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DIGITAL COMMERCE CAPACITY DEVELOPMENT:

Preparing trade professionals for the challenges of the digital economy

DiPLO

CUTS International GENEVA

International Trade Centre

UNITED NATIONS UNCTAD

Geneva Internet Platform

Impressum

Digital commerce capacity development:
Preparing trade professionals for the challenges of the digital economy

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E-mail: **diplo@diplomacy.edu**
Website: **http://www.diplomacy.edu**

Authors: Marilia Maciel, Roxana Radu, Hannah Slavik
Editing: Mary Murphy
Layout and design: Diplo's CreativeLab
Photos: Aleksandra Virijević

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DiploFoundation and the Geneva Internet Platform

Our capacity development initiative addressed complex and controversial policy developments in the build-up and as a follow-up to the 11th World Trade Organization (WTO) Ministerial Conference (MC11) in December 2017. At MC11 in Buenos Aires, differences on digital commerce could not be bridged. Views were significantly opposed. Discussions were heated. While negotiators cannot reach compromise let alone consensus, the digital economy continues to grow very fast, with major economic and societal impacts. Digital growth shapes our reality in both positive and negative ways. This was the general backdrop for our course.

The only effective way to address such controversial issue is through informed, impartial, and inclusive discussions. The exchange among participants, both online and in situ, reflected a wide range of views on digital commerce and digital policy. Participants were presented with the positions of the main actors in digital policy negotiations, but the arguments put forward were balanced and the approach of the course remained neutral.

This capacity development programme covered a wide range of issues from explaining technical functionality of the Internet that impacts policy-making (e.g. technical tools for cybersecurity, digital signature) to discussions on data protection. It connected the dots between different digital policy fields that affect digital commerce, such as cybersecurity, standardisation, and the development of a technical infrastructure.

Throughout the course, the underlying question under discussion was the impact of digital policies on development. How do specific policies on digital commerce affect companies in developing countries?

Lastly, we tried to look beyond the here and now by discussing the impact of fast-emerging technologies, such as artificial intelligence (AI), blockchain, and the Internet of Things (IoT). In this field, there are still many 'unknowns' for both developed and developing countries. Many unanswered questions remain. The search for answers will be high on the agenda of trade diplomats and professionals. We hope that our capacity development contributed towards making future trade debates more informed and inclusive.

Jovan Kurbalija
Director of DiploFoundation and
Head of the Geneva Internet Platform

6. Online publications

A series of online publications on aspects related to digital commerce providing an overview of international discussions on this issue were published online. They were widely publicised through social media, contributing to raising awareness and disseminating knowledge on digital commerce. These publications include:

When trade meets security: The potential dangers of military rhetoric in trade talks

Understanding E-Commerce Issues in Trade Agreements

WTO members introduce proposals on e-commerce for the December Ministerial

E-Residency: Potential for boosting e-commerce

The quiet rapprochement of Internet governance and trade policy

Prospects of decentralised solution in a finance world. The case of blockchain

E-commerce in Europe: consultations, court rulings, and other updates in September

The rise of e-commerce initiatives: from expanding access to taxation

Just-in-time reporting from WTO Public Forum 2016

E-commerce in the WTO: the next arena of Internet policy discussions?

In 2017 DiploFoundation and the Geneva Internet Platform also engaged in just-in-time reporting from digital commerce-related sessions held at the WTO Public Forum and the UNCTAD e-commerce week. Direct input from these reports was added to course materials and class discussions.

• WTO Public Forum 2017

Reports from e-commerce sessions: **https://dig.watch/events/wto-public-forum-2017**

Digital policy at WTO Public Forum: Summarising Day 1

Digital policy at the WTO Public Forum: Summarising Day 2

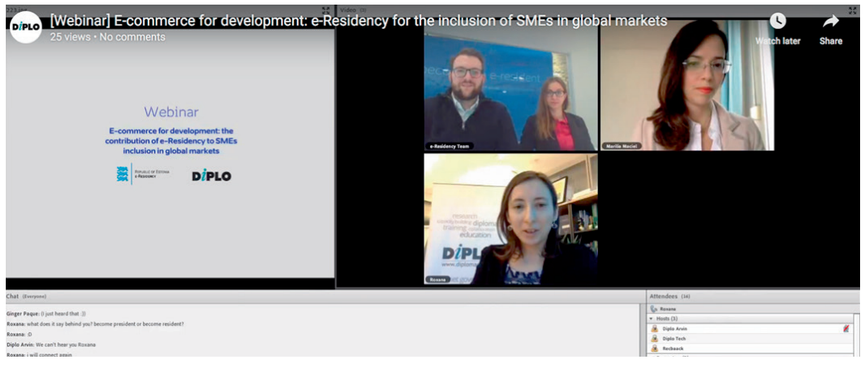
Digital policy at the WTO Public Forum: Summarising Day 3

• UNCTAD e-commerce week 2017

Reports from the sessions: **https://dig.watch/events/unctad-e-commerce-week-2017**

5. Webinars

Webinars are an excellent way to share knowledge and to allow interaction between participants and experts in the field. In 2017, two webinars on digital commerce were offered. The first was organised by way of a partnership between two members of the eTrade for All initiative: DiploFoundation and the e-Residency programme in Estonia. It focused on how e-Residency can facilitate access to global markets by enabling the establishment of an EU company. The second webinar discussed block-chain and virtual currencies, and how they impact digital commerce.



CUTS International Geneva

The digital revolution is profoundly changing the economic and social fabrics of societies around the world. The pace of change is breath-taking and its impact beyond any single policy area or geographical boundary. It promises both unimaginable opportunities and unprecedented challenges. But, to manage these challenges and capitalise on the opportunities, all relevant stakeholders, particularly policy makers and negotiators, need the knowledge and skills. The knowledge to understand the basic technical side of the digital revolution and its linkages with economic and social policies, and the skills to manage the interactions among a large and diverse group of stakeholders. This joint initiative by Diplo & GIP, ITC, UNCTAD and CUTS International Geneva is an effort to provide the required knowledge and skills to policy makers, negotiators and other relevant stakeholders in a user-friendly and objective manner.

