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Research on the International Competitiveness of China's Digital Trade

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ABSTRACT: *Since the 21st century, the continuous emergence and rapid development of digital emerging technologies have profoundly reshaped social production and life styles as well as global economic and trade patterns, accelerated the digital transformation and transformation of global trade, and digital trade came into being. Taking the top 15 countries in the world economy as the object of investigation, entropy method is applied to measure and analyze the international competitiveness of China's digital trade. On this basis, grey relational analysis is applied to conduct an in-depth analysis of the changes in the international competitiveness of China's digital trade from 2013-2022 from the second-level dimension indicators. The results show that, The international competitiveness of digital trade in China has made considerable progress in recent years, and it has a larger competitive advantage in the world. Innovation ability, technology level, production factors and related industries are the key factors that affect the international competitiveness of China's digital trade, and innovation ability has the greatest influence. The whole index system has a strong interpretation of the international competitiveness of China's digital trade, and the correlation level is relatively close. The improvement of any dimension will have a positive impact on the indicators of other dimensions. Finally, on the basis of the above conclusions, the paper puts forward some policy suggestions to enhance the international competitiveness of China's digital trade.*
KEY WORD*: Digital trade; International competitiveness; Entropy method; Grey relational degree analysis*

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I. INTRODUCTION

With the development of the global digital wave, the global trade structure has undergone tremendous changes.The traditional trade mode has been unable to meet the rapidly changing market needs and complex international environment.However, the development of the digital economy can harmonize economic development and green innovation(Liu, J.M., Fang, Y.H.,2023)[1].At the same time, the development of digital trade has effectively improved the efficiency of the global digital economy, not only expanded the scale of trade, but also cultivated new growth points for trade development, and promoted the diversification and globalization of trade.China's Central Economic Work Conference held on December 11, 2023 also mentioned that it is necessary to expand a high level of opening up to the outside world, accelerate the cultivation of new drivers of foreign trade, and expand intermediate goods trade, service trade, digital trade, and cross-border e-commerce exports.In the process of the popularization of the Internet and the rise of e-commerce, China has made remarkable progress in the development and application of digital technology, which provides a solid foundation for the development of digital trade in China, and has become one of the largest digital markets in the world.In recent years, although the development of China's digital trade is in full swing, there is still a big gap between China and some digital trade powers, and it is still at a disadvantage in the competitive mode of world digital trade.Moreover, the driving force of global economic growth has declined, the international economic and trade situation is complex and volatile, and the flow of factors and structural problems in global economic growth have become increasingly prominent.In this context, digital trade has become the key for international countries to seize the dominance of the digital economy(Hilbert,M.,2017)[2].As a pillar of building a trade power, the development of digital trade has a vital value and role.However, most researches on digital trade at home and abroad focus on the concept definition, rules and effects of digital trade, and few scholars study and analyze the international competitiveness of digital trade from a macro and quantitative perspective.Therefore, this paper measures the international competitiveness of digital trade of major countries in the world by combining theoretical research with quantitative and data analysis. On this basis, it explores the relevant factors affecting the international competitiveness of digital trade, and deeply understands the advantages and disadvantages of China's international competitiveness of digital trade. It provides academic reference for enriching and improving the theoretical system of international competitiveness of digital trade, helps to further enrich and improve the relevant theories of digital trade, and has certain academic value.

II. LITERATURE REVIEW

The digital economy is derived from Industry 4.0 and the Fourth Industrial Revolution, integrating the digitization of production, services and the virtual and real world(Pavel ZDRAŽIL – Ivana KRAFTOVÁ,2022)[3].Digital trade, as a new form of trade in this process, has accelerated the digital transformation of global trade.However, due to the different levels of development of digital trade in various countries, as well as the continuous development of digital technology, the concept of digital trade has not yet been uniformly defined. XiahengZ. (2024) believes that the evolution of the concept of digital trade has experienced three stages. The first two stages realize the emergence of physical goods in the concept of digital trade, and the last stage is the integration of digital technology and trade activities to drive the rapid development of digital trade[4].Both the USITC's reports on digital trade in 2013, 2014 and 2017, and the White Paper on the Development of Digital Trade (2020) issued by the Chinese Academy of Communications have confirmed[5][6][7].To sum up, digital trade is a new trade model with data as the key production factor, digital services as the core, and digital ordering and delivery as the main characteristics, covering all digital products and services delivered through the Internet or other interconnected networks.

