



**WORLD BANK GROUP**  
Trade & Competitiveness

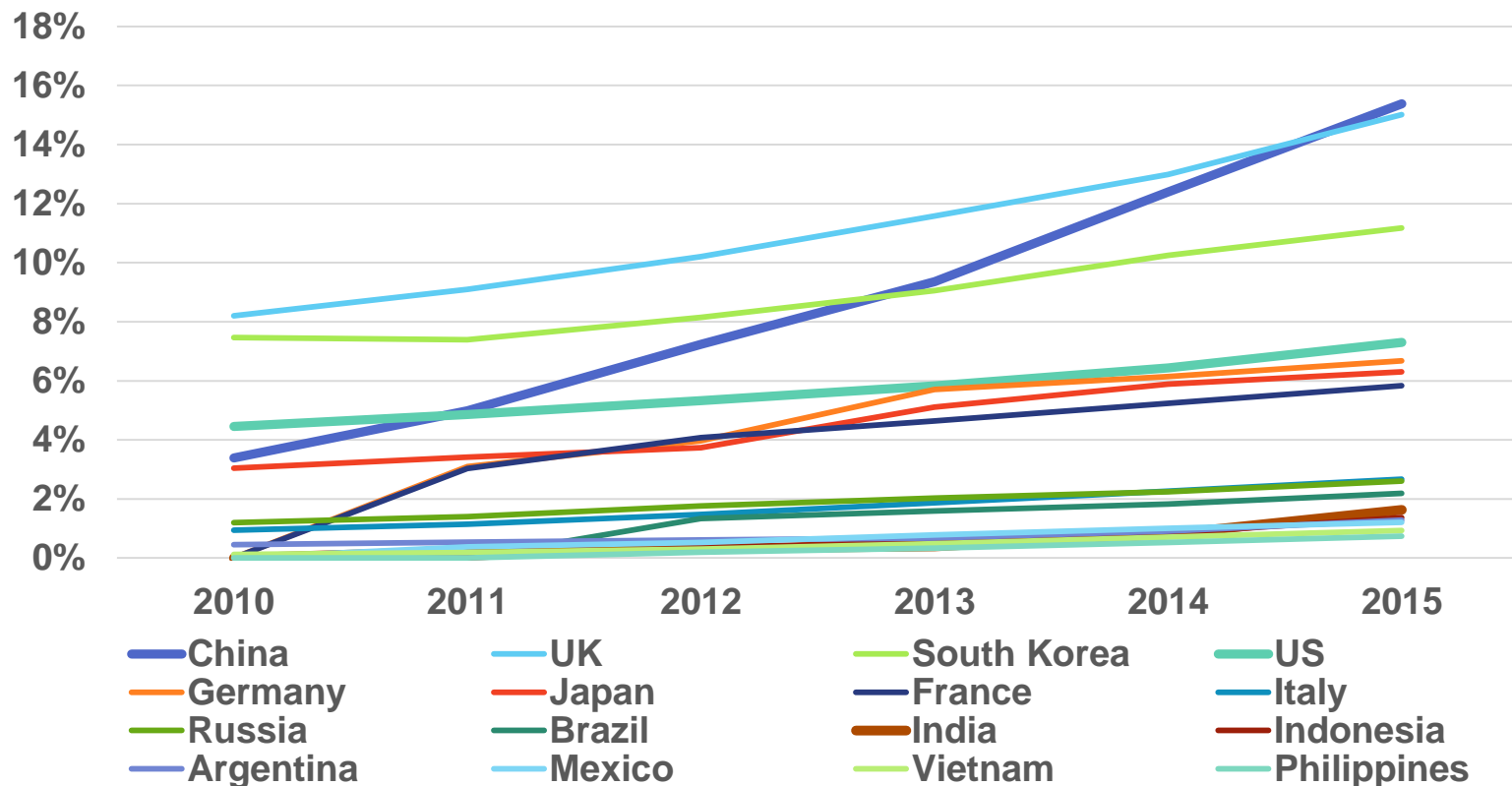
Digital Dividends and  
Prospects for Developing  
Countries and LDCs

Seminar “eCommerce for Development”  
organized by Friends of eCommerce for Development  
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# Countries vary widely in the degree to which they have taken up retail e-commerce: China is doing it very rapidly

## B2C retail sales as a share of all retail sales



Source: eMarketer

But the full potential is not yet realized. Only 22 percent of the world's population have ever bought something online.

