eWTP
Promoting Inclusive Trade

UNESCAP Thailand

Workshop on Using Technology in Support of Trade

2016.11.30

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Alibaba Group Vision

Alibaba Ecosystem
Diversity of Models and Platforms

PRC Import	PRC Export	Overseas Local	Cross Border
• B2C • Logistics • Payment • Cloud	• B2C • B2B • Trade Services • Payment • Logistics	• B2C • Payment • Logistics • Cloud	• B2C • Payment • Logistics • Cloud

E-commerce and Employment

2014 Employment Growth >3 million

Direct Employment
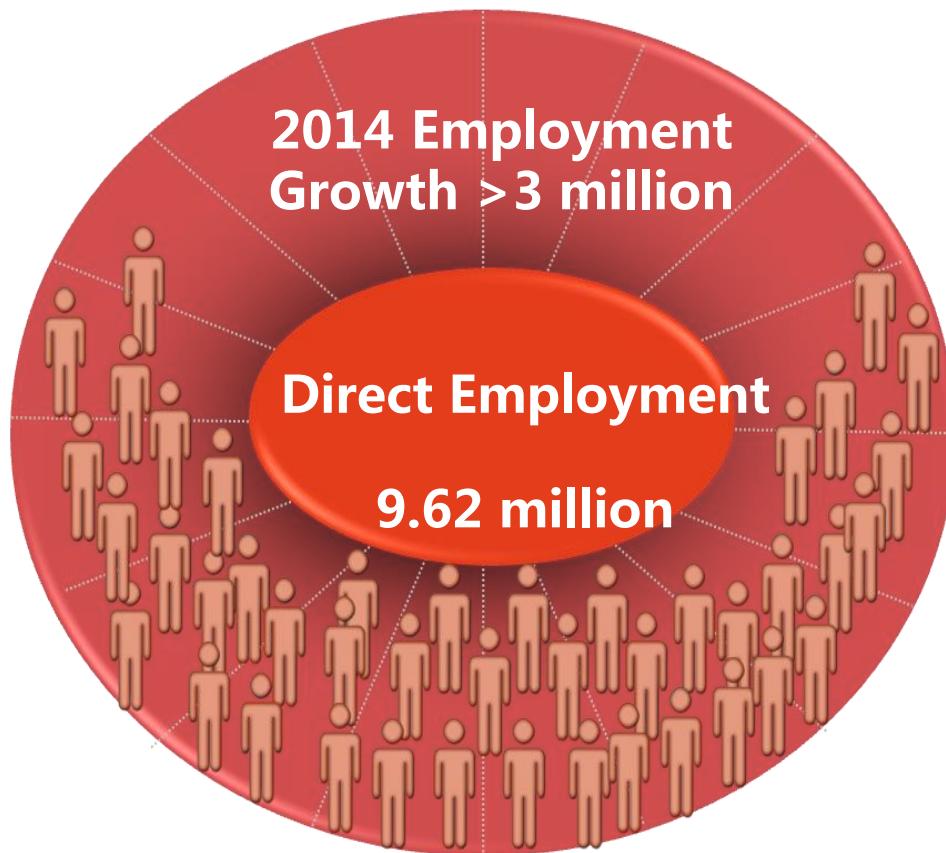
9.62 million

2014 PRC:

- **Direct employment in online commerce 9.62 million**

- **2014 Employment Growth: 3.13 million.**

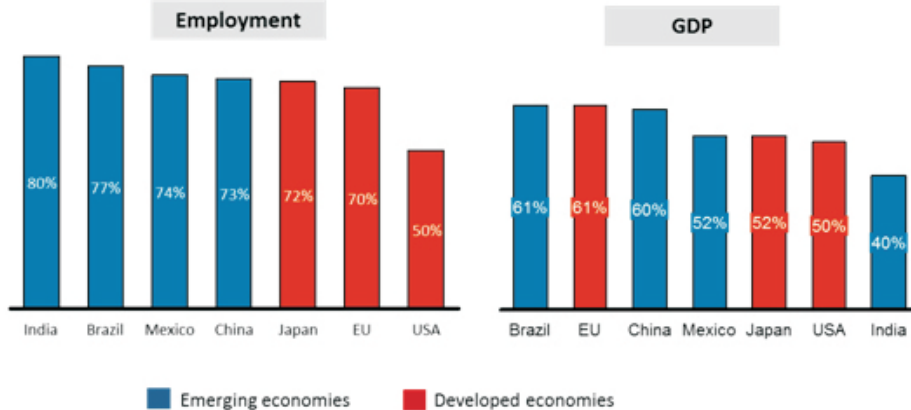- **cross-border e-commerce consumers: 51.4% male / 48.6% female**

Alibaba Goals: Within 20 years

- **Serve 2 billion users,**

- **Create 100 million jobs,**

- **Support 10 million profitable enterprises**
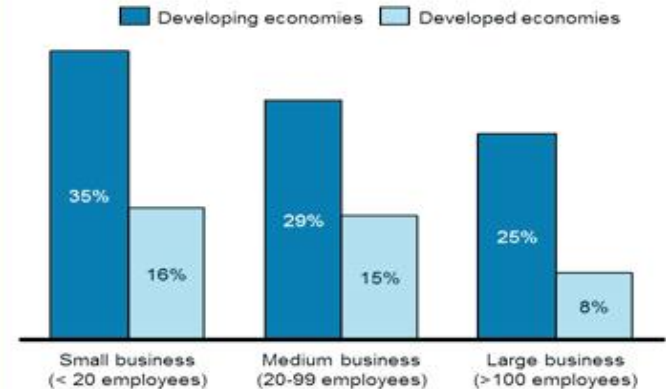
Source: 中国就业促进会发布《网络创业就*业统计和社保研究项目报告*》.

