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Fast-tracking implementation of eTrade Readiness Assessments

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UNITED NATIONS
UNCTAD
Geneva, 2022

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This publication has been edited externally.

United Nations publication issued by the United Nations Conference on Trade and Development.

UNCTAD/DTL/STICT/2022/5

ISBN: 978-92-1-113050-8
eISBN: 978-92-1-001552-3
Sales no.: E.22.II.D.21

NOTE

Within the UNCTAD Division on Technology and Logistics, the E-Commerce and Digital Economy Branch carries out policy-oriented analytical work on the development implications of information and communication technologies (ICTs) and e-commerce. It is responsible for the preparation of the Digital Economy Report (DER) as well as thematic studies on ICT for Development.

The Branch promotes international dialogue on issues related to ICTs for development and contributes to building developing countries' capacities to measure the information economy and to design and implement relevant policies and legal frameworks. It also monitors the global state of e-commerce legislation (UNCTAD Cyberlaw Tracker). Since 2016, the Branch has coordinated a multi-stakeholder initiative entitled eTrade for all (etradeforall.org), which aims to improve the ability of developing countries, particularly least developed countries (LDCs), to use and benefit from e-commerce. The initiative is also behind the UNCTAD eTrade Readiness Assessment and eTrade for Women (eT4W) programmes, launched respectively in 2017 and in 2019.

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Rows in tables have been omitted in those cases where no data are available for any of the elements in the row.

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PREFACE

The COVID-19 pandemic has been accompanied by a surge in e-commerce and uptake of digital solutions by businesses and consumers. It has also underscored the significant divides that exist in terms of digital readiness, hampering many countries' ability to harness e-commerce and the digital economy.

UNCTAD's eTrade Readiness Assessments (eT Readies) have already helped 29 countries, mainly Least Developed Countries (LDCs), to identify the main barriers and opportunities for e-commerce development. But the assessments are only the beginning. Their real value comes to fruition when moving from policy recommendations to implementation. That is why UNCTAD set up the eT Ready Implementation Support Mechanism (ISM) in 2020. Since then, several capacity-building, knowledge sharing and stakeholder engagement activities have been organized to strengthen in-country implementation capacities and better empower in-country Focal Points, that are playing a pivotal role in mobilizing national stakeholders from both the public and private sectors, although not without challenges.

This report, the second to review the implementation of the recommendations contained in the assessments, has highlighted 140 new achievements from 14 countries, featuring an average implementation rate of 59 per cent, a nine per cent gain compared to the first review. Despite significant progress and valuable support provided by eTrade for all partners, this 2nd Implementation Review highlights areas for improvement. For example, it points to the need to strengthen national implementation arrangements, streamline policy coordination mechanisms and enhance synergies among development partners' interventions. It documents many good practices, policy impacts and lessons learned that can inspire countries and pave the way for further support. It stresses once more the urgency to accelerate e-commerce enabling reforms and investments to help foster economic recovery from the pandemic and increase the resilience to cope with new shocks. The report provides a solid basis to help mobilize the much-needed support to advance the e-commerce development agenda in eT Ready beneficiary countries.

I would like to thank the Government of Germany for its contribution to the eT Ready ISM, the Netherlands and Switzerland, which are the core donors of UNCTAD's work on e-commerce and the digital economy. Let me also thank our eTrade for all partners who are contributing with their respective expertise in the eTrade Readiness Assessments and renew my call for greater engagement in the implementation of priority recommendations. From our side, we will advocate for a more coordinated approach, especially at the country level to enhance synergies, and will continue to leverage the role of UN Resident Coordinator Offices to ensure an effective dialogue on the ground and full integration of countries' priorities in UN Cooperation Frameworks, national development plans and COVID-19 recovery plans. We will continue to connect the dots for a truly global inclusive trade, leaving no one behind in the digital economy.

Shamika N. Sirimanne
Director, Division on Technology and Logistics

ACKNOWLEDGEMENTS

This report is the result of capacity-building support provided by UNCTAD E-Commerce and Digital Economy Branch through the eT Ready Implementation Support Mechanism (ISM) and was prepared by Alessandro Vitale in collaboration with Laura Cyron, under the overall guidance of Cécile Barayre and Torbjörn Fredriksson.

In-country intelligence and stakeholder engagement were ensured by UNCTAD's network of eT Ready Focal Points, to whom goes the team's most sincere appreciation for their proactive cooperation: Md. Hafizur Rahman (Ministry of Commerce, Bangladesh) and Mostafizur Sohel (BASIS, Bangladesh), Riegzieng Om (Ministry of Economic Affairs, Bhutan), Seydou Ilboudo and Boubakar Bilgo (Ministry of Industry, Trade and Handicrafts, Burkina Faso), Chea Laichea (Ministry of Commerce, Cambodia), Serge Bahi and Guillaume Koffi Seka (Ministry of Trade and Industry, Côte d'Ivoire), Phera Lepati (Ministry of Trade and Industry, Lesotho), Hobisoa Lydie Ismaël Ravolahajamanana (Ministry of Industry, Trade and Handicrafts, Madagascar) and Gil Razafintsalama (ESTI, Madagascar), Mufwa Munthali (Ministry of Trade and Industry, Malawi), Ibrahim Tanda Bonkano (Ministry of Trade and Private Sector Promotion, Niger), Faramkha Diop and Assane Diankha (Ministry of Trade and SMEs, Senegal), Alwyn Danitofea (Ministry of Communication and Aviation, Solomon Islands), Aïchétou Touré Ali (Ministry of Trade, Industry, Private Sector Development and Local Consumption, Togo), Falaoa Sione, Darryl Ikbal and Toaiga Semisi (Department of Trade, Tuvalu), Chris Matsiko and Augustine Ssekyondwa (respectively Ministry of Trade, Industry and Cooperatives and National Information Technology Authority-Uganda, Uganda), Gilbert Chisenga and Akokwa Liwena (Ministry of Commerce, Trade and Industry, Zambia). UNCTAD also greatly appreciates the involvement of Permanent Missions in Geneva of the countries under review.

The report benefited from inputs of eTrade for all partners, namely by the EIF, ERIA, UNCITRAL, UNESCAP, UPU and several Divisions of UNCTAD.

Desktop publishing was prepared by Keel Chan and the cover was designed by Magali Studer. The document was externally edited by Nancy Biersteker.

Funding for this report was provided by the Government of Germany, the Netherlands and Switzerland.

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ABBREVIATIONS

AfDB	African Development Bank
ARCEP	Autorité de Régulation des Communications Electroniques et des Postes (Togo)
ASEAN	Association of Southeast Asian Nations
BWCCI	Bangladesh Women Chamber of Commerce and Industry
BCEAO	Central Bank for Western African States
CDS	Customs declaration system
CONOBAFI	West African Committee of Banking and Financial Organization and Standardization
e-CAB	e-Commerce Association of Bangladesh
EAC	East African Community
ECOWAS	Economic Community of West African States
EIF	Enhanced Integrated Framework
ERIA	Economic Research Institute for ASEAN and East Asia
FICEL	Forum Inclusif sur le Commerce Electronique au Burkina Faso
iDEA	Innovation Design and Entrepreneurship Academy
IR	Implementation Review
ISM	Implementation Support Mechanism
ITC	International Trade Centre
MB	Megabyte
MWK	Malawian Kwacha
MSME	Micro-, Small- and Medium-sized Enterprise
NTFC	National Trade Facilitation Committees
ORE	Operational Readiness for E-commerce
PDEP	Pacific Digital Economy Programme
PIFS	Pacific Islands Forum Secretariat
RCEP	Regional Comprehensive Economic Partnership
RCO	Resident Coordinator Office
SNDCES	Stratégie Nationale de Développement du Commerce Electronique au Sénégal
SME	Small and medium enterprise
SPT	Société des Postes du Togo
WAEMU	West African Economic and Monetary Union
UNCDF	United Nations Capital Development Fund
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNESCAP	United Nations Economic and Social Commission for Asia and the Pacific
UPU	Universal Postal Union

EXECUTIVE SUMMARY

Since 2017, UNCTAD has been pioneering eTrade Readiness Assessments (eT Readies) that have helped 29 countries identify the main barriers and opportunities for e-commerce development. Many of them, as documented in this report, have already made significant progress in the implementation of the measures recommended in eT Readies. Now more than ever, fast-tracking the implementation of the eT Readies recommendations is a necessity for developing countries, especially LDCs, to harness the potential of the digital economy as part of inclusive recovery strategies from the COVID-19 pandemic.

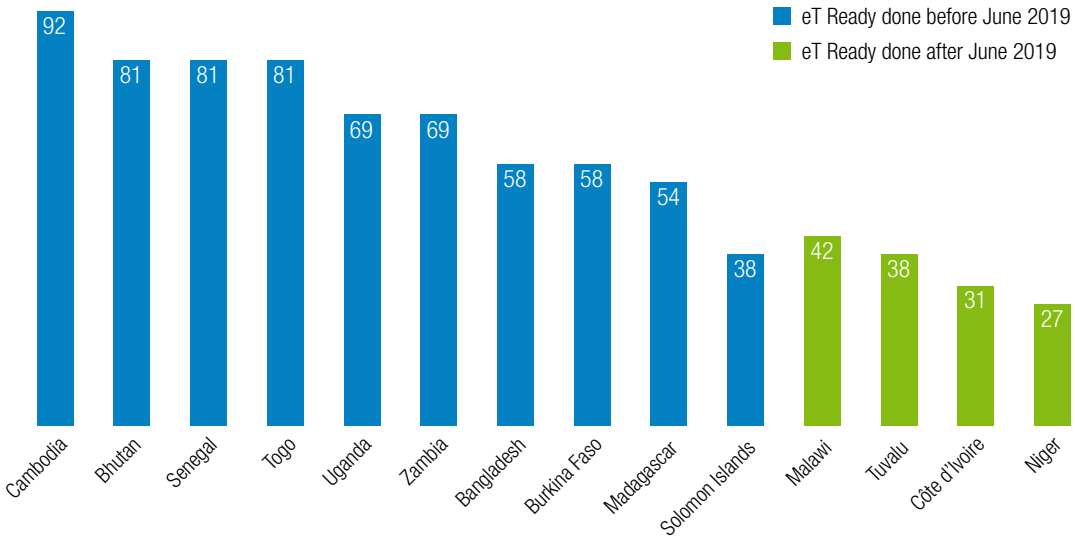
UNCTAD set up the eT Ready Implementation Support Mechanism (ISM) in 2020 with a view to supporting beneficiary countries. Through the ISM implementation reviews are regularly conducted, to build in-country capacities for effective implementation, based on the principles of country ownership, inclusivity, and results-based management. The Implementation Review done in 2020 was the first of its kind and allowed to capture the progress made by 13 eT Ready beneficiary countries. It formed the basis of further capacity-building, knowledge sharing and stakeholder engagement activities that have helped to raise the profile of e-commerce in national and regional development agendas.[1]

The 2nd Implementation Review (IR) was done in 2021 with an improved methodology, building on the lessons learned and feedback received by the different stakeholders involved in the first implementation review process. It highlights 140 new achievements from 14 countries that have participated in the 2nd IR, gathered through an in-depth review of the data collected from in-country stakeholders by the eT Ready Focal Points, in collaboration with a wide range of stakeholders from line ministries, regulatory agencies and private sector entities. The 2nd IR was completed in early 2022 with the publication of this report.

The results of the scored performance assessment have confirmed Cambodia as the top-performer country with an implementation rate of 92 per cent, followed by Bhutan, Senegal and Togo all standing at 81 per cent. The eight countries that have participated in both the 1st and 2nd IR, namely, Bhutan, Burkina Faso, Cambodia, Madagascar, Senegal, Togo, Uganda and Zambia have, at varying degrees, made efforts to strengthen areas where achievements were recorded in the previous year, while also expanding into new areas. Bhutan stands out as the country that has taken the highest number of new actions, and as a result, recorded the highest increase from the 1st to the 2nd IR, moving from 50 to 81 per cent. Among the reviewed countries that have more recently completed their eT Ready between 2020 and 2021, namely Côte d'Ivoire, Malawi, Niger and Tuvalu, the average implementation rate stands at 35 per cent. Overall, the average implementation rate for the 14 countries reviewed stands at 59 per cent.

[1] The 1st IR was published in 2020 Fast-tracking implementation of eTrade Readiness Assessments | UNCTAD. For an overview of the ISM, please refer to Fast-tracking eTrade Readiness Assessment Implementation: A snapshot of UNCTAD's support | UNCTAD

Figure 1 eT Ready implementation rates in the 14 countries reviewed in 2021
(Percentage)



Source: UNCTAD

Experience from the top-performers, Cambodia, Bhutan, Senegal and Togo, has stressed how strong political leadership at the Government level, exercised by a championing ministry, has helped to ensure stakeholder mobilization, all key to fast-track implementation.

In **Cambodia** the Ministry of Commerce recognizes the catalytic role played by the eT Ready for several government initiatives in support of the e-commerce ecosystem. One recommendation prioritized by the Royal Government of Cambodia was to develop a national E-commerce Strategy. The growing importance of e-commerce in the South-East Asian nation has prompted the Government to develop a Digital Economy and Society Policy Framework 2021-2035, which sets out a long-term vision to build a vibrant digital economy and society.

In **Bhutan**, the Policy and Planning Division established a Task Force in 2019 within the Ministry of Economic Affairs that has brought together a broad range of stakeholders from the public, regulatory and private sector sides. It worked to strengthen the policy and governance framework of the e-commerce development agenda and contributed to shape a national E-commerce Policy in 2021.

In **Senegal**, the eT Ready helped to catalyze the adoption of a strategic framework to promote the development of e-commerce and the digital economy. This framework is now an integral part of the implementation approach of the National Strategy of Senegal for E-Commerce Development led by the Ministry for Trade and Small and Medium Enterprises. Building on solid ground, the government has made strides in building IT infrastructures, increasing power generation capacity, as well as in helping digital entrepreneurship to thrive through passing of a Start-up Act.

In **Togo**, the eT Ready conducted in 2018 was the first framework for public-private sector dialogue on e-commerce, which has since then flourished. Strengthening the legal framework on data protection and cybersecurity infrastructure became a top priority, which led to the adoption of new laws and the establishment of an agency to manage cyberthreats. In November 2021, the Ministry of Trade validated a national e-commerce strategy, which bodes well for a further coordinated approach to support the fast-growing Togolese e-commerce ecosystem.

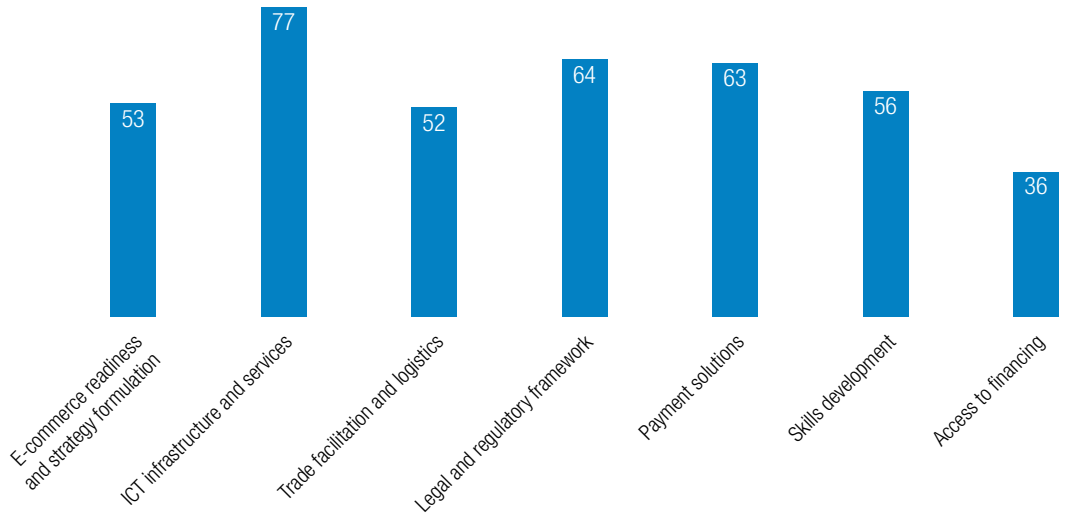
In addition, good management practices have emerged and are proving to be useful to sustain the implementation process. Countries have integrated the eT Ready recommendations into their policy development mechanisms and used the assessments as working documents to inform strategies, policies, laws and regulations. However, only half of the reviewed countries

have implemented some form of monitoring mechanism to track progress in their e-commerce development. Most of the countries have officially launched the eT Readies in national events, useful to build ownership. The support provided by UNCTAD and UN Resident Coordinator Offices (UN RCOs) have helped mobilize development partners, which in some cases, such as in Côte d'Ivoire and Malawi, led to follow-up discussions and initiatives to coordinate resource mobilization for priority projects.

The eT Readies have been instrumental in fostering national and regional e-commerce strategies. Cambodia, Kiribati, Nepal, Senegal and Togo have developed e-commerce strategies, Bangladesh and Bhutan have rather opted for a national e-commerce policy. In Benin, Myanmar, Samoa, Solomon Islands, Uganda and Zambia, the development of e-commerce strategies or policies are at different stages of development. Among the feedback received from the 2nd IR, Uganda reported to be better equipped with a stronger analytical basis to engage at the regional level during the development of the East African Community (EAC) e-Commerce strategy in 2021. Similarly, the Economic Community of West African States (ECOWAS) Commission, jointly with West African Economic and Monetary Union (WAEMU), has taken stock of the findings of the UNCTAD eTrade Readiness Assessments carried out in the region to start developing a strategic regional vision for e-commerce development. The ECOWAS Commission has formally requested UNCTAD's assistance to develop a regional e-commerce strategy, which officially kicked off in October 2021. The Pacific Islands Forum Secretariat (PIFS) has developed a regional e-commerce strategy using eT Readies as diagnostic tools and has associated with several eTrade for all partners in its implementation. As a follow-up to the work UNCTAD conducted in the region, UNCTAD is partnering with the United Nations Capital Development Fund (UNCDF) and the United Nations Development Programme (UNDP) in the Pacific Digital Economy Programme (PDEP) with an E-commerce Strategy under way in Solomon Islands.

The 2nd IR has documented 140 new actions undertaken by 14 reviewed countries that have resulted in implementation achievements across the 26 thematic items that are more commonly aligned to the countries' eT Readies recommendations. These are broken down by the seven policy areas. Looking more specifically into the seven policy areas, ICT infrastructure and services, legal and regulatory framework and payments are the areas where most of the implementation efforts were concentrated according to the 2021 review, while access to financing is an area where progress has been more sluggish.

Figure 2 eT Ready implementation rate by policy areas in the 14 countries reviewed in 2021
(Percentage)



Source: UNCTAD

There are encouraging developments in the area of **e-commerce readiness and strategy formulation.** A growing number of countries are working towards adopting, or have already adopted, policy and strategies specific to e-commerce. However, the majority of eT Ready beneficiary countries do not yet have a full-fledged policy or strategy dedicated to e-commerce, and even when a strategy is in place, the gender dimension is rather weak, if not absent. Furthermore, seven countries in the 2nd IR report indicate that they have functioning e-commerce committees or working groups to oversee and coordinate developments of the sector. Often the committees' membership extends beyond the public sector to include private sector and civil society organizations. A similar picture is offered with respect to private sector associations specific to e-commerce players, which help them represent their interests more broadly. Spurred by the COVID-19 pandemic, the IR shows an expansion of e-government services in 2021. Finally, a persistent gap in most countries is the systematic measurement and development of statistics regarding e-commerce and the digital economy.

E-commerce development is constrained by the lack of affordable and available **ICT infrastructure and services.** The gap of individuals' Internet use in LDCs relative to developed countries has decreased over the past year. According to ITU estimates, between 2019 and 2021, Internet use in Africa and the Asia-Pacific region jumped by 23 per cent and 24 per cent, respectively, and now accounts for 33 and 61 per cent, of their respective populations. Looking at LDCs, the number of Internet users stands at 27 per cent of the population. However, the gender and urban/rural disparities remain significant. On average, only 19 per cent of women are using the Internet in LDCs, 12 percentage points lower than men.[2]

A broad range of public and private initiatives are supporting the effort towards greater coverage, as well as more reliable and affordable access to the Internet and ICT. Nearly all countries reviewed are undertaking ICT infrastructure development projects, from improved fibre optic networks, expanded telecommunication tower networks to submarine connections. Furthermore, the coverage and service options of mobile Internet are expanding, and more countries are moving towards the Broadband Commission for Sustainable Development's target of entry-level broadband access at prices below two per cent of monthly per capita income. However, even when such target is met, the lowest income groups in a country can still be priced out of affordable service. Countries are complementing their ICT infrastructure development by strengthening their electrical grids, shifting towards renewables and developing new sources of electricity.

