



Opportunities, Challenges and Proposals for China's Sharing Economy

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Proposals

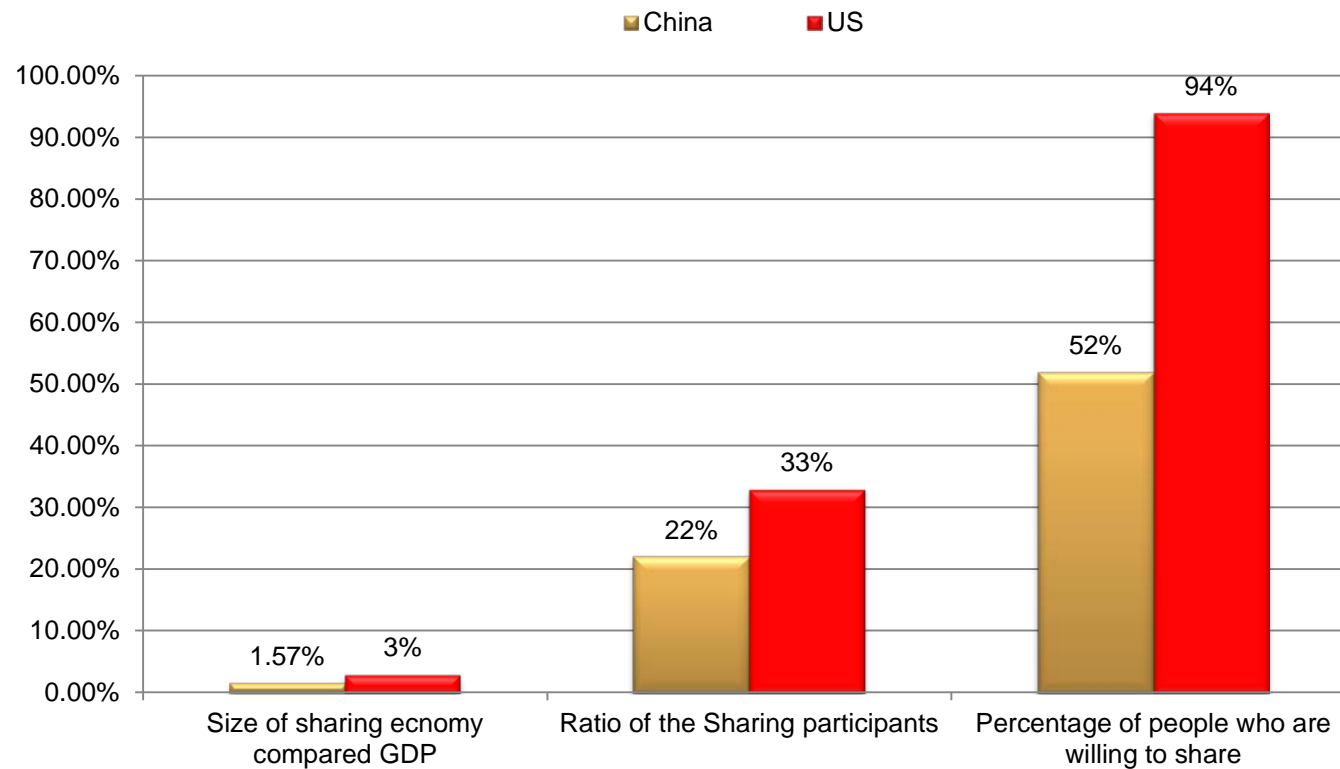
1. Support from the Central Government

- **President Xi's remarks at the World Internet Conference in 2015;**
- **Premier Li's remarks at the Summer Davos of 2015 held in Dalian;**
- **Report on the Work of the Government (2016).**