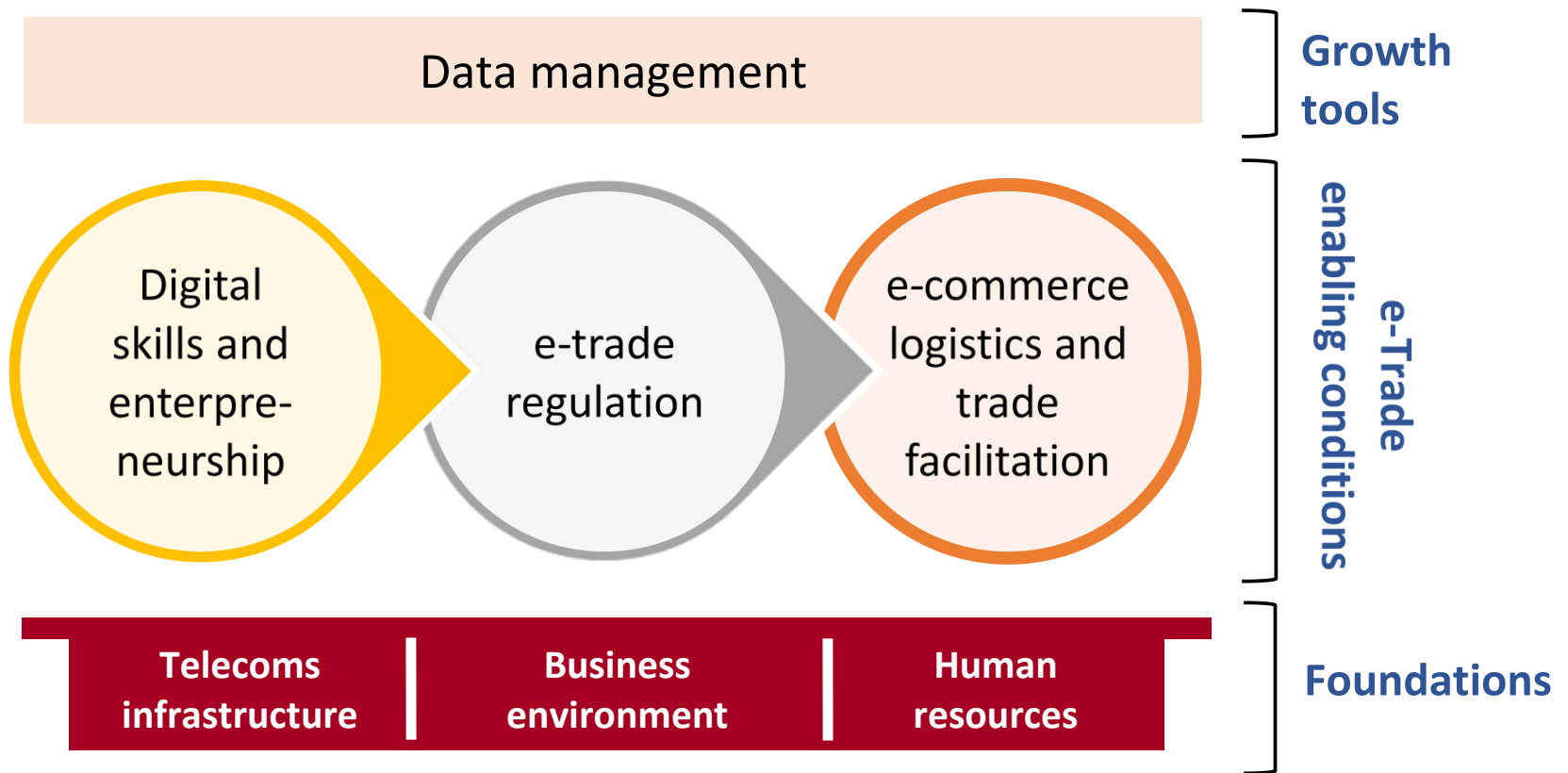


# Types of e-Trade

	Goods	Services
E-commerce	<p><u>Farmia</u></p> <p><i>E-bay</i></p> <p><i>Amazon (merchandise)</i></p> <p><i>Alibaba</i></p>	<p><u>Elance</u></p> <p><u>Freelancer.com</u></p> <p><i>Professional services</i></p> <p><u>BPO – KPO</u></p> <p><i>E-banking</i></p> <p><u>Consulting</u></p>
Digital trade	<p><i>App stores (<u>software</u>, music, video, <u>mobile apps</u>)</i></p> <p><i>Amazon (e-books, videos)</i></p> <p><i>Youtube / vimeo</i></p> <p><u>3-D printed goods?</u></p>	<p><u>Paypal</u></p> <p><u>web advertisement</u></p> <p><i>E-medicine</i></p> <p><u>IT outsourcing</u></p> <p><u>Amazon Web Services</u></p> <p><u>Cloud-based services</u></p>

- **e-trade:** all goods and services (both traditional and digital) traded internationally through electronic means
- **Physically delivered:** the purchase of traditional goods and services through digital means
- **Digitally delivered:** all transactions involving of digital goods and services as “digital trade”.

