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Submissions from entities in the United Nations system and elsewhere on their efforts in 2018 to implement the outcome of the WSIS

Submission by

International Trade Centre
and
United Nations Conferences on Trade and Development

This submission was prepared as an input to the report of the UN Secretary-General on "Progress made in the implementation of and follow-up to the outcomes of the World Summit on the Information Society at the regional and international levels" (to the 22nd session of the CSTD), in response to the request by the Economic and Social Council, in its resolution 2006/46, to the UN Secretary-General to inform the Commission on Science and Technology for Development on the implementation of the outcomes of the WSIS as part of his annual reporting to the Commission.

Reporting on the follow-up to the World Summit on the Information Society

Input from action line C7 on e-business

Contribution from the International Trade Centre (ITC) and the United Nations Conference on Trade and Development (UNCTAD)

Co-facilitators: The International Trade Centre (ITC), the United Nations Conference on Trade and Development (UNCTAD), and the Universal Postal Union (UPU)

Part One: An **executive summary** (half a page) of activities undertaken by all stakeholders, progress made, and any obstacles encountered.

Activities during 2017-2018 related to action line C7 (e-business) aimed at increasing awareness, expanding the use of ICT-enabled market analysis tools, and building the capacity of developing countries to leverage e-commerce for development. E-commerce in particular has grown in visibility, as it is being recognized by national, regional and international stakeholders as a driver of economic growth, inclusive trade and job-creation, including in low-income countries. E-commerce can also be a catalyst for the transition of trade transactions involving micro, small and medium-size enterprises (MSMEs) from the informal to the formal sector and from domestic to international markets. Improved ICT and transport connectivity, better legal and regulatory frameworks and new e-commerce and payment solutions are enabling more countries to take advantage of opportunities offered by online commerce. However, significant divides remain. Most people and MSMEs – especially in the developing world – have yet to start using the Internet, let alone leverage the potential that e-commerce has to offer.

In this context, the co-facilitators implemented their respective work programme on the digital economy, e-trade and services, but also contributed to a new eTrade for all initiative. The initiative is a multi-stakeholder partnership aimed at connecting the dots between beneficiary countries, partners and donors so everyone can get more from e-commerce. Poorer countries continue to face obstacles in harnessing the digital economy in terms of the availability and affordability of ICT infrastructure and services, several key policy areas, with the eTrade for all initiative aims to alleviate.

A rise in e-strategies

The need for assessments and strategies for e-business, e-commerce, and the digital economy has been identified by the eTrade for all initiative as key in helping countries figure out how to tackle these issues to support their economic development. Countries have requested UNCTAD assistance in conducting e-Trade Readiness Assessments and in drafting national e-commerce strategies. ITC is helping countries strengthen national ICT sectors and e-commerce entrepreneurship. UPU is expanding access by MSMEs to e-commerce services through its postal network.

In Rwanda, for example, the Ministry of Trade and Industry (MINICOM) in partnership with GIZ and ITC are implementing an e-commerce development project, which aims to open e-commerce opportunities to SMEs in Rwanda through building capacities in understanding and preparedness to market goods and services online. MINICOM provides policy guidance and strategic orientation, while GIZ contributes financially and in-kind support to the success of the project. The International Trade Centre (ITC) and DHL play an important role in the implementation of the project through their technical expertise. This is complemented by the development of a national e-commerce strategy, guided by UNCTAD and funded by the United Kingdom, in which national stakeholders are assessing the situation of e-commerce in seven key policy areas and formulating key measures and policy recommendations to leverage e-commerce for Rwanda's development, and in support of the SMART Rwanda Plan. The areas being tackled by both projects include the assessment of the e-commerce landscape, helping SMEs build skills and online presence, review the legal and regulatory framework, and facilitate payments and logistics for e-commerce, and like WSIS, require the participation of private, public and civil society stakeholders.[1]

Recent national and sector trade strategies with a significant focus on the ICT sector have been or are being carried out in Algeria, The Gambia, Guinea, Mongolia, Rwanda, Saint Lucia, Senegal, Sri Lanka, and Ukraine. ITC's e-strategies provide policy-makers, trade and investment support institutions, and enterprises with a home-grown blueprint and set of actions to harness the digital transformation, as a driver for inclusive and sustainable growth. ITC-facilitated strategies are geared towards implementation and elaborated under high-level political championship, engagement of institutions and involvement of the private sector along the value chain.

The postal sector has great potential to support e-business and e-commerce

Last mile delivery is of utmost importance for e-commerce growth. In Africa, private initiatives to set up e-logistics services have met regulatory and legal barriers which national postal services can overcome. The UPU is active in supporting national postal infrastructure reform in Africa.

