

The Role of mobile services in Enabling E-commerce in Central Africa and policy implications

DRAFT

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Executive Summary

The digital economy in ECCAS¹ is expanding rapidly, driven by the ongoing strong adoption of mobile services. Overall mobile subscriber penetration in the sub-region has gone from just 18% at the start of the last decade to 42% by the end of 2019, while the number of mobile internet users reached 46 million by the same date. This trend is facilitating the creation and consumption of new digital services, which are transforming the way people communicate, live and work.

E-commerce is a key component of the digital economy, allowing buyers and sellers to interact and transact online regardless of time and location. This has the potential to generate significant social and economic benefits, particularly in emerging countries where the service often creates jobs and stimulates economic activity by encouraging investments and opening new markets to otherwise isolated rural communities. Women and young entrepreneurs increasingly use e-commerce platforms to grow their businesses, thereby reducing inequalities and helping local value creation.

In ECCAS, retail services are still predominantly traditional and informal. UNCTAD estimates that around 90 % of transactions across Sub-Saharan Africa occur through informal channels. This is partly because of entrenched consumer attitudes and shopping behaviours. However, there is growing momentum towards modern and more formal channels, with e-commerce playing an increasingly important role in the evolving retail landscape. Across the sub-region, established retailers and entrepreneurs increasingly use online channels to reach new customers as well as overcome fundamental barriers to modern shopping, such as the shortage of retail space.

Mobile technology is a key driver of e-commerce services in ECCAS. In addition to being the primary platform for most people to access the internet, given the lack of fixed broadband infrastructure, mobile technology is also facilitating online payments through mobile money, addressing the challenge of low bank card penetration and risks associated with cash-on-delivery. At the end of 2019, there were 17 live mobile money services in ECCAS, serving nearly 50 million registered accounts.

Meanwhile, several e-commerce providers have emerged across the sub-region in recent years, serving both domestic and global markets. In addition, as is the case in other emerging regions, social commerce is gaining momentum in ECCAS, helped the uptake of social media services and the low barrier to entry for small businesses. Facebook is by far the most popular social media service in ECCAS with a total user base of 11.4 million as of January 2020, and has also become the preferred platform for many e-commerce entrepreneurs across the region.

The current state of e-commerce services in ECCAS is, however, impacted by several factors, which have the potential to limit the ability of e-commerce services to scale. These include the lack of access to and affordability of mobile internet services for large swathes of the population, especially from low income segments; limited use of digital payments services; inadequate addressing systems in some urban areas and most rural areas; bottlenecks in customs clearance and overall international trade; and an often-challenging business and macroeconomic environment for e-commerce start-ups.

Governments in the sub-region have a significant role to play in implementing policies which address these challenges and stimulate investment in e-commerce services. Fundamentally, governments need to take a holistic approach to developing and implementing policies that underpin e-commerce services, recognising that e-commerce is impacted by policies and activities in multiple and often

¹ Angola, Burundi, Cameroon, Central African Republic, Chad, Congo Republic, Democratic Republic of Congo, Equatorial Guinea, Gabon, Rwanda, Sao Tome & Principe

disparate sectors, and that e-commerce growth can stimulate productivity and drive efficiency across of the economy.

Mobile operators occupy a unique position within the e-commerce landscape. From providing the connectivity that enables online activities, including e-commerce, to enabling digital payments through mobile money and supporting e-commerce start-ups using network and distribution assets, such as APIs and sales agents, to address some of the operational and commercial challenges of e-commerce.

This report identifies key areas where action is required to increase access to digital services in general and e-commerce services in particular. These are:

Enhance digital and financial inclusion - By the end of 2019, nearly 40% of the population in the sub-region did not have access to a mobile broadband network, while less than half of the adult make or receive digital payments on a regular basis. To increase digital and financial inclusion in the sub-region, governments will need to implement policies that strengthen mobile infrastructure and affordability of mobile services, such as reducing or optimizing sector-specific taxes, which can constrain investment and impact the affordability devices and services for users; make spectrum available at the right quantity, frequency band and pricing; promote market-led competition and a level playing field across the payment ecosystem, and improve local and global payment system interoperability.

Take the right approach to data regulations - Consumer data privacy and cross-border data transfers are vital elements of any digital service, including e-commerce. While a positive experience with an online seller can create trust for some consumers, specific regulations that protect participants in an online transaction are necessary to boost overall confidence in e-commerce and other digital services. It is, therefore, important for governments to adopt data privacy laws that provide effective protection for individuals while allowing organisations the freedom to operate, innovate and comply in a way that makes sense for their businesses and can secure positive outcomes for society.

Address key challenges in the business environment – The advancement of e-commerce services relies on several macroeconomic factors, which can have a direct impact on the ability of e-commerce businesses to scale and fulfil transactions. These range from internal logistics challenges and international trade barriers to fiscal policies and red tape on e-commerce start-ups. Improving the overall business environment is essential to driving growth and realising the socioeconomic benefits of e-commerce.

Leveraging stakeholder collaboration – E-commerce stakeholders in ECCAS include government and policymakers, mobile operators, the development community, private sector players and civil society. There is need for these stakeholders to collaborate on efforts to address the key challenges to e-commerce adoption in the sub-region, such as tackling digital exclusion, increasing consumer awareness and trust for digital services, strengthening transactions' security, promoting the supporting hard and soft infrastructure, and bridging the skills and funding shortages for e-commerce businesses.

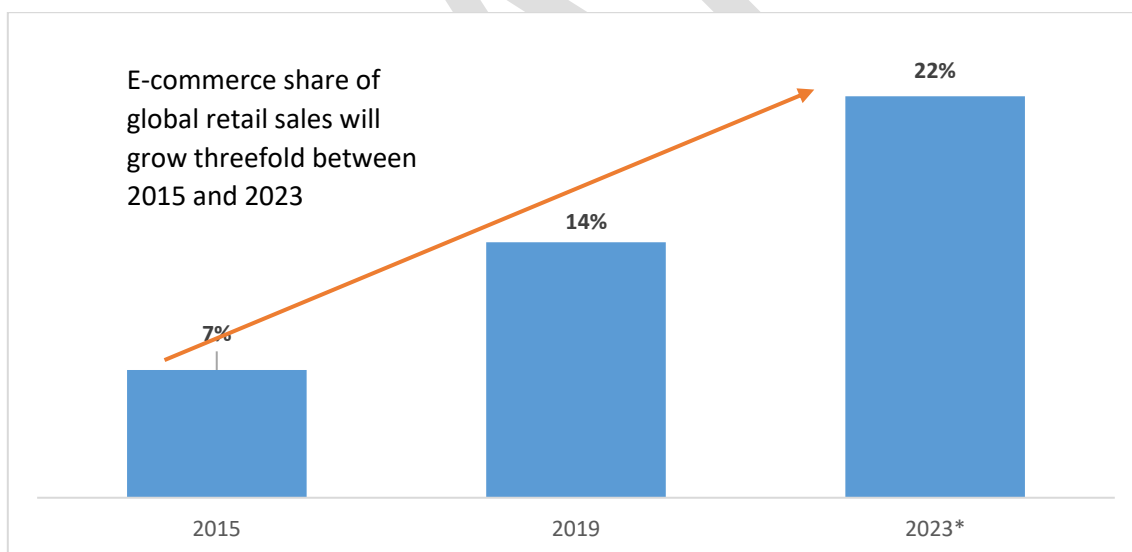
1. The rise of e-commerce

E-commerce² has grown significantly over the last two decades, facilitated by widespread internet access, the growing uptake of digital payments and changing consumer lifestyle mainly led by the emerging middle class at global level. The rapid adoption of smartphones and mobile internet services gives added impetus to this trend, with m-commerce³ accounting for an increasing share of overall e-commerce transactions - mobile now accounts for around two-thirds of total retail e-commerce sales⁴. While e-commerce penetration is highest in developed regions, key factors such as favourable demographics and increasing access to connectivity and mobile payments platforms underscore the growth potential in developing regions.

1.1 Global and regional e-commerce trends

Globally, e-commerce continues to see strong growth, with total sales currently estimated at around \$3 trillion⁵. In relative terms, e-commerce sales as a share of total retail sales is rising rapidly. Forecasts suggest e-commerce is set to account for 22% of global retail sales by 2023, up from 14% in 2019 (Fig 1). By 2023, total e-commerce sales are expected to total \$6.5 trillion, more than double the 2018 total.

Fig 1: Global e-commerce share of retail sales 2015-2023



Source: eMarketer

China dominates the global landscape today in both absolute and relative terms, with total e-commerce sales at the end of 2019 estimated at around \$1.9 trillion. This is almost four times the level recorded in the US; indeed, the dominance of China is such that its e-commerce market is larger than the U.S., the U.K., France, Germany and Japan combined.

The share of e-commerce sales was highest in China, at a quarter of total retail sales, and other developed markets such as the UK, South Korea and the US. In emerging markets, however, e-commerce sales currently account for less than 5% of total retail sales.

² the buying and selling of goods and services online

³ online shopping using a mobile device, typically a smartphone

⁴ Source: Statista

⁵ eMarketer

Box 1: China: the e-commerce giant

The past decade has seen rapid growth in the demand for online shopping in China, making it the world's largest e-commerce market today. Total e-commerce revenue in the country will reach \$1.1 trillion in 2020⁶, equivalent to around 15% of the country's GDP, and rise to nearly \$1.5 trillion by 2024. Some of the key drivers in the Chinese e-commerce market are:

Rising internet penetration – The total number of Internet users in China crossed 900 million at the end of 2019. This represented 67% of the country's population. Mobile broadband networks provide the basis for rising Internet adoption in the country, with 4G networks covering 99% of the population.

Smartphone adoption - China's status as a leader in e-commerce services is rooted in the rapid adoption of smartphones. Today, there are approximately 1.2 billion smartphone connections in China, accounting for three-quarters of the total number of mobile connections.

Ease of paying online - The widespread adoption of digital payments has helped the expansion of the broader digital ecosystem, with the emergence of a number of hyper-scale e-commerce players that dominate their home markets and are increasingly looking to expand internationally. WeChat Pay and Alipay have around 1 billion and 1.2 billion global active users, respectively, compared to around 0.5 billion for Apple Pay.

E-commerce popularity - At the same time that mobile Internet penetration rate and digital payments are rising in China, online shopping has been gaining increased popularity in the country. The number of online shoppers in China has been increasing exponentially from below 34 million in 2006 to over 610 million users in 2018, an 18-fold increase over the 12-year period⁷.

Reduction in delivery time - Increasing investments in logistics and warehousing capabilities are directly resulting in improved delivery times for online orders in China. Alibaba, China's largest e-commerce firm, is already making drone deliveries in Shanghai, while JD.com, China's second-largest e-commerce firm, started robotic delivery of packages in Beijing. By using aircraft, delivery services can skip China's crowded roads, cutting total delivery time to 20 minutes for customers in the participating area.

Rural customers – Widespread mobile internet and smartphone adoption, including in rural areas, means that rural dwellers can participate in the e-commerce market. Indeed, e-commerce offers them the opportunity to buy products that may not readily available within their locality.

Economic growth – China's economy has grown rapidly over the last two decades. Consequently, GDP per capita increased by more than tenfold from \$959 in 2000 to \$9,770 in 2018. The resulting increase in consumer spending power has been a key factor in e-commerce growth in the country.

E-commerce law - After several years of preparation, China's first e-commerce law officially took effect on January 1st, 2019. The law aims to protect the legal rights and interests of all parties involved in e-commerce transactions while maintaining market order. The law addresses consumer protections like data privacy and cybersecurity and specifies regulations concerning operators, contracts, disputes settlement, and liabilities involved in e-commerce⁸.

⁶ Statista

⁷ Statista

⁸ See [How China's e-commerce law will affect retailers, sellers, and consumers](#)

The value of e-commerce services in any given country is largely a function of the absolute size of the economy. Consequently, the six largest e-commerce players globally generate the most sales from the largest economies in the world.

Table 1: Leading global e-commerce players

Company	Main markets	Sales 2019
Amazon	US, UK, Germany and Japan	\$281 billion
Alibaba	China	\$39 billion
JD.Com	China	\$67 billion
Walmart	US	\$28 billion
eBay	US, global	\$10.8 billion
Rakuten	Japan	\$11.8 billion

Source: company data

There is however a shift in growth momentum towards emerging markets, some of them in Sub-Saharan Africa. India is forecast to see the strongest growth in the period out to 2023, with Indonesia and South Africa also in the top six⁹. These countries are typically experiencing both strong population and GDP growth, enabling the emergence of a youthful and tech-savvy consumer class with increasing disposable income. Further, governments are increasingly supporting the development of digital services in general and e-commerce in particular, focusing on a range of enabling factors, including access to digital payments and facilitating cross-border trade flows.

Leading e-commerce players plan to extend activities to fast growing emerging economies around the world. In January 2020, Amazon announced a \$1 billion investment in India while Alibaba has expressed interest in expanding across Africa.

1.2 Types of e-commerce services

There are four broad types of e-commerce as highlighted in the table below:

Table 2: Types of e-commerce services

Type	Description	Examples
Business-to-business (B2B)	Transactions of goods and services between companies	Amazon Business, Alibaba
Business-to-consumer (B2C)	Online transactions between businesses and customers	Amazon, Groupon, Taobao
Consumer-to-consumer (C2C)	Transactions between consumers often conducted through the use of social media networks and third-party sites	eBay, Facebook marketplace
Consumer-to-business (C2B)	Consumer use online platforms to sell products and services to business companies	Gazelle, eBay

Source: GSMA Intelligence

The global retail e-commerce landscape is dominated by global players in the B2C and C2C categories, such as Amazon, eBay and Alibaba, which operate country-specific websites in several countries, as well as international shipping services to reach buyers in many other countries around the globe. In many developing countries, however, regional- and national-level e-commerce businesses play leading roles in the domestic e-commerce market, leveraging their local knowledge and the limited

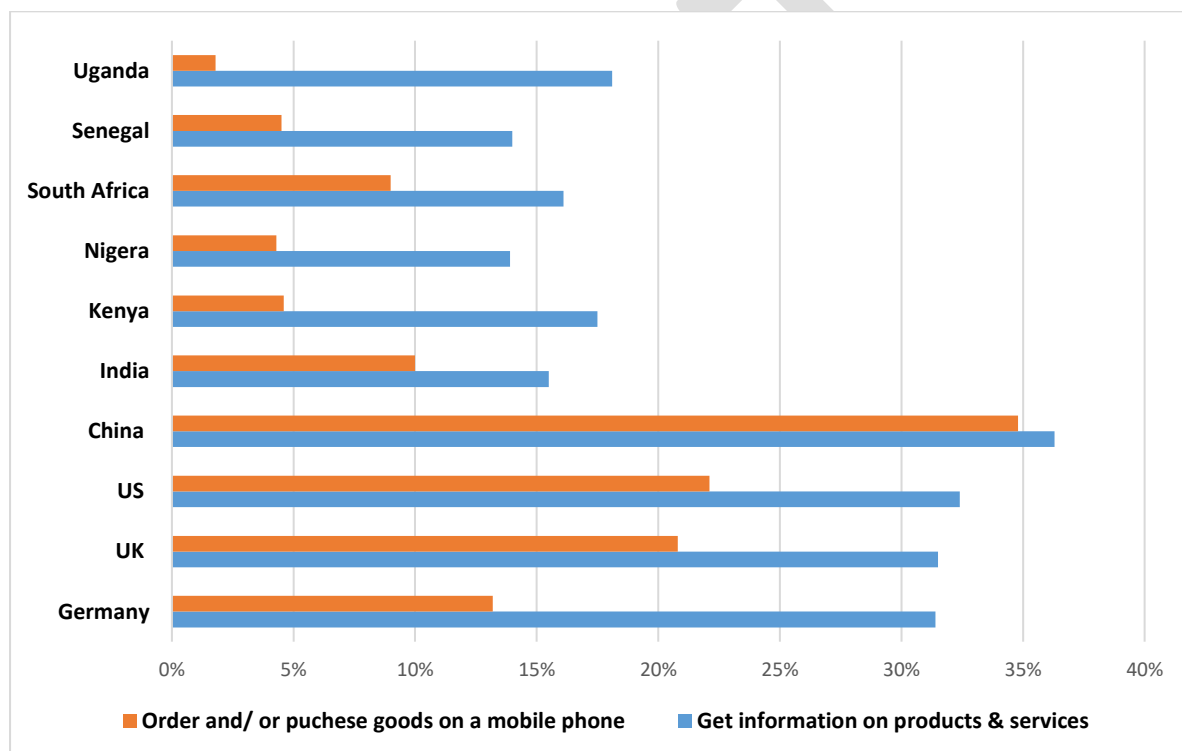
⁹ Source from Statista

presence of global players. One example is Jumia, Africa’s largest e-commerce company with operations in 11 countries.