Digital commerce is a reality and its growth inevitable. But there is no inevitability about its positive impact for inclusive growth and development to equitably benefit individuals, enterprises, communities and countries. Policies, rules and regulations – as well as the processes to develop and implement these - at the national, regional and international levels will have an important role to play in that respect. Our initiative strives to equip the policy makers, negotiators and other relevant stakeholders to track, understand and shape these policies, rules and regulations in line with the development objectives as enshrined in the Sustainable Development Goals (SDGs).

Developing and least-developed countries are generally lagging behind and the “digital divide” does exist. But it does not have to be permanent. The world should not remain divided between “connected” and “connected-nots“. There is immense “digital dividend” which can lift all boats, everywhere. For that to happen, developing and least-developed countries need assistance at many levels to equally participate in digital commerce. Our initiative focusse on one of these needs, i.e. capacity development of policy makers, negotiators and other relevant stakeholders.

The delivery of three phases of out initiative since early 2017 has demonstrated its utility. We have learnt valuable lessons also. Now we look forward to building on these successes and lessons in the future phases of our initiative with support from all our collaborators and partners.

Rashid S Kaukab
Executive Director,
CUTS International Geneva

International Trade Centre (ITC)

Digital technologies are rapidly transforming the way we live and work, with Information Communication Technologies (ICT) playing an increasingly critical role in the way we produce, consume and trade. Changes are happening at an accelerated speed, imposing new challenges on companies – to keep up their competitiveness in a rapidly changing business world – as well as on governments – to respond to and encourage innovations from a regulatory perspective. This new and dynamic environment requires all stakeholders being more strategic and inclusive than ever as to ensure not leaving anyone behind across or within countries.

ITC embraces the digital reality and works for transforming digital disruption into business opportunities, especially for SMEs in developing countries. A focus on digital commerce is embedded into all ITC offerings, from our flagship report on SME Competitiveness, to sector specific e-strategies and e-commerce studies, as well as technical assistance projects on the ground.

Geneva is a global centre for trade policy and digital commerce, where several international organisations deal with these themes from different angles according to their respective mandates. To equip policy makers with the up-to-date knowledge on digital commerce, we have collaborated with Diplo Foundation, CUTS International, UNCTAD and GIP to offer a joint course on digital commerce. This capacity building initiative intends to increase awareness and understanding of issues related to digital commerce, to help participants better engage in the discussions and make informed decisions. The course has been "just in time" considering the increased focus on the topic at the WTO and other international organizations.

This joint course has allowed for a common space to explore the connection between trade and ICT related issues, such as net neutrality, cybersecurity, consumer protection and data flow, among others. It also allowed for exploring the development implications of offline elements connected to the digital economy, such as competition and market concentration, standardisation, and infrastructure development. ITC is proud of having actively supported this initiative and reinforces its commitment for inclusive capacity building on e-commerce.

Marion Jansen
Chief Economist, ITC

Video testimonials

Video testimonial of Muhammad Irfan - Counsellor, Permanent Mission of Pakistan to the WTO

Video testimonial of Neema Manongi - First Secretary, Permanent Mission of Tanzania to the UN and WTO

Video testimonial of Gilles Dushimimana Bana - Intern, Permanent Mission of Rwanda

March 2018 Digital Commerce course graduation ceremony

The digital commerce course is an excellent opportunity for Geneva-based diplomats to learn about e-commerce from scratch. For me as a diplomat covering e-commerce issues in the WTO, the course came just in time.

Aray Kassabekova
First Secretary, Permanent Mission of Kazakhstan
to the UNOG and Other International Organizations in Geneva

UN Conference on Trade and Development (UNCTAD)

The DiploFoundation plays an important role in enabling more countries to raise their awareness and understanding of issues related to the fast evolving digital economy. Since April 2017, the UN Conference on Trade and Development (UNCTAD) – through its Division on Technology and Logistics – has been cooperating with DiploFoundation, the International Trade Centre, CUTS International and the Geneva Internet Platform in the delivery of three editions of the Digital Commerce Course.

Our collaboration in the organization and delivery of these capacity-building activities has been both fruitful and rewarding. Diplo's approach to capacity building offers a trusted place for high quality, insightful, cutting edge content, as well as rich discussion on the development implications of e-commerce and emerging technologies. We commend Diplo for its excellence, professionalism and commitment to delivering world class training and research on Internet-related issues and diplomacy.

The DiploFoundation is one of the founding members of the eTrade for all initiative, launched in 2016, which acts as a web-based channel to connect countries in need of assistance to develop e-commerce, and engage in the digital economy with institutions which can offer this support, across seven policy areas. Currently 29 members share this collective vision of supporting developing countries, and LCDs in particular, on their journey to e-commerce for development. UNCTAD looks forward to the pursuit of this cooperation with the DiploFoundation in the coming years.

Shamika N. Sirimanne
Director
Division on Technology and Logistics
UNCTAD

1. The world economy is increasingly digital; so is trade

Technology has significantly transformed the world's economy, from the organisational structure of firms to their methods of production; from trade and logistics to the skills required from the labour force. Many of these changes are underpinned by the introduction of information and communications technologies (ICTs), which brought together the power of computers and networks.

On the one hand, the widespread adoption of computers sparked the vertiginous process of digitisation. Much of the information that was stored in physical format has been digitised, following an exponential increase in the processing power of microchips and a decrease in the cost of hardware. It is estimated that in the year 2000, 25% of the information available in the world was digital. In 2010, the situation had drastically changed: only 2% of the available information was non-digital. On the other hand, the Internet connected devices, enabling digitally stored information to flow between them.

The ability to make data flow worldwide instantaneously through the Internet and the digitisation of information have enabled new business models and transformed the composition of trade.