E-commerce strongly relies on extensive last-mile logistics and improved trade facilitation measures. Relatively few new initiatives in the area of **trade facilitation and logistics** were observed in this review, in part driven by limitations due to COVID-19 restrictions. The lack of physical addressing systems remains a major bottleneck, with only limited progress recorded by the reviewed countries. Some countries have taken new actions to expand the network of pick-up centres, in Malawi and Senegal, and to promote the digital transition of the national postal operators (Togo and Zambia). Eight countries have so far implemented actions to facilitate cross-border trade, such as improving or introducing single window procedures and trade portals.

The **legal and regulatory framework** for e-commerce is vital to building trust in online transactions. According to the latest update of the UNCTAD Cyberlaw Tracker 2022, despite an increase from the previous update, LDCs are still lagging behind in terms of adoption of e-commerce laws. Cybercrime has attracted greater attention and 70 per cent of LDCs have a law in this field, followed by law on electronic transactions (63 per cent), privacy and data protection (48 per cent) and consumer protection (41 per cent).[3] The majority of reviewed countries are in the process of developing and adopting new laws and regulations, often complemented by awareness-raising campaigns around the legal framework of e-commerce, particularly consumer protection.

In the area of **payment solutions**, nearly all countries reviewed are working on improving their financial inclusion and have seen new e-payment options being introduced following the eT Ready.

[2] Measuring digital development: Facts and figures 2021 (itu.int)

[3] Least developed countries still lag behind in cyberlaw reforms | UNCTAD

This trend has been reinforced by COVID-19 measures to encourage contactless solutions. The use of blockchain technologies and the creation of central bank digital currencies are opening new opportunities, and mobile money options and card-based solutions are gaining traction. Eight countries are also undertaking measures to strengthen the security and trust of online transactions, while fintech and banks are increasing working on safer technologies and stricter operational security standards. However, in terms of improved interoperability of e-payment solutions, some initiatives to facilitate cross-border digital payments are ongoing, but more work remains to be done because this is an area where only a few actions have been taken.

One persistent challenge faced by the reviewed countries has to do with productive digital **skills development.** Particularly in LDCs, most people access the Internet via mobile phones and often stay confined to the use of social media. Learning how to use a word processor or spreadsheet on a small screen is not ideal. Computers are not widely available, with just an average of eight per cent of households having one, comprising Bhutan and Senegal with the highest shares (respectively 21 and 15 per cent) and countries like Malawi and Uganda with only four per cent. Among the countries here reviewed, Cambodia, Madagascar, Solomon Islands, Togo and Zambia have so far reported efforts to undertake skills gaps' reviews to advance their digital endeavours. Efforts to revise compulsory education curricula thoroughly to introduce ICT training starting in primary school are underway in several countries, most notably in Bhutan and Uganda. Furthermore, in a growing number of countries, private-sector initiatives are taking off and initiatives in support of start-ups and innovative digital ideas are being strengthened. Consistently incorporating capacity-building initiatives for women entrepreneurs remains an issue that countries must strengthen further.

Access to financing remains a challenge since traditional funding options, such as banks, have not yet taken this shift in business model fully onboard yet. In this policy area, implementation of eT Ready recommendations is moving at a slow pace and several countries have not yet recorded tangible progress so far. Bangladesh, Cambodia, Madagascar and Zambia are the only countries with new initiatives recorded in this review.

Conclusions and recommendations

A set of 10 recommendations were already formulated as a result of the 1st IR, addressed to national stakeholders in the eT Ready beneficiary countries, and to the broader development partners' community willing to support e-commerce and digital economy in developing countries, and in LDCs in particular. All of them remain highly relevant in view of the following conclusions that have resulted from the 2nd IR.

Despite the wake-up call of the COVID-19 pandemic, e-commerce is still not sufficiently prioritized in the national development agenda. This leaves space for leadership conflicts or unclear responsibilities on how to drive the e-commerce sector development agenda. Inter-agency cooperation is not always smooth and, understandably, this is often worsened by staff-turnover and changes at the political level. Similar challenges arise in building connections with the private sector and civil society. But the main challenge often resides in weak institutional arrangements in place to accelerate the eT Ready implementation process.

Countries continue to see value in strengthening their engagement in the implementation review process. Capacity-building efforts aimed at empowering eT Ready Focal Points have contributed to improve their commitment. To secure full benefits from the capacity-building tools and resources made available through the ISM, countries should take ownership of the knowledge-management process and ensure that it benefits a wider range of stakeholders and e-commerce development initiatives, nationally and regionally.

If eTrade for all partners' interventions are helping countries make progress in the implementation of e-commerce enabling reforms, more should be done to close existing gaps and streamline often fragmented projects from a multitude of development partners. The value of the eTrade for all initiative can be further utilized with more collaborative efforts on the ground. Enhanced cooperation among the partners can help pool the expertise and

assets of each partner, especially when resources have to be mobilized from donors. UNCTAD's ISM is advocating for a more coordinated approach, especially at the country level, to enhance synergies and will continue to leverage the role of UN Resident Coordinator Offices (RCOs). This will help facilitate dialogue on the ground and integrating countries' priorities based on the eT Ready recommendations in UN Cooperation Frameworks, national development plans and COVID-19 recovery plans.

The growing demand for e-commerce experienced during the pandemic has clearly been an eye-opener. Now more than ever, in times when the risk of widening digital divides increase, digital cooperation though initiatives like the eTrade for all, are instrumental to step up efforts and provide solutions. UNCTAD's ISM will intensify its efforts and work collectively with eT Ready beneficiary countries, development partners and donors to mobilize technical and financial support from the international community, to make digitalization work for the achievement of the Sustainable Development Goals of the Agenda 2030.

INTRODUCTION

Since 2017, UNCTAD has been pioneering eTrade Readiness Assessments (eT Readies) that have helped 29 countries to identify the main barriers and opportunities for e-commerce development[4] across seven key policy areas: E-commerce readiness assessment and strategy formulation, ICT infrastructure and services, Trade logistics and trade facilitation, Payment solutions, Legal and regulatory frameworks, Skills development, and Access to financing. Through the eT Readies, a number of tailored policy recommendations have been made on how to enhance each country's ability to engage in and benefit from e-commerce. The challenge of strengthening the capacity of developing countries to benefit from digital transformation has gained added urgency by the ongoing COVID-19 pandemic.

UNCTAD rolled out an eT Ready Implementation Support Mechanism (ISM) in 2020[5] to enhance synergies and scale up joint efforts among eT Ready beneficiary countries and development partners. The ISM relies on a network of eT Ready Focal Points in beneficiary countries' trade ministries or other entities with a recognized leadership role in the area of e-commerce. Implementation Reviews are a cornerstone of the ISM and apply a monitoring methodology to assess progress and gaps in the implementation of the recommendations contained in the assessments and to document good practices, policy impacts and lessons learned. Following the first Implementation Review (IR) published in 2020,[6] UNCTAD embarked on a second review in 2021, taking stock of the experiences and feedback shared during a series of stakeholders' engagement events. Twenty-five countries were invited to participate in the 2nd IR, notably those that had completed their assessments by June 2021. These are, from Africa: Benin, **Burkina Faso, Côte d'Ivoire, Lesotho,** Liberia, **Madagascar, Malawi,** Mali, **Niger, Senegal,** Tanzania, **Togo, Uganda, Zambia;** from the Asia/Pacific region: **Bangladesh, Bhutan, Cambodia,** Iraq, Kiribati, Lao PDR, Nepal, Samoa, **Solomon Islands, Tuvalu,** Vanuatu. This report focuses on the 15 countries highlighted in bold that responded to the invitation. All except one country (Côte d'Ivoire) are LDCs. With the exception of Lesotho, 14 countries have been reviewed in depth.[7]

The report is based on the methodology described below and structured as follows.

- Chapter 1 puts this 2nd IR in the context of UNCTAD's eT Ready ISM, by stressing its relevance for beneficiary countries' post-pandemic recovery efforts. It is followed by the presentation of the results of the scored performance assessment (using the main data recapitulated in Annex 1), quantifying the recent efforts undertaken by the reviewed countries in implementing eT Readies' recommendations. Chapter 1 ends with highlights of good practices and successful implementation approaches, building on the experience of the top-performing countries.
- Chapter 2 provides evidence of the latest countries' achievements and concrete progress in the implementation of actions recommended by the eT Readies. The information presented draws on the country profiles, prepared on the basis of countries' questionnaire responses;[8] it is broken down by the seven policy areas and twenty-six thematic items, which provide

[4] eTrade Readiness Assessments | UNCTAD

[5] Fast-tracking eTrade Readiness Assessment Implementation: A snapshot of UNCTAD's support | UNCTAD

[6] Fast-tracking implementation of eTrade Readiness Assessments| UNCTAD

[7] Initially Afghanistan and Myanmar were also supposed to be invited, but with the deteriorated political situation in 2021 it was decided not to proceed. Lesotho only provided very limited data through the data collection questionnaire. For a complete picture of the implementation reviews country coverage, see Table 3 in Annex 2.

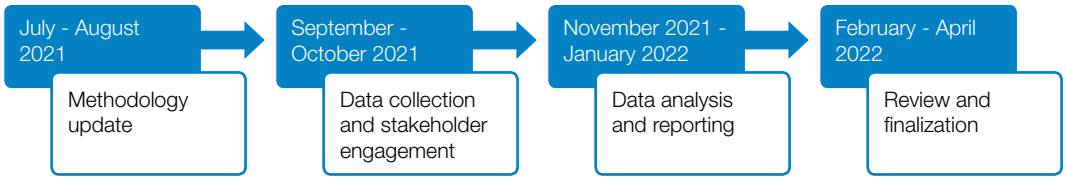
[8] The evidence presented in this chapter draws on the information recorded in the country profiles (unpublished, available upon request at ecde@un.org). For the eight countries that have already been reviewed in 2020, the evidence provided here only focuses on the actions taken in new thematic items, as well as actions taken to consolidate previously recorded achievements.

the analytical lenses used to assess countries' performance (according to the methodology outlined below and fully described in Annex 2).

- Chapter 3 recognizes the important role played by development partners, especially of those that are part of the eTrade for all initiative. At the same time, it elaborates on areas for improvements and opportunities to increase support, more aligned to the needs and priorities of the eT Ready beneficiary countries.
- Chapter 4 stresses the main messages based on the lessons learned from the 2nd IR and highlights some recommendations to make better use of the eT Ready ISM for more effective implementation.

The methodology builds on the previous exercise and on a readiness building process for facilitating the reporting of implementation efforts. It is structured around four main phases that took place between July 2021 and April 2022. The four phases have been dedicated to i) updating the review methodology, ii) engaging with stakeholders and collecting data, iii) analyzing and checking, sharing preliminary results and drafting the report, and iv) reviewing and obtaining feedback from stakeholders, editing, finalizing and releasing the report.

Figure 3 Methodology milestones



Phase 1 – Methodology update

The methodology update process benefited from feedback received by beneficiary countries during several capacity-building and stakeholder mobilization events organized by UNCTAD in 2021, in the context of UNCTAD's eT Ready ISM. It also took stock of the results from a satisfaction survey in July 2021 to further incorporate views and suggestions to make the IR process more relevant for the beneficiary countries (Box 1).

Based on the feedback received, the new data collection questionnaire included:

- Good reporting tips to the eT Ready in-country Focal Points and stakeholders on how to make the data collection process more effective and efficient.
- Updates of the structure and content to facilitate the reporting process and additional elements. Part A focused on the management of the eT Ready implementation process, including steering and monitoring committees, prioritization of recommendations, as well as the role of development partners. Part B was tailored to gauge the level of implementation in the seven policy areas, broken down in 26 thematic items (see Table 3 in Annex 2).

In parallel, a questionnaire was developed to capture ongoing and planned country-level initiatives by eTrade for all partners that support implementation of eT Ready recommendations in relevant policy areas. Where relevant, an official communication was sent to the countries' Permanent Missions in Geneva to confirm the appointment of eT Ready Focal Points in the relevant countries and thereby properly anchor the process in national administrations.

Box 1 Acting on lessons learned from the eT Ready 1st IR satisfaction survey

A satisfaction survey of the 1st IR was carried out ahead of the 2nd eT Ready IR kick-off in beneficiary countries. The questionnaire was sent to the 13 eT Ready Focal Points of the countries that were fully reviewed in 2020. The vast majority of respondents confirmed the relevance of the tool and showed a high level of satisfaction vis-à-vis the IR process. The survey also aimed at gauging the perceptions of eT Ready beneficiaries on different aspects of the IR methodology and follow-up activities.

Feedback received was translated as much as possible into improvements for the 2nd IR or taken into account for strategic planning of future reviews. For example, UNCTAD dispatched an official communication to facilitate mobilization of stakeholders in the country by the eT Ready Focal Points and secure higher-level commitment, ahead of the 2nd IR kick-off. The data collection questionnaire was revised to strengthen in-country monitoring capacities and guide the review process (as specified below in this section). Country-specific information in the form of country profiles has also been compiled. Furthermore, discussions on future reviews are now considering more comprehensive country-specific reviews based on the actual Action Matrix for each country.

Responses also indicated a need for more communication among in-country stakeholders to promote a better understanding of the needs for e-commerce development. To reinforce communication and better empower the Focal Points, especially newly appointed ones, UNCTAD kicked off the 2nd IR with three workshops to advise on good practices for effective stakeholder engagement (see Box 2). Further feedback also suggested that the results of the IR could be communicated in country-specific events to increase the buy-in from national stakeholders to advance the e-commerce agenda. Respondents also spoke in favor of strengthening ties with development partners, an aspect that the ISM has been increasingly focusing on.

Source: UNCTAD

Phase 2 – Data collection and stakeholder engagement

In September 2021, data collection started with three virtual capacity-building workshops. The eT Ready Focal Points and other relevant national stakeholders, such as line ministries, regulators and other public sector agencies, and the private sector were identified and invited to join the workshops to strengthen their capacities to engage in the review process. The following month was dedicated to data collection by the participating countries. In parallel, eTrade for all partners were invited to join the review process and share information as mentioned above.

Phase 3 – Data analysis and reporting

As for the 1st IR, this phase entailed careful analysis and quality control of the information provided through questionnaire responses from the countries, which resulted in drawing preliminary findings by UNCTAD. Country profiles were prepared building on Part B of the questionnaire. The information was checked with the following 14 countries that had provided exhaustive information and had been fully reviewed: Bangladesh, Bhutan, Burkina Faso, Cambodia, Côte d'Ivoire, Madagascar, Malawi, Niger, Senegal, Solomon Islands, Togo, Tuvalu, Uganda and Zambia. Country profiles formed the foundation of the analysis and the calculation of the updated implementation rates of eT Ready recommendations, by country and policy area. Chapter 2 of the report features the latest main actions implemented by the countries, based on the country profiles. For a more technical description of the methodology behind the data analysis please refer to the methodological note in Annex 2.

Phase 4 – Review and finalization

A first draft of the report was made available in March 2022 for review within and outside UNCTAD with country counterparts and eTrade for all partners. Comments have been incorporated to complement evidence and check accuracy of information contained in the report. Editing, layout and printing were done for public release and dissemination in the context of the 2022 UNCTAD eCommerce Week (25-29 April 2022, Geneva).

1. eT READY IMPLEMENTATION PERFORMANCE, SUCCESSFUL APPROACHES AND IMPACT HIGHLIGHTS

1.1 – Implementation reviews: a cornerstone of UNCTAD's ISM

The value of UNCTAD's ISM is maximized when eT Ready beneficiary country governments exercise consistent leadership to prioritize e-commerce in the national development agenda, using the eT Ready as an advisory tool for decision-making. With a view to supporting countries' efforts to fast-track policy reforms and investments for e-commerce development, UNCTAD set up the eT Ready ISM in 2020. As presented in the publication Fast-tracking eTrade Readiness Assessment Implementation: A snapshot of UNCTAD's support, the ISM aims to build in-country capacities for effective implementation, based on the principles of country ownership, inclusivity and results-based management. As such, the ISM is not the "implementer" of the Action Matrix contained in the national assessments. Each government in eT Ready beneficiary countries is responsible for the implementation arrangements and for setting priorities. The ISM relies on a network of Focal Points in beneficiary countries. They mostly reside in trade ministries or other entities with a recognized leadership role and are instrumental to fostering cooperation with a variety of public and private sector stakeholders, as well as civil society, for an inclusive process. Through the ISM, eT Ready beneficiary countries and development partners are encouraged to connect, share and learn from their experience with the implementation of the recommendations, with the objective of further building in-country capacities (Box 2).

Box 2 Knowledge and experience-sharing through UNCTAD ISM

UNCTAD organized a series of stakeholder engagement events in 2021 to facilitate the sharing of experiences in managing the eT Ready follow-up process and implementation of recommendations. In January-February 2021, over 270 people, from more than 20 countries, participated in two virtual workshops to discuss the findings of the 1st IR and provide the basis for dialogue and experience-sharing. Stakeholders from different ministries and regulatory agencies, private sector, development partners, including UN system organizations, mobilized with the support of UN Resident Coordinator Offices (RCOs), as well as eTrade for all partners, were brought together. These initiatives served as capacity-building opportunities to strengthen coordination and collaboration among stakeholders, at the national level as well as across country groups and regions. In September 2021, three capacity-building virtual workshops were organized to better engage the eT Ready Focal Points and other relevant stakeholders involved in the 2nd IR. These helped to deepen the understanding of the methodology and good practices for a successful participation in the IR. At the same time, it served as a communication platform to raise awareness about the value of engaging in the process to fully benefit from the ISM. In November 2021, the community of eT Ready Focal Points and beneficiary countries' Permanent Missions in Geneva were invited to a series of virtual presentations on the latest Digital Economy Report 2021 "Cross-border Data Flows and Development: For Whom the Data Flow." The ISM strives to provide an opportunity for countries to share good practices and success stories, as well as learning opportunities. Such initiatives will be amplified, for example through the UNCTAD eCommerce Week taking place in April 2022.

Source: UNCTAD

Capacity-building initiatives based on knowledge and experience sharing are relevant for eT Ready Focal Points to play their critical role at the technical level in advocating, and for the highest political level to accelerate initiatives aimed at harnessing the benefits of a thriving inclusive e-commerce ecosystem. E-commerce development is still an emerging sector, and in many developing countries, especially LDCs, it has limited visibility in national public policies and faces multiple hurdles.[9]

From capacity-building of key stakeholders to mobilization of additional support from development partners: a priority for the ISM to support developing countries' recovery efforts from the COVID-19 pandemic, informed by eT Ready recommendations. The capacities built in eT Ready beneficiary countries can provide a solid ground upon which UNCTAD's ISM can help in building enhanced synergies between countries, development partners and donors for the implementation of the recommendations. Such efforts are even more relevant and needed to support national recovery strategies from the COVID-19 pandemic. Indeed, the pandemic, while bringing more businesses and consumers online through e-commerce, has added urgency to the need to address digital readiness gaps, and to build capacities to harness the benefits from expanding e-commerce. UNCTAD research shows how the implementation of the eT Readies recommendations can play a key role in this context.[10] There is broad consensus on the need to tap the potential of e-commerce development as part of inclusive recovery strategies, especially through the development of national e-commerce strategies, reductions of costs for Internet access and e-payment transactions. Effective implementation requires a sound performance management culture to enable positive policy changes, especially in times of a pandemic. Through this 2nd IR, eT Ready beneficiary countries and development partners can track progress; the scored performance assessment in the next section contributes to roughly quantifying the level of implementation rates. The analysis that follows helps to identify gaps and maintain an up-to-date overview of country priorities to further tailor eT Ready implementation initiatives, in a way to make support of national recovery plans from the COVID-19 pandemic more effective.

