

Directions of Development of Belarusian–Chinese Economic Relations (On The Example of the Belarusian–Chinese Industrial Park "Great Stone")

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Abstract: In the context of the growing trend of globalization and the flourishing Belt and Road Initiative, Belarusian - Chinese economic cooperation has become an important aspect of international economic relations. The Belarusian - Chinese Industrial Park "Great Stone" serves as a significant symbol of this cooperation. The aim of this study is to explore the directions of development of Belarusian - Chinese economic relations through the case of the "Great Stone" industrial park. The research method adopted combines in - depth case analysis, data collection from official sources, and interviews with relevant stakeholders. The study concludes that the "Great Stone" industrial park has great potential in promoting trade expansion, technology transfer, and industrial upgrading between the two countries. It also offers valuable insights into the future development directions of Belarusian - Chinese economic relations, which can further strengthen bilateral cooperation and contribute to regional economic development.

Keywords: Belarusian - Chinese economic relations; Great Stone Industrial Park; Development directions; Economic cooperation; Belt and Road Initiative.

1. Introduction

In recent years, economic exchanges between Belarus and China have witnessed remarkable growth. The Belt and Road Initiative has further strengthened the bilateral economic cooperation, leading to various collaborative projects across different sectors. The Belarusian - Chinese Industrial Park "Great Stone" stands as a prime example of this cooperation, aiming to promote trade, investment, and technological exchanges. However, in the process of economic cooperation, several practical issues have emerged. These include differences in business regulations, cultural barriers, and challenges in market integration. These obstacles, to some extent, have affected the smooth progress of bilateral economic relations and the full realization of the potential of the "Great Stone" Industrial Park.

Despite the significance of Belarusian - Chinese economic relations and the efforts put into the "Great Stone" Industrial Park, there are notable research gaps. Existing studies mainly focus on the general overview of bilateral economic cooperation or only analyze specific aspects of the industrial park from a single perspective. There is a lack of in - depth research on the comprehensive development directions of Belarusian - Chinese economic relations using the "Great Stone" Industrial Park as a model. Little attention has been paid to how to systematically address the practical problems encountered in the cooperation process and how to optimize the development path of the industrial park to better promote bilateral economic relations.

The purpose of this study is to comprehensively analyze the directions of development of Belarusian - Chinese economic relations with the "Great Stone" Industrial Park as the research object. The research aims to identify the key factors influencing the development of the industrial park and its impact on bilateral economic cooperation. By conducting in - depth research, this study also aims to explore effective

strategies to overcome the existing problems in economic cooperation. Through a combination of theoretical analysis and empirical research, we strive to provide a clear roadmap for the future development of the industrial park and the overall economic relations between the two countries.

This study makes significant theoretical and practical contributions. Theoretically, it fills the research gap by providing a comprehensive and in - depth analysis of the development directions of Belarusian - Chinese economic relations through the case study of the "Great Stone" Industrial Park. It enriches the academic research in the field of international economic relations and cross - border industrial cooperation. Practically, the findings of this study can serve as a valuable reference for policymakers in both countries. It can help formulate more targeted policies to promote the healthy development of the "Great Stone" Industrial Park and further strengthen bilateral economic relations. It also provides practical guidance for enterprises participating in the cooperation, enabling them to better adapt to the local environment and achieve win - win results.

2. Analysis of the Dynamics and Trends in The Development of Free Economic Zones of the Republic of Belarus

The establishment of free economic zones in the Republic of Belarus serves multiple crucial purposes. Primarily, it aims to stimulate economic growth and development. By creating these zones, Belarus intends to attract both domestic and foreign investments. The preferential policies and special regulations within the free economic zones act as incentives for businesses to set up operations, which in turn boosts industrial activities. This leads to the creation of new job opportunities, reducing unemployment rates and improving the overall living standards of the population.

Secondly, the free economic zones are designed to enhance Belarus's competitiveness in the global market. These zones facilitate the integration of Belarusian industries into the international value chains. They encourage the transfer of advanced technologies and management expertise from foreign investors, enabling domestic enterprises to upgrade their production processes and improve product quality. As a result, Belarusian products can gain a stronger foothold in international markets, increasing exports and promoting economic diversification.

