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Trade and Development Board
Intergovernmental Group of Experts
on E-commerce and the Digital Economy
Seventh session
Geneva, 6–8 May 2024

**Report of the Intergovernmental Group of Experts on
E-commerce and the Digital Economy on its seventh session**

Held at the Palais des Nations, Geneva, from 6 to 8 May 2024





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Corrigendum

1. Page 7, paragraph 9

For the existing text *substitute*

Panellists for the high-level discussion, which addressed key issues pertaining to building digital readiness in developing countries, comprised the following: Minister of Commerce, Cambodia; Minister of Digital Transformation, Innovation and Modernization of Administration, Mauritania; Ambassador and Permanent Representative, Permanent Mission of Zambia to the United Nations, Co-facilitator, Global Digital Compact; and Chief Operating Officer, Bold, Colombia, eTrade for Women Advocate.

2. Page 8, paragraph 15

For the existing text *substitute*

Panellists for the second discussion, centred on the first guiding question for the Intergovernmental Group of Experts – what are the main challenges for developing countries, to engage in and benefit from e-commerce and the digital economy? – comprised the following: Chief, Digital Economy Capacity-building Section, E-commerce and Digital Economy Branch, UNCTAD; Policy Specialist, Finance Sector Hub, United Nations Development Programme (UNDP); Deputy Chief of Staff, Commonwealth Secretariat; and Founder and Chief Executive Officer, Nextrade Group, United States of America.

3. Page 10, paragraph 21

For the existing text *substitute*

Panellists for the third discussion, centred on the second guiding question for the Intergovernmental Group of Experts – what are good practices and tools for the effective implementation of policy measures at the national level, to overcome the main challenges? What is the role of national Governments, agencies, United Nations resident coordinator



offices and others in this process? – comprised the following: Economic Affairs Officer, Digital Economy Capacity-building Section, E-commerce and Digital Economy Branch, UNCTAD; Acting Director, Trade, Economic Community of West African States (ECOWAS) Commission; Principal Trade Officer, East African Community Secretariat; Chief International Trade Unit, Economic Commission for Latin America and the Caribbean (ECLAC); and Senior Officer, Trade Strategy and Competitiveness, International Trade Centre.

4. Page 11, paragraph 28

For the existing text *substitute*

Panellists for the fourth discussion, centred on the fourth guiding question for the Intergovernmental Group of Experts – how can international partnerships and coordination for digital cooperation help accelerate progress on building readiness for e-commerce and the digital economy? – comprised the following: Ambassador and Permanent Representative, Permanent Delegation of the Pacific Islands Forum to the United Nations Office in Geneva; Head of Project, Pan-African E-commerce Initiative, GIZ; Principal, Trade Worthy; Programme Management Officer, Digital Economy Capacity-building Section, E-commerce and Digital Economy Branch, UNCTAD; and Head, Consumption Taxes Unit, Organisation for Economic Co-operation and Development.

5. Page 13, paragraph 35

For the existing text *substitute*

Panellists for the fifth discussion, centred on the third guiding question for the Intergovernmental Group of Experts – how can international cooperation help enable greater benefits from e-commerce and digital trade? – comprised the following: Head, Joint Sustainable Development Goals Fund; United Nations Resident Coordinator, Ghana; Representative, African Union and African Continental Free Trade Area Relations and Trade Policy, African Export-Import Bank; and First Counsellor, Permanent Delegation of the European Union to the United Nations Office in Geneva.

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Introduction

The seventh session of the Intergovernmental Group of Experts on E-commerce and the Digital Economy was held at the Palais des Nations, Geneva, from 6 to 8 May 2024.

I. Action by the Intergovernmental Group of Experts on E-commerce and the Digital Economy

A. Building digital readiness: From assessments to implementation

(Agenda item 3)

Agreed policy recommendations

The Intergovernmental Group of Experts on E-commerce and the Digital Economy,

Recalling paragraph 100 (r) of the Nairobi Maafikiano (TD/519/Add.2), which called for the establishment of an intergovernmental group of experts on electronic commerce (e-commerce) and the digital economy,

Recalling the Bridgetown Covenant (TD/541/Add.2), in which member States instructed UNCTAD to strengthen the work on assisting developing countries to systematically assess their state-of-play and readiness to engage and integrate into the digital economy, thus contributing to addressing the digital divide between and within countries,

Recognizing the contribution of UNCTAD initiatives and programmes, including its flagship reports, in advancing e-commerce and the digital economy for development, and of strengthened support provided by the international community to developing countries,

Emphasizing the importance of narrowing digital divides and ensuring that developing countries are able to meaningfully harness the advantages of e-commerce and the digital economy for sustainable and inclusive growth and attaining the Sustainable Development Goals by seizing opportunities and mitigating the risks,

Noting with concern that, without appropriate and adequate measures, the rapid pace and scale of digitalization may outpace the ability and readiness of some countries to adapt to digital transformation and its subsequent social and economic challenges; and highlighting the importance of addressing digital divides and preventing countries, some of which are lagging behind in terms of infrastructure, skills and regulatory environment, especially the least developed countries, landlocked developing countries and small island developing States, from falling further behind,

Welcoming UNCTAD assistance to developing countries, through comprehensive diagnostics that identify opportunities and associated policy recommendations aiming to create and capture value from e-commerce and the digital economy, including for women, youth and vulnerable groups, as well as its assistance in developing e-trade readiness action plans and e-commerce strategies,

Recognizing the role that international cooperation, as well as global initiatives such as the eTrade for all partnership, can play in strengthening the readiness for e-commerce and the digital economy of developing countries, by leveraging resources and maximizing the impact of programmes on the ground while avoiding the duplication of efforts,

Welcoming ongoing efforts carried out by UNCTAD, in cooperation with the International Monetary Fund, the Organisation for Economic Co-operation and Development and the World Trade Organization, among others, namely the Handbook on Measuring Digital Trade, thus strengthening the statistical capacities of developing countries for compiling coherent and comparable statistics needed for informed policy decisions,