# e-Trade environment

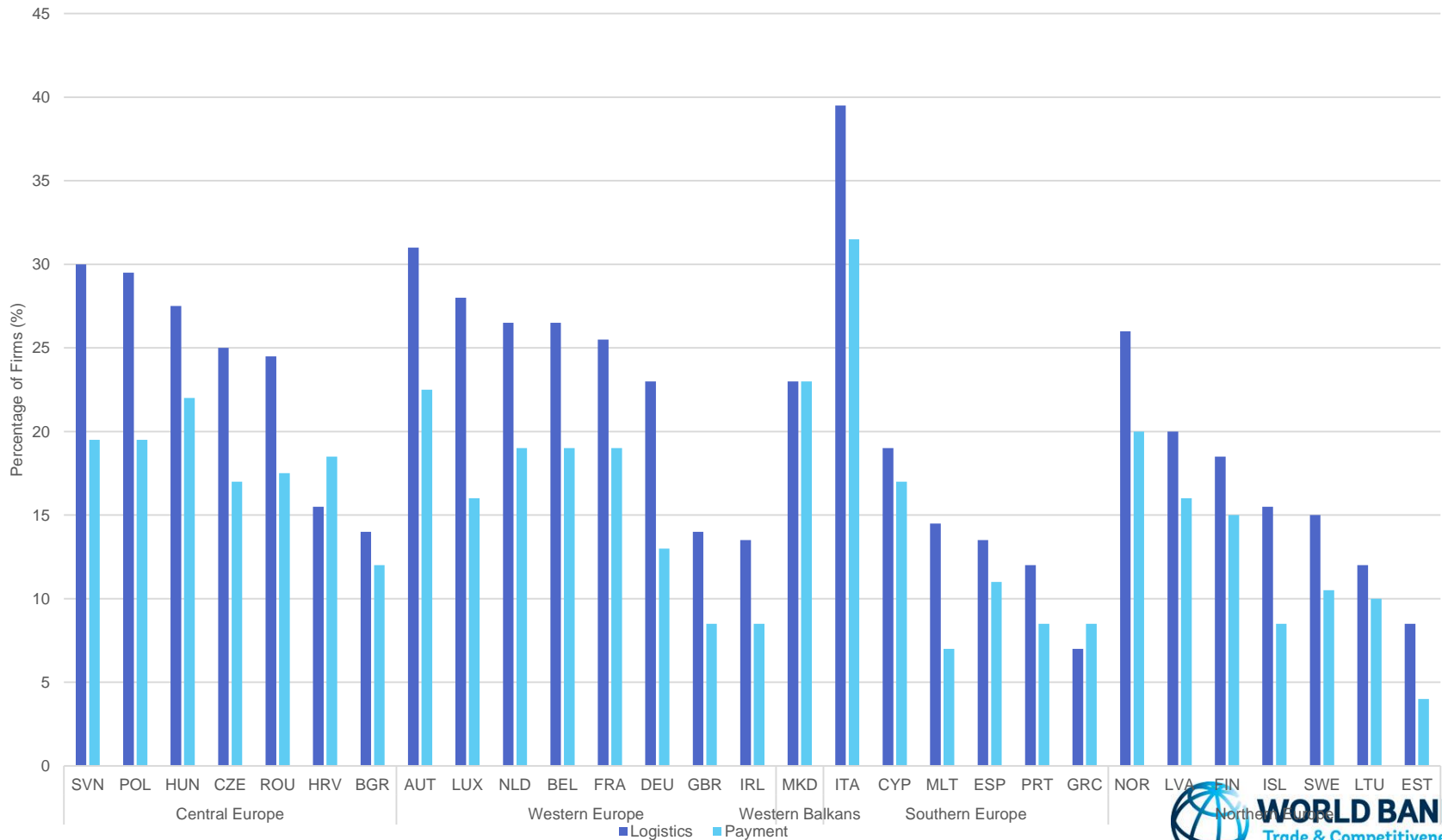


# Complementary services are needed to access digital trade

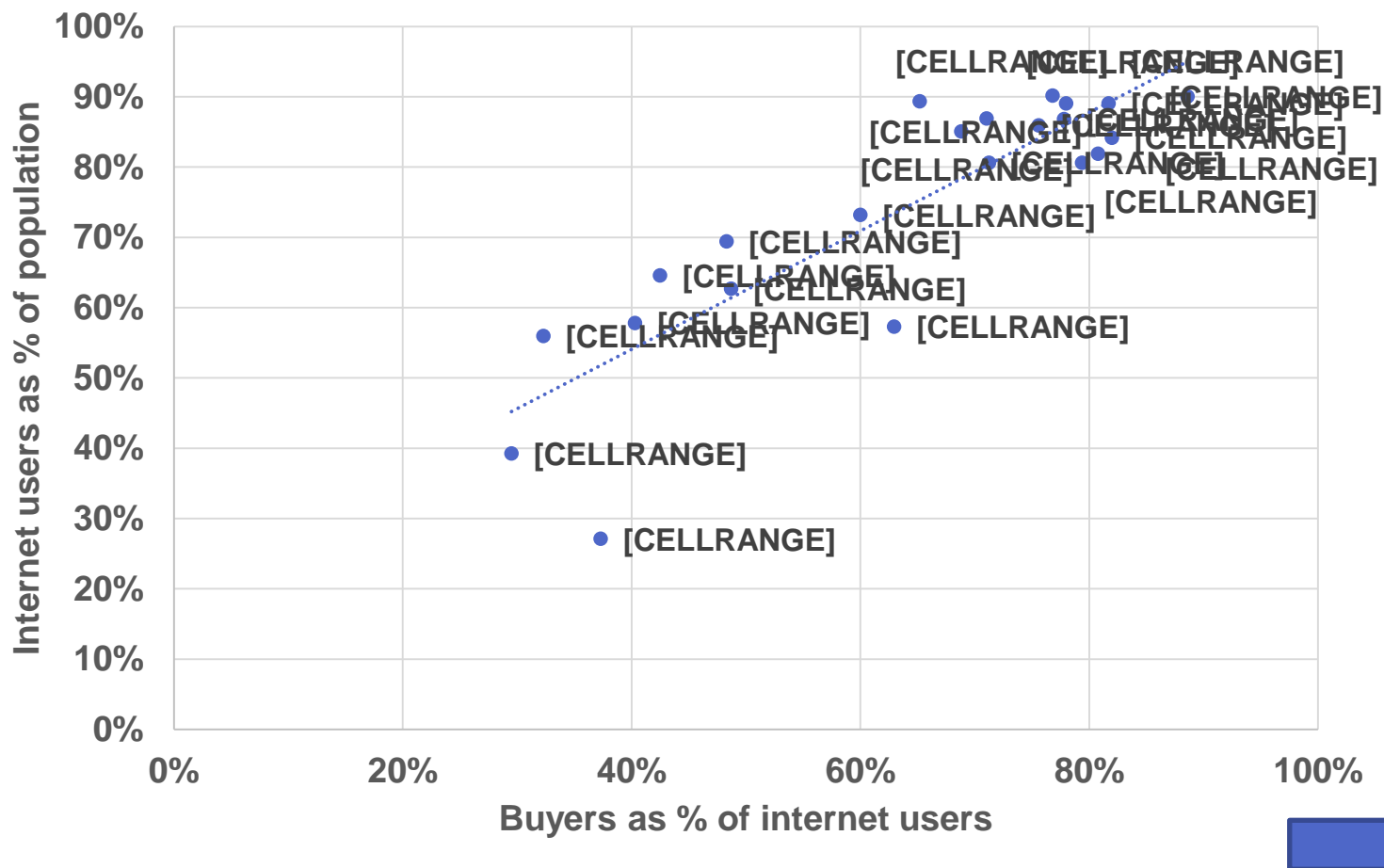
- Basic e-literacy, for both consumers and firms, remains a challenge
  - Entrepreneurial skills to access digital trade need to be developed
- Receiving payment for work is challenging in some environments
- Delivery is not always easy to arrange (internationally or locally).
- New relevance of services liberalization
  - Lack of competition (domestic or foreign) can inhibit the PayPal/Skype/FedEx business environment
  - Financial services/telecom/express delivery
  - Localization policies can interfere with normal business

