China: Opening up on All Fronts for Win-Win Cooperation

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After the 2008 global financial turmoil, under the combined action of various factors, economic globalization went to a phase of adjustment from rapid advancement, presenting many new characteristics. As the profound changes in economic globalization bring in new opportunities and challenges, nationalism, protectionism and unilateralism by some countries came on the rise. In consequence, these countries veered from their traditional trade and investment policies. In stark contrast, China has been opening its door wider and wider and voluntarily promoting trade facilitation and freedom in an effort to build up a new pattern of opening up on all fronts and pursue win-win cooperation with the international community.

I. Changing international environment for China's development

i. Economic globalization shifting from high-speed advancement to adjustment

After the 2008 financial turmoil, economic globalization entered the stage of adjustment, presenting many new characteristics.

First, economic globalization began to slow down. The advancement of economic globalization is reflected by rapidly growing cross-border trade and investment. From 1998 to 2007, global trade in goods and services grew at annual rate of 10.9 and 10.8 percent on average. The 2008 international financial turbulence is seen as a watershed, after which cross-border trade slowed down. From 2008 to 2017, the annual growth rates for trade in goods and services dropped to 1.0 percent and 3.2 percent respectively. The share of trade in goods in the world's total GDP once hit 25.4 percent in 2008. After the peaking, it fell to 22 percent in 2017. Trade in service accounted for 6.32 percent of the world's total GDP, and then flattened with slight volatility in the next 10 years. In 2017, the figure was 6.65 percent. Cross-border direct investment exploded from $690.7 billion to some $1.8938 trillion in 2007, registering an annual growth rate of 11.9 percent on average. But the annual rate plummeted to minus 0.42 percent during the 10 years from 2008 to 2017 when the figure stood at some $1.4298 trillion.

Second, the content and pattern of economic globalization have changed. In terms of its content, trade in service is on the rise. During the 10 years after the 2008 financial crisis, both the growth rates of trade in goods and service dropped, but the trade in goods fell at a faster pace. The trade in service climbed at an average rate 3.2 times faster than trade in service. With a rising share in global trade, the trade in service had the share climb from 19.9 percent in 2008 to 23.2 percent in 2017. In terms of the pattern of globalization, the position of developing countries is on the rise. This is the result of their promotion of trade facilitation and active involvement in the global value chain. Taking foreign direct investment (FDI) as an example, the inflow of FDI to some developing countries used to be much lower than that to developed countries, but now the developing countries are catching up, even outstripped developed countries in some year.

Third, the governance system of economic globalization is adjusting at a faster pace. The system is a complicated set of principles, rules and agencies to regulate economic globalization and provides institutional safeguard for it. The dominating principle of free trade is being challenged by that of fair trade. From the perspective of rules, new trade rules are extending from borders to the outside. As for the governance platform, multilateral trade negotiations came to a stop and the Doha round reached no consensus. In contrast, regional integration organizations sprung up like mushrooms, replacing multilateral platforms to be the new ones of making international trade rules. In consequence, the reform of the WTO was brought on agenda.

ii. The profound and complicated reasons for changing economic globalization

The adjustment of economic globalization is an outcome of various interplaying factors.

First, it is the aftermath of global financial crisis. In retrospect, the Great Depression from 1929 to 1933 interrupted the last round of economic globalization, which resumed after the Second World War. The 2008 financial turmoil brought similar damage to globalization. Many major financial institutions went bankrupt, and the majority of the world’s economies slowed down and even trapped in recession. In face of rising unemployment, sluggish demands, excessive production capacity, aggravating competition at home and abroad, and declining business profits, many countries rolled out trade remedy and protectionist measure, immediately affecting the growth of international trade and investment.

Second, it is the accumulative outcome of the side effects of economic globalization. Economic globalization is a double-edged sword. While boosting trade and investment, it also brings many adverse effects. The rapidly expanding globalization in the past leads to the accumulated side effects reaching the threshold. As a result, the pace should be adjusted. Widening income gap, de-industrialization, and cross-border financial risks faced by some countries are the results of many factors, but were wrongly attributed to economic globalization. Many countries overacted and see rising anti-globalization, divided public opinions and more doubts on economic globalization. Voters in some countries began to sway national policies with their votes. For example, Brexit as a result of referendum frustrates the process of European integration. To please voters at home, the U.S. Trump administration advocates "American first," and willfully disregards multilateralism. It took many unilateral protectionist measures. For example, the U.S. imposed tariffs on exports from many countries like China, and tightened scrutiny on the FDIs in the excuse of national security.

