

The development and international coordination of cross-border e-commerce

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Presentation Outlines

1

the INTERNET !

2

The Revolution of Cross-border E-commerce

3

Necessary International Coordination to Facilitate
Cross border E-commerce

1

the INTERNET !

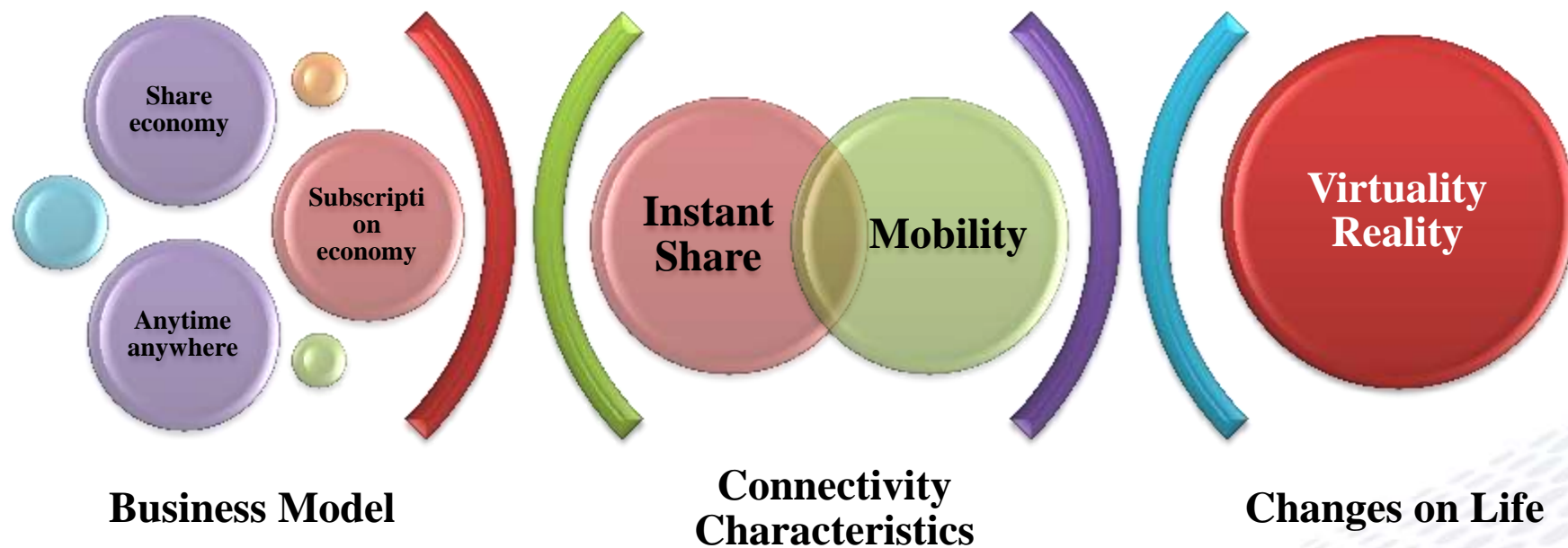
2

The Revolution of Cross-border E-commerce

3

Necessary International Coordination to Facilitate
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Internet Changes on How People Work 、 Live and Think

