

Study on the Cooperation Mechanism of Nansha Area and National Free Trade Areas along “The Belt and Road”

—Taking Financial Business as an Example

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Abstract

This paper investigates the development orientation, advantages and features of the Free Trade Zone Nansha Area, combs through the development and experience of national free trade areas (FTAs) along “the Belt and Road”, analyzes the comparative advantages between the two and explores the cooperation in the following areas: management inspiration of the national FTAs along the “the Belt and Road” to the Nansha area; fields and patterns of cooperation between national FTAs along “the Belt and Road” and Nansha Area to help Chinese enterprises “go out” to countries along “the Belt and Road”; the contents of the key industry positioning and cooperation in the Nansha Area on the basis of the cooperation with the national FTAs along “the Belt and Road”.

Keywords

The Belt and Road, Nansha Area, Financial Business

1. Introduction

“The Belt and Road” (B&R) is short for “silk Road economic Belt” and “21st century maritime silk Road”. B&R borrowed from the history of the ancient silk road signs, exalting banner of peaceful development, developing along with the country’s economic partnership actively, to create mutual political trust, economic integration, culture include the interests of the community, fate community and community responsibility. During a visit to central Asia and southeast Asia in 2013, chairman of the Xi put forward the strategic plan of “B&R”, hoping

to expand and deepen our country opening to the outside world, thus improving the level of the open economy. In 2015, the national development and reform commission, the ministry of foreign affairs, the ministry of commerce jointly issued “Vision and action for promoting the silk road economic belt and the 21st century maritime silk road”, emphasizing that we should give full play to the role of open cooperation zones like Guangzhou Nansha Area. Therefore, the Nansha free trade zone can seize the “One Belt And One Road” strategic opportunity and realize the new development pattern.

At present, various financial forms in Nansha Free Trade Area are developing rapidly, but compared with the world-class free trade zone, the types are not rich enough. Nansha Free Trade Area can learn from Hong Kong, constantly cultivating a free and open atmosphere to create a highly free and open market environment, and at the same time, learn from Singapore in risk control. Meanwhile, it shall vigorously develop the offshore RMB business and offer special financial services. Accordingly, incentives should also be put forward, especially the solely foreign-funded policies and preferential tax policies.

The paper is organized as followed: Section 2 introduces the history, status quo and location of Nansha area, analyzes the status quo of financial and business industry, and analyzes the industrial structure, and discusses the opportunities and challenges faced by Nansha new area, laying the foundation for the later comparative analysis. Section 3 introduces the financial business development of countries along the routes and the regions. The analysis of the development model of the free trade zones has reference values for the development of the Nansha free trade area. It points out the direction for the development of the new Nansha new area. This part also carries out a horizontal comparative analysis, comparing with the better development of the free trade area in the world, providing the basis for the next cooperation.

Literature Reviews

Some scholars have given enlightenment to the construction of free trade zones in China by analyzing the mature experience of the development of the world financial center and foreign free trade zones [1] [2] [3] [4]. For example, one paper selected the free trade area of Hong Kong, Japan, Singapore and the cay man islands, four different types of offshore financial market as the research object, based on different system construction and the control measures of international free trade zone, analyzes of offshore financial market in the framework of free trade zone in the construction and operation experience, and provide reference for Shanghai free trade zone to carry out financial offshoring [5]. Some scholars have compared and analyzed the development model of different free trade zones, so as to make suggestions on the development of China’s free trade area [6] [7]. Some scholars have interpreted the new measures adopted by the state on financial aspects of free trade zones. The scholar reported that the People’s Bank of China has issued financial support to Tianjin, Fujian and

Guangdong free trade zone. Within the free trade zone, capital account convertibility under the quota will be implemented [8]. Another part of scholars combined with the development of China's free trade area and economy and then put forward some countermeasures and suggestions [9] [10] [11]. For instance, a study puts forward policy suggestions for the direction of the next stage of Nansha free trade area development through the review of the innovative measures of the Nansha free trade area, including investment management, trade supervision and financial innovation [12].

2. Analysis on the Development of Free Trade Zone Nansha Area

2.1. History, Status Quo and Orientation of Nansha Area

On March 24, 2015, the general plan for the second batch of free trade zones in Guangdong, Tianjin and Fujian was approved. Guangdong Free Trade Zone was composed of Guangzhou Nansha Free Trade Zone, Shenzhen Shekou Free Trade Zone and Zhuhai Hengqin Free Trade Zone.

