

ASSESSMENT OF ESWATINI'S E-COMMERCE READINESS



Economic patterns are shifting. Digital transformation is reshaping product and factor markets, to a large extent, altering business and work, bringing change to the global economy. In this 'new global economy', e-commerce retail and digital services have exploded. E-commerce, in particular, has in many countries, proven to be a powerful driver of economic growth, inclusive trade, and job creation.

Regrettably, due to a number of associated economic, infrastructural, human and financial constraints as a result of digital divides, numerous developing countries including Eswatini, are lagging behind in terms of their readiness to engage in and take advantage of the benefits of e-commerce and the digital economy. In view of this, the Ministry of Information, Communications, and Technology (MICT) together with the Ministry of Commerce, Industry and Trade (MCIT), in partnership with Eswatini Communications Commission (ESCCOM) and Africa Rise, a European Union (EU) funded facility, have launched an ASSESSMENT OF ESWATINI'S E-COMMERCE READINESS.



OBJECTIVE OF THE PROJECT

The objective of the assessment is to provide a comprehensive diagnostic of the country's e-commerce ecosystem, mainly highlighting strengths and weaknesses. The assessment will be centered around 5 key areas in e-commerce: Physical Connectivity (Infrastructure ecosystem), Finance and Payments (Access to finance and e-payments ecosystem), Governance (Policies, regulations, e-gov and statistics), Online Markets (Platforms, trade facilitation, logistics) and Enterprise (Entrepreneurship, incubators and accelerators, and skills). The outcomes of this project will include a detailed plan of implementation of priority actions, across a range of policy areas. Furthermore, as a baseline, the findings of the assessment, will be used in the development of the National e-commerce Strategy as the next phase of the project.



SCOPE OF ASSESSMENT

The assessment will cover an analysis of the existing state of e-commerce in the country and policies on technology, e-commerce and trade. It will assess practical elements regarding e-commerce such as the infrastructure gaps, such as access to and reliability of the internet, access to IT support services, digital skills, postal/courier delivery services and payment systems. Furthermore, it will assess the policies, laws and regulations, infrastructure and other parameters of importance to e-commerce. It should also provide benchmarks with more developed and matured e-commerce jurisdictions, identifying gaps and providing recommendations made for bridging them.



TARGET GROUPS AND BENEFICIARIES OF THE PROJECT

The immediate beneficiaries of the project are policy makers responsible for formulating, implementing and supporting e-commerce for development and related trade policies and regulations (e.g., ICT, consumer protection, cybersecurity, data protection, financial inclusion policies, etc.). The long-term beneficiaries are those to which e-commerce policies and strategies are aimed (i.e. individuals, households, MSMEs and entrepreneurs, including particular interest groups such as youth, people living with disabilities and women entrepreneurs), as well as stakeholders from business groups, the academia and civil society organizations.



ROLES AND RESPONSIBILITIES

- **Ministry of Information, Communication and Technology and Ministry of Commerce, Industry and Trade - Project Sponsor and Owner**
 - The Ministry of ICT and Ministry of CIT are the relevant government ministries responsible for developing the appropriate policies for the e-commerce ecosystem in the country. These Ministries are key in the development and adoption of e-commerce solutions that will positively impact digital trade development, thus they are the project owners and sponsors.
- **Eswatini Communications Commission- The implementing Agency**
 - The Eswatini Communications Commission (ESCCOM), has been tasked by the Ministry of Information, Communication and Technology and Ministry of Commerce, Industry and Trade to lead on the development of an e-commerce strategy (ECS) for Eswatini. The appropriateness of the Commission to drive this project emanates from the Eswatini Communications Commission Act, 2013 Section 6 (b), as it is mandates the ESCCOM to regulate and supervise the provision of postal services and electronic commerce. The mandate entrusts the Commission the responsibility to ensure that the sector is enabled and developed through ensuring that the requisite regulatory frameworks are in place and initiates or supports any developmental programmes in the postal or e-commerce sectors.
- **European Union and Africa Rise - Technical and Financial Assistance**
 - The European Union's Africa RISE (Reform for Investment and Sustainable Economies) programme is a demand-driven regional technical assistance facility to promote business development and improve the investment climate in Eastern Africa, Southern Africa and the Indian Ocean. It supports the EU partnership with Africa on sustainable investments and jobs, inclusive green growth and decent work. Africa RISE operates in 25 countries in the EA-SA-IO region and provides technical assistance to improve the investment climate, strengthen access to finance and promote implementation of dedicated financial instruments. The facility provides a range of services including research, analysis, strategy development, implementation, and skills development. Africa RISE is financed by the European Union and implemented by Landell Mills in partnership with Adam Smith Europe, Imani Development, and International Economics Consulting.



KEY TIMELINES

The preliminary work of the project started in November 2022, and is currently at the Stakeholder Consultation stage which includes an online survey and focus group discussions. The stakeholder engagements are anticipated to be completed at the end of February 2023 and the survey will end 17 February 2022. Following the engagements, will be the drafting of the report on the assessment, which is expected to be finalised in April 2023.

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