

Chinese internet site publishing options

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Publishing on the internet in China is often seen as complex. It is not. This papers goal is to help you understand the facts and processes so you can make an informed business plan if the Chinese internet market is appropriate for your business.

If you need any further help on the points raised, found an error, or points not covered, please contact: **support@accesstochina.com**.

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Subject	Report	Website
Rewrite of the complete paper to include the different	X	x
methods of Chinese internet publication.		
Added links to Chinese nation website ICP rules and	X	x
regulations.		
Added Chinese search engine – Shenma	X	x
Added Chinese e-mall – Kaola (international e-Mall)	X	x
Management summary added	X	x

Version 2.8.5c Updates

Version 3.1 & 3.4 Updates

Subject	Report	Website
Updates and corrections	X	x

Version 3.5 Updates

Subject	Report	Website
Addition of the Access to China Platforms	x	X



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Introduction

The rules and regulations of publishing internet site content in mainland China are the governance of the PR China. This paper is our understanding as at the date of publication

Publishing internet site, e.g. website, APP, etc, in mainland China is subject to national government rules and regulations which are enforced locally in China by city / region.

These rules and regulations require your business, before publishing on the Chinese internet, to have access to an Internet content publishing (ICP) license. There are different levels of ICP license allowing you to publish different types of internet site content and on-line trading.

However, there are ways of publishing on the internet in China without your business needing its own ICP. These are Chinese platforms and services; Chinese e-Malls, Social media, search engines, etc. In these cases, the Chinese publishing rules and regulation must be adhered to. It is the responsibility of the platform / service provider to monitor, correct and close internet site content as required.

Under some conditions, i.e. Access to China, will help international businesses establish their internet site content in China by acting as an agent for your Chinese publication. There are many ways of publishing your internet site content in China. We recommend you consider all of them before selecting options.

These options are in three groups;

- International and Chinese platforms
- International and Chinese System as a Service (SaaS)
- Your own internet presence.

Note: "International" in the contexts of this paper means "any platform or service running outside mainland China". This includes Hong Kong and Taiwan.

A full management summary of these groups is on the next page.

No ICP is needed for internet site content published outside China. This includes Hong Kong and Taiwan. Access to your internet site content outside China maybe blocked, (e.g. YouTube, Facebook, etc.), or slowed down so making your internet site content unusable (e.g. Google).

We recommend you perform two activities, regardless of your trading intention.

- 1) Test your internet site content accessibility from mainland China. Review what can and cannot be seen, **webtest.accesstochina.com**
- 2) Register your company brands in China, Chinese Intellectual property rights

If you need any further information please contact as at us at support@accesstochina.com



Management summary of Chinese internet publication options

International and Chinese Service Delivery Platforms (SDP)

SDPs are a third partly supplier with the infrastructure for a business and / or consumer services, e.g. mobile telephone services, internet connection, search engines, e-Commerce sites (Amazon, eBay), etc.

In mainland China, SDP's are very popular. The service providers have the Chinese government approval to publish on the Chinese internet and therefore you do not need *Internet Contents Provider* (ICP) license to use providers services.

The SDP supplier is responsible for making sure their customers follow the Chinese publication and trading rules and regulations.

If you are selling from inside mainland China you will require a Chinese business to processes payments, tax return, etc. Most SDP have an International service which enable you to sell to mainland China without having a local Chinese business.

Option	Short Description	Our View
International search engines (a)	 Google is slowed down so it becomes unusable. Bing is usable in China. Most Chinese people use Chinese search engines. Recommendation: Needed for Chinese regions outside mainland China. 	Poor Option for mainland China
Chinese search engine (b)	Baidu (www.baidu.com), 360 / Haosou (www.so.com), Shenma (www.sm.cn), etc Recommendation: Setup webmaster for each of the above search engines along with your SEO data in Chinese.	Good Option
International retail e- Mails (c)	- Amazon (international) International e-Mall purchases count for approx. 20% of the annual e-Mall retail market.	Option for consideration
International retail e- Mails (d)	Many of the large Chinese e-malls have an international service. This includes - Tmall global - JDBuy international There is also dedicated created Chinese international e-Malls e.g. Koala Recommendation: Listing in Chinese e-Malls can be expensive. Make sure you have a good business case before doing so	Option for consideration
Chinese local retail e- Malls (e)	There are many local Chinese e-Malls. You will need a Chinese company / person to be able to sell in these e-Malls. Chinese people / companies often sell international products in the local Chinese e-Malls. Recommendation: The Chinese e-Malls are very good places to research your company and products and services.	Good place for research