On August 17, 2016, the 8th plenary meeting of the second Nansha District CPC Committee and the working meeting of Guangzhou Nansha Development Zone (Free Trade Zone Nansha Area) clearly put forward to speed up the construction of the urbansub-center of Guangzhou Nansha New Area, and accelerate the construction of international shipping hub main bearing area of the, the main bearing area of the international science and technology innovation hub, and the innovative the financial service system, in order to build the "three center-one system" and the core functional area of the national independent innovation demonstration zone. The meeting also proposed to continuously improve service functions such as shipping logistics, international trade and special finance, and promote the convergence of logistics, business flow, information flow and capital flow in Nansha to strengthen the allocation capacity of Nansha to the greater pearl river delta (PRD), the whole country and the whole world.

Nansha is located in the geometric center of the PRD. Relying on the comprehensive advantages of Guangzhou national center city, Nansha is very superior in terms of connectivity to Hong Kong and Macau and mainland China. The port coastline is rich in resources and has vast space for development. Nansha New Area has strong industrial foundation, which integrates the functions of national strategic new zone, national economic and technological development zone, bonded port area, high-tech industrial development zone and CEPA pilot comprehensive demonstration zone of Guangdong province in one. Relying on the strategy of the national free trade zone, Nansha will take the lead in the new round of reform and opening up, further explore new path of economic development mode transformation, and lead the transformation and upgrading of the Pan-Pearl River Delta. Together with Hong Kong and Macau, it will build a new platform for China to participate in international economic competition and cooperation and an important hub for 21st Century Maritime Silk Road.

2.2. Analysis on the Status Quo of Financial Business

The investment management system with the negative list management as its core has basically been established, forming a new model of more open and transparent investment management services. Market-oriented business environment has been optimized. It takes the lead in the implementation of “first for post-regulatory”, “self-owned tax declaration”, the state tax, such as a window of new tax management services in the country. Financial innovation in Nansha steadily progressed, and the results of the entity support were notable. In order to support the development of real economy in the region, various financial institutions in the region have introduced various innovative measures in deepening the reform of foreign exchange management, expanding the cross-border use of RMB, and strengthening financial cooperation in Guangdong, Hong Kong and Macau regions. This has effectively supported the development of the real economy in the region.

Nansha New Area actively developed cross-border RMB-denominated financial services including RMB price business pilot projects in various cross-border RMB operations. The innovation and development of various businesses in cross-border RMB has been promoted. In addition, the level of investment and financing facilitation further improved. Nansha has promoted the commissioned banks to directly invest in foreign exchange registration business; completed the first cross-border asset transfer business under trade finance in Nansha FTA, effectively promoted domestic and overseas linkage, introduced lower-cost RMB funds abroad and reduced financing costs for enterprises in the region. Up to now, two enterprises in Nansha Free Trade Zone have completed business filing, facilitating the financial intermediation of multinational corporations, supporting the economic development of multinational headquarters and creating conditions for industrial restructuring and upgrading. Moreover, the financial cooperation in Guangdong, Hong Kong, Macau and Taiwan has deepened. To facilitate the registration of commercial banks in Guangdong and Hong Kong, Chong Hing Bank, Bank of China and other branches in Hong Kong. Hong Kong outlets to set up window channels for the establishment of enterprises in Nansha who have the desire of foreign investors registered agent. Under the CEPA, the Guangdong-Hong Kong joint venture wholly licensed project Hong Kong declared its enthusiasm. A number of Hong Kong securities companies are planning to establish wholly-owned joint-stock securities companies with well-known domestic enterprises in Nansha.

2.3. Analysis of Nansha Area Financial Business Industry Structure

Overall corporate relocation: By the end of August 31, 2016, a total of 1266 financial and financial-related enterprises settled in Nansha. According to the classification of financial institutions, there are 24 monetary and financial service agencies, 6 capital market service agencies, 30 insurance financial institutions and 1206 other financial industries.

Foreign Investment: Among 1266 financial enterprises, 170 are foreign-funded enterprises (including Taiwan, Hong Kong and Macau), accounting for 13.43%, of which 133 are Taiwan, Hong Kong and Macau enterprises, accounting for 10.51%. Among the 181 financial leasing companies in the region, 150 are foreign-funded enterprises (including Taiwan, Hong Kong and Macau), accounting for 82.87%, of which 121 are Taiwan, Hong Kong and Macau enterprises, accounting for 66.85%. **Legal Person Institutions and Licensed Institutions:** There are totally 22 licensed financial institutions in Nansha district.