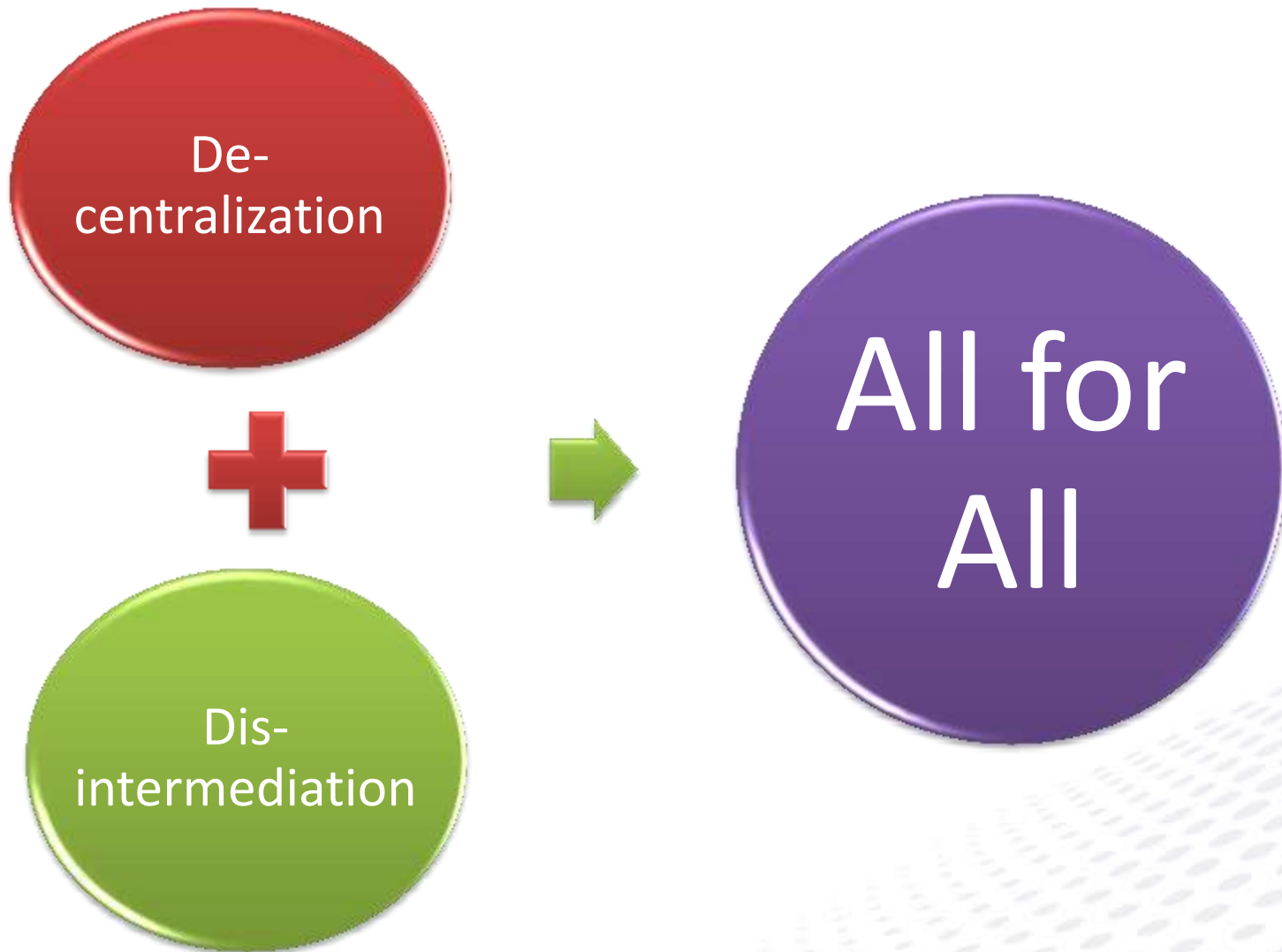


Internet of things: internet changes the way we do business



- The largest music company in the world does not own any music.
- The largest cab company in the world does not own any cab.
- The largest hotel service company in the world does not own any hotel.

The way internet changes retailing



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The sales of overseas shopping increase every year

Global Cross-border B2C Volume 2014-2020

- Cross-border B2C transactions as % of total B2C transactions
- Transaction volume of global cross-border B2C (in USD billions)
- Transaction volume of global domestic B2C (in USD billions)
- Compound annual growth rate



Why?