Moreover, the establishment of free economic zones promotes regional development. By concentrating economic activities in specific areas, these zones can drive the development of surrounding regions. Infrastructure improvements in the zones often spill over to neighboring areas, leading to better connectivity and access to basic services. This balanced regional development helps to reduce disparities between different parts of the country and contributes to the overall stability and prosperity of the

Republic of Belarus. Overall, the free economic zones are strategic initiatives that play a vital role in Belarus's economic transformation and long-term development.

The legislation on free economic zones and other legislation establishes guarantees for residents of the free economic zone. Residents of the free economic zone are subject to guarantees of investors' rights and investment protection provided for by the legislation on investment activities. A special legal regime in free economic zones is also established for the purpose of creating favorable conditions for investment and development of individual regions and the economy of the Republic of Belarus; introduction of the most progressive resource-saving, low-waste and non-waste technologies; promotion of international integration and cooperation; harmonious combination on the basis of the Constitution of the Republic of Belarus of republican and local interests, interests of business entities and citizens (Table 1).

Table 1. Analysis of the dynamics and trends in the development of free economic zones in the Republic of Belarus for the period 2018–2022

Indicator	2018	2019	2020	2021	2022
Number of registered residents, units	503	469	437	419	408
Number of active residents, units	463	445	418	407	397
Average number of employees, people	147814	139971	129213	123549	122384
The accrued average monthly salary of employees is nominal, rubles	526.0	597.2	643.2	728	832
Revenue from the sale of goods, products, works, services, million rubles	8251.61	8374.99	9185.04	11873.7	13737.3
Net profit, loss, million rubles	301.8	293.2	251.0	307.0	277.5
Investments in fixed assets, million rubles	1289.0	1985.1	1746.9	1341.1	1149.9
The volume of production of industrial products, works, services of an industrial nature, in actual prices, million rubles	7318.6	7437.1	8296.5	10575.4	11959.8
Exports of goods, million US dollars	4732.9	4345.6	3376.6	3783.2	4612.1
Imports of goods, million US dollars	4072.2	3813.6	3068.5	2757.8	3043.3
Export of services, thousand US dollars	48232.5	40487.9	34938.6	44486.7	45723.1
Import of services, thousand US dollars	67233.8	167700	103444	217313	211846

Source: author's development based on data analysis [1].

To assess the effectiveness of the Belarusian free economic zones, it is necessary to analyze a number of indicators. Such indicators can be the following – the volume of attracted investments; production activity; export; import substitution; innovation activity; other economic indicators. Therefore, when characterizing free economic zones, it is advisable to analyze these parameters.

Based on the data presented in the Table 1, it can be concluded that the number of active residents is less than the number of actually registered residents, so the number of registered residents began to decline in 2018–2022 and amounted to – 503, 469, 437, 419, 408 units, respectively, and the number of active residents in relation to registered ones also tends to decrease in 2018–2022 – 463, 445, 418, 407, 397 units, respectively. The average number of employees for the analyzed period was – 147814, 139971, 129213, 123549, 122384 accordingly, it should be noted that the trend of change in this indicator is interdependent on the change in the indicator of registered and active residents. Residents of free economic zones are characterized by a higher level of labor and production organization, which is expressed in higher labor productivity, so for the period 2018–2022 the nominal accrued monthly salary of employees of free economic zones was – 526,0, 597,2, 643,2, 728, 832 rub, respectively.

To analyze the financial condition of free economic zones,

we will analyze the indicators of revenue and profit at the end of the reporting period, so for the period 2018–2022, the revenue of residents of free economic zones increased and amounted to – 8251.61, 8374.99, 9185.04, 11873.7, 13737.3 million rubles, respectively. However, it should be noted the negative side of the results of the functioning of free economic zones in the Republic of Belarus, which consists in a tendency to decrease the net profit of enterprises-residents of free economic zones – 301.8, 293.2, 251.0, 307.0, 277.5 million rubles, respectively. For the period 2018–2022, residents of the Belarusian free economic zones accumulated 1289.0, 1985.1, 1746.9, 1341.1, 1149.9 million rubles accordingly, the largest number of foreign investments were received in the form of contributions to the authorized capital, and the remaining finances were invested in technological equipment and devices for re-equipment of production facilities and other goods.