Option	Short Description	Our View
Chinese business	Alibaba (B2B platform) is the largest and most widely	Option for
platforms (f)	used business platform in China and internationally. This	strong
	has been very successful for both Chinese and overseas	consideration
	companies marketing not just in China but throughout	
	the world.	
	In listing in Alibaba, you will be placing your product and	
	services alongside Chinese and international businesses.	
	Recommendation: Very good place to research the	
	world market. In listing, you will open your company to a	
	potential 60% of the world market	
Access to China	Make you existing website seen and found in China.	Good Option
platforms (g)	These platforms have been developed by Access to	
	China to enable your business in have a present on the	
	Chinese internet, at low risk and cost.	
	Platforms; WiTravel, B2B66 and B2C66	
International media	The international media channels are blocked in China.	Very poor
channels (h)	e.g. YouTube, Vimeo, Instagram, etc.	option
	Therefore, do not use international media to	
	communicate to the Chinese market. They do not work	
	in China even if they are embedded into your internet	
	site content.	
	Recommendation: Check what can be seen in China:	
	https://webtest.accesstochina.com	
Chinese media	China has very strong media channels. These included;	Good option
channels (i)	Tudou, YouKu, QIY. There must be over 100 media	
	channels in China. They are tightly regulated. Overseas	
	companies can upload their business media content on	
	these services provided the Chinese regulations are	
	followed.	
	Recommendation: Create an account in YouKu as an	
	overseas user and load your business content.	
International Social	Apart from LinkedIn, all international social media is	Poor option
media (j)	blocked in China.	
	Recommendation: Check what can be seen in China:	
	https://webtest.accesstochina.com	
Chinese social media	Chinese social media is very successful with 100s of	Good option
(k)	millions of users and contents to match. The problem is	
	being noticed / building followers within the Chinese	
	social media. There are many Chinese businesses which	
	can help you be noticed in Chinese social media. While	
	there are many social media platforms in China the two	
	most used platforms are; WeChat and Weibo.	
International	With the on-going development of the Internet of Things	Option to
Internet of things (I)	Chinese rules & regulation are still to be developed for	monitor
	across border activity.	
Chinese internet of	China is quickly developing and rolling out the Internet	Option to
things (m)	of Things (millions of devices per months). Again,	monitor
	Chinese rules & regulation are still to be developed.	



International and Chinese Server as a Service (SaaS)

Software as a service (SaaS) is software licensing. It is delivered on a subscription basis and centrally hosted and managed. It is sometimes referred to as "on-demand software" and was formerly referred to as "software plus services" by Microsoft.

It is possible for an overseas company to offer SaaS to a business / consumer in mainland China provided the service is running outside China.

If you have SaaS already, please check that your software components are accessible from China: https://webtest.accesstochina.com (including the help desk / support systems).

Option	Short Description	Our View
International public network (n)	Your SaaS is running on a local / international outside China.	Poor option
network (nj	Recommendation: Check that you service can be	
	seen and used in China: https://webtest.accesstochina.com	
Chinese enclosed network (o)	Your SaaS is hosted locally in China accessed by Chinese offices over a local VPN. Note: International VPNs are not allowed in China.	Good option
Chinese white Label (p)	Your SaaS is running in China White labelled to a Chinese business. The ICP will be the responsibility of the Chinese company. This way the software can remain under control.	Good option
Chinese public (q)	Local Chinese hosting, ICP certification and a Chinese business will be required. Locally hosted software.	Option for consideration
Split services between Chinese and international SaaS (r)	Local Chinese hosting, ICP certification and a Chinese business will be required.	Good option
	Recommendation: "Frontend" of your software hosted in China and your backend software hosted away from China. This will go a long way to protect your IPR.	



