delay to transfer, reflecting the permit to free flow of cross-border funds . China free trade zone is responsible for implementing the reform task about try to conduct RMB cross-border use, RMB capital account convertibility, foreign exchange management, interest rate market and other areas. Therefore, it is necessary to learn from the practice of TPP, accelerate financial innovation and opening up, making new breakthroughs in cross-border flows of funds and financial innovation. First, China free trade zone test can promote the yuan as the main currency about a large cross-border trade and investment valuation, promote cross-border RMB financing, such as support the foreign-funded enterprises that have the direct investment business in the China free trade in the test area, can issue Bonds in Renminbi denominated bonds in the domestic capital market, etc. Secondly, China free trade zone test can carry out foreign exchange management reform pilot, pilot capital account convertibility under capital account, direct investment foreign exchange registration decentralization of the bank for, foreign direct investment foreign exchange can registration and bank management, foreign exchange funds can be the willingness of foreign exchange, Allow qualified banks to carry out offshore operations in the free trade area of the test area

Finally, you can cancel the scale of cross-border payments of Multi-National Corporation in China FTA test area restrictions, and facilitate more cross-border business groups in China FTA test area to carry out cross-border RMB business.

1.5 Innovation of commercial dispute arbitration mechanism

TPP design a set of relatively complete investment dispute settlement mechanism, in order to through simple procedures to reduce the cost of dispute solving, at the same time, using investor—state dispute settlement mechanism (ISDS) to eliminate the worries of the investor. In order to highlight the competitive neutrality, Chinese free trade area of the test can try firstly to carry out investor—state dispute settlement mechanism (ISDS).of course, there is not the third party arbitration mechanism under regional trade agreement within the framework of the FTA test area, but since China's trade test area can clearly widen the protection level of foreign, Through the trial of a higher credibility and neutrality of the investment dispute arbitration mechanism, establish and improve the platform that handle investor complaints . At the same time, China free trade zone test should as far as possible to improve the authority, impartiality and convenience of commercial dispute arbitration, in order to establish the fair and competitive environment among enterprises of different types ownership, to meet the requirements of TPP that state owned enterprises follow the new rules of "competition neutrality" in international trade and investment.

Promote actively the opening about the financial sector; strengthen the innovation about financial regulatory model. Promote actively cross-border use of the yuan, capital account convertible, the marketization of interest rate and foreign exchange management and other financial business pilot in FTA .Make the financial policy that Shanghai free trade zone and the former sea test area has been introduced replicated in all FTA , for example: some reform measures about FTA account(FTU), cross-border RMB loan business, cross-border RMB payment and RMB two-way capital pool, cross-border investment and financing facilitation, a small amount of foreign currency or large RMB deposit interest rate marketization. Relaxing the natural person restriction measure in financial field increased the convenience that experts and technical personnel in the financial sector can access. Explore and establish the mutual recognition mechanism of professional and technical qualification certificate that FTA with relevant countries and regions, reduce the trouble of repeated authentication. China free trade zone needs to continue to explore

new financial regulatory model, to study the new trend of financial deregulation, but also need to further explore the anti-risk ability under the new regulation.

Construct a more open free trade zone pattern in the 13th Five-year Plan. By the 13th Five-year Plan, the country has just pointed out that adhere to innovation and development, constantly promote theoretical innovation, institutional innovation, technological innovation, cultural innovation and other aspects of innovation, the country develop rapidly a higher level economic system of new opening at the same time, to improve the national system of discourse in global economic governance, promoting the construction of "The Belt and Road" , accelerate to implement the strategy of free trade zones, in order to promote opening of more high level and a higher standard . The "1 + 3" self-Park trade reform and experiment, It is critical to China , because it bears to change government functions, accelerate the opening of the service industry, implement the negative list management at the same time, but also to explore in the new financial regulatory system in the FTA , as well as the customs supervision system, and so on. At present, many provinces are actively applying for FTA test area, a new round of reform and opening up system construction, will inevitably pass the experience of reform and opening that the four established districts own to other provinces and cities. According to public information, these ten provinces have declared FTA construction program. such as Hubei, Hunan, Xinjiang, Shanxi, Henan, Chengdu, Harbin, Lanzhou, Chongqing, Qinzhou and others. Among them, there are seven provinces as the port and regional center city as the direction of declaration.

Free trade test area is in Wuhan Hubei. Located in the middle reaches of the Yangtze River, is referred to as the "thoroughfare of nine provinces" Wuhan Hubei, has declared the overall scheme of inland free trade zone, pass the review by the institute of international trade and economic cooperation of the Ministry of Commerce, Hubei intends to learn from the practice of coastal areas to declare FTA, establishing the free trade zones leading group to declare. The unique advantage of Wuhan is that East Lake high tech Zone can be combined with the national independent innovation demonstration zone and the construction of free trade zone, the dual reform is expected to gain the effect of superposition.

