E-Commerce and Digital Trade

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Annual Conference
18 & 19 May 2023
"A Practical and Realistic Agenda for the AfCFTA"
Ecommerce Depends on Many Moving Parts

• Entrepreneurs of all sizes use ecommerce from SMMEs using ‘Social Commerce’ to multinationals using e-Shops or e-Platforms, and much in between. Note: Ecommerce reduces competition advantages of large companies.

• The AU’s Digital Transformation Strategy (2020-30) recognised that ecommerce will be a major driver for AfCFTA cross-border trade.

• The potential for online development of a robust, effective, scalable intra-African trade depends upon multiple points :-}
Ecommerce’s Pain Points (1)

• Need to ensure Buyers’ Trust in Ecommerce
• Transport infrastructure (lack of)
• Customs facilitation and need for e-documentation (preclearance/smart contracts)
• Removal of both tariff and non-tariff barriers (NTBs)
• Clarity on Sales and other Taxation (inc. import “special charges”)
• Addressing the unaddressed and under-addressed
• Cooperation to reduce Cybercrime and increase Cybersecurity
• And
Ecommerce’s Pain Points (2)

• Digital Inclusion – Ecommerce must have “a stable, robust, accessible & reasonably priced internet”
• Smooth intra-state data transactions - no funky, costly tariffs or rules
• A Regulatory level playing field, which includes:
  1. Consumer Protection
  2. Data Privacy
  3. IP/trademark protection
  4. Effective Non-discriminatory Competition Environment
• And
Ecommerce’s Pain Points (3)

• Cross-border Payment Solutions (inc. mobile money) which are interoperable
• The Reduction of Currency Exchange Volatility – preferably a “stable coin” trading currency based on a basket of commodities, not a CBDC
• Promotion of Investment, which requires comparable statistics on ecommerce
• Training/Skilling/Education on the digital economy and promotion for Women and the Youth to prosper in ecommerce
• Finally, many SMEs exports enjoy the US’s and EU’s de minibus rules – defend these!