

# INCLUSIVE BUSINESS

## KNOWLEDGE SHARING TEMPLATE

*The aim of this template is to collect experiences, projects, policies or initiatives at local, country and regional level related to the promotion of Inclusive Business.*

<b>1. General Information</b>	
<b>1.1. G20 Country</b>	
China	
<b>1.2. Project / Initiative / Policy name/title:</b>	
Rural Taobao	
<b>1.3. General objective</b>	
Established an e-commerce service system in one thousand counties and 100,000 administrative villages in China.	
<b>1.4. Expected results</b> <i>(output-level: number of BoP engaged, jobs created, services delivered, etc.)</i>	
It plans to create employment opportunities for 100,000 people, providing commodity services, financial services, logistics services, life services, supply chain services, cloud computing services, etc. in rural areas.	
<b>1.5. Intended impact</b> <i>(outcome-level: income generated or increased, health/education/housing improved, etc.)</i>	
Facilitate the life of rural residents, improve the quality of agricultural products, and improve agricultural efficiency.	
<b>2. Legal framework</b>	
<b>2.1. Does the Project / Initiative / Policy have an associated regulatory or legal framework?</b>	
Applicable to relevant laws of the People's Republic of China, such as food safety law, e-commerce law, etc.	
<b>3. Implementation</b>	
<b>3.1. Implementation level</b>	<b>3.2. Implementing agency</b> <i>(including link)</i>
<input checked="" type="checkbox"/> Domestic <input type="checkbox"/> Support of developing and low-income countries (international cooperation)	Alibaba Group

<b>3.3. Direct target group</b> (MNCs, medium or large international or domestic company, SMEs, women, youth, rural/urban communities etc.)	
Returning youth, left-behind women, left-behind elderly, disabled, etc.	
<b>3.4. Indirect target group</b> (SMEs, women, youth, rural/urban communities, etc.)	
SMEs	
<b>3.5. Nº of countries involved</b> (if project is Regional/Global)	
3.5.1. City, Country, Region 1: 3.5.2. City, Country, Region 2: 3.5.3. City, Country, Region 3: 3.5.4. City, Country, Region 4: 3.5.5. City, Country, Region 5:	
<b>3.6. Project status</b>	<b>3.7. Duration</b> (mm/yyyy – mm/yyyy)
<input type="checkbox"/> Under design <input checked="" type="checkbox"/> In progress <input type="checkbox"/> Completed	October 2014 - October 2019
<b>3.8. Brief description of the link with the BoP</b> <i>How does the project / initiative / policy include the BoP? How does it benefit the BoP? How does it define the BoP and its role?</i>	<b>3.9. Role of the BoP</b>
	<input checked="" type="checkbox"/> BoP as customer <input type="checkbox"/> BoP as distributor <input checked="" type="checkbox"/> BoP as retailer <input type="checkbox"/> BoP as supplier
<b>3.10. Sector</b> (more than one answer possible)	
<input checked="" type="checkbox"/> Agriculture or Food <input type="checkbox"/> Energy <input checked="" type="checkbox"/> Health <input checked="" type="checkbox"/> Education <input type="checkbox"/> Water, Sanitation <input type="checkbox"/> Waste Management <input type="checkbox"/> Housing or Construction	<input checked="" type="checkbox"/> Retail, Manufacturing or Consumer Goods <input checked="" type="checkbox"/> Information Communications Technology (ICT) <input checked="" type="checkbox"/> Financial Services <input checked="" type="checkbox"/> Tourism <input checked="" type="checkbox"/> Cross-sectoral <input type="checkbox"/> Other: _____

<b>3.11. Topic</b> <i>(more than one answer possible)</i> (*) See Annex for definitions	
<input checked="" type="checkbox"/> Inclusive business models and strategy <input type="checkbox"/> Scale <input type="checkbox"/> Policy and government <input type="checkbox"/> Finance for inclusive business <input checked="" type="checkbox"/> Corporates in inclusive business <input type="checkbox"/> Partnerships <input type="checkbox"/> Environmental impact <input type="checkbox"/> Gender	<input type="checkbox"/> Results measurement and impact <input type="checkbox"/> "What is IB?" <input checked="" type="checkbox"/> Innovation <input checked="" type="checkbox"/> Digitalization <input checked="" type="checkbox"/> Capacity building <input checked="" type="checkbox"/> Data <input type="checkbox"/> Impact investing <input type="checkbox"/> Other: _____
<b>3.12. Main area of intervention / Type of support provided</b> <i>(What is the project's/initiative's/policy's focus regarding the main challenges faced by inclusive businesses -more than one answer is possible-)</i>	
<input type="checkbox"/> Financial resources <input type="checkbox"/> Rules and regulations <input checked="" type="checkbox"/> Information <input checked="" type="checkbox"/> Capacity	
<b>4. Funding</b>	
<b>4.1. Origin</b> <i>(more than one answer possible)</i>	
<input type="checkbox"/> Government / State-owned enterprise <input type="checkbox"/> Multilateral Development Banks (MDBs) or Development Financial Institutions (DFI) <input type="checkbox"/> International Organisations (IOs) <input type="checkbox"/> NGO / Foundation <input checked="" type="checkbox"/> Private sector <i>(impact investment fund, private equity fund, venture capital fund, commercial bank, corporation, etc.)</i> <input type="checkbox"/> Other: _____	
<b>4.2. Brief description of funding / contributions</b> <i>(e.g. name of funding institution, type of financing instrument, etc.)</i>	
Enterprise's own funds	
<b>4.3. Available funds</b> <i>(optional)</i>	
<b>4.4. Value of project</b>	