Before the economic crisis of 2008, the world's trade in goods (including commodities, finished goods, and intermediate inputs) was growing roughly twice as fast as global gross domestic product (GDP), linked to the expansion of major multinationals' supply chains. In recent years, the trade of goods has been growing more slowly than world GDP. In parallel, the impact of cross-border data flows on GDP growth is now larger than the impact of the traditional flow of goods (Manyika et al., 2016).

The fact that digital flows also underpin and enable every other kind of traditional cross-border flow helps to explain this changing scenario: even when ships carry physical products, customers increasingly retrieve, order, and pay for them online. This is an increasing trend not only in developed countries, but also in developing ones. The significant penetration of mobile phones in the developing world allowed the emergence of mobile payments, money transfer, and micro-financing service. A growing supply of apps is being developed for mobile devices, aiming to solve real community issues related to the trade of goods and services in developing countries and least developed countries (LDCs), ranging from cattle, honey, and bananas, to transportation services (The Economist, 2017).

Data has become one of the key elements that binds the world's economy, in a web of ever more intricate and dynamic exchanges. While the flows of international trade and finance have flattened since 2008, economic globalisation is still moving forward, supported by soaring digital flows. Across the board, there has been an increase in countries' participation in global digital flows (*Figure 1*).

The course is extremely useful for negotiators involved in e-commerce discussions at the WTO as well as for policymakers and advisors. I encourage other colleagues to apply.

Edouard Bizumuremyi
Commercial Counselor, The Permanent Mission of the Republic of Rwanda in Geneva

The course followed a blended learning approach, combining online text lectures and interaction with weekly face-to-face meetings. These meetings had a strong 'just-in-time' component, discussing the latest news on digital commerce and developments at the WTO, for example. It also served as an opportunity for networking and bonding among course participants and lecturers.

All of the 19 accepted participants finished the course successfully and received a certificate, translating into a remarkable 100% completion rate. Some course statistics provide an overview of the course:

Digital commerce (January-March 2018) for Geneva-based Delegates
Course statistics

Completion rate	100%
Gender balance	84% male, 16% female
Regional balance	South America (5.5%) Asia (36.8%) Africa (57.7%)
Number of substantive comments from participants added to lecture texts	391 (an average of 20 comments per participant)
Number of face-to-face meetings	7

An anonymous online survey was shared with course participants requesting their feedback on the course. Some course participants have offered written and video testimonials sharing their views about the course.

4.3. Third phase

The third phase of the project consisted of a six-week blended course offered to the Geneva-based staff of permanent missions of developing countries and LDCs. Of the 27 applications received, 19 fulfilled the selection criteria[4] and were selected to the course[5]. In this third phase, there was a larger concentration of male participants from Africa on the course.

The course has been an excellent source of information and up-to-date knowledge on the various paradigms of digital commerce.

Waqas Hassan
Assistant Director (International Liaison & Training), Pakistan Telecommunication Authority (December 2017)

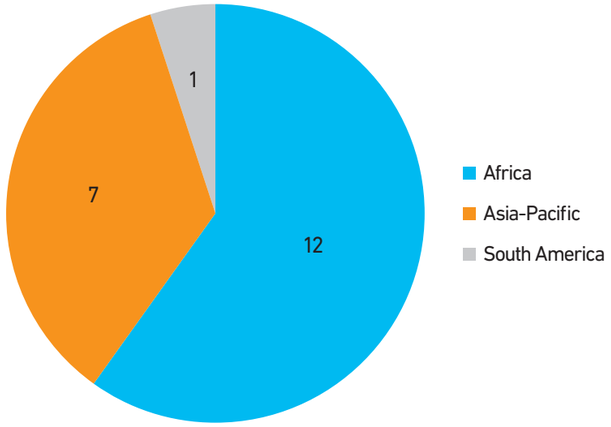
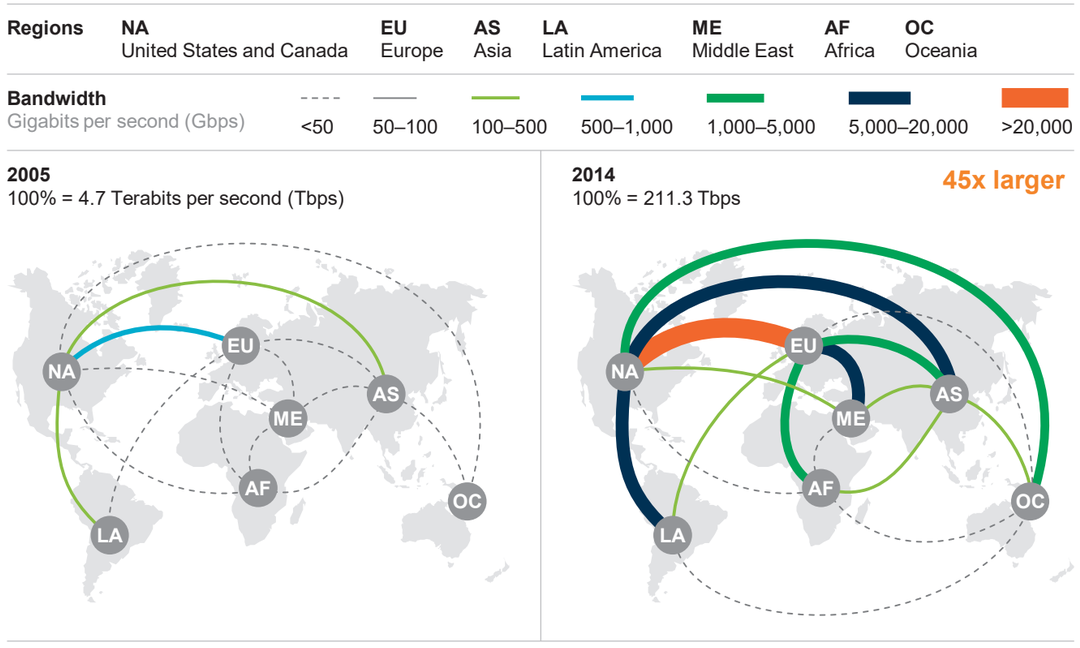


Figure 8. Regional representation of applications received for the January 2018 Digital Commerce course

[4] Five applicants were not based in Geneva and one applicant was from a developed country. In addition, one applicant withdrew their application.

