



UNCTAD 14

Nairobi, 17–22 July 2016

FOURTEENTH SESSION OF THE UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT



World Leaders Summit, High-Level Events, Round Tables, Side Events



World Investment Forum



Civil Society Forum



Global Commodities Forum



Youth Forum

Global Services Forum

Session 2: Facilitating Trade in Services

Room Tsavo 3

Kenyatta International Convention Centre, Nairobi

Thursday, 21 July 2016

Statement

from

Dongwei Shi

Vice President

Alibaba Group, China

Dear colleagues

Ladies and gentlemen,

Good Morning!

Very honored to be here on behalf of Alibaba Group.

Trade has long been a powerful engine of global economic growth. However, the recent adjustment of growth rate by IMF shows, the global economy is facing headwind. The latest data indicates that global trade grew by only 1.7% in 2015, and the growth for the first half of this year remains sluggish.

However, the internet and the digital revolution is changing the very fabric of our economies. It changes how and what we produce, and how and what we trade. According the figures just released by UNCTAD during the meeting, global B2B, B2C e-commerce sales in 2015 amounted to US\$22trillion. And it is one of the fastest growing segments of the global trade.

Alibaba Group, since its founding in 1999, has made its mission clear, that is to “make it easy to do business anywhere”. TODAY, Alibaba has become one of the biggest internet companies in the world. In the last 16 years, the company has built up its eco-system and capability that supports e-commerce and trade through innovation.

Alibaba’s eco-system is comprised of B2B, B2C, C2C platforms supported by Ants Financial (the payment and financial platform), Smart Logistics, Cloud Computing and Big Data. There are 8.5 millions merchants/SMEs on Taobao Platform along, with over 423 million active buyers from around 220 countries in the world, and created 30 millions direct jobs, and 15 million indirect jobs. The GMV generated at Alibaba retail platforms surpassed US\$500 billion in march this year.

Today the online shopping has truly become a lifestyle in China, in particular, among the young people. Alibaba's goal in the next 10 years is to become the first company in human history that GMV will surpass US\$1000 billion, thus creating 100 million jobs, and reaching over 2 billion consumers around the world.

We are proud of what we did in the past. And we are even more eager to share our success in supporting SMEs and the young people. Alibaba platform itself is a platform that provide trade services and the services for the consumers

So in our view point, what are the elements that could facilitate trade in services?

First of all, the huge amount of our current overall business belongs to the trade in services, including our two focuses of business, Happiness and Healthiness, as well as cross border e-commerce, cross border payment, logistics, cloud computing and big data.

To be specific, the following elements are critical:

1. Government policies and regulations to support trade in service, such as
 - a) Harmonized tax and tariff
 - b) Convenient and low cost Registration and certification system
 - c) market access standard, in particular the access for the foreign capital.
 - d) simplification of the import process and infrastructure improvement, like the infrastructure relating to finance and logistics
 - e) training and capability building of the people.
2. What can be done in the WTO and regional trade agreements to facilitate the trade in service?

- a) Continue to promote trade agreement negotiations both multilaterally and at the regional and bilateral level, to further lower and eliminate the trade barriers, and to have an open and more friendly market access environment for trade in services.
- b) Encourage the flow of the people, mutual reciprocal recognition of the standards and certification.
- c) Help the capability building and training for the developing countries in policy making, negotiation ability, and the infrastructure buildup to facilitate the trade in services.
- d) Knowing the challenges and implication that digital economy will have to the traditional trading systems, conduct research and feasibility studies on new topics and issues, such as data and data flow, data privacy, consumer protection and IPR and etc.
- e) Continue to take constructive role on eWTP initiative that B20 task force has developed, and has been welcomed by the G20 members at G20 ministerial meeting in Shanghai on July 10 this year. The initiative is really to encourage private-public sector dialogue, and to incubate trade rules through the multi-stake holder approach, and aim to foster an inclusive and open digital market and e-commerce eco-system by embracing the digital and internet era. We believe eWTP initiative will help SMEs, help young people and is good for the global trade growth in a sustainable way.

Thank you.