Your own internet presents

Publishing your own internet site content on the internet international or within China using hosting service, server, etc.

Option	Short Description	Our View
Your own internet presence running international (s)	Locally or international hosted service outside China. Recommendation: Please run through the Check List and test your services from inside China. https://www.accesstochina.com/check-list https://webtest.accesstochina.com	Option for consideration
Your own internet presence running in China (t)	Before you can publish your internet site content in mainland China you will require an ICP certificate. To achieve this, you will need to create a Chinese business.Recommendation:More information on ICP and publishing on the internet in China is contained in the detail of this paper.	Option for consideration



Chinese internet monitoring

The internet in mainland China is monitored for inappropriate use.

Your internet site content is monitored inside China regardless of where it is published and on what platform / service. The monitoring of internet site content is prioritised based on the use in mainland China and throughout the world. Internet site content with only few visitors will not normally attract attention.

If you have an ICP license, in addition to ongoing reviews, all your internet site content will be reviewed each time new domains / IP addresses are added your license.

The rule and regulations are updated regularly to take account of the changing use of the internet and the new services offered. Most of the updates are there to protect the internet users from poor / misleading internet practices.

To that end, internet site content published in mainland China is subject to review by local and national monitoring. This review includes but not exclusive to;

- Publishing misinformed information. e.g. the reporting an earthquake when it has not happened.
- Reporting false information
- On-line gaming which includes gambling
- Pornographic material
- Incorrect use / missing ICP certification.
- National security issues. (The same as the rest of the world)
- Internet security issues.
- Inappropriate political comments

While many overseas commentators believe the Chinese monitoring of the internet is suppressive, most of the controls are there to protect the internet user. Many political comments are allowed, e.g. green issues, local corruption.

The overseas internet site content will be reviewed from time to time and if not appropriate for the Chinese internet then the IP address will be closed.

Most / all international platforms do not allow Chinese authorities to request content to be removed and therefore one inappropriate posting means the overseas platform access in China is blocked.

Overseas companies not agreeing to this censorship has resulted in platform services being developed in the China which has allowed Baidu, Alibaba and Tencent to dominate the Chinese internet.



Internet contents provider (ICP) licensing and certification

An ICP license is issued to the company. The ICP certification is issued for the internet site content, e.g. Domain name, APP, IP address, etc.

What types of ICP certification you can request will depend on your Chinese company ICP license.

The certification process is for public internet site only. If internet site is for a company's internal use and not accessible to the public then certification is not required. If a domain name is being used to access the company's information over the internet then the domain name may need ICP certification even if it is only login screen.

There are different types of ICP depending if you are just publishing internet site content, trading on-line or a data centre.

Here are examples of the different certification types;

Business internet site content (this covers most internet content with some exceptions below).

Business on-line trading (this covers most product / services with some exceptions below).

A summary of areas that need addition ICP agreement

- Electronic bulletins
- Medicine / drugs
- Medical
- Broadcasting; TV, Radio, etc
- News
- Videos
- Banking, stock trading, auctions, payment, etc.
- Electronic data interchange (EDI) telecommunications, data centre, call centres

A full listing is available on the ICP website:

www.miitbeian.gov.cn

This website is only in Chinese. It can be viewed by using Chrome browser with the translate option switch on.

Only a Chinese business can apply for ICP incense.



In the main, the Chinese authorities monitor internet site content based around

- Domain names published on Chinese IP addresses
- Public internet ports: 80. 8080, 443

A port number is a way to identify a specific process to which an internet or other network message is to be forwarded when it arrives at a server. The default for a domain name is port 80.

To that end, you can test your internet site content in mainland China on a different Port before you open the public Ports. This is what we call Port mapping. Many internet services in China, including Access to China, offer this server through our firewall.