Third, it is about the changes in international order and power games. The importance of developing countries in global trade landscape continues to increase. In recent years, emerging markets and developing countries have contributed as high as 80 percent of the global economic growth. Their aggregate economy accounted for close to 40 percent of the world's total. Developing countries claim for corresponding increase of institutional voice in global governance system. However, the global governance system of economy failed to reflect the changes in international order. China's rapid rise exerts profound influence on the global order. At the regional and multilateral levels, the U.S. pushed the introduction of international rules targeting China on account of its national interests and geopolitical gains in an attempt to isolate China. This will have an impact on the future of global governance system as well as economic globalization.

iii. New opportunities and challenges brought by the changes in international environment to China’s opening up

The profound adjustments in world economy and economic globalization brought new opportunities and challenges to world countries. To China, the new international environment presents both opportunities and challenges.

At the moment, China is confronted with both long-term and short-term challenges in various areas. First, sluggish world economy leads to weak external demands, affecting the growth of China’s export. Second, trade protectionism is on the rise. The U.S. defined China as “a strategic adversary,” and contains China in various fields, such as trade, technology and investment. The country provoked the largest trade war against China in history, imposed unreasonably high tariff on Chinese exports and abused national security to contain Chinese businesses in investing in the U.S. What it has done has immediate adverse impacts on bilateral trade and investment, threatens the safe and efficient operation of global value chain in the manufacturing sector, and also undermines investors’ confidence. Third, Chinese exports face ever increasingly fiercer competition. China is the world’s largest exporter of goods. Its competitiveness mainly came from labor-intensive products or services. But the rising labor cost undermines such conventional strength. At the same time, more and more developing countries adopted the export-oriented development strategy, aggravating competition of labor-intensive products in the global market. Fourth, global economic governance faces challenge, affecting the stable advancement of international economic cooperation. The Doha round of trade negotiations has reached no agreement, and new pattern of trades like digital trades regulate under no international rules. The WTO faces difficulty in keeping running. Some major power, putting its national interests first, has been taking unilateral measures and challenging multilateral rules. The reform of the WTO was brought high on agenda, but involving parties have divisive views. Some even target on China with reform initiatives.

Even so, there are still strategic opportunities in favor of China's high-quality development in the international environment. The meaning of such opportunities has changed. First, the new round of technological revolution and industrial changes represented by information technology provides new momentum for China's economy. The new technological revolution spurs a large amount of new technologies, products, services and business models, becoming new driving forces for China's economic transformation. The new technological revolution also promotes the upgrading of conventional industries and accelerates the pace of transformation. Second, investors are generally optimistic about and confident in the prospect of China's economy. Surveys by various international organizations, consultancies and business chambers show that many multi-national companies have been regarding China as one of the most attracting business destinations. Against the backdrop of significantly declining cross-border investment, inbound FDI in China has maintained upward momentum. These investments have gone to changed industries. Those in modern services have been on the rise. And investment to manufacturing sector is mainly in high-tech projects. There are also more and more regional headquarters and R&D centers of multi-national companies in China. As of the end of January 2019, the single city of Shanghai had attracted 674 multi-national companies to establish their regional headquarters. Third, elite talents including Chinese students studying abroad are flowing into

China at a faster pace. For example, more than 20,000 Chinese students returned to China the year they finished the study abroad in 2004. In contrast, the figure surged to more than 400,000 in 2017.