Recognizing the importance of integrating the development aspects of digitalization across all three pillars of the work of UNCTAD,

1. *Encourages* Governments and regional bodies to better understand and assess their e-commerce ecosystems, including with the support of international organizations and development partners, in order to build a deeper understanding of all opportunities brought forward by digitalization and to ensure gender equality and an inclusive approach, to tackle interconnected challenges in an integrated and coordinated manner, as a first step towards implementing necessary reforms and to address the digital divide;
2. *Stresses* the need to move from the assessment of e-commerce and digital economy ecosystems to the effective implementation of policy recommendations in relevant areas, based on the identified challenges and opportunities for e-commerce development;
3. *Calls on* Governments to harness the expertise of regional and international organizations, including UNCTAD and other eTrade for all partners, to support the formulation of national strategic frameworks, such as e-commerce strategies or action plans, to provide a vision and concrete road maps for the development of e-commerce and the digital economy;
4. *Invites* Governments to identify relevant e-commerce players, to provide for their collaboration and to establish solid mechanisms to facilitate the implementation of policy recommendations and multi-stakeholder partnerships through a whole-of-government and whole-of-society approach;
5. *Encourages* the international community and development partners to intensify their collaboration towards bolstering the capacities of countries to design, implement, coordinate and monitor progress on e-commerce enabling reform measures, using tools that are tailored to each country's needs, while ensuring inclusivity and equitable access to benefits for all, including women, youth and vulnerable groups;
6. *Welcomes* the UNCTAD e-trade reform tracker, designed as a web-based tool to facilitate the coordination and monitoring of e-commerce reforms, and encourages Governments to make use of it and other existing interactive platforms to improve overall accountability and enable an integrated approach to policy implementation;
7. *Underscores* the importance of strengthening the international community's support for developing countries in need, including by exploring new and innovative sources of funding, to implement their initiatives related to e-commerce and the digital economy, aiming at inclusive and sustainable development, thus contributing to the attainment of the Sustainable Development Goals;
8. *Calls on* UNCTAD, in collaboration with other international organizations and development partners, to continue its support to developing countries that are lagging behind in terms of readiness for e-commerce and the digital economy, leveraging its three pillars of work, namely research and analysis, consensus-building and technical cooperation, in the areas of e-trade readiness, strengthening legal and regulatory frameworks, measuring e-commerce and the digital economy and fostering women's digital entrepreneurship;
9. *Encourages* United Nations Member States, observers and relevant stakeholders engaged in the consultations on the global digital compact to take into account the recommendations emerging from this meeting in the elaboration of the compact, to be annexed to the pact for the future and adopted at the Summit of the Future in 2024.

*Closing plenary meeting
8 May 2024*

B. Other action taken by the Intergovernmental Group of Experts on E-commerce and the Digital Economy

1. Building digital readiness: From assessments to implementation

(Agenda item 3)

1. At its closing plenary meeting, on 8 May 2024, the Intergovernmental Group of Experts on E-commerce and the Digital Economy adopted a set of agreed policy recommendations (chapter I, section A).

2. Working Group on Measuring E-commerce and the Digital Economy

(Agenda item 4)

2. At a meeting on 8 May 2024, the Intergovernmental Group of Experts agreed on the following topics for the fifth meeting of the Working Group on Measuring E-commerce and the Digital Economy:

- (a) Progress in measuring e-commerce and the digital economy: Work by relevant international organizations.
- (b) Measuring the value of e-commerce.
- (c) Non-survey-based measurement of e-commerce and the digital economy.
- (d) Developing capacities in measuring e-commerce and the digital economy.

3. Provisional agenda of the eighth session of the Intergovernmental Group of Experts on E-commerce and the Digital Economy

(Agenda item 5)

3. At its closing plenary meeting, on 8 May 2024, the Intergovernmental Group of Experts decided that, as time constraints had not allowed for finalization and selection of the topic and guiding questions for its next session, the final topic would be submitted to the Trade and Development Board for approval, together with the provisional agenda of the eighth session that would reflect the topic selected. Regional coordinators and member States were encouraged to conduct consultations on proposals, with a view to reaching an agreement on the topic and guiding questions.

II. Chair's summary

A. Opening plenary meeting

4. The Secretary-General of UNCTAD delivered a statement, followed by statements made by the following speakers: the representative of Cambodia, speaking on behalf of the Group of 77 and China; the representative of the European Union, on behalf of the European Union and its member States; the representative of Bangladesh, on behalf of the Asia-Pacific Group; the representative of the Niger, on behalf of the African Group; the representative of Jamaica, on behalf of the Group of Latin American and Caribbean Countries; the representative of Nepal, on behalf of the least developed countries; the representative of the Dominican Republic, on behalf of small island developing States; the representative of China; the representative of Peru; the representative of Iraq; the representative of Pakistan; the representative of Kenya; the representative of Trinidad and Tobago; the representative of Colombia; the representative of Nigeria; the representative of Malaysia; the representative of Togo; the representative of Tunisia; the representative of the Islamic Republic of Iran; the representative of Senegal; the representative of the Niger; the representative of Egypt; the representative of Côte d'Ivoire; the representative of Indonesia; the representative of Fiji; and the representative of Benin.

