



## **Alibaba Signs MoU with Malaysia's MDEC and Hangzhou Municipal Government to Facilitate Global Trade for SMEs Under eWTP**

*Hangzhou's Cross-Border E-Commerce Pilot Zone to connect with Malaysia's DFTZ leveraging Alibaba's ecosystem to form a digital gateway to global success for businesses*

**Hangzhou, China, May 12, 2017** – Alibaba Group Holding Limited announced today the signing of a memorandum of understanding with Malaysia Digital Economy Corporation (MDEC), Malaysia's digital economy development agency, and the Hangzhou Municipal Government to connect the first e-hubs in the two countries under the Electronic World Trade Platform (eWTP), taking Alibaba Group's vision of facilitating global trade for SMEs around the world one step closer to reality.

The Prime Minister of Malaysia, Dato' Sri Mohd Najib Tun Abdul Razak, Secretary of Communist Party of China's Zhejiang Provincial Committee, Che Jun, and Alibaba Group's Executive Chairman, Jack Ma, witnessed the signing of the triparty memorandum of understanding (MOU) in Hangzhou today that aims to connect China (Hangzhou) Comprehensive E-Commerce Pilot Zone with Malaysia's Digital Free Trade Zone (DFTZ).

The MOU seeks to enable the building of infrastructure for seamless cross-border e-commerce trade between Malaysia and China. The three parties agree to work together to explore potential strategic collaborations, consistent with Alibaba's vision of eWTP.

Under the MOU, the parties will join forces to explore linkages between the China (Hangzhou) Cross-Border E-Commerce Comprehensive Pilot Zone – the first domestic e-hub, which Alibaba Group played a key role in establishing – and the DFTZ in Malaysia, established by Alibaba and MDEC in March this year, as pilot implementation towards building an e-road for global trade. By leveraging Alibaba's internet and data technologies, the parties will facilitate cooperation between public and private enterprises in Hangzhou and Malaysia to provide easier access to customs clearance, inspection and permit issuance for SMEs to do cross-border trade.

Dato' Sri Mohd Najib Tun Abdul Razak, the Prime Minister of Malaysia, said: "Fostering closer partnership with China is imperative to sustaining our economic growth, and e-business and commerce is clearly the future of global trade. It is therefore exciting to witness the forming of a partnership between government and reputable private enterprises, who will work together to lay the foundation for a more efficient conduct of cross-border trade in the Internet age, to the benefit of all."

Jack Ma, Alibaba Group's Executive Chairman, said: "E-commerce is becoming increasingly globalized and it is transforming the way commerce is conducted. With the creation of eWTP, we and partners will build the infrastructure to empower SMEs and young entrepreneurs to succeed in this era of data technology. Today's announcement has opened up a gateway to global success for small businesses in the two countries. It is our hope that more and more countries and SMEs around the world will benefit from a more level playing field."

In March this year, Alibaba Group established the first overseas e-hub under eWTP with MDEC. The agreed initiatives include the establishment of an e-fulfilment hub near the Kuala Lumpur International Airport, a one-stop online cross-border trading services platform, cooperation in e-payment and financing, and the development of e-talent training that will support Malaysia's planned transformation into a digital economy.

Alibaba has made progresses on multiple fronts since then. Alibaba Cloud, the cloud computing arm of Alibaba Group, will take part in the Malaysia Multimedia Super Corridor initiatives, with a planned data

center in Malaysia later this year and certification program for local tech talents, in order to help local SMEs to succeed in the digital age through technology such as big data and Internet of Things (IoT).

Alibaba's B2B business has launched its Malaysian SME onboarding and external trade promotion program, as well as working with local universities to offer e-commerce training to SMEs. The Group's B2C business is also committed to helping manufacturers and merchants in Malaysia to sell their products globally.

Ant Financial expands the partnership to six local banks and financial institutions in providing e-payment, with an initial focus on inbound Chinese tourism and promoting trade by Malaysian SMEs.

Cainiao, Alibaba's logistics affiliate, Lazada, Alibaba's e-commerce arm in Southeast Asia, and Pos Malaysia will work together to set up an e-commerce regional distribution center, which is expected to come into operation later this year.

Alibaba and its various business units have also entered into collaboration with local educational institutions to offer e-commerce training to develop skillsets in SMEs and individuals in support of Malaysia's digital economy development.

The eWTP initiative was accepted as a major policy recommendation of the Business 20 (B20) and officially included in the 2016 G20 Leaders' Communique. It seeks to remove barriers to trade for smaller firms and emerging nations, supporting them in realizing their full economic potential and ensuring that they can also enjoy the benefits of global commerce. eWTP seeks to fundamentally change international trade through cost reductions, shortened supply chains and increased efficiencies, complementing the work of the WTO.

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### **About Alibaba Group**

Alibaba Group's mission is to make it easy to do business anywhere. The company aims to build the future infrastructure of commerce. It envisions that its customers will meet, work and live at Alibaba, and that it will be a company that lasts at least 102 years.

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