2. Massive market potential



1

Opportunities

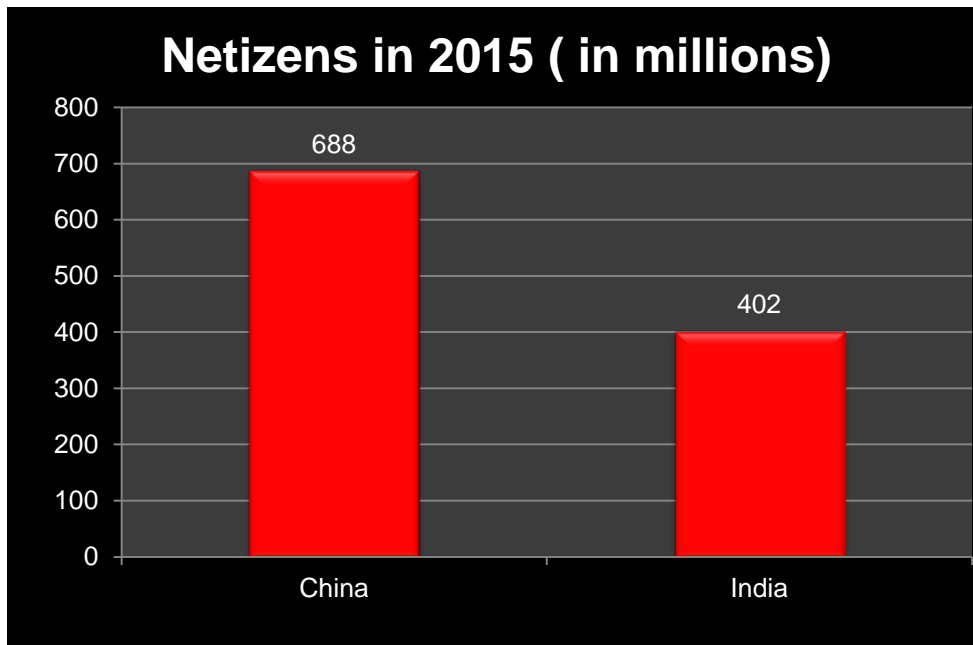
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Challenges

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Proposals

3. China: a big Internet country



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Opportunities

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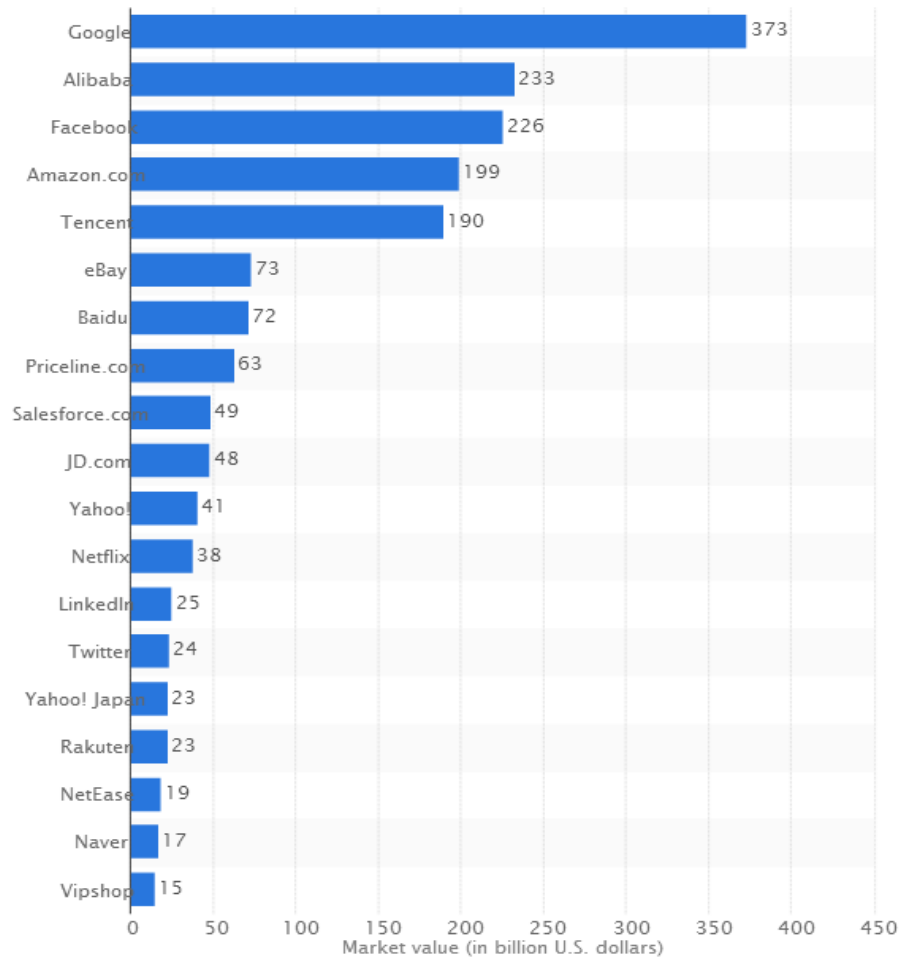
Challenges

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Proposals

Market capitalization of large Internet companies worldwide as of May 2015 (in billions USD)

---Alibaba\Tencent\Baidu\Jd.com



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1.Regulation system lags far behind.