1.3. Mobile technology as a key driver of e-commerce

Globally, mobile technology has emerged as a key driver of e-commerce activities, helped by rising mobile internet and smartphone adoption, as well as the ease and convenience that mobile devices bring to the process of online shopping. From around two-thirds of e-commerce retail sales today, mobile is forecast to account for over 70% by 2022¹⁰. Mobile apps allow users to browse and purchase items on-the-go and at their convenience, compared to computers which most people can only use for e-commerce activities in their home or at work.

Fig 2: Percentage of smartphone users engaging with selected use cases each week



Source: GSMA Intelligence

The 2019 GSMA Intelligence Consumer survey¹¹ provides insights into the proportion of individuals that use their smartphones on a regular basis to either order or browse information on products and services. Across developed and emerging markets, there is a gap between browsing on a mobile device and actually completing transactions. This gap is likely to close in all cases over time, as consumer confidence grows and supporting ecosystem, such as digital payments and logistics, becomes more established. The survey data also shows that ‘digital awareness’ of m-commerce is high and can in turn provide a foundation to move to actual online transactions, once the remaining barriers are addressed.

¹⁰ Source Statista

¹¹The annual survey measures the level of engagement among smartphone and non-smartphone owners across 26 use cases and services in 10 categories. 36,000 people surveyed in total: 1,000 respondents aged over 18 years old in 32 surveyed countries, plus 2,000 in each of China and India

1.4 E-commerce and trade

E-commerce has the potential to boost cross-border trade and open up new opportunities for buyers and sellers. This is already evident in highly integrated markets, such as France and Germany, while free trade agreements, such as the US-Mexico-Canada Agreement (USMCA), have provisions to drive cross-border e-commerce. In Africa, e-commerce has the potential to significantly boost free trade across the region and therefore help realize the objectives of the African Continental Free Trade Agreement¹² (AfCFTA).

The AfCFTA recognises the potential of e-commerce as a ‘significant driver and outcome of intra-African trade’. One important step for e-commerce development in the region is the adoption of African Digital Trade and Digital Economy Strategy by the African Union (AU) Assembly in February 2020. The digital trade strategy aims to enable AU member States to fully benefit from the fourth industrial revolution and facilitate the implementation of the free trade area. By the end of 2019, 54 of the 55 AU members had signed the AfCFTA, creating the world’s largest free trade in terms of participating countries. 28 countries have so far ratified the agreement, including six ECCAS member states – Chad, Republic of Congo, Equatorial Guinea, Rwanda and Sao Tome & Principe.

“E-commerce has the potential to lift intra-African trade from the current rate of 18% and to boost Africa’s share of global trade, currently estimated at less than 3%”. Ajay Kumar Bramdeo, the African Union’s ambassador to the United Nations in Geneva, April 2019

1.5 Socioeconomic benefits of e-commerce

The broader digital transformation of a society, as demonstrated by the use of increasingly interconnected digital platforms and solutions to deliver various public and private services, often generates measurable social, economic and cultural benefits for individuals, businesses and the wider society. Digital commerce¹³ in general and e-commerce in particular, as offshoots of digital transformation, also come significant societal benefits.

At a foundational level, e-commerce facilitates convenience and choice for customers by making shopping from anywhere and at any time possible. That means buyers can get the products they want and need faster without being constrained by operating hours of a traditional brick-and-mortar store. This key feature of e-commerce can help address unique social issues; in Rwanda, e-commerce provider Kasha is helping to address the challenge many women face in purchasing feminine health products, by providing those products and other critical health care information confidentially and discretely to women¹⁴.

E-commerce also provides greater transparency and visibility of market prices, resulting in fairer prices for buyers and sellers alike. At a higher level, e-commerce can help deliver highly personalized services with the help of automation, leading to a rich shopping experience for customers. Ecommerce also makes it easier for sellers to reach new customers within and outside their countries, considering that an online store is not limited to a single geographic location.

With the added benefit of social media advertising, sellers can connect with relevant audiences across different locations simultaneously. E-commerce also reduces the need for a physical storefront for

¹² See https://www.uneca.org/sites/default/files/PublicationFiles/aria9_en_fin_web.pdf

¹³ broad term referring to the sale of goods and services online, as such it encompasses all forms of ecommerce or digital trade, including the gig or sharing economy

¹⁴ <https://www.kasha.rw/>

many sellers and the associated costs, thus reducing the barriers to entry and improving the prospects to scale. E-commerce can have a direct positive impact on adjacent services, such as facilitating investment in logistics infrastructure and services. The volumes and frequency of e-commerce transactions increase the commercial viability of dedicated first- and last-mile logistics infrastructure and services, such as transportation and warehousing, that support e-commerce businesses. As customer demand increases for e-commerce, logistics services and infrastructure attract further investment. In India, the growing e-commerce industry is triggering investments in logistics companies. During 2019, delivery and logistics start-ups raised more than \$1 billion from investors such as SoftBank Vision Fund, Goldman Sachs Investment Partners, and Alibaba¹⁵.

The socioeconomic benefits of e-commerce are particularly significant in emerging countries where the service often creates new jobs and stimulates economic activities, by opening new markets to otherwise isolated rural communities. Young entrepreneurs are taking a keen interest in e-commerce because it entails reasonable start-up funding, offers revenue-generating prospects, and has an open door to all, in ways traditional workplaces may not. Meanwhile, e-commerce firms create jobs in delivery, warehousing, and logistics that may particularly benefit young people who are either unemployed or employed informally¹⁶. Women entrepreneurs increasingly use digital tools to grow their businesses, where previously social norms or family duties may have kept them out of the workforce. For example, in China, the proportion of online businesses that are women-owned is much higher than their offline counterparts.¹⁷ In this regard, e-commerce can be a force for sustainable progress, in line with the socioeconomic development aspirations of governments in those regions.

In Africa, it is estimated that as many as 264 e-commerce start-ups are operational in at least 23 countries across the continent¹⁸. This brings significant employment potential, with online market places set to generate 3 million jobs by 2025¹⁹. E-commerce enables indigenous arts and craft producers in these countries to reach global customers. This, in turn, can stimulate local value creation in the production of such items. For example, Ghana-based eShopAfrica.com creates sustainable businesses for traditional African artisans by promoting and selling their products on its online platform.

In view of the broad global and regional trends in e-commerce services, this report evaluates the current e-commerce landscape and outlook for e-commerce services in the Economic Community of Central African States (ECCAS), comprising Angola, Burundi, Cameroon, Central African Republic, Chad, Congo, DR Congo, Equatorial Guinea, Gabon, Sao Tome & Principe, and Rwanda. The report also explores policy practices that can accelerate growth of e-commerce services and the role that governments and other stakeholders need to play in order to realise the e-commerce potential.

¹⁵ See <https://www.pymnts.com/news/investment-tracker/2019/alibaba-backs-indian-ecomm-logistics-firm-with-10m-infusion/>












¹⁶ See <https://www.bcg.com/publications/2019/how-online-marketplaces-can-power-employment-africa.aspx>

¹⁷ Luohan Academy, [Digital Technology and Inclusive Growth](#), 2019

¹⁸ See <https://disrupt-africa.com/afri-shopping-2017/>

¹⁹ See <https://www.bcg.com/en-ch/publications/2019/how-online-marketplaces-can-power-employment-africa.aspx>

ECCAS at a glance: a diverse region

Country	Population	Urbanisation	Literacy rate*	GDP per capita**	Internet penetration
Angola 	32.9M	66%	66%	\$3,423	29%
Burundi 	11.9M	13%	68%	\$272	11%
Cameroon 	11.9M	56%	77%	\$1,533	32%
CAR 	4.8M	41%	37%	\$476	15%
Chad 	16.4M	23%	22%	\$728	15%
Congo 	5.5M	67%	80%	\$2,148	29%
DRC 	89.6M	44%	77%	\$562	30%
E. Guinea 	1.4M	72%	95%	\$10,261	6%
Gabon 	2.2M	89%	85%	\$7,592	35%
Rwanda 	12.9M	17%	73%	\$773	28%
Sao T&P 	0.2M	73%	93%	\$2,001	31%

*15+ years. **Current US\$

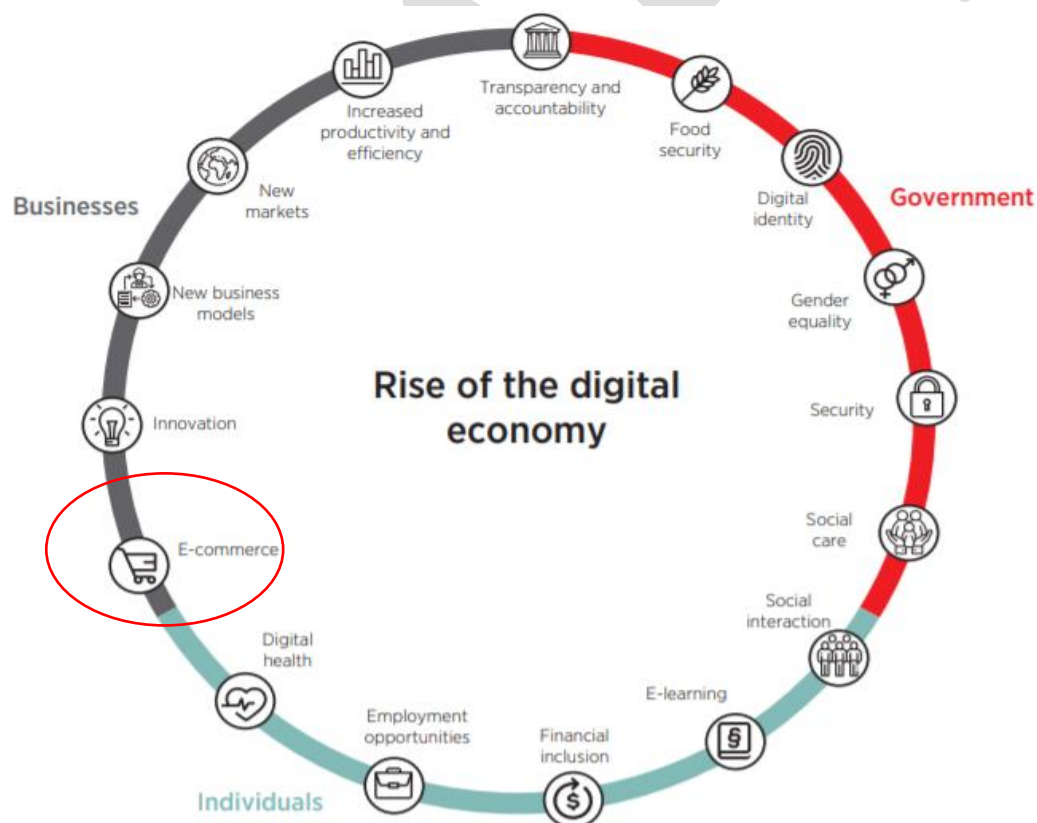
Sources: United Nations Department of Economic and Social Affairs (UNDESA), World Bank, GSMA Intelligence

2. E-commerce trends and services in ECCAS

Digital transformation is well underway in ECCAS, mirroring the trend in the wider Sub-Saharan Africa region. Mobile subscriber penetration in the ECCAS sub-region has gone from just 18% at the start of the last decade to 42% by the end of 2019, and is set to reach 46% by 2025. At the same time, the number of mobile internet users reached 46 million in 2019, and is forecast to nearly double to 90 million by 2025, equivalent to four in ten of the population.

This rapid adoption of mobile technology has allowed the development of mobile-enabled platforms, which are increasingly disrupting traditional value chains in different vertical industries across the region. These platforms can eliminate inefficiencies in conventional business models, as well as extend the reach of services and provide greater choice to customers that are often still underserved compared to consumers in more developed markets. For a growing number of people in the sub-region, digital platforms have become the first and preferred channel for accessing various services, including shopping, entertainment and financial services. E-commerce can boost efforts towards marketing products “made in Central Africa” (Box 2), when well-integrated with other pertinent measures aimed at promoting economic diversification and strengthening productive capacities in Central Africa.

Fig 3: E-commerce is a key component of the digital economy



Source: GSMA Intelligence

The growth of the digital economy, including e-commerce, is creating new opportunities for entrepreneurs and businesses to expand their market access and join value chains. In ECCAS,

governments and other stakeholders at both regional and national levels are increasingly recognising the potential of e-commerce to play a key role in the emerging digital economy.

