

SESSION SUMMARY Session N°2	
Title	Organiser(s)
"How can ACP countries harness digital innovation as critical enabler for promoting inclusive trade?"	ACP Geneva Office Friedrich-Ebert-Stiftung Geneva Office

At first glance the rise of the digital economy appears a major window of opportunity to make trade more inclusive – on a regional and on a global level, offering opportunities in particular for developing countries to boost trade, innovation and entrepreneurship through digital technologies.

The panel focused on discussing current challenges for ACP States seeking to fully benefit from digital innovation and on identifying possible solutions on how to enable them in doing so. In addition, the potential of the WTO in providing further assistance was discussed. The panellists unanimously highlighted the unique potential and therefore crucial role of the digital economy for trade and developing initiatives. Looking at the numbers, global e-commerce is indeed growing rapidly and yet, conditions for digital innovation are not ideal everywhere. Major inequalities and challenges persist. Cécile Barayre strikingly illustrated using recent UNCTAD research data how huge the e-commerce divide still is. For instance, in 2014, only 4% of the Nigerian overall population shopped online compared to 78% in Denmark that same year.

As the main obstacles for a flourishing e-commerce, Daniela Zehentner-Capell, head of unit at the German Federal Ministry for Economic Cooperation and Development, identified a lack of infrastructure & skills and unclear regulations. The majority of the world's population is in fact still offline. In addition, once connected, the new digital technologies also demand new skills. The German development initiatives therefore focus on capacity building in the private sector. Cécile Barayre underlined not only the fundamental importance of access to finance and information but also the key role of adequate payment solutions for cross-border e-commerce. Challenges, Roy Ombatti, founder and social entrepreneur from Kenya, faces in his everyday work managing the social enterprise AB3D (African Born 3D Printing). Passionate about technology, making and innovation he invented a method to manufacture quality and affordable 3D printers and 3D printing filament from recycled waste parts in an effort to lower the barriers of access to 3D printing in Kenya. For him it is all about an equal access. Access to information, advice, capital and ultimately to markets.

For example, AB3D had to turn down international orders because of too high shipping costs. Nevertheless, Roy

Ombatti is not asking for international aid in form of money. He is asking for partnerships. He is convinced of his product and its ability to compete internationally. But the current e-commerce environment seems to systematically disadvantage small entrepreneurs like him. In order to work out solutions UNCTAD launched the “E-Trade for All” initiative which aims at making e-commerce more efficient via a platform providing centralized advice. The idea is to create synergies through collaboration, building a capacity network and pooling capabilities of multiple stakeholders. The key policy areas intend to meet the needs of innovators including access to financing, ICT infrastructure, E-commerce skills and strategies, the legal framework, trade logistics and payment solutions. Considering the role of the WTO with regard to making e-commerce more inclusive Daniela Zehentner-Capell argued for similar responsibilities. It is about providing a platform which “brings people together” enabling dialogue and cooperation, mapping already existing solutions as well as defining clear and transparent rules to facilitate e-commerce. Roy Ombatti concluded by calling for a bottom-up approach which looks at the grass root entrepreneurs. Enabling these local innovators to actively take part in the international discussion appears to be vital for providing them with more individually tailored and ultimately more effective support.