Capital market: By the end of August 31, 2016, Nansha has 2 domestic listed companies listed on the Main Board, two Hong Kong listed companies Inter-Pacific Textile Holdings Limited and Ansett Industries Limited; “New Third Board” listed trading companies 6, respectively, Guangzhou Equity Exchange Center listed 12, 47 registered enterprises¹.

2.4. Opportunities and Challenges

In 2013, the GDP of the Pearl River Delta region, including Hong Kong and Macau, reached 800 billion US dollars, surpassing London and becoming the third largest metropolitan area in the world after New York and Tokyo. The Guangdong, Hong Kong and Macau regions are an important part of the national development of our country. The cooperation between Guangdong and Hong Kong has been incorporated into the strategy of national regional economic development. In November 2015, the CEPA Services Trade Agreement between the Mainland and Hong Kong and the CEPA Trade in Services Agreement between the Mainland and Macau were signed in Hong Kong and Macau, respectively, marking the substantial liberalization of trade in services across the Mainland, Hong Kong and Macau. This is an extension of the experimental results of the liberalization of service trade between Guangdong and Hong Kong and Macau since 2014. Under the cooperation of Guangdong, Hong Kong and Macau at a higher level, Nansha can give full play to its geographical and kinship advantages, deepen its cooperation with Hong Kong and Macau, and conduct in-depth cooperation in such areas as financial services, transportation and shipping services, trade and commerce services, professional services and scientific and technological services, construct an agglomeration area of modern service industries in Hong Kong and Macau, build an innovation and entrepreneurship platform for young students in Guangdong, Hong Kong and Macau, create a platform for technological innovation in Guangdong, Hong Kong and Macau, realize the flow of talent and capital, and vigorously promote the docking of industries in the Mainland, Hong Kong and Macau and in-depth regional cooperation.

In September 2012, Guangzhou Nansha New Area officially became another state-level new district following Shanghai Pudong New Area and Tianjin Binhai New Area. In December 2014, Guangdong Free Trade Zone was approved.

¹Data source: Financial Work Bureau of Nansha Development Zone, Guangzhou.(2016)08. A brief report on the financial industry of the Nansha free trade test area.

Nansha Area was the largest of them. In April 2015, Nansha Free Trade Zone was set up. On the day of listing, there were a total of more than 130 policies covering industries, talents, science and technology innovation, scientific research and other fields.

Located in the Pearl River Delta's geographical geometric center, Nansha New Area is the only gateway to the ocean in the central city of China. It is also a pivotal important node connecting the urban agglomerations across the Pearl River Delta and an important gateway to China's opening up to the south of China. Nansha New Area is 38 nautical miles from Hong Kong and 41 nautical miles from Macau. It is surrounded by the most developed cities of the Pearl River Delta and Hong Kong and Macau Special Administrative Regions. Within a radius of 100 km, there are over 60 million relatives of affluent high-end population. Nansha, on the one hand, is backed by the vast hinterland of the Pan-Pearl River Delta on the one hand, and connects with markets both at home and abroad through such major cities as Guangzhou, Shenzhen, Zhuhai, Hong Kong and Macau. On the other hand, Nansha is an important transportation and economic and trade node with unique geographical advantages radiation drives the pan-PRD industry upgrading and transformation.

3. Analysis of the Development of National Free Trade Zones along the Belt and Road

3.1. Overview of the Development of National Free Trade Zones along the Belt and Road

Countries along the Belt and Road route are mostly located in the Eurasian continent. The development level of different economies is uneven and shows great geographical differences. As a financial center in the Middle East, Dubai's model of free trade area development also has reference significance for the development of the Nansha Free Trade Area. Based on this, this article takes Singapore, Hong Kong, Dubai and Djibouti as representatives to introduce the development of financial business in countries and regions along the "Belt and Road".

- Singapore

As a financial center in Southeast Asia, Singapore enjoys a good reputation worldwide in the forefront of global financial centers, financial services and commerce. The financial services industry in particular has a strong international competitiveness. Its development is of great importance to Singaporean national Economic has a decisive influence. The specific practices of Singapore are as follows:

First, the formation of an Asian currency (US dollar) market is inextricably linked to Singapore's becoming an international financial center. In order to introduce more of the world's top financial institutions to settle in Singapore, Singapore has taken the approach of lowering the threshold of banking licenses and gradually approving the ways banks operate Asian currencies.

