### Ecommerce development approaches

**Building blocks**

- SME enablement
- Ecosystems development
- Design & monitoring of programs and projects
- Design of roadmaps and policy reforms
- PPPs
- Measurement

**Applications**

- SME enablement
  - Brazil eBay Hub – B2C, women
  - Central Asia eBay Hub
  - Central Asia B2B Big Commerce
  - Egypt B2B ecommerce – Shopify, BigCommerce etc.

- Ecosystems development
  - Egypt Ecommerce Hub for export councils
  - Mexico eCentro for coffee exporters
  - MENA TOT Women-led firms B2C ecommerce – World Bank
  - Bank-platform-training partnerships – eTrade Alliance

- Design & monitoring of programs and projects
  - USAID projects’ programming
  - U.S. SBA women-led firms use ecommerce to export
  - World Bank West Africa, Pacific Alliance digital services

- Design of roadmaps and policy reforms
  - Central America ecommerce roadmap – national, regional
  - Central Asia ecommerce roadmap – national, regional
  - USAID, World Bank programs
  - Numerous private sector (Google, Visa, Mastercard etc.)

- PPPs
  - Alliance for eTrade Development (USAID) – 15 partners, 7 years, 80+ projects
  - Prosper Africa Tech for Trade (Prosper Africa) - 20 partners, 1 year, 6 projects
  - eTrade for All (UNCTAD)

- Measurement
  - SME-level - World Bank, IDB, USAID, IFC, Numerous private sector
  - Digital and trade policies conducive to ecommerce - USAID, Numerous private sector
  - Ecosystem - USAID
  - Enabling environment - Pacific Islands Forum Secretariat

### Crosscutting and common themes

- Gender
- Digital transformation
- Export promotion
- Digital policy
- Measurement
- Sustainability
Firm-level: 200,000 in >100 countries

Pro-ecommerce policies: adoption of 100 policies in 60 countries, 2018, 2021, 2024

Best Robustness of ecommerce ecosystems across emerging markets

DATABASES BUILT: SEE ETRADE POLICY HUB ON OUR SITE
Public-private partnerships to enable ecommerce

**Alliance for eTrade Development**

- To enable developing country SMEs sell online
- Built by Nextrade, launched in 2017 USAID
- 13 leading corporate partners
- 40+ projects around the world
- >40,000 SMEs and >900 policymakers impacted

**Prosper Africa Tech for Trade Alliance**

- To enable Africa’s trade through U.S. technology
- Built by Nextrade, launched in 2023 with the support of USAID and Prosper Africa
- 20 leading corporate partners
- First projects launched in 2023 to bring U.S. technology to solve frictions in Africa’s agricultural and healthcare value chains, promote U.S. exports to Africa
Approaches

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Building blocks

Applications

NEXTRADE GROUP
World trade is changing. Are you?
Phase I – May-Oct 2022
• 50 firms crossborder
• Subset: Amazon and eBay onboarding
• KPIs: (1) new online exporters; (2) new exports

Phase II – Nov 2023
• 50 women-led firms
• KPIs: (1) new sellers with own online stores; (2) first sales online

Phase III – 2025
• 500 firms

EXAMPLE:
ECUADOR MSME ENABLEMENT

LEVEL 5 – Global marketplace seller; digital enterprise
Firms that sell on Amazon, eBay, BigCommerce, etc., omnichannel seller, extensive digital transformation

LEVEL 4 – Local marketplace seller
Firms that sell on local and regional marketplaces, building more sophisticated online capabilities

LEVEL 3 – Online seller
Firms that have online stores with digital payment capabilities

LEVEL 2 – Social seller
Firms that market on Facebook, Instagram; interact with customer using WhatsApp, mobile payments, cash

LEVEL 1 – Offline seller
Firms that do not use social media or have online stores

Source: Nextrade Group.
eBay Central Asia Hub Program
(B2C sales)

Project Scope & Objective

• Train 200+ entrepreneurs across 5 Central Asian countries on e-commerce exports through group and individual training
• On-board 50+ entrepreneurs to the eBay Central Asia Hub

Seller Objectives

• Open and manage own shop on eBay
• Understand how to optimize products on eBay
• Understand dynamics of an international online marketplace
  • Who is the competition?
  • What are the price levels?
  • What are success factors in online exporting?
• Make first exports through eBay
**eBay Brazil and Central Asia Hubs: Measuring Impact**

**June 2021- December 2023:**

- Over 1,000 products were sold worth more than $89,000 USD.
- Businesses from all 5 Central Asian countries made international sales, reaching buyers in 31 export markets.
- Of the 50 businesses making international sales, 31 were women-owned.
Opportunity in rise of local ecommerce ecosystem across developing economies