[5] Geneva-based staff from the following missions participated in the course: Bangladesh, Botswana, Cameroon, Ethiopia, Indonesia, Ghana, Kazakhstan, Mauritius, Myanmar, Nepal, Peru Pakistan, Rwanda, South Africa, Sudan, Tanzania, Tunisia, and Turkey.



NOTE: Lines represent interregional bandwidth (e.g., between Europe and North America) but exclude intraregional cross-border bandwidth (e.g., connecting European nations with one another).

SOURCE: TeleGeography, Global Internet Geography; McKinsey Global Institute analysis

Figure 1. Cross-border data flows (Manyika et al., 2016)

Advancements in the deployment of Internet infrastructure and in the quality and speed of connectivity have enabled the emergence of new economic activities, such as cloud computing, trade digitalisation, and online platform-based services.

The digitalisation of trade brought about numerous advantages for consumers, such as the convenience of online shopping, has increased consumer choice, access to different markets, and less time-consuming online banking and e-payment operations. At the same time, it has created significant challenges for policymakers and regulators, who try to apply existing international trade norms to the context of cyberspace, in which the 'cross-border' element is much more fluid.

2. Negotiators and practitioners need a multidisciplinary approach to digital commerce capacity development

The new types of everyday challenges that digital commerce entrepreneurs and policymakers are confronted with can be illustrated in a short story, one of case studies used in the digital commerce course.

Paul is an employee in the Trade Ministry of Ruritania, a developing country. He received a list of enquiries from Ana, the CEO of DIGITA, a national start-up company trying to prosper in e-commerce. DIGITA was founded by a group of unemployed anthropologists and social scientists, inspired by the Uber approach. In the same way that Uber takes under-utilised cars out of garages and puts them to use, DIGITA takes expertise and knowledge from 'intellectual garages' and uses them to address the growing demand for cultural tourism in Ruritania. The country has much to offer, with its rich history and folklore.

DIGITA started well, with local cultural tours advertised via the Internet. After a few months, the founders realised that they could complement their tours with the sale of souvenirs handmade by local traditional communities. Their latest project is a low-priced app which offers users historical information about Ruritania's main sites and monuments in a fun way, by means of games and quizzes. Currently, DIGITA is trying to gather data about visitors to Ruritania – their preferences and habits – in order to further develop their app and improve advertising.

As the company grows and increasingly engages in cross-border trade, DIGITA's founders begin to understand they are impacted by myriad regulations. Paul is now confronted with the responsibility for answering Ana's questions:

Of the 40 participants, 25 completed an anonymous online survey, providing their feedback. Some offered written testimonials sharing their views about the course. One of the suggestions for improving the course was to make more extensive use of videos in the learning process. This suggestion was taken into account and in the third phase of the course videos were included in most modules. Webinars with experts were also organised, so participants could have access to more in-depth knowledge on the topic of their choice.

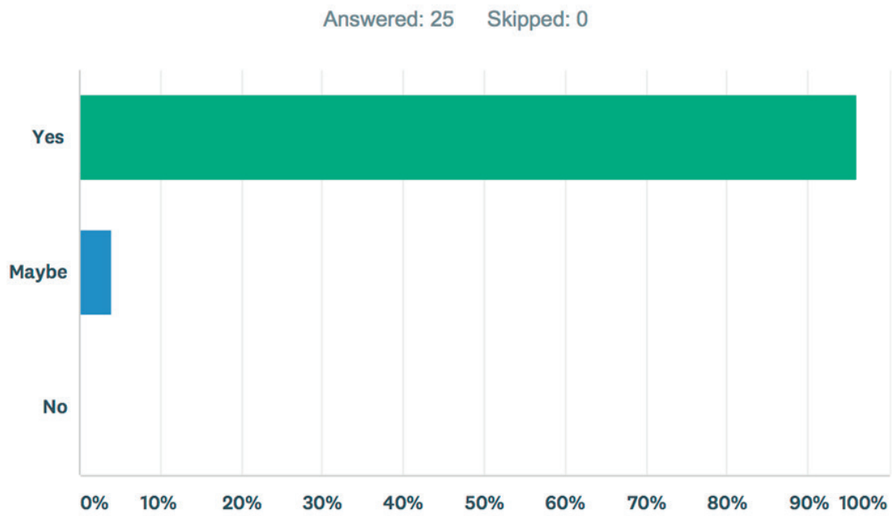


Figure 5. Online survey question 'Would you recommend this course to someone else?'

	STRONGLY AGREE	AGREE	NEUTRAL	DISAGREE	STRONGLY DISAGREE	TOTAL	WEIGHTED AVERAGE
The main course texts were relevant and interesting.	83.33% 20	16.67% 4	0.00% 0	0.00% 0	0.00% 0	24	1.17
The main course texts were up-to-date and covered current developments.	91.67% 22	8.33% 2	0.00% 0	0.00% 0	0.00% 0	24	1.08
The main course texts covered alternative viewpoints on the given topic.	56.52% 13	34.78% 8	4.35% 1	0.00% 0	4.35% 1	23	1.61

Figure 6. Online survey question 'Please respond to the following statements about the course texts.'

	STRONGLY AGREE	AGREE	NEUTRAL	DISAGREE	STRONGLY DISAGREE	TOTAL	WEIGHTED AVERAGE
Participants in this course interacted and shared their knowledge with each other.	40.00% 10	56.00% 14	4.00% 1	0.00% 0	0.00% 0	25	1.64
In this course I learned from other participants as well as from the lecturers.	48.00% 12	48.00% 12	4.00% 1	0.00% 0	0.00% 0	25	1.56
I felt free to share my point of view and experience with other participants.	52.00% 13	44.00% 11	4.00% 1	0.00% 0	0.00% 0	25	1.52

Figure 7. Online survey question 'Please respond to the following statements about interaction in the course.'