With the development of digital trade, domestic and foreign scholars' research on digital trade is increasingly diversified, mainly focusing on digital trade measurement, digital trade impact and other aspects.The measurement of digital trade is affected by the concept, and its measurement framework develops from a single dimension to a multiple dimension.UNCTAD(2018) divides digital trade zones into digital deliverable services and digital physical delivery services, and measures digital trade from a single dimension[9].Digital Trade Measurement Manual(2020)measures digital trade from three dimensions: trade object, trade feature and trade subject[8].Chinese scholars Jia Huaiqin and Gao Xiaoyu have also constructed the theoretical framework of digital trade with "two and three rings" and developed a digital trade measurement method with "actual digital delivery ratio" as the key, further enriching the research on digital trade measurement[10].In addition, most of the studies on the impact of digital trade start from the micro level, studying and analyzing the factors affecting digital trade and the impact of digital trade on the economy.For example, K. Kovtoniuk(2021) and other scholars used regression analysis to evaluate the factors affecting digital trade in China, the United States and the United Kingdom, the three leading countries in digital trade, and found that the development of information infrastructure promoted the growth of digital trade, while strengthening intellectual property protection would slow down digital trade[11].However, Yibing Ding(2021) believes that the development of digital economy can promote the growth of the domestic value-added rate of China's manufacturing exports and increase the domestic added value of intermediate exports[12].At present, the debate on the international competitiveness of digital trade mainly focuses on the measurement method, which can be divided into quantitative and qualitative two kinds.Quantitative methods are mainly used to quantify the international competitiveness of digital trade through various indices and mathematical models, such as competitiveness index method (Pavel ZDRA Zil - Ivana KRAFTOVA *, 2022), composite index comprehensive evaluation method, entropy method and factor analysis method (HuilianM., 2022), etc[3][13].Qualitative methods rely more on theoretical analysis, expert judgment and case studies to evaluate competitiveness, such as diamond model (QingxinL., 2019), case analysis, etc[14].

To sum up, in recent years, the research on digital trade has gradually attracted the attention of many scholars, and its research results also show a diversified trend, but its evaluation methods and evaluation models are not the same, so far no consensus has been reached, and there is still room for further research.Therefore, based on the existing research and combined with the characteristics of China's digital trade development, this paper constructs a comprehensive evaluation index system from four dimensions of core competitiveness, basic competitiveness, environmental competitiveness and realistic competitiveness, measures and analyzes the competitiveness level of the top 15 countries in the world economy through entropy method, and adopts grey relational analysis method on the basis of the analysis results. This paper makes an in-depth analysis of the change of China's digital trade international competitiveness from 2013-2022 from the second-level index, and conducts an empirical study on the factors affecting China's digital trade competitiveness.

III. Analysis of international competitiveness of China's digital trade

2.1 Index system construction

In order to establish an index system that can fully reflect the international competitiveness of China's digital trade, this paper uses the Porter Diamond model and other theories as well as domestic and foreign research results to build a comprehensive evaluation index system for the international competitiveness of digital trade from four dimensions: core competitiveness, basic competitiveness, environmental competitiveness and realistic competitiveness (see Table 1).

