

Access to International E-Marketplaces for Developing Country MSMEs

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Background

Cross-border e-retail on the rise

- Until recently, e-commerce has been mostly domestic. But becoming increasingly cross-border (2016: 12% > 2020 > 22%)

Participation of developing country MSMEs

- Domestic e-commerce is growing but still nascent. Developing country MSMEs less cross-border, but high interest.

Dominated by 3 International platforms

 +  +  = 65%



International Platforms

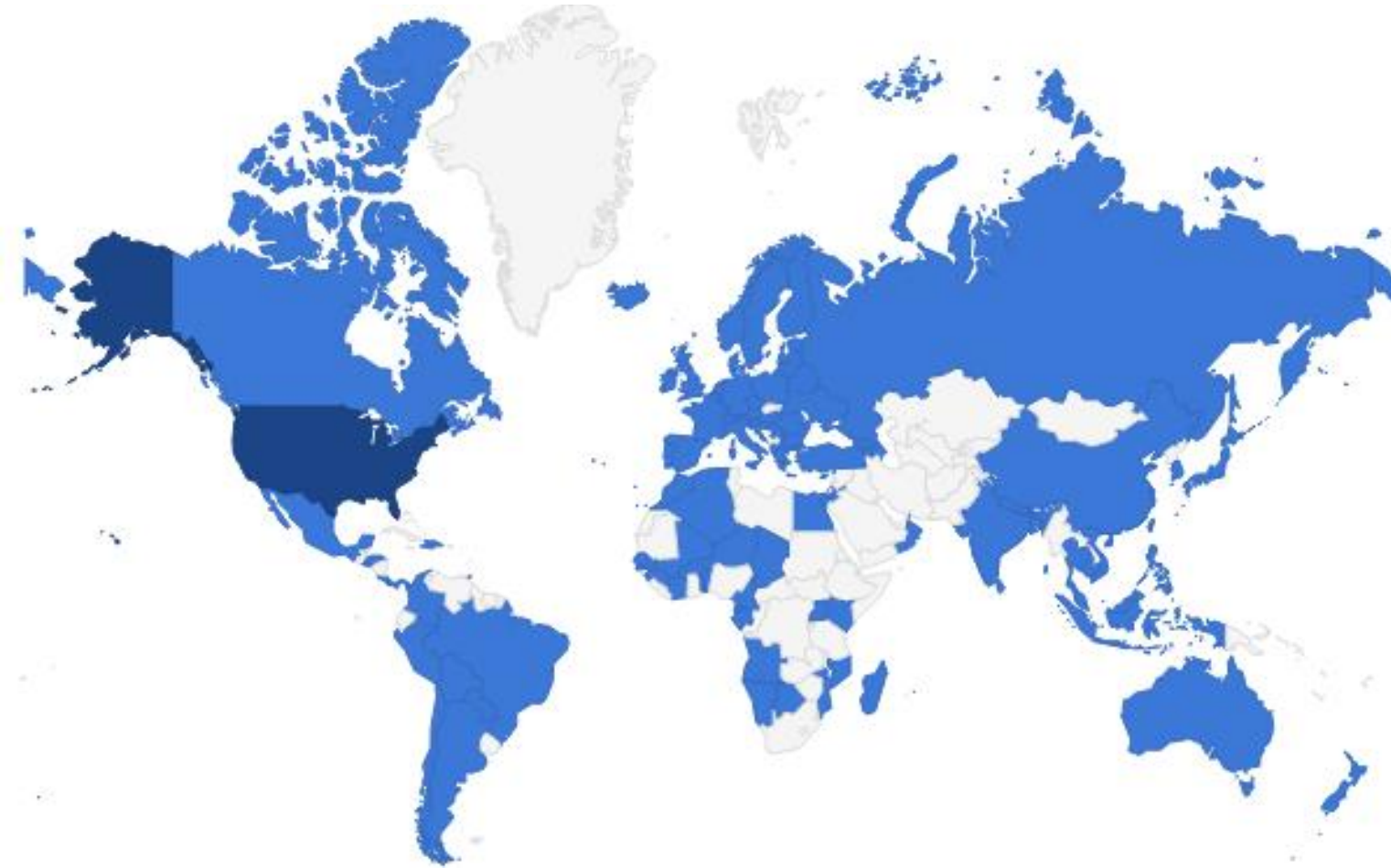
MSMEs: Advantages of International Platforms

- Easy, Cheap Setup
- Instant access to buyers globally
- Fulfilment solutions (FBA)
- Data analysis tools
- Building reputation internationally
- Consumer trust



Access Barrier n°1: Seller Eligibility

ACCEPTS SELLERS FROM:

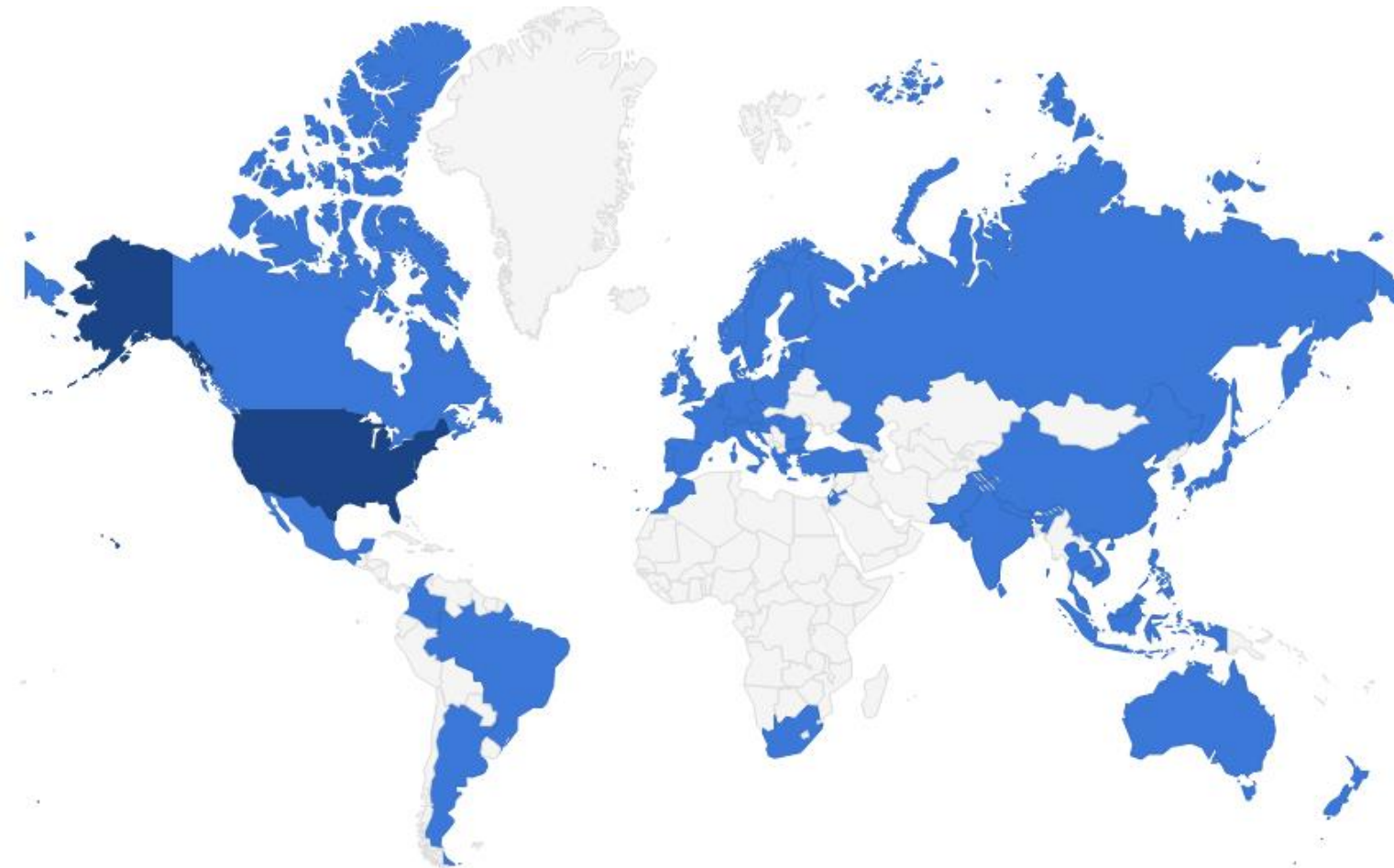


Not all sellers from all countries are eligible

- Country limitations
- Size limitations

Access Barrier n°2: International Payments

BANK ACCOUNT ACCEPTED FROM:



- Sellers need an international bank account in an accepted major currency.
- This excludes sellers from many countries, particularly in Africa

Other Bottlenecks

Other bottlenecks for MSMEs

- Documentation requirements
- Cross-border product restrictions (SPS, TBT)
- Standing out from the crowd: business skills and newcomer disadvantage
- Need for (cost-) effective international delivery
- Lower consumer trust depending on seller origin



Alternatives

MSME Alternatives to international platforms

- Websites & Online stores
- Social Commerce
- Regional market platforms
- Target market platforms: commercial presence
- In any case, all forms of cross-border e-retail require MSMEs' capacity to handle both international payment and delivery



Thank you!

Website

www.cuts-geneva.org