

E-commerce from a gender and development perspective

IWG on Trade and Gender

12 December 2022

Simonetta Zarrilli

Chief, Trade, Gender and Development Programme

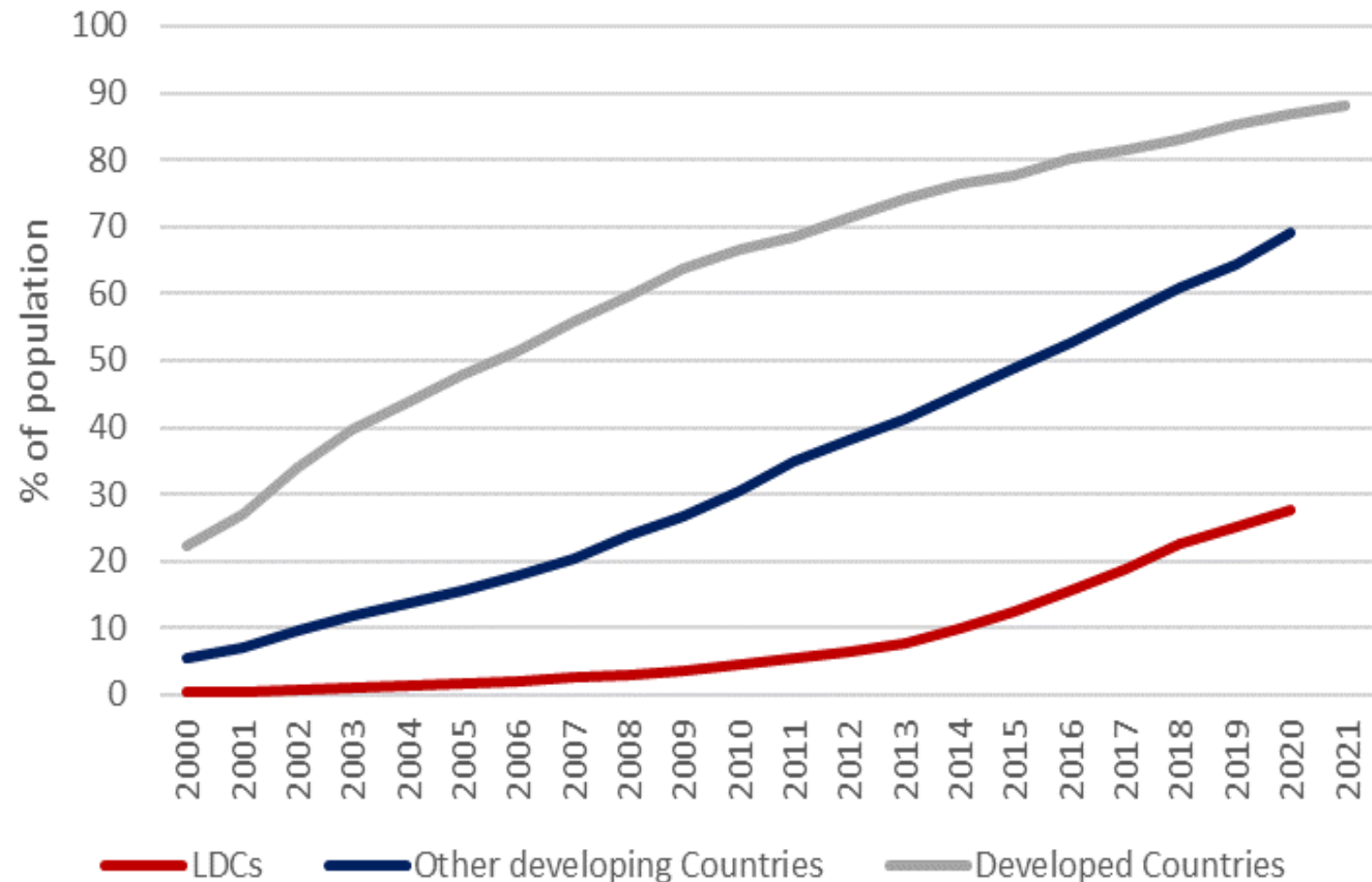
Division for International Trade and Commodities

