

Analysis of Policy Tools for the Governance of Streamlining Administration and Delegating Power, Improving Regulation, and Upgrading Services in China's Pilot Free Trade Zones

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Abstract—The pilot free trade zone is China's institutional innovation experimental field and the governance of streamlining administration and delegating power, improving regulation, and upgrading services is the core of China's government management reform. This paper took the overall plans of China's 12 pilot free trade zones as the analysis objects, and used R language and social network analysis methods to explore the focus of the governance and divided the policy tools for it into three categories. The study found that the three types of policy tools in China's 11 free trade zones are mainly characterized by decentralization to the market and society, strengthening credit rating-based regulation and optimizing intellectual property services. There are problems such as insufficient empowerment of the free trade zone government, limited attention to the rule of law and fairness, and narrow coverage of public services. The study also analyzed the relative differences in the policy tools between Hainan free trade zone and other 11 free trade zones, and proposes to make the three types of policy tools coherent and optimize specifically to promote collaborative governance of streamlining administration and delegating power, improving regulation, and upgrading services and improve its ability of the free trade zone government effectively.

Keywords—*The pilot free trade zone; Governance; Policy tools; Text mining*

I. INTRODUCTION

The construction of the pilot free trade zone (FTZ) is a major decision by the Communist Party of China Central Committee and the State Council and a strategic move to advance reform and opening-up in the new era. From the first phase of Shanghai pilot FTZ in 2013 to Hainan pilot FTZ in 2018, China's pilot FTZs have formed an open position of "1+3+7+1", which constitutes the development pattern of coordination between East, Central and West and also between land and sea. In the process of exploring the open economy system, breaking down the institutional barriers that constrain development has become a key task in the construction of China's pilot FTZs. Since the 18th Communist Party of China National Congress, reforms to streamline administration and delegate power, improve regulation, and upgrade services have

always been important parts of China's deepening reform and transformation of government functions. The 13th Five-Year Plan has once again emphasized the transformation of government functions and the importance of delegating power, improving regulation, and upgrading services. As an important carrier of institutional innovation experiment and deepening reform, the construction of pilot FTZs faces new opportunities and challenges in upgrading and expanding in the new era. Exploring the focus of governance of streamlining administration and delegating power, improving regulation, and upgrading services and analyzing the effectiveness of its policy tools have become realistic problems that need to be solved urgently in the coordinated management and the realization of capacity improvement of the pilot FTZs governments.

In the past, China's researches on the construction of pilot FTZs mostly compare the status quo and countermeasures from the perspectives of economy or finance, trade, investment, etc., and the number of studies based on the governance of delegating power, improving regulation, and upgrading services is small. They mainly focused on the study of the transformation of the functions of the pilot FTZ government: The first is theoretical research, mainly from the perspective of delegating power, improving regulation, and upgrading services, constructing the theoretical analysis framework for the transformation of the functions of the pilot FTZ governments[1], refining the basic orientation and internal spirit of the transformation of the government functions[2], proposing the experience and path of governance system and governance capacity modernization[3], etc. The second is the case analysis, which mainly analyze the status quo of the specific problems in the process of the transformation of the government functions of the pilot FTZs or the governance of streamlining administration and delegating power, improving regulation, and upgrading services in China, and proposes the development path, such as the participation of social organizations and acceptance of government transfer functions[4], government agency setup and functional transformation[5], most of the researches are based on the experience of Shanghai pilot FTZ due to the early construction

time and rich development experience. The third is the analysis of policy texts, mainly using grounded theory and social network analysis methods to study the allocation of attention to the government functions of Shanghai pilot FTZ policy texts[6]. In addition, there are a small number of surveys on corporate perceptions of law-based and service-oriented government in the pilot FTZs[7]. It can be seen that the current researches have paid less attention to streamlining administration and delegating power, improving regulation, and upgrading services governance of the pilot FTZ government. Although the analysis of the text of Shanghai pilot FTZ policies are involved, the analysis of the overall situation of the governance of pilot FTZs in China is insufficient, and it doesn't start from the perspective of policy tools, or put forward targeted suggestions for improving the governance capacity of pilot FTZs.

In view of the fact that the policy text is an important carrier for the implementation of the transformation of government functions, the policy tool is the basic way and means to realize streamlining administration and delegating power, improving regulation, and upgrading services governance of the pilot FTZ government. Through the text analysis of overall plans of China's 12 pilot FTZs, this paper explores the focus of the governance of streamlining administration and delegating power, improving regulation, and upgrading services of China's pilot FTZ governments. By analyzing the use of policy tools for the governance of streamlining administration and delegating power, improving regulation, and upgrading services, it is found that its characteristics and existing deficiencies, in order to optimize the streamlining administration and delegating power, improving regulation, and upgrading services governance policy tools, and propose countermeasures of accelerating the formation of an internationally competitive pilot FTZ system and mechanism.

