Contribution to the UNCTAD Draft Call for Action on the Aid for eTrade Initiative

Submitted by

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Aid for eTrade: Unlocking the potential of e-commerce in developing countries

Comments by Korea

1. E-commerce has a great potential to be tapped for integrating developing countries into the multilateral trading system through reducing transaction costs. In particular, it will provide valuable opportunities for MSM enterprises to participate in global value chains.

2. However, there are some challenges to be addressed for realizing the potential of e-commerce to the extent which allows developing countries to take advantage of the benefits of e-commerce.

3. In this regard, we would like to welcome the initiative of Aid for eTrade by UNCTAD. At the same time, we would like to seek clarification on the following points.

4. Our first point will be the coverage of this initiative. Would it cover developing countries in general? Developing countries vary in terms of e-commerce infrastructure as well as other physical infrastructure. We do believe that UNCTAD should focus on the developing countries which need the most assistance.

5. The coverage issue leads to second point which is related to the demand-driven and bottom-up approach. How can UNCTAD collect needs and interests? The UNCTAD paper mentions facilitating interaction between all stakeholders and convening regular meetings. But it would not be sufficient to reach out to the countries in most need of assistance because of lack of awareness of opportunities, and challenges and constraints concerning e-commerce.

6. The third point concerns the identification of the unique contributions of UNCTAD, since other organizations have been working on e-commerce issues as the UNCTAD paper presents in the Annex. In particular, the WTO adopted a decision on an e-commerce work programme and Aid for Trade Work Programme 2016-2017 which focuses also on e-commerce.

7. Fourth, we need detailed information of budgetary and personnel implications of this initiative; how much staff and budget will it need? These are important factors for our consideration and for results-based management of this initiative.

8. Fifth, we would need clarification on what the primary role of the Aid for eTrade initiative will be. Will it be focused on providing various services (such as facilitating knowledge-sharing, analytical and monitoring work, organizing meetings and submitting policy proposals), rather than directly engaging in projects on the ground?

9. The last point is related to the upcoming UNCTAD 14 where we will discuss the mandate for the next four years. Would it be necessary for this initiative to be incorporated in UNCTAD 14’s outcome?

10. These are our comments and questions concerning the Aid for eTrade initiative at this stage. Your reply and comments will be helpful to our consideration.