Box 2: Leveraging on the digital and e-commerce to promote the “made in Central Africa” label



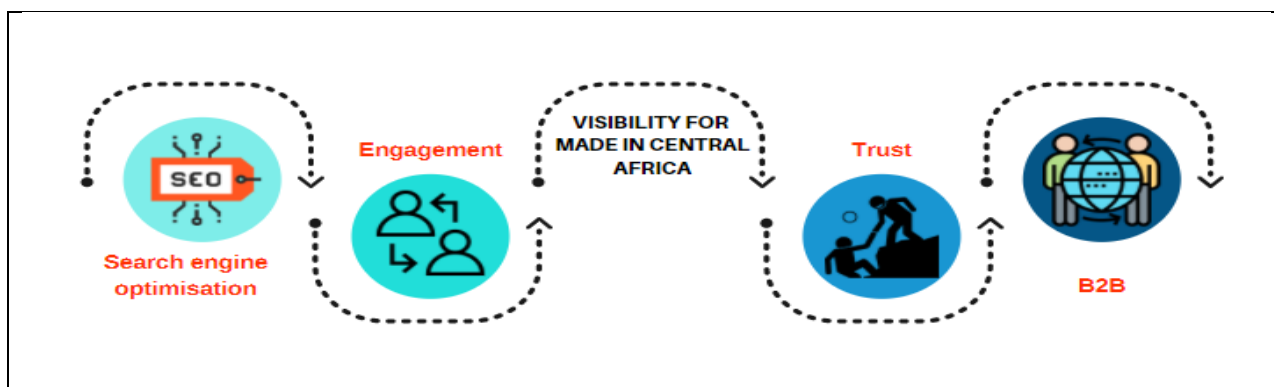
Initiated in 2019 by the Sub-regional Office for Central Africa of the United Nations Economic Commission for Africa (ECA), the “**Made in Central Africa**” label is positioned to be a **proud marker** of the origin/ethnicity of certain products (goods or services) from the sub-region. The goal is to build a popular legend of the region’s know-how and gain a marketing advantage over products from elsewhere as well as make inroads into the wider African and international markets. The labelling project has been and approved by both the ECCAS and CEMAC Commissions.

The specific objectives of the labelling project include to : (1) to proudly identify quality products coming out of Central Africa and create a popular imprint/legend on the minds of consumers; (2) to incentivise entrepreneurs and industrialists to go an extra mile towards value-addition and quality; (3) to reassure consumers of the originality and quality of what they are consuming; (4) to showcase Central Africa’s resolve to pursue trade-induced vertical and horizontal economic diversification; and (5) to ultimately boost intra-subregional and intra-African trade.

Digital technology and e-commerce are expected to play a huge role in the promotion of the popular legend of Made in Central Africa as a label. Firstly, the domain name www.madeincentralAfrica.Africa will be the label’s window to the world on the internet, to be supported by a set of social media channels. These will provide the platforms to popularise the label and prod entrepreneurs to adopt it and promote their products under the label within and beyond the sub-region.

E-commerce can first be supported by mobile telephony wallets given their increasing popularity. The **Made in Central Africa** project ambitions therefore to reach out to mobile telephony companies in its campaign to create a marketing edge for accredited products. E-commerce platforms already operating with some degree of success would be linked to the online space of **Made in Central Africa** to give them the necessary tailwinds to expand on their marketing efforts. The online platforms for **Made in Central Africa** can also be used to promote fruitful b2b connections between entrepreneurs of the sub-region and arbitrage giant Alibaba, especially through the Electronic World Trade Platform (eWTP).

The Made in Central Africa online platforms will help to generate search engine optimisation (SEO) for accredited products, boost engagement with targeted customers and build their trust in what the subregion is offering.



2.1 In context: e-commerce trends in Sub-Saharan Africa

Retail in Sub-Saharan Africa is predominantly traditional and informal. It is estimated that there are 60,000 people per formal retail outlet in the region, compared with just 400 people in the United States²⁰. However, there is growing momentum towards modern and formal channels, with e-commerce playing an increasingly important role in the evolving retail landscape.

Some of the obvious drivers of modern retailing in the region include changing attitudes to shopping, especially among young consumers, a growing middle class, interest from international brands and retailers, and increasing public and private investments into modern shopping infrastructure and services. In recent years, a number of regional and global brands have expanded across the region, including ECCAS countries. Multinational conglomerate CFAO plans to bring the Carrefour brand to Congo Republic, the DRC and Gabon, while SPAR is expanding its footprint in Cameroon. Meanwhile, Angola has become Shoprite's largest international market with more than 30 outlets.

Retailers increasingly use online channels to reach new customers as well as overcome fundamental barriers to modern shopping, such as the shortage of retail space infrastructure. Sub-Saharan Africa as a whole is already seeing strong growth in the number of e-commerce users. Between 2013 and 2017, the number of online shoppers in the region grew annually by 18% compared to the global average growth rate of 12%²¹, while the e-commerce sector generated \$16.5 billion in revenue in 2017 and is predicted to generate revenue of \$29 billion by 2022²².

2.1.1 Mobile enabling e-commerce services

Mobile technology has become a key driver of e-commerce in Sub-Saharan Africa, where the mobile internet is the first and, in most cases, the only option for people to go online. Indeed, e-commerce in the region is primarily an m-commerce story, given the general lack of fixed-line connectivity and low household penetration of computers. Mobile technology is also facilitating online payments through mobile money, addressing the challenge of low bank card penetration and risks associated with cash-on-delivery. In Gabon, e-commerce provider Enami has integrated Airtel Money into its online marketplace, enabling buyers to pay for goods using their mobile money accounts.

²⁰ See <https://hbr.org/2018/11/africa-a-crucible-for-creativity>

²¹ See <https://unctad.org/en/pages/newsdetails.aspx?OriginalVersionID=1951>

²² Statista

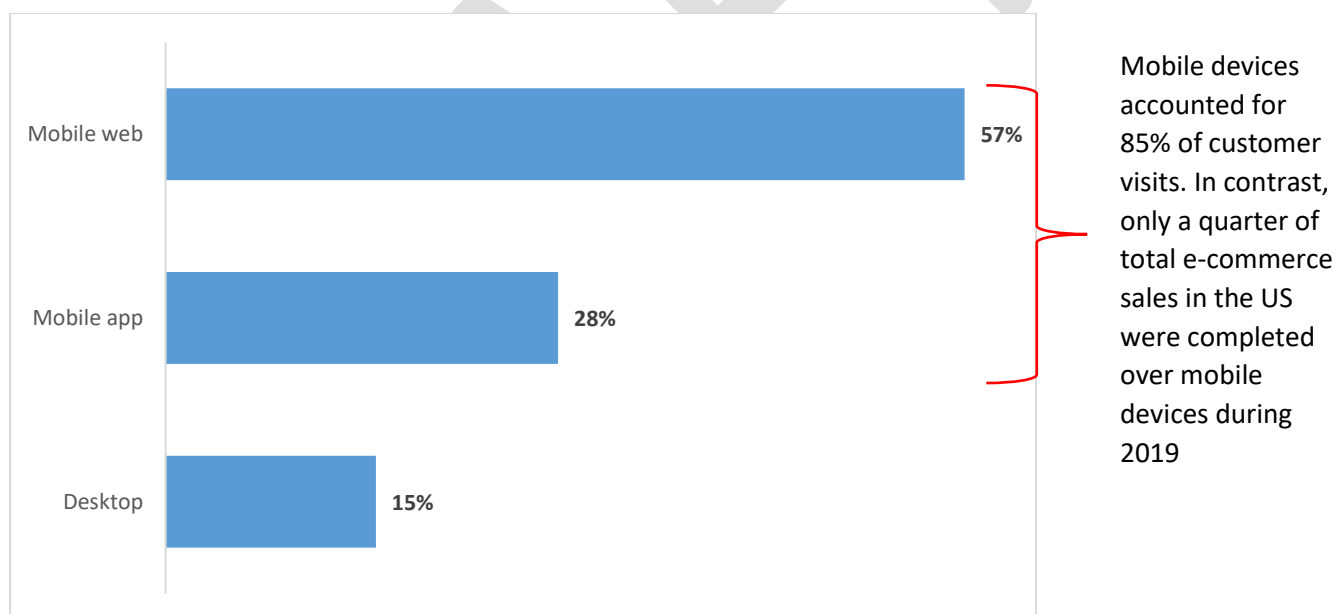
Table 3: Mobile Money in numbers, 2019.

Region	No. of live mobile money services	No. of registered accounts	Total volume of transactions	Total value of transactions
S.S Africa	144	469 million	23.8 billion	\$456.3 billion
Central Africa	17	48 million	1.8 billion	\$30.4 billion
Eastern Africa	54	249 million	17.1 billion	\$293.4 billion
Western Africa	59	163 million	4.8 billion	\$130 billion
Southern Africa	14	9 million	165 million	\$2.5 billion

Source: GSMA Mobile Money Programme

Sub-Saharan Africa is also seeing strong growth in mobile-based fintech services; between 2018 and 2019, fintech start-ups in the region attracted nearly \$1 billion in funding. Many fintech start-ups provide payment solutions that enable e-commerce transactions. Nigerian start-up Flutterwave partnered with Alibaba’s Alipay to offer digital payments between Africa and China²³. In 2019, Flutterwave processed 107 million online transactions worth \$5.4 billion, for customers including Uber, Booking.com and e-commerce company Jumia²⁴.

Fig 4: Jumia Nigeria: mobile platforms dominated customer visits during 2019



Source: Jumia

2.1.2 E-commerce covers a broad range of product categories

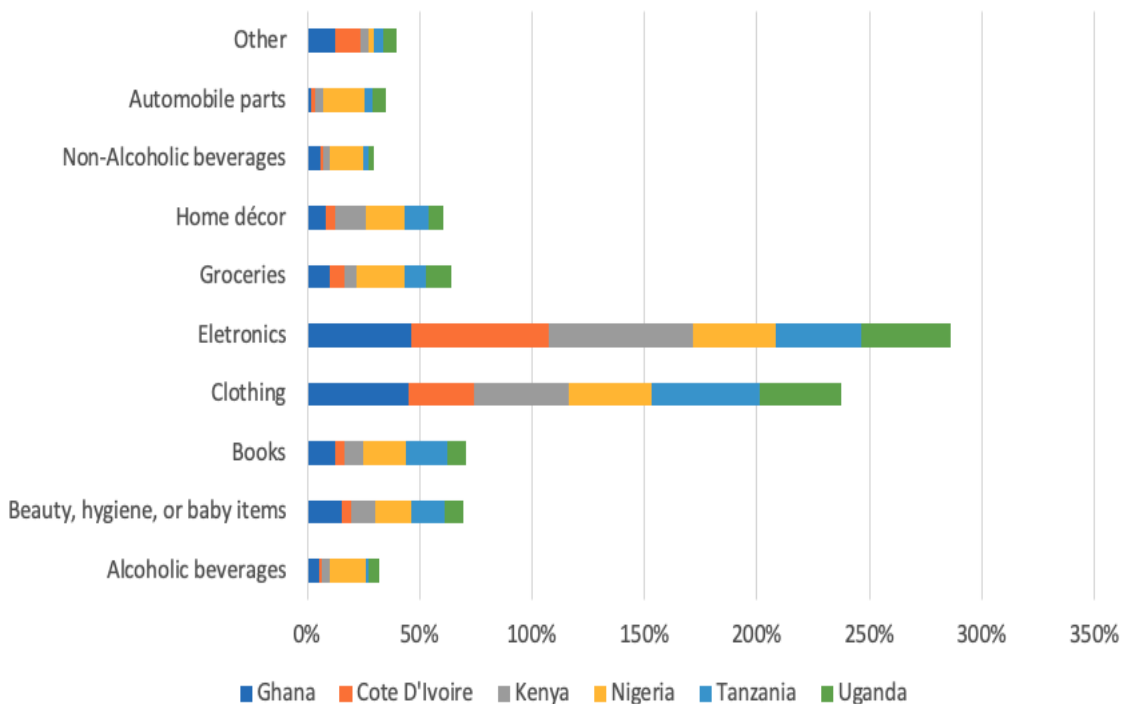
E-commerce is impacting just about every product line. Data from Statista suggests that globally the most common products purchased online are clothing and shoes followed by consumer electronics. Research by GeoPoll in mid-2019 covering six African countries found a similar preference amongst on-line buyers in the region.

Fig: 5: Survey of items purchased online, 2019

²³ <https://techcrunch.com/2019/07/29/flutterwave-and-alipay-partner-on-payments-between-africa-and-china/>

²⁴ <https://2019.flutterwave.com/>

Items Purchased Online



Source: GeoPoll

Generally, food and groceries show low levels of digital influence in Sub-Saharan Africa and other emerging regions, with consumers neither researching nor buying online. This largely reflects the nature of the product category, with freshness and time to deliver key factors. A GSMA report on E-commerce in Agriculture²⁵ highlights the potential for online platforms to generate significant social and economic benefits for farmers, communities and the wider society, in the form of improved income and livelihood. Catering for these products will support the expansion of intra-central Africa trade and strengthen food security in the region.

2.2 The emerging e-commerce landscape in ECCAS

E-commerce services in ECCAS come under two broad categories:

- Cross-border e-commerce services
- Domestic e-commerce services

A third category that straddles cross-border and domestic services is social commerce - a relatively new sub-set of e-commerce that blurs the line between social interaction and online shopping²⁶.

2.2.1 Cross-border e-commerce services

Access to global markets for both buyers and sellers is a key benefit of e-commerce. Cross-border e-commerce services makes this possible. Several of these now operate in ECCAS, including;

²⁵ GSMA [E-commerce in agriculture: new business models for smallholders' inclusion into the formal economy](#), 2019

²⁶ <https://www.gsma.com/mobilefordevelopment/resources/social-commerce-in-emerging-markets-understanding-the-landscapes-and-opportunities-for-mobile-money/>



Africa eShop was established by global logistics company DHL in 2019. It connects more than 200 US and UK retailers to online African consumers. Africa eShop operates using Mall for Africa white label fulfilment service, Link Commerce. Similar to MallforAfrica's model, the arrangement allows Africa eShop users to purchase goods directly from the websites of any of the app's global partners. Africa eShop is present in 34 countries, including Angola, Burundi, Cameroon, Chad, DRC, Gabon and Rwanda.



MallforAfrica was founded in Nigeria in 2010. It enables local buyers to purchase items directly from international online retailers in the USA and Europe and from local online retailers in Africa. In 2017, global e-commerce provider eBay partnered with Mall for Africa to facilitate the sale of handmade African products into the United States, with DHL responsible for international shipping. Mall for Africa serves multiple markets across Africa, including Rwanda.



Hangzhou Jiku Information Technology Co., Ltd. (referred to as KiKUU) was founded in 2015 by Chinese entrepreneurs. The company runs a cross-border e-commerce platform and leverages its payment system, K-PAY, and logistics operations to serve customers across the region. KiKUU operates in nine countries across Africa, including Cameroon, Congo and the DRC.

There are other cross-border e-commerce providers making significant inroads in Sub-Saharan Africa, with plans to expand into ECCAS countries. These include Kilimall, which focuses on Chinese suppliers and is present in Kenya, Uganda and Nigeria, and global e-commerce giant AliExpress, which increasingly sells to customers in the region as well as provides a platform for local entrepreneurs to sell African products to Chinese and other global buyers.

The government of Rwanda intends to maximise the opportunities of cross-border e-commerce through its partnership with Alibaba Group, owner of AliExpress. In 2019, both parties agreed to multiple initiatives to increase cross-border trade, capacity building and tourism. As part of the agreement, Rwanda became the first African country to join the Electronic World Trade Platform (eWTP), which provides SMEs with operational infrastructure, such as commerce logistics, cloud computing, mobile payments and skills training. Alibaba also announced plans to facilitate the export of Rwandan products, including coffee, chilli, avocado and beef, to online buyers in China.