II. China devotes great energy to push forward opening up in a new pattern

Reform and opening up is the underlying driving force for China's economic miracle over the last 40 years. The past success has boosted China's confidence in expanding the opening up in the new era. In face of great changes having not happened for decades, China believes that the historic trend of economic globalization is irreversible. China is firm in fighting against unilateralism and protectionism and stays committed to building an open world economy. It is ready to work with the international community and push forward economic globalization to be more open, inclusive, sharing, balanced and mutually beneficial. At the same time, in line with international trade rules, China has been rolling out a raft of new measures to further open its market and improve the business environment. It has been working to build an open economy, foster new strengths for international competition and establish a new pattern for opening up on all fronts.

i. Deepening institutional reform for cross-border investment and creating foremost business environment

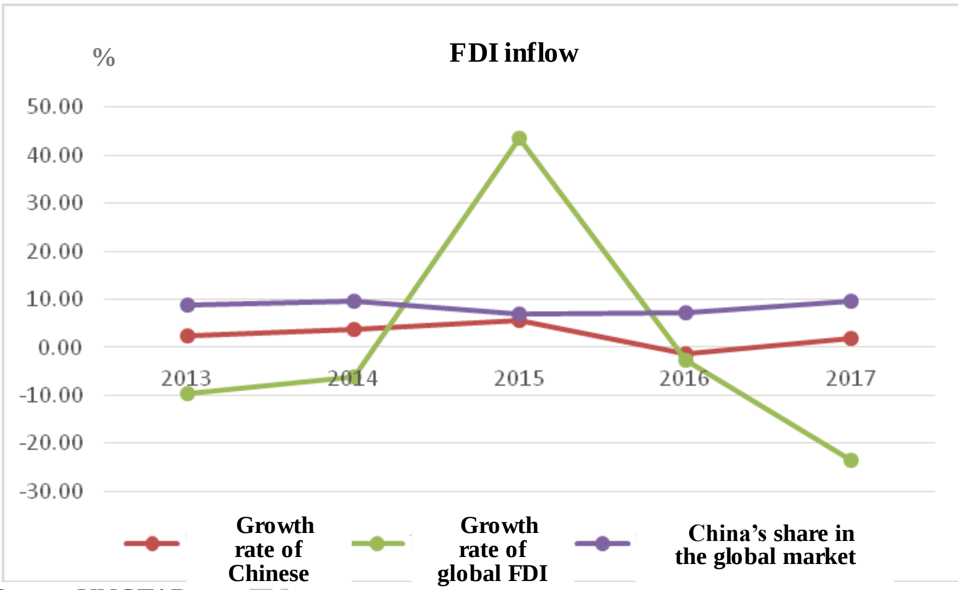
The third plenary session of the 18th Central Committee of the Communist Party of China mapped out a blueprint for comprehensively deepening reform. It asked to build an open economy. Deepening the institutional reform of cross-border investment is an essential part of the efforts in building an open economy. To create a market-based, law-based and international business environment, a raft of major measures has been introduced to boost cross-border investment. Remarkable results have been achieved.

First, free trade pilot zones have been established to explore how to better build an open economy. After the China (Shanghai) Pilot Free Trade Zone (FTZ) was established upon the approval of the State Council in 2013, China has built up 12 free trade zones on a trial basis in four batches, and proposed the strategic blueprint of launching a free trade port in Hainan Province. Keeping in alignment with high international trade rules, the FTZs have kept institutional innovation as the main focus, and worked to explore new ways of promoting liberation and facilitation of trade and investment, and transforming the functions and services of the government. They have gained many achievements of institutional innovation that can be spread and replicated. And the business environment has seen remarkable improvement.

Second, China has implemented the system of pre-establishment national treatment plus a negative list for foreign investment as a move to promote the liberalization and facilitation of trade and investment. The Shanghai Free Trade Zone slashed the items on the negative list for foreign investment from 190 in 2013 to 45 in 2018. Special measures for managing foreign companies' access to the Chinese market, or the negative list, introduced in 2018 further shorten the restrictive items to 48. Over the past two years, the State Council introduced a raft of new policies to attract more foreign investment, and promote the liberalization and facilitation of investment. It also voluntarily announced a host of measures to further open the financial and auto sectors to foreign companies, which surpassed the expectations of market entities and was spoken highly by international investors.

