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A worker inspects an intelligent yarn production line in Qingdao, Shandong province, on July 15. LIANG XIAOPENG / FOR CHINA DAILY

# China to make greater strides in opening-up

Country's vast market will be major opportunity for world, official says.

**Xu Wei, Zhong Nan and Liu Zhihua** report

China's policymakers outlined details of the to-do list for the nation's future opening-up earlier this month, pledging initiatives to increase unilateral opening to least-developed countries and expand access to the commodity, service, capital and labor markets in a well-paced manner.

The priorities for the country's reform and opening-up until 2029 were mapped out during the third plenary session of the 20th Central Committee of the Communist Party of China, the Party's central leadership, held from July 15 to 18.

Han Wenxiu, executive deputy director of the Office of the Central Commission for Financial and Economic Affairs, explained at a news conference on July 19 that expanding institutional opening-up and building a high-standard open economy were the key aspects of the reform-themed resolution adopted at the epoch-making policy meeting.

"We will turn China's vast market into a major opportunity for the world," he said, adding that China will continue to make life more convenient for foreign travelers in terms of accommodation, medical services and payments.

Over 300 reform measures were outlined in the resolution on further deepening reform to advance Chinese modernization, which was released in full on July 21.

Mu Hong, deputy director in charge of routine work of the Office of the Central Commission for Comprehensively Deepening Reform, told the briefing that evolving global landscapes and mounting external uncertainties will not waver "the resolve and confidence" of China to make greater strides in reform and opening-up.

Meanwhile, officials have also sought to extend a strong message that China will remain a top destination for global investment.

According to the Ministry of Commerce, China saw the establishment of 26,870 new foreign-invested enterprises in the first half of this year, marking a 14.2 percent increase year-on-year. However, the country's foreign direct investment dropped by 29.1 percent year-on-year to 498.91 billion yuan (\$68.65 billion) during the period.

Han said the fall in FDI into China is only temporary. "As the country's business environment continues to improve and market opportunities multiply, China's

utilization of foreign capital is set to keep expanding."

The official reaffirmed Beijing's commitment to creating a transparent, stable and predictable institutional environment for foreign firms.

"We need to proactively align with international high-standard economic and trade rules, ensuring compatibility and alignment in rules, management and standards in areas such as intellectual property protection, industrial subsidies, environmental standards, labor protection, government procurement, e-commerce and the financial sector."

He stressed the necessity to fully put in place the negative list for cross-border services trade, and promote the well-paced expansion of openness in areas such as telecommunications, the internet, education, culture and healthcare.

To level the playing field for domestic and foreign businesses, Han said foreign enterprises must receive national treatment in areas such as access to resources, qualification and licensing, standard-setting and government procurement.

"We are willing to share the great opportunities from China's development of new quality productive forces and the advance of Chinese modernization. We'll be pleased and wish to see foreign companies thriving together with the Chinese economy."

The signals from the Party leadership toward greater strides in opening-up have buoyed the confidence of global business leaders and analysts.

Jean-Christophe Pointeau, president of Pfizer China, said he believes that China's reforms will further unleash market vitality, better allocate resources, boost the innovation and competitiveness of the country's economy, and lead to the overall progress of the economy and society.

"Pfizer is looking forward to the future of China's economy," he said. "China's world-class business environment that is market-oriented, law-based, and internationalized will further enhance foreign investors' confidence. And multinational companies, including Pfizer, will be more willing to invest and expand their business in China."

He explained that the government's reforms over the past decade have enabled the pharmaceutical giant to introduce some innovative drugs in China even faster than in the European Union and Japan.

## Economy on track to attain growth target

By OUYANG SHIJIA

China is on track to reach the 2024 GDP growth target of around 5 percent given the strong policy stimulus, continued recovery trend and gradual recovery in domestic demand, experts and entrepreneurs said.

Despite facing challenges from a sluggish real estate market, still-weak demand and mounting external uncertainties, China still enjoys favorable conditions and capabilities to boost steady growth and tackle structural issues, they said.

They expressed optimism about the country's long-term growth, saying technological innovation, notably emerging fields like artificial intelligence and green industries, will serve as a new growth driver, propelling up the world's second-largest economy.

Such optimism may grow in coming months on the back of the latest stance adopted by China's top leadership at the third plenary session of the 20th Central Committee of the Communist Party of China, held from July 15 to 18.

A statement released after the plenum said China will promote high-quality development, build a fairer and more dynamic market environment, improve the existing institutions and mechanisms for fostering new quality productive forces, and further enhance high-standard opening-up.

Svein R. Tyldum, chief executive officer of Marsh McLennan North Asia, a consultancy, said China's economy has made a good start this year with positive factors, laying a foundation for achieving its annual growth target of around 5 percent this year.



A view of a smart manufacturing line for vehicles in Nanchang, Jiangxi province, in April. ZHU HAIPENG / FOR CHINA DAILY

"China is a significant source of innovation and talent, and a future competitive global competitor," he said on the sidelines of the 15th Annual Meeting of the New Champions, also known as the Summer Davos Forum, which concluded in late June in Dalian, Liaoning province. "China's pursuit of high-quality drivers of production and its economic development created greater cooperation space for companies around the world to work together in a more harmonious way."

He expressed optimism about China's economic prospects and the company's operations in China this year and beyond, saying China is Marsh McLennan's second-largest operation in Asia. The company is committed to the China market, with more investment plans in the pipeline.