5. In her opening remarks, the Secretary-General of UNCTAD emphasized the urgent need to build digital readiness amid cascading crises and persistent inequalities, in particular in developing countries lagging behind in an increasingly digital global economy. Despite significant growth in Internet use, disparities persisted, particularly between high-income and low-income countries, and the Secretary-General underscored the need to create a level playing field for small and medium-sized enterprises in the digital market. She underlined that being digitally ready meant not only having access to the Internet and, before that, electricity, but also involved skills development; critical thinking; empowerment, among both consumers and small and medium-sized enterprises; resilience; and adherence to human values. The global digital compact and the Summit of the Future presented a unique opportunity to align digital development with the aspirations of the Sustainable Development Goals. The Secretary-General stressed the value of UNCTAD e-trade readiness assessments, a tool designed to support developing countries in navigating digital and e-commerce ecosystems. However, countries faced challenges in implementation and, in this regard, the Secretary-General highlighted the following three key lessons learned from the assessments: mechanisms need to be established for interministerial coordination and effective interaction with non-governmental stakeholders; robust monitoring tools are required, capable of tracking progress, enhancing accountability and evaluating the impact of e-commerce initiatives over time; and champions need to be found, namely, policymakers who can provide the vision and leadership required to persevere in order to bring change to completion. In closing, the Secretary-General emphasized the commitment of UNCTAD to supporting digital readiness efforts in developing countries; and the collective responsibility for building a digital world that was human-centred, inclusive and, above all, ready for the future.

6. The Director of the UNCTAD Division on Technology and Logistics introduced the background document titled “Building digital readiness: From assessments to implementation” (TD/B/EDE/7/2), stressing the importance of the topic given that the expansion of e-commerce and the digital economy was unfolding in different ways for countries at varied levels of development. She noted that there were many benefits to be gained from digitalization, yet these were not automatic, and challenges were often compounded by cross-cutting concerns, such as with regard to gender equality, the environmental impacts of e-commerce and data scarcity. Addressing such interconnected challenges required careful policy formulation, to ensure that e-commerce activities contributed positively to economic development while safeguarding the interests of domestic workers, consumers and industries. A significant requirement in this regard was the implementation of e-commerce reforms and strategies. Drawing from UNCTAD experience, the Director stated that key actions for impactful implementation included setting up governance structures, ensuring continuous stakeholder engagement, building knowledge and institutional capacities and applying robust monitoring tools, to facilitate coordination and assess progress. In conclusion, the Director reiterated the need to scale up international support and cooperation, leveraging the expertise of development partners in support of the digital transformation. Collective action was also needed to address global regulatory challenges, such as those related to taxation, competition, consumer protection, cybersecurity and cross-border data flows. Finally, the Director presented the five guiding questions to be considered, as follows:

(a) What are the main challenges for developing countries, to engage in and benefit from e-commerce and the digital economy?

(b) What are good practices and tools for the effective implementation of policy measures at the national level, to overcome the main challenges? What is the role of national Governments, agencies, United Nations resident coordinator offices and others in this process?

(c) How can international cooperation help enable greater benefits from e-commerce and digital trade?

(d) How can international partnerships and coordination for digital cooperation help accelerate progress on building readiness for e-commerce and the digital economy?

7. The representatives of several regional groups and a few delegates noted the role of UNCTAD in helping to build digital readiness in developing countries through e-trade readiness assessments, e-commerce strategies and other technical assistance initiatives. The representative of one regional group and a few delegates stressed the need to build digital readiness in a manner that left no one behind. Several delegates shared experiences in translating recommendations from national assessments into actions. The representatives of a few regional groups and a few delegates stressed the importance of investing in digital literacy and building both hard and soft skills, to empower people to meaningfully participate in the digital economy. The representatives of a few regional groups and some delegates stressed that UNCTAD and development partners should further collaborate on closing the gender-based and digital divides in this area and on promoting technology transfer, including through North–South and South–South cooperation. The representatives of a few regional groups noted the need to create a level playing field, for microenterprises and small and medium-sized enterprises to be able to create and capture value in the digital economy. To ensure more inclusive outcomes from digitalization, the representatives of a few regional groups and a few delegates highlighted the need for a global framework for the governance of digital platforms and emerging technologies, for example to address concerns related to data management, taxation, competition and consumer protection. The representative of one regional group proposed the establishment of a dedicated working group on data governance and encouraged UNCTAD to organize briefing sessions, to provide clear policy guidelines in this area and to continue to assist countries in fostering digital readiness, including in such areas as competition policy, digital trade data and taxation. Finally, one delegate noted the need for UNCTAD technical assistance in the implementation of the recently adopted protocol on digital trade under the African Continental Free Trade Area Agreement.

B. Building digital readiness: From assessments to implementation

(Agenda item 3)

8. Under the agenda item, the Intergovernmental Group of Experts on E-commerce and the Digital Economy held five round-table discussions.

1. High-level panel discussion: Addressing digital readiness challenges in developing countries

9. Panellists for the high-level discussion, which addressed key issues pertaining to building digital readiness in developing countries, comprised Ms. Cham Nimul, Minister of Commerce, Cambodia; Mr. Mohamed Abdallahi Louly, Minister of Digital Transformation, Innovation and Modernization of Administration, Mauritania; Mr. Chola Milambo, Ambassador and Permanent Representative, Permanent Mission of Zambia to the United Nations, Co-facilitator, Global Digital Compact; and Ms. Ana Sandoval, Chief Operating Officer, Bold, Colombia, eTrade for Women Advocate.

10. The first panellist highlighted the commitment of Cambodia to harnessing digital technologies for social and economic progress, illustrating how the recommendations in the e-trade readiness assessment had been transformed into concrete policies and actions, including through the national e-commerce strategy, the digital economy and society policy framework and sector-specific strategies. Efforts were also being made to enhance digital infrastructure, promote digital literacy and strengthen the legal framework, to support online businesses in the country. The development of e-commerce initiatives and a dedicated e-commerce law further underscored the vision of the Government for creating a sustainable and conducive environment for e-commerce development. Finally, the panellist noted the need for increased collaboration and support from development partners, to address remaining challenges and advance the digital transformation in Cambodia.

11. The second panellist shared insights on how the e-trade readiness assessment in Mauritania had enabled the Government to identify key gaps and opportunities for leveraging e-commerce as a driver of growth. Building on the results of the assessment, measures were being taken to expand Internet access to remote areas, bolster youth employability in digital sectors, enact a law on start-ups and create a digital innovation hub.