II. FOCUS ANALYSIS ON GOVERNANCE OF STREAMLINING ADMINISTRATION AND DELEGATING POWER, IMPROVING REGULATION, AND UPGRADING SERVICES IN CHINA'S PILOT FTZS

A. Text Source and Analysis Method

The overall plans of China's pilot FTZs are the guidance and requirements of the state for development of pilot FTZs, and clarify the development direction, characteristic positioning and governance tasks of each region. It is the main document basis for the governance of pilot FTZs. Before 2019 China introduced overall plans of China's 12 pilot FTZs, and among them, the transformation of government functions is the main task. Since the core of streamlining administration and delegating power, improving regulation, and upgrading services is to promote the transformation of government functions, this paper explores the governance of streamlining administration and delegating power, improving regulation, and upgrading services through this part of the text analysis. Because the construction of Hainan pilot FTZ is a global pilot, the main goal is to gradually promote the construction of Hainan free trade port. Compared with other pilot FTZs, the overall plan is relatively different and the introduction time is

relatively late. Therefore, this paper analyzes and compares Hainan pilot FTZ and the remaining 11 pilot FTZs. The specific analysis methods are as follows:

Firstly, the synonymous short sentences of the transformation of government functions in 11 pilot FTZ master plans were combined. Secondly, the R language is used to extract short sentences with a frequency of at least 5, and the distance between the contexts of the short sentences is set to a weight coefficient to form a 38*38 co-occurrence distance coefficient matrix. The short sentences of the overall plan texts of Hainan pilot FTZ form a 73*73 co-occurrence distance coefficient matrix, and the two matrices are respectively imported into Gephi software to draw a common word network map. Finally, the paper adopts the classification criteria of expected goals and policy tools[8], removes the expected target parts and over-macro statements in the common word network map, and task clustering and policy tool analysis were carried out on only 30 micro-statements of overall plans of 11 pilot FTZs and 66 micro-statements of Hainan pilot FTZ's overall plan.

B. Cluster Analysis of Governance Tasks of Streamlining Administration and Delegating Power, Improving Regulation, and Upgrading Services in China's Pilot FTZ Governments

Governance tasks of streamlining administration and delegating power, improving regulation, and upgrading services of 11 pilot FTZs and Hainan pilot FTZ Government in China are clustered into three clusters. The specific results are shown in Fig. 1 and Fig. 2(Due to the large number of short sentences in the Hainan pilot FTZ's overall plan, this paper encoded them and presented the short sentences in coded form in Fig. 2, and the specific short sentences coding are shown in Fig. 4). According to the content of the high-frequency short sentences contained in each group, it can be judged that the themes of the three clusters in Fig. 1 and Fig. 2 are streamlining administration and delegating power, improving regulation, and upgrading services. Therefore, through text analysis, we can understand that the foci of streamlining administration and delegating power, improving regulation, and upgrading services governance are as follows:

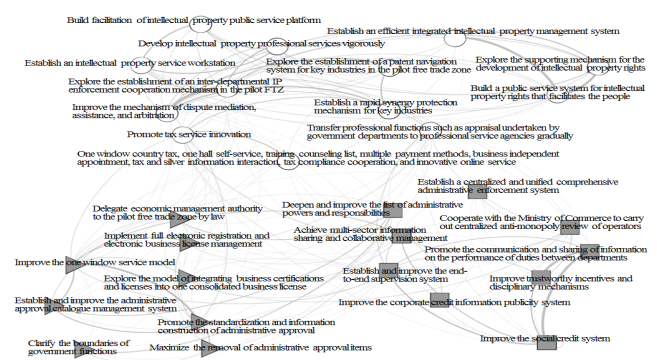


Fig. 1. Clustering map of 11 pilot FTZs

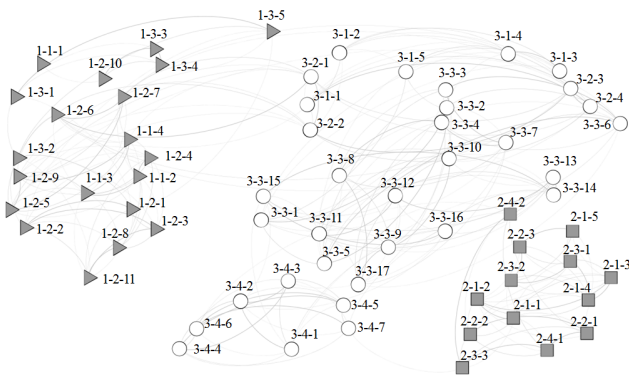


Fig. 2. Clustering map of Hainan pilot FTZ

First focus is streamlining administration and delegating power. As shown in the gray triangle clusters in Fig. 1 and Fig. 2, the expansion of autonomy in reform and opening up of pilot FTZs is mainly focused on the following two points: First, pilot FTZs should deepen the reform of the administrative management system. On the one hand, they should streamline institutions and personnel, optimize the organization's allocation of resources, in order to reduce the drawbacks of repeated cross-functional functions. On the other hand, they should reduce government approval and relax market access. It is necessary to decentralize more to the pilot FTZ government so that it can adapt to local conditions and explore innovation, and put the matters that should be determined by the market and society to themselves. After the decentralization, the government will do a good job of convergence, management and evaluation to ensure that the decentralized approval items can be received and managed well; Second, efforts will be made to promote the reform of the business registration system, simplify the procedures, improve the efficiency of registration, relax market access restrictions, and break down barriers to investment and trade. This will reduce institutional transaction costs, promote the further development of emerging industries, small and medium enterprises and foreign-invested enterprises in the region and create a fair, transparent and international business environment.

Second focus is improving regulation, which means deregulation in the prior stage and that the risk of market security increases, and market failures may occur in areas such as externalities, natural monopolies, and information asymmetry, and market failures may occur in areas such as externalities, natural monopolies, and information asymmetry. At this time, the government is required to make necessary supervision and regulation, and as the main responsible party, the government shifts the focus of supervision and pays more attention to market order supervision to establish a supervision system during and after production. It can be seen from the clustering of gray quadrilaterals in Fig. 1 and Fig. 2. The main tasks of improving regulation include: The first is to optimize the government supervision system, integrate supervision functions and administrative enforcement forces, and establish a comprehensive, unified, authoritative and systematic supervision system across departments and industries. The second is to innovate the government supervision system. The government should use modern information technology such as

the Internet and big data to build a supervision system with credit rating-based regulation as the core to implement strict supervision on enterprises, investment, and trade goods entering pilot FTZs, which can improve regulatory effectiveness and impartiality.

Last focus is upgrading services. The white circular clusters in Fig. 1 and Fig. 2 show the reinvention function of the pilot FTZ government and improve the service supply capability: On the one hand, optimizing the process, sharing information, innovating mechanisms, and enhancing collaboration linkage are the foci, providing enterprises and citizens with the information and office services required for their life and development as well as providing a convenient public service environment for enterprises and the masses, and further attracting talents and advantageous resources. On the other hand, the governments coordinate and diversify the multi-subjects to carry out consultation and cooperation, and adopt various channels including introducing competitive mechanisms, opening up service markets, and cooperating with private organizations to provide targeted professional services to enterprises and citizens to meet their individuality and diversity, which can reduce government pressure and improve service efficiency.

III. POLICY TOOLS OF GOVERNANCE OF STREAMLINING ADMINISTRATION AND DELEGATING POWER, IMPROVING REGULATION, AND UPGRADING SERVICES IN CHINA'S PILOT FTZS

A. Classification of Policy Tools for Governance of Streamlining Administration and Delegating Power, Improving Regulation, and Upgrading Services in China's Pilot FTZs

Policy tools are the means, mechanisms and methods that the government adopts to achieve policy objectives. Domestic and foreign scholars propose a classification of policy tools from the perspective of multidisciplinary theory such as economics and political science. The classification of policy tools has different characteristics according to different policy areas. For example, Howlett and Ramesh divided policy tools into voluntary, hybrid, and mandatory types based on the level of government intervention in the provision of public goods and services [9]. On the basis of this, Chinese scholars Li Jian and Rong Xing studied the social organization development policy tools, and proposed the classification of deregulation, supervision as well as cultivation and development based on the requirements of reforms to streamline administration and delegate power, improve regulation, and upgrade services [10]. From the text cluster analysis, it can be found that the government governance of China's pilot FTZs is mainly centered on streamlining administration and delegating power, improving regulation, and upgrading services. Based on the researches on the types of policy tools, this paper sorts the policy tools of governance of the pilot FTZ government into three categories: streamlining administration and delegating power, improving regulation, and upgrading services.

