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Session Summary (No. 23)

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Luncheon 1

e-WTP: the Future of Global E-Commerce

Time: 12:00-13:45, March 23, 2016

Venue: ICC Level 2, BFA Main Hall

Moderator: LONG Yongtu, Former Vice Minister, Ministry of Foreign Trade and Economic Cooperation, China

Guest Speakers:

- Kasper JAKOBSEN, CEO, Mead Johnson
- Tom LEMBONG, Minister of Trade, Indonesia
- Jack MA, Chairman, Alibaba Group
- Luis Alberto MORENO, President, Inter-American Development Bank

Key Points

- An e-WTP trade platform should be established;
- E-WTP platform needs government support and sound supervision and regulation system;
- E-WTP will create a new trade environment.



Synopsis

Economic globalization comprises three elements: first, rapid scientific and technological development is the driving force for economic globalization; second, economic globalization is realized through trade and investment of multinational companies, who are the carriers of economic globalization; third, the essence of economic globalization is the reallocation of global resources and wealth.

LONG Yongtu said economic globalization has undergone major changes and brand new trends. The emerging technologies represented by Internet has become the new round of driving force for economic globalization. At the same time, the multinational companies and SMEs in the relevant industries have facilitated economic globalization. Economic globalization reallocates the wealth and resources between developed nations and developing nations.

In the global field of investment, the TPP initiated by the United States is making many new international rules for investment. China and United States, China and EU are also making China-US and China-European investment treaties and agreements, and are also making new rules for global investment. There are also great changes in international trade, among which the biggest is e-commerce. Cross-border e-commerce has become the irreversible trend for the development of international trade.

E-WTP Trade Platform Should be Established

Great changes are taking place in the world. Internet, as the greatest technological innovation in this century, is no less great than the 1st Industrial



Revolution. Revolutions produced factories and promoted ocean trade; the 2nd Industrial Revolution in the United States was energy revolution, which has facilitated the development of large companies and organizations as well as the establishment of major trade treaties and agreements.

Jack Ma noted that with the development of international trade, today's trade has become a battle tool. When it comes to trade, it means sanctions; but trade per se should not be entangled with political factors. Enterprises, governments and NGOs should work together to build new trade rules that balances the interests of all sides.

Internet is developing rapidly. It can connect people in the whole world. It connects corporate banks and infrastructures worldwide and engages individuals and small enterprises in the trade activities. Jack Ma called for the establishment of e-WTP trade platform. It will not only promote technological development but also facilitate the inclusive finance. Inclusive finance will benefit all the young people worldwide. On this brand new trade platform, attention should be focused on the number "80%". One meaning is that 80% enterprises have no access to globalisation. In the upcoming 30 years, we should focus on the 80% SMEs, 80% developing nations, 80% women and young people. Only when the 80% who have no opportunities obtain their opportunities can we truly have a better world.

E-WTP Platform Needs Government Support and Sound Supervision and Regulation System.

Kasper JAKOBSEN said that embracing economic globalization with open arms is very inspirational. For a long time, trade serves only big companies, but now SMEs are the pillar of economic globalization. The global



e-commerce platform can bring many new opportunities to traditional manufacturing companies. Technology is making the world smaller. It can also eliminate regional consumption discrimination, including that against prices and products. E-WTP is a good idea but will be difficult to implement. A sound supervision and regulation system should be established to realize this goal and benefit consumers. Meanwhile, the cross-national platform needs the support of all governments to reach common ground in the management of the platform.

Luis Alberto MORENO noted that e-WTP needs an open platform with enough flexibility to engage regional and sub-regional countries. If the trade is focused on providing services, it will present more opportunities. But national policy support and a sound logistics system are also needed.

E-WTP Will Create a New Trade Environment

Tom LEMBONG said that the existing trade system of WTO is facing great challenges. The system is highly political and regulated; this deep-rooted problem is making the whole system progress very slowly. E-WTP is a powerful idea but it can become the mirror or twin brother of WTO. E-commerce represents a revolution. Now the pillars are small companies. The multi-national companies used to be at the helm. But technology strikes a balance, because mobile phones and cloud computing can be grasped by small companies. The 20th century technology was so expensive that only WTO could afford it, but today's mobile internet and cloud computing are accessible to everyone and it is the small companies' turning point. It is hoped that the wall between the old world and the new world can be torn down and a new trade environment will be built, bringing new vitality for the e-commerce in the 21st century. This is the solution for



slow trade development and a solution featuring entrepreneurship. E-WTP is a compelling and powerful concept, and we expect and support its development. People have encountered detours and pitfalls, but it is hoped that this platform will avoid these problems.