Finally, the panellist noted that discussions on developing a national e-commerce strategy and a financial inclusion strategy were ongoing, to further propel the digital transformation.

12. The third panellist detailed advancements made in the ongoing negotiations of the global digital compact, following the circulation of a zero draft in May 2024, with the final draft expected to be completed in June 2024 after further formal negotiations and additional stakeholder engagement. The involvement of multiple stakeholder groups in the negotiation process, including the private sector and civil society, was critical in order to reflect a diversity of perspectives in the process. Finally, the panellist noted the role of UNCTAD in providing technical assistance, in knowledge-sharing and in fostering consensus on global digital issues, including through the present session of the Intergovernmental Group of Experts, the outcomes of which would contribute to shaping the global digital compact.

13. The fourth panellist shared insights from a technology company founded in Colombia in 2019, offering finance and payment tools to microenterprises and small and medium-sized enterprises. The panellist underscored the challenges faced by such enterprises, including lack of trust in traditional financial systems, regulatory and taxation barriers hindering formalization and limited financial and technological literacy in shifting activities online. There had been positive trends in the adoption of digital tools, particularly following the pandemic, yet scope remained for Governments and development partners to provide greater support to businesses, by focusing on improving both formal and informal education, implementing comprehensive payment tools and streamlining bureaucratic processes, to mitigate tax complexities and other barriers to growth.

14. During the ensuing discussion, in response to a query from the representative of one regional group on how to best facilitate cross-border digital payments, one panellist noted that interoperability was critical but that there were other challenges to the development of cross-border e-commerce, particularly those related to trust, logistics and language barriers. One delegate expressed concerns related to the collection of e-commerce statistics and the handling of transactions conducted through social media platforms. In this context, one panellist highlighted good practices, including the compilation of data from both public and private sector entities, to comprehensively inform e-commerce activities, and the development of guidelines and training programmes for informal sellers, to facilitate the transition to the use of formal digital platforms.

2. Enhancing e-trade readiness of developing countries: Insights from country assessments

15. Panellists for the second discussion, centred on the first guiding question for the Intergovernmental Group of Experts – what are the main challenges for developing countries, to engage in and benefit from e-commerce and the digital economy? – comprised Ms. Cécile Barayre, Chief, Digital Economy Capacity-building Section, E-commerce and Digital Economy Branch, UNCTAD; Ms. Luisa Bernal, Policy Specialist, Finance Sector Hub, United Nations Development Programme (UNDP); Mr. Suresh Yadav, Deputy Chief of Staff, Commonwealth Secretariat; and Ms. Kati Suominen, Founder and Chief Executive Officer, Nextrade Group, United States of America.

16. The first panellist highlighted digital ecosystem assessments undertaken by international organizations, including UNCTAD, UNDP and the World Bank, along with other organizations active in this area, including the Commonwealth Secretariat, the Enhanced Integrated Framework and the Pacific Islands Forum, as well as the European Union through the Africa Reform for Investment and Sustainable Economies programme. A mapping of such initiatives had been undertaken to promote experience-sharing, avoid duplication and make the best use of existing resources. The panellist presented lessons learned from UNCTAD e-trade readiness assessments, noting that an impact review suggested that the multi-stakeholder participatory process in the preparation of diagnostic reports had contributed to improving government coordination and public-private dialogues, promoting inclusivity, achieving policy and regulatory developments and boosting regional e-commerce initiatives. Finally, the panellist noted that the implementation of e-commerce reforms was most successful in countries that had put in place robust governance mechanisms and participation by the highest levels of government. Many countries could gain from improved cooperation in this area, and the involvement of

all partners was essential in order to achieve sustainable development outcomes and ensure that no one was left behind.

17. The second panellist discussed the vision of UNDP for how digitalization could be a driving force for people and the planet, reflected in efforts by UNDP to integrate a digital lens into all activities. UNDP sought to empower countries to develop digital ecosystems; the Digital Transformation Framework had been built on the principles of universal access, protection of human rights in the digital space and trust. The panellist described the UNDP digital readiness assessments, which provided rapid high-level insights into the digital strengths and weaknesses of a country, highlighted opportunities for digital transformation and served as an entry point for engagement with Governments and stakeholders. In a recent publication, *Small Island Digital States*, UNDP had showed the progress achieved and remaining challenges, including the need for a better understanding of the value added of digital technologies; the importance of focusing on people rather than technologies, for example through human-rights based approaches; the identification of stakeholder roles and responsibilities; and long-term planning.

18. The third panellist noted that digital trade had the potential to facilitate deeper economic cooperation and boost trade between the 56 member States of the Commonwealth by reducing costs, increasing productivity and innovation and providing greater market access. The panellist emphasized that connectivity, infrastructure and knowledge development continued to be challenging, yet a new digital economy, fuelled by artificial intelligence, was emerging and all economies, including small island developing States and the least developed countries, needed to prepare to engage in this new economy. Initiatives by the Commonwealth that addressed artificial intelligence included an incubator programme, a working group on related policy and other capacity-building initiatives for both the public and private sectors. Capacity constraints identified through the work included those related to regulatory frameworks, human capacity and stakeholder engagement, as well as insufficient access to digital infrastructure and technology. Finally, the panellist underscored the importance of collaboration between the Commonwealth Secretariat and development partners, including UNCTAD.

19. The fourth panellist highlighted lessons learned from the work of Nextrade Group on e-commerce development, which involved bringing together Governments, development partners and technology companies, to enable trade through digital technologies, and included generating e-commerce data to guide policies; creating public-private partnerships between Governments and technology companies; developing road maps and policy reforms; and implementing initiatives targeting e-commerce among small and medium-sized enterprises. A database of e-commerce-related policies adopted by 60 countries helped identify best practices in developing e-commerce readiness. The panellist concluded by sharing the following key recommendations for assessments and strategies: local leadership and ownership for implementation; plans based on multi-stakeholder processes and public-private dialogues; global best practices; funding for implementation; donor coordination and the involvement of development banks and public-private partnerships; improved measurement of progress; and agendas that evolved with policy and technological changes.