1.2 – eT Ready implementation scored performance assessment

Cambodia followed by Bhutan, Senegal and Togo are top performers. The 2nd IR has recorded 140 new implementation achievements in the 14 reviewed countries, across the 26 thematic items, which help to identify specific subsets of actions that are more commonly aligned to the countries' eT Readies recommendations.[11] According to the results of the scored performance assessment, Cambodia has renewed its standing as a top performer in terms of implementation. The country features the highest implementation rate of recommendations with a 92 per cent score, followed by Bhutan, Senegal and Togo, with 81 per cent each. The top three countries remain unchanged since the 1st IR, while Bhutan has joined the top ranks. Of the countries that participated for the second time, Bhutan, Uganda and Zambia significantly increased their implementation rates. Overall, the implementation rate for the eight countries that participated in the review for the second time stands at 73 per cent.[12] Same as the above-mentioned countries, eT Ready reports for Bangladesh and Solomon Islands were done before June 2019, but their respective implementations were reviewed

[9] E-commerce and the digital economy in LDCs: At breaking point in COVID-19 times | UNCTAD (2022)

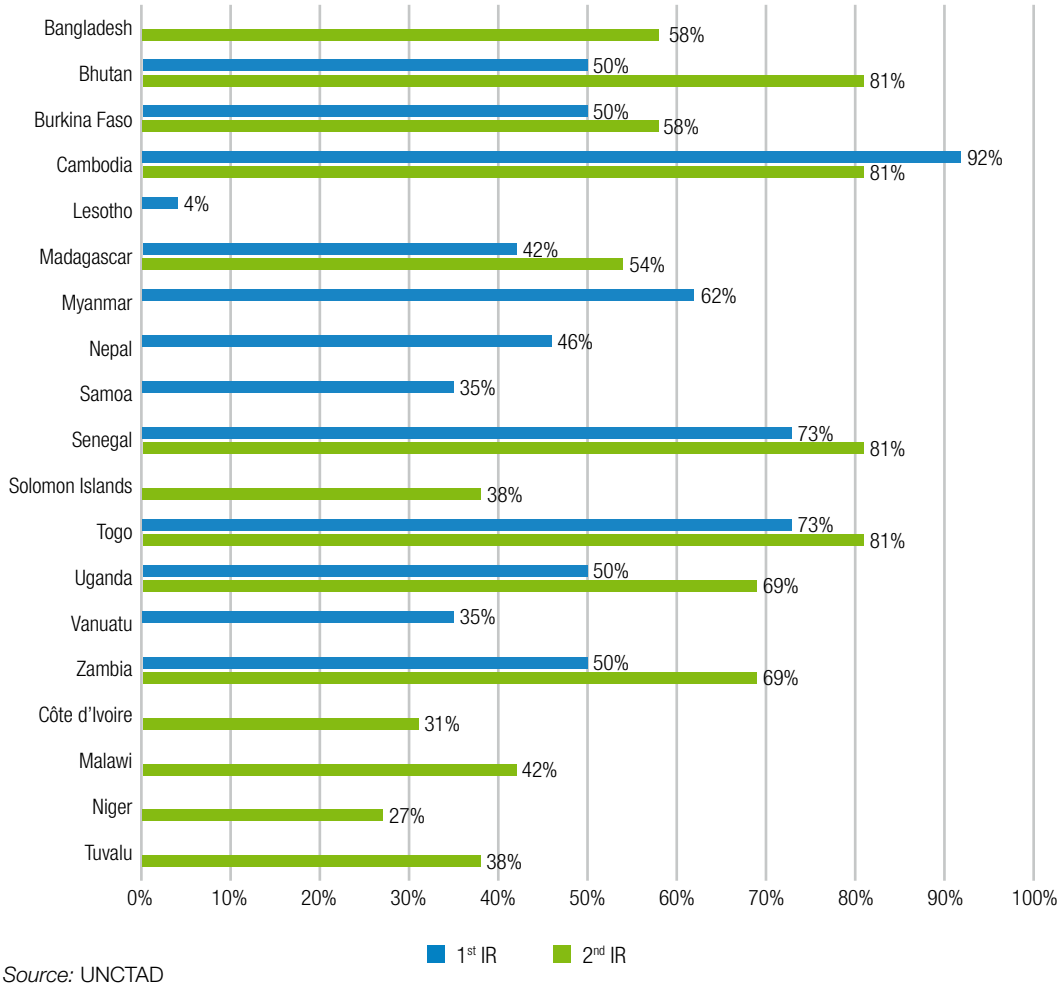
[10] See UNCTAD (2020) COVID-19 and e-commerce: impact on businesses and policy responses, UNCTAD (2021) COVID-19 and e-commerce: a global review, UNCTAD (2021) Technical Notes on ICT for Development No. 19

[11] This is the sum of the 79 new implemented actions in 2020-2021 from the eight countries that participated in both the 1st and 2nd IR, and 61 implemented actions from the six countries reviewed for the first time in the context of the 2nd IR. The 140 new actions will be the focus of Chapter 2. See Annex 1 for a detailed breakdown of the figures underpinning the scored performance assessment, as well as Annex 2 for an overview of countries' participation in implementation reviews, data analysis methodology and outline of the 26 thematic items.

[12] This is based on the 122 achievements already recorded in the 1st IR and 30 new ones in 2021 in additional thematic items (the latter will be presented in Chapter 2), for a total of 152 updated achievements. In the same group of countries, 49 new actions that consolidate previous achievements have been recorded (but not

for the first time in 2021. Altogether, the average implementation rate for the ten countries that have implemented the eT Ready for more than two years stands at 68 per cent. Meanwhile, countries for which an eT Ready was completed more recently, such as Côte d'Ivoire, Malawi, Niger and Tuvalu (with less than two year of implementation), have all made reasonable efforts. Their average implementation rate stands at 35 per cent. Overall, the average implementation rate across the 14 countries is 59 per cent.[13] Nonetheless, the implementation rates are useful to appreciate how countries are evolving and at what pace. In Figure 4, the rates are presented while distinguishing between countries that joined the first and second IR respectively.[14]

Figure 4 Implementation rates in the 1st and 2nd IR



Source: UNCTAD

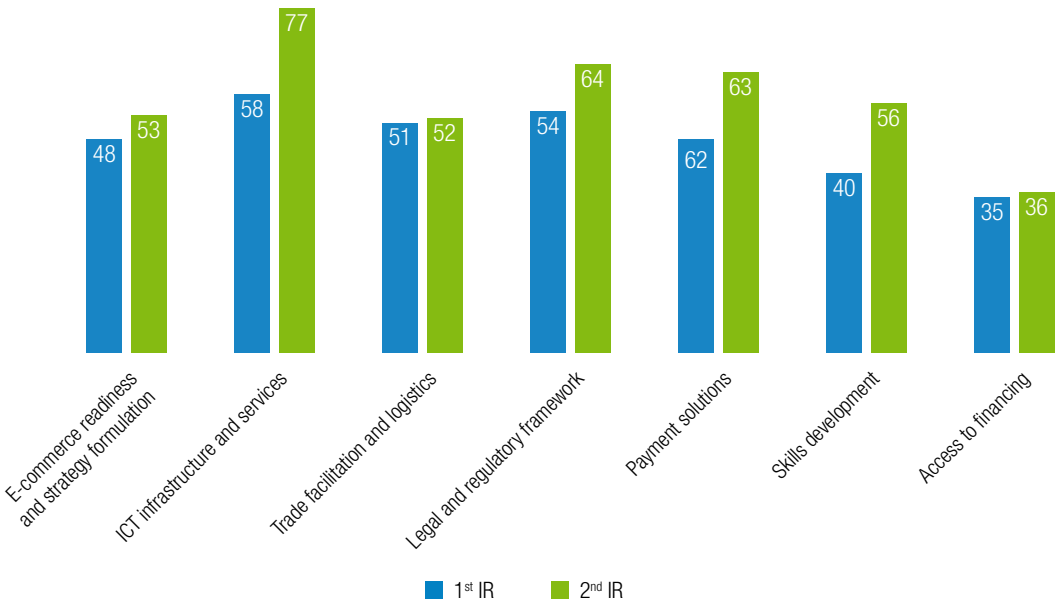
scored) and are also presented in Chapter 2. Only actions taken in new thematic items contribute to an update and improve a country's overall performance score.

13 Based on a total of 213 scored achievements, comprising 152 actions from eight countries reviewed in both the 1st and 2nd IR and 61 achievements in countries reviewed for the first time (the latter will be presented in Chapter 2).

14 The 14 countries covered in the 2nd IR are Bangladesh, **Bhutan, Burkina Faso, Cambodia,** Côte d'Ivoire, **Madagascar,** Malawi, Niger, **Senegal,** Solomon Islands, **Togo,** Tuvalu, **Uganda, Zambia.** The 1st IR covered 13 countries, namely those marked above in bold plus Lesotho, Myanmar, Nepal, Samoa and Vanuatu.

ICT infrastructure and services, legal and regulatory framework and payments are the areas where most of the implementation efforts are concentrated. By policy area, the highest number of actions undertaken by all countries relative to the entire set of possible implementable actions during the period under review were undertaken in ICT infrastructure and services, followed by legal and regulatory framework and payment solutions. Meanwhile, actions taken by countries with regards to skills development, trade facilitation and logistics, and e-commerce readiness, have an average implementation rate above 50 per cent. The main bottleneck remains access to financing, which is a concern considering the high importance of Micro, Small and Medium-sized Enterprises (MSMEs) in LDCs.

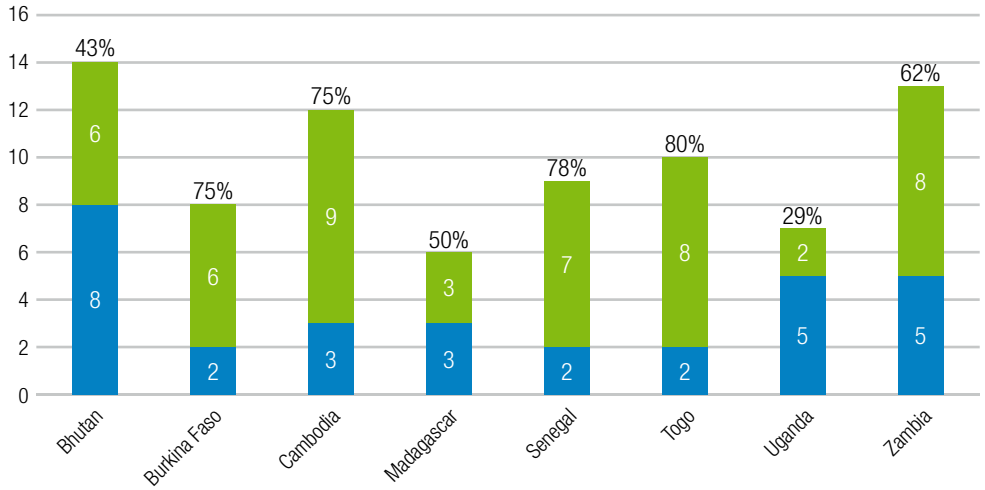
Figure 5 Implementation rate by policy area in the 1st and 2nd IR
(Percentage)



Source: UNCTAD

Most countries that participated in the first review are making efforts to consolidate previous achievements. Eight countries participated in both the 1st and 2nd IR, namely Bhutan, Burkina Faso, Cambodia, Madagascar, Senegal, Togo, Uganda and Zambia. From their submissions, different approaches to strengthening their e-commerce ecosystem are discernible. Some have primarily focused on implementing new actions addressing additional thematic items, while others have put more effort into strengthening areas in which some work had already been done. Figure 6 presents the total number of actions, rated per country in the 2nd IR. Out of a total of 79 actions undertaken in 2021 by the above eight countries, in relative terms, most countries have put more effort into strengthening previous achievements, while Uganda mostly took action to address additional areas. In absolute terms, Bhutan is the country that has taken the highest number of new actions. As a result, Bhutan recorded the highest increase from the 1st to the 2nd IR, moving from 50 to 81 per cent implementation rate.

Figure 6 Implementation approach of countries that participated in both the 1st and 2nd IR



N. of actions taken in new thematic items

N. of actions taken consolidating achievements in a given thematic item

N.B.: Percentages indicate rate of consolidated thematic items in 2021 vs. actions taken in new thematic items

Source: UNCTAD

Despite some differences in the approaches taken, most of the countries that were already on track in implementing recommendations in the 1st IR, have continued to consolidate their achievements. Looking more in-depth at the experience of the reviewed countries, there are several good practices and impacts worth highlighting.

1.3 – Successful approaches and impact highlights in eT Ready implementation

Strong political leadership and stakeholder mobilization capacity are key to fast-track implementation. The eT Readies have been instrumental for advancing some policy recommendations, influence national and regional policy developments and facilitate engagement with development partners. The four countries that stand out in terms of quantitative progress have in common a strong commitment at the Government level, with a strong political leadership by a championing ministry, which has helped to ensure stakeholder mobilization capacity.

- **In Cambodia** the Ministry of Commerce recognizes the catalytic role played by the eT Ready for several government initiatives in support of the e-commerce ecosystem. One recommendation prioritized by the Royal Government of Cambodia was to develop a National E-commerce Strategy. Led by the Ministry of Commerce, with strong involvement by the private sector, this strategy was launched in November 2020 with the view to building an inclusive and harmonized e-commerce ecosystem in the country. The eT Ready was leveraged well with the support of the Enhanced Integrated Framework (EIF) and the United Nations Development Programme (UNDP). They have worked towards implementing the strategy's recommendations through the "Go4eCam" project, a three year, two-million-dollar initiative that aims to boost domestic and international opportunities for MSMEs through e-commerce. Moreover, the growing importance of e-commerce has prompted the Government to develop a Digital Economy and Society Policy Framework 2021-2035, which sets out a long-term vision to build a vibrant digital

economy and society. The Government has also developed and amended laws and regulations aimed at governing e-commerce.

- **In Bhutan,** the Ministry of Economic Affairs has made good use of the eT Ready recommendations to strengthen the policy and governance framework of the e-commerce development agenda. The task force team led by the Policy and Planning Division established in 2019 has brought together a broad range of stakeholders from the public, regulatory and private sectors. Such a platform has fostered collaboration and provided the incentive to ignite reforms and spur investments in a wide range of policy areas, especially with regard to fostering connectivity, strengthening cybersecurity and digital payments infrastructure, organizing awareness campaigns and skills development programmes. The support from development partners, such as the EIF, ITC and UNDP contributed to shaping a national vision, first through the development of E-Commerce Guidelines, and more recently with a national E-commerce Policy in 2021.
- **In Senegal,** the eT Ready helped to catalyze the adoption of a strategic framework to promote the development of e-commerce and the digital economy. This framework is now an integral part of the implementation approach of the National Strategy of Senegal for E-Commerce Development ("Stratégie Nationale de Développement du Commerce Electronique au Sénégal", SNDCES) led by the Ministry for Trade and Small and Medium Enterprises. Building on the E-commerce Working Group established in the context of WTO discussions, the Ministry has managed to maintain a regular engagement with a wide of range of government agencies, and at the same time, to support the private sector in several aggregation initiatives and sharing resources, especially in the context of platforms established in the early response stage to the COVID-19 pandemic.[15] Building on a solid foundation, the government has made strides in building IT infrastructures (e.g., new data centres and cables) and increasing power generation capacity, as well as in helping digital entrepreneurship thrive through the passing of a Start-up Act.
- **In Togo,** the eT Ready conducted in 2018 was the first framework for public-private sector dialogue on e-commerce that has since then flourished. The sponsored Togo eCommerce Week held in August 2021 is an example of how the Ministry of Trade has, since the country benefited from the eT Ready, nurtured the dialogue with the private sector, and capitalized on it to provide impetus for e-commerce enabling initiatives. Strengthening the legal framework on data protection and cybersecurity infrastructure soon became a top priority, which led to the adoption of new laws and the establishment of an agency to manage cyberthreats. Connectivity has also benefited from new investments from the private sector, increased competition and better access to electricity. The telecom regulator has taken a proactive approach to make Internet more affordable. The national postal operator has also realized the potential of e-commerce to promote Made-in-Togo products and established a dedicated marketplace. In November 2021, the Ministry of Trade validated a national e-commerce strategy, which bodes well for a further coordinated approach to support the fast-growing Togolese e-commerce ecosystem.

In addition, good management practices have emerged and are proving to be useful in sustaining the implementation process.

Countries have flexibly incorporated the eT Ready recommendations into their policy development mechanisms. Feedback received from the countries reviewed indicate that they predominantly use the assessments as working documents to inform strategies, policies, laws and regulations rather than officially adopting the Action Matrix as a work programme. For example, in Malawi the eT Ready has been used as an advisory tool to inform the digital component of the 10-year implementation plan of the Malawi Vision 2063, as well as the Government of Malawi COVID-19 Socio-Economic Recovery Plan (SERP) 2021-2023.

[15] https://unctad.org/news/senegals-e-commerce-sector-helps-country-cope-covid-19

Box 3 Mainstreaming eT Ready recommendations for policy changes in Uganda

In the 2nd IR, Uganda reported that the eT Ready had helped the Government build a stronger analytical basis for engaging at the regional level during the development of the East African Community (EAC) e-commerce strategy. The eT Ready recommendations contributed to informing Uganda's decision to drop the "over the top services tax" that had previously been imposed on social media use. It also guided the gap analysis project for ICT Laws, Regulations and Policies that the National Information Technology Authority (NITA-U) carried out in conjunction with the Ministry of ICT and National Guidance, and it contributed to expediting the passage of a series of laws, such as the Data Protection and Privacy Act in 2019, the National Payment Systems Act in 2020 and the Data Protection Regulations in 2021. The Government has also invested in promoting local digital content to empower a local network of innovators, start-ups and young entrepreneurs, whose solutions are developed and commercialized through the National ICT Initiatives Support Programme, part of the Ministry of ICT and National Guidance, through which awards have been granted to a large pool of beneficiaries. Through such programmes, Uganda builds capacities to develop local content and reduce foreign dependency on the development of IT applications and products.

Source: UNCTAD

Monitoring is an essential component for a results-based management of the eT Ready Action Matrix implementation process. Half of the reviewed countries have implemented some form of monitoring mechanism to track progress in their e-commerce development. In Burkina Faso, Cambodia, Niger, Senegal and Zambia, the monitoring is part of a sector strategy or ministerial order, spurred by the eT Readies. The official endorsement of the eT Ready Action Matrix remains at the discretion of the beneficiary country, but this is something that countries could more actively consider, ensuring a more effective management process and more structured monitoring implementation progress.

National launches are increasingly used as engagement platforms to ignite implementation processes. Most of the countries have officially launched the eT Readies though dedicated national events. For example, the launches in Côte d'Ivoire, Malawi and Niger took place virtually in 2020 and 2021 and benefited from UNCTAD's support, resulting in high participation of a wide array of stakeholders showing interest in working collectively to foster the implementation process. Collaboration between UNCTAD and UN RCOs greatly helped to mobilize development partners. This led to follow-up discussions and initiatives. In Côte d'Ivoire, UNCTAD and UNDP have held discussions to expand ongoing capacity-building interventions on legal matters pertaining to e-governance. Malawi formalized a request in January 2022 to organize a multi-stakeholder dialogue and development partner roundtable to coordinate resource mobilization for priority projects. In countries where the eT Ready was finalized towards the end of 2021, namely in Jordan and Tunisia, Action Plans are being developed back-to-back with the eT Ready to turn selected priority recommendations of Action Matrix into an immediately operational tool guiding their implementation process.[16]

The eT Readies have been instrumental in supporting regional integration processes and the development of regional e-commerce strategies, building on national assessments and regional diagnostics. As was noted in the 1st IR, several countries in a region have applied the same assessments' methodology, and such an approach at the national level has contributed to shaping common regional visions around digital trade policies. For example, the East African

[16] This review covers countries with an eT Ready completed by June 2021. Jordan and Tunisia are not covered by this review, but their recent experience can be a useful reference for other eT Ready beneficiary countries.

Community Secretariat and the Pacific Islands Forum Secretariat (PIFS) have both embarked on developing regional e-commerce strategies using eT Readies as diagnostic tools. In the case of the PIFS, a Pacific E-Commerce Assessment was released in 2020 based on the five eT Readies conducted by UNCTAD in the region, plus another five conducted using UNCTAD's methodology. The regional assessment laid the analytical foundation for the development of the Pacific E-commerce Strategy and Roadmap in 2021. In support of regional efforts in this area, the United Nations Capital Development Fund (UNCDF), UNDP and UNCTAD have joined forces in the Pacific Digital Economy Programme (PDEP), of which the current inception phase is funded by the Australian Government. It includes both country-specific activities, and region-wide research and capacity-building activities.

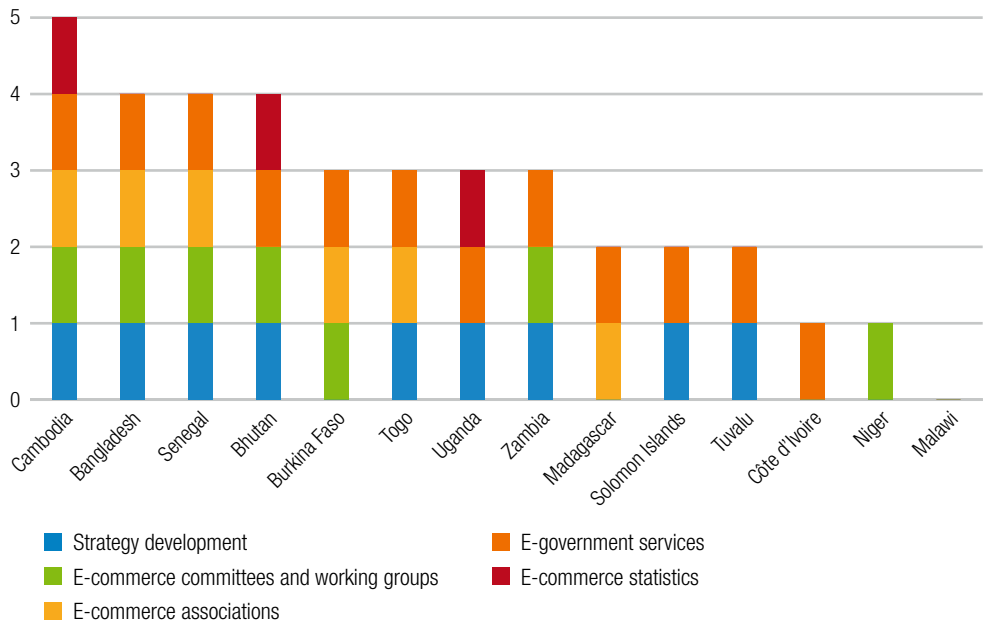
Similarly, the Economic Community of West African States (ECOWAS) Commission, jointly with West African Economic and Monetary Union (WAEMU), has taken stock of the findings of eight eTrade Readiness Assessments carried out in the region between 2018 and 2020. This has led the ECOWAS Commission to formally request UNCTAD's assistance in 2020 to develop a regional e-commerce strategy supportive of the Commission's strategic goals aimed at the emergence of e-commerce across the region, by providing a coordination and facilitation framework for Member States. A first regional preparatory workshop was organized in December 2020 in Abidjan by the ECOWAS Commission, in collaboration with UNCTAD, bringing together national ECOWAS representatives, several eTrade for all partners and the eTrade for Woman Advocate based in Abidjan. The Regional E-commerce Strategy development project officially kicked off in October 2021. The preparation of a Regional eTrade Readiness Assessment for ECOWAS – developed following desk review, data collection and consultations in the seven remaining ECOWAS Member States that had not yet conducted an eT Ready - is the first step towards the elaboration of the regional strategy.