Based on the presented data, it can be seen that there is a shortage of foreign investment resources in the free zones of the Republic of Belarus and there is a need to take more effective measures to create a favorable investment climate in Belarus. The main activity of residents of free economic zones is the production of industrial products. The total volume of production of industrial products, works and services of an industrial nature by all residents of the free zones of the republic for the period 2018–2022 amounted to

– 7318.6, 7437.1, 8296.5, 10575.4, 11959.8 million rubles, respectively, which indicates a positive growth dynamic of this indicator.

The foreign trade of residents of free economic zones, as well as enterprises of non-residents of free economic zones in the Republic of Belarus has recently been characterized by a reduction in the main indicators. The dynamics of foreign trade indicators of residents of free zones, namely exports and imports of goods for the period 2018–2022, allows us to conclude about a negative trend – 4732.9, 4345.6, 3376.6, 3783.2, 4612.1 million US dollars, respectively, and 4072.2, 3813.6, 3068.5, 2757.8, 3043.3 million US dollars, respectively. For the period 2018–2022 enterprises-residents of the free economic zones of the Republic of Belarus exported services to the Republic of Belarus in the amount of – 48232.5, 40487.9, 34938.6, 44486.7, 45723.1 thousand US dollars, respectively, were imported in the amount of – 67233.8, 167700, 103444, 217313, 211846 thousand US dollars, respectively.

Thus, the analysis of the results of the free economic zones of the Republic of Belarus for the period 2018–2022 showed that they contribute to an increase in the inflow of foreign investment, the introduction of new technologies, the development of exports, import-substituting industries and the creation of new jobs.

However, it should be noted that there are also problems of functioning of free economic zones of the Republic of Belarus, which can be conditionally divided into global and problems related to the functioning of a specific free economic zone.

The general issues include the following: the lack of a mechanism for the functioning of each specific zone, without which it is impossible to achieve the goals and objectives set for the zone; the absence of a program for the creation and development of free economic zones in the Republic of Belarus, where tasks and goals, stages of formation, priority industries, the volume of investments, etc. would be clearly indicated for each free economic zone. sources of their attraction; and it is also necessary to develop a methodology for calculating the effectiveness of the creation and functioning of free economic zones. In addition to global problems, the following problems can be identified – currency regulation, insurance and banking regulation, as well as sources of financing for free economic zones.

3. Analysis of the Functioning of the Great Stone Industrial Park as a Free Economic Zone

Scientific and industrial parks (industrial parks) are an organizational and economic form of free economic zones. The Government of the Republic of Belarus and the Government of the People's Republic of China, in order to develop friendly relations between the Governments and peoples of the two countries, expand trade and investment cooperation, adhering to the principles of equality and mutual benefit, decided to jointly establish the Great Stone Industrial Park on the territory of the Republic of Belarus by enterprises of the two countries in accordance with the Decree of the President of the Republic of Belarus "On creation of the Chinese-Belarusian industrial Park "Industrial Park "Great Stone".

The Great Stone Industrial Park is a special economic zone, within the boundaries of which there is a special legal regime. The Great Stone Industrial Park is a territorial unit of the

Republic of Belarus and is registered in accordance with the procedure provided for by the legislation of the Republic of Belarus for territories with a special use regime. The special legal regime of the Great Stone Industrial Park includes, in particular, a special procedure for tax and other regulation, registration of business entities, use of land and other natural resources with the application of the customs procedure of the free customs zone on the territory of this economic zone.

The main activities of the industrial park "Great Stone" are the creation and development of industries in the following areas – electronics and telecommunications; pharmaceuticals; fine chemistry; biotechnology; engineering; new materials; integrated logistics; e-commerce; activities related to the storage and processing of large amounts of data; socio-cultural activities; implementation of research, experimental design and development work.

The objectives of the industrial park are to attract investment and create competitive organizations focused on the development of production in modern sectors of the economy, taking into account the development of innovation, research, trade, logistics, housing and other industries.

The objectives of the industrial park are to create new jobs, promote the socio-economic development of the regions and the export potential of the Republic of Belarus as a whole.

