Intergovernmental Group of Experts on E-Commerce and the Digital Economy
Second session

18-20 April 2018
Geneva

Contribution by

TUNISIA

E-commerce in Tunisia

I. GENERAL OVERVIEW

Tunisia was the first country on the southern shore of the Mediterranean that has been working on electronic commerce. Since 1997, several efforts have been concentrated on studying the establishment of a favorable ecosystem enabling economic operators to carry out the activity of electronic commerce.

Tunisia has developed a proactive policy of promoting electronic commerce with the creation of a ministerial commission responsible for coordination between involved public and private organizations for the implementation of the e-commerce strategy; a specific department was created at the Ministry of Commerce in charge of the development of e-commerce.

In 2014, the Ministry of Communication Technologies and the Digital Economy adopted the national strategic plan for information and communication technology "Digital Tunisia 2020". This initiative aims to digitize Tunisia's public and private sectors, provide internet access for every home, and create 50,000 information, communication, and technology jobs.

The main strategic axes of "Digital Tunisia 2020" are:
- Ensure social inclusion and reduce the digital divide through better access to information and knowledge, the democratization of access equipment as well as broadband access and implementation of very high-speed network.
- Development of the digital culture through the widespread use of ICTs in educational curricula and the digitization of content.
- Evolve towards an e-Administration in the service of the citizen, equitable, transparent, agile and efficient.
- Ensure the reduction of unemployment and the creation of jobs in the digital and off-shoring sectors as well as the creation of national success stories.
- Supporting the creation of added value, guaranteeing the sustainability of organizations and jobs, by supporting entrepreneurship and stimulating innovation.
- Improve the competitiveness of the companies, across all sectors, by investment in ICT and positioning in the digital economy.
- Ensure Tunisia's transition to all digital through the establishment of a suitable regulatory framework, governance and security environment.

In order to facilitate the implementation of this national strategy for the digital economy, a Strategic Council for the Digital Economy was created in 2014 under the chairmanship of the Head of Government.

II. LEGAL FRAMEWORK

In Tunisia, E-commerce is regulated by the same laws organizing the commercial sector. There are also specific laws regulating this activity in particular:

- Law N°40: June 02, 1998 related to techniques of selling and commercial advertising (special section on remote sale).
- Law N°83: August 9, 2000 related to exchanges and e-commerce.
- Law N°69: August 12, 2009 related to the distribution trade, especially in its fourth chapter.
- Law No. 92-117: December 7, 1992, related to the Consumer Protection.

- Law No 2004-63: 27 July 2004 on the protection of personal data,
- Decree No 94-1743 fixing the methods of realization of the operations of foreign trade.

III. STRUCTURES INVOLVED IN E-COMMERCE

Several structures are involved in e-commerce:

- The Central Bank of Tunisia (www.bct.gov.tn)
- Ministry of Commerce (www.commerce.gov.tn)
- Ministry of Communication Technologies and Digital Economy (www.mtcen.gov.tn)
- Ministry of Finance (General direction of customs: www.douane.gov.tn)
- Tunisian Post (www.e-dinar.poste.tn)
- Monetique-Tunisie (www.monetiquetunisie.com/index.php/en/)
- National Institute of Consumption (http://inc.nat.tn/fr)
- National digital certification agency (www.certification.tn/en)
- National agency for computer security (www.ansi.tn/indexen.html)
- Commercial banks,
- Logistic providers (Aramex, DHL, UPS, TNT…)
- National federation of E-commerce and distance selling (SEVAD) (www.sevad.tn)
- Digital advertising agencies,
- E-Marketplaces and online Merchants,
- Tunisian Consumer Organization
- ….

IV. E-COMMERCE INDICATORS (INTERNATIONAL AND NATIONAL)

The International studies predict that the value of online trade in 2020 will be about 4 trillion US dollars, accounting 14.6 percent of the total value of the world's retail trade. In 2016 the value of online trade reached 1.9 trillion US dollars.

The report of UNCTAD B2C e-commerce Index 2017 ranks Tunisia the 79th place (from 144 countries) (in 2016 it was ranked 73).

This index values the readiness of countries to adopt electronic commerce based on four criteria (Extent of Internet use, Number of secure servers per million people, Extent of the widespread use of bank cards, Degree of reliability of postal services)

Tunisia still maintains its position as the first in the Maghreb and the third in Africa after Mauritius and South Africa.