Table 1: Comprehensive evaluation index system of international competitiveness of digital trade

Primary	Secondary	Three-level
Core	Innovation ability(s1)	Global innovation index
	Technical level(s2)	Scientific and technical journal articles
Basic	Factor of production(s3)	Researchers in R&D (per million people)
		Research and development expenditure (% of GDP)
		Government expenditure on education, total (% of GDP)
	Related industry(s4)	Logistics performance index: Overall (1=low to 5=high)
	Infrastructure(s5)	Fixed broadband subscriptions (per 100 people)
		Individuals using the Internet (% of population)
		Secure Internet servers (per 1 million people)
Environmental	Economic scale(s6)	GDP growth (annual %)
		Final consumption expenditure (% of GDP)
	Degree of openness(s7)	Globalization index
		Dependence on foreign trade
Realistic	Trade scale(s8)	ICT commodity exports accounted for total merchandise trade
		ICT commodity imports as a share of total merchandise trade
		ICT service exports as a proportion of total service trade
		ICT service imports as a share of total trade in services
		Digital delivery as a percentage of total services

2.2 Evaluation model construction

In this paper, the international competitiveness evaluation model is constructed based on entropy method. Entropy method is a kind of objective weighting method, which is highly dependent on objective data and avoids the deviation of index weight structure caused by human factors.

Firstly, the data in this paper are standardized. Since the 18 indicators selected in this paper are all positively correlated with the comprehensive international competitiveness level, the positive indicators are selected from the entropy weights and the original data are standardized to eliminate the dimensional differences of each indicator and compress the value of each indicator within the range [0-1]. The larger the value of the positive indicator, the better.

Standardization of positive indicators:

$$X_{ij}^{1} = \frac{X_{ij} - min(X_{1j}, \ldots, X_{mj})}{max(X_{1j}, \ldots, X_{mj}) - min(X_{1j}, \ldots, X_{mj})}$$

Secondly, sample weight, index entropy, variation index and entropy weight of evaluation index are calculated. The numerical proportion of the i country in the jTH indicatorP_{ij}:

$$P_{ij} = \frac{X_{ij}^{1}}{\sum_{i=1}^{m} X_{ij}^{1}} (i = 1,2,\ldots,m; j = 1,2,\ldots,n)$$

The K value and the entropy of the jTH indexe_j:

$$K = \frac{1}{ln(m)}, e_j = -k * \sum_{i=1}^{m} P_{ij} * ln(P_{ij}) k > 0; e_j \geq 0$$

Variation indexd_j:

$$d_j = 1 - e_j (j = 1,2,\ldots,n)$$

Index weightw_j:

$$w_j = \frac{d_j}{\sum_{j=1}^{n} d_j}$$

Finally, the index data is multiplied by the corresponding weights and then aggregated to measure the comprehensive level of each sample. The higher the comprehensive score, the better the sample.

Comprehensive valuationZ_j:

$$Z_j = \sum_{j=1}^{n} w_j * P_{ij}$$

2.3 Data source

Based on the availability of data and the practical significance of the research, this paper selects the corresponding data required for the evaluation of digital trade competitiveness of the top 15 countries in the world economic aggregate from 2013 to 2022. Data are mainly derived from the World Bank's World Development Indicators Database, the International Telecommunication Union database, the KOF Swiss Economic Society, the UNCTAD database, the OECD database, and the World Property Organization Patent Database.

2.4 Result analysis

This paper uses the evaluation model of entropy weight method to estimate and compare the international competitiveness of digital trade of 15 economies in the world from 2013 to 2022, and evaluates the international competitiveness of China's digital trade.

2.4.1 Comprehensive comparison and analysis of international competitiveness of digital trade

As shown in Table 2, from 2013 to 2022, the international competitiveness of digital trade of various countries has changed, but the United States, the United Kingdom, Germany and other digital trade powers have basically ranked the top three, and their international competitiveness of digital trade is relatively strong.The international competitiveness of China's digital trade has been continuously improved in the past 10 years, gradually surpassing developed countries such as the United Kingdom, France and Canada, rising from the 7th place in 2013 to the 4th place in 2018, and ranking the fourth place in the world from 2018 to 2020, ahead of developing countries such as Russia, India, Mexico and Brazil.The improvement of the score and ranking of the Comprehensive Assessment Index of digital Trade competitiveness shows the improvement of China's digital trade capability and comprehensive international competitiveness. This is mainly due to the Chain's high attention to and vigorous promotion of digital trade, as well as the promulgation of corresponding policies and regulations, providing a good environment for its development.