2.2.2 Domestic e-commerce

Domestic e-commerce services primarily sell to local buyers. Domestic e-commerce providers can be present in a single market, such as Takealot in South Africa and Konga in Nigeria, or in multiple markets, such as Jumia, which operates an online market place in 11 countries, and Jiji, which currently operates in four countries. In ECCAS, there is a growing number of home-grown domestic e-commerce services, mostly serving urban regions and niche market segments (Table 4).

In addition to pure play e-commerce providers, a growing number of brick and mortar retailers, such as large supermarkets and niche product retailers, are opening up online storefronts to complement their offline channel reach customers beyond their immediate locality. Often times, the online

platform serves as an information platform only, with transaction fulfilment still occurring in the physical stores, given the challenges around digital payments and delivery.

Table 4: Examples of domestic e-commerce players in ECCAS

Angola	
Cameroon	
Chad	
DRC	
Gabon	
Rwanda	

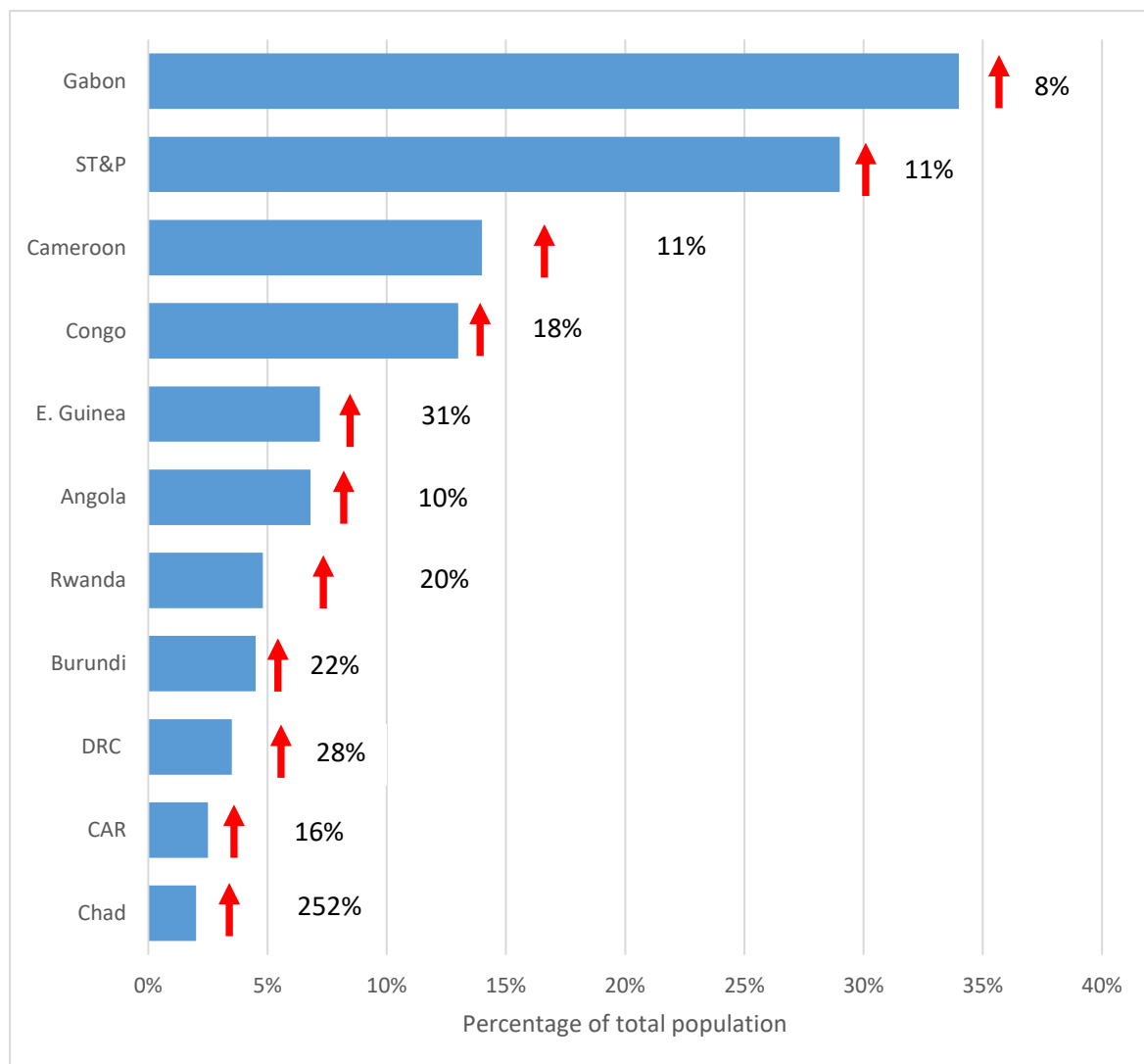
2.2.3 The social commerce opportunity

Social commerce is the use of social networks for e-commerce. Social commerce sales reached \$150 billion globally in 2018, representing 5% of e-commerce sales, and it is expected to more than triple to \$720 billion by 2020, equivalent to 17% of e-commerce sales. A recent GSMA report, 'Social commerce in emerging markets: Understanding the landscape and opportunities for mobile money', evaluates this trend and the opportunities for stakeholders²⁷.

Like in other emerging regions, social commerce is gaining momentum in ECCAS. This trend is driven primarily by two factors: the rapid adoption of social media services and the low barrier to entry, especially for small businesses that lack the skills and capital to build their own online platforms from scratch. Facebook is by far the most popular social media service in ECCAS with a total user base of 11.4 million as of January 2020 and has also become the preferred platform for many e-commerce entrepreneurs across the region.

²⁷ <https://www.gsma.com/mobilefordevelopment/resources/social-commerce-in-emerging-markets-understanding-the-landscapes-and-opportunities-for-mobile-money/>

Fig 6: Social media users as a percentage of total population and y-o-y growth, January 2020



Source: WeAreSocial

The significance of social commerce is especially evident in nascent e-commerce markets, such as CAR, Chad, Equatorial Guinea, and Sao Tome and Principe, where it accounts for the majority of e-commerce activity. Adoption is also rising in more established markets. In Gabon, for example, E-shop Gabon (@eshopgabon) currently has more than 86,000 followers on Facebook. One survey, in Cameroon, found that 88% of respondents had purchased items through WhatsApp, while 68% had purchased through Facebook²⁸. Another survey also found that Facebook and Instagram were in the top three platforms used for online shopping in the region, ahead of many e-commerce websites²⁹.

Most social commerce entrepreneurs in the region primarily serve domestic consumers. However, some are increasingly leveraging the global reach of major social media platforms to target customers in foreign markets. Made in Rwanda Online (@madeinrwandaonline) uses its online platform to link local producers to international markets. This underscores the potential for social commerce to drive growth in local economies by increasing access to global markets.

²⁸ DINA urvSeys 201(9). e Larmché u d-CEommerce u aamCeroun. eeS: <http://www.dinasurveys.com/marche-e-commerce-cameroun>

²⁹ See <https://www.geopoll.com/blog/ecommerce-africa-youth/>

Furthermore, social commerce affords SMEs the opportunity to formalise aspects of their business whilst operating in markets where some of the typical regulatory and infrastructure enablers of e-commerce are lacking. This can deliver greater value to those in the informal economy, a figure that is estimated globally to cover around 2 billion people. In low- and middle-income economies, the level of informality is especially acute for women and rural dwellers who remain persistently underserved³⁰.

Given the spread of mobile and digital technology in these markets, social commerce has the potential to address the needs of these marginalised populations (as buyers), in addition to formalising aspects of their businesses (as sellers). Previous research by the GSMA has highlighted that more than a third of social commerce providers either target women, rural or low-income people as their main user base.

A key limitation of social commerce is that most platforms are not yet designed to process transactions end-to-end. Consequently, they require additional support for logistics, delivery, and payments, which could potentially lead to frictions in the online journey between merchants and customers. In March 2019, Instagram launched an e-commerce checkout feature to tackle the challenge of delivering an end-to-end in-app e-commerce experience for users. Instagram Checkout allows users to complete product purchases without being redirected to an external site to complete a purchase, and in the process save purchasing information for future payments³¹.

A noteworthy distinction of social commerce is that it involves the direct interaction between merchants and customers, unlike the situation in traditional e-commerce transactions which are typically automated. These social interactions can mimic buying behaviours that occur in traditional in-person commerce, such as bargaining for better prices. These interactions can occur at any point during the online customer journey—providing users (both buyers and sellers) with opportunities to discuss views and requirements and share advice.

3. Evaluating the e-commerce potential in ECCAS

The e-commerce landscape in ECCAS reflects a number of factors that impact on e-commerce services in the sub-region. These factors cut across a range of infrastructure, socioeconomic and regulatory issues, and directly affect consumers' ability to shop online, as well as the ability of e-commerce providers to fulfil online transactions. Here, we evaluate the key factors at play in the e-commerce landscape in ECCAS member states.

3.1 E-commerce readiness in ECCAS

A first step to understand e-commerce readiness in ECCAS is to assess the level of digital inclusion³² in member states. Being online is an increasingly personal experience that people want to be able to access at their own convenience. This is best achieved by connecting wirelessly over a mobile device.

3.1.1 The GSMA Connectivity Index

The GSMA Mobile Connectivity Index³³ (MCI) measures the performance of 165 countries – representing 99% of the global population – against four key enablers of mobile internet adoption:

³⁰ ILO 20(18). More than 60 per cent of the world's employed population are in the informal economy

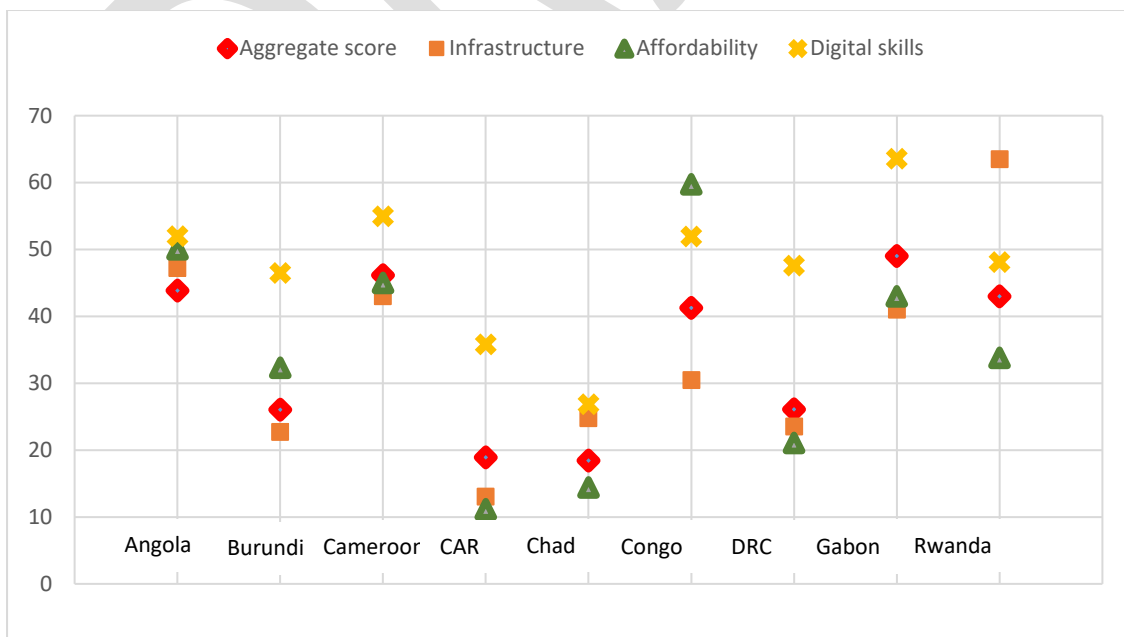
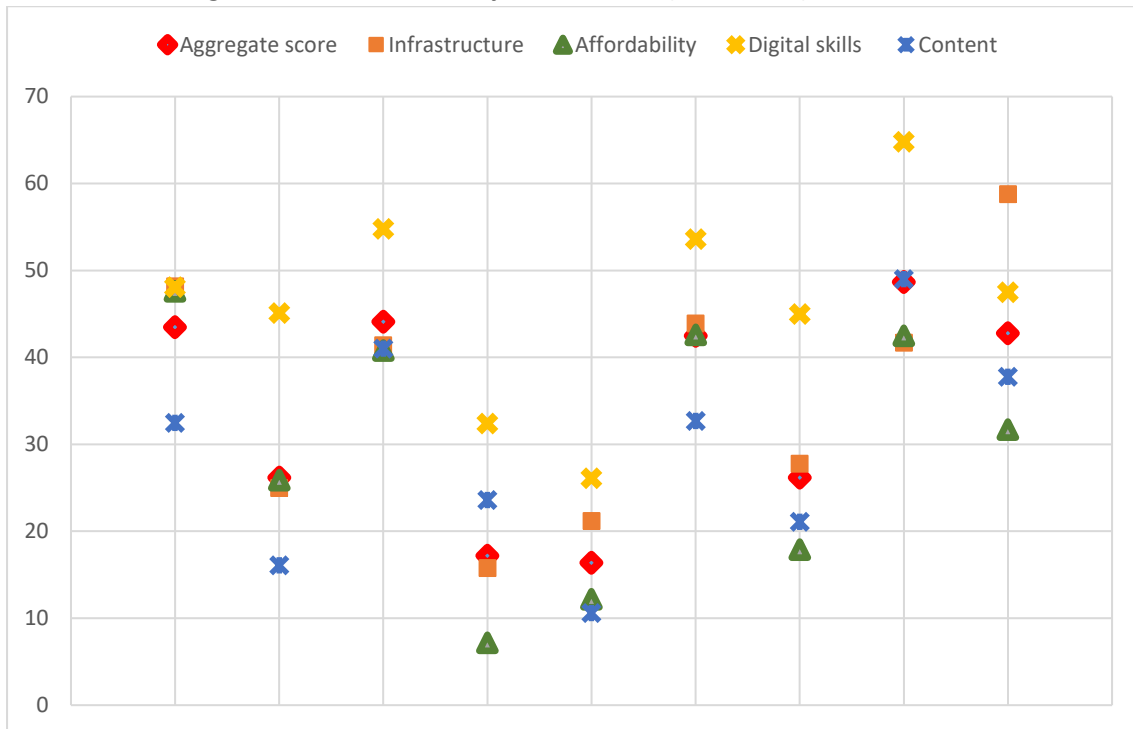
³¹ See https://business.instagram.com/blog/new-to-instagram-shopping-checkout?locale=en_GB

³² the expansion of internet connectivity, enabling individuals to access and use life-enhancing services delivered through digital channels

³³ For more information, see <http://www.mobileconnectivityindex.com/>

- **Infrastructure** - The availability of high-performance mobile internet network coverage,
- **Affordability** - The availability of mobile services and devices at price points that reflect the level of income across a national population,
- **Consumer readiness** - Citizens with the awareness and skills needed to value and use the internet,
- **Content and services**- The availability of secure online content and services accessible and relevant to the local population.

