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INNOVATIVE INVESTMENT IS THE MOST IMPORTANT FACTOR IN INTERNATIONAL INVESTMENT COOPERATION

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China's integration into the global economy has been a major driver of its growth and development. China has become the world's largest trader of manufactured goods and a major destination for foreign investments. China has stated that it is committed to building a "community of shared destiny" and promoting an open global economy. Continued reforms to open up its economy will be critical for realizing China's aspiration to become a more productive and innovative economy.

China has experienced a remarkable period of high rates of growth over the past four decades. China is now at a crossroads, with declining returns to public investment and rapid aging. Developing new drivers of growth will require more efficient allocation of resources while reducing environmental impacts and continuously boosting productivity. Unlocking the new drivers will also require governance reforms to let market forces play a decisive role in allocating resources and a reorientation of China's innovation system.

China has rapidly improved its innovation capabilities in recent years. Nonetheless, to foster further discovery of new products and processes, proposes a recalibration of China's national innovation system. The objective of such recalibration should be to make it bottom-up, market-oriented and inclusive and to develop innovation support programs that are more demand-based. Robust market competition would incentivize enterprises to continuously innovate and upgrade [1].

China exited the financial crisis, with GDP growing above 9 %, low inflation and a sound fiscal position. However, the policies implemented during the crisis to foster economic growth exacerbated the country's macroeconomic imbalances. Particularly, the stimulus program bolstered investment, while households' consumption remained relatively low.

With growing complexity and competition, organizations find it increasingly important to collaborate with other firms to generate new ideas, products, and services for several reasons. First, partnerships allow organizations to specialize in specific domains and contribute their specialized expertise, resulting in faster development of innovations. Second, partnerships encourage more experimentation by allowing for risk sharing and lowering the perceived risk of engaging in innovations. Third, individual firms may not possess all the resources required for innovation and create partnerships to gain access to resources they need.

Strategic alliances and partnerships help organizations to access complementary resources and knowledge from partner organizations. The exchange of knowledge with partners leads to better innovation performance for the firm. Further, partners may possess and specialize in knowledge elements that were not previously combined, thus increasing the likelihood of making new unique knowledge combinations. Research has provided evidence of the benefits of cooperation with other firms on the sales of innovative products and the number of patents by a firm. Hence, organizations that are able to join partners in seizing new opportunities will become more innovative and adaptive.

Economic growth soared in the last few decades mainly due to the country's increasing integration into the global economy and the government's bold support for economic activity. However, the successful economic model that lifted hundreds of millions out of poverty and fueled the country's astonishing economic and social development has also brought many challenges. Severe economic imbalances, mounting environmental issues, rising economic inequality and an aging population are the key questions that the new administration lead by President Xi Jinping will have to tackle in the near future in order to ensure the country's sustainability.

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CHINA'S EXPERIENCE IN ATTRACTING FOREIGN INVESTMENT

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China has endeavored to attract greater foreign investment by relaxing more market access restrictions and continuously introducing improvements to the business and regulatory environment.

Key among its reform actions are changes to the negative lists. These lists indicate which industries are subject to special administrative measures for foreign investors, or