20. During the ensuing discussion, a few delegates emphasized that it was important for developing countries to move from being consumers to producers of e-commerce products, raising concerns about these countries being providers of raw data, while having to pay a high price for services developed with the data, and noting that, in this regard, it was critical to address digital divides, with support from UNCTAD and other organizations; that diagnostics were essential tools in initiating discussions within and between countries and development partners, facilitating the sharing of experiences and best practices; and that, given the multiplicity of government actors, stakeholders and development partners involved, it was essential to align initiatives and strengthen collaboration. One delegate noted that diagnostic reports of developing country e-commerce ecosystems served to show the work to be done in terms of skills development, infrastructure building, access to finance for digital entrepreneurs and regulatory developments; and that domestic financing, whether public or private, might be insufficient, underscoring the need for additional funding sources. A few delegates noted the potential in developing countries to use

artificial intelligence to enhance e-commerce and suggested recommendations, including on supporting all companies, including microenterprises and small and medium-sized enterprises, in adopting such technologies, through cloud-first policies and sandboxes with fewer regulations, and referred to the High-Level Advisory Body on Artificial Intelligence established by the United Nations Secretary-General, expected to make preliminary recommendations on the international governance of artificial intelligence. Finally, a representative of an intergovernmental organization, noting that the future of trade was digital, green and inclusive, stressed the importance of capacity-building and development cooperation; and highlighted a joint initiative by the World Trade Organization and the World Bank on regulatory assessments aimed at strengthening domestic frameworks and trade rules in countries in Africa and promoting the use of digital technologies.

3. Moving from assessment to formulation: E-commerce strategies and action plans

21. Panellists for the third discussion, centred on the second guiding question for the Intergovernmental Group of Experts – what are good practices and tools for the effective implementation of policy measures at the national level, to overcome the main challenges? What is the role of national Governments, agencies, United Nations resident coordinator offices and others in this process? – comprised Ms. Martine Julsaint Kidane, Economic Affairs Officer, Digital Economy Capacity-building Section, E-commerce and Digital Economy Branch, UNCTAD; Mr. Kolawole Sofola, Acting Director, Trade, Economic Community of West African States (ECOWAS) Commission; Ms. Marie Angelique Umulisa, Principal Trade Officer, East African Community Secretariat; Mr. Nanno Mulder, Chief, International Trade Unit, Economic Commission for Latin America and the Caribbean (ECLAC); and Mr. Darius Kurek, Senior Officer, Trade Strategy and Competitiveness, International Trade Centre.

22. The first panellist presented the experience of UNCTAD in e-commerce strategy development. The 10 finalized and four ongoing strategies included the following main elements: situational analysis; vision; objectives; pillars and strategic measures; governance framework; implementation plan; and monitoring and evaluation framework. Some of the challenges involved the level of government leadership, the pace of institutional development and the quality of policy development. The panellist emphasized the importance of getting the right actors involved in terms of governance structure, to ensure political commitment and knowledge transfer and to overcome work in silos; and of encouraging the involvement of vulnerable groups throughout the policy development process. The experience of UNCTAD showed that there was a general need for further support for capacity-building among governance entities and lead ministries, the development of statistics on e-commerce and the digital economy and a better understanding of the nexus of trade agreements and other policy documents. Finally, the panellist outlined the next steps, namely a stocktaking of experiences to date, enhanced collaboration on implementation with regard to particular issues in the strategies and further exploration of opportunities for impact measurement.

23. The second panellist discussed the ECOWAS E-commerce Strategy adopted in 2023, aimed at creating a sustainable, inclusive and secure e-commerce ecosystem. The strategy had been developed with UNCTAD support, preceded by a regional e-trade readiness assessment, and guided by Agenda 2063 of the African Union and the Digital Transformation Strategy for Africa, building on ECOWAS Vision 2050 and drawing on existing ECOWAS instruments and policies. The panellist stressed the importance of involving a broad range of stakeholders in the assessment and strategy development process. The ECOWAS E-commerce Strategy integrated member State inputs, primarily from ministries responsible for trade and information and communications technology, through national consultation workshops and regional meetings, as well as inputs from private sector representatives. Finally, the panellist emphasized the four strategic goals of institutional strengthening, securing of trust, e-commerce intelligence and inclusion, and noted that implementation and resource mobilization efforts were under way.

24. The third panellist detailed the digital transformation in the East African Community and efforts towards establishing a single digital market. The Regional E-Commerce Strategy, approved in 2023, sought to enhance and contribute to several other national and regional strategic initiatives targeting the development of a regional digital economy. The panellist noted that the strategy had been developed in the following two phases: an in-depth e-commerce assessment, which engaged stakeholders, to identify challenges and gaps, assess the progress of e-commerce activities and capture stakeholder perspectives; and the development of a regional e-commerce strategy and framework of implementation with dedicated actions. The panellist emphasized the importance of a coordination mechanism, bringing together diverse stakeholders supporting e-commerce at the national and regional levels. In this context, the panellist noted UNCTAD involvement in the strategy development process and valuable inputs from e-trade readiness assessments, as well as collaboration with other development partners, such as the European Union, the German Development Agency (GIZ) and the World Bank, with funds for the implementation of e-commerce priorities.

25. The fourth panellist highlighted regional e-commerce initiatives in Latin America, including 14 national strategies and policies and four subregional integration schemes. However, the road maps lacked budgets and operational responsibilities and, while most of the subregional road maps directly addressed e-commerce, only eight of the national strategies did so. ECLAC support in this area included the Ministerial Conference on the Information Society, the Digital Development Observatory, the Latin American and Caribbean Marketplace Explorer and direct technical assistance for various countries and integration schemes. Finally, the panellist stressed the importance of coordination between development partners, notably UNCTAD and other eTrade for all partners.

