

Workshop on E-Commerce, Development and SMEs

Thematic Statement - Ms Patricia Francis

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Centre William Rappard (WTO)

(Your Excellencies), Ladies and Gentlemen,

Good morning and welcome.

On behalf of the International Trade Centre, I would like to thank our colleagues at the World Trade Organization for initiating this meeting, which reflects the increased interests among member states in this topic.

This seminar will give us a chance to better understand what still hinders rapid development of e-commerce international trade, and what actions should be taken to develop further the contribution of e-commerce to export-led economic growth.

local IT and business-process outsourcing (BPO) industry to expand its footprint on the global sourcing market.

These are high-end service opportunities. The impact of this growth in the knowledge economy is very important in terms of foreign-currency generation, taxation, poverty alleviation and in job creation for young workers.

More needs to be done to exploit the potential of e-commerce as a development tool. Internet connectivity remains insufficient in many developing countries, especially when the connection needs to be available 24/7. Online-payment systems remain unavailable in many countries, as the deployment of these has slowed down because of under developed regulatory frameworks or currency controls.

Furthermore, many SMEs in developing countries lack the skills and knowledge needed to engage in e-commerce, despite the B2B supply chain opportunities it offers. More work needs to be done to change that and facilitate the participation of developing country SMEs in the internet economy.

There is a clear case to support the development of e-commerce in least-developed countries, in developing countries and in emerging economies alike.

Facilitating access to e-commerce opportunities in developing countries means that governments need to focus on improving the infrastructure, business environment specifically for the digital economy and adjust the education system to prepare the population for the new reality.

There has been considerable progress on this front:

- Telecommunications regulations have improved in most countries.
- The resulting increased competition and investment have led to lower prices and dramatically improved availability and quality of up-to-date telecommunications services.
- Infrastructure has also been built in some LDCs, where a growing percentage of the population can now access the web.
- On-line payment systems, e-banking, mobile money, e-procurement portals and government support dedicated to

There is active inter-governmental discussion already underway in various bilateral, regional and plurilateral fora about the possible need for new trade-related disciplines, or best practice regulatory principles, in areas such as cross-border data flows, data privacy and access to data storage infrastructure. There is much pressure from the private sector for progress to be made in these areas, in the absence of which the development of

We need more advanced technological solutions if developing countries are to pursue the trend to large-scale deployments of e-business services across global markets. We need to apply open-source e-commerce software, with the support of innovative electronic payment and shipping solutions, to leverage a higher volume of on-line transactions.

We also need to support entrepreneurial services suppliers, including women and youth, so they can access the global market for on-line execution of services tasks, and so support a higher level of innovation in their communities.

The internet, more than anything else, defines the 21st century business environment.

Today's workshop is a timely and most welcome opportunity to find ways in which the potential of e-commerce can be better harnessed towards development, and ITC is pleased to make a contribution.

Today's dialogue is designed to be interactive. It is essential that we focus on how governments, the private sector and other stakeholders can cooperate to support the global development of a vibrant internet economy - extending its transformative effects more evenly throughout the developing world.

Thank you.