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I. FOREWORD

The 3rd UNIDO-BRICS Cooperation Quarterly Report gives an overview of ongoing UNIDO-BRICS cooperation and activities that have taken place from April to June, including BRICS Contact Group on Economic and Trade Issues (CGETI).

The period saw a number of diverse activities as part of the UNIDO project to “Promote the development of SMEs between China and other BRICS countries through e-commerce development” (“UNIDO BRICS SMEs E-commerce project”), resulting in strengthened coordination with BRICS government departments, business associations and enterprises.

II. HIGHLIGHTS OF UNIDO BRICS COOPERATION

- **Partnership with China E-commerce Industrial Alliance at 2017 World E-commerce Conference (WECC)**

On 12 April, Mr. WANG Genxiang, Director of the UNIDO BRICS SMEs E-commerce Project Office in SASS, and Mr. SU Jun, Executive Director and Secretary General, China Association of Trade in Services (CATIS) and China E-commerce Industrial Alliance, signed a Joint Declaration to further enhance cooperation in e-commerce in three areas:

1) Co-organization of the “BRICS E-Commerce Forum” on inclusive and sustainable development and common prosperity;

2) Prioritization of innovation and e-commerce development, and promote international exchange and cooperation among BRICS enterprises, universities and governments; and

3) Joint efforts on developing the UNIDO BRICS SMEs E-commerce Network Platform (iBrics.org).

- **UNIDO Project Study Tour on E-commerce and SMEs in Brazil**

A UNIDO project study tour to Brazil on e-commerce and SMEs took place from 25 to 30 April. The delegation, headed by Mr. Genxiang Wang, Director of UN Project Office, Shanghai Academy of Social Sciences (SASS), consisted of government officials, researchers and UNIDO representatives. The delegation
visited e-commerce companies, including Mercadolivre (a leading e-commerce platform in Latin America) and Enext (a consulting company for digital business). Meetings were also held with the China Trade Center, the Support Service for Micro and Small Enterprises (SEBRAE), the National Confederation of Industry (CNI), and the National Confederation of Commerce (CNC). Further, the delegation met with the Secretariat of Commerce and Services, Ministry of Industry, Foreign Trade and Services (MDIC) of Brazil, and Ms. XIA Xiaoling, Minister Counselor of Economic and Commercial Affairs at the Embassy of China in Brazil.

The study tour gave the participants the opportunity to learn about e-commerce companies’ best practices and experience, as well as to establish and enhance cooperation with governmental departments and associations. It promoted the BRICS e-commerce project among potential cooperation partners for the BRICS E-commerce Industry Alliance. Furthermore, a memorandum of understanding (MOU) between SASS and the China Trade Center was signed, which will contribute to the global networking of institutes.

Field visit to Enext (São Paulo, 26 April 2017)

The delegation visited Enext, a leader in digital business consulting in Brazil. Mr. Lima, the UNIDO National Expert and Managing Director of Enext, received the delegation and briefed on its operations. Enext is focused on supporting medium and large companies to enter the virtual retail market. It offers market management and technology consulting services, such as on digital media, digital business, CRM (email, SMS, push social), e-commerce implementation (design and development), production advertisements, conversion rate optimization, search engine optimization, user experience, among others.

Field visit to Mercadolivre (São Paulo, 26 April 2017)

The delegation visited Mercadolivre, which hosts the largest online commerce and payments ecosystem in Latin America. It focuses its efforts on enabling e-commerce, digital and mobile payments on behalf of customers by delivering a suite of technology solutions across the complete value chain of commerce. It is present in 18 countries including Argentina, Brazil, Mexico, Colombia, Chile, Venezuela and Peru. Mercadolivre is the 7th e-commerce website in terms of unique visitors worldwide.

Meeting with China-Brazil Investment Development and Trade Center (São Paulo, 26 April 2017)

The delegation met with Mr. PAN Faming, Director of the China-Brazil Investment Development and Trade Center. A memorandum of understanding (MOU) on the UNIDO Innovation Network was signed between UNIDO Global Innovation Center (Shanghai) and China
Trade Center. The cooperation areas include technological research, project cooperation, industrial matchmaking and market promotion. Mr. PAN also introduced the areas of business and services of the China Trade Center and expressed support for UNIDO’s activities.

Meeting with UNIDO Country Office in Brazil (Brasilia, 27 April 2017)

The delegation met with Mr. Clovis Zapata, National Programme Officer of the UNIDO Country Office in Brazil. Mr. Clovis introduced UNIDO’s achievement in Brazil and conveyed the support of UNIDO office in Brazil in follow-up activities.