Second, a complete financial management system. The Monetary Authority of Singapore, the Monetary Authority and the Singapore Investment Corporation

are responsible for the security of the Singapore financial system. Singapore's financial management system consists of regulatory and supervisory components. After the international financial crisis in 2008, the Singapore government further expanded the role of the Monetary Authority to strengthen supervision and control risks. At present, in addition to fulfilling its currency issuance responsibilities, it simultaneously exercises unified supervision over all financial institutions and financial markets such as the banking, securities and insurance industries.

Third, to promote the building of a contingent of financial professionals. Singapore's financial personnel policy mainly includes the training of on-the-job staff and the attraction of foreign talents. On the one hand, attracting outstanding financial professionals with various favorable treatment and conditions to make up for the lack of financial professionals in their own countries; on the other hand, focusing on the education and training of existing staff so as to enhance the overall standard of staff in the financial industry.

In addition, the simple tax system in Singapore, both individual and corporate tax and fee levels are low, and the inheritance tax is not imposed, but also an important reason why many companies are willing to invest in Singapore. Financial freedom, that is, the free exchange of foreign currencies, guarantees the free flow of funds in the FTZ.

- Hong Kong, China

Being one of the largest trading, financial and shipping centers in the world, Hong Kong has been honored as the "free trade port with the most openness in the world." It has implemented a free port policy that is fully open to the outside world. Most goods enter and leave Hong Kong freely and foreigners are free to invest. Multinational corporations Headquarters are also gathered here, and financial services, trade logistics, tourism and professional services have become the four pillar industries in Hong Kong's service industry.

1) a highly open market environment. Extremely high levels of liberalization and facilitation are the most prominent characteristics of Hong Kong. Hong Kong stresses the role of the market, the non-intervention policy adopted by the government, and the distribution of resources all depend on the market for adjustment. Relying on the low tax rate, simple tax system, convenient capital flow, rigorous international environment and strict regulation, Hong Kong has built a modern market economy with high efficiency and full freedom of competition and has attracted the headquarters of global enterprises to gather in Hong Kong.

2) mature and complete financial market. The free trade port of Hong Kong has full-fledged functions and a complete structure and is largely due to the support provided by the financial development. Hong Kong allows foreign exchange free exchange, the mechanism of free float in the exchange rate, local capital and foreign funds can be free from Dubai Free Trade Zone Trade and Industry Free Trade Area is represented, including the size of more than 20 free trade zones, and its business nature, including industrial and Logistics, media, information technology, finance, aviation, education and technology.

- Jebel Ali free trade zone

Dubai's Jebel Ali Free Zone (JAFZA) is located 50 kilometers southwest of Dubai City, a total area of 48 square kilometers, both the United Arab Emirates, but also the Middle East's largest free trade zone. The district is the first in the world through the ISO9000 international certification free trade zone. Currently, the area has become one of the most popular investment destinations in the UAE. In terms of business type, 78% are engaged in trading, warehousing and distribution, 12% are engaged in industrial production, 7% are engaged in service industries and 3% are enterprises engaged in logistics.

Dubai is the financial center of the Middle East, also an internationally renowned offshore financial center, the financial industry developed. Dubai is the world's largest physical gold trading center. China's four major banks have set up branches in the DIFC. There are five main types of financial services in the DIFC. One is banking services, the other is capital market services, the third is insurance services and the fourth is wealth management. The fifth is the exchanges—the NASDAQ Dubai Exchange and the Dubai Mercantile Exchange (DME).

DIFC has greatly contributed to the development of Dubai's financial sector. According to statistics from Dubai Bureau of Statistics, the real GDP of Dubai in 2012 was 86.7 billion U.S. dollars, of which the financial sector accounted for 11%.

Jebel Ali Free Trade Zone is fully in the interest of investors and offers its clients many incentives. In the Middle East, the laws of the Middle East traditionally require that at least 51% of the shares of all foreign-funded enterprises must be controlled by local companies. However, in the Jebel Ali Free Trade Zone, preferential policies include 100% foreign ownership of the enterprise and 50 years of corporate tax exemption (extendable), free flow of capital and profits, zero tariffs on imports and re-exports, etc.. In addition, in terms of living facilities, the FTZ also provides its customers with an integrated solution of accommodation, entertainment, food service supermarkets and medical services in the area.