E-commerce from a gender & development perspective

1. Development and gender digital divides
2. Opportunities for women-led small enterprises
3. Barriers for women-led small enterprises
4. Deliberations, initiatives, and negotiations on e-commerce
5. Conclusions and policy recommendations

Individuals using the Internet, 2000-2021

- It is estimated that in 2022, approximately 5.3 billion or 66% of the world's population is using the Internet, with more than 90% in developed, but only 36% in the LDCs
- This is linked to a lower coverage as only about 80 percent of the population in LDCs are covered by at least 3G network compared to more than 90 percent coverage in other developing countries. Blind spots remain largely in rural areas
- Affordability is another issue, a basic data-only mobile broadband subscription cost about 0.5% of average per capita income in developed, 1.5% in other developing countries but more than 6% in LDCs in 2020

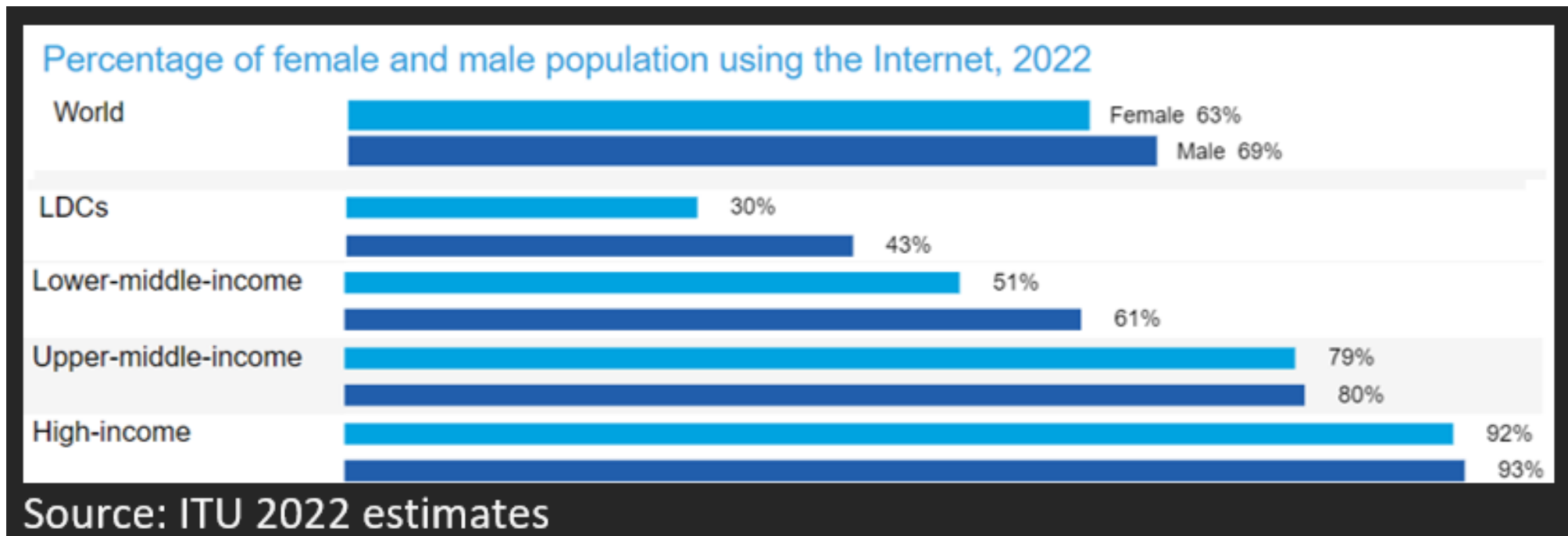


Between and within country digital divides

- Coverage and access to the Internet
 - Geographical factors affect coverage
 - Incomes affect the kind of device and the subscription
- Use
 - Coverage does not automatically lead to use. 80% of the population in the LDCs is covered by the Internet but only 36% uses it
- Outcome: Safe and profitable
 - Use does not automatically translate into “meaningful use”