# Firms still list significant obstacles to sell online, particularly logistics and payments

Obstacles listed by Firms not Selling online, 2013



# If you build it, they will come (maybe)



Buyers as % of population = (Internet users as % of population) \* (buyers as % of internet users)

Source: eMarketer



# First steps at country level

## Creating regulatory conditions for expansion of e-commerce



- Introducing regulation for e-commerce
  - Data flows and privacy protection, e-payments, transactions
- Addressing e-trade facilitation measures
  - de minimis, immediate release
- Tackling barriers to key services sectors:
  - Telecoms, logistics, financial services, business services

## Ensuring linkages with other sectors of the economy



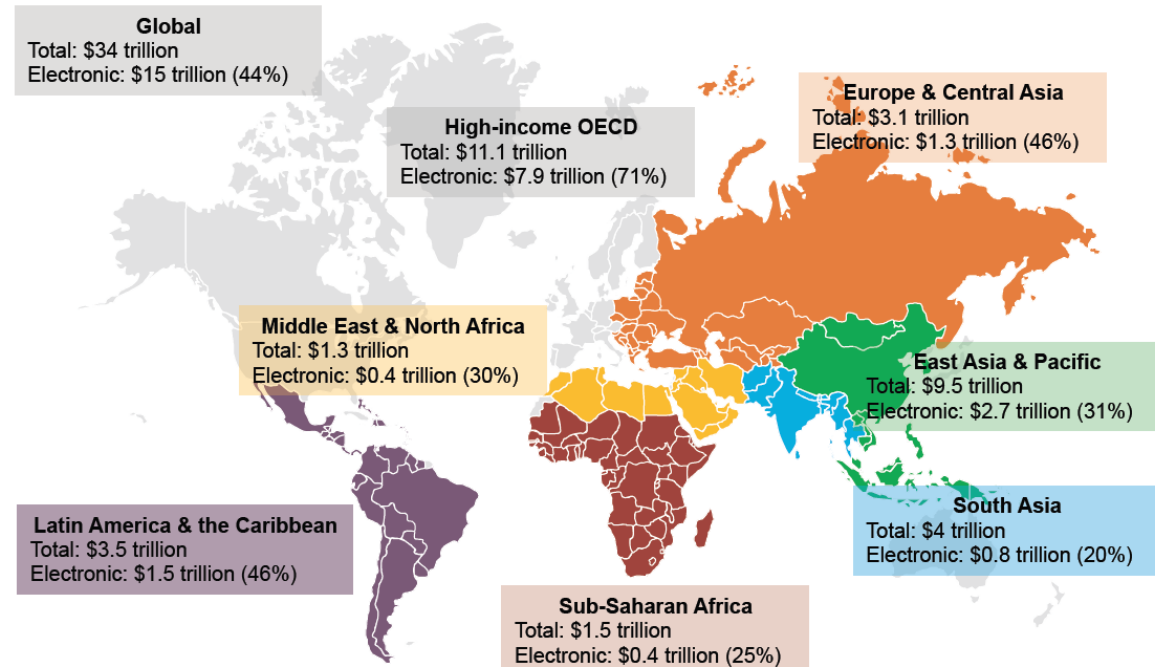
- Expanding digital literacy and entrepreneurship in traditional “analog” sectors



# Electronic payments

- **Data and research:** E.g. Global Findex, Global Payment Systems Survey
- **Diagnostics** of payments and settlement systems
- **Implementation support** in more than 60 countries
  - Designing comprehensive national payments reform
  - Legal, regulatory, oversight frameworks
  - Cross-border integration