Fig 7: Mobile Connectivity Index scores (out of 100), 2020



Equatorial Guinea and Sao Tome and Principe not included in the index. Source: GSMA Intelligence

Broadly, countries in the sub-region perform well on digital skills and poorly on content and services. Affordability and infrastructure present a mixed picture for countries across the sub-region, for example Rwanda where a low affordability score undermines the significant progress in building out mobile broadband infrastructure. This data can help governments and other stakeholders understand where to focus action in order to drive increased mobile internet adoption.

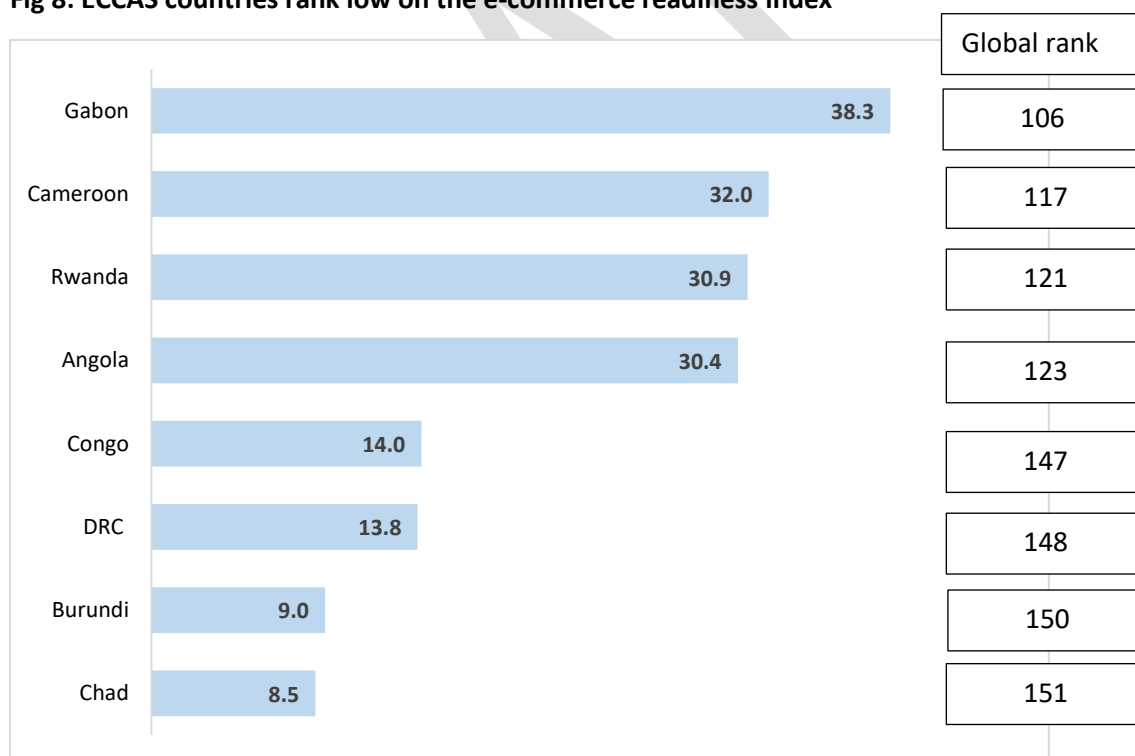
3.1.2 The UNCTAD e-commerce readiness index

The UN Conference on Trade and Development (UNCTAD) business-to-consumer (B2C) e-commerce index assesses 152 nations’ readiness for online shopping based on four indicators:

- number of adults that own an account at a financial institution or a mobile money account
- individuals using the internet/reliability of postal services
- the number of secure servers per one million people

The 2019 edition of the index finds that ECCAS member states lag many of their regional peers in their preparedness to engage and benefit from online shopping. The top four ranked Sub-Saharan Africa countries are Mauritius (58), South Africa (76), Nigeria (79) and Kenya (88). However, all 11 ECCAS member states are outside the top 100, with Gabon the highest ranked at 106th. In terms of index value, four ECCAS states – Gabon, Cameroon, Rwanda and Angola – score higher than the Sub-Saharan Africa average of 29, but considerably lower than the global average score of 55.

Fig 8: ECCAS countries rank low on the e-commerce readiness index



CAR, Equatorial Guinea, and Sao Tome and Principe not included in the index. Source: UNCTAD

3.2 Key factors that impact on e-commerce services in ECCAS

Several factors directly impact on the take-up, sustainability, and scalability of e-commerce services in any given market. Below, we assess the state of the following factors in ECCAS member states:

- Internet connectivity and access

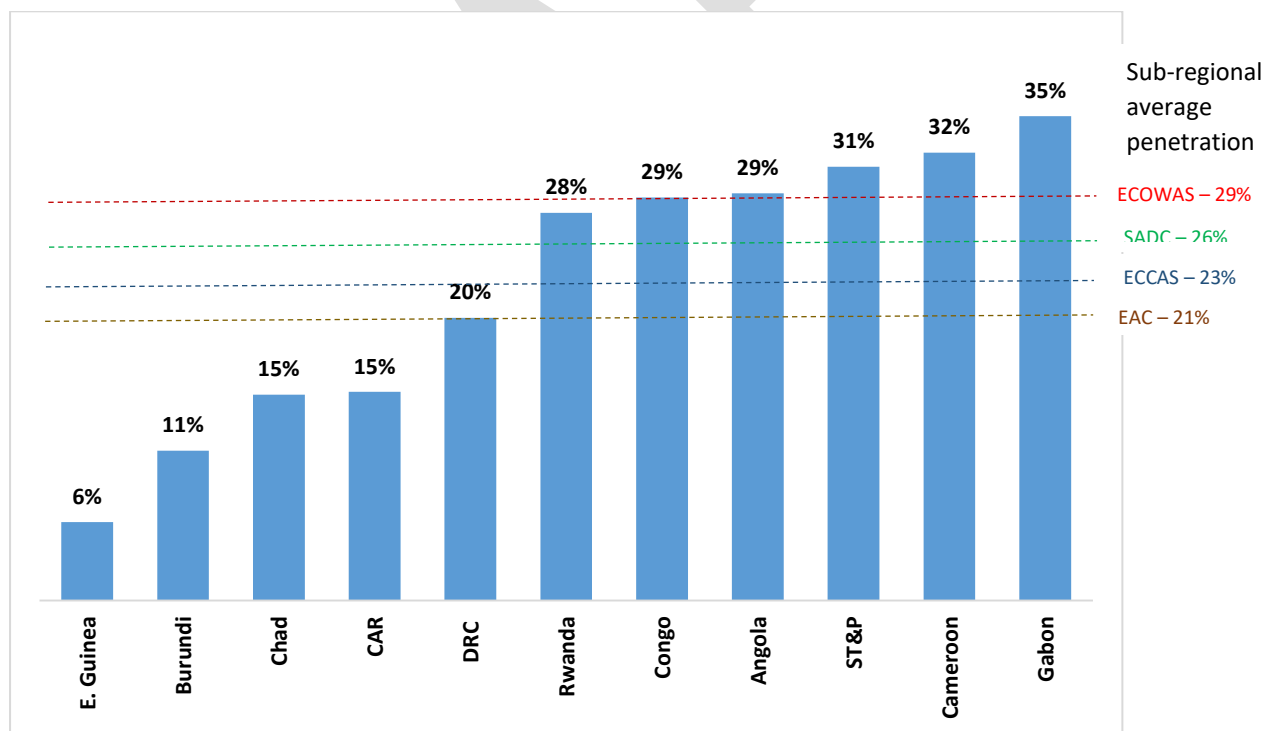
- Digital payments
- Consumer trust and attitudes to shopping
- E-transaction regulations
- Logistics
- International Trade
- Ease of doing business

3.2.1 Internet connectivity and access

Universal access to internet connectivity, a major component of the digital revolution (see box No. 3), is a fundamental pre-requisite for inclusive participation in the digital economy. It is the first step to shopping online. In the ECCAS sub-region, mobile internet is the first and only form of internet connectivity for most people, given the broad reach of mobile networks and the underdevelopment of fixed-line infrastructure.

While considerable progress has been made in bringing internet penetration to current levels, large swathes of the population remain unconnected and unable to participate in the emerging digital economy. By the end of 2019, approximately 150 million people in the sub-region, representing around three quarters of the population, do not yet subscribe to the mobile internet³⁴.

Fig 9: Mobile internet penetration, 2019



Source: GSMA Intelligence

The main barriers to digital inclusion in the sub-region include inadequate mobile broadband coverage in underserved areas, high smartphone and service costs relative average income levels, and lack of digital skills among many users. At the end of 2019, smartphones accounted for 40% of total

³⁴ GSMA Intelligence

connections in ECCAS (Fig 10), compared to 45% and 49% in the ECOWAS and SADC sub-regions, respectively.

Box 3: Digital Transformation and Economic Diversification: Issues, Challenges and Opportunities for Africa and Central Africa: A take away from the 35th session of the ECA/SRO-CA Intergovernmental Committee of Experts and Senior Officials

Called the “fourth industrial revolution”, the digital economy is a new phase in the profound economic and social reorganization that information technologies have driven for several decades now. Digital technology is ubiquitous in our society and generates ever more significant effects every day. With the growing use of cutting-edge technologies such as 3D printing, robotics and artificial intelligence, the fourth revolution is expected to have a major impact on the manufacturing process globally. Central African countries need therefore to make the most of the many opportunities afforded by digital technology in a volatile, uncertain and complex environment, in the quest for economic competitiveness and diversification.

The 35th Session of the **ECA/SRO-CA Intergovernmental Committee of Experts and Senior Officials**, held in September 2019 in Malabo, Equatorial Guinea, recognises that the digital economy offers many opportunities for the sub region and the entire African region. Products such as the design and development of applications, artificial intelligence or large-scale data processing (Big data) require little investment in equipment or materials, since they only require a computer equipped with programming languages, and rely essentially on gray matter, which puts Africans practically on an equal footing with other countries, if the qualitative and quantitative deficit in human resources is absorbed.

The digital economy can significantly improve the continent’s public revenue-to-GDP ratio, thus providing the opportunity to adequately finance critical national development programmes. Examples include Rwanda, which increased its public revenue collection by 6% of GDP with the introduction of electronic taxation, and South Africa which used online tax payments to reduce compliance costs by 22.4%, while reducing the time to comply with value added tax by 21.8%.

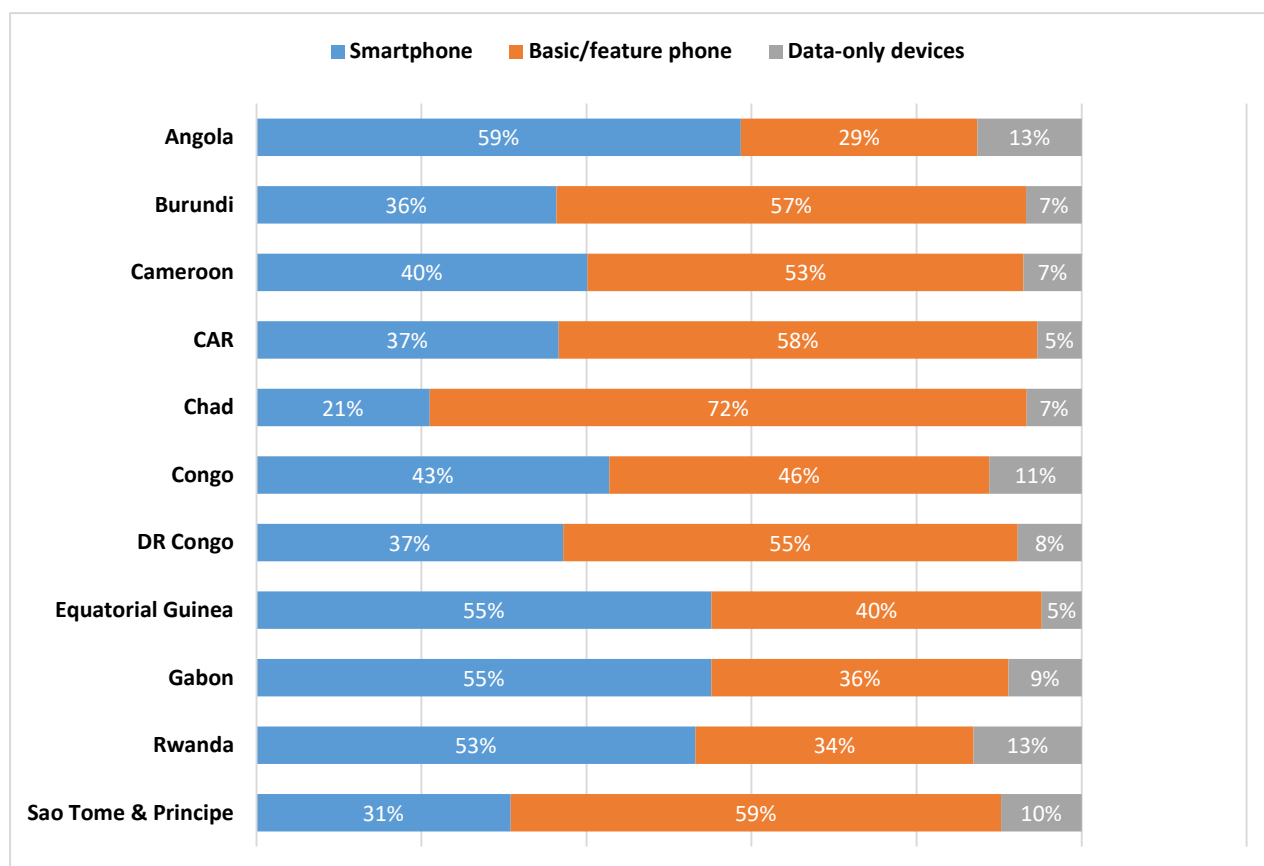
To be part of the digital economy, Africa must ensure widespread and cheap access to the Internet. Unfortunately, the region is far from being fully connected to broadband infrastructure.

Experts from the 35th session of the ECA/SRO-CA Intergovernmental Committee of Experts and Senior Officials recognized that the sub-region was one of the least connected regions of Africa and the world. According to GSMA Intelligence data, Internet penetration rate in ECCAS reached 23%, compared to North Africa on 43%, ECOWAS on 29%, SADC on 26%, and EAC on 21%. In addition, the sub-region still faces major difficulties such as, an ICT skills gap, and weak institutional capacities to support innovative businesses.

This environment also limits the development of digital financial inclusion, which consists in using the formidable potential of digital solutions (stock exchange, fintech, private savings, etc.) while guaranteeing consumer protection and financial system stability. The potential capital gains generated by these institutions/investors could be used to finance part of the sub-region’s industrialization, start-ups and digital entrepreneurs, among others.

While basic literacy rates among ECCAS member States are generally higher than the regional average, improvements in digital skills levels, including among women, mean consumers are better equipped to engage with digital services, such as e-commerce.