Any companies can become residents of the Great Stone Industrial Park, regardless of the country of origin of capital. As of January 01, 2021, 37 companies were residents of the Great Stone Industrial Park – Bel Huawei Technologies LLC; Telecommunications Equipment Plant LLC; China Merchants China-BiAlAr Commercial and Logistics Company CJSC; NanoPectin LLC; Chengdu Xinju Silk Road Development LLC; Zumlion LLC Bel-Rus"; UP "Whiteyou Technology BiEIEr"; LLC "SAS INDUSTRIAL"; LLC "Greatdecor"; LLC "Fluence International Technology"; LLC "AE International Investment"; LLC "BEL LOTOSLAND"; LLC "Company for the production of lighting devices with liquid metal "Feng Cheng"; LLC "Hashrate"; LLC "Rukhtech"; LLC "CETC Chinese electrical Engineering"; LLC "Assomedica"; LLC "New Craft Technologies"; LLC "Optical sapphires"; LLC "MAZ-Veichai"; LLC "Les-International(MSC) information technologies"; LLC "Levanta Group"; NPOOO "Composite structures"; LLC "Technologies of automotive film coatings"; LLC "RECIF Technologies Bel"; LLC "International Technology Company "Intelligent Equipment"; UCHPP "Kuvo"; LLC "ASSIS"; Standard NOUVEAU LLC; RecomBel CJSC; JSC "Aviation Technologies and Complexes"; LLC "SITAM Intelligence Equipment"; JSC "Order of the Red Banner of Labor "Institute Belgosproekt"; LLC "GTA (MSK) data Technologies"; LLC "Tsifrograd Jianyi"; LLC "Research and Production Center BelAgroGen"; LLC "SF Medical Products" [2]. More than 50 agreements on intentions to implement investment projects in the park have been concluded (Table 2).

Table 2. Analysis of the dynamics of activity indicators of residents of the Industrial Park "Great Stone" for the period 2021–2022

Indicator	2021	2022
Number of registered residents, units	8	23
Number of active residents, units	8	17
Average number of employees, people	225	368
The accrued average monthly salary of employees is nominal, rubles	728	832
Revenue from the sale of goods, products, works, services, million rubles	113,3	135,8
Net profit, loss, million rubles	3,2	3,5
Investments in fixed assets, million rubles	198,5	264,9
The volume of production of industrial products, works, services of an industrial nature, in actual prices, million rubles	11,4	23,2
Exports of goods, million US dollars	2,2	5,1
Imports of goods, million US dollars	35,6	24,0

Source: author's development based on data analysis [1].

Based on the data presented in the table, it can be concluded that the number of registered residents of the Great Stone Industrial Park for the period 2021–2022 (Figure 1) was – 8, 23 units, respectively, and the number of active residents – 8, 17 units, respectively. The average number of employees for the analyzed period was 225, 368 people, respectively, and the nominal accrued monthly salary of employees was 728, 832 rubles, respectively.