Once you open the public Ports you will need an ICP certification;

The certification is by domain name, APP, etc and Chinese IP address.

Once certification has been issued you will need to add the certification number into the internet site footer. The ICP information should have an active link to the Chinese government ICP website, e.g.

<u>苏 ICP 备 10037052 号-2</u>

The main number is your company ICP number. The end number is an individual number for each domain used by your Chinese company.

If using sub domains, you only need one ICP certification for the main domain. This is how Alibaba and Tencent operate their B2B, B2C websites and social media using multiple sub domain.

If there is a problem with the internet site content the Chinese authorities will close the IP address. Therefore, shared IP address hosting in China is not recommended. To avoid your business internet presence being closed due to another company's ICP problem if you are sharing an IP address.

The first few times you add a domain to your Chinese company profile it is best to inform the ICP authorities first. They will normally respond with "let us know when the public ports are open and we will review". Building up trust with the ICP authorities overtime helps greatly.

ICP certification authorities in addition to the main points above will also confirm that your domain name is not in conflict with any brand names registered. If it is, you will be required to use a different domain in China. Another good reason to register your company brand in China at the outset.



Another check the authorities will make is to ensure your internet site content matches the terms of your companies set up, e.g. if you have building material in your internet site content then the "terms of the company" must say "Building Material". If not, the Chinese authorities will ask for it to be removed or request a change in the "terms of company" trading.



Do you need to arrange an ICP certificate?

If you need an ICP certificate you will need to create a Chinese company and apply for an ICP license and request an ICP certification for each web site you publish.

Alternatively, arrange an agreement with a Chinese company with ICP licence and use their ICP certification.

The issue with this approach is that the Chinese company with the ICP license is legally responsible for all internet site content you publish within China.

On-line trading running inside mainland China requires; Chinese payment system, local sales tax, company returns and company tax. If you are using a third part company in China for your ICP certificate they will need be responsible for these tasks.

Option	ICP Required?	ICP Trading required?	Chinese Business required?
Platforms			
International search engines (a)	No	No	No
Chinese search engine (b)	No	No	No
International retail e-Malls (c)	No	No	No
Chinese international retail e-Malls (d)	No	No	No
Chinese Local retail e-Malls (e)	No	No	Yes *
Chinese business platforms (f)	No	No	No
Access to China platforms (g)	No	No	No
International media channels (h)	No	No	No
Chinese media channels (i)	No	No	Yes
International Social media (j)	No	No	No
Chinese social media (k)	No	No	Yes **
International internet of things (I)	No	No	No
Chinese internet of things (m)	TBD	TBD	TBD
SaaS			
International public network (n)	No	No	No
Chinese enclosed network (o)	No	No	No
Chinese white Label (p)	Yes ***	Yes ***	Yes ***
	(customer)	(customer)	(customer)
Chinese public (q)	yes	Yes	Yes
A split service between Chinese and international SaaS (r)	Yes	Yes / No ****	Yes
Your own internet present			
International (s)	No	No	No
Inside mainland China (t)	Yes	Yes / No ****	Yes



Notes:

* If you are using a Chinese e-Mall service inside mainland China you will need a Chinese business. The Chinese e-Mall providers get around this problem by having overseas customers use their services in Hong Kong and then display the overseas products in the search results inside China. TMall call these products "trading without borders".

** Chinese social media accounts can often be created from outside China. i.e. WeChat account. An overseas account has limitation inside mainland China. If you wish to create a business social media account inside mainland you will require a Chinese business.

*** Running software for a Chinese business within China will require the Chinese customer to obtain ICP certification.

**** Only required if your software is trading on-line.



Chinese internet publication options

Platforms

A platform is where you load your internet site content to an existing service.

International search engines (a)

Google b Bing YAHOO!

The two main global search engines are not used in mainland China.

Google access has slowed down so it takes over 60 seconds to open the home page. Bing, Microsoft search engines, while available in China, have less than 2% usage. Yahoo, again owned by Microsoft, is not used in mainland China.