Table 2: Digital trade international competitiveness score

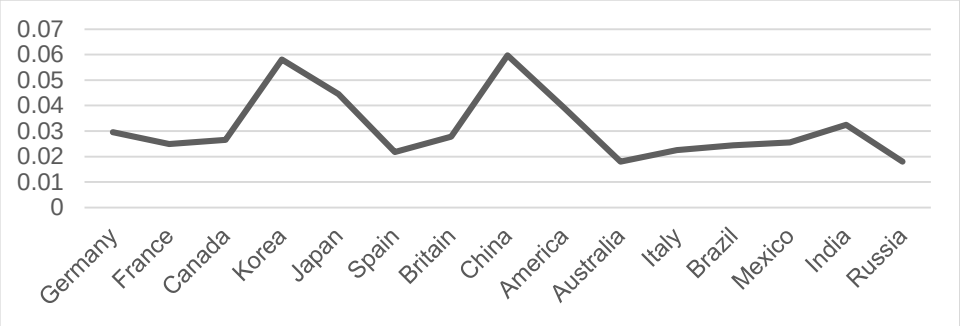
Ranking	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
China	7	7	5	5	5	4	4	4	6	4
Russia	15	15	13	13	12	13	13	13	14	15
Canada	4	5	6	6	6	8	8	8	7	8
India	12	14	15	14	15	15	15	15	15	13
Mexico	13	12	12	12	13	12	12	12	12	12
Korea	4	4	4	4	3	3	2	2	2	1
Brazil	14	13	14	15	14	14	14	14	13	14
Germany	3	3	2	2	2	2	3	3	4	3
Italy	11	11	11	11	11	11	11	11	11	9
Japan	8	8	8	8	8	7	7	6	5	5
France	6	6	7	7	7	6	6	7	8	7
Australia	9	9	9	9	9	10	10	10	9	11
America	1	1	1	1	1	1	1	1	1	2
Britain	2	2	3	3	4	5	5	5	3	6
Spain	10	10	10	10	10	9	9	9	10	10

2.4.2 Comparison and analysis of various elements of digital trade

According to the scores and rankings of the elements of digital trade competitiveness in 2022, this paper ranks the elements of digital trade from four aspects, and analyzes the advantages and disadvantages of China's digital trade international competitiveness.

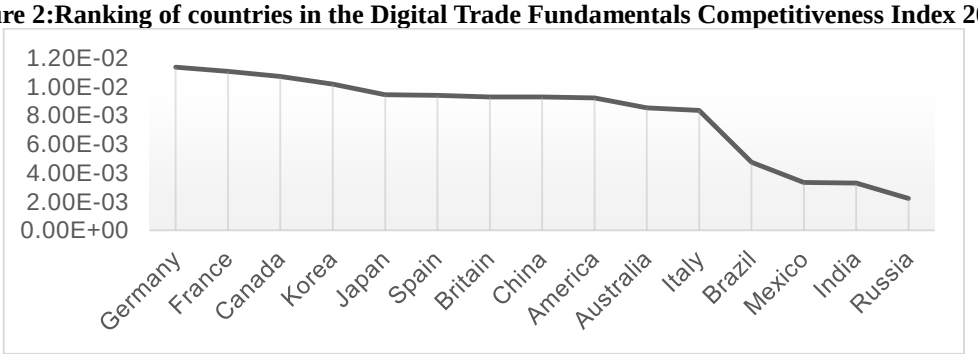
First of all, China's core competitiveness of digital trade in 2022 ranks fifth (as shown in Figure 1).Although China's innovation capacity and technological level have made remarkable achievements, according to the National Innovation Index Report 2022-2023, China's comprehensive ranking of innovation capacity has ranked 10th in the world, and is the only country to enter the top 15, with outstanding achievements in the number of cited papers and the number of valid invention patents, ranking among the best in the world.However, as shown in the figure, the ranking of China's core competitiveness is still lower than that of old developed countries such as the United States, the United Kingdom, Germany and Canada, indicating that China's digital trade innovation capability and technological level are still far behind those of developed countries. China still faces some challenges and problems. For example, the innovation system is not perfect, the degree of marketization is not high, the protection of intellectual property rights and other problems affect the vitality and efficiency of scientific and technological innovation, and the basic research ability is relatively weak compared with that of developed countries.