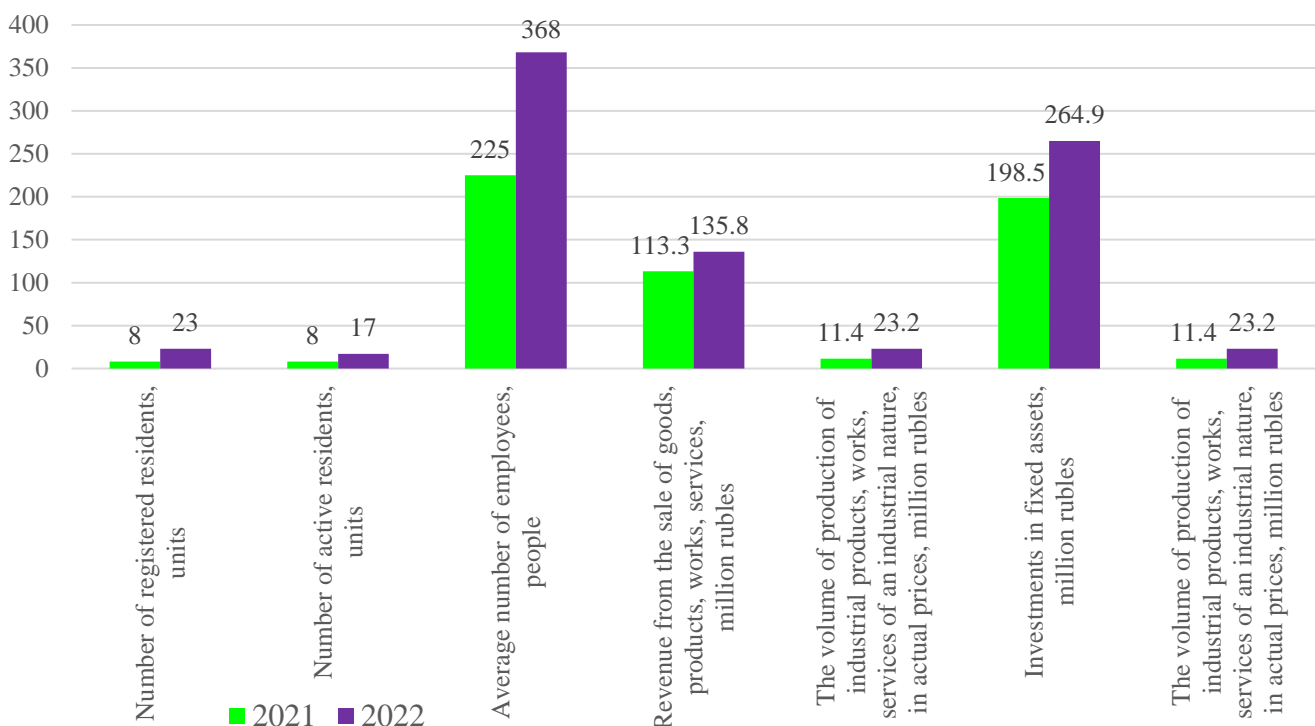


Figure 1. Analysis of the dynamics of activity indicators of residents of the Industrial Park "Great Stone" for the period 2021–2022

Source: author's development based on data analysis [1].

To analyze the financial condition of the residents of the Great Stone Industrial Park, we will analyze the revenue and profit indicators at the end of the reporting period, so for the period 2021–2022, revenue increased and amounted to 113.3, 135.8 million rubles, respectively, and the net profit indicator was 3.2, 3.5 million rubles, respectively. The volume of investments in fixed assets for the analyzed period amounted to 198.5, 264.9 million rubles. The total volume of production of industrial products, works and services of an industrial nature by all residents for the period 2021–2022 amounted to 11.4, 23.2 million rubles accordingly; this indicates a positive growth dynamic of this indicator. The dynamics of foreign trade indicators of residents of the Great Stone Industrial Park, namely exports and imports of goods for the period 2021–2022, allows us to conclude about an unstable trend – 2.2, 5.1 million US dollars, respectively, and 35.6, 24.0 million US

dollars, respectively. The constraining factors that limit the successful implementation of this project are insufficient financing of breakthrough investment projects by the states; economic and conjunctural international risks for potential investors; insufficient awareness of potential foreign investors about opportunities and preferential treatment for residents of the industrial park, and more.

Residents of the industrial park "Great Stone" are provided with the regime of the greatest economic favorability in comparison with other modes of doing business in the Republic of Belarus when carrying out their activities [3]:

Tax regulation. Residents of the industrial park are exempt from: income tax in respect of profits received from the sale of goods (works, services) of their own production, produced by them on the territory of the industrial park – within 10 calendar years from the first tax period (inclusive), in which the resident of the industrial park had a gross profit for the

reporting period on an accrual basis from the beginning of the tax period, including the profit from the sale of these goods (works, services); for the duration of the special legal regime of the industrial park in terms of the special order of tax regulation from: real estate tax on objects of taxation by this tax located on the territory of the industrial park, regardless of the direction of their use; land tax for land plots on the territory of the industrial park. After the expiration of the ten-year period specified in the second paragraph of the first part of this paragraph, residents of the industrial park shall pay profit tax on profits received from the sale of goods (works, services) of their own production produced by them on the territory of the industrial park at a rate reduced by 50% from the rate established by paragraph 1 of Article 142 of the Tax Code of the Republic of Belarus. This payment is made before the expiration of the special legal regime of the industrial park in terms of the special order of tax regulation.