These search engines are used wildly around Asia.

- Hong Kong Google (80%) Yahoo (20%) (Cantonese / Mandarin)
- Taiwan Google (50%) Yahoo (50%) (Taiwanese / Mandarin)
- Singapore Google (95+%) (English / Mandarin)
- LA Google (95+%) Largest Chinese community outside Asia (Cantonese / English)

We recommend that you have Chinese SEO for these markets.

For more information please see **Chinese search engine**.



Chinese search engines (b)



China has developed its own search engines over the last 20 years. The market is dominated by;

- Baidu 77.73%
- Shenma 9.35%
- 360 Search- 6.37%
- Sogou 3.59%
- Google 1.67%
- Bing / Yahoo 1.14%

Date: April 2018

Historically, Google is accessed from China using VPNs. International VPNs are now being closed in China and therefore it is expected the Google traffic will be lower as 2018 progresses.

Most Chinese search engines support the main functionality you can find in Google.

Examples; webmaster, advertising, etc.

The monitoring of the internet site content of the websites is the responsibility owner of the Chinese search engine when the search engine accepts marketing payments

If you using a Chinese search engine for advertising, you will need to supply a lot of information including company and product certification / registration details. It is the responsibility of the search engine to validate all companies before they accept advertisements.

Your business does not require ICP certification to use this type of internet platform.

We strongly recommend that you set up SEO for these search engines otherwise you will only be listed in your internet site content language not Cantonese or Mandarin.

For more information please see **Chinese search engine**.

Note: Shenma only started in 2017. It's taken up has been formidable. Shenma brings together e-Mall and e-Commerce content into a single search engine; "all the products" in one place.



International retail e-Malls (c)



China on-line retail market is estimated to be worth \$500bn in 2018. Of which 15% to 20% comes from purchases of international goods on-line. A market worth up to \$100bn in 2018.

Most of China (90%+) on-line retail sells comes from the e-Malls; on-line department store, e.g. Amazon, Tmall, JDBuy.

There are three types of platforms;

International e-Malls Chinese international e-Malls Chinese local e-Malls. International goods are available in all these types of platforms.

The international e-Malls can be seen in China with acceptable response times.

Amazon has the biggest share of the international e-Malls in China. eBay is often used by Chinese companies to sell internationally. eBay is not used in Chinese for international purchases in any volume.

There is a local Chinese version of Amazon; China Amazon. For international and local business China Amazon has a very low percentage of the market.

The general issues with overseas e-Commerce sites are the shipping to China. This includes, posting, tracing, returns, customer clearance, etc. Many products in international retail e-Malls are not setup for the Chinese market, e.g. postage.

A starting point could be to setup your products in Amazon for shipment to China?

There are Chinese shipping agents that will handle the end to end postage and delivery. It is only a matter of time before the postage costs and processes for shipping to China are as cost-effective sending goods from China.

It has been reported in April 2019, in the Chinese press; Amazon is pulling out of China Amazon and restricting the number of Chinese companies using Amazon in USA due to poor quality of products and service.

What impact this will have on international sales in China remains to be seen. While Chinese people, like most parts of the world, do not like been excluded, there will be a general understanding why Amazon are making these changes.

Source of data: www.statista.com - China

For more information please see Business to Consumer (B2C)



Chinese International retail e-Malls (d)















The share of the international e-Mall business from main China;

- TMall global 27.6%%
- Kaolo 20.5%
- JD International 13.8%
- YIP International 9.8%
- Amazon (international not China Amazon) 9.1%
- Sunning 2.5%
- Jumei 2.4%

Annual stats: 2017

Estimate value for international retail business – 2018 - \$120bn

Apart from Amazon, all these retail e-Mall platforms are Chinese owned.

To enable international companies to trade inside mainland China these platforms operate in Hong Kong. Hong Kong trading is based on: one country two systems. As far as mainland China is concerned, trading with Hong Kong an international country.

Therefore, international businesses can list their product on the internet in Hong Kong without needing a China business to trade or ICP license. E.g. Tmall Global.

