

# TABADOOL DIALOGUE LEVERAGING E-COMMERCE FOR EXPORT How to Unleash the Potential?

**Zoom Webinar, 4 May 2023 – Key takeaways** 

#### **REGIONAL DIALOGUE CONTEXT**

The TABADOOL webinar organized on the 4<sup>th</sup> of May 2023 gathered 45 participants including representatives of the EU, ministries, regulators, financial institutions, alternative finance promoters, as well as the civil society, notably women in business associations as well as the National SBA Coordinators.

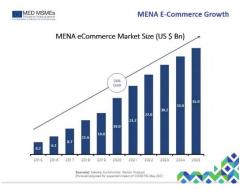
The webinar organized in close collaboration with INSME delved into the world of digital export and e-commerce. It was supported by a



team of three experts who walked participants through the promotion of digital export programmes and policies worldwide, and highlighted challenges facing MSMEs, and shared some good practices and practical tools illustrating the reshaping of the commerce through digital transformation.

The objective of the webinar was to promote the sharing of knowledge and expertise by examining international case studies and drawing on lessons learnt from digital exporting and e-commerce programmes in the region, the ultimate aims being to inspire action among participants and to prepare the hybrid event organized in Rome on the 20<sup>th</sup> and 21<sup>st</sup> of June.

The **findings and calls for action** at the regional level were the following (by theme):



## Challenges for MSMEs in Cross-Border e-Commerce

1. Limited market knowledge: The group believe MSMEs in the South Med region have inadequate knowledge about opportunities in export markets, the regulations and processes involved in cross-border e-commerce, including taxes, customs clearance, shipping and logistics, and payment methods.





- 2. Lack of digital skills: MSMEs in the region often do not have sufficient technical knowledge and skills to benefit from selling on international marketplaces and e-commerce platforms that offer shipping, logistics, and payment solutions.
- 3. E-commerce ecosystem: MSMEs in the region face challenges in terms of the availability and quality of infrastructure, particularly logistics, delivery and payment systems.

Inadequate market knowledge, insufficient digital skills and an uncoordinated e-commerce ecosystem is hindering the ability of countries in the South Med to benefit fully from the opportunities of cross-border e-commerce.



## Challenges for Policymakers

- Most countries in the region are not participants in the WTO Joint Statement Initiative (JSI) on e-commerce: the group that is setting the rules for cross-border ecommerce.
- 2. Few policymakers or public institutions' or agencies' staff have a good understanding of the complex and rapidly evolving landscape of e-commerce and trade, and the challenges and opportunities facing businesses operating in the digital economy.

Limited knowledge of policymakers needs to be overcome in order to fully realise the potential of e-commerce for trade. It is difficult to determine priorities and budgets without a strong grasp of the topic.

Without a clear understanding of the subject and methods of staying up-to-date, policymakers in the region will find it difficult to be actively involved in negotiations facilitating cross-border e-commerce.





## Best Practice Policies and Programmes

- Scotland delivered a range of support to encourage MSMEs to adopt digital tools 20 years
  ago. This included the First Steps into e-Business workshop series (providing training about
  the benefits of e-commerce, developing websites and selling online), eBusinessadvisers
  (MSME coaching programme) and e-Business Week (including a national competition which
  helped publicise case studies / best practice in the use of e-commerce by MSMEs).
- 2. Scotland now runs one-day events on Selling Online Internationally, as well as events, webinars and masterclasses, looking at particular markets (e.g. selling online to the USA), online marketplaces (e.g. Alibaba or Amazon) or specific issues (e.g. international search engine optimisation or social media)





MSMEs at Different Stages in the Journey

- 3. In Italy, since 2015, there is a digital skills training for young unoccupied people and MSMEs, equipping them with the necessary skills to succeed in the digital economy. This is the "Crescere in Digitale" (Grow in Digital) programme, run by Unioncamere in collaboration with Google.
- The Italian Trade Agency runs the Digital Export Academy, delivering both to young professionals and SMEs training in areas such as e-commerce, digital

marketing, and social media, providing businesses with the skills and knowledge they need to succeed in the global marketplace.

Promos Italia and Chambers of Commerce have developed an online platform called DigIT Export, aimed at supporting Italian businesses in their international e-commerce activities. The platform offers a range of services, including e-commerce training, marketplace finder,

free expert consultation , and matchmaking with potential international partners.



6. Italy has also signed an agreement with Alibaba to allow Italian MSMEs to register for free as sellers on Alibaba.com to get in touch with new global buyers and increase their export through this B2B marketplace. China has been actively promoting cross-border e-commerce to boost its economy, and one of the key strategies it is using to achieve this is the establishment of CBEC Pilot Zones. From the establishment of the first CBEC Pilot Zone

in Hangzhou in 2015, in the following years the





Chinese government replicated the same policy all over China, counting nowadays 165 CBEC pilot zones. These zones provide a favourable business environment for MSMEs with favourable tax policies, streamlined logistics, simplified export and customs processes, which reduce the time and cost of doing business for MSMEs engaged in cross-border e-commerce.