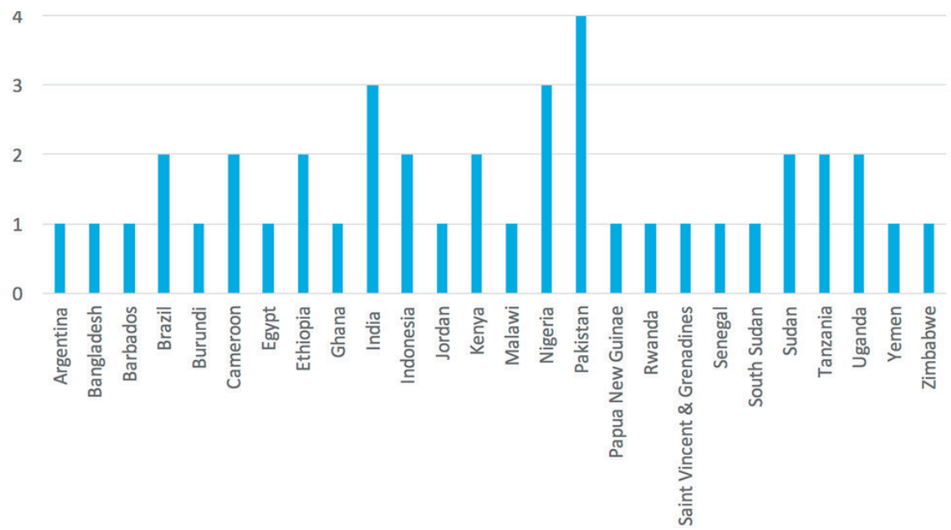


Figure 4. Selected participants' country of nationality

Of the 42 participants accepted, 40 finished the course successfully and received a certificate. The extremely high level of completion attests to the quality of the course and the active involvement of the course faculty as well as the deep and sustained engagement of the participants. Some course statistics provide an overview of the diversity of participants and the interactive nature of the course:

Digital commerce (September-November 2017) for capital-based stakeholders
Course statistics

Completion rate	93%
Gender balance	62% male, 38% female
Stakeholder balance	academia (15%) civil society (20%) business sector (22.5%) governments (42.5%)
Number of substantive comments from participants added to lecture texts	1,963 (an average of 49 comments per participant).

The online course provided a very helpful overview of the history and state of play of digital commerce debates.

Nandini Chami
Senior Research Associate, IT for Change

Ruritania is also a destination increasingly visited by Russians. We read that LinkedIn has been blocked in Russia for failing to comply with Russian data localisation law. ***Will DIGITA need to have servers located in countries that require data localisation?***

When it comes to accepting payments online, the difficulties in dealing with international banking transactions are unfortunately great in our country. ***We would like your advice about including e-money and Bitcoin among our accepted methods of payment.*** *We are also unsure if we currently have cybercrime laws that would apply in case we are confronted with a payment fraud or with cases of phishing.* ***We saw on TV that our government signed a convention (the Budapest Convention, if I got it right) that deals with cybercrime. Is our business protected by this convention?***

Last but not least, Sir, since the beginning of our business, we have been struggling to comply with submitting information required by customs and other authorities when we do cross-border business. Each of them has their own specific system and forms (usually paper-based), and it takes us a long time to understand them and fill them in. ***What can be done to help small businesses and start-ups in Ruritania and elsewhere deal with cross-border trade paperwork and bureaucracy?***

I look forward to reading your reply soon, so we can make the best decisions for our company.

Ana Nuzina
CEO of DIGITA

Paul had heard of some of these topics, but most of his daily work is dedicated to analysing trade in agriculture and understanding the concerns of Ruritania's farmers. He has never really had a chance to dig deeper into digital topics, although he finds them fascinating. It seems like some of these questions have to do with international relations. Maybe the diplomats based in the mission in Geneva could help him draft a reply to Ana.

Imagine that you are Jean-Jacques, a diplomat accredited to Ruritania's mission to the WTO. *You receive an e-mail from your colleague, Paul, based in the capital.* ***Which points could you help by replying to? Who else could you contact in order to obtain the answers?***

Real-life situations are complex – as Ana's letter exemplifies – and reveal a growing interplay between trade and digital policy agendas. The inclusion of digital regulatory aspects in trade negotiations is not necessarily a new phenomenon. Discussions on digital commerce have traditionally touched on online consumer protection, privacy, and authentication – the Organisation for Economic Co-operation and Development (OECD) 1998 framework on e-commerce is an example of this. However, the explicit connection between trade issues and topics of a more technical nature has only recently been established on international and regional levels.

In regional and mega-regional trade agreements (RTAs), specific Internet provisions are being included. Studies show that more than half of WTO members have signed at least one RTA that contains a standalone digital commerce provision. Nowadays, there are 60 RTAs worldwide with embedded standalone digital commerce chapters, along with more than 10 RTAs with digital-trade-relevant provisions in their texts. Among the topics currently included in RTAs, are:

- Intermediary liability, a topic which encompasses the legal responsibility of Internet platforms, as well as safe harbours and limitations to this responsibility.
- The balance between personal data protection, privacy, and cross-border data transfers.
- The use of particular cryptographic technologies or algorithms.
- Mandates for the publication or disclosure of source code of digital products.
- Data localisation and geo-blocking – the local storage or hosting of data, including personal data.
- How domain name disputes should be resolved.
- Measures to be taken to control spam.
- Network neutrality as a trade facilitation measure.
- Cyber-espionage.