Hunan also has the advantages of waterways and port, Hunan issued "Work points that promote the development of the Yangtze River Economic Zone in 2015 ", which made it clear that will promote the research demonstration and reporting about the free trade zone. Hunan's idea is that

promote the construction about Changsha, Yue yang, Xiangtan, Hengyang and other comprehensive free trade zone, bonded logistics center and major port , to promote the development of free trade economy, port economy; At the same time, accelerate the construction of Guangdong (Macau), Hunan Jiangxi border region of open cooperation experimental zones and Yue yang Chenglingji new port area, Changsha airport economy demonstration area construction; on the basis of the construction, declare the free trade area.

Chongqing and Chengdu both belong to the Yangtze River economic belt also have their own characteristics. The free trade zone plan about Chongqing through the authentication of the expert group for ministries last year, according to envisage, the free trade area of Chongqing will as the two river new area as the center, and the scope of comprehensive insurance area, the total area about 40 square kilometers. Chongqing free trade zone is different from Shanghai, will be focused on the free trade area of goods trade, and is an upgraded version of the bonded zone.

Chengdu will highlight the concept of the international consumer city. At the beginning of April 2015, the Sichuan province government issued that "the plan to promote main work about the New Sichuan Tianfu District in 2015", which refers to strive for national support to establish China (Chengdu) inland free trade area of the test. In June, Chengdu released that "the plan that Chengdu build an international influence shopping paradise", which mentioned, striving to complete basically in 10 years , build an international consumer center city in 15 years ,and will actively striving for China (Chengdu) FTA, to explore the departure tax pilot.

Shaanxi, Henan and Lanzhou provinces, mainly as "The Belt and Road "and the regional radiation" as the "selling point", Shanxi has set up a leading group about the free trade zone declaration work. According to media report, at present, at present, there is being revised "Silk Road Economic Belt and China (Shaanxi) overall program of free trade test area". Shaanxi FTA will as the four district area as the main body to implement, such as Xi'an high tech Zone, Xi'an Chana Ecological District, West Ham airport Metro and the international port. The model is that copy the experience of Shanghai free trade zone.

Zhengzhou wills as Kaifeng, Luoyang, Henan as the core, and Submitted to the State Council for the application of the FTA program, at present, the program is in the research and demonstration phase. Henan's main rival is the Hubei, song Xiangqing who is one member of the Henan FTA

declaration expert group, who that in contrast Henan and Hubei, Henan win more likely with economy, population, geography, national strategies.

Lanzhou will as the Lanzhou New Area Comprehensive Bonded Zone as the core area to declaration, China (Lanzhou) free trade zone is being declared, according to media report, at present, the State Council has submitted by the Gansu Province China (Lanzhou) free trade area declare materials group transferred to the Ministry of Commerce .

Xinjiang relying on advantage of "The Belt and Road " declares actively the third batch of FTA, but the final scheme of Xinjiang is not yet clear. There is scheme proposed that Urumqi, Alas Hankou, Horses and Kasha together to strive for Xinjiang Central Asian Free Trade Area; in addition, in July, Zhu Hailing who is Xinjiang Uygur Autonomous Region Party committee has said publicly, Urumqi FTA is being declared. Harbin will be based on the Russian cooperation central city, starting to declare Sino Russian Free Trade Zone, to accelerate construct the New open cooperation pattern to Russia of multi-level, wide field, cross-border interaction . According to the new network reported, Guangxi, Qinzhou will probably undertake the Beau Gulf Father pilot program of Qinzhou free trade zone has been approved by the ministries and commissions, and has been reported to the state council.

Enhance Chinese dominant position in the international economic cooperation, China free trade test area as the new round of reform and opening up in the first place, in reference to the high standard system about TPP at the same time, should actively respond to the threat that the TPP could face, through explore and try the local rules and highlight the Chinese elements, put forward self-assertion, foster participating and leading the new advantages in international economic cooperation and competition. Full coverage of the market and its value chain reform system platform, requiring it can land in a test area of the platform.

Establish business standards and reduce business costs. As a high standard of international trade and investment agreement, TPP involved in the government procurement, competition policy, state-owned enterprises, intellectual property rights, labor, environmental, transparency and anti-corruption, etc. By encouraging the members adopt consistent high standards and revise national laws and regulations in the nontraditional trade field .TPP attempts to further reduce the investment access threshold, improve the business environment, and promote the economic integration of member countries. In the long term, Adopt the high standards that TPP involved in

the field, will help China to further promote open, enhance the degree of marketization, but in the short term, China unable to bear the reform costs . Therefore, at the same time , pilot high standard camp business rules, making preparation for the reform of China's economy in the long run , China free trade test area must remain sober minded, as myself to make the main business standards. Implementing central spirit in transparency and anti-corruption, strict enforcement of the anti-hypertension; step by step through the system construction to realize the fair competition environment in government procurement, competition policy, state-owned enterprise aspects; making good balance in the field of labor, environment and intellectual property, avoid to business environment deterioration due to standards too high.