<b>4.5. Description of financing/procurement process</b>	
<b>5. Monitoring and Evaluation</b>	
<b>5.1.1. Does the project / initiative / policy involve a monitoring process?</b>	<b>5.2.1. Does the project / initiative / policy involve an evaluation process?</b>
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>5.1.2. Brief description</b>	<b>5.2.2. Brief description</b> <i>(specify type of evaluation - process, outcome, impact – and methodology)</i>
<b>5.1.3. Lessons learned and results</b> <i>(if applicable)</i>	<b>5.2.3. Lessons learned and results</b> <i>(if applicable)</i>
<b>6. Contact Information</b>	
<b>6.1. Contact Information</b> <i>(if there is a website of the project/policy/initiative, please include it)</i>	
<b>7. Supporting material</b>	
<i>Please provide links to or upload any further supporting materials, including: newspaper articles, case studies, toolkits, photographs, and any other relevant materials to help illustrate the project</i>	
<p><b>Case 1: Honey in Pingwu County</b></p> <p>At 0:00 on August 17th, a limited edition of 10,000 pieces of Panda-grade soil honey from Pingmu County, Ant Forest Protection Area, Sichuan, was put on the Tmall to find the taste of Pingwu, and it was robbed only 40 minutes on the line.</p> <p>Through the sweetness of Taoxiang, the honey and ecological protection of Pingwu in Sichuan is well known by more consumers. Alibaba rural Taobao will also unite the strength of the whole society in the future to jointly maintain this land.</p> <p>In Pingwu County of Sichuan Province, there are a group of such beekeepers who dug open tree troughs and use a non-feeding, natural ancient method to raise bees. The taste of honey is also very unique, but beekeeping is a food industry. And can not get a steady income. Especially in Pingwu, the ancient honey wants to come out from the martyrdom that is difficult to go to the sky. It can be said that it is difficult and difficult for the people to eat by the sky, and they cannot get a considerable income.</p> <p>More and more users in Pingwu County have begun to pay attention to ecological protection. 11.79 million ant forest users have claimed 18.23 million square meters of Pingwuguanba Nature Reserve, supporting the establishment of a patrol team, and gradually mentioning the protection of scientific systems. . Now everyone's hard work has become honey, can not taste sweet, but also help farmers</p>	

increase their income. The beekeeping industry, which is environmentally friendly, has not only stepped out of the mountains, but has gradually replaced those activities that scare away giant pandas and achieve a win-win situation for both people and the environment.

Located in the northwestern part of the Sichuan Basin, Pingwu County is an important ecological barrier in the upper reaches of the Yangtze River and a national key ecological function zone. The altitude is 5588 meters, the forest coverage rate is 74%, and the biological resources are very rich. There are 335 giant pandas, which are known as the first county of giant pandas. There are also hundreds of national key protection animals and plants such as takin, Sichuan golden monkey.

In the mountains of Pingwu, people and nature constitute the harmony here. In order not to damage the environment, the people in the mountains have passed the custom of the old old trough beekeeping for thousands of years. Using round logs to cut into slots, in order to get better, purer honey, beekeepers often place beehives in the mountains to carry the essence from nature. Use traditional Chinese honeybees to create a taste that is closer to nature.

This honey has been set up for more than 2,000 people before the Tmall. The ant forest Pingwu honey is harvested every year around September 8th. Consumers who place orders on the day of Tanabata will be the first to try.

In addition to the original ecology, this honey is a jar of honey: the label pattern on the honey jar is not an ordinary pattern. It is the contour line of Pingwu, depicting the county landform. This is telling you: Come, test if you are a geography tyrant, come close to Pingwu, and slowly get familiar with here, the people here, the story here. The outer packaging was personally designed by the designers of the Central Academy of Fine Arts, and the inspiration came from the local old-fashioned round bee.