2. LATEST COUNTRIES' ACHIEVEMENTS IN THE IMPLEMENTATION OF eT READY RECOMMENDATIONS IN THE SEVEN POLICY AREAS[17]

2.1 – E-commerce readiness and strategy formulation

There are encouraging developments in the area of e-commerce readiness and strategy formulation. Growing numbers of countries are working towards adopting, or have already adopted, policies and strategies specific to e-commerce. The majority of eT Ready beneficiary countries however do not yet have a full-fledged policy or strategy dedicated to e-commerce. Furthermore, seven countries in the 2nd IR report indicate that they have functioning e-commerce committees or working groups to oversee and coordinate developments of the sector. Often the committees' membership extends beyond the public sector to include private sector and civil society organizations. A similar picture is offered with respect to private sector associations specific to e-commerce players, which help them represent their interests more broadly. The IR shows an expansion of e-government services in 2021, spurred by the COVID-19 pandemic. Finally, a persistent gap in most countries is the systematic measurement and development of statistics of e-commerce and the digital economy (see Figure 7).

Figure 7 Number of implemented recommendations by country and thematic item under policy area "E-commerce readiness and strategy formulation"



Source: UNCTAD

[17] It is useful to remind the reader that the evidence presented in this chapter draws on the information recorded in the country profiles and sources have been referenced there, as needed. More specifically, this chapter does not present examples of achievements already recorded in the 1st IR, but focuses on the 140 newly recorded achievements in the 2nd IR. Nonetheless, the figures in this chapter featuring the number of implemented recommendations by country and thematic item under each policy area take stock of the overall achievements from both the 1st and 2nd IR, when applicable.

Five additional countries have developed national e-commerce policies and strategies. Bangladesh has introduced the Digital Commerce Operation Guidelines 2021 to implement the National Digital Commerce Policy 2020. Following the adoption of e-commerce guidelines in 2019, Bhutan has drafted an e-commerce policy, submitted for Government approval. Solomon Islands is in the process of developing an e-commerce strategy, as part of the PDEP. A committee has been established for elaboration of the strategy. In Togo, the Ministry of Trade, Industry and Local Consumption has developed a strategic e-commerce development plan that was validated in November 2021. Tuvalu is starting the process of developing a strategy and the PIFS approved its request for support in November 2021.

Uganda and Zambia are in the process of finalizing e-commerce strategies, while Cambodia and Senegal have moved to the implementation of their strategies. Burkina Faso has reiterated interest in developing a dedicated national e-commerce strategy as a follow-up to the 1st National E-Commerce Forum (FICEL – Forum inclusif sur le commerce électronique) organized in June 2021, while Malawi is seeking support through the EIF for the drafting of e-trade policy and regulations.

Four countries have recently established dedicated e-commerce multistakeholder committees and working groups, while others are using existing structures for coordination purposes. In January 2021, Cambodia set up the Inter-ministerial Committee for Monitoring Implementation of E-commerce Strategy and Steering Development Projects related to E-commerce, with 33 members from 15 ministries and public institutions. Since October 2021, Zambia has had an E-commerce Technical Working Group, which comprises regulatory agencies, the Post, line ministries, civil society and the Bank of Zambia. The formation of multistakeholder coordination structures in Burkina Faso and Niger was directly related to a process ignited by the eT Ready. Burkina Faso introduced a new e-commerce committee in July 2020. The "Comité de développement du commerce électronique" has 48 members from the public sector, regulatory agencies, chambers of commerce, professional organizations, especially banking and IT professionals, telephone operators and civil society. In April 2021, the Ministry of Commerce and Private Sector Promotion of Niger set up the National Consultative Committee on Electronic Commerce. It started operations in July 2021 and has 30 members from six ministries, regulatory agencies, as well as from the private sector.

Other countries are using existing structures. In Bangladesh, a High-Level Digital Commerce Advisory Committee has been in place since 2018. It consists of 18 members from the public sector, the central bank, chambers of commerce, IT and e-commerce business associations. The Government of Bhutan set up a multistakeholder task force to develop the e-commerce policy in 2019. It is comprised of 11 members from ministries, regulatory agencies, such as consumer protection and media authorities, and the private sector. In Senegal, while the structures for the SNDCES implementation are yet to be put in place, the "Groupe de travail sur le commerce électronique" works as a public-private sector working group tasked with overall strategic coordination of e-commerce development activities.

In most countries, structured and institutionalized representation of e-commerce businesses is still at its infancy. Among the countries reviewed, only Bangladesh has a well-established sector-wide representation of e-commerce businesses. The e-Commerce Association of Bangladesh (e-CAB) was set up in 2015 and still actively represents the interests of e-commerce businesses, with over 1,600 members. Cambodia has two relatively new business associations in the e-commerce sphere: the Cambodia e-Business Association, which aims to empower e-business operators, and the Cambodia Digital Technology Association, targeting technology companies as its members. In September 2021, the new associations and the Ministry of Commerce co-organized a virtual workshop on "Shaping Cambodia's Future E-commerce Ecosystem," in partnership with the Australian Embassy in Cambodia. The weak representation of e-commerce businesses and digital entrepreneurs in policy development is even more obvious for women entrepreneurs, even though women have an important role to play in the future of the economy. According to an International Finance Corporation report issued in 2021, women could add over $14.5 billion to e-commerce markets in Africa alone and $280 billion in South-East Asia,

between 2025 and 2030.[18] More gender-inclusive policymaking processes and fostering more inclusive environments would generate more opportunities, not only for women, but for everyone.

Box 4 Raising the voice of women in policy development

Launched in September 2019 by UNCTAD, the eTrade for Women initiative aims at advancing inclusive and sustainable economic growth by empowering women in the digital economy, in line with Sustainable Development Goals 5 and 8. The initiative combines the transformative power of women entrepreneurship with the positive impact of digital technologies. Throughout 2021, eTrade for Women (eT4W) facilitated the participation of women entrepreneurs based in eT Ready beneficiary countries in public-private policy dialogues; they called for a more inclusive digital economy.

For instance, the eT4W Initiative was able to leverage the action of its Advocate for Western Africa, Ms. Patricia Zoundi Yao, in bringing the voice of women digital entrepreneurs to the policy table. Ms. Zoundi Yao notably participated in the eT Ready of Côte d'Ivoire, sharing the perspective of SMEs and providing recommendations on how envisaged reforms could impact merchants. Her views were critical to inform policymakers and ensure that the measures would be understood by and better tailored to the needs of the business community. She says, "By bringing all the concerned actors around the table, it will be easier to implement new measures because they have been previously discussed and agreed upon." Since then, Ms. Zoundi Yao has had several interactions with both the Ministries of Trade and of the Digital Economy of Côte d'Ivoire, as well as with the ECOWAS representatives, providing advice on digitalization and gender issues.

Members of the eT4W Communities – the regional chapter of the initiative aiming at building networks of women digital entrepreneurs – are also actively participating in the public-private dialogue by sharing their views, experiences and advice in eT Ready beneficiary countries. Members of the Communities based in Cambodia and Senegal contributed to the workshops organized by UNCTAD to fast-track the eT Ready implementation and facilitate the dialogue between the stakeholders of the digital economy (see Box 2). Some of the members are also actively contributing to the transformation of digital ecosystems and creating long-term impact. For instance, Betty Bâ, a member of eT4W Communities based in Senegal, was appointed in 2021 as national consultant in communication and digital inclusion.

Source: UNCTAD

Cambodia, Togo and Zambia have built on previous achievements to develop new e-government services. In Cambodia, businesses can use a single window service to comply with registration requirements with different entities in one go. In Togo, among the e-government services made available in 2021, online users can request a criminal records certificate and the incorporation of new companies. Zambia has extended its offer of e-government services through ZamPortal. At the end of 2021, 128 services were available compared to 51 at the beginning of the year. The offer includes also dedicated services for businesses to register new entities and pay taxes. Uganda continues to provide many services to citizens and businesses via its eCitizen portal initiated by NITA-U, which were recently expanded to include resources around COVID-19.

Collection of statistics on e-commerce transactions remains a paramount challenge. Often data on digital payments are used as a proxy to gauge trends in the digital economy. This is the case of Bhutan's Royal Monetary Authority, where import and export statistics are maintained

[18] https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/gender+at+ifc/priorities/digital_economy_sa/ecommerce

by the Department of Revenues and Customs. Since 2018, the Ministry of Economic Affairs has provided e-commerce licenses and collects data on the licensees. However, official statistics on e-commerce and the digital economy (use of ICT by businesses) in LDCs remain scarce. To improve the availability of such statistics, UNCTAD can help build the capacity of national statistical offices and other producers of official statistics to conduct ICT business surveys (see Box 5). Regarding e-commerce in particular, many countries are interested in measuring its overall value in the economy or even cross-border flows, but the methodology and statistics remain elusive. Throughout 2022, UNCTAD will be conducting a stocktaking of e-commerce value measurement methods that should highlight best practices and help countries improve the measurement of domestic and cross-border e-commerce in the future. The annual UNCTAD Working Group on Measuring E-Commerce and the Digital Economy provides a further opportunity for countries to learn from each other's experiences in this endeavor. The next meeting of the Working Group is planned for 28-29 November 2022.

Box 5 UNCTAD's Manual for the Production of Statistics on the Digital Economy[19]

The demand for digital economy statistics continuously increases as more developing countries seek to design, monitor and review national policies and strategies to take advantage of ICTs. Business communities also require information about access to, and use of, ICTs by various consumer groups, as well as information about the impact of ICTs. At the international level, comparable ICT indicators are critical for allowing for cross-country comparisons, for monitoring the digital divide and for establishing policy-relevant benchmarks.

The 2020 edition of the UNCTAD Manual for the Production of Statistics on the Digital Economy provides guidance to statisticians from developing countries through all the steps involved in the production and dissemination of statistics related to e-commerce and the digital economy. The Manual focuses on the core indicators of the Partnership on Measuring ICT for Development that are under UNCTAD's responsibility, related to the use of ICT by businesses, the ICT sector and international trade in ICT goods and services. UNCTAD offers a training course focused on transmitting the concepts contained in the UNCTAD Manual. UNCTAD will pilot the delivery of an online version of the course, in English, for Pacific Island countries during the first half of 2022. Following the pilot, the online training course in English may be made available to other regions in partnership with regional statistical and economic organizations. Subject to the course of the pandemic, face-to-face delivery of the course could also be possible in the future.

Source: UNCTAD

2.2 – ICT infrastructure and services

E-commerce development is constrained by the lack of affordable and available ICT infrastructure. A broad range of public and private initiatives are supporting the effort towards greater coverage and more reliable and affordable access to the Internet and ICT as can be seen from the number of implemented actions in Figure 8.

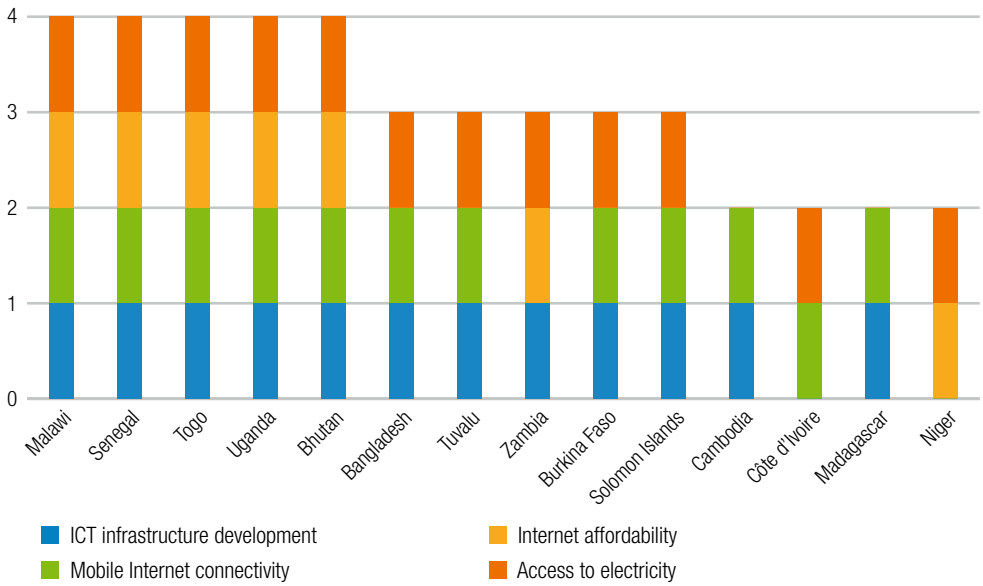
The gap of individuals' Internet use in LDCs relative to developed countries has decreased over the past years. According to ITU estimates, between 2019 and 2021, Internet use in Africa and the Asia-Pacific region jumped by 23 per cent and 24 per cent, respectively, and now accounts for 33 and 61 per cent, of their respective population. Looking at LDCs, the number of Internet users

[19] Manual for the Production of Statistics on the Digital Economy 2020 | UNCTAD

stands at 27 per cent of the population. However, the gender and urban/rural disparities remain significant. On average, only 19 per cent of women are using the Internet in LDCs, 12 percentage points lower than men.[20]

The importance of establishing or upgrading ICT infrastructure in eT Ready beneficiary countries is evident (see Figure 8). Nearly all are undertaking ICT infrastructure development projects, from improved fibre optic networks, expanded telecommunication tower networks to submarine connections. Furthermore, the coverage and service options of mobile Internet are expanding, and more countries are moving towards the Broadband Commission's target of entry-level broadband access at prices below two per cent of monthly per capita income. However, even when such target is met, the lowest income groups in a country can still be priced out of affordable service. For example, the lowest income quintile groups in Sub-Saharan Africa still face average prices of over 39 per cent of monthly GDP per capita.[21] Countries are complementing their ICT infrastructure development by strengthening their electrical grids, shifting towards renewables and developing new sources of electricity. This is even more important in Sub-Saharan Africa where electrification is lagging behind population growth in many places, and overall, the share of the population without access to electricity stands at 46 per cent.[22]

Figure 8 Number of implemented recommendations by country and thematic item under policy area "ICT infrastructure and services"



Source: UNCTAD

Countries reviewed are pursuing a wide variety of ICT infrastructure development projects. Cross-country and regional backbone projects gain momentum in landlocked and continental countries, while boosting connectivity through undersea cables is high on the agenda in small island developing states. Bangladesh Telecommunications Company Limited aims to expand speed and access to broadband connections and is planning to bring 5G infrastructure to all regions by 2023, while it continues to extend broadband access to rural areas. Bhutan is pursuing

[20] Measuring digital development: Facts and figures 2021 (itu.int)

[21] The State of Broadband 2021: People-Centred Approaches for Universal Broadband ITU/UNESCO Broadband Commission for Sustainable Development

[22] Figure of the week: Increasing access to electricity in sub-Saharan Africa (brookings.edu)

multiple projects to expand ICT within the country and its international links. The DrukREN project currently connects research and education institutions in 11 out of 20 districts with highspeed backbone network. In June 2020, the contract was signed for an expansion to all 20 districts and more than 160 institutions. To make the local Internet infrastructure more reliable, Bhutan aims to establish a third international gateway, connecting it through Bangladesh and India. Through the Rural Communication Programmes funded by a Universal Service Fund, the Bhutan InfoComm and Media Authority is in the sixth phase of the programme to connect 66 additional villages. In Malawi, a second phase of the National Fibre Backbone Project was launched in June 2021. Implemented by Huawei, it will extend the existing fibre optic network by 3,000 km.

Senegal is expanding its fibre optic backbone, with a target of 15,000 km. In 2020, Orange launched a fibre optic network called Djoliba that connects Burkina Faso, Ghana, Guinea, Ivory Coast, Liberia, Mali, Nigeria and Senegal. Senegal's connections to submarine cables continue to expand. This includes the link to MainOne in 2019, the Senegal Horn of Africa Regional Express cable, which has connected Senegal to Cape Verde since 2021, a planned link-up with the EllaLink cable from Brazil to Portugal and the planned 2Africa cable by a Facebook-led consortium. Madagascar has made progress in connecting to international submarine cables, first to the 2Africa cable in 2020 and more recently by joining the Metiss project.

Since early 2020, three of the major islands and multiple provinces in Solomon Islands have been connected to the submarine Coral Sea Cable System that connects the country to Australia. Furthermore, the Government passed a cabinet paper to construct 200 additional telecommunications towers for 3G and 4G network, to be completed by 2023. In mid-2020, Tuvalu Telecommunications Corporation signed a new five-year agreement with Kacific to provide high-speed broadband connectivity via satellite. By April 2021, more than 50 business customers, including government offices and 11 schools had been connected.

The relatively high mobile penetration, in both developing countries and LDCs, underpins continuous efforts to improve mobile connectivity. Coverage of 3G and 4G networks has substantially improved globally over the last few years, but in LDCs only about half of the population is covered by a 4G network, and 17 per cent of the population does not have any access to a mobile broadband network.[23] Furthermore, the usage gap is significant in Sub-Saharan Africa, where more than 50 per cent of the population live in areas covered by mobile broadband networks but do not yet use mobile Internet services. While basic telephones have now become very widespread, the affordability of smartphones remains a critical factor hindering Internet use.[24] The following countries reviewed have made some concrete efforts over the last two years to boost connectivity. In Bangladesh, mobile coverage with 4G expanded significantly in the past few years and reached 97 per cent in 2020. First 5G connections were scheduled to be in place by the end of 2021. In Burkina Faso, Internet use has expanded sizably during the past year, from 37 per cent in Q1 2020 to 56 per cent of the population using mobile Internet in Q1 2021. Internet coverage has expanded in Côte d'Ivoire: by January 2021, 95 per cent of the population was covered by 3G and 60 per cent by 4G. In 2021, the "Projet de Solutions Numériques pour le Désenclavement des zones rurales et l'e-Agriculture" was launched, funded by the World Bank, to expand connectivity in rural areas. In Malawi, a third mobile operator, Nyasa Mobile, received its national license in August 2020, while other potential operators saw their licenses revoked due to missing deadlines on rolling out their services. In Solomon Islands, mobile connectivity of 3G networks expanded to three new provinces, while 4G was extended to Auki, Gizo and Munda. Similarly, in Tuvalu 4G coverage has expanded to the outer islands recently.

[23] Measuring digital development - Facts and figures 2021 (itu.int)

[24] GSMA (2021), The Mobile Economy Sub-Saharan Africa 2021

Box 6 Greater international cooperation needed to address the vulnerability of undersea cables

In January 2022, a major volcanic eruption and tsunami in the Pacific Island of Tonga ruptured the only 872 km long fiber-optic submarine cable connecting Tonga to the rest of the world, and it took five weeks to be repaired. This event reminded us how much our modern societies are dependent on such critical network infrastructure made of submarine cables, that transport 95 per cent of international data necessary for our many online activities, including e-commerce. To date, accidental or nature-provoked damages are quite frequent. There are about 200 such failures each year, mainly caused by accidental human activities (fishing nets and trawling, and also ships' anchors). Events of such a scale as was seen in Tonga, mainly caused by hurricanes, earthquakes and other natural events are, luckily, less frequent. More and more over the last decade, also due to multiple geopolitical tensions, the vulnerability of such infrastructure has increasingly become a cybersecurity concern. Works related to laying and maintaining underwater cables are led by major private sector operators of the telecom and Internet industry. Considering the amount of security and defense information exchanged through these cables, concerns have been raised over the risk of cyberattacks, ransomware and espionage. International legal protections are inadequate to regulate the complex ownership structure of cable infrastructure, not least when submarine cables traverse disputed maritime boundaries, and the United Nations Convention on the Law of the Sea does not fully protect cables. To increase the resilience of countries to the resulting socio-economic shocks when cables are down, regulatory cooperation and risk-management plans should be strengthened. In such a context, diversification of infrastructures (multiple cables and entry points), use of different technologies (e.g., via affordable satellite-based systems) and innovative governance models of these vital infrastructures become even more critical.