The retail e-Mall platforms then list the international products in search results inside their China e-Mal platforms under the sub heading "trading without borders". This way of marketing and trading in China has been very successful.

Trading on these Platforms can be very expensive. Please review all costs before embarking on the use of Chinese e-Malls

Please visit "Being seen on the Chinese internet" for more information.

Chinese local retail e-Malls (e)





There are many the Chinese local retail e-Mall platform. They have been very successful. Today Chinese on-line retail market has overtaken USA in size and is now the biggest in the world.

The protected value of the on-line retail market for 2018: \$500 (including \$100bn plus from international sales)

The market share in 2017 is as follows;

Tmall and Taobao – 60.99% JDBuy – 25.6% Sunning – 4.5% VIP.com – 3.8% Gome – 1.2% Dangdang – 0.73% China Amazon – 0.7% Yihaodian – 0.5% Jumei – 0.3% Please Note: Missing from the above statistics is WeChat. WeChat is a Platform which enables many internet activities including on-line shops. It has been very success.

To market and sell in the Chinese local retail e-Malls you will require a Chinese company or a Chinese agent selling your products on your behalf.

In addition, your will have to meet many appropriate local Chinese testing standards, e.g. electrical product "ccc" certificate.

These platforms are a good place to research your products and your competitors. You may find your products are already being sold or there is a copy. It is very important to register your brand in China.

Please visit "Being seen on the Chinese internet" for more information.



Chinese business platforms (f)



This Chinese business platform was the first major presence on the Chinese internet.

The best-known business platform in mainland China is Alibaba

This platform, like other Chinese business platforms, enables companies to market their product and services within mainland China and world-wide.

If you are using a Chinese business platform, where you paying for services, you will need to supply information including company and product certification / registration details.

As these are not e-commerce platforms you do not need a Chinese business and as it is a platform your company does not need an ICP license.

Please visit "Being seen on the Chinese internet" for more information.



Access to China platforms (g)







These platforms have been redeveloped my Access to China to enable your internet site to be seen and found on the Chinese internet.

- WiTravel Opening the Chinese market to your tourist destination
- B2B66 Enabling your business to be seen and found on the internet in China
- B2C66 Giving your business access to the Chinese consumer

Therefore, there is a very high probability that your business internet site cannot be seen in China

For Chinese businesses there is no simple way to find overseas products and services;

Chinese businesses, like most businesses world-wide, start their search for products and services on the internet.

Only 25% of foreign internet sites can be seen in China, 20% take over 20 seconds to be open and 55% cannot be seen at all.

There is a very high probability that your business internet site content; website, social media, etc, cannot be seen in China.

Fast to implement, at 10% of costs to create a new website;

Our platforms "front ends" your exiting business internet site content removing the need for a second website for the Chinese market;

- sufficiently reduces costs in developing a new website for Chinese market: \$400 to \$600 not \$4,000 to \$6,000.
- sufficiently reduces implementation time: days not weeks or months.
- Your Chinese internet enquiries and orders are processed by your existing systems and therefore removing the need to monitor and maintain a different system for the Chinese market.
- No need to maintain two databases: product, prices, etc.
- No need to maintain two systems: lowest operational costs.



Make your internet site content be seen and be found on the Chinese internet;

Our platforms allow you to use your existing internet site content and enable;

- Your business internet site content to be seen in China
 - Replace blocked internet site content
 - Speed up your website response in China
 - Locally re-host multi-media allowing access in China
- Allow your internet site content to be seen in China
 - Local hosting and domain name
 - o Translate SEO data into Chinese
 - Chinese search engines submission

Access to China platforms are ready to give your business access to Chinese internet;

Access to China has developed 3 platforms to effectively enable your business internet site content; e.g. website, videos, to be seen on the internet in China at less cost than an economy plane ticket to China per year.

- WiTravel Opening the Chinese market to your tourist destination
- B2B66 Enabling your business to be seen and found on the China internet
- B2C66 Giving your business access to the Chinese consumer



International media channels (h)



All the international social media platforms are blocked in mainland China.