Pingwu honey also has ID cards, Taoxiang sweet traceability solution + ant blockchain, from honey-seeking to honey-picking, from bee yard to factory, the whole process can be seen.

### **Case 2: Bachu Melon**

In poverty-stricken areas, there is a kind of poverty stemming from the lack of resources. There is really no resource for management in the local area. There is also a kind of poverty caused by traffic congestion. Despite the abundant resources, the inconvenient transportation makes the products unable to flow efficiently and the sales are not smooth. Injury producers' enthusiasm, into a vicious circle. In Xinjiang, especially in the poverty-stricken areas of southern Xinjiang, it is clearly the latter.

The rich resource advantage and the backward circulation system form a contradiction, so that farmers can not get the return they deserve through the market and eventually form poverty.

In June 2016, Alibaba and Bachu County Government launched the first quarter of the "Bachu Melon" campaign, and cooperated with Ali Public Welfare Cooperation to organize the Bachu Farm Life Image Exhibition and Bachu Song and Dance Flash in Taobao for live broadcast activities. The star big coffee promoted the propaganda through Sina Weibo. In just 3 days, the brand heat of Bachu Melon was quickly improved. Baidu news search related results reached more than 59,000, 2016 total annual sales of 536 tons of honeydew melon, sales amount 10 million The income of local farmers has increased from 400 yuan/mu to 1,500 yuan/mu.

In 2017, the sales of cantaloupe will involve Turku Luke, Toksun, Kashbachu County, Hami Iwu County, and 1,500 households, with sales areas covering the whole country. Rural Taobao, Tmall and Bachu governments have jointly built "desert farms". In the next three years, the edge of the Xinjiang

Taklimakan Desert will support Vijdani and farmers to establish a 10,000-mu modern facility agricultural base, which will cover all honey melons and make 10,000 The increase in income of the farmers increased the income of the farmers from 1,580 yuan/mu to 3,560 yuan/mu. Up to now, the local sales of honeydew melons are 2,500 tons, and the sales amount is 50 million.

Alibaba started with e-commerce empowerment, solved the rural digital divide, helped farmers understand and use information technology, and increased their income through digital applications to shorten the urban-rural gap.

First, the accurate link to build a file for the poor households

Rural Taobao and Bachu County Government in the core production area of Bachu Melon selected more than 500 contiguous Baqi melon farmers according to the current relevant poverty population standards, and formulated the “Bachu County Melon E-commerce Precision Poverty Alleviation List”. The four parties jointly develop corresponding sales plans and support programs. Do precision docking. Second, establish a long-term operational mechanism;

1. Government support, platform guidance, precise positioning, and market operation.

The four parties will use their respective resources and technological advantages to jointly promote e-commerce sales and Internet propaganda in poverty-stricken counties, and realize the scale, standardization, productization and quality of agriculture in poverty-stricken counties, promote their Internet sales, increase farmers' income, and improve farmers' lives. To promote regional stability and achieve a long-term mechanism for e-commerce precision poverty alleviation.

2. Promote the brand development of agricultural products in poverty-stricken counties.

By promoting quality, expanding publicity, and increasing Internet sales, we will support the local e-commerce promotion, promotion and marketing capabilities of local plantation and production cooperatives, and jointly build advantageous brands and regional public brands. Of course, the process of building a brand is the biggest challenge.

3. By promoting the growth of e-commerce sales and the increase in sales prices, in order to achieve the goal of expanding local planting area and increasing farmers' income.

4. Improve the planting capacity of growers and standardize the planting methods.

By determining the planting area, determining the planting enterprises/farmers, determining the planting methods, determining the input of agricultural inputs, determining the production log, and conducting regular training, the planting enterprises and farmers will be guided to achieve the goal of improving the capacity and improving the quality of agricultural products.

5. Establish a full traceability system for agricultural products.

The government provides policy support, the supporters provide corresponding financial support, the operating company's operational and management capabilities, the Alixing Agriculture Poverty Alleviation Channel and the rural Taobao rely on the Internet technology advantages of themselves and related companies, and the four parties work together to promote the construction of the whole process traceability system of agricultural products. Agricultural informationization and agricultural modernization;

6. Promote the upgrading of the supply chain of agricultural products throughout the industry.

Through the unified brand, unified service, unified quality, and unified logistics, the four parties will jointly build the whole industry supply chain and supply chain upgrade of corresponding agricultural products, and effectively promote the supply chain capacity of agricultural products circulation, sales,

transportation and warehousing.

7. Provide industrial financial services to support the development of member companies and expand production.

Rural Taobao uses the company's Internet financial resources and capabilities to provide low-cost industrial financial loan services to leading agricultural products and excellent farmers for the cultivation, production, circulation and sales of agricultural products.