At the WTO, members states tabled several contributions aiming to shape discussions on e-commerce at MC11, which took place in 2017, in Buenos Aires. Many of them highlighted digital-related areas in which regulation could strengthen consumer confidence and boost digital commerce, such as privacy and data protection, cybersecurity, encryption, data flows and data localisation, access to the source code, interoperability, and fostering paperless trade.

This new scenario brought considerable challenges from the perspective of trade negotiators and practitioners, which could be addressed by a multidisciplinary approach to capacity development.

An anonymous paper-based survey was circulated among participants. Some of the positive aspects highlighted were the quality of the readings; the easiness of the online tool for making annotations to the text; the interplay between online and on-site interaction; the just-in-time and up-to-date nature of the course; the support from tutors and course facilitators; the diversity of participants; the opportunities for networking; and the different viewpoints from lectures. Some participants also made suggestions for improvement, which included extending the length of the course; exploring controversial topics tabled at the WTO in more depth; and extending the length of the face-to-face sessions.

To provide for a more in-depth coverage of WTO-related discussions, the syllabus of the course was adjusted in the subsequent courses: the module on digital commerce negotiations was expanded and divided into two modules, one focusing on e-commerce chapters in regional and mega-regional trade agreements (RTAs) and a second one focusing on the evolution and recent developments of digital commerce discussions at the WTO.

4.2. Second phase

The second phase of the project consisted of an eight-week online course, offered to public and private actors based in developing countries and LDCs. Almost 150 applications were received for this course, from all regions and stakeholder groups. This shows the high demand for capacity building on digital commerce. As a consequence, the project partners decided to go beyond the initial target for this phase of the project-which was to train 30 public and private stakeholders. The course started with 42 participants, including 12 participants from LDCs.[3]

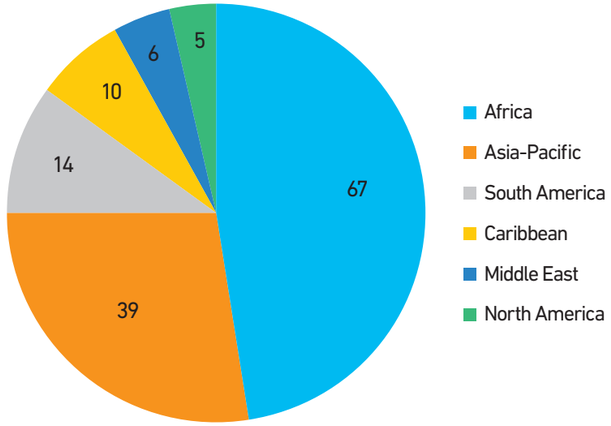


Figure 3. Regional breakdown of applications received for the September 2017 Digital Commerce course

[3] Capital-based government officials from the following countries participated in the course: Bangladesh (Ministry of Commerce); Egypt (Ministry of Communication); Ethiopia (two participants from the Information Network Security Agency); Indonesia (Ministry Coordinator of Economy; Ministry of Communication and Informatics); Kenya (Export Promotion Council); Pakistan (National Database & Registration Authority; Ministry of IT & Telecom; and two participants from the Pakistan Telecommunication Authority); St Vincent and the Grenadines (Government of St Vincent and the Grenadines); Senegal (Ministry of Foreign Affairs); Sudan (two participants from the Ministry of Trade); Tanzania (PMORALG Temeke Municipal council); and Uganda (National Information Technology Authority). Non-government participants from the following organisations participated in the course: Institute of Management (Malawi); NALSAR University of Law, (India); RESTRAD CONSULTANCY Ltd (Rwanda); ATR Cyber (Cameroon), InternerLab (Brazil), Alela Technologies (South Sudan), D&M Group International Limited (Uganda); Federation of Yemen Chambers of Commerce and Industry (Yemen); The Nigerian Economic Summit Group (Nigeria); DiploFoundation (Brazil); Web Enchanter P/L (Zimbabwe); NC CONSULTING (Cameroon); CUTS-International (Kenya and Nigeria); CICATAL (Bolivia), E-Export Center (Jordan), IT for Change (India); Economic Development Institute (Burundi); Africa Policy Institute (Kenya); Bitt (Barbados); Airtel Ghana Ltd (Ghana); ESAMI/trapca (Tanzania); and Asociación por los Derechos Civiles (Argentina).

Thirty-two participants successfully completed the course and received a certificate, delivered in paper-format with authenticity verified through blockchain technology, as a way to practically illustrate discussions on blockchain, a topic of particular interest to the group. Some course statistics provide an overview of the diversity of participants and the interactive nature of the course:

Digital commerce (May-June 2017) for Geneva-based stakeholders
Course statistics

Completion rate	94%
Gender balance	53% male, 47% female
Stakeholder balance	civil society (6.3%) international organisations (18.7%) government (75%)
Number of substantive comments from participants added to lecture texts	620 (an average of 19 comments per participant)
Number of face-to-face meetings	6

May 2017 Digital Commerce course graduation ceremony

3. Capacity Development for Digital Commerce: a project with an innovative approach

Capacity Development for Digital Commerce (CD Digital Commerce) is a comprehensive training programme designed to address a practical need: to assist governmental and non-governmental actors – especially in developing countries and LDCs – to better understand the implications that digitisation and the Internet bring to trade discussions, and to help them reap the benefits of the digital economy. This will allow them to participate more meaningfully in trade-related international forums, to leverage rules for their national benefit, and to understand how global rules can facilitate development.

The key component of the project is a blended learning course on Digital Commerce, jointly offered by DiploFoundation, CUTS International Geneva, the International Trade Centre (ITC), the United Nations Conference on Trade and Development (UNCTAD), and the Geneva Internet Platform (GIP). In addition to the course, the project comprises a series of webinars and online publications, aimed at sharing knowledge more widely on the link between international trade and development and digital policy discussions.

In this complex scenario for negotiators and practitioners, the Digital Commerce course presents some characteristics that makes it uniquely relevant for practitioners and policymakers.