Figure 1:Ranking of countries in the Digital Trade Core Competitiveness Index 2022



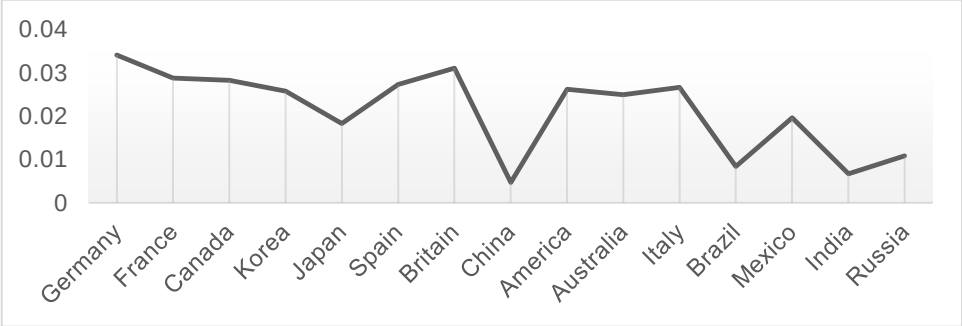
Secondly, the basic competitiveness of China's digital trade ranks eighth, and it is generally at the middle level among the top 15 countries in the world economy (as shown in Figure 2).The improvement of the basic competitiveness of digital trade can not only support the efficient operation of digital trade with a strong digital infrastructure, but also promote technological innovation and strengthen the training and introduction of digital trade talents. Therefore, it is urgent to enhance the competitiveness of China's digital trade base.Although China has continued to increase its investment in scientific and technological innovation in recent years, providing innovation resources and support for enterprises and scientific research institutions, there is still a certain gap compared with developed countries with more mature systems and higher efficiency in attracting and training top scientific research talents.According to the data of this paper, China's R&D expenditure and public education expenditure as a proportion of GDP is less than that of the United States and Britain, and the R&D expenditure and public education expenditure in developed countries are generally higher, and are mostly directed to basic research and applied basic research, basic education and higher education.As Wang Yifang pointed out to "China News Weekly", since the reform and opening up, China's basic research has developed rapidly, and has made some significant achievements in the world, but on the whole, there is still a considerable gap with the international advanced level.In addition, China's logistics performance is low. Compared with developed countries, China's social logistics costs account for a higher proportion of GDP, logistics value-added services are less, logistics added value is low(WenxuanP., 2024)[15].

Figure 2:Ranking of countries in the Digital Trade Fundamentals Competitiveness Index 2022



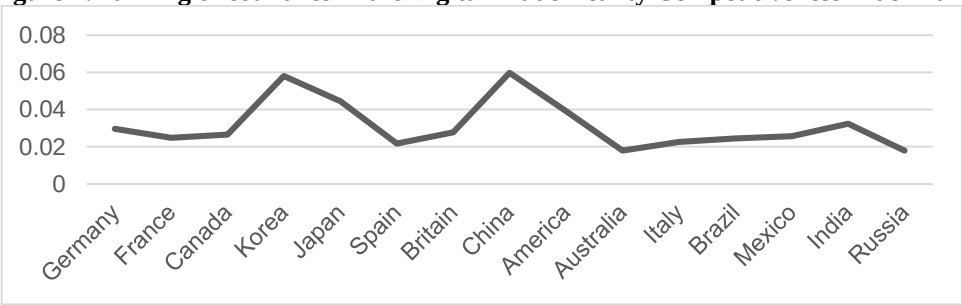
Thirdly, China's digital trade environment competitiveness ranks fourth (as shown in Figure 3). The scale of our economy continues to expand, the degree of openness to the outside world continues to improve, and trade grows rapidly. But there is still a large potential for development, specifically, China's per capita GDP is roughly equivalent to about 13,000 US dollars, while the United States is 48,400 US dollars, the United Kingdom is 40,900 US dollars; China's final consumption expenditure accounts for 37% of GDP, which is much lower than the average level of developed countries, among which the final consumption level of US residents is 68.8%.Although the globalization index has improved between 2013 and 2022, there is still room for improvement compared with developed countries; China's foreign trade dependence in 2022 will be 35.2%, which is lower than some developed countries but higher than some developing countries.

