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E-COMMERCE AND THE INTERNATIONALIZATION OF SMES

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E-commerce represents an opportunity for economic development and should form the basis of SME strategy as a driver for growth and job creation. Growth and job creation are two key areas that have been at the forefront of WTO's work for almost two decades. It is worth recalling a few noteworthy moments and dates that have advanced those issues in 2017:

- On 1 and 2 March, WTO Members, via the Council for Trade-Related Aspects of Intellectual Property Rights (TRIPS), discussed e-commerce issues related to intellectual property, access to medicines, and the role that intellectual property should play in enabling small businesses to take part in trade.
- On 14 March, the WTO Committee on Trade and Development discussed how e-commerce could foster development.
- On 25 April, the WTO Director-General, Mr. Roberto Azevêdo, while addressing the first ministerial meeting of the Friends of E-commerce for Development (Argentina, Chile, Colombia, Costa Rica, Kenya, Mexico, Nigeria, Pakistan, Sri Lanka and Uruguay), noted that many WTO Members wanted to set a path forward for discussions on e-commerce, with a view to ensuring that e-commerce supported growth and development in the years to come. He said that "engagement is high", but if WTO Members wanted to make progress, they would have to turn that engagement into "real proposals".
- On the same day, the Director-General welcomed Mr. Jack Ma, Executive Director of Alibaba and Special Advisor to the United Nations Conference on Trade and Development (UNCTAD) for Youth Entrepreneurship and Small Business, to discuss how e-commerce could help SMEs grow their businesses and thereby boost development and job creation around the world.

The aforementioned WTO activities provide a good overview of the concerns that nowadays underpin the regulation of international trade. What role should parliaments play in the development of e-commerce? How and why should the WTO support parliaments in the implementation of the accompanying rules for e-commerce, particularly in the case of SMEs? How can these measures promote economic development? These questions serve to highlight the fact that not only does e-commerce in and of itself merit special attention, but also that its development calls for the input of a wide range of stakeholders, including parliaments.

The establishment of a framework for cooperation between the various States should serve as a benchmark. Parliaments in their capacity as lawmakers should assist governments in designing instruments that support the development of e-commerce.

Parliaments should help to make e-commerce profitable for SMEs by focusing on the following three areas:

- Adopting legislation to ensure trade-related electronic transactions are secure. To this end, steps must be taken to ensure the reliability of the connection (how to guarantee that you are dealing with the genuine and correct partner?), the product (how to guarantee that the product meets the desired quality assurance standards?) and the financial transaction (how not to lose money in doubtful transactions?).

- Establishing policies concerning Internet access in developing countries. The development of ICTs is in itself a job creation factor and access to the Internet makes it possible to form partnerships. Electronic payment is nowadays one of the most sought after financial frameworks in developing countries.
- Strengthening legislative capacity in order to provide SMEs with a series of incentives for wealth creation. In this regard, trade can contribute to the outsourcing process and enable SMEs to produce services readily accessible for other countries. Parliaments must encourage States to invest in training, particularly in computer engineering and associated professions related to ICTs.

In that context, the WTO should provide incentives to promote the development of e-commerce, so as to encourage parliaments to move in that direction. This would call for training and awareness workshops to be held for parliamentarians so that they are able understand the wisdom behind this approach, particularly for developing countries.

A tripartite system incorporating the WTO, e-commerce and economic development should ensure that the poorest countries are better represented in international trade. The African, Caribbean and Pacific Group of States represents an inclusive framework in which to discuss such strategies. WTO should pay close attention to the outcomes of those discussions since the group brings together a set of culturally diverse countries whose economic trajectories and access to ICTs can guide the experiences of the respective members.

The tragic immigration situation and recent images of the sale of human beings in Libya must, more than ever, spur on parliaments and all stakeholders involved in wealth creation, and, in this respect, should serve as a foundation for a fairer world. Economic development should prevent this kind of tragedy in the future and ICTs have a key role to play in that regard.