Source: UNCTAD[25]

Making Internet more affordable requires bold interventions in COVID times. In May 2020, the Government of Malawi, supported by civil society, reduced the prepaid mobile Internet rates from 25 Malawian Kwacha (MWK) per megabyte (MB) to 5MWK on average, with lower tariffs for students. Similarly, the prices for postpaid tariffs were reduced in April 2021 to below 3.5MWK per MB. In Niger, the telecommunication market has been further opened to competition with three additional Internet providers licensed in February 2021, a move that is supposed to promote digital inclusion. In Togo, building on previous efforts recorded in the 2020's review, the telecom regulator (ARCEP) set in January 2021 the consumer pricing principles applicable to different services provided by telecom operators. This followed a decision from ARCEP to reduce USSD access costs charged by telecom operators to third-party service providers (e.g., fintechs, start-ups, etc.).

The electricity access gap is most significant in Africa, but more and more countries are investing in expanding power supply capacity. Investments in renewable energy sources, such as wind and solar, are gaining traction in most of the countries reviewed. In Burkina Faso, multiple projects are underway, including the World Bank-funded Solar Energy and Access project, which will support the electrification of approximately 300 selected rural localities. In Malawi, the first

[25] Based on the following sources (last access 8 March 2022): The global Internet is powered by vast undersea cables. But they're vulnerable. - CNN, Invisible and Vital: Undersea Cables and Transatlantic Security | Center for Strategic and International Studies (csis.org), The Tonga volcanic eruption has revealed the vulnerabilities in our global telecommunication system (theconversation.com), Tonga volcano: Internet restored five weeks after eruption - BBC News

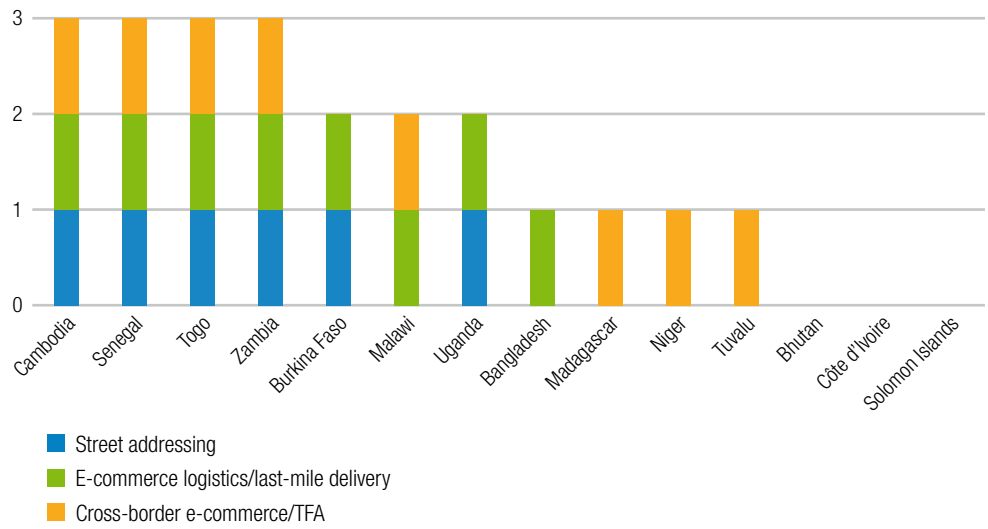
utility-scale solar plant in the country with a capacity of 60 MW was inaugurated in November 2021 in Salima District, and another 20 MW plant is under construction in Dedza District. Combined, they will contribute to increase the country's power generation capacity by 15 per cent. Access to electricity is expanding in Senegal where the first part of the wind power plant Taiba Ndiaye was launched in 2020. It is expected to add 158 MW to the country's energy generation capacity. In recent years, the rural electrification rate has increased to around 60 per cent and the country aims to have universal access by 2025. In Togo, two major power plants became operational in 2021. These are a photovoltaic plant in Blitta (which is supposed to cover 9 per cent of electricity demand from the central region) and the Kékéli Efficient Thermal Power Plant at the Port of Lomé (which is supposed to cater to the needs of 250,000 households). In Uganda, the number of people having access to electricity increased from 1.3 million in Q2 2018 to 1.7 million in Q2 2021. In Zambia, the first part of a new hydro power plant (Kafue Gorge Lower) was inaugurated in July 2021, and the country is also diversifying its power supply through solar and wind power.

Looking at Asia-Pacific countries, the Government of Bhutan launched the Sustainable Hydropower Development Policy in April 2021 to cope with the growing electricity demand that could soon exceed generation capacity. In Solomon Islands, a new hydro power project on Guadalcanal was approved in July 2021 that will add 15 MW to the country's electric capacity. Moreover, Solomon Power is developing solar power projects and the Government is developing a national energy strategy to analyze sources for renewable energy and improve electrification. In Tuvalu, where all the population has access to electricity, the share of solar power in the country's energy mix stands at 19 per cent and the aim is to rely on renewable energy entirely by 2025.

2.3 – Trade facilitation and logistics

E-commerce strongly relies on extensive last-mile logistics and improved trade facilitation measures. Relatively few new initiatives in this area were observed in this Review, in part driven by limitations due to COVID-19 restrictions. The lack of physical addressing systems remains a major bottleneck, with only six countries reporting new measures. A few countries have taken new actions to expand the network of pick-up centres and to promote the digital transition of the national postal operators. Nevertheless, eight countries have so far implemented actions to facilitate cross-border trade, such as improving or introducing single window procedures and trade portals (Figure 9).

Figure 9 Number of implemented recommendations by country and thematic item under policy area "Trade facilitation and logistics"



Source: UNCTAD

Even when countries have national street addressing plans, they struggle to make tangible achievements. In Bhutan, Burkina Faso, Cambodia, Cote d'Ivoire, Malawi, Togo, Uganda and Zambia such initiatives are at different stages of implementation. For example, the Malawi Communications Regulatory Authority is working on its National Addressing System, which is supposed to eventually include complete street addressing and a GIS database locating all addresses in the country. All cities have started implementing the system, with municipalities and district headquarters targeted next. The use of GIS and digital addressing solutions is increasingly becoming part of street addressing projects implemented by the countries studied, aligned with recommendations by the Universal Postal Union (UPU).[26]

The logistics sector is developing better services suited to meet the growing demand for e-commerce. The pandemic has greatly affected traders across the globe and disrupted value chains,[27] but at the same time, it has accelerated the integration of e-commerce in the business models of the different players in the postal, delivery and logistics sector.[28] In Bangladesh, the delivery sector has become more appealing for investors, as seen in the investment of Ecom Express in Paperfly, the largest third-party e-commerce logistics firm in the country. The Malawi Posts Corporation is introducing PostGlobal, a system already used in 15 countries and that allows for track and trace of parcels. To improve last-mile delivery in Uganda, post and courier services increased the number of registered pick-up centers used for mail processing and delivery increased by 18 per cent, amounting to 571 between the last quarter of 2020 and the first of 2021. Similarly, in Senegal, the Project JEGE started in 2020 to create a network of pick-up points for e-commerce shipments that ensures more reliable and safe delivery of packages. The Société des Postes du Togo (SPT) launched the platform www.assiyeyeme.tg in 2020, an online marketplace for "Made in Togo" artisanal products, with last-mile delivery ensured by the SPT logistics network. To improve access to e-commerce in Zambia, the Post is introducing the Electronic Postal Management System (eZamPost) to allow access to the postal services as well as multi-channel payments. This reflects a renewed impetus of the Government to facilitate the digital transition of the postal sector, as recognized in the first-ever National Postal Policy 2021-2031.

Countries are fostering an enabling environment for cross-border e-commerce through trade facilitation reforms. The implementation of trade facilitation measures remains heterogeneous, with some countries (such as Bangladesh, Cambodia, Malawi and Zambia) scoring above 60 per cent in the 2021 UN Global Survey on Digital and Sustainable Trade Facilitation and others still remaining at the beginning of their implementation process, such as Madagascar (see Figure 10).[29]

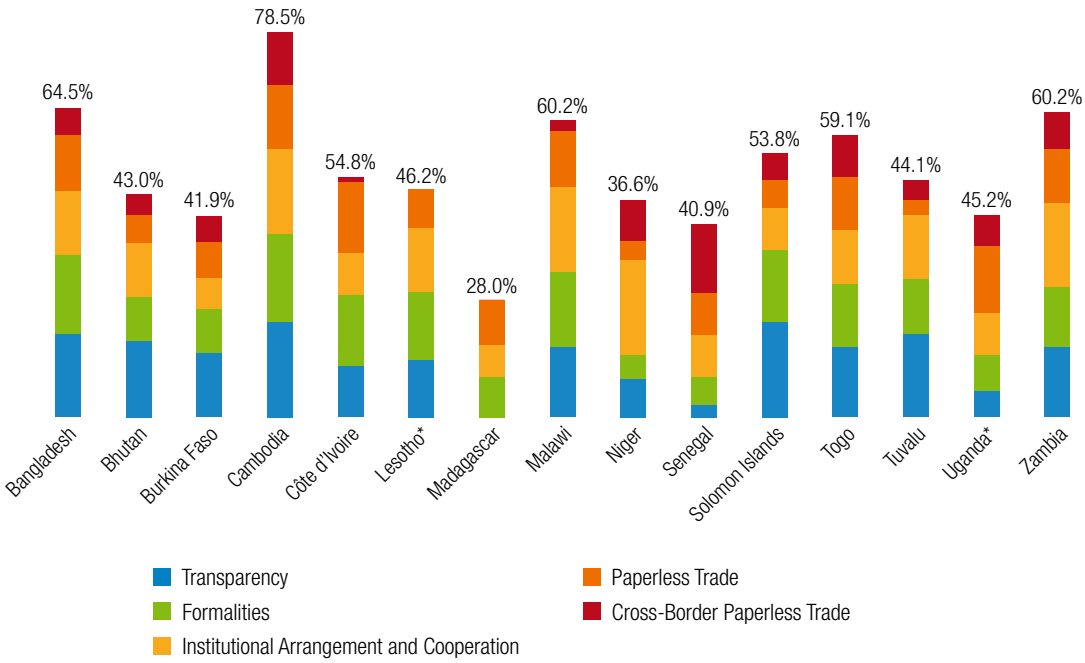
[26] Addressing Assistance to Countries (upu.int)

[27] For example, in cases where performance was disrupted, a plethora of legal issues and claims arose, potentially leading to the need for dispute resolution, possibly costly litigation, and giving rise to a range of jurisdictional issues in a globalized context. UNCTAD has carried out extensive analysis and provided useful recommendations addressing some of the key commercial law implications of COVID-19, see Transport policy and legislation | UNCTAD

[28] Covid-19 and e-commerce impact on businesses and policy responses (unctad.org)

[29] It useful to note that there is not necessarily a correlation between the scores of the UN Global Survey on Digital and Sustainable Trade Facilitation and the findings, as well as the country's score in the 2nd IR under thematic item 'Cross-border e-commerce/TFA'. The latter focuses on latest achievements highlighted by the reporting country.

Figure 10 Scores of the 2021 UN Global Survey on Digital and Sustainable Trade Facilitation (or latest available, marked with *)



Source: UNCTAD, based on data available at https://www.untfsurvey.org/

All participating countries in this review have now established a National Trade Facilitation Committee (NTFC) that is spearheading reforms in line with the WTO Trade Facilitation Agreement. UNCTAD's Trade Facilitation Programme helps to empower NTFCs and is scaling up its support to foster collaboration in the monitoring and implementation of reforms through the Reform Tracker, a web-based project management and monitoring tool.[30] Among the reviewed countries, for example, Cambodia, Lesotho, Madagascar, Malawi, Uganda and Zambia are making use of the Reform Tracker. NTFCs have a crucial role to play by ensuring that implementation of trade facilitation reforms is tailored to the special requirements of cross border e-commerce.[31] Closer linkages between NTFCs and stakeholders involved in eT Ready implementation could be beneficial to look at trade facilitation reforms from an e-commerce enabling perspective.

Among the countries reviewed, several examples of progress in the implementation of trade facilitation reforms have been recorded. To improve the processing speed of cross-border e-commerce, Cambodia Post and the Ministry of Commerce are collaborating with UPU and UNCTAD to interface UPU's customs declaration system (CDS) with ASYCUDA's customs system. The Global Alliance for Trade Facilitation, through implementing partner Swisscontact and in partnership with Cambodia's Ministry of Commerce (MoC) have embarked on a project entitled "Improving Small Package E-Trade for SMEs (SeT4SME)," that is expected to contribute to improving pre-arrival processing in Cambodia, reduce time and costs for express shipments. Cambodia is a party to several regional agreements (ASEAN, RCEP) and bilateral free trade agreements (with China and the Republic of Korea) with provisions on cross-border e-commerce cooperation. In Madagascar two major trade facilitation projects kicked off in 2021. One project (ePhyto) will digitize phytosanitary certificates, while the second will introduce a system of advance rulings on tariff classification and customs origin. In May 2021, the NTFC was made aware of

[30] UNCTAD Reform Tracker

[31] Is the WTO Trade Facilitation Agreement an enabler of e-Commerce? | UNCTAD

the benefits of integrating eT Ready recommendations into its work programme to focus more on the facilitation of cross-border e-commerce. Towards the end of Q2 2020, Zambia launched the Zambia Trade Information Portal, a one-stop platform on information for import and export procedures.[32]

Countries that have most recently concluded an eT Ready have realized the potential of trade facilitation reforms to sustain cross-border e-commerce. Malawi is part of UPU's Regional Project on Operation Readiness for E-commerce (ORE), which modernizes IT systems and processes to prepare participating countries to harness global e-commerce growth for their own development. Furthermore, UPU is supporting the implementation of the custom declaration system (CDS), which will be integrated with the Malawi Revenue Authority to handle inward e-commerce. With International Trade Centre (ITC) support, Niger introduced advanced rulings for customs to speed up the import and export process. In March 2021, the Government adopted a draft decree to set up a Single Window through a public-private partnership. Since December 2021, Tuvalu started using UNCTAD's ASYCUDAWorld customs management software that will help to automate import and export clearance processes. In addition, the Government developed a National Trade Development Strategy with the support of the EIF and the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) in the second half of 2021. UNESCAP intends to perform a Readiness Assessment for Cross-Border Paperless Trade in 2022,[33] which should support cross-border trade in the future. Targeted and differentiated assistance from eTrade for all partners is essential to support eT Ready beneficiary countries in their reform efforts.

2.4 – Legal and regulatory framework

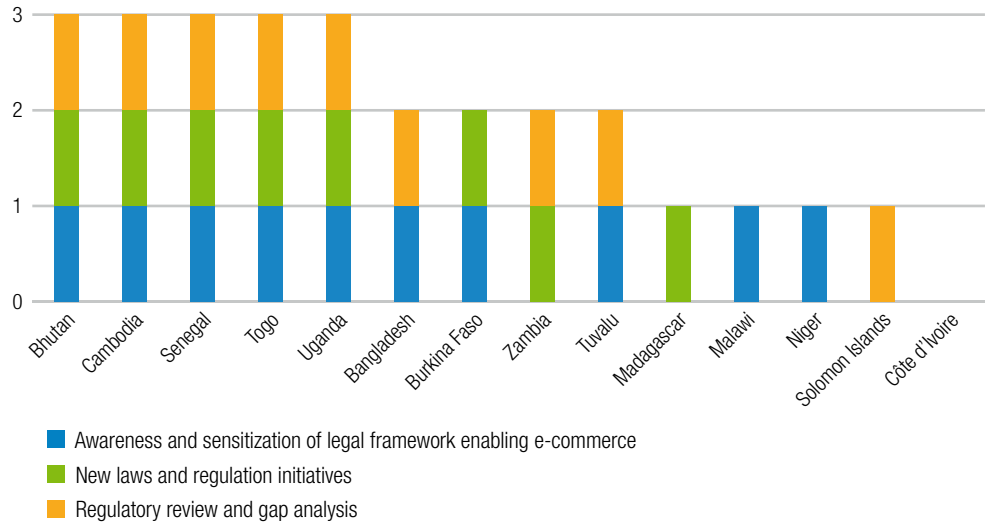
The legal and regulatory framework for e-commerce is vital to building trust in online transactions. Laws on electronic transactions, consumer protection, data protection, cybercrime and e-payment are needed for countries to strengthen the e-commerce sector. According to the latest update of the UNCTAD Cyberlaw Tracker 2021, despite an increase from the previous update, LDCs are still lagging in terms of adoption of laws in the above areas. Cybercrime has attracted greater attention and 70 per cent of LDCs has a law in this field, followed by law on electronic transactions (63 per cent), privacy and data protection (48 per cent) and consumer protection (41 per cent).[34] Bangladesh, Senegal, Solomon Islands, Togo and Tuvalu have recently undertaken legal and regulatory reviews and gap analyses. The majority of countries are in the process of developing and adopting new laws and regulations, often complemented by awareness-raising campaigns around the legal framework of e-commerce, particularly consumer protection (see Figure 11).

[32] Useful to note that also Burkina Faso, Niger, Solomon Islands, Tuvalu and Uganda have implemented UNCTAD-assisted Trade Information Portals.

[33] Readiness Assessments for Cross-Border Paperless Trade | ESCAP (unescap.org)

[34] Least developed countries still lag behind in cyberlaw reforms | UNCTAD

Figure 11 Number of implemented recommendations by country and thematic item under policy area "Legal and regulatory framework"



Source: UNCTAD

Gap analysis of e-commerce legal frameworks remains a priority. In Africa, this is the case of Senegal and Togo. In Senegal, following a workshop on the harmonization of the legal framework applicable to the ICT sector held in June 2021, the Government undertook an analysis of the e-commerce legal and regulatory framework and decided that in the future, laws and regulations should be finalized within six months and have a more inclusive process. The Government further aims to harmonize provisions across various laws and regulations, namely the penal code, the electronic communications code, the laws on electronic transactions, cybercrime, personal data protection and encryption. In Togo, ARCEP assessed the gaps in the law on electronic transactions and its implementing decree aimed at promoting confidence in trust services, including the accreditation of e-signature service providers.

Similar efforts have been undertaken in the Asia-Pacific region. In Bangladesh, the Ministry of Commerce set up a new committee in September 2021 with similar composition to the High-Level Digital Commerce Advisory Committee, and tasked it with reviewing current legislation and recommending new laws on e-commerce. In Solomon Islands, a regulatory gap analysis is part of the Inclusive Digital Economy Scorecard project of UNCDF and the Government, which highlighted regulatory gaps to develop the e-commerce ecosystem. With the assistance of EIF, a gap analysis of Tuvalu's e-commerce legislative framework was performed, and an option paper was presented in a validation workshop in September 2021. In addition to these national efforts, UNCTAD prepared a regional e-commerce legislation gap analysis for the Pacific under the PDEP. The gap analysis is scheduled to be followed up by a regional training course on Legal Aspects of E-Commerce early 2023, after which it will be finalized and published as an official regional report.

Once gaps are identified, countries are undertaking initiatives to strengthen the legal framework. In March 2021, the National Assembly of Burkina Faso adopted the law on the protection of personal data, which includes provisions on data transfer abroad, adds stricter guidelines for the use of health data and introduces data protection officers in entities that collect personal data. Cambodia is expanding the legal framework relevant to e-commerce through implementing regulations of the Laws on E-commerce and Consumer Protection passed in 2019. The National Assembly also adopted a competition law in October 2021 to improve economic efficiency of the private sector and make the country more attractive to investments and new business creation. A cybercrime law, a Sub-decree on Management and Incentives for Digital

Startups and a Prakas (official proclamation) to support tech start-ups have also been drafted. Madagascar is pursuing major legal reform works at different stages of implementation, such as the establishment of the Computer Incident Response Team (CIRT) for digital security and of the Commission for the protection of personal data (CMIL), the passing of a decree for the accreditation of e-signature certification bodies and the ratification of the UN Convention on the use of electronic communications in international contracts. In Senegal, a new law on prices and consumer protection was passed in 2021 ("Loi n°2021-25 du 17 juin 2021 sur les prix et la protection du consommateur")[35] taking into account online transactions. In March 2021, the Zambian Government introduced the Cyber Security and Cyber Crimes Act and the Data Protection Act.