B. Analysis of Policy Tools for Governance of Streamlining Administration and Delegating Power, Improving Regulation, and Upgrading Services in China's Pilot FTZs

According to the classification of policy tools, this paper classifies and summarizes the clustering short sentences of government governance tasks in 11 pilot FTZs, and analyzes the classification of streamlining administration and delegating power, improving regulation, and upgrading services governance policy tools. The names of specific policy tools are shown in Fig. 3. First of all, the policy tools of streamlining administration and delegating power emphasize the decentralization of administrative authority and the simplification and regulation of administrative approval, which mainly involve two types of specific policy tools: For one thing, the central government and local government have delegated power to the pilot FTZ government. The overall plans clearly state that "The economic management authority is decentralized to the pilot FTZ according to the law", and the central government and local governments decentralize part of the economic management authority and approval items to the pilot FTZ. It can give play to the creativity and autonomy of pilot FTZ governments while enhancing its authority and legitimacy. For another, the pilot FTZ government decentralizes the market and society. Through short sentences such as "Maximize the cancellations of administrative approval items and explore the multi-certification unit model", pilot FTZ governments cancel and decentralize the approval matters, and reduce the approval matters and procedures before and after enterprises enter the market. Pilot FTZ governments will promote the open and transparent operation of administrative approval and service matters and processes to the society through the sentence "Clarify the boundaries of government functions, promote the standardization of administrative approval and construct informatization".

Secondly, policy tools of improving regulation emphasize end-to-end supervision mainly involve four specific policy tools: The government should strengthen credit rating-based regulation, because short sentences such as "Improve the social credit system and corporate credit information disclosure system" show that pilot FTZ governments are based on information sharing, with information disclosure as a means to strengthen the regulation and control of credit on the behavior of market players. On the flip side, the governments should optimize the supervision method, and the short sentences such as "Promote the communication and sharing of information on the performance of duties between departments" reflect the synergy between the government regulatory departments of pilot FTZs, optimizing the supervision methods, and forming a pattern of information interconnection and linkage supervision. The sentence "Deepen and improve the list of administrative powers and responsibilities", etc. reflect that pilot FTZ governments voluntarily accept social constraints and supervision to avoid abuse of power. And then, it is the comprehensive administrative enforcement mechanism. The sentence "Establish a centralized and unified comprehensive administrative enforcement system" requires carrying out the reform of the large-scale system of the regulatory agencies, merge and integrate similar regulatory functions, and effectively separate administrative enforcement and

supervision. Besides, there is fair competition. The governments need to carry out anti-monopoly review, maintain fair market competition order, and create an open, orderly and competitive business development environment.

Finally, there are upgrading services policy tools, which mainly involve two specific policy tools: The first is to promote the innovation of tax service. In order to adapt to the reform trend of the registered capital registration system in the power delegation, pilot FTZs will change concepts, innovate services, and promote tax registration facilitation. The second is to optimize intellectual property services. The core task of the pilot FTZ construction is innovation, and intellectual property rights are the basic guarantee for incentives and protection innovation. Therefore, the overall plans emphasize that "Build a public service system for intellectual property rights that facilitates the people". Pilot FTZ governments should carry out intellectual property protection, set up intellectual property service workstations and professional service agencies, establish a patent navigation system, etc., while they upgrade the intellectual property service environment, and lead the economic development mode to drive innovation.