Fig 10: Mobile devices as a percentage of total connections, 2019

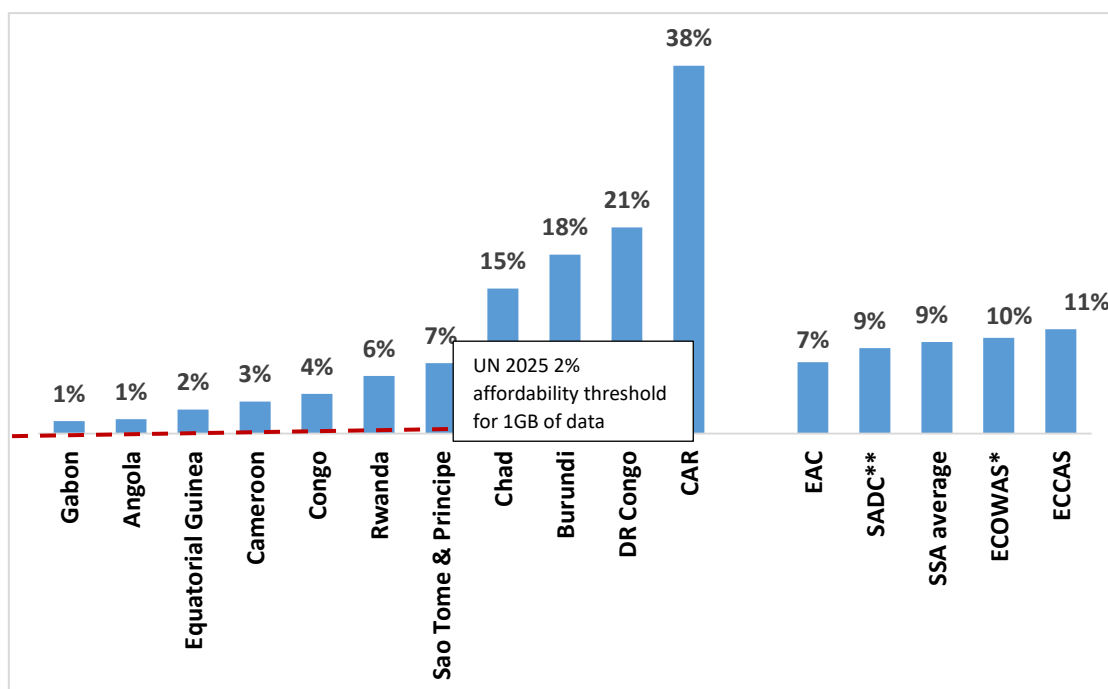


Source: GSMA Intelligence

Affordability of mobile internet devices and services remains particularly essential to closing the digital divide in ECCAS. According to a GSMA Tax Survey³⁵, the total cost of mobile ownership (TCMO) as a proportion of income for all earners, in most countries in the ECCAS sub-region, is considerably higher than a UN target of 2% for 1GB of data by 2025 (Fig 11). As of 2019, only Gabon, Angola and Equatorial Guinea had met this target, while the TCMO for 1 GB basket as a proportion of income for all earners in Chad, Burundi, DRC and CAR remain in double digits. On a regional basis, the ECCAS average, at 11%, is the highest in Sub-Saharan Africa, underlining the significant impact of taxes on mobile internet services in the sub-region.

³⁵ GSMA [Rethinking mobile taxation to improve connectivity](#) 2019

Fig 11: Total cost of mobile ownership, 1 GB basket, as a proportion of income, all earners (2019)



*excluding Cape Verde, **excluding Namibia. Source: GSMA

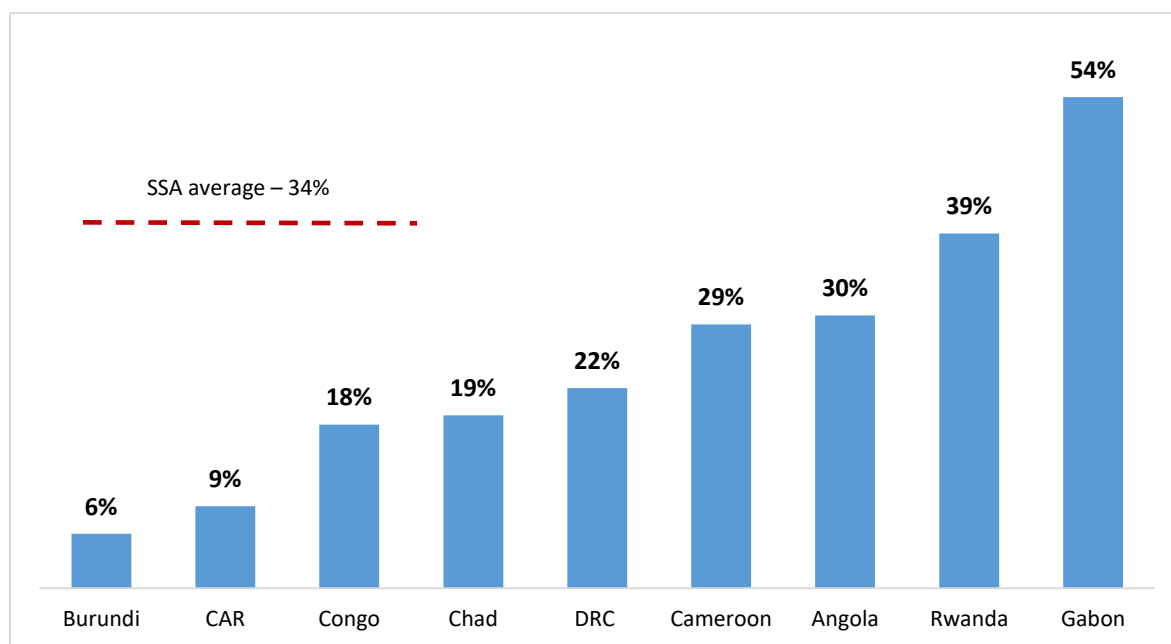
3.2.2 Digital payments

Cash-on-delivery remains popular in the sub-region, partly due to the lack of alternative payment methods. In some instances, cash on delivery also allows customers to return products without making any payment, increasing the losses as well as the risk of theft for service providers. This manual payment process also introduces procedural inefficiencies; such as delays in payment settlement to suppliers.

In some cases, government policies around payments are often not adapted to complex payment supply chains, meaning that e-commerce providers in affected markets have fewer options to connect their local e-payments systems with services used by global customers and suppliers. In Angola, for example, access to and use of international credit cards is extremely restricted by commercial banks due to the lack of foreign exchange availability to cover these payment commitments.

Digital payment solutions facilitate e-commerce transactions and helps to avoid risks and challenges associated with cash-on-delivery, such as fraud and delays to fulfilment. In emerging economies, including ECCAS member States, where debit and credit card penetration is relatively low, mobile money plays a key role in enabling digital payments. Figure 12 below shows a relatively low level of digital payments in ECCAS member states, with on Gabon and Rwanda recording a higher percentage of digital payments among adults than the Sub-Saharan average of 34%.

Figure 12: Percentage of adults (15+ years) that made or received digital payments in the past year



Equatorial Guinea and Sao Tome & Principe not included. Source: World Bank Global Findex 2017

3.2.3 Consumer awareness and attitudes to shopping

The retail landscape in ECCAS broadly reflects the trends in the wider Sub-Saharan Africa region, where UNCTAD estimates that around 90% of transactions occur through informal channels³⁶. Entrenched traditional shopping attitudes is more prevalent among older demographics in the region. For younger segments of the population, a busier lifestyle and general familiarity with digital services is often a catalyst to shift to online shopping.

Many consumers and informal retailers are still largely unaware of e-commerce or how to engage with it. There is also a prevalent perception among some consumers that online purchases are more expensive, partly due to the absence of haggling which often occurs in traditional and informal channels. E-commerce providers have reported that some customers browse online sites to source for information but still make purchases the traditional way.

3.2.4 Data and e-transaction regulations

Consumer trust can play a key role in driving e-commerce adoption. The primary reason for lack of trust with e-commerce, and many other online services, is the prevalence of internet fraud and the low development of cybersecurity institutional arrangements. Some consumers often have reservations about entering their bank card details on internet platforms or checking the adequacy of goods on delivery before paying.

E-commerce and cybersecurity regulations can play a crucial role in creating trust in e-commerce services. Specific regulations around electronic transactions, consumer protection, data privacy and cross-border data transfer can increase trust in e-commerce services. For example, e-transaction regulations often offer protections around product returns, quality assurance and transaction

³⁶ UNECA

fulfilment. Table 5 highlights the status of key consumer protection regulations in ECCAS member states.

Table 5: Adoption of e-commerce legislation by country

Countries	E-transaction legislation	Data protection and privacy legislation	Cybercrime laws	Consumer protection laws
Angola	No	Yes	Yes	No
Burundi	Yes	No	Yes	Yes
Cameroon	Yes	No	Yes	Yes
CAR	No	Yes	No	No
Chad	No	Yes	No	No
Congo Republic	Yes	Yes	Yes	No
DRC	No	No	No	No
Equatorial Guinea	No	Yes	No	No
Gabon	No	Yes	Yes	No
Rwanda	Yes	Yes	Yes	Yes
Sao Tome & Principe	No	Yes	No	No

Source: UNCTAD Global Cyberlaw Tracker, updated on 01.04.2018, https://unctad.org/en/Pages/DTL/STI_and ICTs/ICT4D-Legislation/eCom-Global-Legislation.aspx

Furthermore, cross-border data transfers enable e-commerce services regardless of where the items are produced and can significantly expand consumer choice to serve more geographic markets. At the same time, companies that operate in multiple countries gain efficiencies by centralising and virtualising their data analysis, processing and storage. However, some countries have introduced restrictions on the flow of data across borders, stemming from national security concerns, data privacy concerns or the desire to protect domestic markets. These restrictions take different forms, such as obtaining explicit consent from citizens or prior authorisation from data protection authorities.

3.2.5 Domestic Logistics

Markets with a developed logistics infrastructure and addressing system are better suited to e-commerce. This includes national infrastructure, such as roads, customs, international shipments, and haulage services for first- and last-mile delivery. It also includes a standard street addressing system, which can have a significant impact on the cost and efficiency of last-mile delivery services.

However, in ECCAS lack of a standard addressing and unreliable mail delivery systems across the different markets make last mile delivery expensive and cumbersome. In Chad, for example, missing street names and home numbers in some districts of the capital Ndjamenas makes it difficult to find the right address. This problem is even more acute in rural areas with impassable roads and unplanned settlements. Another challenge is the shortage of warehouse space, which increases the capital outlay for e-commerce entrepreneurs that have to build their own facilities.

Table 6: Logistics Performance Index (LPI) and global rankings, 2018

Country	Angola	Burundi	Cameroon	CAR	Chad	Congo	DRC	E. Guinea	Gabon	Rwanda	ST&P
Index	2.05	2.06	2.60	2.15	2.42	2.38	2.43	2.32	2.16	2.97	2.65
Global rank	159	158	95	151	123	133	120	136	150	57	89

Source: World Bank

3.2.6 International trade

Cross-border e-commerce services face a myriad of challenges around international trade. These include inefficient customs clearance processes, online fraud, non-payment, language barriers, forex risks, and international shipping overheads. International trade can be particularly challenging for landlocked countries, four of which – Burundi, CAR, Chad and Rwanda – are in the ECCAS sub-region, as they rely on sea ports in third country and expensive air freight services.

In addition, transport connectivity, including for air travel, among ECCAS states is poor, greatly limiting the potential for cross-border trade within the sub-region. Although cross-border e-commerce providers are more susceptible to these challenges, domestic e-commerce providers also face the risk of disruption on the supply side for imported products. Cdiscount pointed out the long delays in the transit of goods at the port of Douala as one the reasons for its exit from Cameroon³⁷.

3.2.7 Ease of doing business

The general business environment has a direct impact on start-ups and other businesses, including e-commerce services. Generally, ECCAS countries perform poorly in the World Bank Ease of doing business index³⁸ (Rwanda is the only outlier, ranking among the most business-friendly countries in the world). Across the sub-region, there is a shortage of technical skills and business knowledge to support e-commerce services, while consumer and other legal protection regulations are too complex or ambiguous.

Table 7: Ease of Doing Business 2020 rankings

Region	Countries	SSA ranking	Global ranking
Sub-Saharan African countries in the global top 100	Mauritius	1	13
	Rwanda	2	38
	Kenya	3	56
	South Africa	4	84
	Zambia	5	85
	Botswana	6	87
	Togo	7	97
	Seychelles	8	100
ECCAS member states	Burundi	33	166
	Cameroon	34	167
	Gabon	35	169
	Sao Tome & Principe	36	170
	Angola	40	177
	Equatorial Guinea	41	178
	Congo	42	180
	Chad	43	182
	DRC	44	183
CAR	45	184	

Source: World Bank

³⁷ See <https://www.businessincameroon.com/index.php/ict/0707-6360-cameroon-different-outcomes-for-cdiscount-and-jumia-on-e-retail-market>

³⁸ The Ease of doing business index measures a variety of factors that shape daily business activity, including business regulations, legal protection of property and fiscal burden on businesses. <https://openknowledge.worldbank.org/bitstream/handle/10986/32436/9781464814402.pdf>

Government tax policies can have a direct or indirect impact on e-commerce adoption. For example, burdensome taxes on e-commerce start-ups can limit their ability to scale. In Cameroon, the government recently introduced a 19.25% value-added tax (VAT) local and international e-commerce platforms, with potential implications ranging from additional compliance burden on e-commerce providers to increased cost for buyers.

In addition to the above-mentioned factors, income inequalities, macro-economic instability, largely caused by a drop in global commodity prices, insecurity and humanitarian crisis, continue to weigh on consumer spending and, by extension, the development of e-commerce services in some countries in the ECCAS sub-region.

3.3 SWOT analysis of the e-commerce potential in ECCAS

Below, we assess the strengths, weaknesses, opportunities and threats (SWOT) of the e-commerce potential in ECCAS, based on the factors that impact on e-commerce services in the sub-region.