"The entire course has been knowledge enhancing. Being an entrepreneur, every aspect of what has been studied will be crucial to my business"

Dorothy Wegoye Kimuli
Founder & Managing Director, D&M Group International Limited (December 2017)

3.1. The multidisciplinary knowledge of course partners and faculty

Developing and delivering the Digital Commerce course brings together experts from a unique mix of international and non-governmental organisations, with extensive experience in the fields of international trade, digital policies, and Internet governance. All partner organisations were represented in the course faculty and played an active role from the design to the delivery of the course.

DiPLOFoundation (Diplo) addresses the gap between the limited capacities and rising needs of developing countries for knowledge and skills that will enable them to effectively participate in complex global policy processes. Diplo has designed an effective hybrid methodology for capacity development, which combines online and face-to-face learning. It has developed its own online learning space, which provides the opportunity to comment on the lecture texts critically, and to interact with lecturers and other participants. Diplo has a global team of experts on digital policies reflecting both the various policy aspects (law, economy, human rights) and the different regional perspectives from main developed countries to small and developing ones.

CUTS International, Geneva catalyses the pro-trade, pro-equity voices of the poorest and marginalised countries in international trade and development debates in Geneva. It is part of the family of CUTS International, a policy-based NGO with headquarters in Jaipur India, and offices also in Hanoi, Vietnam, Nairobi, Kenya, Lusaka, Zambia, and Accra, Ghana. Through previous and ongoing work, CUTS International Geneva has made a name for capacity building and linking people and issues in the world of international negotiations on trade, climate change, agriculture and food security, competition and consumer protection, among others. Since its establishment in 2008, its research-based advocacy projects in developing countries - where it has its roots and many partners - on these issues have made it a prime interlocutor of relevant stakeholders, including policy makers and negotiators from these countries and their negotiating partners and international organisations in Geneva and beyond.

The ITC was established in 1964 and it is the joint agency of the WTO and the United Nations. The ITC aims to foster inclusive and sustainable economic development, and contribute to achieving the United Nations Global Goals for Sustainable Development. It is the only development agency that is fully dedicated to supporting the internationalisation of small and medium-sized enterprises (SMEs) in developing and transitional economies, enabling them to become more competitive and connect to international markets for trade and investment, thus raising incomes and creating job opportunities, especially for women, young people, and poor communities.

UNCTAD is particularly active in research, analysis, capacity development, and technical assistance, focusing on the relevance of digital commerce to development. It monitors the evolution of the information economy, and each year publishes the Information Economy Report. It also produces the ICT Policy Review Programme's (ICTPR) Integrated E-commerce Assessment and Enabler Strategic Framework. The Framework advances an integrated, holistic, and systematic approach to assessing and formulating national e-commerce strategies taking into consideration eight key strategic policy areas ranging from ICT infrastructure and telecom services to electronic payments. In 2016, UNCTAD launched eTrade for All, a multistakeholder initiative aimed at improving the ability of developing countries to use and benefit from digital commerce.

4. Course implementation

Three editions of the course have been delivered by the partner organisations. The first one was a pilot, financed by the partners' own resources; the second and third editions counted on the support of the **UK Foreign & Commonwealth Office**.

- First phase (May-June 2017): a six-week blended learning course, combining online and face-to-face interaction, was offered to Geneva-based diplomats and e-commerce practitioners.
- Second phase (September-November 2017): an eight-week course was conducted entirely online, offered to capital-based officials, policymakers, and non-governmental actors from developing countries and LDCs.
- Third phase (January-March 2018): a six-week blended learning course was offered to Geneva-based staff from permanent missions of developing countries and LDCs.

4.1. First phase

A total of 49 applications were received for the pilot course on digital commerce, and 34 participants were selected. Among these were members of diplomatic missions[1], international organisations, and non-governmental organisations based in Geneva[2]. The group showed a remarkable gender balance, with women accounting for 47% of participants.

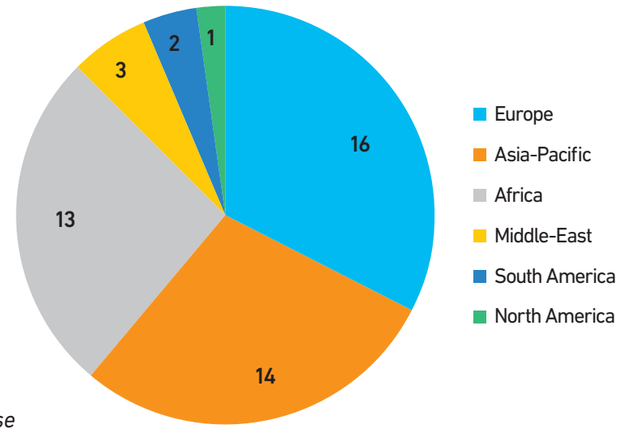


Figure 2. Regional representation of applications received for the May 2017 Digital Commerce course

[1] Members of diplomatic missions of the following countries participated in the course: Austria, Belgium, Bulgaria, Canada, China, Egypt, Ethiopia, Fiji, Guatemala, Hungary, Jordan, Kazakhstan, Madagascar, Malta, Nepal, Netherlands, Pakistan, Poland, Solomon Islands, South Africa, Switzerland, and Vietnam.

[2] Members of the following international organisations and non-governmental organisations participated in the course: ACP Group, Global Challenges Forum, ICTSD, ITC, UNCTAD, UNIDO, WTO, South Centre, and TWN.

intensive, with faculty members offering examples and guidance based on their own experiences, in an approach similar to mentoring.

Diplo's online learning is guided by faculty members, with participants moving together through course materials following a weekly cycle. Each week of the course, participants read an assigned module text, presented in the online classroom. As they read, they add comments and questions using Diplo's hypertext tool, sharing their experiences, requesting clarifications, and pointing out useful resources. The course faculty and participants read these hypertext entries and respond, creating a discussion around the module text. Due to the wide and varied experience of the participants and the faculty members, these online discussions are often vibrant and informative, leading to the collaborative creation of knowledge going far beyond that presented in the module texts. Participants also complete a short quiz each week designed to quickly check their understanding of key points from the module text.