Courtesy Call to Ms. XIA Xiaoling, Minister Counselor of Economic and Commercial Affairs, Embassy of China in Brazil (Brasilia, 27 April 2017)

The delegation paid a courtesy call to Ms. XIA Xiaoling, Minister Counselor of Economic and Commercial Affairs, Embassy of China. The delegation introduced the UNIDO project “Strengthening the Global Network on Inclusive and Sustainable (ISID)” and its current network in the UK, USA, and Israel. Ms. Xia introduced the current environment in Brazil, particularly in the area of trade and investment. She expressed the interest to facilitate the establishment of an industrial zone.

Meeting with Support Service for Micro and Small Enterprises (SEBRAE) (Brasilia, 27 April 2017)

The delegation met with representatives of SEBRAE headed by Ms. Renata Malheiros Henriques, Manager of Access to Markets Unit. The delegation introduced the UNIDO BRICS SMEs E-commerce project. SEBRAE informed that of its focus on international markets. In e-commerce, SEBRAE is building a SEBRAE e-market platform to unite small business information, training and consultancy services.
Meeting with National Confederation of Industry (CNI) (Brasilia, 27 April 2017)

The delegation met Mr. Frederico Lamego, Executive Manager of the International Relations Unit. The delegation briefed on the UNIDO event at the China International Fair for Investment and Trade (CIFIT) and the China International SME Fair (CISMEF), and invited CNI to attend the events. CNI provided an overview of the institutions of the Social Service of Industry (SESI), the National Service for Industrial Training (SENAI), and Euvldo Lodi Institute (IEL). CNI expressed interest to further cooperate with UNIDO in terms of both fairs and education.

Meeting with National Confederation of Commerce (CNC) (Rio De Janeiro, 28 April 2017)

The Delegation met with Mr. Rubens Torres Medrano, President of the Brazilian Chamber of Commerce (CNC). The delegation informed about the UNIDO BRICS SMEs E-commerce project (the establishment of iBRICS.com), the UNIDO event in CIFIT, the Global Innovation Network and CISMEF. In terms of e-commerce, Mr. Ruben mentioned it is a new phenomenon in Brazil and he welcomed cooperation in the area of e-commerce.

Field Visit to Osklen (Rio De Janeiro, 28 April 2017)

The delegation visited Osklen and saw a demonstration of the use of e-commerce in the company. Challenges for conducting e-commerce, such as logistic, were especially stressed.

B2B Workshop on E-commerce in Moscow, the Russian Federation

The Russia-China B2B Workshop and field visits to Russian e-commerce companies were held from 22 to 24 May 2017 in Moscow, the Russian Federation, under the framework of UNIDO’s interregional project on SMEs E-commerce. The event was held as part of the 16th World Business Leader Roundtable Special Session - a matchmaking event between Chinese and Russian cross-border e-commerce enterprises, which was co-sponsored by the China Council for the Promotion of International Trade (CCPIT), Chamber of Commerce and Industry of the Russian Federation, the Ministry of Industry and E-commerce of the Russian Federation, the Russian Export Center and UNIDO. The delegation, headed by Mr. Genxiang Wang, Director of UN Project Office, Shanghai Academy of Social Sciences (SASS), consisted of government officials, researchers, entrepreneurs and UNIDO representatives.

On the first day, 200 to 300 participants
from China and Russia participated in the matchmaking event. UNIDO representatives held a bilateral meeting with CCPIT. During the next two days, the delegation visited the UNIDO Center for International Industrial Cooperation, paid a courtesy call to the Ministry of Industry and Trade of the Russian Federation, and visited the Incotex Electronic Group, a Russian e-commerce company that produces a wide range of energy meters. They also visited the National Distance Selling Association (NAMO).

During the mission, Russian and Chinese e-commerce companies shared experiences and best practices with an aim to take their business to the next level. The BRICS SMEs E-commerce project was promoted and collaboration with the potential cooperation partners of the BRICS E-commerce Alliance was explored. Moreover, a joint declaration between SASS and the UNIDO Center (Moscow) was signed, which will further contribute to the global innovation network.