Gender focus in e-commerce and e-business programmes

There is a persistent gender gap in e-commerce entrepreneurship. The Africa E-Commerce Week, organized by UNCTAD in December 2018, discussed how more should be done to ensure that women entrepreneurs equally enjoy the benefits from e-commerce. Its "Nairobi Manifesto" noted that

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[1] In the framework of the GIZ-ITC project, an extensive consumer research based on more than 800 interviews in Kigali was carried out in order to develop a marketing strategy for the sector. Together with DHL, an e-commerce logistic strategy was developed to highlight where developments in skills, technology, partnerships and required logistics innovation are identified. The project trained a group of 17 "coaches" who will work to directly assist 150 enterprises. ITC has trained about 250 enterprises on modules such as an introduction to e-commerce and e-commerce strategy, trust in e-commerce, conducting online market research, advertising, and understanding virtual marketplaces. An e-Commerce Service Centre has been designed to assist SMEs in the practical aspects of getting online, offering access to drop-in advisory, storage of small quantities of products, picking and packing, and the delivery of goods to domestic and international customers.

the inclusion of gender perspectives within e-commerce strategies calls for increased political commitment accompanied by dedicated actionable measures and resources. Digital literacy of women in African countries remains low, and women are underrepresented in the ICT sector workforce. Prioritizing e-commerce skills development for women and girls would help to bridge the gender divide, bring more working women into the formal sector and provide new opportunities for women entrepreneurs.

For example, during the Africa E-Commerce Week, ITC helped 50 Kenyan women-owned businesses set up online shops and connect to the global marketplace. In Central America, it is working with partners from local trade support organisations from six countries to link 200 women business enterprises (WBEs) to the global gifts and home decoration market. Alongside work to improve product quality and design, the project prioritizes the development of new business through e-commerce channels. The women entrepreneurs are accompanied through all the barriers associated with preparing for, listing and selling products online.

(a) **Innovative policies, programmes and projects** which have been undertaken by all stakeholders to implement the outcomes. Where specific targets or strategies have been set, progress in achieving those targets and strategies should be reported.

The eTrade for All initiative

To make e-commerce work for development requires a holistic approach as well as a stronger private-public policy dialogue. The eTrade for all initiative aims at addressing existing knowledge gaps and maximizing synergies with partners. At the end of 2018, it counted with 29 Partners. The initiative is demand-driven and bottom-up, facilitating interactions among all stakeholders to identify needs, gaps and constraints to e-commerce development, and to suggest appropriate solutions. The initiative builds local capacity to engage in and benefit from e-commerce, emphasizing synergies between development partners or via public-private partnerships to enhance efficiency and avoiding duplication of work. At the heart of the initiative is the eTrade for all online platform, an interactive information-hub to help developing countries navigate the wealth of technical and financial services available to drive development through e-commerce. The platform also allows connections between potential partners, gives information about trends and best practices, up-to-date e-commerce data and e-commerce related events. The eTrade for all platform is organized around 7 key policy areas of relevance to e-commerce development: e-commerce assessments; ICT infrastructure and services; payments; trade logistics; legal & regulatory frameworks; skills development; and financing for e-commerce. The three co-facilitators of the WSIS e-business action line are Partners and active contributors.

Linking refugees to digital markets for services

ITC supports the development of e-business through its Refugee Employment and Skills Initiative (RESI) Project. In line with global trends for eBusiness, the project connects refugees and host community members from Dadaab and Kakuma Refugee Camps in Kenya to opportunities in online freelancing. Online freelancing offers specific opportunities in contexts of displacement, such as refugee camps, because skills are portable and borderless. In Dadaab, freelancers have focused on developing skills and connecting to work opportunities in Business Process Outsourcing and in Kakuma, freelancers are focused on creative skills, such as digital marketing or design. To facilitate refugee inclusion, Upwork, an online work platform, is accepting refugee identification documents for registration, while Samasource Digital Basics, a leading social enterprise, is helping freelancers attract and establish a client base.

E-learning for trade

In 2018, ITC's SME Trade Academy grew by 40% reaching over 23'000 course participants from 180 countries. Participants received training on several dimensions related to international trade: from sales and marketing to market intelligence subjects, from supply chain management to cross-border contracting and from using the diaspora for trade to accessing Halal markets. ITC also launched its first Virtual Learning Space (VLS), the so-called *Libus Online Libyan Business School* for Libyan entrepreneurs,[2] which provides entrepreneurs with 100 hours of curriculum and individual modules for free, in Arabic and tailored to the challenges faced by Libyan businesses on topics ranging from entrepreneurship, management and business development. The VLS also hosts communities of practice, offers networking opportunities, and rewards the activity and involvement of participants.

Obstacles for the poorer countries

In 2018, the UNCTAD High-level Dialogue on Trade and the Digital Economy in Africa noted challenges such as the persisting infrastructure gap and the digital divide, inadequate regulatory and institutional frameworks, a weak enabling environment, and limited skills of both producers and consumers of digital products. Investment in African start-ups needs to grow and diversify, reaching more countries.

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[2] Through a partnership with Expertise France and under EU funding.