2. Laws related to sharing economy are still imperfect in China.

3. Insufficient preferential policies

4. Credit system is not completed.

5.Social misunderstandings

6.There is a big information infrastructure gap between China and developed countries.

7.Profitable business model has yet been set up.



1. Regulation system lags far behind

- China's administration system has been established in the era of industrialization.
- Industry-specific regulatory policies are implemented by local government and departments.
- Industry licensing system.



2. **Laws related to sharing economy are still imperfect in China, included but not limited to:**

- **Tax law**
- **Privacy law**
- **Transportation law**
- **Securities law**
- **Labor law**

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3. Insufficient preferential polices

- No national strategy on sharing economy
- No guiding polices
- No preferential polices, such as those on tax, registration, funding and etc.



4. Credit System is not completed

- No unified credit system
- It is hard for private companies to share identification information of one country.
- Identification authentication market has not been established yet.

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Opportunities

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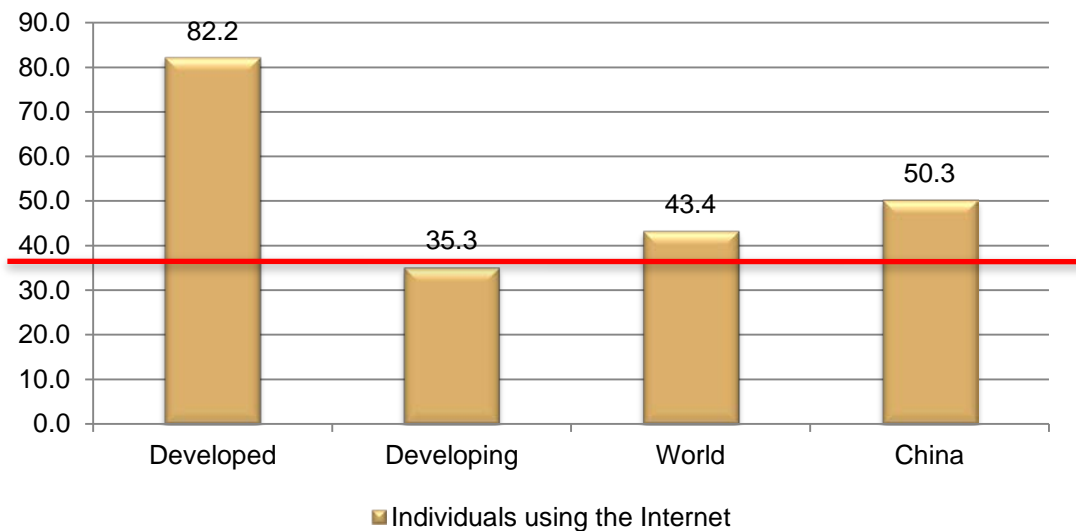
5. Social misunderstandings

- Free
- Unsafe
- Destroy the traditional industry





6. **There is a big Information infrastructure gap between China and developed countries**



7. **Profitable business model has yet been set up.**



1. **On government level**

- ◆ **Prioritize the sharing economy in the national strategy**
- ◆ **Make specific preferential policies**
- ◆ **Settle critical issues, including the improvement on regulations, the capacities of regulatory bodies or agencies, credit certification and etc.**
- ◆ **Establish a sustained system to support the development of sharing economy**



2. **On business level**

- ◆ **More prudential**
- ◆ **Government support**
- ◆ **Strategic partners**
- ◆ **Leading companies, with more social responsibilities**



3. **On industrial--association level**

- ◆ **Winning more government support via lobbying**
- ◆ **Serving as bridges for cooperation between various parties including government at different levels, enterprises, colleges and think tanks**
- ◆ **More research**
- ◆ **Self-discipline**

Thanks