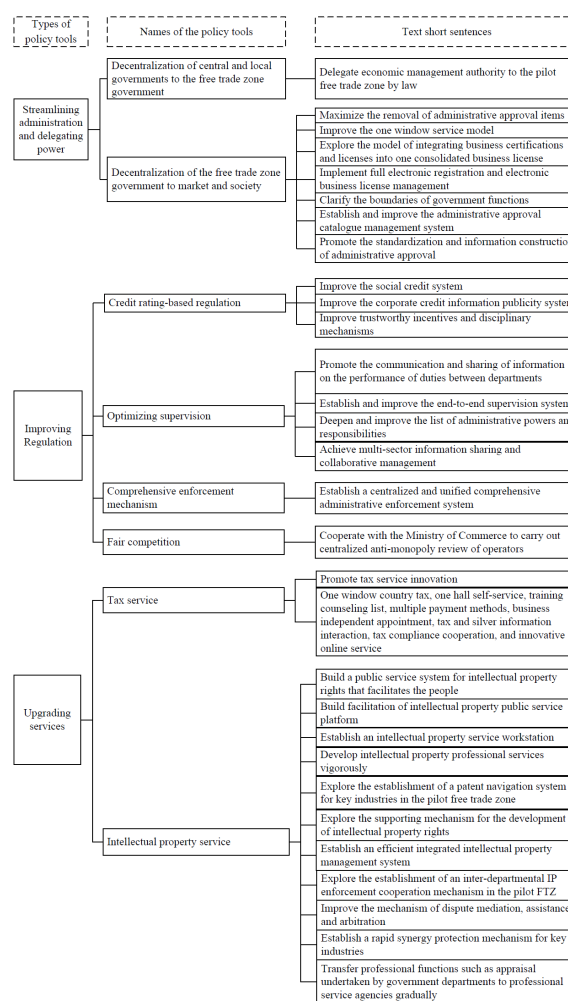


Fig. 3. Policy tools of streamlining administration and delegating power, improving regulation, and upgrading services governance in 11 pilot FTZs

C. Differences in Policy Tools for Governance of Streamlining Administration and Delegating Power, Improving Regulation, and Upgrading Services in Hainan Pilot FTZ

Compared with the policy tools of other 11 pilot FTZs, policy tools of Hainan FTZ are basically similar, but there are also some differences, and the classification of streamlining administration and delegating power, improving regulation, and upgrading services governance policy tools and the specific policy tool names are shown in Fig. 4.

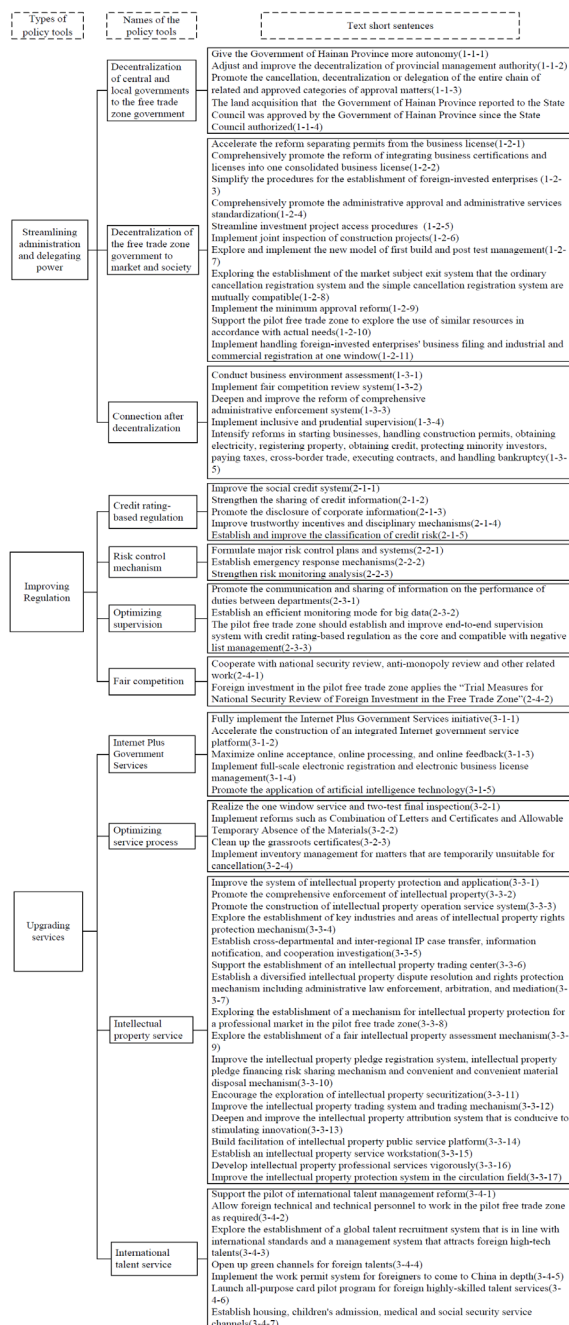


Fig. 4. Policy tools of streamlining administration and delegating power, improving regulation, and upgrading services governance in Hainan pilot FTZ

In the decentralizing policies to the market and society of streamlining administration and delegating power policy tools, through the sentences "Support the pilot free trade zone to explore ways to increase the use of similar resources in a unified manner" and "Simplify the procedures for the establishment of foreign-invested enterprises", Hainan FTZ pays attention to institutional reform and relax investment, especially foreign investment access. In addition, through the short sentences such as "Conduct business environment assessment" and "Implement fair competition review system", the overall plan innovatively put forward the link policy tools after decentralization. In the follow-up management, the team will be streamlined, and the concepts of prudence and innovation will be adhered to, and a fair institutional environment and evaluation support will be provided in decentralization. The connection between the release and the management will be smooth and coordinated, and the decentralization of the administration will be truly implemented.