Tyldum noted the broader economy is still facing mounting uncertainties from the external environment and structural challenges. "The foundation for economic stability and

improvement is not yet so solid."

Data from the National Bureau of Statistics showed that China's economy grew by 5 percent year-on-year in the first half of this year, which is consistent with the government's around 5 percent annual growth target set at the beginning of the year. But in the second quarter, China's GDP grew by 4.7 percent year-on-year, cooling from 5.3 percent growth in the first quarter.

China's economy is still facing pressures from lackluster demand, mainly due to a market correction in real estate, still-weak retail spending and the modest growth in infrastructure investment, said Sun Xuegong, director-general of the department of policy study and consultation at the Chinese Academy of Macroeconomic Research, which is part of the National Development and Reform Commission.

Against such a backdrop, the policy focus should be placed on

boosting domestic demand, spurring consumer sentiment and expanding effective demand, including moves to further stabilize the housing market and strengthen the social security system, Sun said.

More efforts should also be made to stabilize employment, increase personal incomes, further unleash the services consumption potential and increase investment in areas related to the new quality productive forces, green development and people's livelihood, he said.

China has already announced a series of measures to boost demand, including the issuance of 1 trillion yuan (\$138 billion) worth of ultra-long-term special treasury bonds this year as well as driving large-scale equipment renewal and trade-in deals for consumer goods.

Despite facing many headwinds, China still enjoys favorable conditions to foster steady economic growth this year, as the country's domestic demand will likely pick up further in the remainder of the year with a series of supportive policy measures taking effect gradually, Sun said.

Looking ahead, Sun said he is optimistic about China's long-term economic outlook, saying there are several positive factors supporting the country's high-quality development.

"China is moving from a middle-income country to a higher-income economy. But we still see a gap between China's per capita income and that of the developed economies," he said. "That means we still have the potential and space to grow further."

Sun said China's economy is still in the stage of transformation of growth drivers toward new quality productive forces.

## Self-driving to revolutionize transportation

By FAN FEIFEI

When Wu Zhenpeng, a 32-year-old IT engineer from Wuhan, capital of Hubei province, hailed a self-driving taxi to reach home after work, all he had to input on the ride-hailing app was the pickup and drop-off points and the number of passengers.

A few minutes later, a robotaxi approached, with no driver or safety operator sitting in, and soon Wu was on his way back.

The driverless vehicle operated smoothly without sudden braking or acceleration, Wu said. "When there is a traffic jam, the car automatically replans routes and switches to the most convenient path, with an average speed of about 65 kilometers per hour. I think there is no difference between this driverless car and cars with drivers." "It usually costs about 29 yuan

(\$4) from my workplace to home using a traditional taxi; however, because of various subsidies and discounts, I need to pay only 8.2 yuan for a robotaxi ride," Wu added.

The large-scale commercial use of self-driving technology could become a reality sooner than expected, and is likely to revolutionize urban transport due to greater efficiency and lower costs, industry experts said.

However, the fast-developing technology still faces some challenges and limitations, including how to ensure safety and reliability, especially in complex scenarios, and public concerns over job losses for regular taxi drivers.

The market scale of robotaxis in China is expected to exceed 1.18 trillion yuan in 2025 and 2.93 trillion yuan in 2030, making it one of the largest application scenarios

for autonomous driving technology, according to a report by Pacific Securities.

China has taken the lead in the research and development as well as application of autonomous driving technology, and has introduced a series of policies to promote the commercialization of self-driving vehicles in recent years.

The Ministry of Industry and Information Technology as well as four other central government departments selected 20 cities, including Beijing, Shanghai and Chongqing, earlier this month to participate in a pilot program on "vehicle-road-cloud integration" for intelligently connected vehicles.

The move aims to connect intelligent vehicles with environmental and cloud-based control systems, paving the way for enhanced safety and efficiency in



An autonomous car operates on urban roads in Chongqing on July 10. HE PENGLEI / CHINA NEWS SERVICE

autonomous driving technology.

China supports the commercial application of Level 3 and above autonomous driving systems, as part of the country's broader push to bolster the development of intelligently connected vehicles, according to the MIIT.

Currently, autonomous driving

is categorized from Level 0 to Level 5; the higher the level, the more intelligent the technology. Level 3 means conditional automation, in which a vehicle can drive by itself under certain conditions.

More than 50 cities nationwide have released autonomous driving pilot demonstration policies, and stepped up efforts to expand the application scenarios of self-driving technology.

The Beijing municipal government recently announced plans to support the use of autonomous driving vehicles for urban public electric bus transportation, ride-hailing services and car rentals.

The Beijing Municipal Bureau of Economy and Information Technology released the draft regulation for public feedback on self-driving vehicles on June 30. The bureau said the regulation aims to provide clear, transparent and predictable institutional norms for market entities operating Level 3 and above autonomous vehicles,

while maintaining safety as the top priority.

Beijing has taken the lead in planning and constructing the country's first high-level automated driving demonstration zone since September 2020, and released self-driving road test licenses to 31 companies, with the total testing mileage of autonomous vehicles surpassing 28 million kilometers.

In February, the capital granted permits to several robotaxi operators, including Baidu and Pony.ai, allowing them to offer driverless vehicle services at Beijing Daxing International Airport, a key step indicating that the city has become the world's first capital to run autonomous passenger vehicles between urban areas and the airport.

Shanghai will soon begin public testing of autonomous driving ride-hailing vehicles on some designated roads in the Pudong New Area, offering free rides for local residents throughout the trial period.