Growth of ecommerce ecosystem in 45 emerging markets

Multibillion Businesses that are the ecosystem

Source: Nextrade Group on 45 Emerging markets on the basis of Crunchbase
eCentro de Cafe – Shared services for coffee roasters and sellers in Mexico

Consolidate and Commercialize Industry Data

› Capture and systematize information from Tasas de Excelencia, public and private sector actors
› Implement tool/system for capturing and managing information
› Catalogue producers, varieties, flavor profiles

Enterprise-level Marketing/Sales

› Support “Mexico Beyond Specialty” leaders/champions
› State-level marketing campaign in Veracruz
› B2B matchmaking
› Longer-term: Commercialize Café de Mexico/national branding

Industry-level Marketing/Sales

› Staff to carry out digital marketing and advertisement
› For existing online stores, work with Mercado Libre, Amazon, Hecho en VC to accelerate sales
› Curate content, copywriting, content marketing
› Professionalize packaging

Financing*

› Increase adoption of formal contracts by larger cafeterias/roasters
› Digital payments

Resources Hub

› Training, videos, tips
› Referrals to service providers/strategic partners

Logistics

› 3PLs for HORECA buyers
› Cargo consolidation to reduce costs
› Links to partners that can move product and provide storage/warehousing/distribution
› Referrals to Elizabeth Hernandez/service providers (international)

*For those enterprises seeking working capital, the eCentro will connect them with SURGES’ network of financial facilitators and innovative financing products from the Innovation Challenge.

eCentro customer journey:

• Positioning/marketing
• Logistics support
• Financing
• Establish Resources Hub

Potential eCentro partners

- Shopify
- Mercado Libre
- Montiasti
- UPS
- Google
- Next
- DHL
Physical industry days
Technology pilots to digitize transactions, facilitate crossborder ecommerce

What we solve for

Industry 4.0 adoption in trade ecosystem via Nextrade SMARTrade data

Postal interoperability
Logistics payments and finance
Port and terminal services payments
Traceability of goods through technology
Warehouse payments digitization
FTZ payments

1. "Smart Port" initiative
2. AI
3. 5G
4. Internet of things
5. Blockchain
6. Digital twins
7. Digitization of payments
8. AR/VR
9. Drones to inspect cites

- Asia Pacific
- Latin America and Caribbean
- Europe
- North America
- Middle East and North Africa
- Sub-Saharan Africa

Source: Nextrade Group.

Postal interoperability in Central America for ecommerce shipments

Nextrade is in 2023-24 developing an interoperability pilot for postal services with a leading technology company in four countries to facilitate SME ecommerce logistics, with a leading technology company and local Logtech and Fintech.

Egypt customs for ecommerce shipments

We are working with express shippers, Egypt Post and Egypt Customs to facilitate advance clearance of inbound ecommerce shipments.

FTZ Digitization in MENA

Nextrade is in 2023-24 developing a digital payments and finance pilot for a set of free trade zones in the MENA region with a leading donor organization and technology company.

FTZ digitization in LAC

In 2022, we assessed pain points, develop business case, and defined pilots to digitize of flows, payments and financing and promote traceability for a leading free trade zone and a global technology company and its partners.

Smart port strategy

In 2020, we developed a global smart ports strategy for a technology company to promote throughput through the interoperability of players and digitization of payments and finance in leading ports in the Americas, MENA, Europe and South Asia.
Essential learnings:

**SME- enablement**

1. Huge need, major challenges and payoffs in B2B ecommerce
2. Need long-term focus
3. Highly applied
4. Need scalable programs and use of AI for scale
5. It's not only about ecommerce but firms’ digital transformation – which should be co-funded
6. Impact measurement needs to be much better and frank

**Ecosystem development**

1. Important need for industry days - to bring together SMEs and ecosystems firms virtually and physically
2. Opportunity to partner with local, anchor firms, fund initiatives to digitize SMEs at scale
3. Huge opportunity for digitization and interoperability of hubs of global commerce
4. Measurement of ecosystems needs to be improved
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**Crosscutting and common themes**

- **Gender**
- **Digital transformation**
- **Export promotion**
- **Digital policy**
- **Measurement**
- **Sustainability**
In 2022, we worked with the World Bank to develop diagnostics on digital transformation of over 1,100 SMEs and digital service providers in Africa and on the relationship between digital transformation and trade in services in West Africa, to support the Bank’s strategy to enable digital trade in West Africa.

**Central America ecommerce strategy**

In 2019-22, we worked with U.S. State Department and Cenpromype to create national ecommerce plans in five Central American countries and a regional ecommerce strategy based on surveys and data analytics with altogether 4,000 MSMEs and 1,750 consumers and on an analysis of more than 40 policies conducive to ecommerce against global benchmarks.

