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**eTrade  
Alliance**

## **Plenary III - Future of Private Sector Development Through Ecommerce**

### **Background**

Kati Suominen, Founder and CEO of Nextrade Group and Technical Director of the eTrade Alliance, opened the panel by providing context into the journey of how the eTrade Alliance came to be over the past decade, starting around 10 years ago when eBay data was starting to show that SMEs that use ecommerce are highly export-driven and many Alliance partners were already growing through ecommerce – yet the donor community had not yet noticed the opportunity that ecommerce offers for trade and development. Kati Suominen’s own journey was to highlight in 2013 considering these developments the need for a private-public partnership (PPP) for ecommerce development, which led to Nextrade’s work in founding with the United Nations the eTrade for All Initiative in 2015. The eTrade Alliance launched in 2016-17, and by 2017 global ecommerce-related policies were making headlines, with the launch of the World Trade Organization ecommerce talks in 2017, the launch of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) in 2018, and the entry into effect of the EU’s General Data Protection Regulation (GDPR) in 2018. Shortly after, the first eTrade Alliance formed in response to the emerging need for developing country policymakers to understand best practices in ecommerce development. The expanded Alliance then formed in 2019 with a focus on enabling MSMEs to take advantage of cross-border ecommerce, gaining a great deal of demand from around the world as Covid-19 made it imperative for MSMEs to turn to ecommerce.

After providing this background, Kati Suominen posed the question to Alliance partners of whether we would still create this same organization today? Would we still build an eTrade Alliance today, in 2023, if it did not exist, would we use a PPP model – and if so, are the approaches the Alliance promotes today still the right ones to enable SME ecommerce?

### **Partner perspective on the relevance of the eTrade Alliance today**

Maria Luisa Boyce, Vice President for International Policy for Global Public Affairs at UPS, highlighted the Alliance’s ability to adapt to change within the evolving and challenging policy environment of ecommerce. The Alliance helps bring the necessary structure to promote SME ecommerce development by combining practical components with policy recommendations and does not lose sight of the power that ecommerce has to create economic opportunity.

Heba Shams, Vice President of Global Public Policy at Mastercard, underscored the importance and urgent need for digitization today, and commended the Alliance for addressing the digitization gap that we see around the world, especially through its model for private-public collaboration and the established relationships between relevant stakeholders.



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Roger Libby, Vice President and Head of Corporate Public Affairs in the Americas at DHL, explained that the Alliance provides the ground truth of what SMEs in the community are really experiencing and that the Alliance provides a targeted and focused effort for SME ecommerce development. He asserted how important it is to have simple rules on customs, reliable logistics, and ecosystem partners like payments and platforms, and for SMEs to formalize. The Alliance can facilitate engagement on these issues.

Gabriel Gab-Umoden, Chief Marketing Officer of The African Talent Company, works with the Alliance in Nigeria and Kenya to equip young people with the skills to succeed in ecommerce. He reiterated how SME ecommerce will only continue growing in Africa and the Alliance's work in data driven insights on SME behavior and growth opportunities and capacity building efforts helps to close the gap on digital skills and literacy and boost SME participation in the digital economy.

### **Ideas for improvements and continued impact**

Maria Luisa Boyce believes there is an opportunity to leverage more survey data on SMEs, and also to engage USAID colleagues around the world who are on the ground and have established local relationships and networks in the countries the Alliance works in. She also believes the Alliance can do more technical work in the area of logistics- to help SMEs adapt to the evolving landscape and challenges of international logistics.

Roger Libby underscored the need for a successful logistics process for ecommerce to work, and reiterated how this can be accomplished through simplicity, transparency, and consistency. The Alliance can help facilitate the best policies for SMEs to succeed in logistics and improve inclusion, including engagement with policymakers to illustrate that SMEs benefit from simple, consistent, and transparent rules.

Heba Shams echoed Roger Libby's statements about the need for simplicity and transparency in ecommerce, and how this applies also in payments and data protection. She emphasized that one of the biggest challenges to SMEs are cybersecurity threats, and this is an area where everyone seems willing to collaborate. She suggests the Alliance draw on its strengths to engage on the issue of cybersecurity in policy and implementation.

Gabriel Gab-Umoden emphasized the importance of the Alliance encouraging trade agreements in Africa to simplify cross-border ecommerce. He also suggests that going forward the Alliance supports SMEs in keeping up with emerging technologies and changing market dynamics by providing customized training and resources and R&D support to adopt new technologies like AI and IoT. Lastly, the Alliance should continue to strengthen collaboration between government, businesses, and NGOs.

### **Conclusion**

The panelists shared many of the benefits and positive impacts they see from being partners in the Alliance, and underscored the importance to continue building on what the Alliance is already doing well



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in the areas of data driven design and analysis, capacity building, ecommerce policy, and representation of SMEs. The Alliance can consider getting more technical in certain areas like trade facilitation and cybersecurity and ensure capacity building evolves with emerging technologies. The Alliance has an excellent foundation for co-creating solutions and collaborating between the private and public sector, and USAID colleagues around the world can especially add value to this collaborative effort.