

At the forefront of innovation

China is leading the push for e-commerce growth in the region, with the Boao Forum an ideal platform for talks

By DAVID HO in Hong Kong
For *China Daily Asia Weekly*

In collaboration with the United Nations Conference on Trade and Development (UNCTAD), e-commerce giant Alibaba recently announced it will train a class of 37 Asian entrepreneurs in e-commerce innovation.

Candidates from countries including Indonesia, Malaysia, Pakistan, Cambodia, Vietnam, Thailand and the Philippines will embark on an 11-day intensive course to give them exposure to e-commerce innovation from China and around the world.

"We are excited to extend this fellowship to entrepreneurs from Asia for the very first time as part of our commitment to empower digital champions and communities around the world," Brian A Wong, vice-president of Alibaba and head of its global initiatives program, said in a statement.

E-commerce and entrepreneurship represent just one of the many avenues through which China has been encouraging openness. With talk of creating an open and innovative Asia at this year's Boao Forum for Asia — under way in South China's Hainan province from April 8 to 11 — China is leading the region's push in this direction.

The eFounders Fellows program is part of a commitment by Jack Ma, Alibaba's founder and executive chairman and UNCTAD special adviser, to empower 1,000 platform builders from developing countries over five years.

Wong of Alibaba said: "Our goal is to inspire entrepreneurs to serve as pioneers for building a more inclusive development model that is not just good for their business, but also good for society by creating platforms that all can participate in and benefit from."

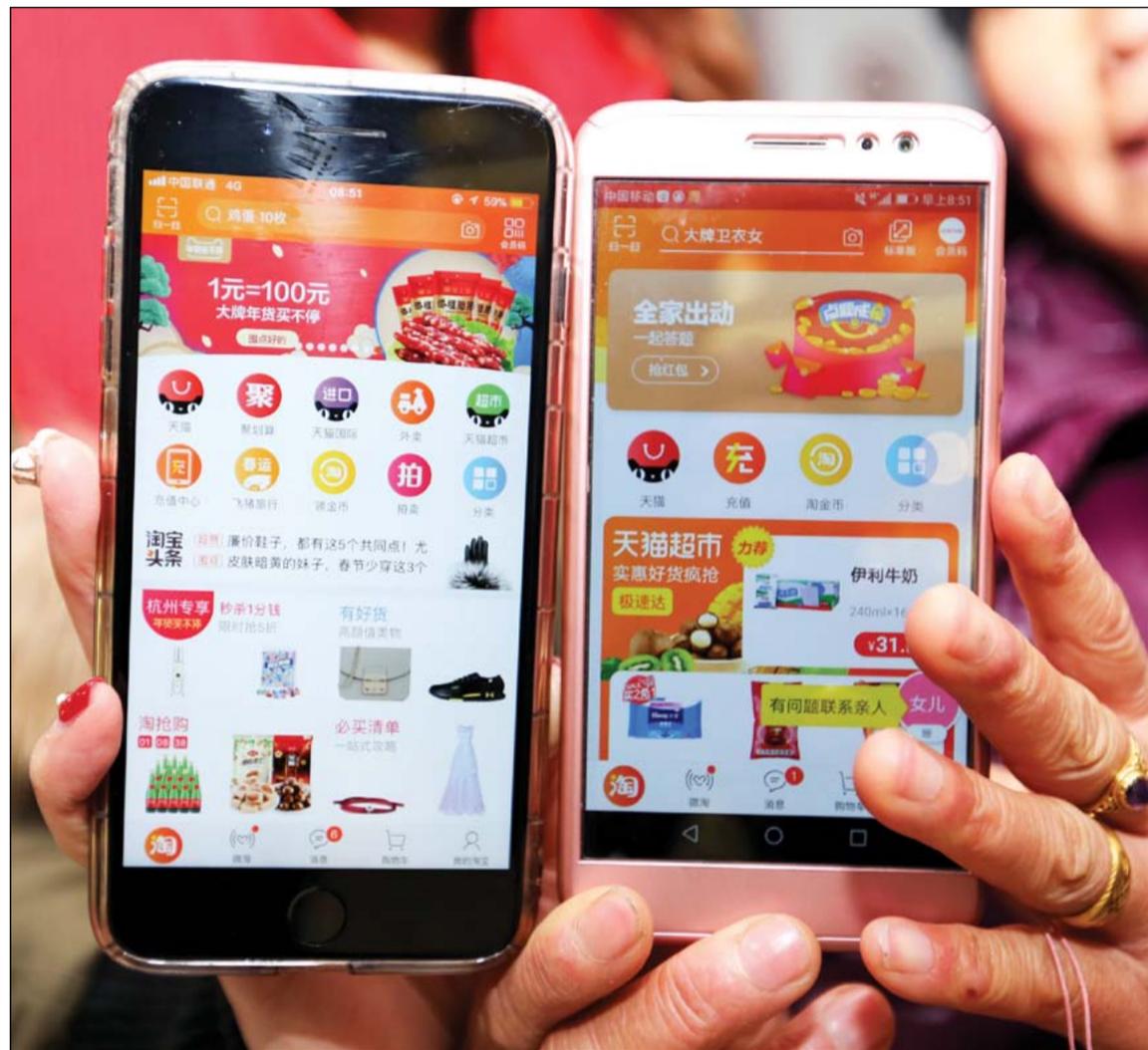
Arlette Verploegh, coordinator for the eFounders Initiative at UNCTAD, said that the program aims to "reach out to youth and include them in the work we do for inclusive and sustainable economic growth".