Because it is human nature to try new things

Cross-border e-commerce



New engine

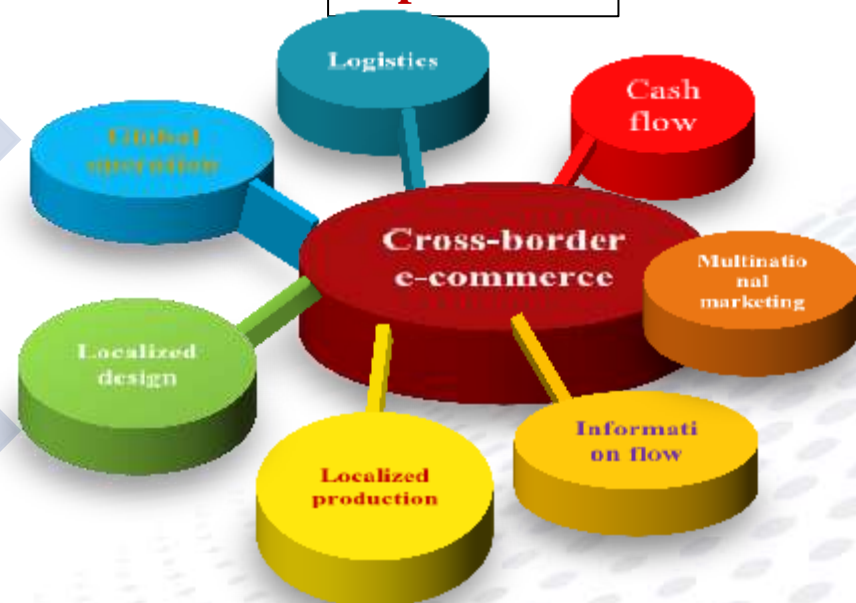
Shorten supply chain

- Factory - >Retail - >Consumer
- Factory - >Consumer

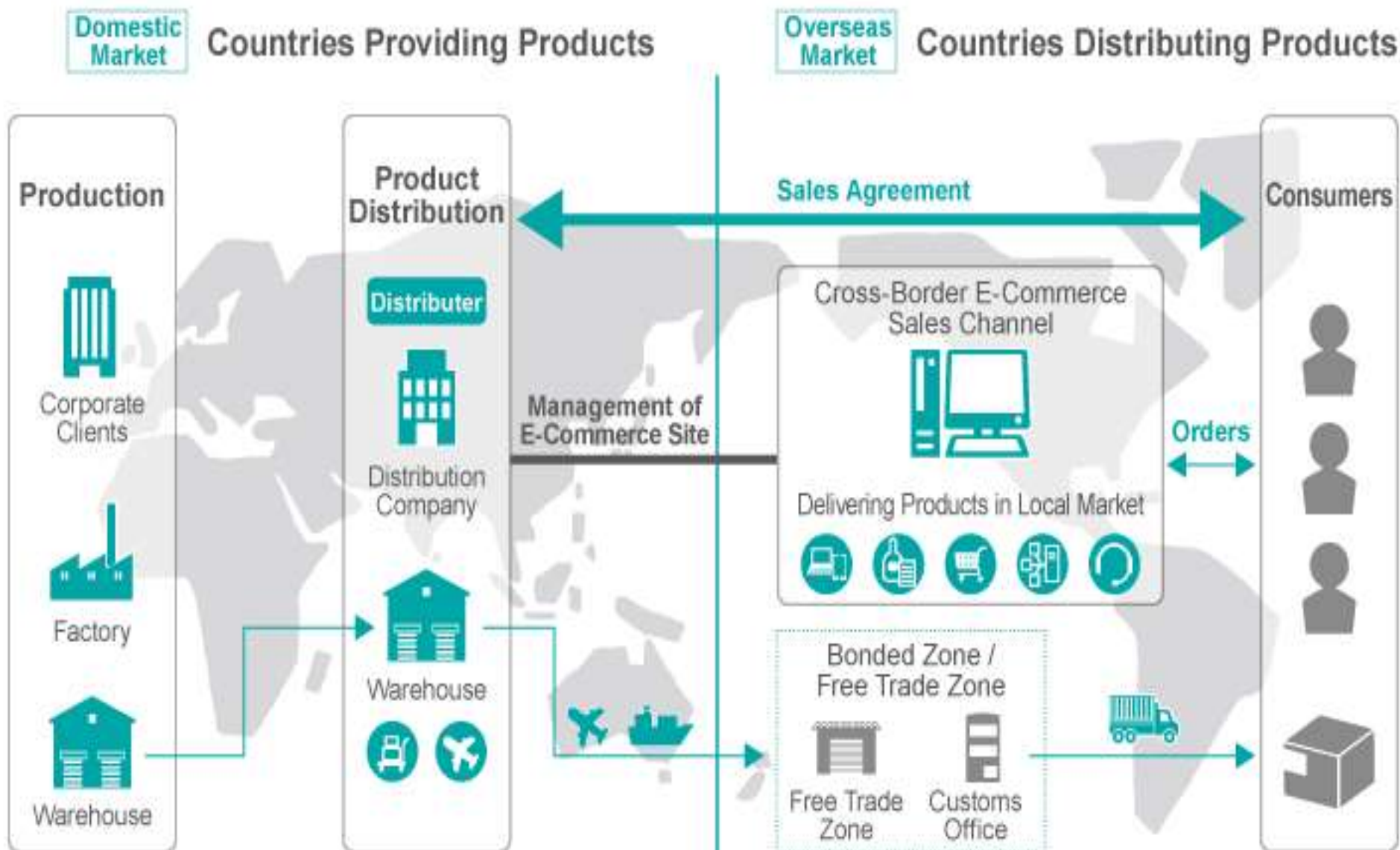
Industry upgrade and transformation

- C2B customization model
- Flexible production and supply

New pattern



New Map of International Labor Division



Cross border e-commerce changes international trade

Drastic Changes

- Lowering startup costs
- Initiating and doing trade easier, faster, and less expensive
- Making trade more convenient and reducing transaction costs

Widening Audiences

- Finding the right supplier, specifying the product's requirements and quality, negotiating the price, arranging deliveries and marketing products are less expensive and whole lot easier

Marketing

- Collecting information across national border is easier and faster
- Directly connecting to customers
- No physical limitation

Global Improvement

- Communications costs continue to fall
- The potential for international outsourcing grows
- Globalization and liberalization

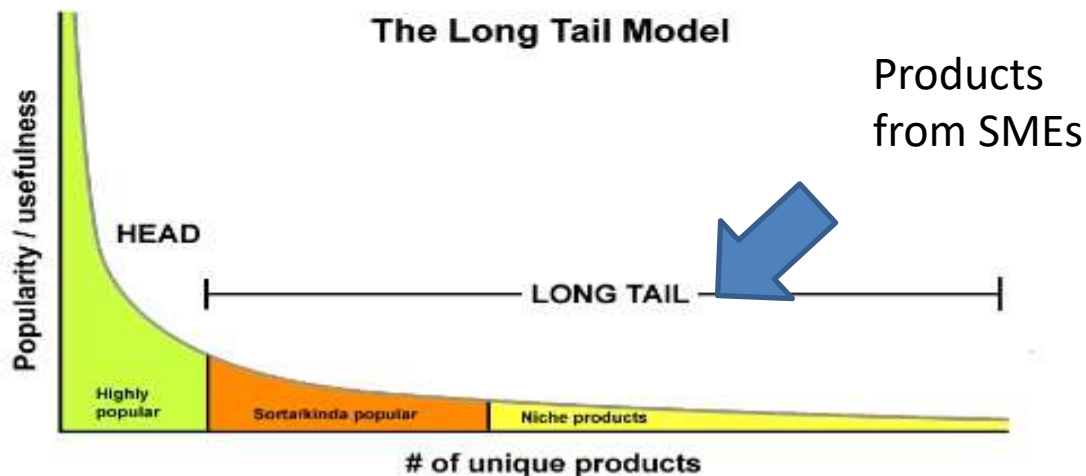
The international markets are now open to EVERYONE