Figure 3:Ranking of countries by the Digital Trade Environment Competitiveness Index 2022



Finally, the real competitiveness of China's digital trade ranks first (as shown in Figure 4).China's digital trade scale continued to expand, digital services trade reached 3727.1 trillion yuan, another record high. Among them, the cross-border e-commerce import and export scale exceeded 2 trillion yuan for the first time, an increase of 9.8%, showing the strong momentum of China's digital trade.

Figure 4:Ranking of countries in the Digital Trade Reality Competitiveness Index 2022



IV. Grey relational analysis of China digital trade international competitiveness sub-index

Based on the overall competition situation of China's digital trade, this paper further uses the grey relational analysis method to conduct an in-depth analysis of the changes in the international competitiveness of China's digital trade from 2013 to 2022 from the two-level index dimension of the above evaluation index system.

4.1 Analysis of calculation results of grey relational degree

This paper analyzes the grey correlation degree of China's digital trade competitiveness by constructing correlation matrix.Firstly, the reference series and the comparison series are determined, and the criterion and the factors affecting the system behavior are determined respectively.Secondly, the data of China's secondary indexes from 2013 to 2022 are de-dimensionalized to obtain standardized reference series and comparative series.Then the correlation coefficients between the reference series and the comparison series are obtained by using the correlation coefficient formula.Finally, the weighted method is used to calculate the correlation degree of each layer by the weight of each index.The calculation results are shown in Table 2.The correlation degree between the two indexes all exceeds the critical value of 0.5, which fully indicates that there is a certain interaction between the indicators, and there is a strong connection, showing linkage change.

Specifically, the correlation degree between innovation ability, technology level, production factors and related industries and other secondary indicators is extremely high, greater than 0.9, indicating that innovation ability, technology level, production factors and related industries have a great impact on the international competitiveness of China's digital trade.In recent years, China has increased its investment in science, technology and innovation, and made outstanding achievements, which has greatly improved the competitiveness of China's digital trade[16].The correlation between infrastructure and other secondary indicators is high, ranging from 0.85-0.89, indicating that infrastructure has a significant impact on the international competitiveness of China's digital trade. Although remarkable achievements have been made in Internet infrastructure and Internet popularity, it is still necessary to continue to increase investment and support to promote the quality and security of Internet services.As Elena Milskaya and Olga Seeleva(2019) argue, digital economy infrastructure can enable countries to raise the level of competition and improve data quality[17].Finally, the correlation degree between economic scale, openness to the outside world and trade scale is relatively low, and the grey correlation degree is less than 0.85, indicating that economic scale, openness to the outside world and trade scale have relatively little impact on the international competitiveness of China's digital trade.

Table 3: Gray correlation degree of secondary dimension index of China's digital trade samples

Secondary index	S1	S2	S3	S4	S5	S6	S7	S8
S1	1							
S2	0.999323	1						
S3	0.996043	0.995809	1					
S4	0.999506	0.998992	0.995644	1				
S5	0.855118	0.855659	0.855051	0.854861	1			
S6	0.999442	0.999834	0.995915	0.999112	0.855557	1		
S7	0.999776	0.999523	0.995907	0.999459	0.855321	0.587709	1	
S8	0.999913	0.999382	0.995958	0.999522	0.855178	0.500948	0.659876	1