"The initiative is about bridging the digital divide for young entrepreneurs and unlocking their potential. It is part of a set of smart partnerships UNCTAD is creating to reach the sustainable development goals," Verploegh said.

The program comes after the 'graduation' of the inaugural class of 24 African participants in Hangzhou, East China's Zhejiang province, in November before the initiative was rolled out closer to home.

However, the eFounders Fellows program is just one of the many ways that China is pushing development in the region.

One of the bigger and more promi-



Mobile phone users browse the website of Tmall.com, operated by e-commerce giant Alibaba, in Hangzhou city, East China's Zhejiang province, on Feb 2. Alibaba recently announced it will train a class of 37 Asian entrepreneurs in e-commerce innovation. IMAGINECHINA

nent ways is through the Belt and Road Initiative, the wide-reaching China-led infrastructure plan that sits high on the agenda at the Boao conference.

The Belt and Road is the focus of talks, sessions and roundtable discussions taking place over the four-day event, which look at related areas including cooperation development, energy and resource management.

The initiative is primarily divided between an overland Belt — the classically defined Silk Road that stretches from China to Europe — and a new maritime Silk Road — a sea route that covers much of Asia, the Middle East and Eastern Africa.

According to a report by international law firm Baker McKenzie, six different Belt and Road trade corridors are developing at present, which collectively cover 69 percent of the world's population and 51 percent of its GDP.

The report further shows that 50 Chinese State-owned enterprises (SOEs) have already invested or participated in nearly 1,700 projects in Belt and Road countries since the initiative was launched in 2013.

Baker McKenzie estimates the figures will grow significantly in the

next five years, particularly as private Chinese interests and international partners begin to invest in the wake of these SOEs.

"China is expanding its geopolitical and economic influence in the region through its investments in infrastructure," as part of President Xi Jinping's Belt and Road Initiative, Chua Han Teng, head of Asia country risk and financial markets at BMI Research, told *China Daily Asia Weekly*.

And the initiative is paving the way for the region to achieve the connectivity and openness it needs.

Stephen Groff, vice-president of the Asian Development Bank and a delegate at the Boao Forum, said infrastructure needs in developing Asia are large and growing.

"We estimate that Asia Pacific must invest \$1.7 trillion per year if the region is to maintain growth momentum, eradicate poverty, and respond to climate change. That is a total of \$26 trillion between 2016 and 2030," he said.

Groff noted the need to focus on "hard" infrastructure as well as "software" in the form of cooperation and integration of trade, investment, monetary and fiscal policies;

harmonization of logistics, customs and quarantine; and cooperation on regional public goods.

"We've learned that while physical infrastructure investment is key, this 'software' side of the equation is equally important," said Groff.

Abdul Qadir Memon, consul general of Pakistan in Hong Kong, said the initiative is a catalyst that can strengthen people-to-people interaction.

"Eighty-two percent of people in Pakistan rate China very favorably. We enjoy a strong friendship with China, not just at the political level, but also at a grassroots level," Memon said, referring to his country's support for both China and the initiative. He was speaking during a China Daily Belt and Road Networking Reception in Hong Kong in December.

"Pakistan supports China without reservation on all fronts," Memon said.

While the Belt and Road is connecting people across borders, the Boao Forum for Asia might just be the definitive platform for them to have further discussions.

"Also crucial is ensuring that all efforts are anchored in regional —

and national — development plans," said Groff of the Asian Development Bank.

A similar and just as vital way that China is paving the path for development is the Greater Bay Area, a major topic for discussion at the Boao Forum.

"Hong Kong should seize the opportunities provided by the Belt and Road through the Greater Bay Area," said Matthew Cheung Kin-chung, Hong Kong chief secretary for administration, at the China Daily Belt and Road event in December.

The Greater Bay Area initiative seeks to integrate the special administrative regions of Hong Kong and Macao with nine cities in South China's Guangdong province into a competitive city cluster.

A session at the Boao Forum for Asia is dedicated to discussing the Greater Bay Area, such as the roles of each member in the blueprint, the challenges, and its importance to the economy and innovation, like other bay areas around the world.

Global accounting firm PwC predicts China's Greater Bay Area could emerge as the largest bay area economy in the world by 2030. With a combined GDP of \$1.36 trillion recorded last year, that does not seem too far off.

But first, there is a need to put things in place for it to become an innovation center to drive "a world of greater prosperity" as outlined in this year's Boao Forum theme.

Hong Kong Chief Executive Carrie Lam Cheng Yuet-ngor, a delegate at the Boao Forum, had previously pointed out that the prerequisites for a capable technology hub are the free flow of people, logistics, capital and information.

In a report, PwC also called for the development of smart cities and promotion of high-quality domestic products to make it an even more globally competitive hub.

Patrick Tsang, CEO of Deloitte China, said in a statement: "The Boao Forum is a conference endowed with much social, economic and political gravitas. It provides an invaluable platform for government, corporate and academic leaders to exchange their views and insights."

"We are excited about the focus on openness and innovation this year, as they present a twin pillar that will uncover unprecedented opportunities in the global market and propel the Asian economy into the next stage, especially as digital transformation reimagines the way we've always understood and conducted businesses in every industry."

"New areas of exploration such as blockchain, AI and e-commerce will prove ripe topics for discussion," said Tsang.