Cross border e-commerce are new channels for export, especially for SMEs

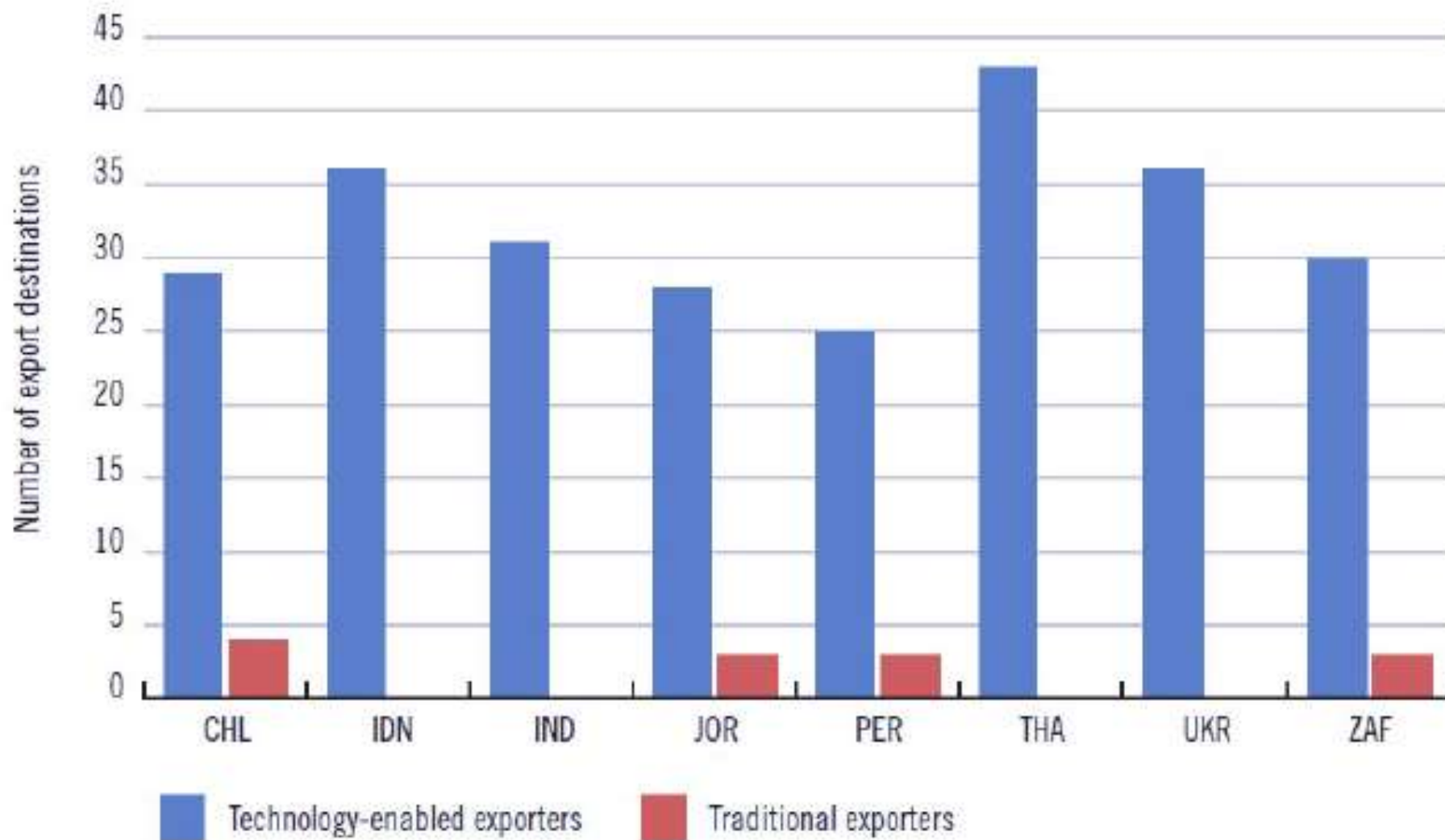
WHAT IS A LONG TAIL?

Products that are low demand or have low sales volume can collectively make up a market share that rivals or exceeds the relatively few current best sellers and block busters, if the store or distribution channel is large enough.

