

Innovative Strategies and Practices in Fuzhou's High-Level Opening-Up: Institutional Reform and Cross-Border Integration

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Abstract

Fuzhou, a strategic hub of the 21st Century Maritime Silk Road, has emerged as a pioneer in China's high-level opening-up through institutional innovation, digital empowerment, and cross-border collaboration. This paper explores Fuzhou's transformative practices, focusing on its institutional reforms in the Free Trade Zone (FTZ), smart logistics systems, and cross-strait integration. By analyzing policy frameworks and case studies, it highlights how Fuzhou leverages its geographic and policy advantages to foster an open economy and global connectivity.

Keywords: Institutional opening, Smart port, Cross-strait integration

1. Institutional Innovation in the Free Trade Zone: A Catalyst for Openness

Fuzhou's Fujian Free Trade Zone (FTZ) has become a testing ground for aligning with international economic rules. Since 2023, the FTZ has implemented 29 measures under the Several Measures for Promoting Institutional Opening-Up, targeting trade facilitation, talent mobility, and digital trade. For instance, simplified rules for certificates of origin reduced customs delays by allowing minor documentation errors to be rectified post-clearance, while temporary non-commercial goods now enjoy tax exemptions, cutting logistics costs by 15% [1].

The FTZ's focus on service trade liberalization has attracted foreign financial institutions, with relaxed market access encouraging multinational corporations to establish regional headquarters. Notably, foreign executives and their families can now obtain two-year temporary residence permits, enhancing Fuzhou's appeal as a talent hub. These reforms align with CPTPP standards, positioning Fuzhou as a bridge for international economic integration.

2. Smart Ports and Logistics: Digital Transformation for Efficiency

Fuzhou's Jiangyin Port exemplifies technological innovation in trade infrastructure. The port introduced a smart customs supervision system using digital twins and AI to separate domestic and international cargo flows. This system reduced vehicle turnaround time by 25% and saved 400 RMB per container in logistics costs, cumulatively saving 50,000 hours annually [2-3].

The "direct loading upon arrival" model for automobile exports further streamlines processes. Automakers like SAIC Motor schedule shipments based on production cycles, achieving "zero inventory" logistics and cutting customs clearance time by 3-4 hours per shipment. In 2024, Jiangyin Port handled 14,690 vehicle exports, 54.76% of which were new energy vehicles (NEVs), reflecting Fuzhou's alignment with global green transitions [4].

3. Cross-Strait Integration: Strengthening Economic and Cultural Ties

As the closest mainland provincial capital to Taiwan, Fuzhou has prioritized cross-strait collaboration. The reverse cross-border e-commerce model and dedicated postal flights between

Fuzhou and Taipei (5 weekly flights) have boosted trade. In 2023, Fuzhou processed 1.14 million Taiwanese-bound parcels and 1.955 million cross-border e-commerce orders, a 45.9% year-on-year increase [5].

The FTZ's "fast intelligent customs transfer" system, which integrates blockchain for real-time tracking, ensures seamless logistics for Taiwanese enterprises. Additionally, Fuzhou's "Two Countries, Twin Parks" initiative with Indonesia (e.g., the Yuanhong Investment Zone) extends this model to Southeast Asia, linking Fuzhou's processing capabilities with Indonesia's raw material resources [6].

4. Case Study: The Role of the "Two Countries, Twin Parks" Initiative

The China-Indonesia "Two Countries, Twin Parks" project epitomizes Fuzhou's industrial globalization strategy. For example, Shengtian (Fujian) Food Co. sources fish from Indonesian fisheries, processes them in Fuzhou, and exports value-added products globally [7]. By 2025, this model will expand to coconut processing and textiles, with projects like Fujian Huagang Textile investing \$71.25 million in Indonesian factories [8].

In 2024, Yuanhong Zone's exports reached 1.728 billion RMB (+11.83% YoY), with 73 Sino-Indonesian projects totaling 93.072 billion RMB. This synergy not only reduces costs but also establishes Fuzhou as a node in global supply chains [9].

5. Outcomes and Implications

Fuzhou's reforms have yielded measurable results:

In 2024, total foreign trade reached 350.69 billion RMB, with over 50% involving Belt and Road (BRI) countries. The FTZ's 288 institutional innovations, including 110 nationally pioneering measures, have been replicated across China. Fuzhou Airport's BRI flights surged by 48.2%, handling 55.1 million passengers in 2024 [10].

These achievements underscore Fuzhou's role as a model for institutional openness and cross-border collaboration, offering insights for other regions seeking to balance regulatory efficiency with global integration.

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