


## Electronic commerce in Asia

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*Note: The views expressed are those of the author  
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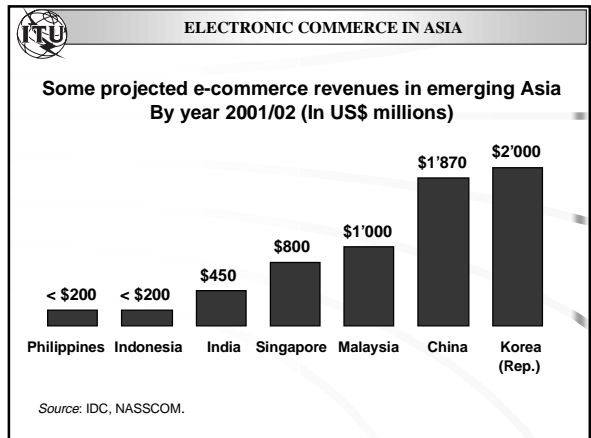
## Agenda

- **Electronic commerce in Asia**
- **Why is it important?**
- **Major challenges**
- **Examples**

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## What is e-commerce?

- “Electronic commerce may be simply defined as the production, advertising, sale and distribution of products via telecommunication networks” (WTO, 1998)
- **Categories**
  - ⇒ Business-to-business
  - ⇒ Business-to-consumer
  - ⇒ Business-to-government



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## E-commerce initiatives in Asia

• <b>China</b>	- Golden Projects
• <b>Malaysia</b>	- Multimedia Super Corridor (MSC), Digital Signatures Act 1997
• <b>South Korea</b>	- E-commerce system using post offices
• <b>Thailand</b>	- E-commerce pilot project
• <b>Singapore</b>	- Electronic Transactions Act 1998 and Electronic Regulations 1999
• <b>Philippines</b>	- National Information Technology Plan '97

***Most of them want to become the Asian “hub” for e-commerce***

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## Why is it important?

- **For firms**
  - ⇒ **Low**ers transaction, production and distribution costs
  - ⇒ **Facilitates** market entry (especially for SMEs)
  - ⇒ **Improves** customer service
  - ⇒ **Extends** geographical reach
  - ⇒ **Improves** information access
  - ⇒ **New** sources of revenue

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### Why is it important?

- **Catalyst for economic growth**
  - ⇒ increased competition
  - ⇒ lower prices, improved quality and innovative new products and services
  - ⇒ new trade opportunities
  - ⇒ investment growth

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### What are some of the major challenges to e-trade ?

- *Customs and taxation*
- *Privacy / data protection*
- *Security*
- *IPR / Copyrights / Trademarks / domain names*
- *Technical standards*
- *Telecom and IT Infrastructure*
- *Model law*
- *Content*
- *E-payments*
- *Trade logistics*

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### Challenges

- In the *developed* world the major concerns are related to privacy, taxation, etc.
  - ⇒ These are being dealt with by private sector initiatives, governments and int'l organizations (e.g. UNCITRAL, WTO, WIPO, OECD, etc.)
- In the *developing* world the primary concerns are related to
  - ⇒ telecom and IT infrastructure
  - ⇒ pricing
  - ⇒ content
  - ⇒ awareness.