Connecting young tech entrepreneurs to regional & global markets

From 2018 until 2021, ITC's Netherlands Trust Fund IV programme (NTF IV) supports 200 digital companies and start-ups in Senegal and Uganda. SMEs supported operate in fields such as fintech, artificial intelligence and blockchain. Through institutional development focused on the IT industry associations and tech hubs, enterprise capacity building, business linkages and technical partnership the aim is to increase the export competitiveness of tech entrepreneurs, with a special focus on women entrepreneurs: in 2018, the project trained and advised 81 entrepreneurs in Uganda and 44 in Senegal. NTF IV will continue to support e-entrepreneurs with the goal of generating impact toward the SDGs: enabling youths, women and the disadvantaged to connect and grow their businesses. UNCTAD has also partnered with Alibaba in an eFounders fellowship programme, to bring 1,000 young e-commerce entrepreneurs from developing countries to China for capacity building, with the aim to help them become catalysts in their home countries for the digital transformation of their economies.

E-commerce in Africa to grow and support regional trade

In West Africa, the ConnectUEMOA platform (www.connectuemoa.com) launched by ITC in March 2018 offers entrepreneurs the opportunity to explore business opportunities as well as develop their business in the region and beyond. The platform offers a single-entry point to register enterprise profiles, products and services in a virtual marketplace.[3] During the same year, UNCTAD and UEMOA conducted e-trade readiness assessments in Burkina Faso, Senegal and Togo, culminating in a workshop in October 2018, in support of a regional working plan to leverage e-commerce for development. Other eTrade for all partners, including ITC and UPU, are supporting the capacity building activities linked to the e-trade readiness assessments. The UPU has launched Ecom@Africa, which was a new free-of-charge initiative to create a one-stop shop for e-commerce delivery in Africa.

Central Asia kick-starting digital trade

As part of the project "Eastern Partnership: Ready to Trade – an EU4Business Initiative", funded by the EU, the ITC is helping Azerbaijan learn how to use e-commerce channels and innovative digital solutions to expand sales in international markets, by introducing advanced skills to companies already experienced in e-commerce. In addition, the Baku eTrade Forum co-organized by Azerbaijan and UNCTAD in September 2018 was the first international e-commerce event in the Commonwealth of Independent States and evidenced the emerging attention to building up e-commerce in the Caucasus region. These countries are key to the Silk Road, with much of its future traffic powered by e-commerce, and must build its services infrastructure, such as the postal network for financial services, e-signature and e-payments systems, and cloud services.

The Middle East developing its B2B e-commerce

Egypt became the first country to launch a national e-commerce strategy with the assistance of the UNCTAD ICT Policy Review Framework, with the aim to develop its SME sector. In Oman, UNCTAD is helping to develop a national e-commerce strategy to support economic diversification, by helping develop the logistics sector and Oman's role in the Asia-Africa trade routes. In Qatar, ITC is guiding mid-sized industrial firms to tackle the requirements for B2B e-Commerce (producing content, managing inventory and working with freight and logistics) as part of the country's strategy to diversify

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[3] More than 7,000 companies are already registered in the platform and 160 products are available. ConnectUEMOA also facilitates access to the latest news and events in the region through regular contributions from West African trade promotion organizations or the companies themselves. This service is completely free for commercial operators in the UEMOA region thanks to the EU funded project PACCIR/UEMOA. ITC has trained focal points in Trade Support Institutions of each UEMOA member state, and equipped them with necessary skills to maintain and update the platform.

its manufacturing base and promote exports. All these projects are yielding lessons that could be applied by other countries.

Overcoming obstacles

Regarding how to overcome the obstacles faced by poorer countries to join the digital economy, purposeful actions are needed to overcome the digital divide. Government and non-government stakeholders must collaborate to expand access to high-quality, affordable ICT (especially broadband), as well as to create a policy framework that facilitates cross-border trade, invest in the right skills to grow national markets, protect the integrity of payment systems without stifling innovation, and construct roads and delivery networks. In Africa, the African Continental Free Trade Agreement (AfCFTA) coming into force will provide opportunities to engage in and benefit from e-commerce and the digital economy, by offering economies of scale and the free movement of people, goods and services.

In addition, development partners can support capacity building programmes aimed at helping developing countries build their digital economy. The new European Union-African Union Digital Economy Task Force should help African countries to gain useful insights from Europe's efforts to build its Digital Single Market. To increase trust in the digital economy, Europe's new General Data Protection Regulation (GDPR) is also being looked at by developing countries as a reference to improve their own data protection and privacy regimes.

Finally, the eTrade for all initiative can facilitate the access of stakeholders from developing countries to technical assistance that can help them benefit from the digital economy. For example, UNCTAD's Rapid eTrade Readiness Assessments, which are a featured development solution in the eTrade for all platform, focus on practical steps that national governments, with the support of donor agencies, development banks and international organizations, can take to boost online trade.