The improving regulation policy tools of Hainan FTZ include four specific policy tools: credit rating-based regulation, regulation methods, fair competition and mechanism of risk control. Among them, the mechanism of risk control represented by short sentences such as "Formulate major risk control plans and systems" is the innovation of Hainan FTZ policy tools. Since Hainan FTZ is a global pilot, compared with the other 11 pilot FTZs, the degree of reform is deeper, and the risks are greater and the impact is stronger. In order to avoid systematic and regional risks, the government builds risk prevention, risk monitoring, risk control, risk emergency response, risk resolution and liability guarantee mechanisms, and strives to establish a scientific, systematic and effective mechanism of security risk to create a good economic environment and society, which can promote successful implementation of various pilot tasks in Hainan FTZ.

Hainan FTZ upgrading services policy tools have undergone major changes, which mainly involve four specific policy tools, and of which only the intellectual property service tools are consistent with the other 11 pilot FTZs. The other three policy tools are based on the new situation and new problems in the construction of the Hainan FTZ: The first is the Internet Plus Government Services. "Fully implement the Internet Plus Government Services initiative" and "Accelerate the construction of an integrated Internet government service platform" and other short sentences reflect the use of artificial intelligence technology in the pilot FTZ, which promote the coordinated management of various departments within the government. The government implements comprehensive online processing to improve the efficiency of approval services, and pays particular attention to issues closely related to the vital interests of citizens in the field of social governance to enhance people's sense of gain and happiness. The second is to optimize the service process. "Realize the one window service and two-test final inspection" and "Clean up the grassroots certificates" and other short sentences indicate that Hainan FTZ innovates government service model, promotes online and offline resources docking cooperation, and breaks through the service bottleneck. At the same time, it also enables the grassroots work to reduce the burden and put more

energy into the grassroots construction and service. The third is international talent services. From “Support the pilot of international talent management reform” and “Open up green channels for foreign talents” and other short sentences, we can know that Hainan FTZ government insists on providing a high-quality service environment for international talents to gather outstanding talents at home and abroad, to promote the innovation ability and integrate international competition, which reflect the open concept of employment and tolerance in the new era.

IV. SHORTAGES OF POLICY TOOLS FOR GOVERNANCE OF STREAMLINING ADMINISTRATION AND DELEGATING POWER, IMPROVING REGULATION, AND UPGRADING SERVICES IN CHINA’S PILOT FTZS

From the above text analysis, it can be seen that the three governance policy tools of 11 pilot FTZ governments in China are relatively balanced; they have certain systemic, holistic and synergistic characteristics, and have the characteristics of government governance in China. Policy tools are the ways to effectively achieve policy objectives, policy objectives provide criteria for assessing the effectiveness of policy tools, and policy tools should serve policy objectives. Through the recombination analysis of the 11 pilot FTZ master plans, the overall policy goal of streamlining administration and delegating power, improving regulation, and upgrading services is to promote the transformation of government functions. The specific policy objectives are 12 items such as “Improve market access and supervision systems, optimize the rule of administrative environment, deepen the reform of the administrative management system, improve the efficiency of administrative management, and strengthen end-to-end supervision”. However, from the analysis of the policy tools, it can be seen that there are still some deviations between the current pilot FTZ policy tools and policy objectives, and the following problems exist.

A. *Policy Tools of Streamlining Administration and Delegating Power is Mainly to Decentralize the Market and Society, and Empowerment of the Pilot FTZ Government is Insufficient*

Due to the nature of the pilot FTZ and the policy objectives of improving the market access and supervision system, improving the level of utilization of foreign capital, promoting the decentralization of administration, and deepening the reform of the administrative approval system. The pilot FTZ requires higher freedom of authority in trade and economic activities, and requires that the government governance environment should be relatively loose. Among the types of tools for streamlining administration and delegating power, the policy tools to decentralize the market and society account for a large proportion. It can be seen that the government governance of the FTZ attaches importance to mobilizing the role of market mechanisms and social forces in the governance of public affairs, which can further optimize the approval process, relax market access, and attract foreign investment. Tools for central and local governments to decentralize the pilot FTZ government are less. This is due to the influence of

China's top-down power structure, and the construction of China's pilot FTZs is still in the exploratory stage. It has not yet grasped the inherent laws of its development and operation, and it needs the central government to control it. It is more prudent to use such policy tools. With the further opening up and development of FTZs, the central and local governments' large-scale power intervention will have a retarding effect on the governance of the pilot FTZ. The pilot FTZ government is unable to further promote reforms when the autonomy is excessively restricted, and it is also inconsistent with the policy objectives of streamlining administration and delegating power. It is necessary to delegate more power to the pilot FTZ government in policy tools, and stimulate the vitality of the reform and innovation of the pilot FTZ itself.