Third, China has been working to improve the business climate. As China further opens its market to the outside world, foreign investors are expecting better business environment. Acting upon the requirements made by the 18th CPC Central Committee at its third plenary session, China prioritized the building of a stable, fair, transparent and expectable business environment in the efforts of forming an open economy. Combining with the reform to streamline administration, delegate powers, and improve regulation and services, China rolled out measures from improving intellectual property rights protection to keeping fair competition of domestic companies, cutting taxation and administrative fees and promoting investment facilitation. As a result, the business environment has seen remarkable improvement. According to the ease of doing business index released by the World Bank, China's ranking elevated rapidly from the 96th in 2013 to 84th in 2016, 78th in 2017, and 46th in 2018. This is a remarkable achievement.

China has become a stable investor of cross-border investment. Against the backdrop of drastically declining global cross-border investment, China's performance in this regard is eye-catching. In 2017, the global cross-border investment fell 23 percent, whereas China saw a 1.9-percent increase in FDI inflow, with the total value hitting $136.32 billion, ranking the second in the world. In the first half of 2018, the cross-border investment across the world dropped 41 percent. In contrast, China attracted he world's most foreign investment, totaling $68.32 billion, up 4.1 percent year on year. The structure of foreign investment has been improved. In 2013, 53.2 percent of the FDI went to the service sector. And in 2017, the figure rose to 73.6 percent. The technological contents and management level of foreign investment see continuous increase.



Source:UNCTAD

At the same time, China's status as a major source of FDI is on the rise. In 2017, the outflow FDI by China reached $158.29 billion, 1.8-fold from the 2012 level. The figure represents top three in terms of FDI outflow for five years in a row. China's FDI stock hit $1.81 trillion, 3.4-folds from the 2012 level. The figure ranked second worldwide, up 11 rankings compared to 2012. The international cooperation of production capacity is greatly highlighted between China and other developing countries. More and more developing countries take Chinese investment as the major driving forces for their industrialization.

ii. Fostering new strengths for international competition with the purpose of building China into a strong trading power

China is the largest exporter of goods and second largest importer across the world. It is also the second largest exporter and importer of services. At the moment, China's comparative strengths in trade are changing. Labor-intensive products and services, where it used to lead, are being challenged by other developing countries. In response to the new situations it faces in foreign trades, China, since the 18th CPC National Congress, has been rolling out policies across the board to optimize the international market plan, domestic regional plan, product mix, business entities, and trade patterns. It decided to build bases for the transformation of foreign trades, platform for trades, and a network of international marketing. All these efforts aim to foster new strengths for international competition and building China into a strong trading power.

First, China has been strengthening its export competitiveness to increase the international market share. In face of declining external demands and rising competitors of other developing countries that threatening China's conventional strengths, China has introduced a host of policies and measures so as to keep trade stability. They aim at faster custom clearance, lower costs for export-oriented businesses and easier financing for the companies. China has devoted efforts to advancing the upgrading and transformation of processing trades and encouraging trade in services. The competitiveness of its foreign trades has been on the rise. The market share of Chinese exports went up from 11.2 percent in 2012 to 12.8 percent in 2017.

Second, China has taken active moves in exploring new markets and promoting market diversification. The developed markets used to be the focus of Chinese exports for a long time. In recent years, China paid great importance on trade and economic cooperation with developing countries. Guided by the Belt and Road Initiative, the Forum on China-Africa Cooperation, China-CELAC Forum and other mechanisms, China encourages and supports businesses to explore the emerging markets. The market share of Chinese exports in developing countries has been greatly increased, accounting for close to half of China’s total exports.

Third, China has been transforming and upgrading its foreign trade structure. It has introduced many measures to foster and strengthen new strengths for international competition focusing on technology, brand, quality and services. It launched pilots for innovation on trade in services, upgrading and optimizing the foreign trade structure. Trade in services, especially in newly-emerged services, sees its share in total foreign trade continuously increase. The export mix is further optimized. In 2017, China’s export of mechanical and electronic products valued $1.32 trillion, accounting for 58.38 percent of the total export, 0.81 percentage points higher from the 2012 level. The export of high-tech products was 29.49 percent of the total, up by 0.15 percentage points compared to 2012. Among China’s total export, 37.6 percent were made by private businesses in 2012, and the figure climbed to 46.6 percent in 2017, up by nine percentage points. Chinese private businesses overtake foreign-invested ones to become the backbone of China’s export. Export-oriented companies have their innovation capabilities, brand awareness and marketing competence continuously improved. The export of high-tech, value-added and high-performance products with independent brand, property rights and marketing channels outstrips that of conventional products. New models like cross-border e-commerce and market procurement saw rapid expansion, becoming new growth points.