26. The fifth panellist discussed the experience of the International Trade Centre in developing e-commerce strategies, highlighting work in this area in Kyrgyzstan, Tajikistan and Uzbekistan in the framework of a European Union-funded project. The objective of the strategies was to improve e-commerce domestically, intraregionally and internationally. The main challenges were in the areas of access to finance, small and medium-sized enterprises, taxation and informality, logistics and postal services and customs regimes not yet adapted to e-commerce. The panellist described how comprehensive plans of action had been developed with a team of institutions and needed to be adapted to align with national monitoring requirements. Finally, the panellist stressed the importance of inter-institutional coordination and of training and capacity-building among government representatives.

27. During the ensuing discussion, a few experts emphasized the need to improve coordination and avoid the duplication of efforts in similar policy areas. In this regard, a few experts provided examples of ways to ensure and/or enhance coordination on e-commerce among international organizations, donors and government or regional counterparts. In response to a request from a few delegates for further information, one panellist detailed the implementation of the ECOWAS E-commerce Strategy and opportunities for engagement, and a few panellists provided examples of the governance framework of strategies. Some experts expressed an interest in developing an e-commerce strategy, and one delegate noted the need for assistance in updating existing strategies.

4. Making implementation work

28. Panellists for the fourth discussion, centred on the fourth guiding question for the Intergovernmental Group of Experts – how can international partnerships and coordination for digital cooperation help accelerate progress on building readiness for e-commerce and the digital economy? – comprised Ms. Merewalesi Falemaka, Ambassador and Permanent Representative, Permanent Delegation of the Pacific Islands Forum to the United Nations Office in Geneva; Mr. Steffen Grammling, Head of Project, Pan-African E-commerce Initiative, GIZ; Mr. Sven Callebaut, Principal, Trade Worthy; Mr. Alessandro Vitale, Programme Management Officer, Digital Economy Capacity-building Section, E-commerce and Digital Economy Branch, UNCTAD; and Mr. Piet Battiau, Head, Consumption Taxes Unit, Organisation for Economic Co-operation and Development.

29. The first panellist discussed the implementation of the Pacific Regional E-commerce Strategy and Road Map. Progress had been made on developing e-commerce assessments and adopting legislation, yet challenges remained in the areas of information and communications technology infrastructure, access to capital and trade logistics. Monitoring implementation had been a challenge due to underreporting on progress made on individual projects. The panellist noted that regional coordination could play an important role in implementing digital reforms and e-commerce strategies, and that regional strategies could serve as guiding frameworks for national e-commerce strategies and economic integration. The panellist noted tools and resources aimed at tracking progress on implementation and informing of e-commerce uptake in the region. Partner agencies and donors had been critical in sustaining momentum and redoubling efforts to implement priority policy actions.

30. The second panellist shared insights on enhancing an enabling environment for digital trade between selected countries under the African Continental Free Trade Area, emphasizing the necessity of robust partnerships and collaborations. Enterprises that primarily operated at the national level faced multiple challenges in attempting to boost cross-border trade, for example the absence of a comprehensive blueprint for cross-border e-payments. The panellist stressed the importance of advancing platform development in this regard, as well as strengthening legal and regulatory frameworks and fostering public-private partnerships. The panellist underscored the significance of enhancing consumer protection measures and bolstering the capabilities of national authorities. The lack of consumer protection and trust was a significant barrier to the adoption of e-commerce. In this regard, e-commerce trust seals could enhance consumer trust, as shown by experiences in countries with trusted online marketplaces. Finally, the panellist noted that tailored strategies could enable the adoption of such seals and boost consumer confidence and transactions.

31. The third panellist discussed the implementation of e-commerce policy reforms in the Association of Southeast Asian Nations, highlighting the critical role of trade in economic development in the region and the importance of the swift implementation of policy reforms. The panellist stressed the need for support in implementing action matrices; the importance of providing comprehensive resources and establishing monitoring mechanisms; and the need to accelerate e-commerce reforms, particularly in the areas of digital infrastructure and enhancing digital skills, harmonizing policies and establishing inclusive dialogue platforms. The implementation and harmonization of policy reforms required strengthened collaboration between Governments and development partners. Finally, the panellist noted the importance of regional cooperation and legal harmonization, to establish a business-friendly e-commerce environment and promote economic integration in the region by reducing barriers and standardizing digital trade practices.

32. The fourth panellist emphasized the importance of stakeholder engagement and experience-sharing, highlighting the need for a whole-of-government approach to implementation. The panellist introduced the UNCTAD implementation support mechanism and its role in fostering in-country dialogue, knowledge-sharing and capacity-building. Establishing a community of practice enabled partnerships and helped to mobilize technical and financial support. The panellist stressed the proactive role required of lead ministries and focal points in coordinating implementation. A dedicated team and interministerial body were needed to ensure inter-agency coordination, since interventions often remained fragmented. Finally, the panellist underscored the importance of robust monitoring and evaluation tools, to ensure accountability and transparency in the implementation of national or regional e-commerce strategies, policies and action plans.

33. The fifth panellist highlighted taxation-related challenges posed by the global digital economy, particularly the impact of cross-border e-commerce on national consumption tax frameworks. Value added tax was critical in generating revenue in developing countries, yet was often not applied to online service sales, a challenge compounded by the ineffective collection of such tax on low-value parcel imports following online transactions. The panellist stated that countries were increasingly implementing unilateral measures, which created barriers to trade and e-commerce, and that taxation-related challenges should be addressed in an inclusive and consensus-based manner. Regional and global dialogues,

alongside multi-stakeholder technical assistance initiatives, were a first step in supporting countries in effectively addressing such challenges. Lack of a robust response might result in significant revenue losses and unfair competitive pressure on brick-and-mortar retailers, particularly given the accelerating shift to online sales. Finally, the panellist highlighted the following four pillars under which such challenges could be addressed, proposed by the Organisation for Economic Co-operation and Development: establishing a legal basis for levying value added tax on online sales by non-resident vendors; collecting value added tax from foreign online vendors through web-enabled processes; requiring digital platform operators to collect and remit value added tax on all platform sales; and enhancing value added tax compliance through modern risk-based strategies and administrative cooperation.

