

FACT SHEET

# Electronic World Trade Platform

Chair of 2016 B20 SME Development Taskforce, Alibaba Group Executive Chairman and Founder Jack Ma, is calling for the establishment of an Electronic World Trade Platform (eWTP) with the objective of reducing barriers and making it easier for Small to Medium-sized Enterprises (SMEs) to expand their trading capabilities worldwide.

**The eWTP would help SMEs overcome complex regulations, processes and barriers that hinder their participation in global commerce.**

- The benefits of increased trade and globalization have not reached smaller enterprises and developing countries as much as it has benefited their larger, more established counterparts. The eWTP is intended to help companies and developing countries that are not realizing their full trading potential.
- An increasing amount of local, regional, national and international commerce is conducted on a variety of platforms on the Internet. This relatively new and comparatively frictionless method of conducting business can enable more countries, enterprises and entrepreneurs to participate in global trade and reap the benefits of globalization.
- The explosive worldwide growth of e-commerce is spawning new business models. It has the potential to spark fundamental changes in the way international trade is conducted by lowering costs, reducing and streamlining intermediaries, improving access to information and financing, and shortening global supply chains.

**The eWTP is not intended to supplant the WTO, but rather to complement it.**

- Jack Ma views the eWTP as a logical and natural complement to the World Trade Organization (WTO), which has fostered a more integrated global economy through agreements that lowered trade barriers during the last two decades.
- The vision for the eWTP is that it will be driven by businesses, with support from governments. Businesses can create hubs for e-commerce and governments can create virtual free trade zones for small business.
- These eHubs would allow small businesses in one country to sell to consumers in another, with low or no import duties, speedy customs clearance, and better access to logistics. When connected, this would create a global network that becomes the eWTP.
- Significant challenges remain. For example, some of the biggest barriers to cross-border trade are the wide variety of market specific regulations with which products must comply, burdensome customs procedures, and access to logistics and financing. A number of governments are contemplating raising, not lowering, taxes and tariffs on small package shipments.

The eWTP initiative is in the final B20 Policy Report and has been expressly recognized by the G20 Trade Ministers in the *Strategy for Global Trade Growth (Annex 2)*.