Strength	Weakness
<ul style="list-style-type: none"> • High literacy rates can support digital skills and a broad appreciation of online services such as e-commerce. • Enabling regulatory environment for mobile money in the ECCAS countries; mobile operators are licenced to operate mobile money services, and this can be leveraged for e-commerce. • Countries in the sub-region have signed and ratified the AfCTA, which is expected to ease cross-border trade. Trade facilitation measures under the AfCTA could reduce non-tariff barriers and introduce a simplified trade regime than can benefit e-commerce entrepreneurs. • Governments in the region have recognised the potential of e-commerce to drive social and economic developments and have launched various initiatives to support the sector. • A young, entrepreneurial and digitally adept population that can both create and drive demand for digital services. 	<ul style="list-style-type: none"> • Smartphone adoption remains low – generally below 50% - while large swathes of the population are still without mobile broadband coverage, limiting their ability to access the mobile internet. • Logistics infrastructure remains challenging, especially around street addressing systems and customs efficiency. Poor transport infrastructure, particularly in rural areas can significantly increase the cost of last-mile delivery for e-commerce providers. • Most of the countries in the sub-region are yet to introduce e-commerce and consumer protection legislations, leading to low trust of e-commerce. • Low levels of financial inclusion and the use of digital payments. This increases the likelihood of cash-on-delivery for e-commerce with significant associated risks. • Investment in e-commerce services in the sub-region is low, making it difficult for start-ups to raise the required funding for the businesses.
Opportunities	Threats

<ul style="list-style-type: none"> • Social commerce, helped by rising social media adoption, has the potential to reduce the entry barrier for many e-commerce entrepreneurs. • Mobile money and emerging fintech services can accelerate financial inclusion and facilitate digital payments • Consumer attitudes to digital services is changing with increasing awareness. E-commerce stands to benefit from this trend. • The e-commerce sector in Sub-Saharan Africa is attracting considerable interest from local and international investors. The ECCAS sub-region is well placed to benefit. • Cheaper devices could spur smartphone adoption. GSMA Intelligence forecast show smartphone connection will double to nearly 95 million by 2025. 	<ul style="list-style-type: none"> • Low spending power amid high income inequality can affect the ability of consumers in lower income brackets to adopt e-commerce • The business environment in some countries is challenging. This is often reflected by onerous taxes on start-ups, which can negatively impact their ability to scale and stimulate economic activities • The start-up costs for e-commerce services could be prohibitive, given the hardware, software, logistics and staff training requirements. This calls for considerable investments, which many e-commerce start-ups may struggle source privately. • Traditional and informal shopping practices remain entrenched among large segments of the population.
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source: review of the literature

Box 4: Jumia: Exit from sub-region underscores e-commerce challenges

Jumia is one of the biggest e-commerce providers in Africa. Launched in Nigeria in 2012, the company now has over 100,000 active sellers and 50,000 local and international brands on offer. In February 2020, Jumia reported its first full year results after going public in the New York Stock exchange. The company posted 2019 revenues of €160 million, representing growth of 24% over 2018, while active customer base increased to 6.1 million, from 4 million in 2018.

Jumia operates online marketplaces in 11 countries Africa, with a market leading position in several of those markets. Jumia also runs classified ads services in Angola, Burundi, Congo, DRC, and Gabon, but has not indicated any plans to launch online marketplaces in these markets.

However, the company’s withdrawal from Cameroon and Rwanda in 2019 brought to light the challenges of operating a sustainable and scalable e-commerce service in the sub-region. Jumia was the third international online retailer to quit Cameroon; French-owned Afrimarket also withdrew earlier in 2019 and Cdiscount in 2016. These companies have identified a variety of reasons for their exit, from delays in customs clearance to challenges with the business environment and insecurity in some parts of the country.

Jumia is not the only e-commerce provider to have struggled in the region. Baobabay.com, a popular online direct sales platform in Angola also closed recently. It is important to note that both Cameroon and Angola score relatively well on various e-commerce enabling metrics, including the Mobile Connectivity Index and E-commerce Readiness Index, underscoring their potential to be attractive e-commerce markets. The experience of these and other struggling companies, therefore, calls for action by governments and other stakeholders to address the barriers to e-commerce growth.

4. Policy priorities and best practices to scale e-commerce in ECCAS

E-commerce has the potential to generate significant socioeconomic benefits and become a force for sustainable and inclusive development in ECCAS. Governments have a key role to play in implementing policies and initiatives that can stimulate growth and investment in e-commerce services and, more broadly, digital services.

Governments should take a holistic approach to developing and implementing policies that underpin e-commerce services, recognising that e-commerce is impacted by activities in multiple and often disparate sectors across the economy, for example telecoms, financial services and logistics. As such, there is a need for various government departments, including finance, trade and ICT, to work collaboratively towards a shared goal of advancing e-commerce services and to include e-commerce as a building block in a country's development strategy.

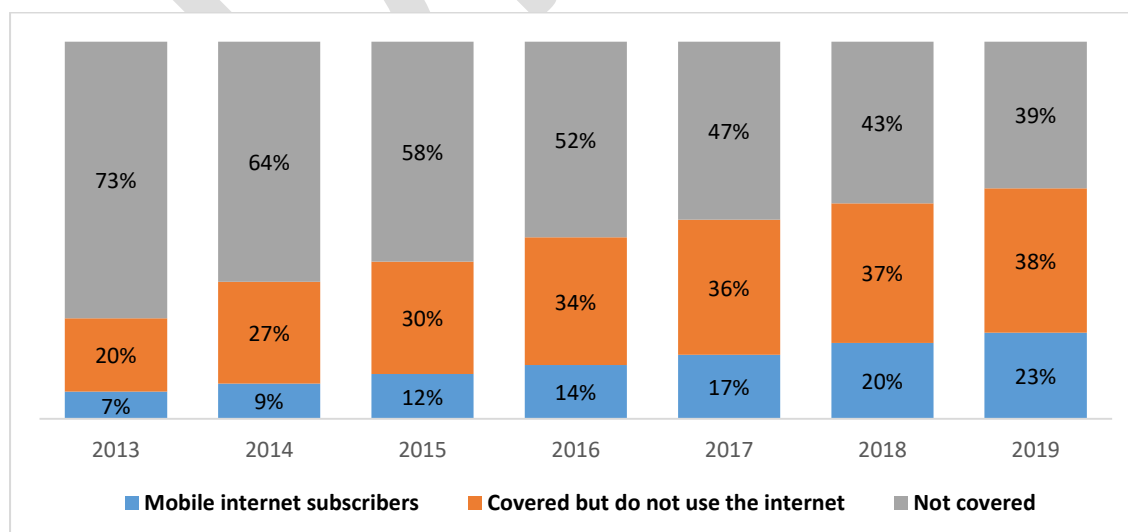
Within this landscape, mobile operators are uniquely positioned to help drive e-commerce growth. At a foundational level, operators provide the connectivity that enables online activities, including e-commerce. Beyond connectivity, operators also play an increasingly important role in enhancing financial inclusion and enabling digital payments through mobile money and supporting tech start-ups including e-commerce services. Mobile operators are also well placed to leverage network and distribution assets to address some of the operational and commercial challenges of e-commerce.

The main areas where action is required to drive the take-up of e-commerce services in ECCAS are:

4.1 Enhancing digital and financial inclusion

Digital connectivity is the cornerstone for enabling the formal economy and is fundamental to the advancement of online services, including e-commerce. Similarly, deepening financial inclusion is necessary to simplify commercial transactions between individuals and organisations. ECCAS member states have made remarkable progress in improving digital and financial inclusion over the last decade, driven by increased access to mobile connectivity and mobile money. However, large swathes of the population remain excluded and at risk of missing out on the socioeconomic benefits of the digital economy.

Fig 13: Mobile adoption in ECCAS is held back by infrastructure and non-infrastructure barriers



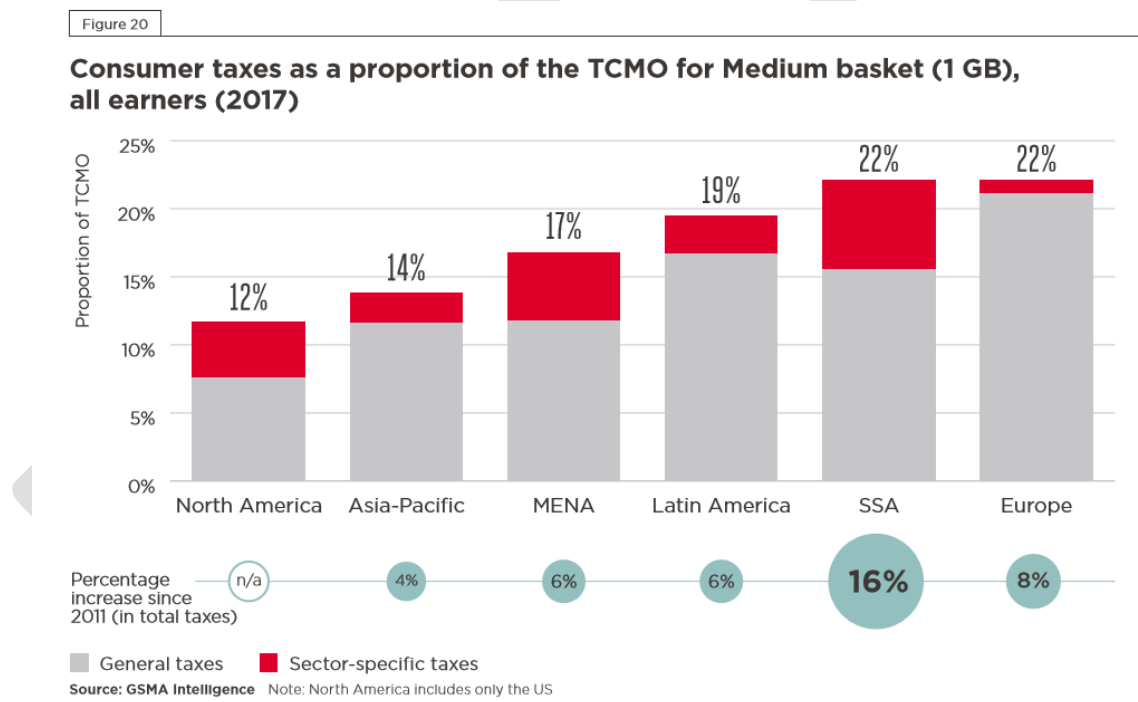
Source: GSMA Intelligence

Unconnected and financially excluded people are mostly part of more vulnerable population groups, including women, rural populations and low-income households. By the end of 2019, nearly 40% of the population in the sub-region did not have access to a mobile broadband network (Fig 13). Even when access exists, only a fraction of the population covered by mobile broadband networks subscribe to a mobile internet service, with lack of affordability and digital skills among the main issues holding mobile adoption.

Call to action: Key steps to enhance digital and financial inclusion in ECCAS

- **Affordability** - To address the affordability barrier for low-income individuals and families, governments should consider reducing or eliminating sector-specific taxes, which can constrain investments in much needed mobile broadband infrastructure and impact the affordability devices and services for users. Consumer taxes as a proportion of TCMO in Sub-Saharan Africa is among the highest in the world, with a 16% increase between 2011 and 2017 (fig 14).

Fig 14: Consumer taxes as a proportion of the TCMO for medium basket (1GB), all earners, 2017



Recognising the important role of digital connectivity in enabling digital services, including e-commerce, governments should prioritise long-term goals of enhancing digital inclusion, rather than short-term income maximisation.

In recent years, some governments in the sub-region have taken steps to reduce the tax burden on mobile users. In January 2020, Chad eliminated an 18% excise duty on mobile data to support the adoption and usage of mobile internet services. Similarly, in 2012, Rwanda eliminated a 30% custom duty on handsets to improve smartphone penetration.

- **Infrastructure deployment** – Spectrum is fundamental to the delivery of mobile services, especially in unconnected areas. Spectrum below 1 GHz is especially crucial for delivering

universal broadband access, given its strong propagation characteristics, and is key for bringing connectivity to people in cities and remote areas.

As such, it is essential for governments and regulators in ECCAS to make spectrum available at the right conditions – quantity, frequency band and pricing – to enable the efficient deployment of mobile infrastructure. High spectrum prices, for example, are linked to more expensive, lower quality mobile broadband services³⁹. This highlights the trade-off in spectrum policy when trying to raise revenues for the public sector while also delivering greater consumer welfare and achieving digital inclusion objectives. Government should consider carefully the impact on final prices when making decisions on spectrum policy. These include setting of reserve prices, artificially limiting the amount of licenced spectrum available, establishing clear spectrum roadmaps, and the design of spectrum auctions.

Meanwhile, infrastructure sharing practices have been shown to significantly accelerate rural connectivity and improve economically viable rollout models in rural and underserved areas, where lack of social infrastructure and difficult terrains makes the economics of infrastructure deployment more challenging for operators. Governments should therefore consider allowing voluntary infrastructure sharing, over and above the current practice of passive infrastructure sharing, including sharing active access and core network components. Furthermore, governments should reduce red tape for infrastructure rollout through harmonised town planning regulations, liberalised ‘Rights of Way’ and fair access to public facilities to support the efficient deployment of network infrastructure.

- **Mobile money regulations** – ECCAS countries generally have enabling regulations for mobile money. However, there is room for improvement on issues such as mobile money taxation, e-KYC and IMT (international money transfer). For example, the DRC currently does not permit mobile money operators to conduct IMT, mobile money taxation in Congo Brazzaville puts at risk the uptake of mobile money services, thereby slowing financial inclusion and the scaling of e-commerce services.

Governments should implement policies that promote market-led competition and a level playing field across the payment ecosystem and improve local and global payment system interoperability. Interoperability should be market-led and the timing should be determined by commercial logic. There is also a need to have appropriate national payments systems infrastructure (i.e. switches) to facilitate instant payments and regulations that offer adequate consumer protection.

- **Improving digital skills** – All stakeholders, including governments, the development community and the mobile industry, should work together on initiatives to improve digital skills among consumers. In Rwanda, the government launched the Digital Ambassador Programme in 2017 to increase the number of digitally literate citizens. This is part of a broader effort to equip up to 5 million Rwandans with digital skills by 2024. The GSMA has launched the Mobile Internet Skills Training Toolkit (MISTT) for organisations that want to introduce the mobile internet to first time smartphone users. This emphasises the opportunity

³⁹ GSMA [The impact of spectrum prices on consumers](#) 2019

for governments and other stakeholders to partner with mobile operators to identify new approaches to overcome the digital skills and gender gap.

4.2 Take the right approach to data regulations

Governments around the world are keen to establish a regulatory environment that supports data-driven economic growth while strengthening trust in technology, given the huge opportunity of digital transformation. For consumers, while a positive experience with an online seller can create some trust, specific regulations that protect participants in an online transaction and other cybersecurity arrangements are still necessary to boost confidence in e-commerce and other digital services.

Consumer data privacy and cross-border data transfers are vital elements of any digital service, including e-commerce. In today's global economy, organisations' use of personal data can no longer be contained or regulated in isolation within a single country. The future frameworks that will allow governments, businesses and, most importantly, individuals to benefit from the data revolution must respect national laws, traditions and cultures.

However, they must also coalesce around an emerging consensus that data privacy laws should protect the privacy of individuals while enabling innovation and data flows critical to the digital economy. Therefore, for a data privacy law to be successful, it must provide effective protection for individuals while allowing organisations the freedom to operate, innovate and comply in a way that makes sense for their businesses and can secure positive outcomes for society.

A recent GSMA report⁴⁰ identifies four key areas that underpin a smart approach to data privacy. These are:

- **A data privacy law** that empowers and protects individuals and encourages innovation to benefit society;
- **Organisations with privacy practices** that focus on the minimisation of risk of harm to individuals;
- **Supervisory authorities** that are able to prioritise their functions and resources to target the most pressing risks of harm — educating individuals and businesses, encouraging good practice and enforcing appropriately;
- **Individuals** who are equipped with the information and tools they need to make informed choices about how their data may be used and to understand the value exchange they are engaged in.