The week came to a close with a face-to-face meeting, where participants and faculty members discussed open questions from the week, with a focus on current relevant events in the Geneva environment. During the course delivered entirely online, the week came to a close with an hour-long discussion in an online chat room, facilitated by the course faculty members.

3.4. The just-in-time nature of the course

The course followed a just-in-time approach, presenting the flexibility to incorporate current developments into the learning process. This approach is important because, while the course materials (module texts) are updated prior to each phase, in fast-moving fields such as digital commerce, this is not sufficient. Hence, course discussions and analyses also covered breaking news and the most recent developments (i.e., documents tabled by a member state on a relevant issue for digital commerce during the delivery of the course).

I loved how the course was structured, and the hypertext feature.

Isaac Maposa
Co-founder and Marketing Director, Web Enchanter P/L (December 2017)

Mr Julien Grollier
Programme Officer at CUTS International, Geneva

Dr Marion Jansen
Chief Economist of the International Trade Centre (ITC)

Mr Rashid S. Kaukab
Executive Director, CUTS International Geneva, Switzerland

Prof. Jovan Kurbalija
Founding Director of DiploFoundation and the Head of the Geneva Internet Platform

Ms Marília Maciel
Digital Policy Senior Researcher at DiploFoundation

Dr Roxana Radu
Program Manager at the Geneva Internet Platform (GIP) and Internet Governance Associate at DiploFoundation

Ms Marie Sicat
Coordinator of the ICT Policy Review (ICTPR) Programme and an Associate Economic Affairs Officer at the UN Conference on Trade and Development (UNCTAD) in Geneva

Ms Jimena Sotelo
Trade in services and e-commerce, Office of the Chief Economist at ITC

Mr Quan Zhao
Trade policy advisor in the Office of the Chief Economist, International Trade Centre (ITC)

3.2. The thematic approach

This course has been an eye opener for me. I have learnt so much on digital commerce.

Leonard Otuonye Ugbajah
Resident Representative of CUTS International in Nigeria (December 2017)

Some developments on the discussion on e-commerce at the WTO help to illustrate the need for a thematic approach that focuses on the interplay between digital and trade policy issues.

As a recent example, on 23 February 2018, the United States introduced a communication (S/C/W/37) in the Council for Trade in Services (CTS) of the WTO expressing concerns over aspects of national Chinese Regulation entitled 'Cleaning up and Regulating the Internet Access Service Market', expected to enter into force on 31 March. According to the United States, the regulation allegedly creates significant new restrictions for cross-border service suppliers. A previous communication (S/C/W/374) by the US government from 26 September 2017 raised concerns over China's cybersecurity law. These debates in CTS have revolved around topics, such as:

- The rationale and implications of data localisation requirements.
- The relationship of emerging national regulatory measures related to the digital sphere with the existing relevant commitments under the WTO.

This real-life example reveals the increasing interplay between trade and digital policy issues. It also shows that, with the digitalisation of trade, some level of technical knowledge with regard to the functioning of the Internet will be necessary for negotiators and practitioners to be able to fully grasp topics that will be introduced on the negotiations table.

The syllabus and materials for the course were carefully designed to answer the pressing needs of digital commerce practitioners:

- Focusing on the trade implications of digital policy-related issues that have been included in WTO discussions on e-commerce or in key RTAs.
- Addressing technology-related issues that help to create an enabling environment for e-commerce.
- Providing technical knowledge on aspects related to the functioning of the Internet, without going into unnecessary detail, but focusing on what is important for current e-commerce discussions.
- Presenting cross-cutting emphasis on development. Specific challenges and examples from developing countries and LDCs were emphasised.
- Providing fact-based and neutral information.
- Adopting a forward-looking approach, covering recent or emerging technologies and their potential implications for e-commerce, such as virtual currencies, big data, IoT, and 3D printing, preparing e-commerce practitioners for the upcoming challenges and opportunities.

The course was divided into weekly modules, covering the following clusters:

- **Introduction to the course**
  Course overview, learning objectives, introduction to online learning, methodology, evaluation.
- **Global digital flows: Internet functionality and online business models**
  Introduction of the notion of global digital flows from technical and business perspectives.
- **Economic policy issues of relevance for digital commerce**
  Taxation, de minimis, e-payments, blockchain, virtual currencies and Bitcoin in online transactions, competition.
- **Digital commerce in RTAs and the role of international organisations**
  International trade and integration, an analysis of digital commerce provisions included in RTAs and mega-regional trade agreements, the inclusion of digital commerce in economic integration arrangements, international organisations and private-sector driven initiatives in the field of digital commerce.
- **Digital commerce discussions at the WTO**
  The WTO 1998 Work Programme on electronic commerce, the role and discussions in the WTO Bodies on e-commerce, the inclusion of digital topics in the run-up to MC11 and proposals by member states, the outcomes of and developments after the Ministerial.
- **Creating an enabling policy environment for digital commerce**
  Consumer protection, privacy and data protection, authentication, digital signatures
- **Digital commerce and Internet governance**
  Key principles, actors, and institutions of Internet governance, cybersecurity, encryption, data flows and data localisation, network neutrality
- **The development dimension of emerging digital commerce issues**
  Big data, the IoT, AI, 3D printing.

3.3. An innovative methodology

This capacity development course was based on Diplo's interactive and collaborative online learning methodology, designed for professionals working in an international environment. During two of the three phases, the online learning was complemented by weekly face-to-face meetings in Geneva, bringing together faculty and participants for informal lunch-time discussions.

This approach to capacity development goes beyond a typical training course in a number of ways. Because participants remain 'on-the-job' during the course, they can immediately apply their new knowledge in their daily routines. In addition, participants bring the challenges and questions they face at work to class discussions. Finally, the nature of interaction with the course faculty is quite