<http://slymarketing.com/great-example-long-tail-marketing>



How ecommerce helps trading



Source: eBay commerce 3.0 for Development Report

Benefits of cross border e-commerce for SMEs

1. Online transactions create a verifiable track record of a company's performance and trustworthiness.
2. Cross border e-commerce lowers the threshold required for a company to become visible in the global market.
3. The big data generated from transaction records can help SMEs reach out to a targeted group of potential buyers.
4. SMEs can ship goods directly to the end user.
5. Online platforms are building ecosystems which help SMEs to access.



1

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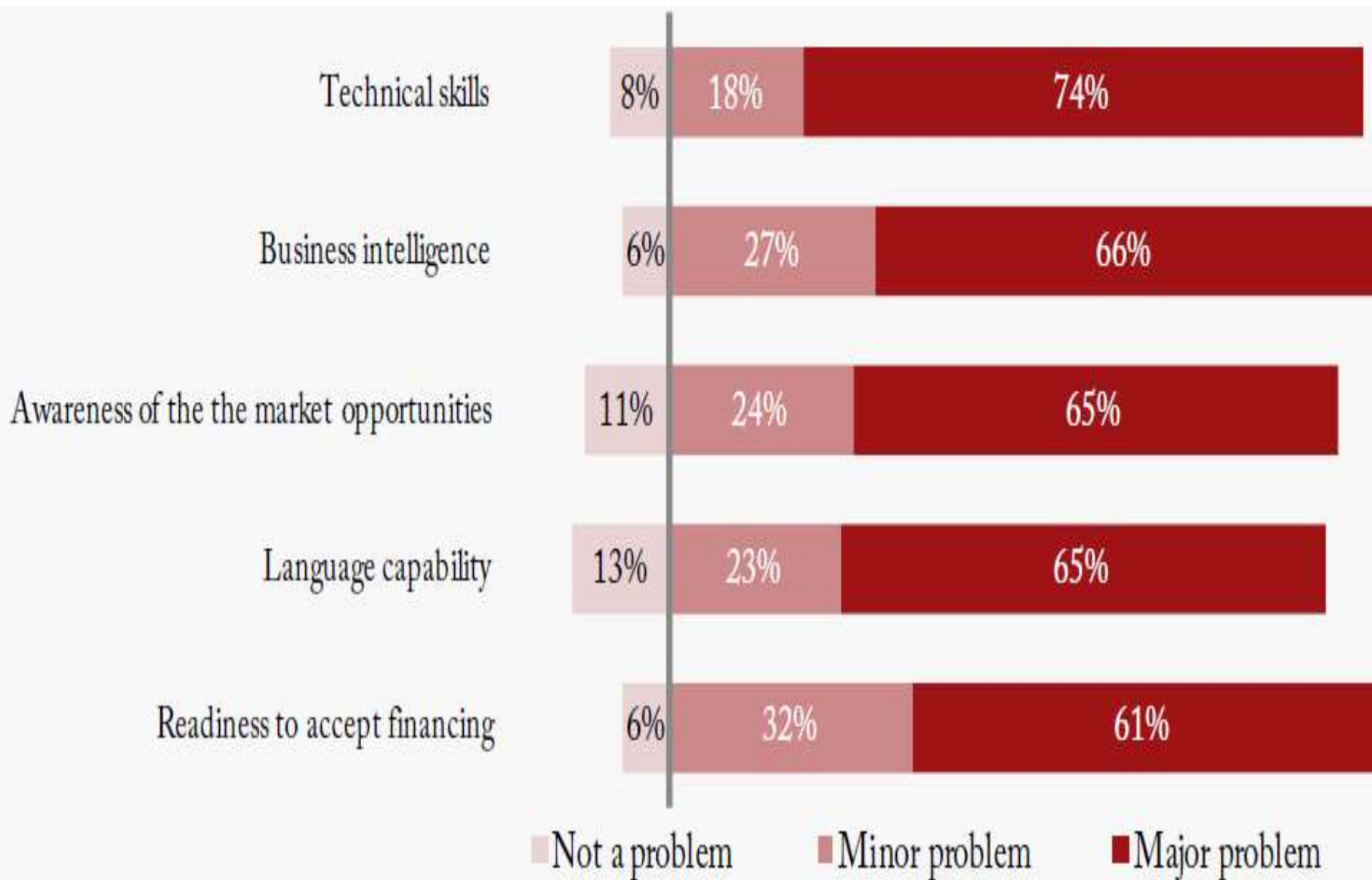
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The Revolution of Cross-border E-commerce