In the past four years, the Jebel Ali Free Trade Zone has become the fastest-growing free-trade zone in the world. According to Mazuki Khalid, manager of the Asia Pacific region in Jebel Ali Free Trade Zone, the rapid development of free trade has attracted a large number of foreign-funded banks. The continuous prosperity and feedback of the financial industry have contributed to the sustained growth of international trade. Meanwhile, the influx of a large number of overseas immigrants has also greatly stimulated and promoted the development of Dubai's service industry. Even after the outbreak of the Dubai debt crisis in 2009, the negative impact of the FTZ was far from being as large as that in the financial and real estate industries and played a "mainstay" role in Dubai's gradual economic recovery.

1) Dubai is able to develop into a world-renowned free trade center, economic and financial center in a short period of time, benefiting from the following two

points:

Play the geographical advantages of infrastructure construction. Dubai combines the logistics node with the free trade zone to build the world's largest artificial port of Jebella harbor and the country's largest Dubai International Airport to form a logistics operation mode of "airport + harbor + free trade zone."

2) Break through the legal and policy framework that hinders economic and trade development. Dubai breaks policies and laws to create an open Free Trade Zone with 100% wholly foreign-owned foreign-Funded companies and 50-year income tax exemption for foreign companies, 15-year exemption period, capital, and profits after expiry free to export, no personal income tax, import duty-free.

- Djibouti Free Trade Zone

With an area of 23,000 square kilometers and a population of 900,000, Djibouti is strategically located in East Africa, on the Red Sea and Gulf of Aden, facing the Mandord Strait, one of the busiest sea lanes in the world.

China and Djibouti signed three economic and trade agreements, including building a free trade zone in Djibouti, turning Djibouti into a transit point for the trade between China and the world, and jointly promoting advanced bank card payment systems. In the banking sector, Chongqing Qianbao, a unit of China's IZP, signed a liquidation cooperation agreement with the Central Bank of Djibouti to build a nationwide bank card payment system for Djibouti. It is reported that the system can achieve direct settlement Djibouti francs and RMB clearing to help stabilize the currency in Djibouti.

3.2. Comparative Analysis of Development Advantages of Countries along the Belt and Road (FTA)

The "Belt and Road" originated in China and runs through parts of Central Asia, Southeast Asia, South Asia, West Asia and even Europe. The East Asia-Pacific Economic Circle and the Western European Economic Circle, viewed geographically, mainly involve more than 60 countries in Asia, Europe and Africa Of which nearly two-thirds of countries in Asia are gradually moving from point-to-line and line-to-piece development in the FTA.

As the countries along the Belt and Road Initiative (FTAs) are different in resource endowments, social environments, cultures, religions and economic conditions, they gradually formed their own advantages and characteristics in the course of their development. Analyze and compare the development of the countries along the "Belt and Road" (FTAs), and introduce the advantages and characteristics of several free trade zones in Europe, Asia Pacific and the Middle East.

According to the Global Financial Centers Index released by the London-based think tank Z/Yen Group in 2016, the top three financial centers in the world followed London, New York and Singapore, Hong Kong fell by a rank of No.4, Tokyo and Zurich ranked No.5 And the sixth place. In terms of financial development, these well-known financial centers have mainly taken the following measures: 1) reducing regulation and creating an open and superior financial

environment; 2) attaching importance to the construction of a soft environment and establishing a well-developed network of science and technology and communications; 3) Implement policy of introduction of talents to attract senior talents; 4) enriching financial products such as shipping finance, including insurance, ship leasing and commodity trading; 5) broadening the approval of business licenses of financial institutions to attract international financial institutions to enter; 6) establishing a financial management system to supervise and control risks.

Hong Kong's FTZ is characterized by its high degree of freedom and openness, moderation, low level of intervention, free flow of funds and its non-tariff barriers. It is one of the most open markets in the world. Singapore is a free port and an international financial and trade center. Indonesia's Batam Free Trade Zone is located in the Strait of Malacca, the introduction of preferential tax policies, exempt from import and export tax, value-added tax, has now become an industrial center. The main free trade zone in the Middle East is the UAE Free Trade Area. The United Arab Emirates has a total of 14 more active free trade zones. Among them, the Jebel Ali Free Trade Zone in Dubai is the largest free trade zone in the UAE and has now become the product of the sale in West Asia and Africa Transfer station, in the UAE free trade zone within the 100% wholly foreign-owned, no personal income tax, import duty-free, the currency is freely convertible.

