

## Premier Li calls for trimming 'negative list' during FTZ visit

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### Further opening-up urged as free trade zone marks first anniversary

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Skyscrapers in the Lujiazui Financial District in Pudong, Shanghai Photo: IC



### Milestones of Shanghai FTZ

Chinese Premier **Li Keqiang** said Thursday that the China (Shanghai) Pilot Free

Trade Zone (FTZ) should further shorten its "negative list" and leave more room for market to play its role.

Li made the remarks during a visit to the Shanghai FTZ, which is about to celebrate its one-year anniversary on September 29. Li's visit signifies the importance the central government attaches to the FTZ, experts said.

A "negative list" names all the areas that are banned for companies, and shortening the list will give more play to the market.

The Shanghai FTZ published its first "negative list" on September 30, 2013 and the Shanghai municipal government released a revised, trimmed version on July 1 this year.

During his visit to the FTZ, Li also said that foreign firms should be treated equally with domestic firms, after an official at the FTZ mentioned that private firms are now enjoying the same status as the State-owned enterprises in the FTZ.

"The FTZ has brought China's opening-up to a new level. Besides local benefits, the zone is also meant to drive the whole country's opening-up," Bai Ming, a research fellow at the Chinese Academy of International Trade and Economic Cooperation under the **Ministry of Commerce**, told the Global Times Thursday.

The Shanghai FTZ was designed to gather experience for further opening-up of the country's economy. An assessment of the FTZ, including some rules of thumb accumulated during the past year, is expected to be announced at the end of this month, news portal cailianpress.com reported on Wednesday.

**"The FTZ has made great efforts to facilitate trade and has also made progress in institutional reform during the past year. Its efforts have started to show initial results," Xu Hongcai, director of the Department of Information under the China Center for International Economic Exchanges, told the Global Times Thursday.**

Some of the practices adopted by the FTZ customs have already been introduced to other areas. In July, the customs departments in the cities of Chongqing, Tianjin and Xi'an started a pilot program to try out the experiences of the Shanghai FTZ, media reported.

Later in August and September, Shanghai FTZ customs practices were further adopted by some customs authorities along the Yangtze River economic belt as well as other areas in Shanghai, China Business News in Shanghai reported Thursday.

The General Administration of Customs said that the innovative measures in Shanghai FTZ's customs will be introduced nationwide starting Thursday, the Xinhua News Agency reported.

The new customs rules at the FTZ have brought tangible benefits to traders.

The average import clearance time at the FTZ has been reduced by 41.3 percent compared with customs areas outside of the FTZ and the export clearance time has been cut by 36.8 percent, according to a statement posted on the Shanghai customs website on Thursday.

The FTZ has also boosted trade. In the first eight months, 500.4 billion yuan (\$81.49 billion) worth of goods passed through the FTZ, up 9.2 percent year-on-year and 8.6 percentage points higher than the national average, said the statement.

A total of 5,921 companies have been registered in the Shanghai FTZ since its establishment, the statement said. And Premier Li said during the visit that efforts should be made to ensure that companies "win a great future."

**"The Shanghai FTZ has made concrete progress during the past year. But the financial sector needs to be further opened, such as greater liberalization of the capital account as well as interest rates," Xu noted.**

Boosted by the prospects of the Shanghai FTZ, several other cities are also eyeing to establish a FTZ, such as Hefei, the capital city of East China's Anhui Province, and Chengdu, capital of Southwest China's Sichuan Province, recent media reports said.

But Shen Danyang, spokesman for the Ministry of Commerce, told the media on Tuesday that the ministry would first assess the successful practices of the Shanghai FTZ and after that the establishment of new free trade zones will be considered.

"The Shanghai FTZ's experiences should be applied according to local conditions, when other places want to learn from Shanghai," Bai noted.

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