



Current Development Situation of E-Commerce in China

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Introduction

With gradually establishment and improvement of domestic logistics, payment and credit system, further development of information infrastructure, increasingly exploitation and cultivation on network access demand of enterprises and individual users, practicing and innovating of a number of business websites, as well as the international capital favoring China E-Commerce market again, the development of China E-Commerce market obviously picks up, market vigor of E-Commerce market significantly strengthens.

At present, the domestic E-Commerce websites, such as online store, online commercial platform, speciality shop, online auction website, online tickets reservation, online traveling, online education, online health care, as well as those provide various electronic commerce information and transaction, emerge continuously, E-Commerce application is deepening, and service patterns are also innovating. E-Commerce is expanding from large cities such as Beijing, Shanghai and Guangzhou to coastal and inland big cities.

On January 19, the China National Network Information Center (CNNIC) issued "statistics report of the 15th China internet development condition" in Beijing. The report showed that, the users access to internet is totally 94 million in China, increasing 8% compared with half year ago, in which the users access to internet on broad band is 42.8 million, the computers access to internet is 41.6 million, increasing 14.6% compared with half year ago.

With sharply growth of domestic Internet users, China E-Commerce demonstrates accelerating development potential. Giants such as Sinopec, CNPC, Sinochem, COFCO and China Minmetals has all introduced various E-Commerce, which effectively develops business, enhances efficiency of commercial activity generally, extends range of commercial activities, and reduces transaction cost. At present, under vigorously promotion of all levels of national governments and economics and trade departments, various E-Commerce activities are developed and promoted all over the country. The third party network service platforms, such as Alibaba.com, Ebay.com.cn, Taobao.com, have led the development of massive small and medium enterprises and individual E-Commerce, and promoting internationalization of E-Commerce. According to statistics, there are more than 4,000 E-Commerce websites in China currently, the total transaction amount of E-Commerce in 2004 already achieved RMB440 billion Yuan, in 2005 it is expected to over 620 billion Yuan. But lack of specialized third party logistics distribution system, weakness in payment system and unhealthiness of credit system are still three major bottlenecks restricting the development of E-Commerce.

Chinese government puts emphasis on E-Commerce work extremely. Legislation, policy and financial support made significantly progress in 2004, the government established and launched Electronic Signature Law, issued Several Opinions of General Office of State Council on Speeding up the E-Commerce Development (State Office send [2005] 2), the National Development and Reform Committee, the Department of Commerce also promulgated Notice of General Office of National Development Reform Committee on Organizing E-Commerce Special Implementation and China E-Commerce Development Report respectively, creating favorable policy environment and confidence encouragement for E-Commerce development.

Generally speaking, the China E-Commerce market contains huge commercial opportunity, the development prospect is extremely broad. The relevant organizations are complying with and guiding commercial transformation tendency, absorbing latest international achievement of technical platform, payment system, creditability system, platform construction and safety guarantee system in E-Commerce, further optimizing the external environment, and speeding up development and innovating application complying with national features.

About Chinaeclaw.com

ChinaEClaw.com was established in July 2000 as the first professional Electronic Commerce Law web site in China. Our Chinese-language web site contains a wealth of comprehensive information and authoritative content focused on the legislation, judicial decisions, research and practice of e-commerce policy and laws in China.

ChinaEClaw.com has become a respected window for legislation and research on electronic commerce by the Chinese government, as well as a platform for research by and communication among academics, and an important channel through which companies involved in e-commerce can resolve their operational issues and seek advice or legislation.

The English version web site, developed in cooperation with TransAsia Lawyers, contains translations of select content from our Chinese site.

Our activities recently (2004-2005)

- Hold the IT LAW SALOON monthly;
- Publish the magazine LEGAL JOURNAL OF INFORMATIZATION & E-COMMERCE monthly(2005);
- Participate in the drafting of Proposals On Promoting The Development Of E-commerce In China By The General Office Of State Council(2005);
- Research on Online Real-name Identification cooperating with PKU & Yahoo! Internet Law Center(2005);
- Hold the Third China E-Commerce Policy and Law Symposium(2005);
- Hold the Policy and Law Forum of the 8th International Electronic Commerce Conference(2005);

- Participate in Legislation of E-signature Law of China(2004);
- Draft out the first EC industry regulation in China ??Online Trade Service Criterion (2004);
- Set up the first Chinese ODR platform and launch the Chinaodr.com websites(2004);
- Hold 2004 Symposium on Standardization and Regulation of Online Games(2004)