If you are using international social media content inside your website you will find that it will not be shown.

Using international social media content inside China is not an option.

Please see website.accesstochina.com to learn more.

Chinese media channels (h)



There are over a 100 social media channels in mainland China. It is very popular and an effective way to communicate with the Chinese consumer.

Some of these platforms allow businesses and members of the public to load video content e.g. YouKu.

Most of these video platforms are looking for media content.

For some of these social media platforms you will need to be a Chinese business to open an account.

There are China agents that can help you load social media content to these platforms. In doing so they will be taking responsibility for the social media content in mainland China.

Again; the monitoring of the social media content is the responsibility of the owner of the social media platform.

No Internet Chinese publishing certification is needed to use social media platforms.



International social media (j)



Most international social media are blocked. The exception to this in the past has been LinkedIn. We now seeing LinkedIn blocked on some of the Chinese internet network.

Before changes this year, many Chinese people accessed the Chinese internet over VPNs. Many of Chinese VPNs have been closed and therefore the use of the international social media from China will be reduced.

If your internet site contains content from International social media, e.g. Instagram, the images will be blank on the website.

Please see website.accesstochina.com to learn more.

Chinese social media (k)



There are many social media platforms in China. The most popular platforms are owned / trading partnerships with Tencent or Alibaba.

The most popular social media platform today (June 2018) is WeChat. This could be changing given the growth in Shenma as a search engine which is a partnership with Alibaba. Alibaba social media platform is Weibo.

Overseas people can join these platforms from outside mainland China.

Company membership of the social media platforms often requires a Chinese business. The rules for using Chinese social media often changes as they try to go global with the products and services on the platform.

The monitoring of the internet site content of the platform is the responsibility owner of the media platform.

No Internet ICP licences are needed to use these internet platforms.



International internet of things(I)

The International internet of things to operate in China needs local infrastructure to collect the data.

A company to do this will need an ICP licensee and a Chinese business.

We would recommend that you work with businesses in China already developing and / or using the internet of things.

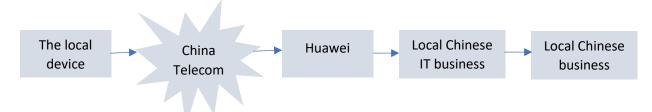
The more interesting opportunity is where an international company is developing products and services that use the internet of things. Large companies in China. e.g. China Telecom, are looking for opportunities to further develop the use of the Chinese Internet of Things.

Please contact Access to China for more information support@accesstochina.com

Chinese internet of things(m)

The Chinese internet of things is developing very quickly in China.

This example is where China Telecom and Huawei are working in partnership to developed the services.



The internet of things needs internet backend local connection, i.e. sim cards. To create these networks, you need telecom ICP license. This type of license is not available to international businesses.

International business looking to enter this market should look for a business partner in China.



System as a service

International public network (n)

Supplying international services to the Chinese market will not require an ICP license as the service is being run outside China and any trading agreement will also be outside China.

The service fees can be paid from China on Chinese an international credit card. If your credit card processing company can process UniPAY credit cards.

A formal agreement with payment terms, etc, will be required for larger amounts of money that require a bank transfer from China. The Chinese business will have to register the agreement at the bank to make payments.

There are two major inhibitors that will stop the development of international Chinese business.

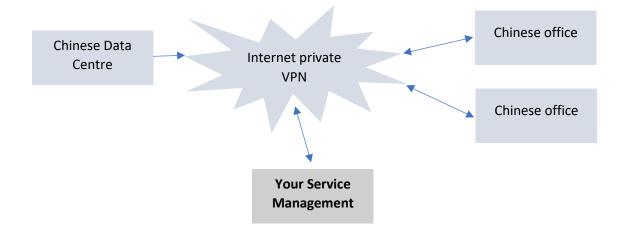
- 1) Not finding your business on the internet from China: More information
- 2) Cannot access your internet presence from Chin: More information

Chinese enclosed network (o)

An enclosed network is where the Chinese company access your services over an enclosed network within mainland China.