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SMEs in Global Trade

SME employment & GDP contribution in major economies 2014

Employment

India	Brazil	Mexico	China	Japan	EU	USA
80%	77%	74%	73%	72%	70%	50%

GDP

Brazil	EU	China	Mexico	Japan	USA	India
61%	61%	60%	52%	52%	50%	40%

■ Emerging economies ■ Developed economies
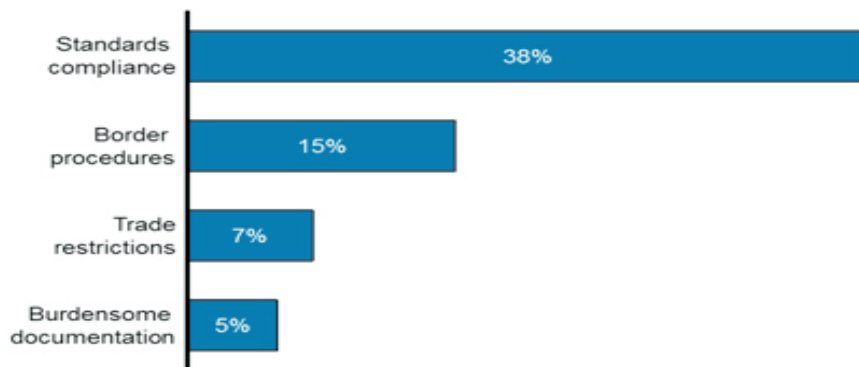
Source: WEF, What Companies Want from the World Trading System, Sep. 2015

Share of firms identifying access to finance as a major constraint

■ Developing economies ☐ Developed economies

	Small business (< 20 employees)	Medium business (20-99 employees)	Large business (>100 employees)
Developing	35%	29%	25%
Developed	16%	15%	8%

Source: IMF, Financial Inclusion: Can It Meet Multiple Macroeconomic Goals? Sep. 2015

Trade issues firms encountered for access to GVC: by % of responses

Standards compliance	38%
Border procedures	15%
Trade restrictions	7%
Burdensome documentation	5%

Sources: SME Competitiveness Outlook 2015, ITC

- **Removing barriers** and **leveraging technology** and **new business models** so *SMEs can play a larger role in the global trade value chain*

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Promoting More Inclusive Trade

United Nations
Economic and Social Council

E/ESCAP/RES/72/4

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Economic and Social Commission for Asia and the Pacific

Seventy-second session
Agenda item 3 (b)

Resolution adopted by the Economic and Social Commission
for Asia and the Pacific

72/4. Framework Agreement on Facilitation of Cross-border
Paperless Trade in Asia and the Pacific

B20 SME DEVELOPMENT TASKFORCE
POLICY PAPER

July 2016

1. Endorse the concept of Electronic World Trade Platform (eWTP), a private sector-led and all stakeholder initiative, for public-private dialogue to incubate eTrade rules and foster a more effective and efficient policy and business environment for cross border electronic trade (eTrade[1]) development.

- Article 5. The objective of the present Framework Agreement is to **promote cross-border paperless trade** by enabling the exchange and mutual recognition of trade-related data and documents in electronic form and facilitating interoperability among national and subregional single windows and/or other paperless trade systems, for the purpose of **making international trade transactions more efficient and transparent while improving regulatory compliance**.

eWTP

- **Establishing an Electronic World Trade Platform ("eWTP")**
  - Concept of eWTP was discussed at recent G20 summit in China

  - Private-sector led trading platform for **stakeholders** to discuss e-commerce related standards, rules and best practices, and further promote global cooperation and trade. (stakeholders include business, government, international organizations, academia and communities)

  - Conduct private-public dialogue and joint **research** and **pilot projects**. To promote best practices, develop standards and rules designed to **promote trade**.

  - Promote **increased participation of SMEs** in global trade. Encouraging **reforms to promote technology** which assists SME participation in trade **and remove barriers** which restrict SME participation in trade.

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Next Steps

Moving from Concept to Targeted Efforts
- Pilot projects / experiment zones (public-private collaboration) – creating a supportive ecosystem
- Research (government, academics)
- Capacity building (government, SMEs)

Issues to Address
- **Role of Government**
    - Transparency, digital single windows
    - Cooperation among government agencies – customs/tax; central/local
    - Cooperation with Government
    - Legislation

- **Role of Platforms**
    - Liability of buyers, sellers, service providers and platform
    - Rules and procedures
    - Confirming identity of platform participants
    - Online dispute resolution
    - Buyer markets

- **Payment and Financing**
    - Non-bank finance for SMEs
    - Facilitating Cross-border e-commerce payments
    - Fraud prevention and enforcement cooperation

- **Logistics**
    - Efficiency and information. Improving customs clearance and return of goods

- **Cross-Border Trust**
    - Consumer Protection
    - Privacy and Data
    - National Standards

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Q&A

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