B. *Improving Regulation Policy Tools with Credit Rating-based Regulation as the Core and Limited Attention to the Rule of Law and Fairness*

The increase in the degree of liberalization of business operations in FTZs has brought new challenges to the government's regulatory capabilities. In the overall plans, the improving regulation policy tool has also been strengthened to achieve the policy objectives of enhancing end-to-end supervision. The main specific policy tools are credit rating-based regulation and optimization of regulation methods, fully mobilizing the forces of all parts, strengthening corporate self-discipline and social supervision, reducing the pressure and cost of government ex ante supervision, and improving the efficiency and execution of end-to-end supervision, which can provide basic support for the smooth administration of power. However, there is only one short sentence in the comprehensive administrative enforcement mechanism and the fair competition policy tools, and the policy attention is insufficient. On the one hand, administrative enforcement is the main way to implement laws and regulations and govern according to law. If administrative enforcement is not in place, it will easily lead to the destruction of social order and damage to the public interest. The specific implementation of relevant laws and regulations is also difficult to obtain guarantees, and it is impossible to meet the target requirements of optimizing the rule of law-based governance environment. The pilot FTZ governments should effectively promote the construction of the rule of law government through various other methods such as the establishment of administrative enforcement team in the policy. On the other hand, fairness and justice are the inherent requirements of socialism with Chinese characteristics and the primary condition for realizing the policy goal of building a fairer and more convenient business environment. Insufficient use of fair competition policy tools may lead to economic inefficiency, local protection, monopoly, rent-seeking, market environment disorder, etc. in pilot FTZs. In order to regulate the market order, provide a creative environment for business operations, and achieve the corresponding policy objectives, it is necessary to strengthen the importance of fair competition policy tools.

C. *Upgrading Services Policy Tools Focus on Intellectual Property Services and Public Service Coverage is Narrow*

The number of tools related to intellectual property services in the upgrading services policy tool is relatively large, which is conducive to the achievement of the goal of piloting the comprehensive management reform of intellectual property rights. The improvement of intellectual property service level can increase the investment of enterprises in R&D, and thus enhance the level of independent innovation, promote the accumulation of various resources in the region, enhance the endogenous power and vitality of economic development and the international influence of China's pilot FTZs. However, the coverage of policy tools is narrow. On the one hand, there are only two parts of intellectual property and tax services. Compared with the whole life cycle of the enterprise development, the service areas and stages involved are relatively small, which lead to insufficient promotion of the sustainable or healthy development of enterprises in FTZs. In general, the policy tools do not really reflect the transformation of the government role from manager to servicer, nor does it give full play to the professional and cost advantages of third-party organizations providing services. The service capacity and level are limited and difficult to meet the goal of building a new social governance system with multiple parties and reforming and innovating the government management method. The FTZ government can incorporate the Internet Plus Government Services initiative and provide more service functions in the social governance fields such as transportation and medical public goods into the service system to provide more extensive and high-quality services to meet the growing needs of the people, enhance investor confidence and predictability of future services, unleash the attractiveness of global investment.

D. *Hainan Regards Upgrading Services Policy Tools as the Key and Improving Regulation Policy Tools are Relatively Lacking*

The policy tools of Hainan FTZ are similar to those of the other 11 pilot FTZs, but they also have certain differences. Under the guidance of the spirit of the Party's 19th National Congress and the second and third plenary sessions of its 19th Central Committee and Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, Hainan FTZ Government proposed 6 specific policy objectives from the actual construction, which are "Deepening institutional and administrative system reform, building a world-class business environment, deepening the promotion of administrative management functions and process optimization, comprehensively implementing the Internet Plus Government Services initiative, improving the intellectual property protection and application system, and improving the convenience of foreign talents". Its policy tools have also been adjusted, expanded and innovated on the basis of the other 11 pilot FTZs, presenting new features.

The upgrading services policy tool has become the most important type of policy tools with a ratio of about 50%, and the coverage of public services has expanded. Under the guidance of policy objectives, it emphasizes the optimization of social governance service processes, intellectual property

services and international talent service levels. However, the importance of how to improve the public service system and strengthen the construction of social governance systems is limited, and the goal value orientation of "heavy development and light people's livelihood, heavy enterprise and light people, and heavy production of light life" has not been effectively implemented, and the degree of promotion of policy objectives has not been deepened. The use of improving regulation policy tools is insufficient, accounting for only 20% of the total. It is not conducive to the construction of end-to-end supervision system and coordinated supervision mechanism. It is difficult to implement relevant laws and regulations, which may lead to deregulation, inadequate supervision and disorder coexisting. This will conflict with policy objectives such as deepening institutional and administrative reforms and building a world-class business environment.

