

## **Zhu Hexin: Global economic and trade resilience and China's contribution**

Keynote speech by Mr Zhu Hexin, Deputy Governor of the People's Bank of China and SAFE Administrator, at the Annual Conference of Financial Street Forum 2025, Beijing, 27 October 2025.

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Distinguished Vice Premier He Lifeng, Party Secretary Yin Li, Mayor Yin Yong, and dear guests,

Good afternoon! It's a great pleasure to join you at the Financial Street Forum. Just now, Vice Premier He Lifeng delivered an important speech, making arrangements for the financial system to implement the guidelines of the fourth plenary session of the 20th Communist Party of China (CPC) Central Committee. We will ensure its effective implementation. The fourth plenary session of the 20th CPC Central Committee has defined the guiding principles and main objectives for China's economic and social development during the 15th Five-Year Plan period. It has drawn a grand blueprint for the next five years, calling for greater high-standard opening-up to foster a new stage of win-win cooperation. The session emphasized that opening-up should serve as a driving force for reform and development, enabling China to share opportunities and pursue common progress with the rest of the world. To implement the guidelines of the session, I would like to share some thoughts on global economic and trade resilience and China's contribution from the perspective of advancing high-standard opening-up.

In recent years, despite multiple challenges such as the pandemic, geopolitical frictions, and the resurgence of unilateralism and protectionism, global economic and trade activities have demonstrated remarkable resilience. According to World Bank data, total global trade grew at an average annual rate of 5.4 percent between 2019 and 2024, 4.6 percentage points higher than that in the previous five years. Since the beginning of this year, global trade has continued to expand at a relatively fast pace despite a complex and volatile environment. According to the latest forecast by the United Nations, global trade will exceed USD33 trillion this year, reaching a new record high. Behind this resilience lie two key driving forces—technological innovation and open cooperation.

**On the one hand, the new round of sci-tech revolution and industrial transformation has been further advanced, injecting fresh momentum into global economy and trade.** Artificial intelligence is developing explosively, semiconductor trade is expanding rapidly, and the annual trade volume of integrated circuits has surpassed the USD1 trillion mark. Global green trade is rising swiftly. The annual trade volume of new energy products has grown from tens of billions of US dollars a decade ago to hundreds of billions in the past three years, marking an order-of-magnitude increase. The digital economy is flourishing, giving rise to new forms of trade such as cross-border e-commerce and fueling the rapid expansion of trade in services. In 2024, global exports of digital services doubled from a decade ago.

**On the other hand, opening-up and win-win cooperation serve as the endogenous driving forces behind the steady growth of global economic and**

**trade activities.** Practice has repeatedly proven that division of labor, cooperation and mutual benefit among nations are not only the sources of development, but also the foundation for risk resilience and an inherent feature of market economies. Although globalization has faced headwinds in recent years, multi-level economic and trade cooperation among countries and regions has become even closer. The entry into force of the *Regional Comprehensive Economic Partnership* RCEP, the full completion of negotiations on the Version 3.0 China-ASEAN Free Trade Area (CAFTA), and the official launch of the African Continental Free Trade Area (AfCFTA) are among the new milestones that continue to emerge, helping to uphold a diverse and stable international economic landscape and trading system.

As the world's second-largest economy and the largest trader in goods, China has shared its development opportunities with the rest of the world and made important contributions to enhancing the resilience of global trade and upholding global economic and trade rules.

**First, China has played an important role in maintaining the stability of global industrial and supply chains.** With the most comprehensive range of industrial sectors and the most complete supporting system in the world, China has offered strong support to the smooth functioning of the global economic cycle by providing high-quality manufactured goods and reliable supplies as well as by strengthening international cooperation along industrial and supply chains.

**Second, China has actively shared the opportunities presented by its super large market.** By steadfastly deepening reform and expanding opening-up, China has provided not only stability on the supply side, but also vast demand on the consumption side. Over the past five years, China's annual imports of goods and services have averaged USD3 trillion, making the country one of the world's most important consumer markets.

**Third, China has continued to cultivate new growth drivers for international cooperation in emerging sectors.** By accelerating the development of new quality productive forces and advancing industrial transformation, China has been deepening international cooperation in areas such as the digital economy, artificial intelligence, and new energy. In 2024, the value added of China's core digital economy industries accounted for about 10 percent of GDP, while imports and exports of digitally deliverable services exceeded USD400 billion, underscoring China's vital role in supporting global digital trade.