4. Cooperation Direction and Content Research

At present, all kinds of financial forms in Nansha Free Trade Area have developed rapidly, but they are not rich enough compared with world-class free trade areas. The establishment of Nansha Free Trade Zone is short, the financial industry is still in its infancy, the foundation is weak, the pace of innovation urgently needs to be accelerated, and supportive policies need to be improved. There are not enough leading cadres and there is room for improvement in the development of the financial industry. The overall number of financial institutions settled in Nansha is still small, especially local financial institutions which are licensed. and some of them are only branches or branches with low levels of authority and little influence. The level of internationalization of financial institutions needs to be further improved, and the capital market is not active enough, especially the small number of listed companies. The financial innovation and development of Nansha has just started, but it lacks of experience in the prevention and control of financial risks, especially in the identification, judgment, early warning and disposal of regional systemic financial risks.

Hong Kong's FTZ is characterized by its high degree of freedom and openness, its low level of intervention, its free flow of funds and its non-tariff barriers. It is one of the most open markets in the world. Nansha Free Trade Zone can learn from the successful experience of Hong Kong and constantly create a free and open atmosphere to create a highly free and open market environment.

Singapore free port is second only to Hong Kong, is also an international fi-

nancial and trade center. Singapore to achieve financial freedom, foreign currency freely convertible. Nansha should make its due contribution to RMB fully convertible and make great efforts to develop its offshore RMB business. In this process, we should pay attention to studying the mature experience of risk management and control in Singapore.

Dubai Jebel Ali Free Trade Zone is the largest free trade zone in the UAE and has now become the transfer point for the sale of products in West Asia and Africa. The foreign investment in the UAE's FTA is 100% sole-funded, with no personal income tax. The import is completely tax-free and the currency is freely convertible. In order to build Nansha into a financial center in China and even in the world, incentive measures must be introduced, especially for foreign-funded wholly-owned and preferential tax policies. Nansha to create a unique financial services industry to attract more financial enterprises settled.

4.1. Financial Business Policy Support

Further improve the financial innovation policy system. First, grasping "Nansha 15", "inter-ministerial joint meeting of six", "Guangdong Free Trade Zone overall plan 45", "PBC support Guangdong Free Trade Zone Gold 30", "expanding the cross-border use of RMB 5 "and other higher-level financial innovation policy given to the floor. Second, we will step up efforts to improve Nansha 1 + N preferential policies, formulate policies on subsidies for personal income tax on overseas financial professionals and promote the development of private equity investments in key financial sectors. Third, we will benchmark advanced areas, learn advanced experiences, find leaks and make up deficiencies, and set a special policy of encouraging financial innovation in Nansha at a high standard.

Combined with the development of Nansha Industrial, we break through some existing policies. Such as: Nansha has carried out the aircraft leasing business, foreign management departments to levy foreign currency rent operating leasing pilot policy; combined with Nansha commercial registration reform pilot, allowing the establishment of the financial institutions settled in Nansha and the actual place of operation to separate the model.

Implement tax policies to promote investment. An enterprise or individual shareholder registered in a free trade zone may increase or decrease the income tax by deferring or paying off the installments due to the added value of assets apportionment resulting from asset restructuring such as foreign investment of non-monetary assets. The enterprises in the free trade area should be given awards of high-end talents and scarce talents in the form of shares or the proportion of investment, and the implementation of the taxpayers' individual income tax installment tax incentive plan in Zhongguancun and other regions.

Building a New Financial Cooperation System between Guangdong, Hong Kong and Macau is a major task for building a free trade zone in Guangdong. In order to give play to the innovative advantages of financial accumulation in the free trade area, first, allow Nansha New Area to formulate special financial policies. It is allowed to introduce institutional resources in Hong Kong and Macau

from the aspects of taxation system, currency system and market supervision so as to support the free trade zone to play an active role in the process of RMB internationalization. The second is to tap into the financial innovation function of the FTZ and encourage Hong Kong and Macau banks to provide RMB loans and cross-border asset collateral services to Hong Kong, Macau and Taiwan-invested enterprises set up in the FTZ. Actively seek cooperation with internationally renowned offshore financial centers and give full play to its role in building a multi-level financial market system in Guangdong, Hong Kong and Macau. Thirdly, by adopting a flexible and effective financial regulatory model that is more in line with international norms, the banking institutions that support the FTZ will carry out cross-border RMB syndicated loan business with Hong Kong and Macau banks and expand the cross-border use of the RMB. Actively study and improve the tax policy of adapting to the overseas equity investment and offshore business development.