In this scenario the public cannot see the service and therefore an ICP license is not required.

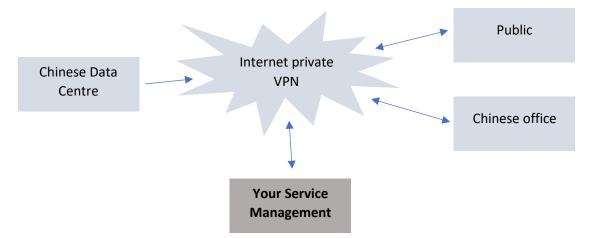
We recommend that you run service from a Chinese data centre to give good local response time and performance.





Chinese white network (p)

White label is where you are running a service on behalf on another business. In this case a Chinese business. In the example the white labelled service brand name is owned by the Chinese business.

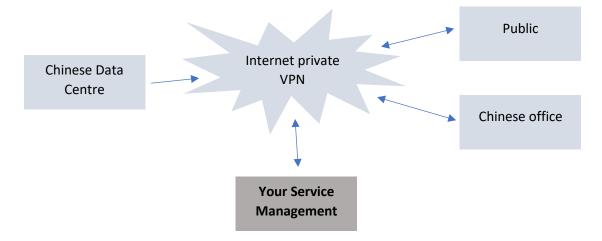


You will require an ICP licence and it is the responsibility of the Chinese company to obtain this.

In the case of on-line trading inside mainland China you will need to add Chinese payment gateways to your system. Please ensure that the Chinese company arranges for the Chinese payment gateways for testing and trading. Please visit "Chinese Internet" for more information.

Chinese public service (q)

This is the same as white label with the major difference being that you are responsible for the ICP license, Chinese trading company.



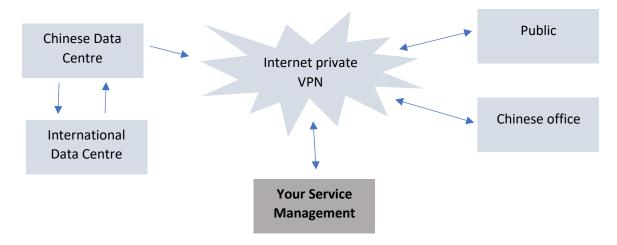


We recommend you only through the cost of creative Chinese service if you have customers ready to use service as soon as it is implemented.

Split services between Chinese and international SaaS (r)

In this example, it can apply to any of the above SaaS's.

We do recommend splitting front line services from backend services. In doing this you can move the backend services outside China. You may be able to keep your USP coding directly under your control on your existing platform.



The options you could consider;

- 1) Create a bespoke configured proxy server
- 2) Frontend website and local data for the collection of user data.
- 3) Local held data for all static information, e.g. Media

The solution will be a balance between local response times and overall uses appearance vs protection USP of your software and service.



Your own internet presence

Your own internet presence running internationally (s)

Your service / internet site content is running on the international internet before you look at trading in China.

The first point to look at is your response times from China

Please see **website.accesstochina.com** to learn more.

We also recommend working through the Chinese internet Check List

Your own internet presence running in China (t)

You want to set up your own services in China.

You will need a Chinese business and ICP license.

We recommend reviewing the Chinese internet **Check List** as a starting point.

If it the first time you have created your own business in China, we recommend bring in a mentor who has done this before, e.g. trade organisation; CBBC.



International software recommendations

Software companies supplying Chinese businesses need to make sure the Chinese company applies for an ICP license. Our recommendation is that ICP application is part of any agreement between the businesses.

Our other recommendation to overseas software companies selling into the Chinese market is to register their software with the Chinese authorities. This is like "brand registration" for software. It will protect your software from direct copying but not from reverse engineering.

If the option exists, we recommend only implementing your frontend software in China. Leave the backend processing at your current location. This option is only available for systems where there are only small amounts of data to be transferred or the customer is prepared to wait as data moves around the world.