The joint company is exempt: until January 1, 2032 from income tax in respect of: profit received from the sale of goods (works, services) of its own production produced by the joint company on the territory of the industrial park; the amount of income from operations on leasing (sublease, financial lease (leasing) of movable property to residents of the industrial park, land plots and other immovable property (parts thereof) located on the territory of the industrial park, reduced by the amount of expenses (costs) associated with such leasing and property leased (sublease, financial lease (leasing)); profit received from the sale of land plots located on the territory of the industrial park, capital structures (buildings, structures), unfinished preserved capital structures, isolated premises, including residential premises; for the duration of the special legal regime of the industrial park in terms of a special order of tax regulation from: real estate tax on objects of taxation by this tax, located on the territory of an industrial park, regardless of the direction of their use; land tax for land plots on the territory of the industrial park. During the period of validity of the special legal regime of the industrial park in terms of the special order of tax regulation, the joint company has the right to include in the costs taken into account in taxation, representative expenses incurred by the joint company within the framework of activities aimed at the development of the territory of the industrial park. During the period of validity of the special legal regime of the industrial park in terms of the special order of tax regulation, the following are not recognized as objects of taxation by the park administration: value added tax – turnover on the transfer of land plots of the joint company to private ownership; profit tax – funds received to the settlement account of the park administration from the transfer of land plots of the joint company to private property;

Regulation of labor relations. The working and rest regime of employees of residents and investors of the industrial park, participants in the construction of facilities of this park, the park administration and the joint company is determined by local regulatory legal acts, which may establish conditions different from those defined by the legislation of the Republic of Belarus on labor that do not worsen the situation of employees in comparison with the Labor Code of the Republic of Belarus and other legislative acts of the Republic of Belarus, regulating the relevant relations in the social and labor sphere. Investors of the industrial park and participants in the construction of facilities of this park from among foreign organizations operating in the Republic of Belarus, in order to implement investment projects in the territory of this

park, have the right to attract foreign citizens and stateless persons who do not have permanent residence permits in the Republic of Belarus to work in the Republic of Belarus under employment contracts, on the basis of permits to attract foreign labor to the Republic of Belarus and special permits for the right to engage in labor activity in the Republic of Belarus, issued to them on the terms and in accordance with the procedure defined by the legislation of the Republic of Belarus for legal entities of the Republic of Belarus;

Customs regulation. When participants in the construction of industrial park facilities carry out works on the construction of these facilities, carried out within the framework of an investment project implemented by a resident of the industrial park, using goods placed under the customs procedure of the free customs zone, completion of the customs procedure of the free customs zone in respect of such goods and (or) payment of import customs duties, value added tax is not required, the cost charged for the import of goods into the territory of the Republic of Belarus, provided, that these goods are not exported outside the territory of the industrial park, where the customs procedure of the free customs zone is applied, and are used for the implementation of the specified investment project. When another person performs works (rendering services) aimed at processing goods placed by a resident of an industrial park under the customs procedure of a free customs zone, and (or) goods manufactured (received) using goods placed by a resident of an industrial park under the customs procedure of a free customs zone, on the basis of a civil legal agreement that does not entail the transfer ownership rights to such goods, completion of the customs procedure of the free customs zone and (or) payment of import customs duties, No value added tax is required in respect of goods placed by a resident of an industrial park under the customs procedure of a free customs zone and used in the processing process [4].

Goods (technological equipment, components and spare parts for it, raw materials and materials) imported into the territory of the Republic of Belarus for exclusive use in the territory of the Republic of Belarus for the implementation of investment projects involving the construction and equipping of industrial park facilities are exempt from import customs duties (taking into account the international obligations of the Republic of Belarus) and value added tax levied by customs authorities.

In the territory of a free customs zone defined for a resident of an industrial park in accordance with the procedure established by the legislation of the Republic of Belarus, the limits of a free customs zone may be determined for another resident of an industrial park, provided that the resident of an industrial park, in the territory of which the limits of a free customs zone are defined for another resident of an industrial park, the corresponding checkpoint regime. A resident of an industrial park, in the territory of the free customs zone of which the limits of the free customs zone are defined for another resident of the industrial park, is jointly and severally liable for the payment of customs duties and taxes in respect of foreign goods placed by this resident of the industrial park under the customs procedure of the free customs zone, in case of their use in violation of the requirements and conditions of the procedure of the free customs zone. Goods manufactured (received) using foreign goods placed under the customs procedure of the free customs zone placed by residents of the industrial park under the customs procedure of release for domestic consumption are exempt from value added tax

levied by customs authorities. Within the free customs zone defined by the park administration for residents of the industrial park, it is allowed to create a customs warehouse and (or) a temporary storage warehouse if their owner is a resident of the industrial park;