7. The United Arab Emirates (UAE) is also actively promoting cross-border e-commerce. It too has

established free trade zones providing incentives, such as tax exemptions, streamlined customs clearance procedures, and simplified licensing requirements. They have also established business incubators for MSMEs working in ecommerce

8. Within the South Med region, the Women Entrepreneurs Finance Initiative (We-Fi), began operating in Morocco at the end of 2022. The programme involves training and coaching ecommerce advisors to coach MSMEs and the target is to train and coach up to 1,500 women-





owned MSMEs to develop their operations through e-commerce. The We-Fi programme is also operating in Algeria, Djibouti, Egypt, Jordan, Lebanon and Tunisia.

#### Possible Actions

 As discussed during the workshop, the EuroMed Trade Helpdesk is a useful tool for MSMEs, providing free information and advice on trade regulations, tariffs, and market opportunities in the 37 countries of the Euromed region (click logo to access).



- 2. Countries need to look at supporting digital skills development for MSMEs and young people or risk falling further behind. There may be opportunities to seek assistance from donors for training and coaching programmes to upskill BSOs, as well as upskilling private sector trainers, advisers and consultants, to ensure a pool of knowledgeable local trainers and advisors is developed. This may be easier to achieve through seeking support on a regional basis.
- 3. A programme of training for policymakers or public servants would help them understand the complex and rapidly evolving landscape of e-commerce and trade, enable them to better set appropriate e-commerce strategies and contribute to international negotiations. This might also achieve support from international donors if tackled on a regional basis.
- 4. Regular dialogue between policymakers at a regional level would allow for the sharing of knowledge and best practice, and should help strengthen the economies of the region.
- 5. Developing the e-commerce ecosystem is an essential part of developing an effective cross-border e-commerce strategy, and policymakers have a strong role to play in streamling processes, improving logistics and delivery and access to international marketplaces.
- Free Trade Zones may have an important role to play in encouraging the development of cross-border ecommerce, as part of a country's cross-border ecommerce strategy.
- Agreement with most important marketplaces, such as Alibaba.com, could reduce entry barriers and risks for MSMEs, encouraging them to use these digital channels to expand their export.



## Next steps

The TABADOOL dialogue was a preparatory step of the study tour organized in June 2023 in Rome, whose objective is to inform and raise awareness among institutional and private exporters in the beneficiary countries of the MED MSMEs Programme on the impact of strategies, programmes and digital support services on the development of SME exports.





In particular, it will allow participants to acquire information on the export strategy in Italy (leading EU country in terms of exporting SMEs), on the governance system for the deployment of the strategy and on the operating methods and type of support services for exporting SMEs via the digital platform (*export.gov.it*).

The MED MSMEs Programme will mobilize in partnership with INSME dedicated expertise and a set of speakers from the main export institutions and organizations in Italy such as SIMEST - Italian Società per le Imprese all'Estero, SACE - Servizi Assicurativi del Commercio Estero, ICE-Agenzia per la promozione all'estero e l'internazionalizzazione delle imprese italiane, CDP-Cassa Depositi e Prestiti.

### Key speakers



Giovanni Zazzerini is the Secretary General of INSME – International Network for Small and Medium sized Enterprises, a legally recognized not-for-profit Association that gathers international players involved in the development and implementation of policies and programs in support of SMEs and entrepreneurship. He is adjunct professor of marketing at LUISS Guido Carli University. Since 2008 he works as an expert for the Italian Ministry of Foreign Affairs, regularly carrying out technical assistance, training, and capacity building activities for Development Cooperation projects in China, Vietnam and in Tunisia. Since 2012 he is also appointed by the European Commission to advise on research projects about exploitation of research results, commercialization of innovation, and business plan development. He holds a Ph.D. in Marketing from the University of Urbino, a Masters Degree in Technology and Innovation Management from SPRU, University of Sussex and a Bachelor's Degree in Economics from the University of Perugia.

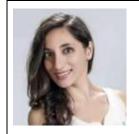


Julian Lawson Hill - Julian is an international expert with more than 20 years of experience in exporting, e-commerce, digital marketing and sales. Since 2000 he advised governments, agencies and corporates on their e-commerce development, on the design and development of e-business tools and on building technical capacities to take full advantage of the transformation at stake. In the South Med region, he managed a project in Jordan to expand international e-commerce (GIZ, 2021-2022). This project involved: Assessing the needs of MSMEs and the capacity of local BSOs; Training and coaching business advisors from six Jordanian BSOs and then training and coaching 20 MSMEs on e-commerce and digital marketing; and Organising Cross Border e-Commerce Day to increase awareness of e-commerce and encourage collaboration in the e-commerce ecosystem





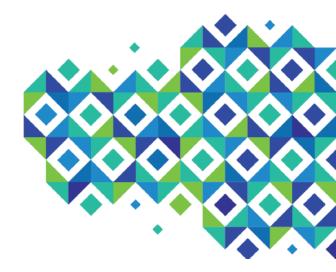




Vincenza Caputo – Vincenza Caputo – Specialist of International Trade and Marketing, she specializes in Chinese market entry strategies and deploys her services in the USA, Italy and China. Thanks to studying and working experiences in China, she boasts in-depth knowledge of China's culture, market dynamics, and language. She served as Senior Business Developer with many companies looking to enhance their marketing and digital transformation. She supports and guides Western companies that aim to grow within Chinese market through the digital ecosystem, designing and implementing digital development plans and marketing strategies for this market.

Access all presentations HERE, or by scanning the QR Code below:





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