34. During the ensuing discussion, a few delegates discussed the use of e-commerce trust seals, focusing on evaluation criteria for obtaining such seals, their potential financial benefits and their impact on consumer concerns related to cybersecurity. Some experts addressed value added tax collection mechanisms and how to determine tax rates that fostered growth and promoted the formalization of business activities, particularly for microenterprises and small and medium-sized enterprises involved in e-commerce. One delegate noted challenges in collecting data from the informal sector and concerns related to collecting customs duties, particularly from small-value transactions. Another delegate emphasized the importance of creating a mechanism to centralize information on ongoing digital initiatives and provide a unified platform through which to access up-to-date information. The UNCTAD secretariat noted a forthcoming study on the indirect taxation of e-commerce.

5. Leveraging international cooperation and resource allocation to fast-track digital readiness

35. Panellists for the fifth discussion, centred on the third guiding question for the Intergovernmental Group of Experts – how can international cooperation help enable greater benefits from e-commerce and digital trade? – comprised Ms. Lisa Kurbiel, Head, Joint Sustainable Development Goals Fund; Mr. Charles Abani, United Nations Resident Coordinator, Ghana; Mr. Adham Abdelaal, Representative, African Union and African Continental Free Trade Area Relations and Trade Policy, African Export-Import Bank; and Mr. Thomas Spoormans, First Counsellor, Permanent Delegation of the European Union to the United Nations Office in Geneva.

36. The first panellist detailed efforts by the Joint Sustainable Development Goals Fund to leverage international cooperation and resources in order to accelerate digital readiness by addressing disparities in digitalization that affected progress on achieving the Goals. The panellist highlighted the approach of the Fund to advancing digital transformation through joint programmes led by United Nations resident coordinators and aligned with national priorities and the Goals, such as enhancing agricultural productivity and market integration among smallholders and transforming education systems through regulatory reform, infrastructure expansion and capacity-building. Finally, the panellist stressed the importance of collaboration with all local stakeholders, including development partners, development banks and the United Nations system, and highlighted the focus on local empowerment through leveraging multiple investment sources in order to maximize impacts.

37. The second panellist discussed the role of coordinated approaches through the United Nations Resident Coordinator system, with reference to the experience of Ghana. There was a focus on digitalization for development, yet challenges remained in expanding e-commerce, including with regard to consumer trust, infrastructure gaps, payment interoperability and access to finance by start-ups. The panellist noted, however, that there were growing opportunities to forge new partnerships in the country and across Africa through international conferences that brought together private and public sector stakeholders. Finally, the panellist highlighted good practices of cooperation of United Nations organizations with the Resident Coordinator Office, for targeted impacts, and emphasized the importance of local leadership, political will and a whole-of-government approach, to ensure that international cooperation effectively supported digital transformation aligned with national priorities.

38. The third panellist highlighted collaboration with UNCTAD on e-trade readiness assessments and the role of the African Export-Import Bank in enhancing the digital trade system in countries in Africa, detailing several initiatives, including a digital policy working group that conveyed guidance from the private sector to policymakers involved in the African Continental Free Trade Area, thereby bridging gaps between businesses, policymakers and financial institutions. Another initiative, the Africa Trade Gateway, created to strengthen synergies across actors involved in this area, included the following key components: repository of verified African companies and financial institutions, to enhance trust; pan-African payment and settlement system, to reduce trade barriers and allow participating countries to settle transactions in their own currencies; trade information portal, to provide access to African Continental Free Trade Area outcomes for buyers, sellers, policymakers and researchers; and a business-to-business and business-to-government sales platform for goods covered by the Agreement.

39. The fourth panellist outlined the European Union Global Gateway initiative, aimed at supporting the digital transformation in underserved regions, while avoiding unsustainable debt or dependency, and focused on comprehensive connectivity, in particular for government and research institutions, schools and remote communities, including support related to both hard infrastructure, involving upgrading critical services and smart-grid technologies, and soft infrastructure, involving digital economy packages that fostered digital skills, assisting in launching digital trade platforms and strengthening regulatory frameworks. The panellist highlighted the importance of a multi-stakeholder approach, involving donor countries and the private sector, to comprehensively support beneficiary countries. Finally, the panellist highlighted how the Digital for Development Hub brought together various stakeholders to scale up digital transformation investment in many regions.

40. During the ensuing discussion, several delegates noted that developing countries faced many challenges, particularly with regard to high transaction costs and the interoperability of cross-border payment systems, requiring further international cooperation. A few experts discussed the need for further international support in building capacity for e-commerce and the digital transformation. The representative of an intergovernmental organization and one delegate emphasized the importance of a whole-of-government approach and national and regional coordination, to overcome remaining barriers. The representative of an intergovernmental organization and a few delegates highlighted the need for continued dialogue on opportunities for global collaboration, including through forums such as the Intergovernmental Group of Experts. One delegate expressed concern about protecting domestic producers from foreign competition under free trade agreements, noting the need for collaboration with international partners. A few delegates highlighted the role of national assessments in advancing e-commerce in their countries and the need for continued technical and financial support in this area. One delegate and one panellist highlighted the importance of strengthening statistical capacity to monitor progress.