E-commerce Trustmark also presents an opportunity to build consumer trust and confidence in e-commerce services and ensure that e-commerce providers comply with established laws. In 2019, the Ecommerce Forum South Africa launched its Safe.Shop Trustmark badge, which confirms that an e-commerce provider is compliant with the organisation's Code of Conduct Checklist, covering the appropriate regulations required of online shops in South Africa (eg. CPA, POPIA, ECTA).

Meanwhile, as local e-commerce entrepreneurs increasingly explore cross-border growth prospects, governments should provide information and support for businesses that would enable them comply with e-commerce regulations in overseas markets and strengthen regional policy dialogues and harmonization of e-commerce and e-payments laws and regulations. Public-private partnerships and dialogues offer a pertinent vehicle to successfully implement e-commerce development initiatives.

⁴⁰ GSMA [Smart Data Privacy Laws: Achieving the Right Outcomes for the Digital Age](#) 2019

4.3 Address challenges in the business environment

Broader macroeconomic factors have a significant impact on the advancement of e-commerce services in any society. These range from internal logistics challenges and international trade barriers to fiscal policies and red tape on e-commerce start-ups. Addressing these challenges and improving the overall business environment is essential to realising the socioeconomic benefits of e-commerce.

Central Africa need to take a set of measures to put in place the conducive climate for e-commerce to flourish. While the subregion has clearly highlighted its ambition to diversify its economy building on the Douala consensus⁴¹, providing space to modern services to pay the needed role in the structural transformation building on digital and e-commerce opportunity will require, among others, to:

- strengthen the business climate, create certainty for business and avoid politically induced internet shutdown, given the direct impact of e-commerce. The economic diversification process should anchor on enhancing Central Africa in major governance and doing business indexes putting in place the necessary measures towards a free market and private sector led economic growth.
- Operationalise the AfCTA to facilitate cross-border trade between ECCAS and the wider Sub-Saharan Africa region, and implement trade facilitation measures that would have a direct impact on cross-border e-commerce, such as streamlining customs clearance procedures, putting in place the necessary soft and hard infrastructure, strengthening the intellectual property systems and enhance contract enforcement measure which will cement the implementation of e-commerce transactions and build trust. Leverage new technology solutions and institutional innovations, such as the one boarder post arrangement⁴² to reduce administrative burdens border processes for low-value shipments, and simplify and harmonize returns processes, as well as duty and tax drawback procedures,
- Provide for electronic submission of customs declarations prior to arrival of goods to allow pre-arrival processing and immediate release at the border. As e-commerce is a new concept to many customs officers, there is need for training on how to avoid processes that cause delays. Addressing e-commerce challenges and issues should be at the heart of the ongoing customs reforms aimed at streamlining the process and enhancing efficiency while facilitating trade, especially for smaller traders. Harnessing the benefits offered by ICT for customs efficiency and e-commerce need to be encouraged at national and subregional levels.
- Encourage public-private partnerships to target small business logistics needs and explore new technologies and invest in developing the needed skills to support e-commerce development within the public and private sectors.
- Take steps to standardise the addressing system to facilitate last mile delivery as the subregion urbanizes faster. Mobilize Geographic Information Systems technologies in support of the delivery process in support of e-commerce development.
- Invest in sustainable warehousing and other logistics infrastructure and ensure the related quality insurance. Encourage institutional innovations including e-commerce infrastructure sharing, such as warehouse facilities to reduce cost for individual providers.

⁴¹ The Douala consensus crystalizes the commitment taken by Central African countries, under the leadership of ECA, to accelerate economic diversification through resource-driven and trade-induced industrialisation and therefore move away from a volatile, unsustainable and non-inclusive growth pattern led by trading in raw material. The consensus was adopted during the 33rd session of the Intergovernmental Committee of Experts (ICE) of ECA-CA held in Douala, Cameroon in September 2017.

⁴² One border post initiatives aim at streamlining custom processes and reducing delays while crossing boarders through unifying two countries customs systems and processes.

- Foster partnerships between e-commerce providers and logistics companies, including postal services, local and international couriers, and retailers that can serve as pick up points and encourage a coalition approach for e-commerce development in Central Africa.
- Provide fiscal incentives for small businesses and e-commerce start-ups, rather treat them in the same way as established businesses and encourage a policy package for an integrated and holistic approach to the development of these sectors.

4.4 Leveraging stakeholder collaboration

In addition to governments and mobile operators, the development community, including donors and multilateral agencies, the private sector, and civil society are among the key stakeholders in the ECCAS e-commerce landscape. Collaboration between these stakeholders is essential to ensure greater efficiency, inclusive and a harmonised approach to addressing the challenges around e-commerce adoption in the sub-region.

Some key areas where collaboration is required include; support and funding for e-commerce start-ups; legal aid and business skills training for local entrepreneurs and creating awareness of e-commerce services and the socioeconomic benefits they can bring. Development partners can provide capacity building for policymakers to help in the implementation of best practice policies around digital and financial inclusion, data regulations and efforts to improve the business environment.

Collaboration is already occurring in some instances. In Rwanda, the Ministry of Trade and Industry partnered with the German development agency GIZ, global company DHL, and the International Trade Centre (ITC) to launch the 'Rwanda: Enabling the future of e-commerce' project. The initiative aims to open e-commerce opportunities to SMEs in Rwanda through training and capacity building, incubators to accelerate e-commerce innovation, integrated logistics solutions, and awareness creation.

However, more can still be done to maximise the e-commerce opportunity. By joining forces, enterprises can benefit from an efficiency in scale, such as sharing access to facilities at a lower cost per enterprise or negotiating better rates for services, such as logistics. Furthermore, e-commerce providers can collaborate with mobile operators to leverage key assets, including APIs, mobile money, and extensive distribution network, to ease some of their operational challenges.

Box 5: Cameroon and Equatorial Guinea: companies bundle orders to reduce costs

The Foundation for the Promotion of e-commerce in Africa is a non-profit organisation that provides support to SMEs. It has organised workshops in Cameroon and Equatorial Guinea to explain the benefits of collaborating and has offered advice on the establishment of associations and consortiums to firms wishing to set up e-commerce businesses.

One successful association that has been registered as a result of the foundation's work is Trade Good Malabo. This association, located in Equatorial Guinea, has 13 members that sell various products, including cosmetics, computer products, lighting products, and airline tickets through online channels.

The association helps by bundling orders for imports from China and Dubai for resale to the local market. A shared logistics partner transfers the products from the Port in Cameroon to Equatorial Guinea. The association also helps its partners to find foreign partners and access local services, such as accountants, tax specialists and real estate.

4.5 Looking ahead – opportunities abound for e-commerce services in ECCAS

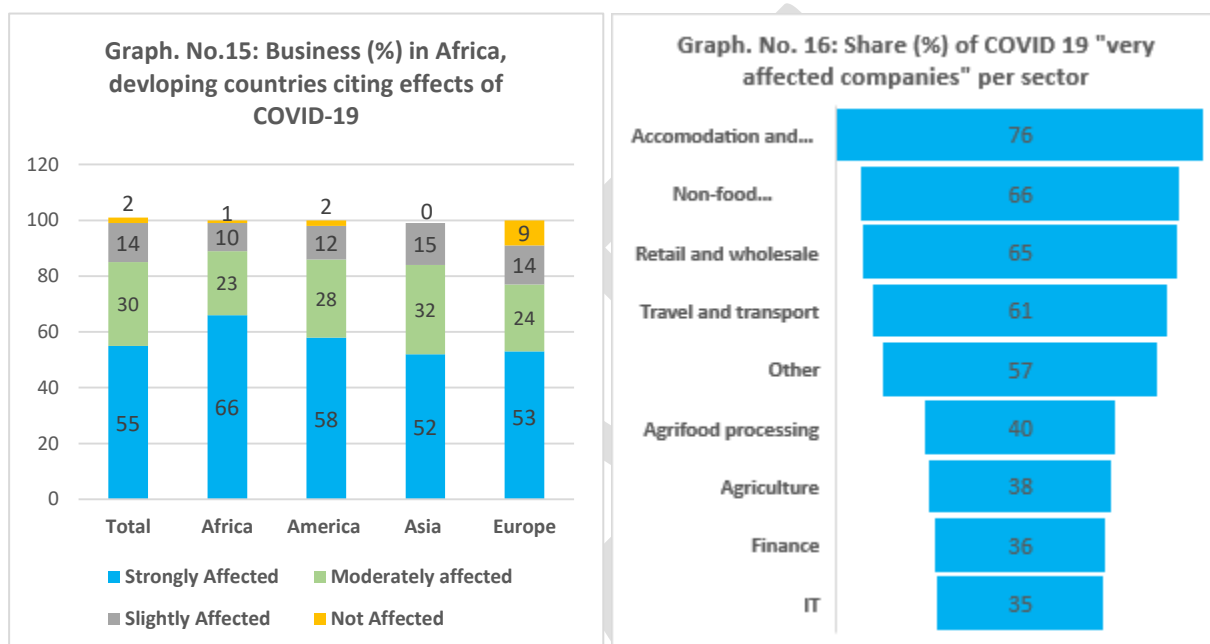
E-commerce will play a vital role in the future economic landscape of the ECCAS sub-region, enabling local businesses access new domestic and foreign markets and providing consumers with choice and convenience amid evolving lifestyles. Indeed, the spread of the Covid-19 pandemic during 2020 and the social distancing measures put in place to tackle the disease have brought to light the potential of e-commerce (See Box No.04) to help society support vulnerable people and sustain commerce in challenging situations.

Home-grown and social commerce services will continue to dominate the ECCAS e-commerce landscape in the short- to medium-term. Looking forward, the region will likely become more attractive to major regional and global players in the future, given the size of several markets in the sub-region and the potential for trade integration.

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Box 4: Regional and sectoral impact of COVID 19 and the mobile and digital technologies led resilience

According to an enterprise survey conducted by the International Trade Centre (ITC), the biggest proportion of companies that claimed to have been strongly affected by the COVID-19⁴³ crisis are located in Africa: This percentage rises to 66% in Africa, compared to 58% in the Americas, 52% in Asia and 53% in Europe (see figures below). In addition, African companies are proportionately less likely to report lower intensities of the effects of COVID-19 on their operations.



Source: adapted from ITC SMECO 2020; ITC calculations based on ITC COVID-19 Business Impact Survey. Data collected 21 April – 2 June 2020.

While the impact of COVID-19 varies from sector to sector, 76% of companies in the accommodation and food sector say they are very affected by COVID-19. This proportion drops to 36% and 35% respectively for the finance and information technology sectors. This indicates that the latter two sectors, which make extensive use of digital technologies, have been the least severely affected by the COVID-19 crisis.

As mentioned in the ITC SME Competitiveness Outlook report, parts of the economy shifted onto digital platforms during lockdowns as evidenced by the surge of teleworking, remote learning, teleconferencing, online health services, e-commerce and digital payments around the world. The lockdown turned to be an opportunity for many businesses to improve their digital capabilities, as consumers shifted to online shopping.

However, several challenges remain for e-commerce, with respect to data security as greater amount of upload data comes with a greater threat of cyberattacks. A better data privacy and protection would be beneficial for e-commerce promotion.

⁴³ Respondents were asked 'How have your business operations been affected by the coronavirus (COVID-19) pandemic?' and 'How many full-time employees does the business have?' Definitions: Microenterprises, up to 4 employees; small firms, 5-19 employees; medium-sized firms, 20-99 employees; large firms, 100 or more employees. Data on 2170 businesses in 121 countries. Response rates vary across countries and regions.

However, ECCAS member states are still a long way from maximising the e-commerce opportunity, due to a combination of infrastructure, macro-structural and regulatory constraints. As governments in the sub-region increasingly recognise the potential for e-commerce to drive economic growth and sustainable development, they must now move to address the key challenges to e-commerce adoption, working together with other stakeholders in the e-commerce ecosystem. A first step is to get more people online, by address the access and affordability barriers to connectivity for unconnected citizens, and create an enabling environment for e-commerce services to scale and reach new customers.

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Appendix

	Angola	Burundi	Cameroon	CAR	Chad	Congo	DRC	Equatorial Guinea	Gabon	Rwanda	Sao Tome & Principe	Sub- Saharan Africa	Year	Source
Composite indices														
Mobile connectivity Index	43.8	26	46.1	18.9	18.4	41.3	26.1	N/A	49	43	N/A	37.70	2019	GSMA Intelligence
B2C E-commerce index	30.4	9	32	N/A	8.5	14	13.8	N/A	38.3	30.9	N/A	29.00	2019	UNCTAD
Logistics performance index	2.05	2.06	2.6	2.15	2.42	2.49	2.43	2.32	2.16	2.97	2.65	2.45	2018	World Bank
Selected indicators														
Total population (m)	32.9	11.9	26.5	4.8	16.4	5.5	89.6	1.4	2.2	13	0.21	1,094	2020	UN DESA
Urbanisation rate (%)	66%	13%	56%	41%	23%	67%	44%	72%	89%	17%	73%	40%	2018	UN DESA
GDP per capita (current US\$)	3,432	272	1,533	476	728	2,148	562	10,261	7,952	773	2,001	1,585.00	2018	World Bank
Unique mobile subscribers	13.5	4.3	13.4	1.6	5.8	2.5	33.9	0.7	1.4	6.3	0.13	480	2019	GSMA Intelligence
Mobile subscriber penetration rate	42%	37%	51%	34%	36%	29%	39%	48%	62%	49%	62%	45%	2019	GSMA Intelligence
Mobile internet users	9.4	1.3	8.4	0.7	2.4	1.6	17.8	0.1	1.4	3.5	0.07	272	2019	GSMA Intelligence
Mobile internet penetration rate	29.1%	10.7%	32.0%	14.9%	14.7%	28.8%	20.2%	5.6%	34.6%	27.7%	31.0%	26%	2019	GSMA Intelligence
Smartphone adoption	59%	36%	43%	37%	21%	48%	37%	55%	55%	31%	53%	46%	2019	GSMA Intelligence
MBB population coverage	61%	40%	75%	40%	53%	65%	63%	33%	73%	95%	75%	76%	2019	GSMA Intelligence
Secure Internet servers (per 1 million people)	11	4	5	1	<1	6	3	10	26	36	57	738		World Bank
Account ownership (% of 15+)	40%	10%	35%	14%	22%	26%	26%	N/A	59%	50%	N/A	43%	2017	World Bank Global Findex
Debit card ownership (% of 15+)	20%	2%	11%	4%	3%	12%	6%	N/A	16%	5%	N/A	18%	2017	World Bank Global Findex
Made/received digital payments in the past one year (% of 15+)	30%	6%	29%	9%	19%	18%	22%	N/A	54%	39%	N/A	34%	2017	World Bank Global Findex
Postal development score	30.54	19	24.17	N/A	10.90	8.80	17.01	N/A	7.53	20.40	N/A	21	2019	Universal Postal Union (UPU)
Literacy rates (15+ years)	66%	68%	77%	37%	22%	80%	77%	95%	85%	73%	93%	66%	2018	World Bank