

# THE ROLE OF e-COMMERCE IN ECONOMIC DEVELOPMENT



# THE ROLE OF e-COMMERCE IN ECONOMIC DEVELOPMENT

---

## Call for Applications

### Announcement in Brief

- Type** : Short Term Course
- Programme Area** : e-Commerce , Trade, Economic Affairs
- Date** : 25 March – 21 April 2019
- Duration** : 4 Weeks
- Language** : English
- Location** : Web Based E-Learning
- Fee** : No Fee
- Date Published** : 15<sup>th</sup> February 2019
- Application Deadline** : 17<sup>th</sup> March 2019
- Specific target audience** : No
- Website** : <https://elearning.unidep.org>
- Applications** : <https://www.unidep.org/?apply>

## PROGRAM RATIONALE

---

The role of trade in development has always been highlighted overtime. As a result, countries across the world have been adjusting their trade instruments in order to enhance their economic growth. Recently, with the rapid development of the Information and Communication Technologies (ICTs), a new form of trade has emerged: electronic commerce or e-commerce. Although the traditional trade is still attracting the bulk of the world transactions, the e-commerce is positioning itself as rising alternative in terms of trade of good and services.

In 1999, the United Nations Conference on Trade and Development (UNCTAD) emphasized the role of e-commerce: “electronic commerce has the potential to be major engine for trade and development on a global scale”. Furthermore, as e-commerce is backed on ICTs, it is worth noting that the productive use of ICTs is emphasized in the Sustainable Development Goals (SDGs). The Information and Economy Report (2017) of the UNCTAD highlights the importance of e-commerce on development. ICTs, e-commerce and other digital applications can promote entrepreneurship, including women’s one, thus contributing to the achievement of SDG 5. They can also be leveraged to promote productive activities, innovation and decent jobs. In the same vein, they can encourage the growth of small and medium sized enterprises (MSMEs) through access to ICT-enabled financial services (SDG 8). Digital solutions can enable the integration of developing countries into value chains (SDG 9). Furthermore, e-commerce is important for achieving SDG 17 by significantly increasing the exports of developing countries.

Despite the rapid improvement of the scope of e-commerce, some barriers remain especially in developing countries. According to Kshetri (2007), the barriers to e-commerce are economic, cognitive and sociopolitical. Economic barriers refer to inadequate ICT infrastructure and use, unreliable and costly power supply, limited use of credit cards, lack of purchasing power and underdeveloped financial systems. Cognitive barriers consist of poor ICT literacy, awareness and knowledge related to e-commerce among both consumers and enterprises. Regarding sociopolitical barriers, they include the weak legal and regulatory frameworks that limit the trust in online transactions, cultural preferences for face-to-face interaction and reliance on cash in society. Other obstacles concern logistics and transport.

Measuring e-commerce is a challenge because there are no comprehensive official statistics on the value of domestic and international e-commerce. The information available about this activity is compiled by few countries, mainly developed (UNCTAD, Information Economy Report 2015). According to a study conducted in 2014 by the market research company eMarketer, Africa and Middle East remain the regions with the lowest penetration of e-commerce. The share of the online buyers in the Middle East and Africa population was estimated to 7.1% 2013, while it was respectively 14.9% in Asia and Oceania, 18.6% in Latin America, 24.1% in Central and Eastern Europe, 49% in Western Europe and 59.7% in North America. Furthermore, Middle East and Africa accounted for 2.2% of global e-commerce in 2013. It is expected that these regions will increase their share in the global market to 2.5% in 2018 while Asia and Oceania will record the fastest growth from 28% to 37% in the same period. The eMarketer study also indicates that worldwide e-commerce (business to consumers) is forecast to double from \$1.3 trillion in 2013 to \$2.4 trillion in 2018.

Regarding Africa particularly, there is a great e-potential untapped. According to a report of the International Trade Center on e-commerce<sup>1</sup> in 2015, only 26.5% people are connected to the Internet across the continent, compared to a global average of nearly 45%. With a population of more than 1 billion, there is a huge potential for expansion. In addition, the growth of internet and related technologies is correlated with the rise in e-commerce activity and this is likely to apply to Africa as well. A McKinsey & Company report (2014) mentioned

that e-commerce could account for 10% of retail sales in Africa's largest economies by 2025, i.e. US\$ 75 billion in an annual revenue. According to a digital survey conducted by a London-based advisory group in 2014 (Ovum), e-commerce will be the most important digital service to increase revenue for African industry over the next five years.