Currency regulation and foreign trade activities. Residents of the Great Stone Industrial Park, a joint company, have the right to conduct foreign exchange transactions without taking into account the requirements of the currency legislation of the Republic of Belarus, including: to conduct currency exchange operations in the domestic foreign exchange market of the Republic of Belarus through banks without restrictions; to buy foreign currency in the domestic foreign exchange market without restrictions for the purposes of its use; not to carry out mandatory sale of foreign currency received from activities on the territory of the industrial park; to open accounts in foreign banks without obtaining the permission of the National Bank; to carry out the following foreign exchange transactions related to the movement of capital without obtaining the permission of the National Bank: acquisition of shares in their distribution among the founders, a share in the authorized fund or a share in the property of a non-resident; acquisition from a non-resident legal entity of securities issued (issued) by non-residents, for with the exception of the acquisition of shares when they are distributed among the founders; acquisition of ownership of property located outside the Republic of Belarus and classified under the legislation of the Republic of Belarus as immovable property, including on the basis of agreements providing for the creation of shared-equity construction facilities; placement of funds in non-resident banks or transfer of funds to non-residents (except non-resident banks) on trust management terms; provision of loans to non-residents; obtaining loans and (or) loans from non-residents without taking into account the conditions provided for by the currency legislation of the Republic of Belarus.

When forming prices (tariffs) for goods (works, services) of own production sold by residents of the industrial park, a joint company on the territory of the Republic of Belarus, as well as when exporting them, free prices (tariffs) are applied. At the same time, residents of the industrial park and the joint company have the right not to be guided by the marginal indices and other ways of regulating prices (tariffs) established by the legislation of the Republic of Belarus. When a joint company provides services that are legally classified as natural monopolies, restrictions on the activities of natural monopolies established by the legislation of the Republic of Belarus, including the procedure for the formation of prices (tariffs), are not applied. Production quotas, sales quotas, quotas for foreign trade in goods (works, services), as well as other quantitative restrictions on the production, supply of goods (works, services) are not established for goods (works, services) of the residents of the industrial park, a joint company, as well as for imported goods (works, services), unless otherwise provided by international treaties of the Republic of Belarus.

If the legislation establishes more preferential regimes for other free (special) economic zones in the Republic of Belarus, the relevant provisions will be included in the acts regulating the activities of the Great Stone Industrial Park.

4. Prospects for the development of the Great Stone Industrial Park

Improving the activities of the Great Stone Industrial Park for the further development of Belarusian-Chinese economic cooperation and investment activities. The Great Stone Industrial Park is gradually becoming a platform for real international cooperation between the Republic of Belarus and the People's Republic of China, therefore, the areas of improvement of its activities for the further development of Belarusian-Chinese economic cooperation and investment activities should be

- improvement of the activity model of the free economic zones of the Republic of Belarus;
- improving the activities of the Great Stone Industrial Park for the further development of Belarusian-Chinese economic cooperation and investment activities;
- priority directions of production development in the industrial park "Great Stone". Improvement of the activity model of the free economic zones of the Republic of Belarus. It is advisable for the Republic of Belarus to use a model of free economic zones that would rely on such tools as creating a favorable investment climate, attracting innovative investments in priority sectors, in industrially underdeveloped regions, in research activities, in the service sector with the creation of new jobs.; changing the regional policy of the state in terms of ensuring the transfer of powers to manage free economic zones to the level of individual territories and local authorities; introducing appropriate changes to legislation regarding a flexible differentiated system of benefits for foreign investors, taking into account the peculiarities of the resource potential of a particular region; providing state guarantees of stable activity of a foreign investor and foreign capital for the long term.

Formation of effective forms of interaction between local state executive authorities, local and regional self-government bodies and the body of economic development and management of free economic zones on the basis of a common interest in achieving high socio-economic results of activity; focus on achieving an effective management regime of each entity with a positive economic effect as a whole; flexibility and dynamism of management of free economic zones, that is, the possibility of rapid and adequate response to changes in the external economic environment; balance of interests of all parties involved in the process of creation and functioning of free economic zones; prospects for spatial and functional development; compliance of priority directions of development of free economic zones with priority directions of development of the Republic of Belarus.