4.2 Analysis of grey relational mean results

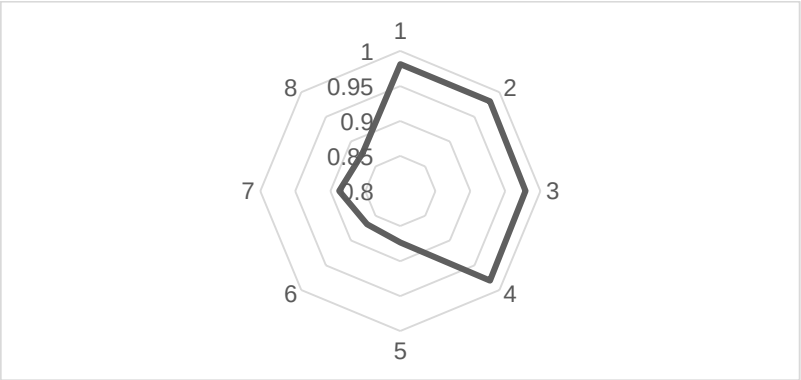
In this paper, the gray correlation degree of the above secondary dimension indicators is taken as the "average", and the internal changes of each index of international competitiveness of China's digital trade are analyzed from the perspective of average changes, as shown in Figure 1.

First of all, the average correlation degree between the two indexes of China's digital trade competitiveness generally changes within the range of [0.867, 0.981], all exceeding the criterion of 0.8.This indicates that there is not only a relatively close correlation level among the eight indicators, but also a positive impact on the other indicators if an indicator of any dimension is improved, and there is a high correlation degree between the international competitiveness of China's digital trade and the entire index system, and the index system has a strong interpretation of the international competitiveness of China's digital trade.From the gray correlation degree of each factor and the international competitiveness of digital trade, the influencing force ranks as innovation ability, technology level, related industries, production factors, openness to the outside world, trade scale, infrastructure, and economic scale.

Secondly, the average grey correlation degree of innovation ability, technical level, production factors and related industries is the highest, which is greater than 0.9, indicating that these factors are the key factors affecting China's digital trade competitiveness. In recent years, technological innovation has not only improved the competitiveness of our digital trade, but also increased the share of our digital trade in the international market.This is the result of the joint action of production factors, related industries, infrastructure and other dimensions. Conversely, the development of innovation ability and technological level will also promote the common development of other dimensions.

Finally, the average grey correlation degree of openness to the outside world, trade scale, infrastructure and economic scale is low, indicating that the overall supporting ability of China's trade scale to other secondary dimensions and the international competitiveness of the entire digital trade is relatively low.This does not match the rapid growth of China's digital trade scale in recent years, indicating that China's digital trade scale is large, but still needs to be further improved in terms of comprehensive competitiveness, thus forming the reality of China's digital trade "big but not strong".

Figure 5:Average correlation degree of China's digital trade secondary dimension indicators



V. Conclusion and suggestion

From the analysis and comparison of various elements of the international competitiveness of digital trade, the following conclusions can be drawn.First, China's digital trade competitiveness has made considerable progress in recent years, and it has a great competitive advantage in the international community, but there is still a big gap compared with some old developed countries, and it needs to be further enhanced in core competitiveness, basic competitiveness and environmental competitiveness. Second, innovation ability, technical level, production factors and related industries are the key factors affecting the international competitiveness of China's digital trade, and innovation ability has the greatest influence. Third, the whole index system has a strong interpretation of the international competitiveness of China's digital trade, and the correlation level is relatively close. The improvement of any dimension indicator will have a positive impact on other dimension indicators.
According to the above conclusions, this paper puts forward three countermeasures and suggestions.