Fourth, China has further opened its market and contributed China's opportunities to the world. As a responsible emerging power, China holds high the banner of free trade, and takes active action to promote trade facilitation and liberalization so that the world can share the opportunities brought by its development. China voluntarily lowered its average tariff from 9.8 percent to 7.5 percent. This is in stark contrast with some country's move of unilaterally raising tariff on foreign exports. China held the first ever China International Import Expo with high standards. With simplifying foreign trade documents, optimizing the procedure, improving the efficiency and lowering the cost as the focuses of efforts, it has advanced reform to improve trade facilitation. In 2018, the custom clearance time was shortened by more than a half from the last year. China has also expanded the market entry of business models for trade in services. In consequence, China's imports of goods and services have increased significantly. While satisfying the demands of domestic industrial transformation and the increased consumption, what China has done enables the world to better share the opportunities in the Chinese market. With practical actions, China fought back trade protectionism. More and more countries have made China their largest exporting destination.

iii. Actively participating in global economic governance under the guidance of the community of a shared future for mankind

The global economic governance system has entered a phase where adjustment is happening at a faster pace. Trade protectionism and unilateralism are on the rise. A responsible emerging power, China holds high the banner of free trade and advocates and practice the principle of inclusiveness and cooperation. It actively participates in reform of global economic governance system, and pushes it to move toward a new governance system that is more open, inclusive, fairer and reasonable for win-win outcomes under the guidance of the community of a shared future for mankind. China's role in the global economic governance system has changed greatly. It is turning from a learner and receiver to an advocator and contributor of international trade rules. With an increasing global influence, China is drawing widespread attention from the international community.

First, China actively participates in advancing the reform of international trade system. It stands firm against trade protectionism or unilateralism, and safeguards the integrity and authority of the multilateral trade system. China took an active role in pushing the negotiations of trade agreement under the WTO framework and adopted the Trade Facilitation Agreement after it was ratified. China strengthened cooperation with other major economies, and contributed plans and wisdom for the WTO reform. China successfully held the APEC Economic Leaders Meeting in 2014, G20 Hangzhou Summit in 2016, the Ninth BRICS Summit in 2017, and the Beijing Summit of the Seventh Forum on China-Africa Cooperation in 2018. Giving full play to its role as the host country, China promoted the adoption of many institutions, bringing profound influence on the global economic governance system.

Second, China actively participates in the international financial governance system to improve the influence of its institutions. After its contribution increase in 2018, China had its voting power increased to 5.71 percent, up by 1.26 percentage points, in the World Bank. It is now the third largest shareholder of the World Bank. On October 1, 2016, Chinese currency yuan was included in the

Special Drawing Rights basket. The renminbi has a weighing of 10.92 percent, ranking the third. On July 15, 2014, the BRICS New Development Bank was officially established with the headquarters in Shanghai. The Asia Infrastructure Investment Bank, headquartered in Beijing, was the first multilateral financial institution established under the initiative of China. Its registered capital totaled $100 billion.

Third, China proposed and promotes the Belt and Road Initiative. In 2013, Chinese President Xi Jinping put forward the Belt and Road Initiative with grand goals and a wide range of cooperation. Covering many countries and a large population, it is the grandest initiative for regional cooperation. Over the last five years, by the principles of consultation, contribution and shared benefits, the initiative has generate fruitful outcomes in terms of infrastructure connectivity, production capacity cooperation, industrial park construction, trade, investment and financial cooperation, and people-to-people connectivity. Tangible benefits have been brought to involving countries. The ideas and principles about the Silk Road hold great appeal among the people. The initiative and its core values have been incorporated into the documents adopted by the United Nations, the G20, APEC and Shanghai Cooperation Organization among others. As of September 2018, China had signed 149 intergovernmental cooperation deals with 105 involving countries and 29 international organizations.