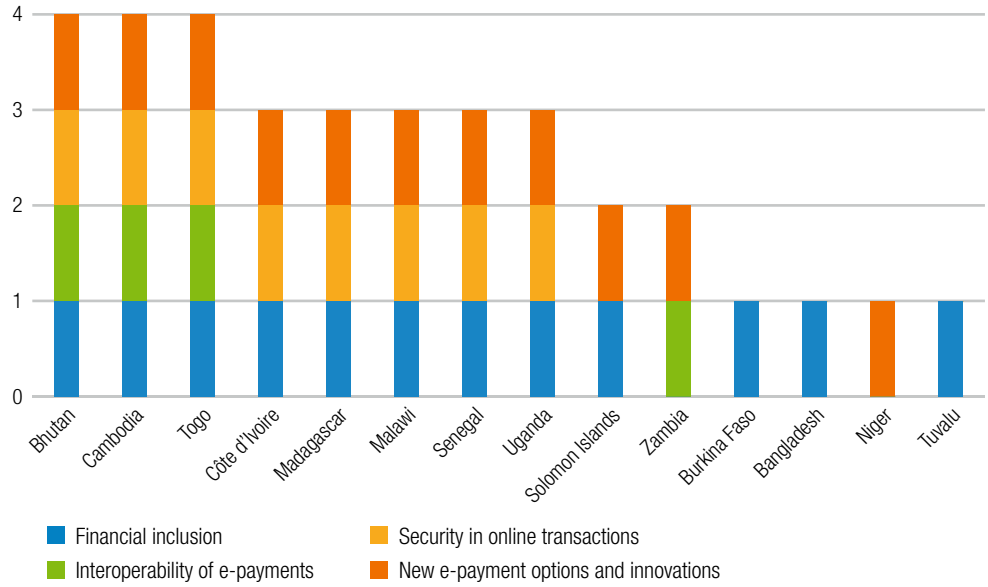
In some countries, public and private sector cooperation has been successful in organizing sensitization activities on the legal frameworks applicable to e-commerce. In Burkina Faso and Togo, national forums saw public and private sectors joining forces. The Forum inclusif sur le commerce électronique (FICEL), which was held for the first time in 2021, included sessions on the legal framework and served as an awareness raising platform. In Togo, during an e-commerce week organized in August 2021 by Togo Pride, sponsored by the Ministry of Commerce, there were similar sessions. In Cambodia, to facilitate compliance with the new e-commerce law and implementing regulations among others, the Ministry of Commerce and EuroCham Cambodia in 2021 organized dissemination workshops and information sessions for e-commerce entities. With the support of the Asian Development Bank, they hosted a webinar in June 2021 on "New Regulations on E-Commerce in Cambodia," to help businesses better understand the new regulatory requirements. Countries that have most recently benefited from an eT Ready, have been actively working with development partners in this area. In Tuvalu, awareness of e-commerce topics and initiatives is being raised using the E-Commerce Tuvalu social media pages and through workshops for potential e-commerce businesses. In March 2021, the E-commerce Tuvalu team hosted a series of training workshops with Australian Department of Foreign Affairs and Trade assistance, teaching businesses how to move online, covering various topics on laws and regulation.

2.5 – Payment solutions

Cash-on-delivery and limited access to formal banking options are still common in developing countries, especially LDCs. New technologies and increasing acceptance of digital payments are expanding access to banking and payment options. Eleven countries have seen new e-payment options being introduced/mainstreamed following the eT Ready assessment. This trend has been reinforced by COVID-19 measures to encourage contactless payments. Furthermore, nearly all countries are working on improving their financial inclusion. Eight countries are also undertaking measures to strengthen the security and trust of online transactions. However, in terms of improved interoperability of e-payment solutions, initiatives to facilitate cross-border digital payments are ongoing, but more work remains to be done. This is an area where only few actions have been taken (see Figure 12).

[35] It partially replaces and updates previous legislation from 1994 ("Loi n°94-63 du 22 août 1994 sur les prix, la concurrence et le contentieux économique").

Figure 12 Number of implemented recommendations by country and thematic item under policy area "Payment solutions"



Source: UNCTAD

Financial inclusion is a dynamic area, where Governments' efforts to build an enabling environment for e-commerce are particularly noticeable. The use of mobile money and financial institutions continues to expand rapidly. In Côte d'Ivoire, the number of mobile money subscribers grew from 17.5 to 20.4 million between 2019 and 2020, while the number of bank accounts expanded from 3.9 to 4.6 million in the same period. In Malawi, the number of mobile money agents more than doubled from 56,000 at the end of Q1 2020 to over 115,000 at the end of Q2 2021. In the same period, users of non-bank mobile money services increased from 7.2 to 9.3 million. According to Bank of Uganda, five million new mobile money accounts were opened between March 2020 and September 2021, driven by the pandemic and the increased acceptance of mobile money by shops and fee waivers. Mobile money's agent access points have also steadily increased, from 226,615 in June 2020 to 263,698 in June 2021. In Bangladesh, the pandemic gave an impetus to increase financial inclusion and accountability by obliging garment factories, which received financial support from the Government, to pay wages to workers through digital payments. This led to two million workers opening accounts within two weeks. The process was accompanied by reducing the administrative burden of identifying new customers. In addition, Bhutan, Burkina Faso and Cambodia strengthened their national frameworks for financial inclusion by establishing national strategies and funds to support greater access to financial services for underserved areas and groups. The Solomon Islands National Provident Fund set up a voluntary saving scheme called "youSave," allowing deposits to be made through mobile phones, using airtime credit. In August 2020, the Ministry of Finance and Treasury approved a tax refund for airtime credits used for deposits and the minimum deposit amount was lowered from $10 to $5 – both of which lead to an increase in deposits and membership. The Development Bank of Tuvalu expanded its service offer by integrating online banking, which facilitates access to information on loan status and account balances.

Successful examples of improved interoperability solutions are emerging at national, regional and global levels. Bhutan expanded interoperability with India's RuPay payment system by launching its Phase 2 in November 2020. At the end of this phase the Bhutan Financial Switch will be fully integrated with India's, allowing cards to be used in both India and Bhutan. Furthermore, Bhutan's QR code system was launched in July 2020, spurred by the pandemic. They allow

interoperability of payments at a low-cost across different banks without payment terminals. As noted in last year's review, Cambodia has made progress with regards to the implementation of the Cambodian Shared Switch and interoperable QR-code payments with Thailand. In October 2020, the National Bank of Cambodia also launched the Bakong system, an all-in-one mobile payment and banking application that combines e-wallets, mobile payments, online banking and financial applications within one easy-to-use interface for any preferred bank account. In Zambia, Swish Pay was launched in August 2021. The payment option aims to be a "wallet-agnostic" solution for businesses to accept multiple payment options and it has integrated credit cards, as well as mobile money such as MTN Mobile Money and Zamtel Mobile Money. Looking at region-wide initiatives, the West African Economic and Monetary Union (WAEMU) countries are part of a project aimed at building regional interoperability of financial services. The West African Committee of Banking and Financial Organization and Standardization (CONOBAFI) was tasked with developing a set of norms that, after a consultative process with key stakeholders in the international payments ecosystem, were adopted in March 2021 by the Central Bank of Western African States (BCEAO). This breakthrough development will open the way for financial operators authorized by the BCEAO to develop new payments solutions based on interoperable QR codes in the WAEMU region.

Governments and the private sector alike are promoting a safe digital environment for financial transactions. In Côte d'Ivoire and Malawi, national cybersecurity strategies were developed in 2021, paying attention to securing financial transactions to curb mobile money fraud. Senegal inaugurated a new Tier 3 data centre in June 2021, intended to safely store all Government data and provide storage space to the private sector. The country also put in place a platform on information systems security to raise awareness about fighting cybercrime. In February 2021, Togo officially launched the country's first cyberattacks response center. Furthermore, fintechs are increasingly paying attention to securing online transactions, and so are banks, which are investing in technologies such as 3-D Secure. The banking sector in Malawi and Bhutan are also upgrading to ISO20022 and ISO 27001 standards, respectively, for improved payment messaging and more secure client data.

The use of blockchain technologies and the creation of central bank digital currencies are opening new opportunities, and mobile money options and card-based solutions are gaining traction. Bhutan and Cambodia are pioneers among the countries reviewed with regard to the use of blockchain technologies for digital currencies. The Royal Monetary Authority of Bhutan is collaborating with Ripple, a blockchain company, to explore the possibility of a central bank digital currency. The project is supposed to encompass retail and cross-border payments. In Cambodia, the Bakong system launched by the National Bank of Cambodia constitutes a pioneering experience of a central bank digital currency. It uses blockchain technology that relies on a voting method, different from permissionless blockchains that require mining for verification. This is supposed to ensure that transactions are highly protected against cyberattacks, fraud and technical system failures. The Bakong app is picking up speed. Between October 2020 and August 2021, 200,000 people set up their digital wallets and more than 1.4 million transactions with a total value of $US 500 million were reported for the first six months of 2021.

Mobile money solutions are also increasingly part of public service provision. In Bangladesh, to speed up cross-border activities, payments to customs must be made electronically from 2022 onwards. The Government of Côte d'Ivoire introduced Tresor Money, a mobile payment application from the Treasury that aims to digitalize all payments made in connection with public services, and also allows for money withdrawals for free. The Niger Government has put in place a system in which tuition fees, as well as applications to university, are handled purely digitally based on a solution by a local start-up. Zambia's e-government services have integrated mobile money payments options as a means of payment. Thereby mobile money payment options become more established in the interactions of citizens with the Government and payments become more traceable. More competition among operators can have an impact on the affordability of the mobile money services. In Côte d'Ivoire, the fintech Wave launched its mobile money service in 2021. It is marked by low transaction fees of one per cent, which led the competitors (Orange, MTN and Moov) to reduce their rates in the second half of 2021.

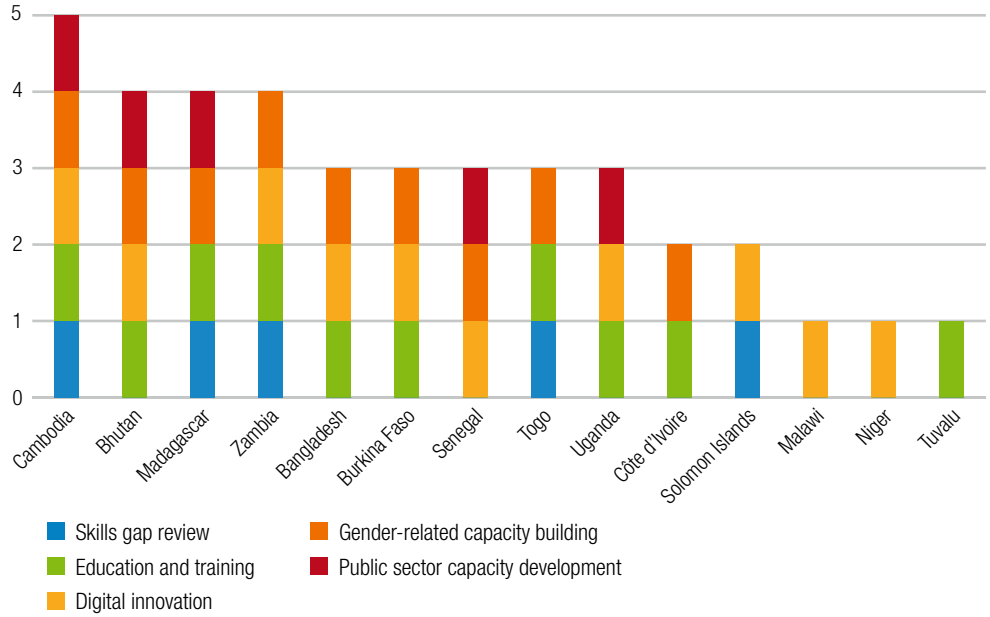
Some operators are investing in card-based solutions, contributing to filling a long-time gap in the use of credit/debit cards in Africa. The Ivorian mobile operator, Free, launched its Free Money Mastercard in July 2021. The card links to Free Money mobile money accounts and exists in a physical and virtual format, which allow customers to withdraw money, pay in stores that accept Mastercard and pay online. Paositra Malagasy (Malagasy Post) in partnership with the Senegalese company Numherit has created its own payment tool, Paositra Money, which now also has its Visa card – e-Poketra. In October 2021, the first Mastercard debit card was introduced in Malawi, in partnership with the mobile operator TNM Mpamba.

Different from the above experiences, the Solomon Islands Postal Corporation introduced EziPei, a mobile wallet that is independent of any mobile network provider. Since its launch, more services have adopted EziPei as a payment channel, including Solomon Water.

2.6 – Skills development

A thriving e-commerce ecosystem requires a variety of skills, from basic ICT understanding and skills to use e-commerce to specific education and training for civil servants, businesses and consumers. Looking at LDCs, one challenge in this area is that most people access the Internet via mobile phones and often stay confined to the use of social media. Learning how to use a word processor or spreadsheet on a small screen is not ideal. Computers are not widely available, with just an average of eight per cent of households having one. Bhutan and Senegal have the highest shares (respectively 21 and 15 per cent) while countries like Malawi and Uganda have only four per cent.[36] Among the countries reviewed, Cambodia, Madagascar, Solomon Islands, Togo and Zambia reported efforts to undertake skills gaps to advance their digital endeavours. Efforts to revise compulsory education curricula thoroughly to introduce ICT training starting in primary school are underway in several countries, notably in Bhutan and Uganda. Furthermore, in a growing number of countries, private-sector initiatives are taking off or reinforcing support for start-ups and innovative digital ideas (see Figure 13). Consistently incorporating capacity-building initiatives for female entrepreneurs remains an issue that countries can strengthen further.

Figure 13 Number of implemented recommendations by country and thematic item under policy area "Skills development"



Source: UNCTAD

[36] Connectivity in the least developed countries: Status report 2021 - ITU Hub

New skills gap reviews are undertaken. The Inclusive Digital Economy Scorecard report carried out in Solomon Islands with assistance from UNCDF also assessed the skills gap to support the digital economy. It found that digital skills remain an aspect that needs most work. In Zambia, ZamPost analyzed gaps in e-commerce skills and is developing training on e-commerce awareness together with the Southern Africa Postal Operators Association. On a related note, the European Union in Madagascar has supported a study of the digital ecosystem, including mapping and proposals for measures to mitigate the effects of COVID-19 and support digital entrepreneurship.

ICT curricula are increasingly part of the education systems while public-private partnerships contribute to raising the digital skills of students and young entrepreneurs. In Bangladesh, school curricula from primary to high school have been updated to include ICT education elements and some university programmes have integrated e-commerce in their teaching. Bhutan's school system is undergoing a transformation towards more competency-oriented learning. The New Normal Curriculum framework and Instructional Guides of 2021 encompasses ICT education from pre-primary to year 12, which includes basic ICT skills as well as cybersecurity and coding practice. In Burkina Faso, as part of a reform of school curricular, ICT and digital education will be introduced in all pre-schools and first grades on a trial basis from October 2022 onwards. Cambodia integrates ICT training and digital literacy at all levels of education. In addition to already reshaped curricula on the digital economy at the National University of Management, Cambodia Academy of Digital Technology (previously NIPTICT) launched a new bachelor programme in e-commerce and logistics. In Côte d'Ivoire, the Ministry of National Education and Alphabetization, in collaboration with Huawei, is undertaking a pilot phase for a digital education project. In this project, 74 schools receive multimedia classrooms and wifi connections. In addition, 10 teacher training centres are being included to prepare teachers. Schools collaborate with mobile phone operators to put in place "digital spaces" to train students at different levels of schooling in digital tools. Uganda introduced teaching of ICT skills at the lower secondary level in 2020. Through a training of trainers' system ICT skills are transferred to teachers to support the roll-out of the curriculum. The Digital Citizen training programme in Zambia trained 300 participants in digital topics relevant to entrepreneurship, such as IT security and databases, and supported the move into the formal economy. These efforts were facilitated by ITC's FastTrackTech Initiative.

New digital innovation schemes are supporting e-commerce platforms. In 2020, the "Ecole Supérieure des Télécommunications" of Niger set up its own incubator for digital innovations. Already 14 projects were being incubated in 2021, including e-commerce platforms. In July 2021, Solomon Islands' own e-commerce platform was launched, Bulk Shop, with support from UNDP and UNCDF through the Digital Marketplace project. Other countries have supported digital innovations more broadly through both technical assistance and financial support. In Bangladesh, the Government's ICT Division has scaled up its support for the Innovation Design and Entrepreneurship Academy (iDEA) Project, which supports start-ups through an accelerator programme that includes funding and training. As part of the Digital Malawi Project, innovation grants have been introduced and six innovation hubs/incubators received funding through them to train young people in digital skills, including entrepreneurship training. Governments also emphasize promoting innovation policies: for example, the new Government of Zambia that took office in September 2021 established a Ministry of Technology and Science to drive transformation and economic growth through these fields.

The private sector and business support organizations are leading efforts to build capacities of women digital entrepreneurs, but more needs to be done to bridge the gender digital divide. The Bangladesh Women Chamber of Commerce and Industry (BWCCI) supports women in entrepreneurship. In the past year it held a workshop on promoting women's participation in the digital economy. In addition to training, this chamber of commerce has also implemented a policy advocacy initiative focused on empowering women in business to participate fully in the digital economy.

Box 7 Raising the voice and skills of digital women entrepreneurs in Bangladesh

In 2020, BWCCI implemented a policy advocacy initiative focused on empowering women in business to participate fully in the digital economy. Findings from this advocacy program suggest while some women entrepreneurs across Bangladesh have benefited from e-commerce, many women still face many challenges that limit their potential to fully participate in and benefit from the digital economy. Some of the most notable limitations include a lack of digital and financial literacy and limited knowledge on aspects of the digital economy, including regulations and logistics and the awareness of technology devices, competitiveness, and technological know-how before starting an e-commerce business. Moreover, many women in business have refrained from participating in the digital economy due to uncertainty around complex or burdensome administrative processes that limit the formalization of businesses and diminish customer satisfaction. A general lack of trust in e-commerce also disincentivizes participation in the digital economy. This lack of trust comes from an absence of consumer and entrepreneur protections and the presence of e-commerce marketplaces with low-quality, damaged, or falsified goods. Finally, systemic barriers, such as a lack of access to mobile phones or reliable Internet, a reliable or safe e-payment system, further disrupt the potential for women entrepreneurs to participate in an enabling digital economy in Bangladesh. In November 2021, BWCCI partnered with UNDP to launch a series of training workshops over a 40-day period. The workshops aimed at providing basic digital and financial literacy skills to enable 3,000 female entrepreneurs form 40 districts to efficiently operate and expand their business online.

Source: UNCTAD[37]

The Bhutan Association of Women Entrepreneurs developed its Strategic Plan 2021-2031. For the next decade, the NGO aims to promote women entrepreneurs' integration in global value chains through, among other things, developing capacity-building programmes on export readiness and specific incubator centers for female-run businesses. Following a call launched in 2020, the Youth Employment Agency of Côte d'Ivoire organized a training for 1,000 youth, women and men, about selling online in collaboration with mobile operators and the "Agence Nationale du Service Universel des TIC." In Côte d'Ivoire and Madagascar, mobile operators have implemented training programs on digital and financial literacy, as well as overall IT skills, to improve professional chances of women. For example, the "Ampela Mahefa" in Madagascar aims to provide basic digital skills and training to 30 victims of gender-based violence.

Since 2020, the UNCTAD-led eTrade for Women initiative has been providing support to women digital entrepreneurs from Africa and South-East Asia, to help them thrive in the digital space. The initiative aims at addressing existing gaps in terms of visibility, learning and networking opportunities available to women. Women based in some of the eT Ready beneficiary countries were invited to participate in the regional Masterclasses organized by UNCTAD, three-day empowering events that combine inspirational and business-oriented sessions, networking opportunities, as well as a high-level policy dialogue. Each Masterclass was delivered in partnership with the eTrade for Women Advocate for the region and local and regional experts, offering a programme tailored to the specific needs of women digital entrepreneurs. The Masterclasses paved the way for the launch of the eTrade for Women Communities, a network of women digital entrepreneurs that offers a space for members to share their experience and connect with other entrepreneurs at the

[37] Based on the following online sources (last access 8 March): Promoting Women in the Digital Economy (bwcci-bd.org), Kickoff Workshop of the "Capacity Building Training for Anondomela Platform Users in Bangladesh" – Bangladesh Women Chamber of Commerce and Industry (bwcci-bd.org) and 3,000 women entrepreneurs to get digital, financial literacy training | The Daily Star

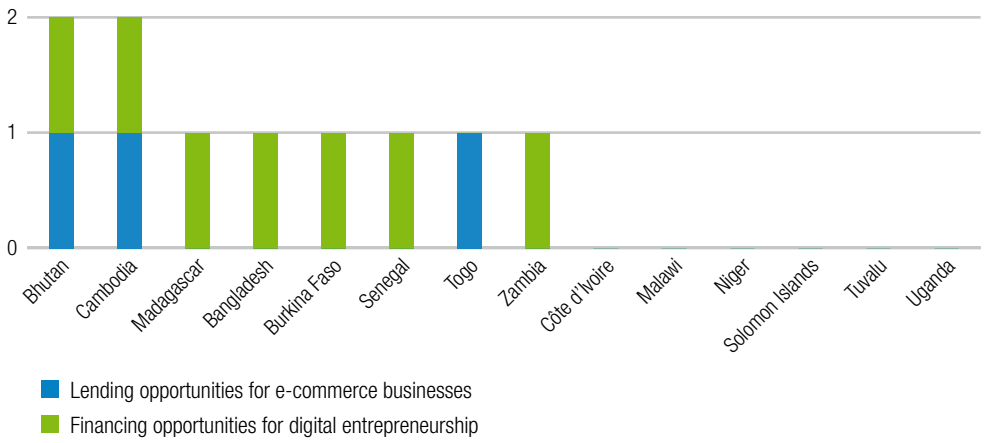
local, regional but also global level. In 2021, eTrade for Women continued to increase its level of impact by leveraging strategic partnerships with private and public entities, including eTrade for all partners such as ITC and more specifically, the SheTrades initiative.