V. CONCLUSION

The governance of streamlining administration and delegating power, improving regulation, and upgrading services is the core of the China's pilot FTZ government management reform, and also an important part of promoting China's comprehensive deepening reform. It must adapt to the needs of the times of socialism with Chinese characteristics. The selection, application and innovation of policy tools should be guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, implement the Party's line, principles and conference spirits, and set the direction and policy under the Party's leadership. At the same time, policy objectives provide guidance for policy tools, and policy tools should be consistent with policy objectives to promote the achievement of policy objectives. At present, China's pilot FTZ government's governance of streamlining administration and delegating power, improving regulation, and upgrading services includes three types of policy tools: streamlining administration and delegating power, improving regulation, and upgrading services. Each policy tool type has a number of specific policy tools to achieve the ultimate goal and policy objectives. The governance of streamlining administration and delegating power, improving regulation, and upgrading services of the FTZ Government is a systematic project. Although the three types of policy tools have their own specific applicable objects and conditions, they are not completely independent but are coherently taken into account to play a role. To effectively promote the governance of streamlining administration and delegating power, improving regulation, and upgrading services, it is necessary to lay a good combination of punches.

First of all, the tools for streamlining administration and delegating power should emphasize the decentralization tools to the pilot FTZ government. The pilot FTZ, as a new highland for reform and opening up in the new era, bears the task of preemptive trials for the management of streamlining administration and delegating power, improving regulation, and upgrading services. The central and local governments should give the pilot FTZ greater autonomy in reform, so that it can boldly explore the roads, and provide more replicable and scalable innovations. In addition, we must continue to attach importance to the decentralization of tools to the market and

society, minimize the direct allocation of government resources to the market and direct intervention in market activities, and play a decisive role in the allocation of resources in the market. The government will do a good job of decentralization management after decentralization, effectively compensate for market failures, and create a good development environment to stimulate market vitality, to enhance endogenous motivation, and to release domestic demand potential.

Secondly, the improving regulation policy tools should be effectively coordinated with the policy tools of streamlining administration and delegating power, and form an end-to-end supervision system with credit rating-based regulation as the core. It is necessary to strengthen the use of tools for mechanism of risk control, and to accelerate the formation of a system of supervision and co-governance of enterprise autonomy, industry self-discipline, social supervision, and government supervision, which may effectively promote the decentralization of administration. Among them, we must increase our attention to the tools of administrative enforcement mechanisms. Policy tools should implement regulatory responsibilities by properly setting up administrative enforcement agencies, clarifying the responsibilities of administrative enforcement agencies, scientifically deploying administrative enforcement forces and teams, and standardizing administrative enforcement operations procedures and methods. As a result, pilot FTZs could create a fair and just atmosphere of the rule of law, effectively protect the market environment in a fair and orderly manner, and build a platform for sustainable development of free trade and investment.

Finally, upgrading services policy tools must provide convenient and efficient government services, adhere to problem-oriented, use modern means such as Internet platform and artificial intelligence technology, simplify service procedures, improve service quality, and proactively provide accurate services in place to solve the problem of blockage and difficulty of the masses after decentralization and supervision efficiency increase, and promote the effective operation of the policy tools of streamlining administration and delegating power and improving regulation. It is also necessary to provide fair and accessible public services, especially pay attention to service tools in social governance, focus on outstanding issues reflected by enterprises and the masses, play a good role in social coordination and public participation, promote the efficient docking of public service supply and demand, and meet the growing needs of the masses for meeting the growing diversified and personalized service needs of the masses and people's increasing needs for a better life.

In short, policy tools for governance of streamlining administration and delegating power, improving regulation, and upgrading services in China's pilot FTZs should aim at

building a service-oriented government that people are satisfied with. In the meantime, policy tools must put a people-centered development view at the forefront, rationally apply and optimize the three types of policy tools of streamlining administration and delegating power, improving regulation, and upgrading services to effectively achieve policy objectives. The governments of pilot FTZs should work hard to create a legalized, international, and convenient business environment, and improve the level of modernization of the governance system and governance capacity, which could enable the reform and opening up of pilot FTZs to develop in depth, unleash a larger dividend space and enhance the important position and role of the pilot FTZ in China's strategic structure.

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