## Global payments by MSME retailers: \$34 trillion market



† B2B payments include only those from the retailers to immediate suppliers

Source: WBG/WEF Innovation in Electronic Payment Adoption, June 2016

# e-Trade Benefits at every level of development

Leveraging e-commerce for competitiveness



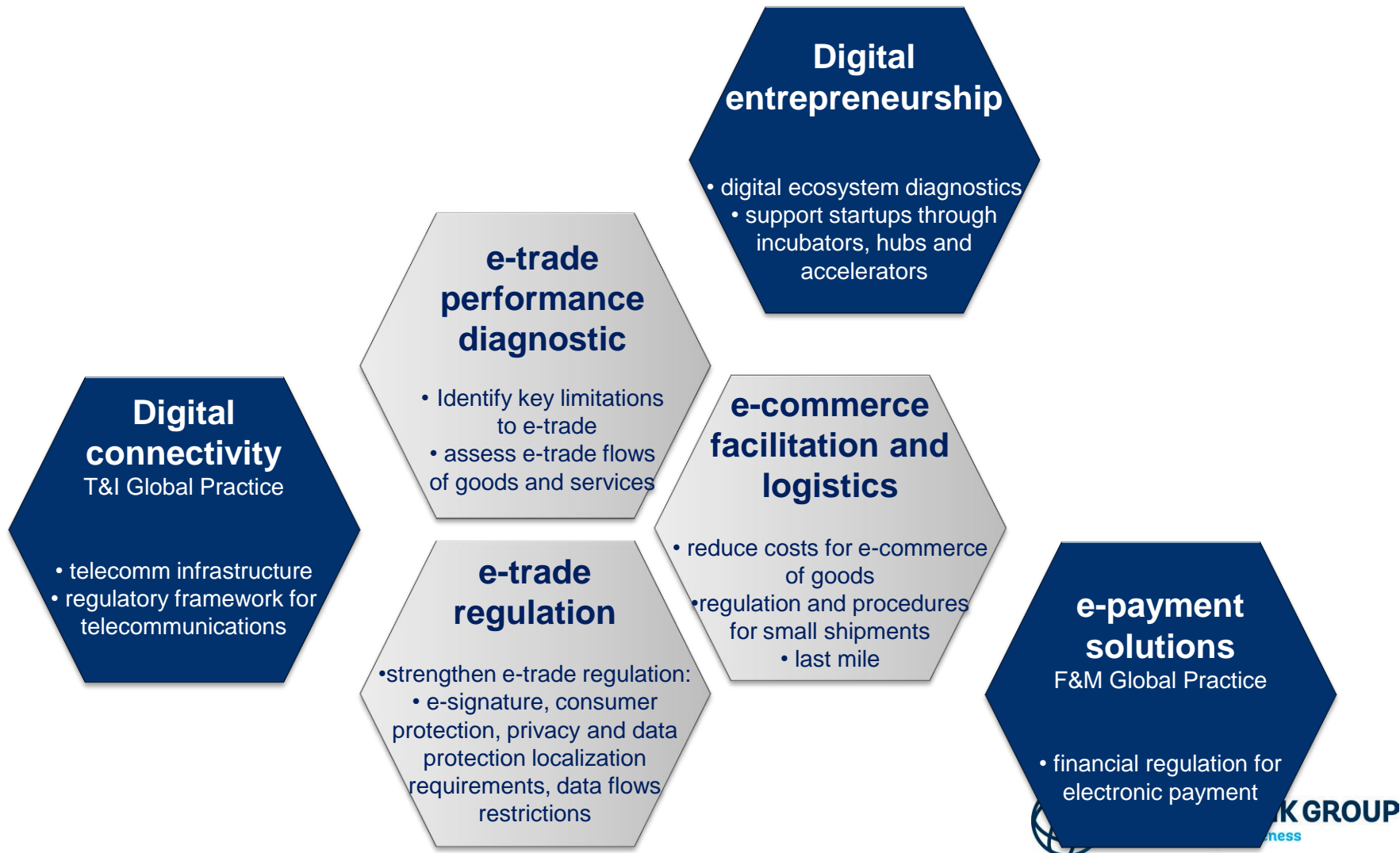
Developing high-value services exports and joining GVCs



Finding niches for e-commerce exports



# WBG areas of work on e-Trade





Thank you.

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# e-trade regulations in international governance: not everything is about trade agreement