Greater attention needed to building public sector capacities to improve understanding of the evolving digital economy. Among the countries reviewed, only two highlighted new major initiatives. Bhutan is strengthening the digital skills and literacy of its civil servants to support ICT adoption and effective use. Training included administrators and personnel from hospitals, courts, forestry departments and included digital literacy training, including mastery of Google applications. In Senegal, the Ministry of Digital Economy and Telecommunications hosted a two-day capacity-building workshop on digital competences and the digital transformation of the economy in October 2021 for 40 civil servants. The workshop highlighted opportunities and challenges from digital transformation and the importance of governance of digitalization.

2.7 – Access to financing

E-commerce businesses are often marked by limited collateral and often start out relatively small. Access to financing remains a challenge because traditional funding options, such as banks, have not yet taken this shift in business model fully onboard. In this policy area, implementation of eT Ready recommendations is moving at a slow pace and several countries have not recorded tangible progress so far (see Figure 14). Bangladesh, Cambodia, Madagascar and Zambia are the only countries with new initiatives recorded in this review.

Figure 14 Number of implemented recommendations by country and thematic item under policy area "Access to financing"



Source: UNCTAD

Improvements in this area are sluggish, both in terms of new lending opportunities for e-commerce businesses and broader financing opportunities for digital entrepreneurship. Only a few countries have recorded progress through new initiatives. In Cambodia, the Credit Guarantee Corporation of Cambodia launched the Business Recovery Guarantee Scheme in March 2021. It aims to ease the access to formal loans for businesses, including MSMEs and larger firms to support business expansion. The Business Recovery Guarantee Scheme acts as collateral for bank loans, reducing the barrier for businesses to access financing. This initiative was put in place to support the survival and economic recovery in response to the challenges faced by businesses during the pandemic. Madagascar's experience is proving that e-commerce businesses can attract private risk capital. Supermarché.mg, the Malagasy home delivery start-up raised its first round of capital through the impact investment fund Miarakap, three years after the start-up's launch. In

Bangladesh and Zambia, competitions and awards are providing incentives to innovators, also benefiting entrepreneurs with business plans to scale up e-commerce businesses. For example, the ICT Division in Bangladesh organizes competitions for start-ups, including e-commerce. In addition to other private sector initiatives, the Innovation Design and Entrepreneurship Academy Project provides seed funding to start-ups and has so far supported more than 170 start-ups. The Zambia Ecommerce Awards, part of the eAfricaExpo organized by the private sector, has awarded prizes to innovative e-commerce players since 2020.

3. CONNECTING THE DOTS TO ENHANCE eT READY IMPLEMENTATION SYNERGIES

The eT Ready ISM has been built with the vision of strengthening synergies between countries, development partners and donors to enhance e-commerce readiness in eT Ready beneficiary countries. In this 2nd IR, countries explicitly mentioned projects with more than 10 development partners, the majority of which are eTrade for all members. To advance their readiness along the seven policy areas, many countries outlined areas where further support is needed and support from development partners would be most relevant. Table 1 recapitulates the number of countries that are already undertaking projects with development partners in a specific policy area, and the number of countries requesting further support. Most of the recorded interventions supported by eTrade for all partners are fragmented and often bilateral in nature. To scale-up implementation efforts, further consolidation of the eTrade for all partnership should be sought to build more efforts on the ground for greater impact.

Table 1 Overview of countries' responses outlining ongoing projects and future priorities by policy area

Policy area	Number of countries indicating ongoing interventions supported by development partners	Number of countries indicating priority areas for further support from development partners
E-commerce readiness and strategy formulation	10	8
ICT infrastructure and services	8	4
Trade facilitation and logistics	10	3
Legal and regulatory framework	9	8
Payment solutions	6	4
Skills development	7	10
Access to financing	2	4

Source: UNCTAD

3.1 – The eTrade for all partnership in action

eTrade for all partners are providing valuable support to countries' efforts in line with eT Ready recommendations. Several partners are active in the area of e-commerce strategies formulation, where demand from countries is steadily growing. With regard to trade facilitation and logistics, countries are improving their delivery networks through new fleets and relay points and improving their postal system. Initiatives in this area are also contributing to ease bottlenecks of cross-border trade flows through more efficient customs procedures and interfacing customs and the postal system. Many collaborations support the development of ICT infrastructure and services, particularly extending Internet access to more (remote) regions. Complementary to infrastructure development, countries are working on reinforcing their legal and regulatory frameworks, often with technical or financial support from development partners. With respect to skills development, countries are predominantly undertaking short-term initiatives such as awareness campaigns and brief training workshops to improve understanding of the e-commerce sector, as well the required skills. Payment solutions are an area which is relatively little covered, with less than half the countries

mentioning specific collaborations. Finally, the fewest joint projects are undertaken in financing of e-commerce – which might be because financing of businesses is often considered a private sector responsibility and might require public-private partnership collaborations to strengthen this area. The following list recalls main interventions provided by eTrade for all partners in 2021 and that are still ongoing in the reviewed countries:[38]

- The **African Development Bank (AfDB)** supports infrastructure development through the Trans-Sahara Optical Fibre Backbone Project, which aims to connect multiple countries, including Niger, by 1,000 km of fibre optic connections and to improve urban connectivity.
- The **Enhanced Integrated Framework (EIF)** is present in multiple beneficiary countries. With respect to supporting **e-commerce readiness strategy**, the EIF is the main partner of the Go4eCam project, which aims to expand the benefits of e-commerce to Cambodian SMEs. EIF also assists with the implementation of the SNDCES. In support of **legal and regulatory frameworks**, EIF supports Bangladesh and Togo in updating its e-commerce guidance and the national trade development policy respectively. In Bhutan, it is assisting in the development of an e-commerce policy framework and in Malawi with the drafting of terms of reference to develop an e-trade policy and regulations. Finally, EIF supports multiple **training** initiatives on e-commerce in Bangladesh, Niger and Senegal. To support the shea value chain project in Burkina Faso, EIF is assisting with setting up an e-commerce platform and training. Jointly with UNESCAP, it works on the UNESCAP e-commerce capacity-building for women entrepreneurs in South Asia.
- The **Economic Research Institute for ASEAN and East Asia (ERIA)** supported Cambodia with skills development in an online training for Government officials on e-commerce.
- The **International Trade Centre (ITC)** supports Niger in its introduction of advanced decisions for customs handling, jointly with the World Bank and the National Trade Facilitation Committee. In Zambia, ITC's FastTrackTech Initiative facilitated the Digital Citizen training programme on digital topics relevant to entrepreneurship.
- The **United Nations Conference on Trade and Development (UNCTAD)** is working on strengthening developing countries' e-commerce readiness through the ISM and capacity-building in areas such as: assistance with the development of national and regional e-commerce strategies (as it is the case in Benin, the ECOWAS Commission and Solomon Islands), production of statistics on the digital economy, legal reform, among others.[39] The Pacific Digital Economy Programme, in which UNCTAD is an implementing partner, covers all of the above-mentioned areas.
- The **United Nations Capital Development Fund (UNCDF)** contributed to a regulatory gap analysis in Solomon Islands in the Inclusive Digital Economy Scorecard Project. It also co-initiated the digital marketplace project with UNDP and is supporting work on payment solutions with the central bank. Finally, UNCDF is part of PDEP with **UNCTAD** and UNDP.
- The **United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP)** will implement the Cross-border Paperless Trade Readiness Assessment of Tuvalu in 2022. UNESCAP and EIF contributed to the development of Tuvalu's National Trade Development Strategy in 2021. They work jointly on the UNESCAP e-commerce capacity-building for women entrepreneurs in South Asia.

[38] The list does not claim to be exhaustive. It is based on the information highlighted by the countries and eTrade for all partners during the data collection phase of this review, as specified in the methodology. The information presented here restates and complements what has already been mentioned in previous chapters.

[39] UNCTAD provides relevant assistance also in the areas of digital government for business facilitation, trade facilitation and logistics, customs automation, e-commerce in trade negotiations, competition and consumer protection, digital entrepreneurship and skills development. For a more comprehensive view of how UNCTAD and eTrade for all partners can partner in supporting eT Ready implementation see Fast-tracking eTrade Readiness Assessment Implementation: A snapshot of UNCTAD's support | UNCTAD

- The **Universal Postal Union (UPU)** is implementing electronic advanced data projects in Bhutan and Cambodia. In Malawi, it is supporting the Customs Declaration System and its Regional Project on Operation Readiness for E-commerce, while in Zambia UPU provides training.
- The **World Bank Group** (including IDA) implements a broad range of projects, particularly in strategy, infrastructure, trade facilitation and payments. The Digital Malawi Project supports strategy development on broadband, e-government and cybersecurity, improving the digital ecosystem, including infrastructure and capacity-building. In Bangladesh, the World Bank supports an e-procurement project, while it finances the Regional Communications Infrastructure Program which is extending Uganda's national backbone and also connecting 2,111 villages in Niger to the Internet. In West Africa, including Burkina Faso, the World Bank is implementing the "Programme pour la Facilitation des Echanges en Afrique de l'Ouest" with GIZ and financed by multiple development partners. In Lesotho, the World Bank upgraded two border points with equipment to expedite cross-border trade. Jointly with ITC, they support Niger's NTFC. Finally, projects in Burkina Faso, Côte d'Ivoire and Lesotho contain components to mainstream digital payment solutions.

Box 8 A new e-commerce training course as result of eTrade for all partners' joint efforts

Partly based on the main findings from the eTrade for all collective research effort undertaken in the framework of the "COVID-19 and E-commerce: a Global Review,"[40] an e-commerce course targeting policymakers in developing countries is being developed by the eTrade for all initiative, led by UNCTAD, UNECLAC and selected partners. The course will be developed in 2022 for Latin American countries. Pending additional resources, it is expected that the course will be developed and rolled out in Africa and Asian countries in 2023 and 2024.

Source: UNCTAD

More coordination is needed to overcome the fragmentation of development partners' interventions, leaving potential for further support largely untapped. As seen above, eTrade for all and development partners are playing a critical role in supporting countries' efforts to strengthen their readiness to engage in and benefit from e-commerce growth. However, these interventions are most of the times led by a single agency and their sequencing is often the result of bilateral engagements with governments. UN system's cooperation frameworks led by UN Resident Coordinator's Offices (RCOs) provide a valuable platform with great potential for scaling-up concerted actions in the area of digital economy and e-commerce development. In 2021, UNCTAD reached out to UN RCOs in more than 20 countries to assess their level of engagement with in-country development partners in e-commerce development, with the objective of seeking synergies, mobilizing partners from the early stage of the implementation process, reinforcing multi-stakeholder dialogue, and providing digital-related inputs into national strategic development frameworks. As part of UNCTAD support in the development of the ECOWAS Regional E-commerce strategy, UN RCOs have been encouraged to undertake mappings of development partners interventions in their respective countries. Mapping should not be viewed as an end in itself but rather as a steppingstone to assess who is doing what, foster coordination and build synergies. Cooperation with the UN RCOs has also been strengthened in the context of COVID-19 recovery efforts.

[40] COVID-19 and e-commerce: a global review | UNCTAD

Box 9 UN system cooperation in support of a COVID-19 recovery plan in Lao PDR

Starting in March 2020, the UN RCO in Lao PDR convened a series of virtual discussions among UN country team members, working on Lao PDR's trade diversification agenda as an informal mechanism to share resources, plans, and identify ways forward. As a result of inter-agency synergies created through this process, a multi-stakeholder task force was also established, consisting of key national policymakers and development partners. The task force was created in cooperation with the Ministry of Planning and Investment in 2020 to scale up UN policy advisory support in the context of the 9th National Socio-Economic Development Plan (NSEDP), taking into consideration the impact of COVID-19 on national priorities. UNCTAD in cooperation with other UN country team members contributed to raise the profile of e-commerce development in the context of the 9th NSEDP in line with the eT Ready recommendations. The work of the multi-stakeholder task force was revamped in 2021. Under Theme 2 – trade and private sector, value chains and tourism – UNCTAD contributed to a background paper for the High-level Roundtable in November 2021 that is providing a basis for the development of a national COVID-19 recovery plan in Lao PDR. Informed by COVID-19 impact-related research conducted by UNCTAD in 23 developing countries, mostly LDCs,[41] UNCTAD has found that that country would benefit from a clearer policy guidance and governance framework to lead the e-commerce development agenda, a process that could be facilitated by the development of an inclusive national e-commerce strategy.

Source: UNCTAD

In addition to a well-established dialogue with the UN system in Lao PDR (see Box 9), UNCTAD-UN RCOs collaboration was instrumental to organize Virtual Development Partners Roundtables as part of the national launches of the eT Readies of Benin, Côte d'Ivoire, Iraq, Malawi and Niger. These events prompted a dialogue with the community of partners on their roles – including on how the digital dimension is integrated in their programmes – and mobilized their support in the implementation of policy recommendations. However, these initiatives have to be translated in cooperation platforms that facilitate dialogue and cooperation on a regular basis, so as to create synergies as a result of joint efforts and more transparent dialogue with Government counterparts. Feedback received from the reviewed countries clearly speak in favor of the need for a more significant and coordinated engagement of development partners in supporting e-commerce development initiatives. These voices strengthen the calls for a more vigorous and repurposed Aid for Trade initiative,[42] fit for purpose to meet the growing demand of support from those countries, especially LDCs, that are struggling to accelerate the implementation of eT Ready recommendations.

[41] Covid-19 and e-commerce impact on businesses and policy responses (unctad.org)

[42] See for example Lacey, S (2021), Digital Reboot: The Case for a Newly Invigorated Aid for Digital Trade Initiative, International Trade Working Paper 2021/10, Commonwealth Secretariat, London. In February 2022, the WTO also organized a WTO | Aid-For-Trade workshop in the context of the 2022 joint OECD-WTO Aid-for-Trade monitoring and evaluation exercise.

3.2 – Paving the way for scaled up support

eT Ready beneficiary countries are willing to intensify implementation synergies, particularly in some policy areas. The priorities for future projects expressed by the countries and recapitulated in Table 2, highlight the importance of advancing in the area of e-commerce strategy and legal and regulatory framework to allow implementation of a more comprehensive e-commerce ecosystem. Six countries expressed interest in developing e-commerce strategies: Burkina Faso, Côte d'Ivoire, Madagascar, Solomon Islands, Togo and Uganda. Among them, Solomon Islands has already secured support from UNCTAD via the PDEP, while Togo has developed a strategy and is seeking to further deepen the implementation plan.

Others intend to expand the understanding of the legal framework among the population (Cambodia, Côte d'Ivoire, Madagascar, Senegal, Togo and Uganda) and introduce additional laws or implementing decrees (Lesotho and Madagascar). Noticeably many countries list skills development and awareness as a priority. This entails awareness-raising campaigns for the public on e-commerce and its regulations, but also capacity-building for public servants that oversee the sector, as well as training for trainers to strengthen the capabilities of teaching digital skills in schools (Togo) and revision of curricula and learning infrastructure (Malawi). The frequent mentions of this area and diversity of proposed projects, highlight the complexity of the field of skills because the needs are highly country specific and change with technological advances.

In the area of payments, expanding financial literacy remains a priority (Solomon Islands, Tuvalu) as well as building payment solutions which are trusted by the users (Bangladesh, Burkina Faso and Tuvalu).

With respect to infrastructure and logistics, capital-intensive projects remain important, such as expanding Internet to remote areas (Bangladesh, Côte d'Ivoire, Lesotho and Tuvalu) and improving delivery networks (Bangladesh, Senegal and Zambia).

Finally, both in the priority projects and overall reporting there is a certain absence of integrating women more effectively into the e-commerce sphere, a topic which may require more attention in the future.

Table 2 Overview of countries' priority projects for further support, by policy area

Country	Priority projects	Policy areas
Bangladesh	• Improve high-speed Internet availability in rural areas • Strengthen efficient and trustworthy payment solutions for e-commerce • Strengthen last-mile delivery system	• ICT infrastructure and services • Payments • Logistics
Burkina Faso	• National e-commerce strategy • Support programme for the creation and/or upgrading of e-commerce and e-payment platforms • Information, education and awareness programme for e-commerce	• Strategy • Payments • Skills
Cambodia	• Build and scale up the first national B2B2C marketplace and establish a regulatory sandbox for e-commerce platforms • Establish system for production of e-commerce statistics • Capacity-building of Government officials and private sector on e-commerce related laws and regulations	• Strategy • Legal • Skills
Côte d'Ivoire	• National e-commerce strategy • Capacity-building and awareness campaigns about the legal framework for e-commerce • Develop innovative partnership model for network development where private operators cannot break even	• Strategy • Legal • ICT infrastructure and services

Country	Priority projects	Policy areas
Lesotho	• Expand high-speed mobile Internet to rural areas to increase country-wide coverage and access • Strengthen e-commerce regulatory framework (cybersecurity, online contracts) and strengthen enforcement capacities • National capacity-building for e-commerce specific skills	• ICT infrastructure and services • Legal • Skills
Madagascar	• National e-commerce strategy • Adopt implementing decree for the eTrade Board • Information and awareness programme on e-commerce	• Strategy • Legal • Skills
Malawi	• Improve and upgrade NACIT infrastructure and e-learning • Review of curricula to address e-commerce and digital skills needs • Capacity-building on digital financial services and e-transactions with the Reserve Bank of Malawi	• Skills • Access to finance
Niger	• Support project to promote e-commerce • Skills development project for e-commerce • Project to support gender and start-up development in e-commerce	• Strategy • Skills • Access to finance
Senegal	• National e-commerce platform • Establishment of relay points • Awareness campaign and training on e-commerce for various stakeholders	• Skills • Strategy • Logistics • Legal
Solomon Islands	• National e-commerce strategy • National e-government policy • Awareness building workshops on financial literacy, especially in remote areas	• Strategy • Legal • Payments • Skills
Togo	• National e-commerce strategy • Training for trainers to expand teaching of digital skills and e-commerce • Capacity-building for entrepreneurs on legal framework	• Strategy • Skills • Legal
Tuvalu	• Strengthen electronic payment infrastructure (banking, ATMs) • Capacity-building for entrepreneurs as a prerequisite for bank loans • Improve high-speed Internet availability in remote areas	• Payments • Access to finance • Skills • ICT infrastructure
Uganda	• National e-commerce strategy aligned with the Digital Uganda Vision • Information, education and awareness programme for e-commerce • Improve access to ICT in schools	• Strategy • Legal • Skills
Zambia	• Improve access to financing for e-commerce businesses/Develop strategic partnerships to set up an e-commerce platform • Strengthen last-mile delivery through new fleet • Enforce National Postal Policy	• Access to finance • Logistics • Legal

Source: UNCTAD

4. LESSONS LEARNED, CONCLUSIONS AND RECOMMENDATIONS

E-commerce is still not sufficiently prioritized in the national development agenda despite the wake-up call of the COVID-19 pandemic. Weak institutional cooperation arrangements often remain a prominent challenge to keep momentum for bolder eT Ready implementation impact. Some of the challenges reported in the first IR are reconfirmed in this edition. Against a background of a general improvement in the data collection process led by some countries, it has not always been easy to receive inputs requested by the Focal Point from key stakeholders in line ministries and regulatory agencies. Inter-agency cooperation is not always smooth, and understandably, this is often worsened by staff-turnover and changes at the political level. Similar challenges arise in building connections with the private sector and civil society. But the main challenge to implementation often resides in weak institutional arrangements put in place to drive the process. In some cases, countries report that responsibilities for certain actions are not clearly communicated, nor assigned, which makes the integration of the recommended actions into priorities of executing bodies challenging. In other cases, e-commerce is not sufficiently prioritized in the national development agenda; this leaves space for leadership conflicts or unclear leadership attributions on how to drive the e-commerce sector development agenda.

The commitment of eT Ready Focal Points in countries has allowed the momentum for implementation to be sustained. However, more efforts are needed to build capacity on a larger scale and share knowledge with a wider range of government stakeholders. The majority of countries that joined the 1st IR also participated fruitfully in the 2nd IR. Capacity-building efforts aimed at empowering eT Ready Focal Points dedicated to spearhead the implementation process have been critical to ensure such commitment. Countries continue to see value in continuing their engagement in the review process and new countries, such as Bangladesh and Solomon Islands, have been able to proactively re-engage in the process with renewed leadership. As a result of the methodology improvements applied in this 2nd IR, countries have been able to provide better quality and more timely responses to the review questionnaire, speaking in favor of a more efficient data collection process at the country level. In Bhutan, where a new eT Ready Focal Point was appointed, the handover of tasks and retention of knowledge was efficiently ensured. This allowed the country to build on the first review efforts to expand its capacity to monitor progress and report on achievements. Bangladesh and Madagascar, where the eT Ready follow-up was ensured by eT Ready Focal Points from the private sector, have formally appointed Focal Points from their trade ministries who have worked in tandem with their private sector counterparts. Such collaborative arrangements have allowed countries to build on capacities acquired since the eT Ready was done and anchor the process in the Government's administration leadership. However, most of the capacities remain concentrated in the Focal Points, with limited positive spill-over effects. To secure full benefits from the capacity-building tools and resources made available through the ISM, countries should take ownership of the knowledge-management process and ensure that it benefits a wider range of stakeholders and e-commerce development initiatives, nationally and regionally.