Given the above situation, it is crucial to emphasize on the opportunities developing countries in general and Africa particularly can seize through embarking on e-commerce. In the same time, it would be important to find out some solutions to overcome the challenges related to the implementation as well as the monitoring of this activity. It is against this background that IDEP has designed this online course to strengthen the capacity of the potential stakeholders in e-commerce activities across Africa.

## LEARNING OBJECTIVES

---

At the end of this course, participants will be able to:

- Describe the various categories of e-commerce
- Understand E-commerce in regional trade agreement
- Understand the difficulty in measuring e-commerce and the rationale of establishing a conducive environment for e-commerce
- Know the potential advantages of e-commerce vis-à-vis development especially within the African Development Agendas (2030, 2063)
- Know the barriers to e-commerce and how to overcome them
- Know the enabling legal and regulatory environment and overcoming security challenges

## CONTENT AND STRUCTURE

---

The course consists of the following modules:

- **Module 1** : Recent development and trends in the field of e-commerce with a focus on Africa
- **Module 2** : e-Commerce and SDGs
- **Module 3** : Future of e-commerce within the evolution of African trade structure due to the African Continental Free Trade Agenda
- **Module 4** : e-Commerce and institutional governance
- **Module 5** : Legal and regulatory framework and security

## METHODOLOGY

---

This instructor led training will be delivered from 25 March to 21 April 2019. The course will be moderated asynchronously on a weekly basis and participants are required to participate in the weekly on-line discussions. In addition, each module has interactive lessons that provide the core content around the topic for that module. The lessons are designed in a way that learners are also able to self-assess their understanding through built-in quizzes. Additional

resources such as bibliographies, web links and optional readings are provided for participants who wish to deepen their knowledge of the course topic.

## TARGET AUDIENCE

---

The course targets groups and individuals that are interested in obtaining a better understanding of how the electronic commerce can serve as an instrument for the development of the African continent.

They include:

- Civil servants in National Ministries and Agencies responsible for housing, urban development and local Government as well as Ministries of Finance, planning and Economic development
- Diplomats from Permanent Missions and Ministries of Foreign Affairs
- Officials from Regional Economic Communities (RECs)
- Professionals in private sector and civil society organizations
- Faculty, researchers and students
- Interested citizens

## ADDITIONAL INFORMATION

---

### *Acceptance to the Course*

Applicants to the course are expected to have, as a minimum, a bachelor's degree preferably where courses related to trade, local economic development, municipal finance and-related areas in the context of Africa and planning have been covered. In addition, two years of work experience will be required. Women candidates are also strongly encouraged to apply.

Until the registration deadline, participants are accepted to the course on a rolling basis and subject to availability of slots.

Applications must be completed exclusively on IDEP online application platform at <https://www.unidep.org/?apply>

### *Certificate of Completion*

A Certificate of Completion will be issued by IDEP to all participants who successfully complete the course-related self-assessments presented for each module.

### *Technical Requirements*

Access to internet is an essential condition for participation. The following specifications, as a minimum in terms of hardware and software, are required to take this e-Learning course, please consult your Network Administrator or Systems person to ensure that you have the following:

- Platform: Windows 95, 98, 2000, NT, ME, XP or superior; Mac OS 9 or Mac OS X; Linux
- Hardware: 64 MB of RAM, 1 GB of free disk space

- Software:
  - Adobe Acrobat Reader
  - Adobe Flash Player
  - Microsoft Office (Windows or Mac) or Open Office
  - Browser: Internet Explorer 7 or higher or Firefox 36 or higher
- Modem: 56 K
- Note that JavaScript, Cookies and Pop-ups must be enabled

## CONTACT INFORMATION

---

IDEP Training and Research Division

Tel: +221 33 829 55 00

Fax: +221 33 822 29 64

Email: [training@unidep.org](mailto:training@unidep.org)