

НАПРЯМ 11. ТУРИЗМ, КРЕАТИВНІ ІНДУСТРІЇ ТА КУЛЬТУРНА ЕКОНОМІКА У ВІДБУДОВІ УКРАЇНИ

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CHINESE HAINAN PORT'S INDEPENDENT CUSTOMS OPERATIONS BREAKTHROUGH: VALUE FOR ITS ECONOMY UPGRADE AND IMPACT ON PARADIPLMACY

Following the establishment of the Hainan special economic zone (SEZ) in 1988, and the Hainan free trade on area (FTA), the Standing Committee of the 13th National People's Congress adopted the Law of PRC on Hainan Free Trade Port Law on June 10, 2021. According the Law the Hainan Free Trade Port (HFTP), and its regime was launched across the province on December 18, 2025.

In the context of the deepening of Hainan marketization, the initiation of HFTP autonomous customs operations is anticipated to engender a paradigm shift in the regional developmental structure. This is predicated on the hypothesis that such an initiative will serve to dismantle the prevailing barriers to the seamless circulation of goods, capital and other factors of production. It is asserted that this will contribute to the formation of a coordinated development of production and logistics infrastructure between Hainan and neighboring regions. Within its fir, key indicators such as goods circulation and traffic flow showed remarkable improvement in 2025 – early 2026. The proportion of tariff lines covered by the zero-duty regime at the HFTP will increase to approximately 70 %, and that the streamlined rules will allow the application of the duty-free regime for value-added goods [1,1].

These measures are expected to have a significant impact on operating costs in the provincial industries such as pharmaceuticals and high-tech manufacturing. Furthermore, he anticipates that the measures will stimulate the establishment of industrial clusters and accelerate the development of new sectors, including offshore wind power, commercial aerospace, and international and domestic tourism.

Hainan's tourism industry has significantly raised its international profile during the last five years and is undergoing a rapid transformation, evolving into a global, high-end, duty-free consumption centre. The sector's

significance is underscored by its contribution of 33,4 % to the province’s GDP and received more than 100 million tourist visits in 2025, including 1.5 million inbound visitors, up 35.2 percent year on year, according to the annual session of the Hainan Provincial People’s Congress and its government work report. In 2025, visa-free arrivals rose 64 percent year on year, the number of international navigation ships leaving and entering ports increased 19.6 percent, and offshore duty-free sales climbed 46.8 percent [2–3].

The HFTP policies have facilitated visa-free access for visitors from 59 countries, substantial duty-free shopping opportunities, and a strategic focus on marine, tropical rainforest, and wellness tourism. Concurrently, the augmentation of the duty-free shopping category for travellers and the refinement of buyer policies for island residents are anticipated to further stimulate local consumption.

Over the last five years, tourism infrastructure and products have also seen rapid expansion. Hainan added two national-level tourist resorts and one new 5A-level scenic area. A fundamental component of Hainan’s tourism industry, which experienced a 46.8 % surge in sales in early 2025 following the implementation of advantageous policies. It has been demonstrated that duty-free prices are lower than those observed in the domestic market and sometimes fall below the mean value. In addition, the new duty-free policy has significantly lowered the purchase threshold for local residents. Under the policy, local residents with a departure record can purchase up to 15 “pick-up” items yearly, which has also stimulated the shopping enthusiasm [4, 2].

Table 1

Key tourism business sectors and trends of Hainan tourism economy

High-end hospitality and luxury resorts. Hainan has a high concentration of international luxury resorts, with 94 international brand hotels and 78 professional management firms.
Diversified Attractions: The focus was scheduled on markets, including, but not limited to, yachting, cruise tourism, marine sports, aerospace tourism and medical tourism.
The relationship between ecotourism and cultural heritage is a complex one, and as such, requires further investigation. The Hainan Tropical Rainforest National Park and cultural initiatives seek to integrate environmental conservation with sustainable and immersive tourism.
Rising Demand: In 2025, Hainan received over 100 million tourists, with a 35.2 % increase in international visitors.
International Hub Status: The island is enhancing its infrastructure with a view to becoming a global tourism hub by 2026, with a target of 110 million visitors.
Regulatory Changes: New regulations in 2025 are designed to ensure market integrity, strengthen consumer protection, and strictly regulate the tourism industry to promote quality service.
Investment Focus: State-owned enterprises such as Hainan Tourism Investment Group Co., Ltd. It is evident that (HNTI) are exerting a significant influence on the development of transportation, retail, and hospitality.

Continuation of Table 1

<p>Key Tourism Infrastructure: Transport and infrastructure in tourism sphere have been improved. The rapid expansion of transportation networks, including high-speed rail and increased flight access, has resulted in significant improvements to the island's accessibility. Newly built Hainan Coastal Scenic Highway, the highway, with a length of 988.2 km, provides a connection between 12 coastal cities, thereby promoting the development of coastal tourism [1, 5, 6].</p>
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Hainan will focus on expanding consumption tied to marine, aerospace and rainforest tourism in the future. New measures will be introduced to further stimulate tourism spending, diversify culture, tourism and sports activities, and enhance scenic areas and related services. The Hainan government also expects total domestic and international tourist visits to grow by around 8 percent in 2026, with inbound tourism seeing particularly strong gains.

Since 1996, and prior to 2014, the Hainan Province had established and was engaged in collaborative endeavours with the Ukrainian Autonomous Region of Crimea (ARC). This phenomenon can be regarded as an illustration of the collaborative paradiplomatic endeavours undertaken by the two regions on the subnational level.

Table 2

Examples of ARC-Hainan paradiplomacy in 2010s

<p>In 2011 vice-governor of Hainan Province, visited the ARC, the Ukrainian partner in paradiplomacy relations, and met with its leaders in Simferopol to discuss opportunities for collaboration between the two regions. Hainan and ARC were found not merely analogous regions; they exhibit a high degree of similarity in terms of natural beauty, as well as socio-economic situation. Vice-governor expressed his willingness to engage in close cooperation with the ARC, particularly in the domains of construction, tourism, science, education and healthcare.</p>
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<p>The vice prime minister of the Council of Ministers of the ARC has observed a marked increase in China's interest in Crimea and stressed that Hainan is one of five regions of China that have been designated as having a special economic status, and it is imperative to emphasise the endeavours undertaken in this regard within the province of Hainan.</p>
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<p>In the course of the meeting, the parties also gave due consideration to the draft agreement between the Autonomous Republic of Crimea and Hainan Province for the 2012–2014 period, which had been prepared in advance.</p>

<p>In 2012 the delegation from the Hainan visited ARC in August 2012. The Prime Minister of the ARC met a delegation of the Chinese province. The parties agreed on cooperation in the fields of tourism, agriculture, culture and banking industry. Vice-Governor of Hainan Province added that one of the purposes of its visit is the examination of the possibility of delivering Crimean wines to China. Hainan delegation invited the ARC leaders on a visit to the province to establish close partnerships and encourage the exchange of experience in various sectors of the economy [7, 1]</p>
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The Hainan Free Trade Port (HFTP) is emerging as a pivotal area for the economic enhancement and internationalisation of Hainan. The HFTP fosters regional collaboration and promotes economic globalisation through the “One Belt, One Road” initiative, in which the APC is poised to participate in its post-war reconstruction process.

The initiation of island-wide special customs operations in the HFTP was a salient measure of the market economy reforms, tourism industry, and international engagement with other regional governments on subnational level via paradiplomacy and business channels. It is anticipated that the further performance and improvement of the HFTP and its regimes will result in the emergence of eventually substantial prospects for ARC in subnational cooperation with the Chinese province within post-war reconstruction and beyond.

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