

UNCTAD E-Commerce Week
Open Consultation on the Aid for e-Trade Initiative
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Statement by Sven Callebaut

Thank you Madam Chair,

I am not taking the floor to highlight the importance of E-trade for developing countries as many other eminent experts have done so in the past three days. I would rather focus on the AID and the TRADE part of Aid-for-Etrade and outline how welcome, I repeat welcome, the Aid-for-Etrade initiative is for LDCs, in particular for those I have been advising on Trade Policy Formulation and Aid for Trade strategies over the past 10 years, namely Cambodia, Myanmar and Bhutan.

There is no doubt that E-commerce can be a driver of economic growth, inclusive trade and job creation. Governments in developing countries are becoming increasingly interested in advancing e-commerce in their economies.

I would like to stress two areas for which the aid-for-eTrade initiative is highly relevant for LDCs like Cambodia / Myanmar and Bhutan: The first one is access to information along the “ONE STOP SHOP” concept mentioned earlier. It is often overwhelming for LDCs to be able to seek and find the information on the tools, the instruments, experience, strategies available to tackle the eTrade revolution. More often than not, the information and approaches are fragmented, difficult to access. The suggestion to UNCTAD here is to avoid fragmentation of efforts, learn from the pitfalls of other initiatives in the Aid for Trade world. In the Aid for trade world, there is no such one-stop shop, but a multitude of so-called one stop shops. The recent experience of the TFA portal is another example of good intention not sustained through time by a single platform. The suggestion is that, to strengthen the impact of the initiative, it would be good to be able to identify the gaps such an initiative will fill, being upfront as to what it will do, and what it can't do, starting with thorough mapping and needs-assessment. This should also include the development of knowledge/resource network that developing countries can tap into for either advisory or financial support.

Partnership

From an AID perspective, learning from the Aid for Trade experience, the Aid for eTrade initiative should help LDCs become more familiar with the large supply of technical and financial cooperation from the international community.

Efforts by the donor community systematically focused on facilitating e-commerce growth addressing discrete sectoral areas such as broadband adoption, payment systems, logistics, trade facilitation, ICT skills development and regulatory improvements, for example. No single donor or organization has the capabilities in all the areas needed to make e-commerce work, so collaboration is essential.

As mentioned earlier in the introductory video this morning and by Mr. Frederikson, the Aid for eTrade initiative needs to seek synergies with other international initiatives and mechanisms active on the ground. It's reassuring in that context to hear that cooperation with existing partnerships, such as the Enhanced Integrated Framework for LDCs (EIF), is envisaged.

For those of you not familiar with the EIF, the EIF is a multi-donor programme, which supports LDCs to be more active players in the global trading system by helping them tackle supply-side constraints to trade. The programme works towards a wider goal of promoting economic growth and sustainable development and helping to lift more people out of poverty. The programme is currently helping 51 poorest countries worldwide, supported by a multi-donor trust fund, the EIF Trust Fund, with contributions from 23 donors.

The EIF core objectives are to: mainstream trade into national development strategies; set up structures needed to coordinate the delivery of trade-related technical assistance; and build capacity to trade, which also includes addressing critical supply-side constraints.

DTIS

A Diagnostic Trade Integration Study or Strategy is the cornerstone of the EIF programme in terms of mainstreaming and integrating trade into a country national development plan. The paramount objective of a DTIS is to identify the constraints that are hampering the integration of LDCs into the global and multilateral trading system.

The reason why I mention the DTIS, in particular, as a possible entry point for the Aid-for-eTrade initiative for LDCs is precisely because the DTIS approach is based on undertaking evidence-based analysis which identifies and prioritizes trade-related needs of the LDC and forms the basis for subsequent formulation of AFT projects and resource mobilization.

The aid-for-etrade initiative comes at a very opportune time as the EIF enters its Phase II and is currently analyzing ways and means to better integrate important trade-related issues for LDCs such as eTrade that have not been well captured in the almost 45 DTIS produced to date.

Effective promotion of e-commerce requires holistic, cross-sectoral and cross-institutional approaches and teams, that includes e-commerce strategies, payment solutions, legal and regulatory frameworks, trade logistics, e-commerce skills, ICT infrastructure and tools like the DTIS as robust entry points.

Finally, there is no doubt that the private sector needs to be involved not only in providing technical solutions, but also in providing inputs to discussion, policy and project formulation and implementation as well as promoting dialogue on PPPs and possible pilot initiatives involving the private sector. The suggestion of having a Private Sector Advisory Council as part of the Aid-for-eTrade initiative is very welcome. More than a council, it may also be worth considering whether this council can eventually serve as a platform to develop tools/services that address constraints faced by businesses in emerging markets.

I thank you for your attention.