Nansha can seize the development trend of international high-level industry transfer, take an active part in the industrial division of multinational corporations, focus on the development of R & D, finance and other industrial sectors, meanwhile deeply participate in the economic globalization, complete the international transfer of service industry, and take the new round of service industry. And the international transfer of high-tech industries, upgrade the level of “bringing in” and “going global” and bring together higher-quality resources and elements of the world and actively acquire key technologies, technological processes and business models to enhance their core competitiveness in an all-round way.

4.2. Financial Risk Prevention and Control

1) Strengthen the organization and leadership, improve the financial risk prevention and control work mechanism. At present, Nansha has set up a leading group for handling illegal fund-raising in Nansha district, a coordinating group for state-funded illegal fund-raising and disposal, and a leading group for contradictions in the financial field in Nansha District. The groups clearly defined the subjects of responsibility, key areas and contents according to the principle of “territorial liability” and “who approves, who supervises and who is responsible for the risk disposal”.

2) Strengthen daily supervision and prevent financial risks from accumulating. Strengthen the daily supervision of small loan companies. Do a good job of private equity funds and other financial institutions risk prevention and control work. The leading group conducts regular on-site inspections with accounting firms to ensure that there are no serious violations of laws and regulations to ensure that the overall risks are controllable. Safely dispose of key cases and strive to maintain financial stability. First, the state disposal of state cases; the second is to actively deal with flying tourism, my future life museum cases.

3) Carry out special rectification work on illegal fund-raising actively, investigate potential problems and put an end to risks. First, do a good job in the field

of risk investigation. In response to the frequent cases of illegal fund-raising cases in the field of Internet finance such as P2P platforms, the Company conducted risk screening through many forms such as field visits to enterprises and interviews with relevant agencies and institutions; secondly, investigation and investigation of information related to illegal fund-raising Clean up the job.

4) Increase publicity, and actively carry out combat and disposal of illegal fund-raising publicity and education activities. First, actively carry out prevention and combat illegal fund-raising activities. In the whole region, we will continue to conduct multi-level, three-dimensional and broad-based publicity and education campaigns against illegal fund-raising. The second is to deal with illegal fund-raising training.

4.3. Scientific and Technological Innovation Cooperation Direction and Content

Nansha Area should create a good financial environment for science and technology, and promote the cooperation among small, medium and large scientific and technological enterprises.

First, deepen the cooperation between the bank and the government and actively explore diversified cooperation modes. For example, we can explore the credit insurance system for small and medium-sized micro-enterprises. The government and banks jointly insure the insurance companies by lending to small and medium-sized micro-enterprises. The insurance costs are shared between the government and the banks. In the event of a repayment risk, the losses will be borne by the insurance companies. To carry out the insurance business for small and medium-sized micro-enterprises, on the one hand, it can help banks to increase their credit granting to small and medium-sized enterprises, solve the problem of shortage of funds for science and technology small and medium-sized enterprises, and on the other hand facilitate financial institutions such as banks and insurance companies to strengthen interaction and expansion Business Scope.

Second, dock the capital market and open up new ways for SME financing. For example, we can borrow from Singapore's "asset securitization" to set up a specialized agency or commission a professional financial asset management company to work with banks to bring together small and medium-sized micro-credit enterprises with lower credit ratings to invest in capital markets and to issue bonds or controlled Way of financing, in order to achieve seamless convergence between small and medium-sized micro-enterprises, banks and capital markets.

Focus on building science and technology financial environment and intellectual property protection system. First, improve the scientific and technological financial environment. Singapore is the fourth largest financial center in the world with various types of financial institutions and a high degree of activity that is sufficient to cover the tremendous financial demand for economic development and technological innovation. On the one hand, the Monetary Authority

of Singapore has introduced many measures to attract various financial institutions, especially multinational financial institutions, such as further opening up of financial markets, easing of provident fund investment regulations, government investment in expanding markets, and reform of the supervisory system. On the other hand, the government invests in various risk funds and improves the environment for venture capital.

In addition, the Singapore government also introduced a package of financing aid programs and matching financing products based on the potential financing needs of enterprises from start-ups to growth and then to internationalization. The aim is to fill the funding gap that technology companies may face at different stages and provide comprehensive and life-cycle financing services.

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