Electronic commerce payment statistics in 2017, (through the payment solution of the Tunisian Post "e-dinar" of and the secure payment system of Monetique Tunisia "clictopay") indicates that:

- The number of e-commerce websites increased to 1423 websites (compared to 1202 websites in 2016 and 951 in 2015): e-government, e-services, Bill payments, online deals, transport e-ticket, e-cultural events and e-tourism (travel booking, rent car,…).
- The number of transactions in 2017 amounted to 2.4 Million transactions (compared to 1.8 Million transactions in 2016).
- The value of financial transactions is about 166 Million Dinars (69 Million $) (compared to 139 Million in 2016 (58 Million$)).

These indicators are in continuous evolution and reflect the development of online payments and the progress of digital transaction online.

It is estimated that cash on delivery transactions represent 70% of the amount of e-commerce transactions via payment platforms.

V. E-COMMERCE ENVIRONMENT

The Tunisian e-commerce ecosystem enables digital activity thanks to:
-   The remarkable development of the telecommunication infrastructure,
-   The availability of qualified human resources and the best quality of higher education in the field of Information communication technologies ICT.
-   The diversity of specialized companies from public and private operating in the digital field.
-   The existence of online payment systems.

Thanks to this ecosystem, the number of e-commerce websites is increasing every year. Online business activities registered a real dynamics following the adoption of some enterprises the digital channels in their marketing strategies.

Internet has opened up more opportunities for Tunisian small and medium-sized enterprises (SMEs) allowing them to sell their products and services via new distribution channels (portals, marketplaces, social media,...), and prove their online presence to reach more potential consumers.

Tunisia has a large and highly qualified human resources specialized in IT, more than 12000 students graduating in IT every year. This human capital plays a very important role to reinforce enterprises efforts in the digital transition, contributing to speed up job creation in the digital economy and open new horizons for young graduate's students of higher education.

Tunisia has the necessary assets to become a regional entrepreneurial hub thanks to the proactive role of government (startup act project) and entrepreneurship actions launched by private sector and civil society to support the creation of a new generation of businesses and innovative startups in various fields related to the digital economy (marketplaces, Fintech, AI, IOT, Big data,…).

The last five years marked the success of the deals e-commerce platforms (Groupon Business Model). Several initiatives have been launched to connect consumers with local merchants, offering attractive discounts and boosting the activity of affiliated merchants.

E-marketplaces, classified websites and sales on social networks, contribute to the development of exchanges between individuals and participate in the dissemination of a new culture of online consumption; this kind of commercial activities is growing more and more in Tunisia.

To follow the rapid growth and the emergence of new business models, the Government intends to act to regulate C2C exchanges, Multi-Level Marketing and other online commercial activities to guarantee better protection of consumers from unfair or deceptive online practices and to put in place mechanisms to identify the different actors (the service provider, the customer and the consumer), fight against the online sale of counterfeit products and guarantee them a better environment of protection.

To allow international financial transactions with foreign platforms and marketplaces, the Tunisian Central Bank create a new international rechargeable prepaid card (International Technology Card) allowing individuals and IT Companies to do foreign currency payments

on the internet for costs related to some digital services (hosting web sites or mobile applications, advertising and subscriptions to foreign websites as well as expenses related to the information gathering and the purchase of online training services, application development tools and software licenses).

To promote cross borders e-commerce, Tunisia has launched several programs aiming to facilitate international trade in particular through e-commerce and support companies to use the digital channel for boosting their exportations:

- The World Bank and the International Trade Centre (ITC) Project 'Developing SMEs' Exports through Virtual Marketplaces to increase the volume of online exports by SMEs and create a business environment that is friendly for electronic commerce (e-commerce), enabling SMEs to overcome geographical barriers to trade.

- The national program with the Tunisian Post and Tunisia Export Center for supporting B2C exportation allowing a reduction of 50% of the cost of sending international e-commerce parcels from the Export Development Fund.

- The pilot project of the Universal Postal Union "Easy Export" to support the integration of SMEs in foreign trade and to boost their exports, by using the three-dimensional postal network with its varied services (physical, logistical and financial).

These programs have enabled the creation of a new generation of consultants specialized in exporting through VMPs, capacity building for SMEs to use digital tools needed for a better online visibility and deploy solutions for the expansion of cross-border e-commerce.

VI. FUTURE CHALLENGES

Important challenges for the Tunisian government in promoting e-commerce in local and international e-commerce and generalize the adoption of digital channels by all traders.

- Online purchases in foreign currency are not allowed, due to the non-convertibility of the Tunisian dinar.
- Several actors are involved in e-commerce, which requires better coordination.
- Limited online offer and reticence to use digital distribution channels.
- Lack of trust between electronic sites and customers (Trustmark).
- Limit of the use of electronic payment by Tunisian consumers.
- The absence of an effective control structure that oversees e-commerce activity.