Enhance innovation capability and technological level and enhance core competitiveness. In recent years, China has made great progress in scientific and technological innovation, becoming a major scientific and technological country with important influence in the world.However, in some high-tech fields, China's dependence on foreign countries is too high, such as the chip industry is a typical high-end manufacturing industry in the most high-tech content and manufacturing the most complex industry, the industry's technology update fast, the need to constantly invest in research and development funds, and the current talent gap in China's chip industry is very large, China's talent team in this area compared with developed countries, There is a big gap in both quantity and quality.Therefore, to further enhance the core competitiveness of China's digital trade, first of all, we need to increase capital investment and accelerate the mastery of core technologies.On the one hand, the government can give preferential policies and financial support to scientific research, encourage enterprises to increase investment in research and development, and carry out technological innovation.On the other hand, the government can set up a special fund for scientific research to support materials, equipment and technology in the process of scientific research, focus on overcoming key technologies, and realize the localization of materials and equipment as soon as possible to get rid of the situation of being subject to others. Secondly, we should strengthen talent training and introduce high-end talents.On the one hand, we can strengthen the training of domestic talents, not only to improve the quantity, but also to improve the quality, focus on training high-end talents for scientific research, and provide high-quality talent reserve for scientific research. On the other hand, we can strengthen the introduction of foreign high-end talents, absorb foreign advanced talents and teams, constantly optimize the policy environment for the introduction of domestic talents, and attract and ensure the inflow of foreign high-end talents.Finally, domestic enterprises should actively cooperate with international advanced chip enterprises, strengthen technical exchanges, and actively introduce and absorb foreign advanced technology to improve their own technology and competitiveness.

Consolidate the development of basic strength and enhance basic competitiveness. First of all, increase investment in basic research and applied basic research, optimize the structure of R&D expenditure, encourage enterprises and all sectors of society to increase investment in R&D, form a diversified source of R&D funds, improve the original innovation capacity, and lay a solid foundation for long-term development.We will increase investment in basic education, support the development of higher education, and optimize the allocation of educational resources.Secondly, improve logistics efficiency by optimizing logistics network, promote advanced logistics technology and equipment, and reduce logistics costs.We will strengthen the deep integration of the logistics industry with other industries such as manufacturing, commerce and trade, develop high-end logistics services such as supply chain management, e-commerce logistics, and cold chain logistics, and increase the added value of logistics business. Strengthen the training of logistics personnel, strengthen international cooperation and exchanges, introduce advanced logistics management concepts and technologies, improve the organizational management level of logistics enterprises, and improve the international competitiveness of China's logistics industry.Finally, continue to increase the construction of broadband network infrastructure, further improve the Internet penetration rate, and greatly invest in and support the field of Internet security. Through policy support and financial investment, promote the construction and popularization of Internet infrastructure, and strengthen Internet education and training.

Strengthen top-level design, improve institutional systems, and enhance environmental competitiveness. First, strengthen top-level design and improve the governance system. Define the layout, path and key tasks of digital trade development, and form a comprehensive digital trade policy support system; Establish and improve the digital trade statistics monitoring system to ensure comprehensive and accurate data and provide scientific basis for policy formulation; Steadily promote the construction of digital trade standards system, through the Industrial Standardization Technical Committee and other organizations for overall coordination.Secondly, we should improve laws and regulations and standardize the order of development. Formulate and promulgation of

digital trade law to clarify the legal status and definition of digital trade; We will improve the Cybersecurity Law, Data Security Law and other administrative laws and regulations to enhance the legal protection level of digital trade. Strengthen law enforcement, crack down on illegal activities in the field of digital trade, and maintain market order.Third, optimize the business environment and stimulate market vitality. Reduce market access, simplify import and export procedures, reduce trade costs, and enhance the competitiveness of enterprises in the global market; We will strengthen the protection of intellectual property rights, encourage enterprises to increase investment in research and development, and enhance their capacity for independent innovation. We will deepen the reform of delegating control over government services, optimize government services, and raise the efficiency and level of government services. Finally, we need to promote cross-border trade facilitation and free flow of factors of production. Strengthen international cooperation to facilitate cross-border data flows and trade in digital products; Participate in the formulation of international digital trade rules, and strive for more voice and benefits for the development of China's digital trade; Encourage enterprises to participate in the global digital trade competition and improve the international competitiveness of China's digital trade.

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