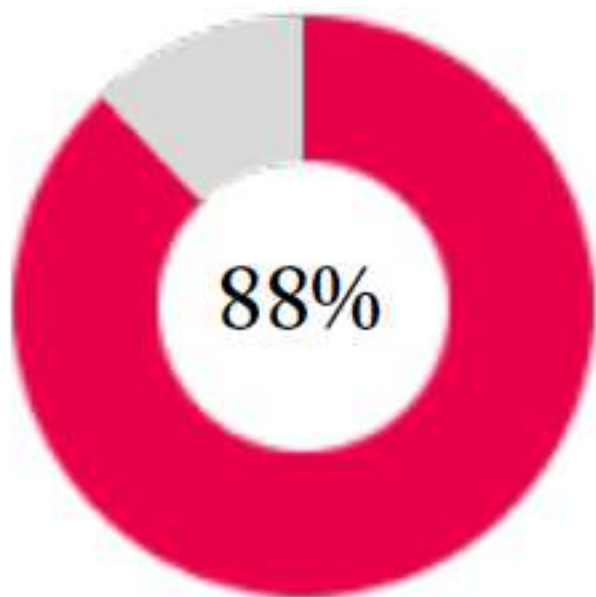
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Necessary International Coordination to Facilitate
Cross border E-commerce

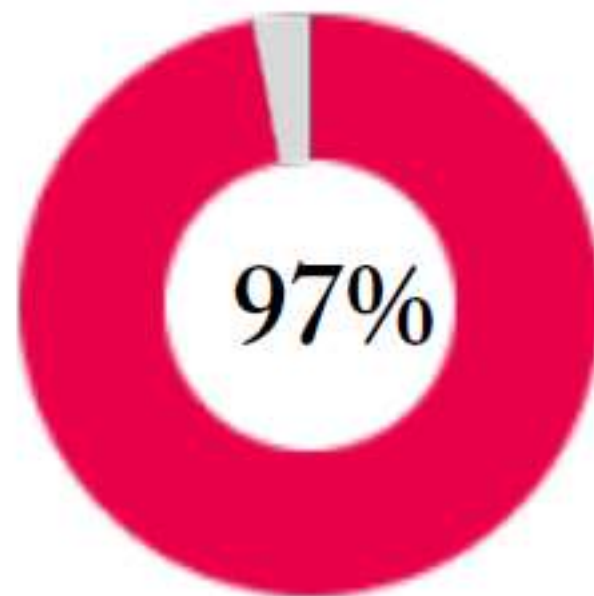
SMEs' Problems....



The International Community should unit to help foster cross-border e-commerce



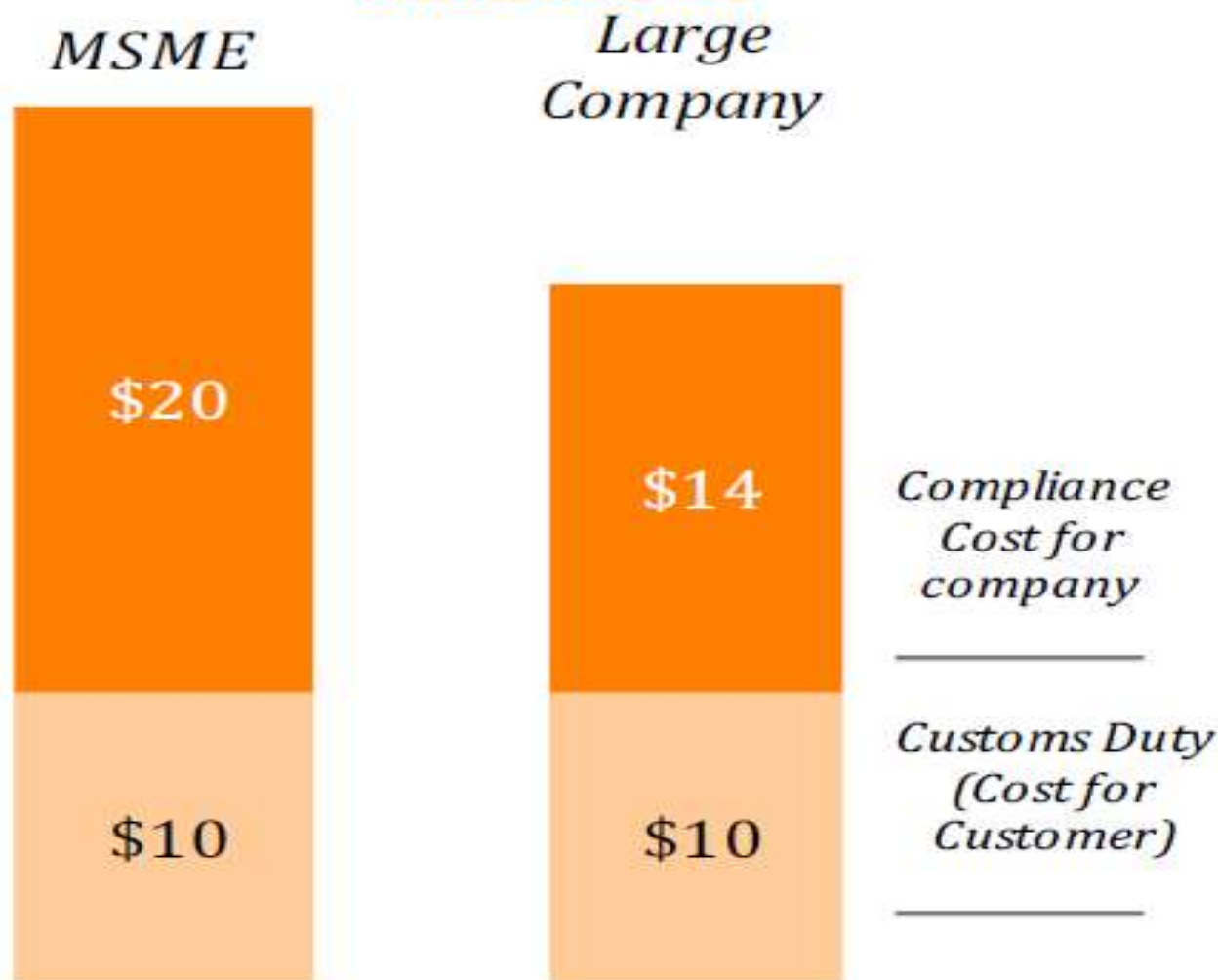
identified non-tariff barriers in target markets as a problem keeping MSMEs from doing cross-border e-commerce. Examples include quotas, levies, and sanctions



