



CONTEXT

UNCTAD has carried out Rapid eTrade Readiness Assessments for [Bhutan](#), [Cambodia](#), [Lao PDR](#), [Liberia](#), [Myanmar](#), [Nepal](#), [Samoa](#), [Senegal](#), [Solomon Islands](#) and [Vanuatu](#). Each assessment was carried out along the seven policy areas of the [eTrade for all initiative](#):

-  E-commerce readiness assessment
-  ICT infrastructure and services
-  Payment solutions
-  Trade logistics and trade facilitation
-  Legal and regulatory frameworks
-  E-commerce skills development
-  Access to financing

Although each assessment identifies country-specific barriers and opportunities related to strengthening e-commerce, and provides corresponding policy recommendations, some common themes are emerging.

This document summarizes the key findings and main policy recommendations, based on the seven assessments completed so far, with regard to: **ICT infrastructure and services**.



WHY IS THIS IMPORTANT?

Affordable and reliable ICT infrastructure is of fundamental importance to e-commerce. Ideally, there should be universal coverage of high-speed broadband, with regular upgrading of infrastructure, and reduced or eliminated barriers to service providers wishing to access the network or other services.

KEY FINDINGS

1. Investment in ICT infrastructure has increased mobile access

Large segments of the population access the Internet primarily through their mobile phones, particular urban and densely-populated areas, and, consumers are increasingly “mobile only”. This has opened new opportunities for e-commerce, although the potential remains largely untapped.

2. Smartphone use is growing rapidly

With the decrease in hardware, SIM card and monthly broadband prices, smartphone use has grown rapidly. While conducive to accelerating the uptake of e-commerce, a “Facebook-first” approach – where consumers identify Facebook as the Internet itself – raises concerns, particularly related to the acquisition of broad ICT knowledge and skills.

3. Fixed broadband access remains limited and expensive

Fixed broadband infrastructure generally remains inadequate, causing slow speed and patchy service. When fast and reliable broadband access is available, it tends to be prohibitively expensive for most consumers and businesses.

4. Significant disparities between urban and rural areas

Urban consumers and businesses enjoy generally high rates of mobile Internet penetration, which has allowed them to begin participating in the digital economy. Rural consumers and businesses, by contrast, often remain cut off from the benefits of e-commerce.



MAIN POLICY RECOMMENDATIONS

1. Increase access to fast, reliable Internet in rural and less-populated areas.

This would reduce disparities in Internet access and open e-commerce opportunities for more segments of the population. Infrastructure-sharing among operators should be encouraged to cover less-populated areas, and incentives could be offered by governments to attract private capital.

2. Support public-private partnerships (PPPs) to strengthen backbone infrastructure.

Deploying fiber-optic cables requires significant capital investment, and PPP models could be used to leverage the capital and expertise of the private sector. Risk-sharing through PPPs can also increase the viability of new projects and help ensure that public funds are used effectively and efficiently.

3. Facilitate last-mile connectivity for homes, offices and consumers.

Strengthening national backbone networks would increase overall bandwidth capacity. However, more investment is needed in last-mile connectivity, for example, through a competitive licensing process with private operators.



4. Invest in ICT infrastructure to meet growing demand for international bandwidth.

With expanding populations and more people accessing the Internet, countries need to continue to invest in fibre-optic networks, submarine cables and satellite links. The appropriate mix will depend on the geographic location and topography of each country, as well as the current structure of the telecommunications industry.

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Rapid eTrade Readiness Assessments:
<http://unctad.org/en/Pages/Publications/E-Trade-Readiness-Assessment.aspx>