Fourth, China has been taking active moves for more arrangements of free trade zones. FTZs are increasingly becoming more important platforms for global governance. Countries across the world attach high importance to the arrangements FTZs and regard them as important mechanisms to formulate new trade rules, deepen trade and investment cooperation and strengthen international strategic cooperation. China has reached 18 FTZ agreements with 25 countries and regions. In 2013, eight new FTZ agreements were made, and another two to upgrade the previous arrangements were reached. At the moment, China is pushing forward the negotiations on Regional Comprehensive Economic Partnership, China-Japan-South Korea FTZS and China-Gulf Cooperation Council. It is also working to renew the arrangements with Pakistan, New Zealand and South Korea.

All in all, in the past five years, in face of profoundly changed international and domestic situations, China has been firm in advancing opening up of a high level and become the backbone force of safeguarding economic globalization. What it has done promotes reform, innovation and high-quality development, and lays a solid foundation for completing the building of a moderately prosperous society in all respects and a modern powerful China.

III. A further opening China brings the world new opportunities

China believes international economic cooperation is not a zero-sum game, but could achieve win-win results. China cannot develop without the world, and it is also ready to contribute to the world's development. China is committed to building an open world economy and sharing the opportunities from its development with the world.

First, China will provide more and more market opportunities for its trade partners. The sheer size of its economy means enormous demands for imports from trade partners. China is the world's second largest economy. In 2018, its GDP hit 90 trillion yuan ($13.6 trillion), up 6.6 percent from the previous year. China's GDP in 2018 increased by $1.35 trillion from the last year, accounting for about 30 percent of global economic increments. In the future, China is expected to maintain medium- and high-speed of economic growth, and its domestic market will continue to expand. It is now the world's second largest importer of goods. Over the past years, it has been taking active action to lower import tariffs, expedite custom clearance and reduce the cost of importing so as to create more favorable conditions for trade partners to better share its opportunities. In 2018, China's import valued $2.1359 trillion, registering a growth rate of 15.8 percent, 4-folds higher than global trade of goods. In the 2019 Report on the Work of the Government, China vowed to optimize the import mix and increase imports. In the following five years, China is expected to import goods and services valuing more than $12 trillion.

China is also the second largest importer of services in the world. In 2018, its import in services valued $525 billion, up 12.3 percent. China has the world's most middle-class-income families. With upgrading consumption mix, Chinese consumers' demands for quality services will significantly outpace the average GDP growth, which presents new opportunities for world country to expand export to China.

Second, China will offer trade partners with tremendous investment opportunities. China is a major FDI destination. With its economic restructuring and expansion, the country will further promote investment liberalization and facilitation, providing more investment opportunities for global investors. First, China will create new conditions for foreigners' business adventures. In the past, foreign investors were mainly attracted by the medium- and low-cost labor forces in China. In the future, the country will have new strengths in attracting foreign investment. They include sound infrastructure, complete supporting industries and capacities, and high-quality human resources. China has annual college graduates of 8.7 million. The graduates majoring in engineering top the world. Labor forces with high education totaled more than 130 million. Foreign investors, in modern service sector or advanced manufacturing, could all benefit from the new advantages thanks to China’s industrial development.

Second, China will expand the entry of foreign investment. On the basis of significant improvement in the market entry of foreign businesses, China will further loosen restrictions on foreign investors’ market access, shorten the negative list, and allow more wholly foreign owned companies to more sectors. The 2019 Report on the Work of the Government said the country will work to implement reform and opening up in the financial sectors and the bond market.

Third, China will establish a fairer investment environment for domestic and foreign investors. China will accelerate the pace of aligning with international widely-adopted trade rules, improve the transparency, predictability and unity of policies and create a fairer market where domestic and foreign investors are treated equally. In March 2019, the National People’s Congress deliberated on the Foreign Investment Law. The article nine stipulates, “Foreign-invested companies shall enjoy all supportive policies equally according to the law.” The article 15 provides, “The state safeguards foreign-invested companies’ equal rights of participating in trade standards making. Transparency and public oversight over the making of trade standards shall be strengthened. Compulsive standards introduced by the country shall equally apply to foreign-invested companies." The article 16 provides, "The state safeguards foreign-invested companies' equal rights of participating in government procurement. The government procurement shall equally treat products made by foreign-invested companies in the territory of China."