identified protectionism (specific rules and restrictions against foreign companies) as an problem for trying to conduct cross-border e-commerce

Again, especially for SMEs

Costs of completing a customs transaction



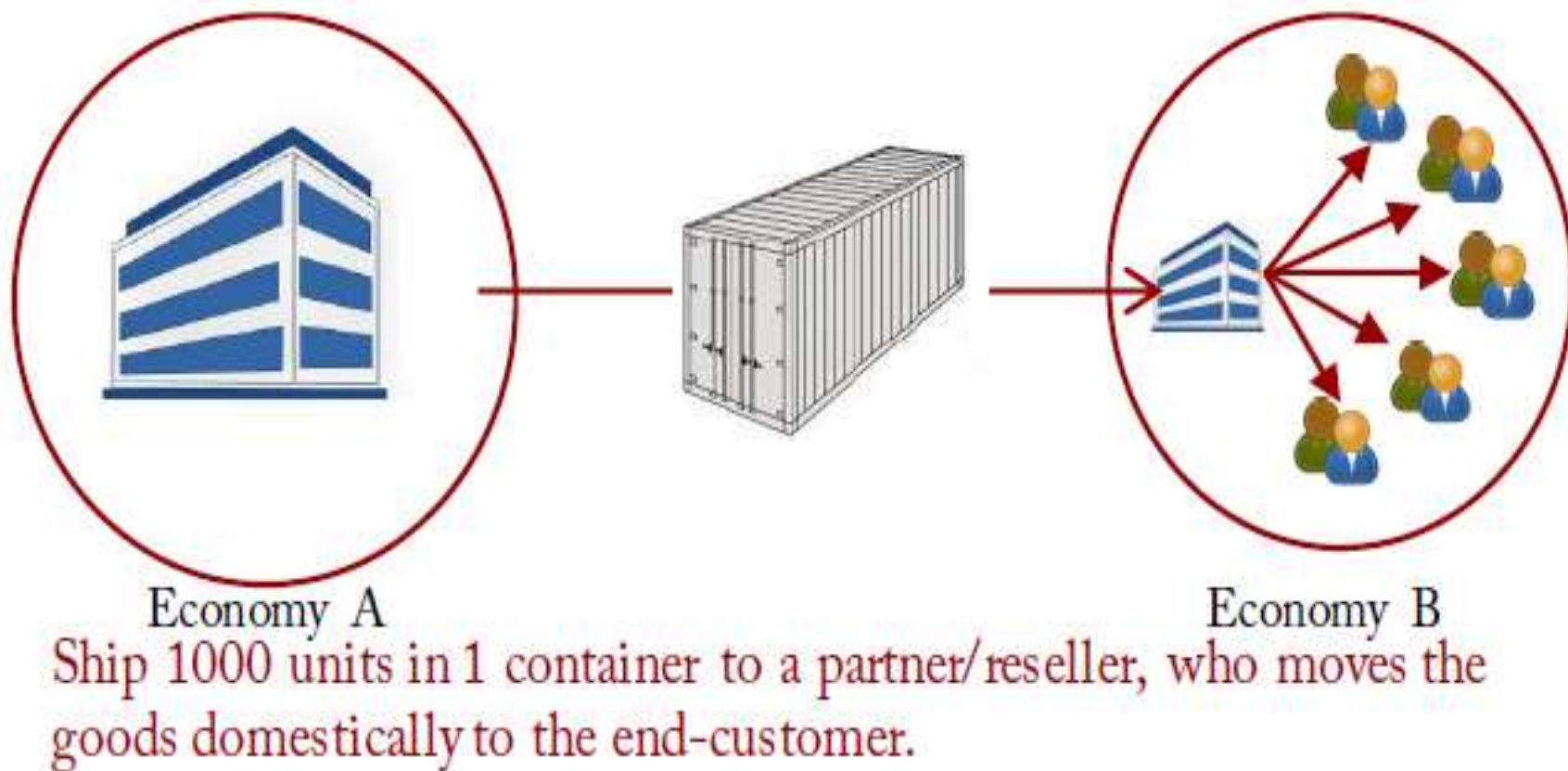
Source: World Bank Logistics Performance Index

