FACILITATION OF DIGITAL TRADE LAWS, MEASURES AND RECENT DEVELOPMENTS IN CHINA

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Phenomenal Developments in China

• E-Commerce development by the end of 2017
  • Gross volume of e-commerce: Chinese Yuan 29.16 trillion (US$4.48 trillion)
    • 533 million users of Internet retails
    • E-payment through non-banking institutions: Chinese Yuan 143.26 trillion (US$22.02 trillion)
    • 42.5 million employment in e-commerce
  • Gross volume of cross-border e-commerce: Chinese Yuan 90.24 billion (US$13.87 billion)
    • Imports: Chinese Yuan 33.65 billion (US$5.17 billion)
    • Exports: Chinese Yuan 56.59 billion (US$8.7 billion)
Laws, Policies and Measures

• E-Commerce Law (Draft)
  • NPC completed 3rd Review in June 2018
  • Stipulations on facilitation of cross-border e-commerce

• Cross-border e-commerce complex experimental zones
  • 13 Zones established in Hangzhou, Suzhou, Tianjin, Shanghai, Chongqing, Hefei, Zhengzhou, Guangzhou, Chengdu, Dalian, Ningbo, Qingdao and Shenzhen
    • E.g. Hangzhou e-Box; Hangzhou Alibaba Credit Guarantee Funds; Suzhou-ASW GeTS
  • MoC, MIIT, GACC, MoF joint initiatives on improvement of regulations and supervision in the Zones regarding information sharing, financial services, intelligent logistics and risk management

• New “Smart Port” measures
  • Electronic system for inspection and quarantine information of imports and exports in cross-border e-commerce retails launched in August 2017
Overview of Facilitation Measures

• Paperless trade
• Single window facilities
• E-commerce platform services
• International cooperation
Paperless Trade

• Electronic systems adopted by the competent authorities of customs, taxation, imports and exports inspection and quarantine, payment and clearing for electronic submissions and certificates
  • Enabling electronic data and documents
    • Transactional documents
    • Transportation documents
    • Customs declarations and other documents
    • Financial, payment and clearing documents
    • Imports and exports inspection and quarantine documents
    • Other invoices, receipts and certificates
  • Recognition of legal validity
Single Window Facilities

• Building cross-administrative complex services and regulatory systems to meet the needs of cross-border e-commerce, optimize the regulation and supervision and improve the efficacy of public services
  • Cross-administrative mechanisms involving customs, taxation, imports and experts inspection and quarantine, etc.
  • Characteristic of shared information, mutually-recognized supervision and regulations and mutually-assisting law enforcement

• Initiatives
  • China e-Port initiative
  • State Trade Facilitation Committee
E-Commerce Platform Services

• E-commerce platforms
  • Intermediary services to provide virtual trade space, brokering and information divulgation
    • Cross-border B2B and B2C platform
    • Imports and export platform

• Services for cross-border e-commerce
  • E-payment and finance, warehousing and logistics, customs clearance and completion of imports and experts inspection and quarantine, etc.
    • Overseas warehousing services
    • Dun-huang Digital Trade Center
    • Alibaba Digital Trade Zone in Malaysia

• Roles in SW facilities
• Support MSMEs in cross-border e-commerce
International Cooperation

• International exchange and cooperation
  • Mutual recognition of electronic signatures, e-identity
  • Establishment of international or interregional dispute resolution mechanisms

• Initiatives
  • One-Belt-and-One Road (OBOR)
    • 2017 trade volume with OBOR countries is Chinese Yuan 7.37 trillion (US$ 1.13 trillion)
    • Bilateral agreements concluded on e-commerce with Estonia, Vietnam, Hungry, Cambodia, Australia, Brazil
  • Free-trade negotiations involving e-commerce with Georgia, Chile and Eurasia

• Participation
  • CAREC
  • WTO, APEC, G20, BRICS, Shanghai Cooperation Organization, etc.
International Legal Framework

• WTO TFA
• UN Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific
• UN Convention on Use of Electronic Communications in International Contracts
• UNCITRAL Model Law on Electronic Transferrable Records
• Other international laws on cross-border paperless trade and e-commerce
Thank you!