C. Working Group on Measuring E-commerce and the Digital Economy (Agenda item 4)

41. The Chair of the fourth meeting of the Working Group on Measuring E-commerce and the Digital Economy presented the report of the meeting (TD/B/EDE/7/3). The Working Group had discussed the latest developments in measuring e-commerce and the digital economy among various international organizations; considered the second edition of the Handbook on Measuring Digital Trade, which provided a conceptual framework for compiling internationally comparable statistics on digital trade and for statistical capacity-building; and discussed incipient work on measuring e-commerce value, with a stocktaking report noting the scarcity of official statistics in this area, as well as the diversity of underlying sources, measurement approaches and information breakdowns. A task group had been formed to support the development of UNCTAD guidelines on measuring the value of e-commerce, which would support capacity-building and the development of internationally comparable statistics. The Working Group had noted the

importance of improving e-commerce statistics, to help policymakers identify areas for intervention that could foster digital economic growth. In this context, the Working Group had addressed the complexities of integrating administrative data in order to complement survey-based data collection, including efforts required with regard to due diligence, data cleaning and standardization. The Chair noted that, as the digital economy continued to evolve, its measurement was also a work in progress, and the Working Group could host a collective learning process if more countries explored the use of national accounts data to measure e-commerce and shared insights with the Working Group. Finally, the Working Group had discussed national priorities in measuring e-commerce and the digital economy, as well as technical assistance and capacity-building support offered by international organizations. In addition to direct technical assistance, the Chair noted that there was increased need for exchanges of good practices among countries and for more knowledge resources in multiple languages. Experts at the meeting had suggested that UNCTAD could host an online knowledge-sharing portal, for example on the following: production of gender-disaggregated data related to the digital economy; use of innovative methodologies and data sources; road map for the production of e-commerce and digital economy statistics; toolkits on methodological issues; and methodological guidance and training resources of international organizations. The Chair noted that the continued sharing of knowledge and experiences, as well as the building of capacity in developing countries, was essential in order to achieve good quality statistics that could help guide the decisions of policymakers with regard to the rapidly evolving digital economy. The Chair stressed the need for increased support from development partners in order for UNCTAD to develop methodological material on measuring e-commerce and the digital economy, increase the availability of knowledge resources online and in various languages and, in collaboration with partners, deliver training to producers of official statistics in developing countries. Finally, the Chair noted that, as the meeting had been held in person, participation from some national statistical offices, in particular from among the least developed countries, had been limited and that the meeting would have benefited from remote participation.

42. The experts agreed on the proposed topics for its fifth meeting (see chapter I).

III. Organizational matters

A. Election of officers

(Agenda item 1)

43. At its opening plenary meeting, on 6 May 2024, the Intergovernmental Group of Experts on E-commerce and the Digital Economy elected Mr. Luke Daunivalu (Fiji) as its Chair and Ms. Davaasuren Gerelmaa (Mongolia) as its Vice-Chair-cum-Rapporteur.

B. Adoption of the agenda and organization of work

(Agenda item 2)

44. Also at its opening plenary meeting, the Intergovernmental Group of Experts adopted the provisional agenda, as contained in document TD/B/EDE/7/1. The agenda was thus as follows:

1. Election of officers.
2. Adoption of the agenda and organization of work.
3. Building digital readiness: From assessments to implementation.
4. Working Group on Measuring E-commerce and the Digital Economy.
5. Provisional agenda of the eighth session of the Intergovernmental Group of Experts on E-commerce and the Digital Economy.
6. Adoption of the report of the Intergovernmental Group of Experts on E-commerce and the Digital Economy.

C. Adoption of the report of the Intergovernmental Group of Experts on E-commerce and the Digital Economy

(Agenda item 6)

45. At its closing plenary meeting, on 8 May 2024, the Intergovernmental Group of Experts on E-commerce and the Digital Economy authorized the Vice-Chair-cum-Rapporteur, under the authority of the Chair, to finalize the report on its seventh session after the conclusion of the session.

Annex

Attendance*

- Representatives of the following States members of the Conference attended the session:

Algeria	Morocco
Angola	Mozambique
Antigua and Barbuda	Namibia
Argentina	Nepal
Austria	Netherlands (Kingdom of the)
Bangladesh	Nicaragua
Benin	Niger
Bhutan	Nigeria
Burundi	Pakistan
Cambodia	Portugal
Cameroon	Republic of Korea
Canada	Russian Federation
Chile	Rwanda
China	Samoa
Congo	Saudi Arabia
Costa Rica	Senegal
Côte d'Ivoire	Seychelles
Czechia	South Africa
Dominican Republic	Spain
Egypt	Sri Lanka
Ethiopia	State of Palestine
Fiji	Switzerland
Gabon	Thailand
Greece	Timor-Leste
Hungary	Togo
India	Trinidad and Tobago
Indonesia	Tunisia
Iraq	Türkiye
Japan	Uganda
Jordan	United Arab Emirates
Kenya	United Kingdom of Great Britain and Northern Ireland
Lebanon	United Republic of Tanzania
Libya	Vanuatu
Madagascar	Venezuela (Bolivarian Republic of)
Malawi	Viet Nam
Malaysia	Yemen
Mauritania	Zambia
Mauritius	Zimbabwe
Mongolia	

- The following intergovernmental organizations were represented at the session:

African Export-Import Bank
 Common Fund for Commodities
 Commonwealth Secretariat (CS)
 Economic Community of West African States
 European Union
 Organisation for Economic Co-operation and Development
 Organisation internationale de la francophonie
 Organization of Islamic Cooperation

* This attendance list contains registered participants. For the list of participants, see TD/B/EDE/7/INF.1.

Pacific Islands Forum Secretariat
South Centre
Southern African Customs Union

3. The following United Nations organs, bodies and programmes were represented at the session:

Development Coordination Office
Economic Commission for Africa
Economic Commission for Latin America and the Caribbean
International Trade Centre
United Nations Development Programme
World Trade Organization

4. The following specialized agencies and related organizations were represented at the session:

Universal Postal Union
World Intellectual Property Organization

5. The following non-governmental organizations were represented at the session:

General category

Consumer Unity and Trust Society International
International Trade Union Confederation
Third World Network