**Signing of the Joint Declaration**

On 23 May 2017, Mr. Genxiang Wang, Director of UN Project Office at the Shanghai Academy of Social Science (SASS), headed a delegation, consisting of UNIDO representatives and Chinese entrepreneurs, during a visit to the UNIDO Center for International Industrial Cooperation in Moscow. During the visit, Mr. Wang, on behalf of the UNIDO Shanghai Global Science and Technology Innovation Center, signed a Joint Declaration with Mr. Sergey Korotkov, on behalf of the UNIDO Russia Office. The purpose of the Joint Declaration is to provide a general description of intentions, and terms and conditions of the collaboration between parties.
Property Rights Mechanism. UNIDO and ITC delivered their presentations during the afternoon Expert Dialogue on BRICS e-commerce cooperation.

The presentation of the joint report, which is compiled from national reports on e-commerce in each of the BRICS countries, was well received by the BRICS delegations. The presentation, delivered by UNIDO China Office Head, Mr. Ralf Bredel, drew attention to the scale of growth in e-commerce in the past few decades, particularly in China where targeted policies, guidelines and regulations have helped to promote the sector. All the BRICS recognized the potential for e-commerce to contribute to economic growth, and have enacted initiatives to foster e-commerce. India, for instance, is promoting e-commerce in traditional sectors, such as agriculture. The government has also fully opened its e-commerce market to foreign investment.

Based on the report findings, UNIDO presented a list of recommendations to address some of the main bottlenecks hindering the growth of e-commerce, many of which are shared by all the BRICS countries. For instance, all the BRICS stressed a need for capacity-building for human resource development, infrastructure and privacy and data protection. The delegates suggested additional sources of data on e-commerce transactions and market value to be included in the report and requested recommendations on how to ensure inclusive growth of the e-commerce sector.

The delegates also discussed proposals to set up a BRICS E-Commerce Alliance consisting of enterprises, industry associations and research institutions, and an E-Commerce Working Group to carry out information exchange on rules and regulations in e-commerce.

The second and third days of the meetings covered issues relating to trade and investment facilitation, intellectual property rights, economic and technological cooperation, and the multi-lateral trading system.

For the next steps, UNIDO and ITC agreed to further improve the joint report with comments and data suggested by the BRICS delegations. The report will then be discussed and endorsed by the CGETI, and then submitted to the BRICS Trade Ministers’ Meeting and Leaders’ Summit.

Expert Group Meeting on the first draft of Joint Report on E-commerce Development in BRICS, Shanghai, China

On 9 June 2017, the UNIDO BRICS E-Commerce office at the Shanghai Academy of Social Sciences (SASS) held an expert group meeting on the first draft of Joint Report on E-commerce Development in BRICS. The aim of this meeting was to review the report and provide recommendations for further development and improvement. While experts spoke highly of the report, advice was offered regarding the language, structure and format.

III. MAJOR NEWS ON 2017 BRICS SUMMIT

Ministerial Meetings

- Annual Meeting of the Board of Governors of the New Development Bank 1-2 April in New Delhi
- Meeting of Finance Ministers and Central Bank Governors/ Meetings of Finance Ministers and Central Bank Governor Deputies in April in Washington
- Formal Meeting of Ministers of Foreign Affairs/International Relations in June in Beijing
- Sherpa Meeting in June in Qingdao
- Meeting of Finance Ministers and Central Bank Governors/ Meetings of Finance Ministers and Central Bank Governor Deputies in June in Shanghai
- Meeting of Agriculture Ministers 16-17 June in Nanjing
- Meeting of Environment Ministers in June in Tianjin
IV. UPCOMING EVENTS IN 2017

- 29-30 July 2017: UNIDO Director General’s attendance at the BRICS Meeting of Industry Ministers in Hangzhou.
- 1-2 August: UNIDO Director General’s attendance at the BRICS Meeting of Trade Ministers in Shanghai.
- 18-19 September: The Public-Private Partnership (PPP) Forum on the BRICS E-commerce during CIFIT.
- November: training course in Weifang, with support from SASS, and site visit to Internet retail companies.

UNIDO, in cooperation with the China International Fair for Investment and Trade (CIFIT) Organizing Committee, will organize a Public-Private Partnership Forum on the BRICS e-commerce on 19 September 2017. The aim of this event is to promote cooperation between public and private sectors in the area of e-commerce, as well as cooperation and development among SMEs in BRICS. Through this event, UNIDO will contribute to the implementation of the BRICS declaration adopted at the BRICS Summit on 3-5 September 2017. Further, UNIDO intends to create new momentum for e-commerce and promote inclusive and sustainable industrial development (ISID).

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