**Fourth, China has actively participated in global governance and promoted multilateral cooperation.** China has put forward the Global Governance Initiative, firmly upheld the multilateral trading system with the World Trade Organization at its core, and advocated inclusive economic globalization. Through high-quality Belt and Road cooperation, China has provided strong support for developing countries to better integrate into global value chains and the international trading system.

At the same time, China has advanced deep-seated reforms and high-level opening-up in the foreign exchange sector, facilitated cross-border trade, investment and financing, and deepened the development of the foreign exchange market. These efforts have created favorable conditions for various market entities to efficiently allocate foreign

exchange resources, manage exchange rate risks, and better participate in global economic and trade cooperation. In 2024, the trading volume in China's foreign exchange market increased by 37 percent compared with 2020, while the scale of external receipts and payments rose by 64 percent over 2020. In the first three quarters of this year, China's external receipts and payments totaled USD11.6 trillion, reaching a record high for the same period. High-standard opening-up has become a strong driving force for China's economic development.

Ladies and gentlemen,

General Secretary Xi Jinping has profoundly pointed out that economic globalization is an irreversible historical trend. The more challenging the times, the more we should stay true to our original aspiration for peaceful coexistence and strengthen our confidence in win-win cooperation. We will fully implement the arrangements made at the fourth plenary session of the 20th CPC Central Committee, coordinate development and security, continue to deepen reform and opening-up in the foreign exchange sector, and defend the bottom line whereby no systemic risks will occur. Our goal is to build a sound foreign exchange management system featuring "greater convenience, expanded opening-up, enhanced security, and upgraded intelligence".

**First, we will improve the foreign exchange policy system that rewards greater integrity with greater convenience.** We will enhance the quality and coverage of banks' foreign exchange operations reforms as well as reforms regarding trade and investment facilitation. The number of enterprises now able to handle transactions directly based on instructions has increased more than fivefold compared with the end of 2020. Focusing on trade facilitation, we will soon introduce nine new policy measures, which mainly aim to expand the scope of high-level opening-up pilot programs for cross-border trade and the range of netting settlement transactions, optimize foreign exchange fund settlement for entities in new forms of trade, and ease management of reimbursable expenses in trade in services-all designed to further promote innovation and high-quality development in trade.

**Second, we will promote high-standard institutional opening-up in the foreign exchange sector.** We will strengthen the overall planning of reforms, promote RMB internationalization and the high-quality opening-up of the capital account in a coordinated manner, and deepen the reform of foreign exchange management in key areas such as direct investment, cross-border financing, and securities investment. In September, we introduced a package of policy measures on cross-border investment and financing. In the near future, we will also roll out policies on integrated RMB and foreign currency cash pooling for multinational companies and on the management of funds raised from overseas listings by domestic enterprises. Meanwhile, we will implement integrated reform and innovation in foreign exchange management within pilot free trade zones to help open up new horizons for China's self-initiated opening-up.

**Third, we will enhance our capacity for foreign exchange regulation and risk management in an open economy.** We will strengthen the integrated regulation of the foreign exchange market from the perspectives of macro prudential management and micro regulation, leverage artificial intelligence, big data, and other digital tools to empower smart regulation, and reinforce monitoring and early warning of cross-border capital flows. We will also improve our effectiveness in combating illegal and irregular

activities, effectively guard against external shocks, and provide greater stability and certainty to support open cooperation and strengthen the resilience of global economic and trade activities.

Ladies and gentlemen,

As the capital of China, Beijing serves as the nation's center for politics, culture, international exchanges, and sci-tech innovation. Over the past three years, Beijing's total goods trade has consistently exceeded RMB3.6 trillion, while its trade in services has grown at an average annual rate of nearly 10 percent. The State Administration of Foreign Exchange will continue to support Beijing in taking the lead in piloting more pioneering foreign exchange policies, further enhancing the quality and effectiveness of policies such as pilot programs of high-level opening-up of cross-border trade and investment, as well as the Research Funding Facilitation Policy. We will intensify our support for the development of Beijing as "Four Centers" and "Two Zones", and help the city play an even more important role in promoting stable and sustainable global economic and trade development.

Last but not least, I'd like to wish this year's Financial Street Forum a complete success. Thank you!