Docking "The Belt and Road", strengthen economic and trade cooperation with countries along the road. In the “Grasp the general trend of the world to improve the level of opening - study and implement the important speech of general secretary Xi Jinping's experience”, Gao Hunching who is the Minister of Ministry of Commerce point out that " For the rule which dispute is bigger now, the long term is good for us, can combined with the common interests of the developing countries, actively make “the South Sound”. TPP aims to strengthen the economic integration between some Asia Pacific countries, to exclude China's participation by the higher domestic regulation standards. Our country should take the initiative to seize the high ground, and plan to make rules and system is beneficial to us, should take the initiative to combine the economic development level of similar economies, Especially to strengthen economic cooperation with the Silk Road Economic Zone and the twenty-first Century maritime silk road, To achieve economic integration between China and the relevant countries, and to strengthen the development of new international trade standards. Therefore, China FTA test area need to establish cooperation mechanism together with the countries and regions along the "Belt and Road “in the field of Customs clearance, commodity inspection and quarantine, quality standards, e-commerce and so on, Explore specification and standard docking along with the country in the aspect of freight forwarding and cargo transportation.

Accelerate the gathering of international trade factors, to promote trade and industry transformation and upgrading. TPP requires the exemption of tariffs on textile and garment industry, and most of the other industries will also be exempted from. At the same time, through the specific rules of origin, require use spinning and weaving within the area of each contracting

party, in order to promote the industry's regional supply chain and investment. TPP agreement reached promotes the relevant industry significantly for the development of TPP member countries, such as Vietnam, Malaysia and so on. At the same time, will inevitably affect the export of China's textile and garment industry, will cause varying degrees of impact on the southeast coastal areas of export oriented traditional manufacturing enterprises . Therefore, China FTA test area should speed up the upgrading of the level of international trade, global factors of quality service agglomeration, assume the role of the transformation and upgrading of the role of trade platform, accelerate the development of high value-added service industry, vigorously develop the high-end manufacturing industry, provides a new driving force , enhance the position of Chinese industry in the global value chain division of labor, to win the competition in the pattern of economic globalization and regional economic integration initiative.

Pilot related high standard protocol in WTO; maintain the authority of WTO as a global multilateral rule system. The United States attempts to overhead GSP trade environment under the framework of WTO by TPP and other large regional trade and investment agreements. From the point of view of the existing research achievements, join with non-traditional trade terms such as labor and environmental standards, competition policy and other regional trade agreements, the dominant power doesn't want the WTO GSP tariff reduction to obtain a breakthrough. Therefore, one of the measures that as the initiative to deal with the TPP, actively participate in international trade rules formulation , China free trade zone test should active trial WTO Agreement on high standard docking, first try to implement part of the terms about the WTO agreements that that not yet completed the negotiations , provide decision-making reference for China related field in the WTO negotiations, so as to accelerate the WTO multilateral negotiation process, To promote the full play of the role of WTO, maintain the WTO authority in the global multilateral trading system .

Strengthen the assessment to the construction of China's free trade zone, and to promote rapidly the field that can be copied and can promote. China FTA construction has nearly three years, and need to assume the construction of FTA, can adopt different assessment arrangements as to the different regions, Shanghai can adopt third party assessment arrangements that local lead and multi assessment, Guangdong, Tianjin and Fujian can take the central leadership and unified assessment arrangements, and strengthen the pre assessment of the FTA, assess the possible

impact on the free trade zone area, and scope that should be expanded. Making a basic judgment and evaluation to Shanghai free trade zone.

The assessment methods can take include qualitative and quantitative evaluation, qualitative evaluation is mainly reflected in the subjective or objective score, including expert evaluation, comparative study and questionnaire; quantitative assessment is mainly reflected in the field of performance indicators, including statistical sampling survey data and Supervisor (supervision) departments of business data; partial weight mainly take subjective evaluation and statistical method of assignment to determine (such as analytic hierarchy process). Assessment content can include: government level assessment (assessment of innovation, institutional innovation, policy innovation, technology innovation, program innovation, complete the evaluation, transparency assessment), the enterprise level assessment (awareness evaluation, benefit evaluation, satisfaction assessment) and the evaluate that can be copied and promoted .The quantitative assessment in the field of trade in goods can be reflected in table 21. China's assessment of FTA construction should pay attention to the problem include prepare inventory policies and measures on the basis of the work, set to system innovation as the foundation of the new assessment index, to establish a reasonable assessment compared to the benchmark, protect the data and information sources, pay attention to the special evaluation and key evaluation, in-depth study of risk evaluation questions, focus on the implementation of the new rules for pressure testing in international trade and investment assessment, the political considerations of assessment conclusion . The progress of free trade test area in china.