VII.   MAJOR ORIENTATIONS

The Tunisian Ministry of Commerce is focuses on two major orientations for the development of e-commerce in Tunisia:

- Capacity building, Spread the digital culture, and Monitoring of e-commerce activities.
- Export development through E-commerce.

1) The capacity building, The spread the digital culture, and Monitoring of e-commerce activities:

Actually the Ministry of Commerce works on the achievement of:

❖ *Study on "E-Commerce in Tunisia: Reality and Prospects":*

This study (procurement procedures) aims to:

- Assessing and determining the general environment related to e-commerce and online selling activity in Tunisia,
- Highlighting the various intervening structures,
- Identify obstacles and difficulties that limit the development of e-commerce in national and export markets,
- Benchemarking international successful experiences,
- Establishing an action plan for the development of this promising activity.

❖ *The E-commerce Trust Seals (Label):*

In order to improve the quality of e-commerce websites and thus provide guarantees of their role to support consumer confidence online.

The e-commerce Trust Label aims to establish a visual trusted mark for e-commerce websites which are in accordance with a number of criteria.

This project is implemented with the collaboration of the National federation of E-commerce and distance selling (SEVAD).

❖ *Monitoring e-commerce activities*

The creation of a new unit in charge of monitoring e-commerce websites, this unit includes representatives of technical services concerned (Department of e-commerce development, Department of economic control, Department of quality and consumer protection). The main objective of this unit is to guarantee the consumer protection and the proper application of the law.

❖ *Spreading the culture of e-commerce to SMEs and to consumers by organizing and participating to major the events and conferences related to e-commerce and digital economy.*
❖ *Coaching and training startups on modern practices and new business models of the digital economy.*

2) Export development through E-commerce:

❖ *Development of SMEs Exports through Virtual Market Places ("The VMP Project")*

This project was launched in Jordan, Morocco and Tunisia by ITC and the World Bank. It aims to increase the volume of exports of some SMEs through Virtual Market Places.

The goals of the project are:
- Creation of new generation of export advisors to provide coaching and capacity building to SMEs.
- Increasing SMEs exports using new and innovative channels such as Virtual Market Places (VMPs).
- Supporting institutional reforms to create an enabling environment for e-commerce.

Principal results:
- 23 advisors was trained to support and assist 200 exporting SMEs to export by using international VMP like Alibaba, Tradekey, ETSY, ebay and Amazon

- More than 500 export operations through virtual market platforms to new destinations especially to EU, USA, Australia, Golf countries...
- Dissemination of a new export culture to SMEs and export support institutions to use digital means.
- Identify principal barriers to enhance the cross border e-commerce.

❖ Support the cost of internationals e-commerce parcels

An agreement was signed between the National Post Office and the Export Promotion Center (CEPEX) to enable 50% of the cost of sending international e-commerce parcels from the Export Development Fund.

❖ Activation of the special Regime for export operations via electronic means

The Decree n°94-1743 of August 29, 1994 related to establishing Procedures for external trade operations establish a Special Regime for exportation, that allows e-commerce specialized companies means to do their custom declaration monthly.

A text allowing the application of the special regime is under consultations with all parties involved in the facilitation of export procedures to promulgate.

❖ Easy Export and Ecom@Africa

The project is part of the agreement between the Tunisian government and the UPU and is supervised by the Ministry of Communication and Digital Economy. It aims to facilitate international trade processes, facilitate export procedures by relying on the postal system and focusing a system that allows craftsmen and owners of SMEs to find mechanisms that allow them to export their products through e-commerce.

A national export facilitation committee has been set up comprising all relevant ministries and structures (Ministry of Communication Technologies and the Digital Economy, Ministry of Trade, Customs, Central Bank of Tunisia, National Post Office....)

VIII.   SOME E-COMMERCE SUCCESS STORIES *

- www.bigdeal.tn
- www.jumia.com.tn
- www.decathlon.tn
- www.mabrouk.tn
- www.promo.tn
- www.tunisianet.com.tn
- www.technopro-online.com

- www.scoop.com.tn
- www.mytek.tn
- www.fatales.tn/
- www.wiki.tn
- www.moncoupon.tn
- www.spacenet.tn
- www.alwosta.tn/fr/

- www.vongo.tn
- www.promouv.com
- www.fratellimitatou.com/
- www.ha.com.tn
- www.tunisair.com.tn
- www.joker.tn/
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`non-exhaustive List

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