Fourth, China will better protect the legal rights and interests of foreign investors. China has been attaching great importance on the protection of intellectual property rights (IPR) and established a relatively complete legal system for IPR protection. In 2013, China revised the Trademark Law and institutionalized a punitive compensation system, which raised the compensation ceiling from 500,000 yuan to 3 million yuan. In 2017, China amended the Law against Unfair Competition and further improved protection on trade secrets. At the same time, judicial protection for IPRs has been strengthened. Since the Zhuhai Intellectual Property Court was established in 2009, another 16 such courts had been set up in Tianjin, Nanjing, Suzhou, Wuhan, Xi'an and other cities across China as July 2018, effectively promoting the professionalism in ruling IPR cases. Unlike the practice of most countries which grant judicial protection on IPRS, China implements a dual system of judicial and administrative protection. IPR owners can seek for both judicial and administrative protection. In 2018, China reshuffled the previous government department and established the National Intellectual Property Administration. The laws regarding trademark and patents were enforced by market supervision and law-enforcement departments. With integrated and strengthened law-enforcing forces, the administrative laws have better played the roles.

In addition, the Foreign Investment Law stipulates, “The terms and conditions for technological cooperation in foreign investment should be decided by involving parties through equal negotiations. Administrative organs and the staff shall not force parties to transfer technologies with administrative forces.”

Third, China’s Belt and Road Initiative will provide new opportunities for cooperation with other countries. The initiative originated in China, but the outcomes belong to the world. By the principles of equal consultation, construction and sharing, the Belt and Road Initiative has greatly fostered economic cooperation between China and involving countries. The bilateral trade between China and involving countries has been outpacing the overall growth rate. In 2018, total trade volume between China and involving countries of the Belt and Road Initiative reached 8.3657 trillion yuan, up 13.3 percent from the previous year. China’s export increased by 7.9 percent, and its import by 20.9 percent. The potential of two-way investment has been unleashed. As of 2017, China’s FDIs to involving countries of the Belt and Road Initiative surpassed $70 billion. In 2018, China’s non-financial FDI to countries along the Belt and Road route amounted to $15.6 billion, up 8.9 percent from the previous year. Chinese businesses set up 82 economic cooperation zones in these countries and invested $28.9 billion. Some 4,000 enterprises have been operating in the zones, creating 244,000 local jobs and contributing $2.01 billion of revenues to host countries. Countries along the Belt and Road route also value the opportunities to increase investment to China. In 2018, their total FDI to China reached $6.4 billion, up 16.0 percent.

The Belt and Road Initiative has been giving full play to the enterprises’ and market’s dominant roles. Market economy will not guarantee the success of every cooperation project. Some media maliciously hyped individual failed projects and so-called “debt trap.” It only sees part of the whole picture. Some failure could not hide the truth that the Belt and Road Initiative brings strategic opportunities and contributions to economic development of involving countries. The initiative promotes infrastructure construction and connectivity of involving countries, laying foundations for their economic development. It facilitates international economic cooperation and brings applicable technologies and investment to host countries, which advances their industrialization drives. Seeing the great development opportunities brought by the Belt and Road Initiative to involving countries, many others began to show interests in joining in it, and some countries in Africa and Latin America have expressed their desires to participate in the initiative.

The Belt and Road Initiative upholds to the principle of openness and inclusiveness, offering tremendous cooperation opportunities for third parties. The initiative is not for exclusive regional cooperation, but is open to all third-party enterprises who are willing to participate in it on an equal footing. More and more governments and countries not along the Belt and Road route are expressing keen interests in participating in building the initiative.

A responsible power, China has been furthering opening up under the guidance of the idea of building a community of a shared future for mankind. It has been actively developing equal cooperation with the world’s countries, and pushing forward the building of an open world economy in a bid to realize win-win outcomes.