Piece-meal interventions from development partners in the implementation of eT Ready recommendations leaves untapped potential for greater impact. The value of the eTrade for all initiative and its information platform can be further utilized. For example, 1) to find useful resources to better harness the global policy landscape 2) to identify the technical support available by international partners and 3) to leverage more collaborative efforts on the ground. Feedback received from beneficiary countries strongly calls for greater support from development partners. As shown in Chapter 3, while different forms of eTrade for all partners' interventions are helping countries make progress in the implementation of e-commerce enabling reforms, more should be done to close existing gaps and streamline often fragmented projects. Through the ISM, UNCTAD is advocating for a more coordinated approach, especially at the country level.

While much has been achieved by the eTrade for all partnership in terms of raising the visibility of e-commerce in global fora, such as through the eCommerce Weeks, more can be done at the country level to enhance synergies. Enhanced cooperation among the partners can help pool the expertise and assets of each partner, especially when resources have to be mobilized from donors. UN RCOs can play a central role in this context, by facilitating dialogue on the ground, and also help integrating countries' priorities based on the eT Ready recommendations in UN Cooperation Frameworks, national development plans and COVID-19 recovery plans. The experience in Lao PDR presented in Box 9 is a useful reference and inspiration to start organizing such level of coordination in other countries.

The growing demand for e-commerce experienced during the pandemic has clearly been an eye-opener. Countries trailing in the digital economy need to scale up their efforts to strengthen the readiness of their e-commerce ecosystems. As shown in this review, developing countries, especially LDCs, have found value in having a tool like the eT Ready to support policymakers during crisis times. This has helped them in prioritizing reforms to build a more enabling environment, for both businesses and consumers aiming to reap the benefits of e-commerce, with a view to shape COVID-19 recovery plans. Even more important, the review can chart the way forward especially in bridging gaps, build further synergies and more effective ties with the community of development partners. Now more than ever, in times when the risk of widening digital divides increase, digital cooperation though initiatives like the eTrade for all partnership, are instrumental to step up efforts and provide solutions. UNCTAD's ISM will intensify its efforts and work collectively with eT Ready beneficiary countries, development partners and donors to mobilize the necessary technical and financial support from the international community to make digitalization

ANNEX 1: SCORED PERFORMANCE RESULTS

	Countries that completed their eT Ready before June 2019										Countries that completed their eT Ready between June 2019 and June 2021					
	Countries that participated to both the 1st and 2nd IR								Countries for which the 2nd IR is their first implementation review							
Thematic item/policy area	Bhutan	Burkina Faso	Cambodia	Madagascar	Senegal	Togo	Uganda	Zambia	Bangladesh	Solomon Islands	Côte d'Ivoire	Malawi	Niger	Tuvalu	**Scored points***	**Implementation rate by policy area**
Strategy development	✓n	—	✓	—	✓	✓n	✓	✓	✓	✓	—	—	—	✓	9	
E-commerce committees and working groups	✓	✓c	✓c	—	✓	—	—	✓c	✓	—	—	—	✓	—	7	
E-commerce associations	—	✓	✓n	✓	✓	✓	—	—	✓	—	—	—	—	—	6	
E-government services	✓	✓	✓c	✓	✓	✓c	✓n	✓c	✓	✓	✓	—	—	✓	12	
E-commerce statistics	✓n	—	✓	—	—	—	✓	—	—	—	—	—	—	—	3	
Tot. (e-commerce readiness and strategy formulation)	**4**	**3**	**5**	**2**	**4**	**3**	**3**	**3**	**4**	**2**	**1**	**0**	**1**	**2**	**37**	**53%**
ICT infrastructure development	✓n	✓c	✓	✓n	✓c	✓c	✓	✓c	✓	✓	—	✓	—	✓	12	
Mobile Internet connectivity	✓c	✓n	✓	✓	✓c	✓c	✓c	—	✓	✓	✓	✓	—	✓	12	
Internet affordability	✓n	—	—	—	✓	✓c	✓	✓	—	—	—	✓	✓	—	7	
Access to electricity	✓n	✓c	—	—	✓c	✓c	✓n	✓c	✓	✓	✓	✓	✓	✓	12	
Tot. (ICT infrastructure and services)	**4**	**3**	**2**	**2**	**4**	**4**	**4**	**3**	**3**	**3**	**2**	**4**	**2**	**3**	**43**	**77%**
Street addressing	—	✓	✓	—	✓	✓	✓	✓	—	—	—	—	—	—	6	
E-commerce logistics/last-mile delivery	—	✓	✓	—	✓c	✓c	✓n	✓c	✓	—	—	✓	—	—	8	
Cross-border e-commerce/TFA	—	—	✓c	✓n	✓	✓	—	✓n	—	—	—	✓	✓	✓	8	
Tot. (Trade facilitation and logistics)	**0**	**2**	**3**	**1**	**3**	**3**	**2**	**3**	**1**	**0**	**0**	**2**	**1**	**1**	**22**	**52%**
Regulatory review and gap analysis	✓	—	✓	—	✓n	✓n	✓	✓	✓	✓	—	—	—	✓	9	
New laws and regulation initiatives	✓	✓n	✓c	✓c	✓c	✓	✓	✓n	—	—	—	—	—	—	8	
Awareness and sensitization of legal framework enabling e-commerce	✓c	✓c	✓c	—	✓	✓c	✓c	—	✓	—	—	✓	✓	✓	10	
Tot. (Legal and regulatory framework)	**3**	**2**	**3**	**1**	**3**	**3**	**3**	**2**	**2**	**1**	**0**	**1**	**1**	**2**	**27**	**64%**

Thematic item/policy area	Countries that completed their eT Ready before June 2019										Countries that completed their eT Ready between June 2019 and June 2021					
	Countries that participated to both the 1st and 2nd IR								Countries for which the 2nd IR is their first implementation review							
	Bhutan	Burkina Faso	Cambodia	Madagascar	Senegal	Togo	Uganda	Zambia	Bangladesh	Solomon Islands	Côte d'Ivoire	Malawi	Niger	Tuvalu	Scored points*	Implementation rate by policy area
Financial inclusion	✓c	✓c	✓n	✓	✓	✓	✓n	–	✓	✓	✓	✓	–	✓	12	
Interoperability of e-payments	✓c	–	✓c	–	–	✓	–	✓c	–	–	–	–	–	–	4	
Security in online transactions	✓c	–	✓c	✓	✓c	✓c	✓	–	–	–	✓	✓	–	–	8	
New e-payment options and innovations	✓c	–	✓c	✓c	✓c	✓	✓	✓c	–	✓	✓	✓	✓	–	11	
Tot. (Payment solutions)	**4**	**1**	**4**	**3**	**3**	**4**	**3**	**2**	**1**	**2**	**3**	**3**	**1**	**1**	**35**	**63%**
Skills gap review	–	–	✓	✓	–	✓	–	✓n	–	✓	–	–	–	–	5	
Education and training	✓n	✓c	✓n	✓	–	✓	✓n	✓c	✓	–	✓	–	–	✓	10	
Digital innovation	✓	✓	✓	–	✓	–	✓	✓n	✓	✓	–	✓	✓	–	10	
Gender-related capacity-building	✓n	✓	✓	✓n	✓	✓		✓	✓	–	✓	–	–	–	9	
Public sector capacity development	✓n	–	✓	✓	✓n	–	✓	–	–	–	–	–	–	–	5	
Tot. (Skills development)	**4**	**3**	**5**	**4**	**3**	**3**	**3**	**4**	**3**	**2**	**2**	**1**	**1**	**1**	**39**	**56%**
Lending opportunities for e-commerce businesses	✓	–	✓c	–	–	✓	–	–	–	–	–	–	–	–	3	
Financing opportunities for digital entrepreneurship	✓	✓	✓	✓c	✓	–	–	✓n	✓	–	–	–	–	–	7	
Tot. (Access to financing)	**2**	**1**	**2**	**1**	**1**	**1**	**0**	**1**	**1**	**0**	**0**	**0**	**0**		**10**	**36%**
Total scored points (TSC)	**21**	**15**	**24**	**14**	**21**	**21**	**18**	**18**	**15**	**10**	**8**	**11**	**7**	**10**	**213 = 122 (recorded in the 1st IR) + 30 (n) + 61**	
Number of newly recorded actions in the 2nd IR	79 newly recorded in 2021, of which 49 (c) and 30 (n)**								61						79+61= 140	
Countries' Implementation rate – (TSC/26)*100	81%	58%	92%	54%	81%	81%	69%	69%	58%	38%	31%	42%	27%	38%	Avg. tot. 59%	
	68%										35%					

* This is based on the "scored points" label, column 3 - "2nd IR score", of the country profiles (see Annex 2) which says that a reviewed country has shown proof of actions taken in line with an eT Ready recommendation under a specific thematic item, resulting in a documentable achievement considering both the 1st and 2nd IR when applicable.

** NB: (c) means actions taken consolidating achievements in a given thematic item, (n) means actions taken in new thematic items.

ANNEX 2: METHODOLOGY TECHNICAL NOTE

Countries coverage overview. Up to June 2021, the following 27 countries have completed an eT Ready: Afghanistan, Bangladesh, Benin, Bhutan, Burkina Faso, Cambodia, Côte d'Ivoire, Iraq, Kiribati, Lao PDR, Lesotho, Liberia, Madagascar, Malawi, Mali, Myanmar, Nepal, Niger, Samoa, Senegal, Solomon Islands, Tanzania, Togo, Tuvalu, Uganda, Vanuatu, Zambia. Different groups of countries can be identified on the basis of their engagement with the implementation review process, namely the 1st and 2nd IR, outlined below and presented in detail in Table 3:

- 1st IR - 18 countries invited (countries with an eT Ready completed by June 2019), 13 fully reviewed;
- 2nd IR - 25 countries invited (all of the 27 countries with an eT ready completed by June 2021, except Afghanistan and Myanmar), 15 responded, 14 fully reviewed (all of the 15 except Lesotho);[43]
- Eight countries that participated in both the 1st and 2nd IR;
- Countries that participated to the 2nd IR for their first time, with two subgroups: i) four countries with a recent eT Ready completed between June 2019 and June 2021), ii) two countries with an eT Ready completed before June 2019.

Table 3 Status of participation of eT Ready beneficiary countries in the implementation reviews

eT Ready beneficiary countries	1st IR		2nd IR		Reviewed in both IRs	2nd IR - reviewed for the first time
	Invited	Reviewed	Invited	Reviewed		
eT Ready done before June 2019						
Afghanistan	✓		*			
Bangladesh	✓		✓	✓		✓
Bhutan	✓	✓	✓	✓	✓	
Burkina Faso	✓	✓	✓	✓	✓	
Cambodia	✓	✓	✓	✓	✓	
Lao PDR	✓		✓			
Lesotho	✓	✓	✓	*		
Liberia	✓		✓			
Madagascar	✓	✓	✓	✓	✓	
Myanmar	✓	✓	*			
Nepal	✓	✓	✓			
Samoa	✓	✓	✓			
Senegal	✓	✓	✓	✓	✓	
Solomon Islands	✓		✓	✓		✓
Togo	✓	✓	✓	✓	✓	

[43] Initially Afghanistan and Myanmar were also supposed to be invited to the 2nd IR, but with the deteriorated political situation in 2021 it was decided not to proceed. Lesotho did not provide information in part B of the data collection questionnaire of the 2nd IR, which forms the basis for a full review and scored performance assessment.

eT Ready beneficiary countries	1st IR		2nd IR		Reviewed in both IRs	2nd IR - reviewed for the first time
	Invited	Reviewed	Invited	Reviewed		
Uganda	✓	✓	✓	✓	✓	
Vanuatu	✓	✓	✓			
Zambia	✓	✓	✓	✓	✓	
Sub tot.	18	13	16	10	8	2
eT Ready done between June 2019 and June 2021						
Benin			✓			
Côte d'Ivoire			✓	✓		✓
Iraq			✓			
Kiribati			✓			
Malawi			✓	✓		✓
Mali			✓			
Niger			✓	✓		✓
Tanzania			✓			
Tuvalu			✓	✓		✓
Sub tot.	**0**	**0**	**9**	**4**		**4**
Total	**18**	**13**	**25**	**14**	**8**	**6**

Source: UNCTAD. For * see footnote 43.

Data analysis. The findings presented in this report of the 2nd eT Ready Implementation Review build on the information provided by the reviewed countries. Therefore, they are largely dependent on the quantity and quality of the responses received through the data collection questionnaires. The questionnaire is made of two parts: Part A linked to the management of the eT Ready implementation process (including steering and monitoring, prioritization of recommendations, role of development partners, etc.), and Part B specifically tailored to gauge the level of implementation in the seven policy areas, that is reflected in the performance assessment score. The data analysis process led by UNCTAD eT Ready ISM allowed analysts to:

- Map the information collected, clean data and prepare them for a comprehensive analysis.
- Check information to ensure relevance of the information provided to avoid duplicating information provided in the eT Ready as well as in the previous review, for countries that participated for their second time.
- Document evidence through further research, by referencing publicly available sources;
- Capture real progress, by singling out milestones and achievements.
- Identify country commonalities, common trends, thematic highlights and process collected data.

The data and findings from Part A of the questionnaire have mainly informed the section on eT Ready implementation impact highlights, as well as chapters on implementation synergies, priorities for further support, and managing the eT Ready implementation for success. Part B of the questionnaire is reflected in the country profiles (unpublished, available upon request at ecde@un.org), which informed the entire chapter on countries' achievements in the implementation of eT Ready recommendations in the seven policy areas, with a focus on the latest actions

implemented. The evidence collected in the country profiles helped build the dataset to calculate the implementation performance assessment scores, as described below.

The scored performance assessment. The computation of scores builds on the structure of the questionnaire, whereby questions have been grouped into 26 thematic items, broken down by the seven policy areas, reflecting recurrent recommendations in the eT Ready Assessments. Each policy area contains a variable number of thematic items, as recapitulated in Table 4.

Table 4 List of thematic items under each policy area used to assess eT Ready implementation performance

Thematic item	Policy area (No. of rated thematic items)
Strategy development E-commerce committees and working groups E-commerce associations E-government services E-commerce statistics	E-commerce readiness and strategy formulation (5)
ICT infrastructure development Mobile Internet connectivity Internet affordability Access to electricity	ICT infrastructure and services (4)
Street addressing E-commerce logistics/last-mile delivery Cross-border e-commerce/TFA	Trade facilitation and logistics (3)
Regulatory review and gap analysis New laws and regulation initiatives Awareness and sensitization of legal framework enabling e-commerce	Legal and regulatory framework (3)
Financial inclusion Interoperability of e-payments Security in online transactions New e-payment options and innovations	Payment solutions (4)
Skills gap review Education and training Digital innovation Gender-related capacity-building Public sector capacity development	Skills development (5)
Lending opportunities for e-commerce businesses Financing opportunities for digital entrepreneurship	Access to financing (2)

The computation of the scored performance assessment is described in Box 10. It is based on the number of implemented eT Ready recommendations recorded in Annex 1 (and more extensively documented in the above-mentioned country profiles). The assessment is binary: when country-evidence is collected, the recommendation is marked as implemented and scores a point. If there is no information reported on a specific thematic item in the questionnaire responses, it is assumed that no progress was made. As shown in the country profiles, the assessment takes into account and differentiates between countries participating for their first time in the review and those that were already reviewed in 2020.

Figure 15 Example of a country profile

Policy area/ Thematic item	Implemented actions/achievements by thematic item	Scored points		
		1st IR	2nd IR	2nd IR Score
E-commerce readiness and strategy formulation				
Strategy development	Country X introduced….	1	1	1

Reference is made to the "scored points" label in the country profile recalled in Figure 15. Three scoring columns are presented:

- 1st IR: applies to countries that participated to the 1st Implementation Review, the scored points are automatically transferred from the 1st Implementation Review Report;[44]
- 2nd IR: applies to both countries that are participating in the review for the first time and countries that participated in the 1st IR (in this case a point is scored for newly implemented actions and/or major achievements, under each thematic item);
- 2nd IR score: this is based on points marked under either one of the previous columns, namely 1st IR or 2nd IR, it is important to note that it is not a sum.

Therefore, the table in Annex 1 reflects the scored point under column 3, "2nd IR score," which says that a reviewed country has shown proof of actions taken in line with an eT Ready recommendation under a specific thematic item, resulting in a documentable achievement. The maximum number of possible points a country could reach is 26, equal to 100 per cent implementation rate.

[44] https://unctad.org/system/files/official-document/dtlstict2020d9_en.pdf - See Annex 1.

Box 10 The scored performance assessment

The scored performance assessment is calculated as follows:

The **number of implemented recommendations by country, α_y,** in each given policy area n, is calculated as follows:

$\alpha_y = X_{y,\ Strategy} + X_{y\ ICT} + X_{y\ Logistics} + X_{y\ Legal} + X_{y\ Payments} + X_{y\ Skills} + X_{y\ Financing}$

The **total implementation rate by country, β_y,** is calculated as follows:

$\beta_y = (\alpha_y/P)*100 = (\alpha_y/26)*100$, where P is the maximum number of possible points, = 26

The **number of recommendations implemented in a given policy area, α_n,** across all 14 countries, is calculated as follows:

$$\alpha_n = \sum_{y=1}^{Y} X_{yn'} \text{ that is } \sum_{y=1}^{14} X_{yn'}$$

The **total implementation rate by policy area, β_n,** across all the 14 countries, is calculated as follows:

$\beta_n = (\alpha_n / Max\ P_n)*100$

The overall implementation rate (OIM) resulting from this monitoring exercise is calculated as follows:

$$OIM = \left(\sum_{y=1}^{Y} \alpha y / Max\ P \right) * 100 \text{, that is } \left(\sum_{y=1}^{14} \alpha y / 364 \right) * 100$$

That is, the sum of implemented recommendations by the 14 responding countries to Part B of the 2nd IR data collection questionnaire, divided by the maximum allowed number of eT Ready recommendations (14*26 = 364, that would equal to 100% overall implementation rate).

Given

x_y = recommendation x implemented by a respondent country y

Y = total number of countries that have responded to the 2nd IR questionnaire (Part B) = 14

P = total number of thematic items

P_n = total number of thematic items in a given policy area n, where n = Strategy, ICT, Logistics, Legal, Payments, Skills, Financing[45]

$P = \Sigma P_n = P_{Strategy} + P_{ICT} + P_{Logistics} + P_{Legal} + P_{Payments} + P_{Skills} + P_{Financing} = 5 + 4 + 3 + 3 + 4 + 5 + 2 = 26$

Where

X_{yn} = total number of recommendations x implemented by country y in a given policy area n;

Max P_n = Y*P_n = 14*P_n is the maximum possible number of eT Ready recommendations in a given policy area n. If all responding countries had implemented all recommendations in the respective policy area thematic items, implementation rate in a given policy area would equal to 100%;

Max P = Y*P = 14*26 = 364 is the maximum possible number of eT Ready recommendations. That is, if all responding countries had implemented all recommendations across all policy areas' thematic items, overall implementation rate would equal to 100%.

Source: UNCTAD

[45] See Table 4 for reference and full spelling of the policy areas, here abbreviated for ease of use.

Assessing progress over time. In addition to calculating the overall figures on the implementation rate, it is possible to assess progress over time in those countries that have participated in both the 1st and 2nd Implementation Review by providing full data in Part B of the questionnaire. This is the case for Burkina Faso, Bhutan, Cambodia, Madagascar, Senegal, Togo, Uganda and Zambia, for which the additional analytical category "reinforcement of a thematic item" is relevant. Reference is made to the three scoring columns in the country profiles described above. The new analytical category "reinforcement of a thematic item" is applied as follows:

- WHEN a country already scored a point in the 1st Implementation Review (registered in the first column, which by default is also reflected in the overall "2nd IR score," third column),
- AND new actions taken since the 1st Implementation Review resulted in an additional documentable achievement (which is reflected as scored point in the second scoring column, 2nd IR).

In this situation, as the scored points in both reviews are not cumulative, the information is factored in the score performance assessment separately to better track achievements over time in a given country. By contrast, a new action taken in the context of the 2nd Implementation Review by a country that has participated in both Implementation Reviews but did not score a point in the 1st Implementation Review, is reflected in the 2nd IR column and the last column "2nd IR score," so it contributes to increase the overall implementation rate.

ISBN 978-92-1-113050-8

Printed at United Nations, Geneva
2207790 **(E)** – May 2022 – 495

UNCTAD/DTL/STICT/2022/5

United Nations publication
Sales No. E.22.II.D.21