Third, the highlights of Bachu Melon:

1. Brand (Chu Liuxiang): Created the brand of "Bachu Melon", and increased the added value of agricultural products through continuous branding.
2. Pre-sale + current sale: The pre-sale method can withdraw funds for the farmers in advance, knowing the distribution of customers and improving logistics efficiency and reducing costs.
- 3, one vine and two melons to one vine and one melon: simple and effective way to uniformly plant the main norms, improve the quality of Bachu cantaloupe.
4. Underwriting mode: The sales method that really gives farmers a peace of mind, no longer need to worry about the emergence of "high yield and no harvest".
- 5, desert farm: standardized planting, standardized management, to ensure the quality of Bacuo. Through the demonstration role of the farm, more farmers can be affected.
6. In the absence of large-scale agriculture and large animal husbandry, small-scale farmers: as a farm product in a unique geographical environment, use high-quality small farmers to create high value-added products.
7. Direct supply of direct sales new Road: Through a new way, the entire chain of agricultural product cultivation, sales, logistics, brand, etc. has been effectively transformed to form a unique competitiveness.
8. Accurate income increase: Bachu earned 500 yuan per mu from the previous year, and 1,500 yuan/mu in the first year, and 3560 yuan/mu in the second year. Helping local poor people who have established a card to achieve poverty alleviation.
9. Construction of a demonstration base: the combination of online sales all-weather advantages and demonstration bases, and the integration of sales advantages and product quality.
10. Accurate assistance for poor households in the construction of the card: cooperatives + construction of the poverty-stricken households, so that poor households with no working ability and disability rely on land resources to achieve accurate poverty alleviation.
11. Adopting a variety of marketing methods such as webcasting: The "Bachu Melon" is made into a net red product through the way of webcasting.

Fourth, the report on Bachu Melon:

Xinjiang "Bachu Melon" is elated by the e-commerce platform

[Http://www.bachu.gov.cn/jrtt/2016-06-28-6049.html](http://www.bachu.gov.cn/jrtt/2016-06-28-6049.html)

Behind the "Bachu Melon": Rural Taobao has gone three years

[Http://tech.huanqiu.com/original/2017-08/11165196.html](http://tech.huanqiu.com/original/2017-08/11165196.html)

"Bachu Melon" sold 100 tons in 12 hours, Tmall "eat melon" people save the desert and become an oasis

[Http://www.sohu.com/a/157851527\\_475898](http://www.sohu.com/a/157851527_475898)

"Bachu Melon" for the first time in the "sweet town"

[Http://blog.sina.com.cn/s/blog\\_14a8bf8960102whws.html](http://blog.sina.com.cn/s/blog_14a8bf8960102whws.html)

2017 Bachu Melon Conference and the 2nd New Agricultural Festival East China Conference

[Http://www.sohu.com/a/156774229\\_186229](http://www.sohu.com/a/156774229_186229)



## ANNEX

**BoP as customer:** business models that reach low-income consumers (products, services that target low-income consumers).

**BoP as distributor:** business models that reach low-income distributors (distribution, awareness, market building).

**BoP as supplier:** business models that engage source products from low-income workers and suppliers

**BoP as retailer:** business models that sell goods to the consumer, e.g. at the BoP

**Capacity building:** Lessons learned from capacity building programmes.

**Corporates in inclusive business:** corporate business models that engage the BoP.

**Digitalisation:** impact of digitalisation on business and society.

**Data:** Data and inclusive business. Data and the BoP.

**Environmental impact:** inclusive business models that mitigate or adapt to climate change.

**Finance for inclusive business:** finance for inclusive business, e.g. impact investing, accessing funding.

**Gender:** economic empowerment of women, gender issues.

**Impact investing:** publications from impact investors and about impact investing in general.

**Inclusive business:** Inclusive businesses provide goods, services, and livelihoods on a commercially viable basis, either at scale or scalable, to people living at the base of the economic pyramid (BOP) making them part of the value chain of companies' core business as suppliers, distributors, retailers, or customers. In addition to these commercially inclusive activities, businesses may also pursue broader socially inclusive goals. Inclusive business should promote sustainable development in all its dimensions – economic, social and environmental.

**Inclusive business models and strategy:** business-planning tools, assessment of models.

**Innovation:** Innovative business models, importance of innovation and how to be innovative.

**Partnerships:** business-to-business, business to government, or business to NGO partnerships within inclusive business models.

**Policy and government:** policy issues and ecosystem for IB; resources from or for donors and policymakers; policy recommendations.

**Results measurement and impact:** approaches to measurement of results, findings on results of inclusive businesses.

**Scale:** strategies for scale.

**“What is IB?”** : introductory literature on IB, discourse papers that define IB.