Development and gender digital divides

- The digital gender gap is almost closed in developed countries, with 92% of women and 93% of men using the internet
 - This gap remain significant in the LDCs with 30% of women and 43% of men using the internet in 2022
- This indicates compounded digital disadvantages for women in LDCs

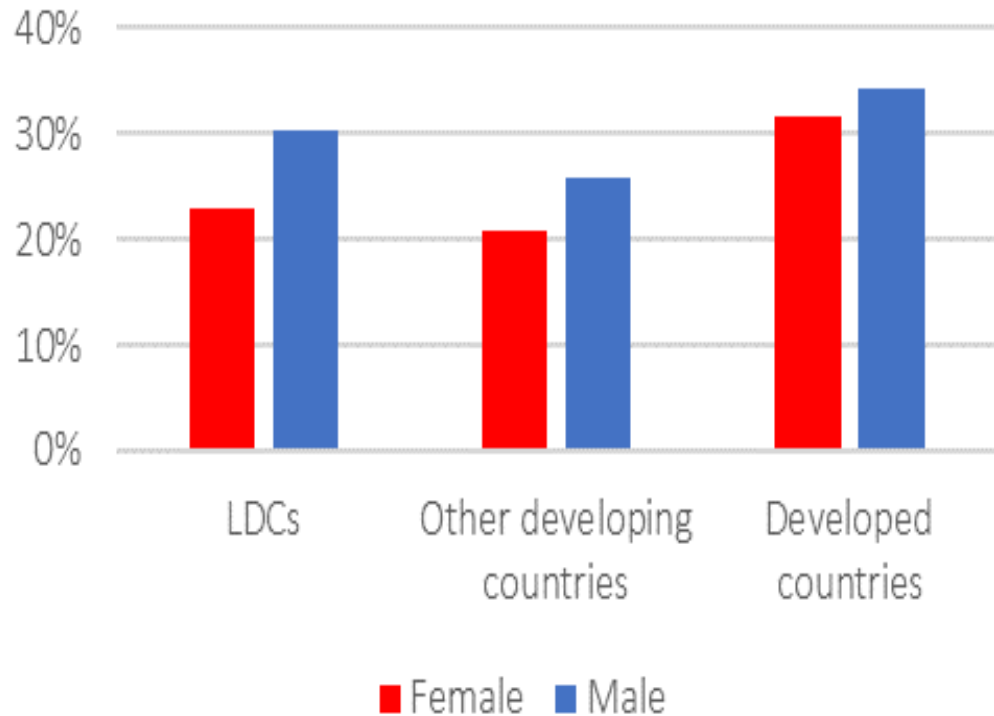


Opportunities for women-led small enterprises

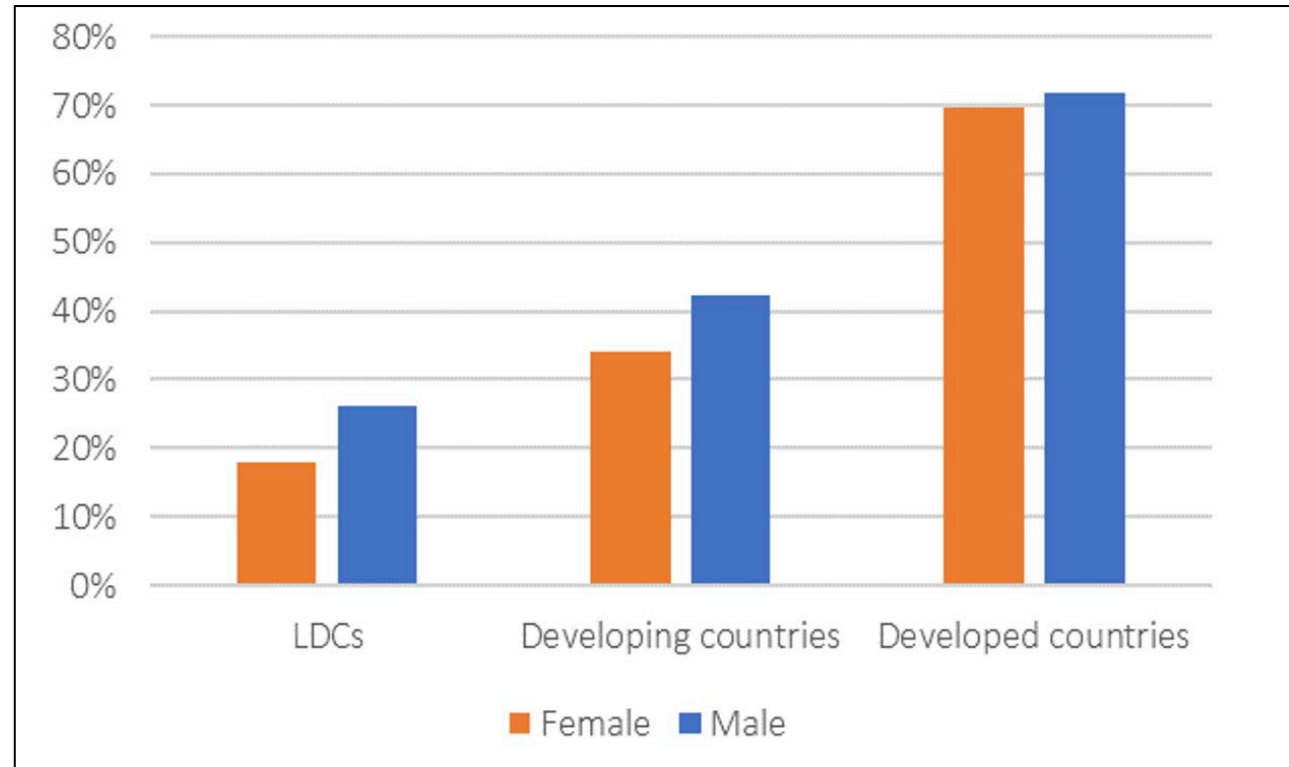
- Reduces the initial entry costs and allows to connect directly with buyers and suppliers
- Fosters the services economy in which many women are employed
- Removes the needs for face-to-face interactions → relieve mobility constraints, discrimination and exposure to violence
- Provides increased time flexibility
- Offers the possibility to enter new sectors
- Increases access to information about entrepreneurial possibilities, knowledge and skills
- During the pandemic it has proved a viable way to make business survive

Do women have access to the necessary tools to trade online?