*“Logistics is the
number one cross-
border e-commerce
barrier for me
because it is too
expensive...”
- MSME Executive
in Chinese Taipei*



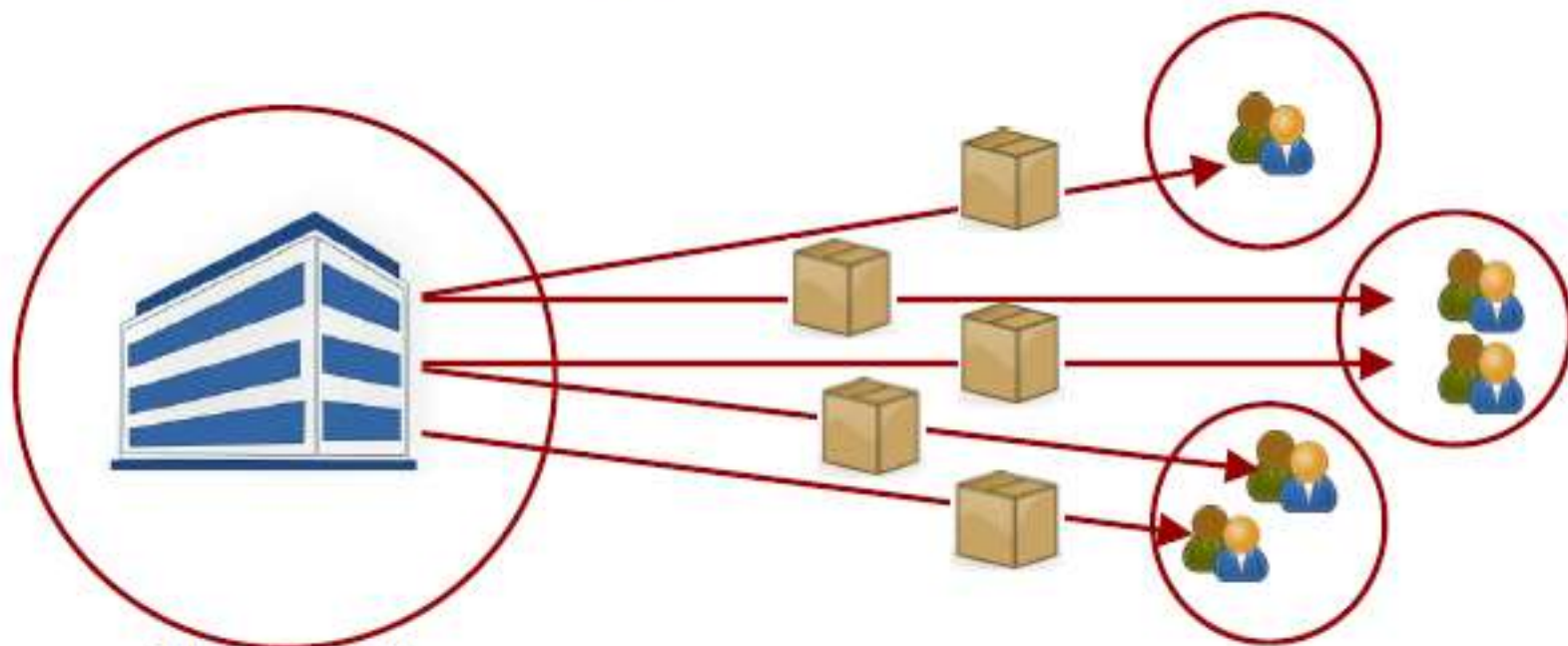
Why?

Traditional Engagement Model



Why?

B2C Cross-Border Engagement Model



Economy A

Economy B, C, D

Ship 1000 boxes to 1000 end-customers, incurring time and fee costs for packing, labeling, shipping, clearance and other logistics costs independently.

Trade facilitation for cross border e-commerce



Customs procedures are problematic and too costly when shipping large numbers of small consignments



No unified rules for taxation and duties



Cannot estimate the necessary time and cost for custom clearance

Barriers Relating to Customs

Trade facilitation:

How procedures and controls governing the movement of goods across national borders can be improved to reduce associated cost burdens and maximize efficiency while safeguarding legitimate regulatory objectives.

Cross border e-commerce: single window

Overall benefits of a single window approach



Allows traders to fulfill all import, export and transit-related regulatory requirements through one interface.



Reduces trade chain burden, and coordinates and streamlines government operations.



International compliance goals and mutual recognition of secure trading frameworks between countries.



Provides more timely access to information.

Supporting efficient and effective border management for cross border e-commerce

Source: www.wcoomd.org

How Taiwan and The Philippines can jointly promote cross-border ecommerce for SMEs

