IGE on E-commerce and the Digital Economy
7th session, 6-8 May 2024

Building digital readiness:
From assessment to implementation

Shamika N. Sirimanne
Director
Division on Technology and Logistics
Main challenges to engage in and benefit from e-commerce and the digital economy
The imperative of building digital readiness

➢ In 2022, around $27 trillion of e-commerce sales by businesses in developed and major developing economies - representing 70% of global GDP.

➢ Not all countries and regions are benefiting from growth in e-commerce and digital trade.

➢ Widening digital divides threaten to leave many countries further behind, especially LDCs and countries with low level of digital readiness, with a risk of increasing economic and social inequalities.
ICT infrastructure and connectivity form the backbone of engaging in digital activities.

...yet in 2023, 33 percent of the global population was still offline, and with huge differences in the average bandwidth of Internet users across the world.


Benefits from digitalization exist, but are not automatic.

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foster productivity and innovation</td>
<td>Cheap imports; domestic industries at risk</td>
</tr>
<tr>
<td>Generate efficiencies at scale</td>
<td>Market disruption and trade imbalances</td>
</tr>
<tr>
<td>Reduce barriers to global markets</td>
<td>Increased cyberthreats and data breaches</td>
</tr>
<tr>
<td>Create new jobs</td>
<td></td>
</tr>
</tbody>
</table>
Building digital readiness is complex and multi-faceted.

Challenges are interconnected, and often affected by additional cross-cutting issues, such as gender inequality, environmental impact of e-commerce and measurement issues.
Good practices and tools for addressing digital challenges
UNCTAD support to enhance digital readiness in developing countries

“UNCTAD should strengthen the work on assisting developing countries to systematically assess their state of play, readiness to engage and integrate into the digital economy, thus contributing to close the digital divide.”

Bridgetown Covenant, UNCTAD 15

• eTrade Readiness Assessments
• E-commerce Strategies and implementation support
• Measuring e-commerce and the digital economy
• E-commerce and law reform
• Empowering women digital entrepreneurs
• Customs automation and Trade facilitation

...in collaboration with eTrade for all partners
UNCTAD eTrade Readiness Assessments since 2017 (by region)

eT Readies and other diagnostic analyses are an essential to understand e-commerce challenges and recommend suitable policy actions
Assessments can help countries navigate their digital transformation journeys

- Increased understanding of e-commerce opportunities
- Stronger public-public sector dialogue and inter-ministerial coordination
- Laid the basis for e-commerce strategy formulation
- Mainstreamed e-commerce in national development programmes
- Provided guidance to development partners for digital assistance
Moving from assessments to implementation
Several international organizations and partners provide policy and technical support to developing countries for the implementation of digital-related strategies. These include (but are not limited to):

- UNDP support to digital economy/digital transformation strategies
- ITC technical support to e-commerce strategies and national export strategies
- UNCDF supporting regional e-commerce strategies and financial inclusion strategies
- Development Banks (WB, IADB, ADB) assisting in the implementation of digital transformation strategies including e-commerce components
- The assistance provided by regional commissions (ECLAC, ESCAP, ECA...) to implement e-commerce measures in the context of regional trade agreements
UNCTAD’s end-to-end process

E-commerce strategies/Action Plans

- Identify main challenges and opportunities for e-commerce development
- Recommend key policy actions (Action Matrix)
- Set up steering committees

- Define a vision and goals for e-commerce development, in line with NDPs
- Elaborate an operational/action plan, along with governance and M&E frameworks

- Set up an e-commerce governance
- Implement and monitor priority actions included in the Plan
- Ensure multi-stakeholder coordination

Policy implementation

ISM and capacity building activities

- eTrade Reform Tracker
- Resource mobilization and partners’ support

Multi-stakeholder coordination, including for women, youth, and vulnerable groups
Making implementation work
Conditions to make implementation work

- Establish solid national e-commerce governance
- Involve the private sector, civil society and other stakeholders
- Encourage knowledge sharing and build institutional capacities
- Ensure regular monitoring and evaluation of implemented policies
Leveraging cooperation to accelerate digital readiness
35 partners sharing a common vision
Cooperation for building an inclusive digital future has never been more pressing.

Holistic and cooperative approach:

- Research and Capacity Building
- Measuring Digital Trade
- Cross-border Data Flows
- Taxation and other regulatory issues
- UN Global Digital Compact
- Joint SDG Fund on Digital Transformation (with key role of UNRCOs)
- UNCTAD eWeek and IGE on e-commerce and the digital economy
- Aid for Trade, WSIS Forum...
Guiding questions

1. What are the main challenges for developing countries to engage in and benefit from e-commerce and the digital economy?

2. What are good practices and tools for effective implementation of policy measures at the national level to overcome the main challenges? What is the role of national governments, agencies, UN Resident Coordinator Offices and others in this process?

3. How can international cooperation help enable greater benefits from e-commerce and digital trade?

4. How can international partnerships and coordination for digital cooperation help to accelerate progress in building the readiness for e-commerce and the digital economy?
Thank you!