**Has a mobile money account
(% age 15+), 2021**



**Received digital payments
(% age 15+), 2021**

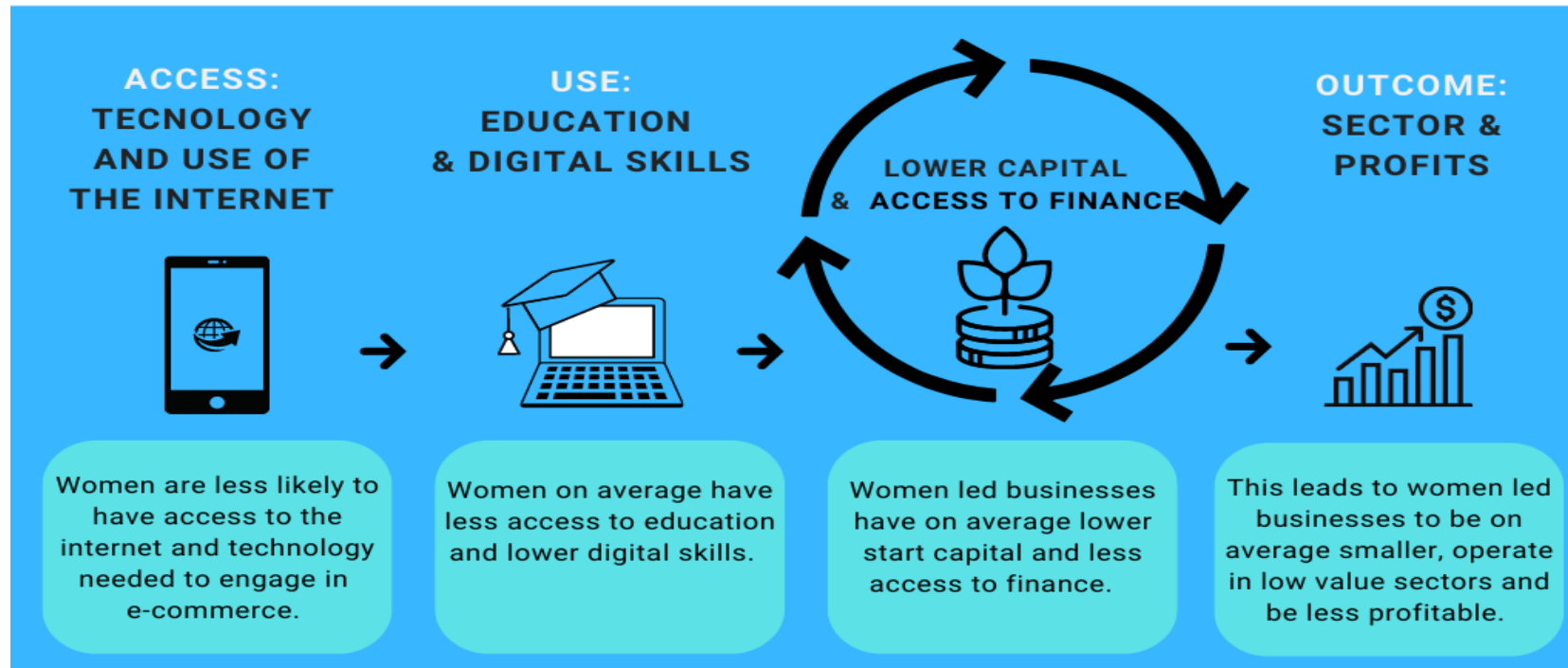


Source: World Bank Global Findex database, 2021

→ Looking at more sophisticated indicators than simple use of internet, both developmental and gender digital divides are more pronounced.

Barriers for women-led small enterprises

Women entrepreneurs' face compounded disadvantages at all stages



WOMEN ENTREPRENEURS' IN RURAL AREA IN PARTICULAR IN LDCS ARE LEFT BEHIND

→ Overall, several of the barriers affecting women's participation in offline trade are at play when considering e-commerce.

Digital platforms

1. Business platforms

→ Benefits

- Improved visibility
- Increased demand
- Reduced information frictions and search costs
- Additional services

→ Concerns

- Cost to use it
- MSMEs low bargaining power
- Data control
- Algorithms may penalize MSMEs

2. Social platforms

Pros and cons

Deliberations, initiatives, and negotiations on e-commerce

- North-South divergences in JSI negotiations
- So far, gender issues have not been considered in the JSI negotiations
- So far, gender provisions have not been considered in RTAs, but→ AfCFTA Protocols on digital trade and on trade and gender
- Promising developments in bilateral FTAs→ trade and gender chapters and chapters on digital trade. Ex. Australia-UK FTA
- Call for sex-disaggregated data collection→ FTAs and Buenos Aires Declaration

Conclusions & Policy Recommendations

- E-commerce offers huge opportunities for women's economic empowerment
- Data and trends point to an unequal share of digital opportunities between developed and developing countries and, especially within the latter group, between women and men
- Gender gaps reinforce digital gaps, and digital gaps amplify gender gaps, which affects the performance of women-led enterprises in e-commerce.
- Areas to tackle:
 - Gender discrimination and shortcomings. Ex. Educations, STEM, access to credit, discriminatory laws

Conclusions & Policy Recommendations

- Possible policies and measures to overcome existing gender barriers

- Digitalization strategies
- “Women-friendly” digital platforms
- Training and advocacy
- Understanding the pros and cons of informal online commerce
- Partnerships
- Availability of information
- Gender disaggregated data
- Engender e-commerce negotiations

→ Addressing women’s specific barriers in e-commerce is an essential component of countries’ commitment “to leave no one behind,” and “build back better” after the pandemic.

Thank you for your kind attention!

<https://UNCTAD.org/gender>

gender@un.org

<https://twitter.com/unctadgender>