**West Africa digital transformation**

In 2022, we worked with the World Bank to develop diagnostics on digital transformation of over 1,100 SMEs and digital service providers in Africa and on the relationship between digital transformation and trade in services in West Africa, to support the Bank’s strategy to enable digital trade in West Africa.

**Strategy to promote U.S. SMEs and green tech exports**

In 2022-23, we worked with the Small Business Administration (SBA) to establish for the SBA the total addressable market of American exporters at national and state-levels, and developed three strategies for the SBA, to bolster SME export finance instruments, support America’s green tech exporters, and enable women-led small businesses to export.

**Global ecommerce development database**

In 2018-22, we worked with the World Bank and the International Finance Corporation to build a global database covering 32 countries, to enable aid agencies and governments to identify the priority constraints to ecommerce and technology use in their countries and different firm segments, and to prioritize polices and programs for ecommerce and for the adoption of technologies.

**Workforce digital transformation in Georgia**

In 2022-23, we worked with DAI on the USAID Economic Security Program on an impact assessment of the employment landscape in the Georgian ecommerce sector, and developing a roadmap for Georgian employers to bring employees to the digital era and for workers to acquire requisite skills as existing job roles evolve and new job roles emerge. The work supported DAI’s work in enabling Georgian firms and workforce’s digital transformation.

**Roadmap to bolster ecommerce data in the Pacific**

In 2023, we worked with the Pacific Island Forum Secretariat to develop a strategy to bolster the indicators available in the Pacific Ecommerce Portal, in support of the 2021 Pacific Ecommerce Strategy. Nextrade identified over 50 indicators in key areas such as digital skills, ICT connectivity, logistics, and digital payments, and created a strategy for PIFS to harness comparative data and data visualizations to enable regional policymakers to identify gaps and opportunities.
Example of ecommerce roadmap development in Central Asia in 2023-24

**Key data inputs**

1. Firm-level data on ecommerce in 5 countries
   - Over 1,000 firms
   - How firms use and benefit from ecommerce
   - What their pain points are to using ecommerce
   - State of digital transformation of traditional sectors

2. Consumer data on ecommerce in 5 countries
   - Over 1,000 consumers
   - How consumers use ecommerce
   - How consumers benefit from ecommerce
   - Policy interests

3. Ecommerce flow data in 5 countries
   - Growth of ecommerce in goods in 2017-22
   - Growth of ecommerce in services in 2017-22
   - Ecommerce as % of regional trade and GDPs

4. Digital policy data 5 countries
   - Comparative mapping of 66 policies in 12 main areas
   - Mapped against international benchmark
   - Comparative policy index
   - Literature review on policies conducive to commerce

**Roadmaps using inputs**

5. Draft national ecommerce roadmaps
   - National ecommerce development goals
   - Actions for:
     - Ecommerce logistics
     - Digital payments
     - SME finance, etc.

6. Draft regional ecommerce roadmap
   - Promote regional interoperability in digital payments
   - Promote interoperability of digital policies
   - Facilitate regional trade in low-value items
   - Promote competitiveness as ecommerce hub

7. Payments interoperability roadmap
   - Analyze crossborder payments and remittances
   - Understand payments-related challenges for exporters
   - Promote regional interoperability in digital payments
   - Promote new corresponding banking relationships

8. Regional ecommerce data dashboard
   - Firms and consumer-level data
   - Data on ecommerce flows
   - Policy data

**Plan for 2024**

- Develop and operationalize national roadmaps with national committees
- Develop and operationalize regional roadmap starting with payments
- Promote solutions to payments painpoints, e.g. in corresponding banking relationships
Elements of ecommerce roadmaps: Thematic pillars for ecommerce, implemented by political, technological, and public-private partnership solutions

1. Logistics and trade facilitation
2. Regulatory framework for digital business
3. Developing companies’ capacities to sell online and across borders
4. Promotion of demand
5. Online payments cross-border
6. Digital infrastructure and connectivity
7. Access to finance
8. Measurement of ecommerce development

Types of solutions:
- Policy Solutions
- Technological Solutions
- PPP Solutions

Crosscutting themes:
- Promotion of Entrepreneurship
- Digital identity
- Innovation
- Cybersecurity
- Free data flow

Source: Nextrade Group
Essential learnings for roadmaps and strategies:

1. Data-driven planning is critical

2. Local leadership and ownership are essential for implementation; minister-level mandate facilitates

3. Plans need to emerge from multistakeholder processes, public-private dialogues

4. Major need to access and draw on global best practices

5. Proposed activities need to be concrete

6. Funding for implementation is critical – this is where development banks and PPPs are very useful

7. Useful to think bigger and more strategically and “thematically” than about “pillars”

8. Measurement of progress with implementation needs much more work

9. Agendas need to evolve with policy and technological changes

10. Donor coordination is paramount