Thus, free economic zones underlie almost all strategic transformations affecting the entire economic infrastructure of society and give it a powerful stimulating impulse, as a result of which there is an increase in the indicators of the system of national accounts; conditions are created for achieving national strategic goals; promising high-tech and knowledge-intensive industries are developing; the competitiveness of domestically produced goods on the world market is increasing; exports are increasing, and, accordingly, foreign exchange earnings, the country's economy is included in the world system of division of labor; new sources of attracting foreign investment are opening up; effective distribution of natural resources and income, reproduction of human, natural and economic potential is ensured [5]. Further development of the potential of existing special economic

zones and the creation of new types of special economic zones (export-industrial, industrial, innovation-technological, free trade zones, etc.);

Priority directions of production development in the industrial park "Great Stone". Priority areas of production development in the industrial park "Great Stone" should be [6]:

In the field of mechanical engineering – production of abrasive tools; production of vending machines; production of automotive components made of plastic; production of filters for cars; production of wood processing machines; production of laser equipment for metal processing; production of unmanned aerial vehicles; production of industrial tools and technical equipment; production of power equipment;

In the field of electronics and electrical engineering – production of automotive equipment; production of air conditioners; contact electronics production; production of data storage devices; production of video surveillance systems; production of satellites and equipment;

In the field of optics – production of laser radiation sources; production of optical equipment; production of contact and spectacle lenses; production of LEDs and LED lighting devices;

In the field of new materials – production of high-purity quartz concentrates; production of ceramics and cermets; production of quartz glass products; production of polysilicon; production of fiberglass composites; production of thermal insulation materials based on flax; production of biopolymers; production of microfluidic devices; production of sapphire glasses;

In the field of biotechnology and pharmaceuticals – production of biopharmaceutical products; production of generic medicines; deep processing of grain with the production of lysine and gluten; production of pigments; production of food additives;

In the field of medical equipment and materials – production of medical needles and general surgical instruments; production of medical furniture; production of implants and endoprostheses; production of equipment for laser surgery; production of equipment for X-rays; production of ultrasound devices; production of portable medical devices.

5. Conclusion

As a result of writing this paper, the following conclusions can be drawn.

The Great Stone Industrial Park, created by the Government of the Republic of Belarus and the Government of the People's Republic of China in order to develop friendly relations between the Governments and peoples of the two countries, expand trade and investment cooperation, adhering to the principles of equality and mutual benefit, the Great Stone Industrial Park is a special economic zone within the borders of which there is a special legal regime.

The directions for improving economic cooperation between the Republic of Belarus and the People's Republic of China should be – improving foreign trade cooperation

between the Republic of Belarus and the People's Republic of China (improving the effectiveness of the mechanism of state regulation of foreign trade relations; creating a comprehensive multi-level system for managing foreign trade risks; forming a system of information support for foreign trade activities; increasing the international competitiveness of commodity producers); improvement of investment cooperation between the Republic of Belarus and the People's Republic of China (creation of national and interstate financial and industrial groups; increase of joint investment projects in the development of industrial and transport infrastructure, branches of the military-industrial complex, electrical industry, transport engineering; improvement of the regulatory framework in the field of international investment cooperation; identification of priority regions and sectors of the economy to attract foreign investment and others); improving innovation cooperation between the Republic of Belarus and the People's Republic of China (carrying out systematic work to determine strategic directions of development and the formation of programs of fundamental research and applied developments in the innovation field; improving coordination at the state level of all research in the field of innovation; commercialization of research results through the formation of a developed infrastructure, and others). The prospects for the development of the Great Stone Industrial Park were considered in the following areas: improving the model of the free economic zones of the Republic of Belarus; improving the activities of the Great Stone Industrial Park for the further development of Belarusian–Chinese economic cooperation and investment activities; priority areas for the development of production facilities in the Great Stone Industrial Park (in the field of mechanical engineering; electronics and electrical engineering; optics; new materials; biotechnology and pharmaceuticals; medical equipment and materials).

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