



High-level conversation on Empowering SMEs through e-Trade and Investment Facilitation
New York, 20 September 2016

The internet age has made the world smaller, connecting people and expanding the ease of doing business across borders. Even as the world faces a global trade slowdown and renewed protectionism, UNCTAD calculates that last year the global market for electronic commerce was worth around \$22.1 trillion, up 38 per cent from 2013. Expanding e-trade to benefit all traders everywhere offers an unparalleled opportunity to jumpstart inclusive prosperity and to put the world economy on a path to sustainable global growth, in line with the objectives of the 2030 Agenda for Sustainable Development.

By connecting untapped markets, online commerce can generate new opportunities and create jobs. Global on-line business and e-trade offer great potential for small enterprises and emerging entrepreneurs to make use of the internet and mobile network platforms to produce and exchange goods and services, source inputs, reach customers and clients, and connect to global and regional value chains. E-trade and online business can enable technological leapfrogging and close connectivity gaps. Business facilitation that effectively links small enterprises and emerging entrepreneurs to global production networks (B2B) and global markets (B2C) is essential for engaging business in the poor, for the poor and with the poor, especially in non-equity modes such as contract manufacturing, contract farming, franchising and licensing.

However, a huge gap has opened up between countries and firms that are able to exploit these opportunities and those that cannot. And the existing platforms and rules for global trade are highly skewed towards the interests of large corporations, leaving few opportunities for small and medium-sized enterprises and small businesses to benefit from the new opportunities. This is particularly the case for young entrepreneurs, women entrepreneurs and those from other vulnerable groups. The challenges arise, in terms of e-trade, in building the required e-capacity and e-commerce readiness, providing access to finance, and ensuring affordable broadband access, and in terms of business facilitation, in creating enabling legal frameworks and overcoming administrative business obstacles.

Accordingly, businesses, governments and other stakeholders have been looking for new ways to harness electronic commerce and business facilitation for small enterprises and emerging entrepreneurs. The e-Trade for All initiative was launched in July 2016 at UNCTAD14 bringing together 15 international organizations and 22 private sector actors to help developing countries overcome the significant barriers they face to benefiting from electronic commerce. And this year's B-20 taskforce has proposed an electronic World Trade Platform, welcomed by G-20 Members, to create a business-driven, Internet-based platform that can help formulate international rules to eliminate barriers to e-commerce and help small businesses and consumers everywhere participate in cross-border trade. Moving these initiatives forward will require closer and ongoing dialogue between a wide range of stakeholders to ensure these efforts complement each other and gain sufficient momentum to deliver real results for young people, women entrepreneurs, and SMEs everywhere.

This event will address how e-commerce and business facilitation can be expanded further for small enterprises and emerging entrepreneurs, particularly in developing countries, and how barriers to global e-commerce can be removed through promoting technologies as well as inclusive financing, so all small businesses and young people can enjoy the benefits of trade. The objective is to produce concrete commitments on how to join efforts between the United Nations system, national governments, funding organizations, private businesses and young people and women in business, and small and medium entrepreneurs.