



“IMPROVING E-COMMERCE CAPACITIES OF THE OIC MEMBER COUNTRIES”

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1-Introduction



2-Determinants and Trends



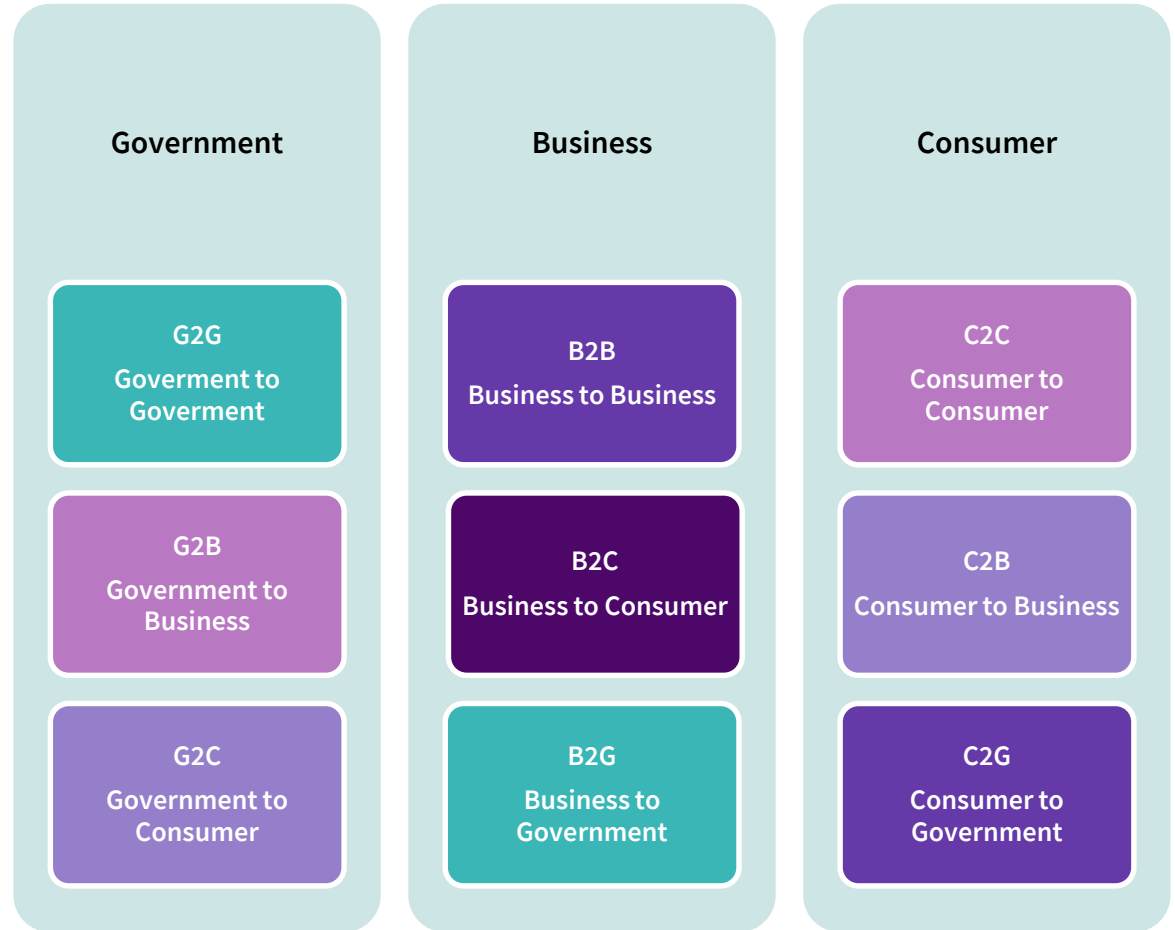
3-Countries Experience
*(Desk Research + Field Visits + **Survey**)*



4-Recommendations

1. Introduction

- Definition
- Types
- Benefits
- Challenges





Definition of e-commerce

There is no agreed definition of e-commerce and these definitions are changing daily with what technology offers.

E-commerce: "production, distribution, marketing, sale or delivery of goods and services by electronic means" (WTO, 2017)

2 BASIC DETERMINANTS AND TRENDS OF E-COMMERCE ENVIRONMENT

- Economic and Financial Environment
- Political and Legal Environment
- Digital Skills and Entrepreneurship
- Digital Infrastructure and Trust Environment
- Trade Facilitation and Logistics



Digital Skills, Employment and Entrepreneurship

| | OIC countries | Non-OIC developing countries | The world | Developed countries |
|--|---------------|------------------------------|-----------|---------------------|
| The Human Development Index (HDI) (2019) | 66% | 71% | 74% | 93% |
| The average Gross Enrolment Ratio (GER) in tertiary schools (2019) | 28% | 39% | 41% | 81% |
| Researchers Per Million People(2018) | 512 | 1,235 | - | 4705 |
| | | | | |

Trends of E-commerce

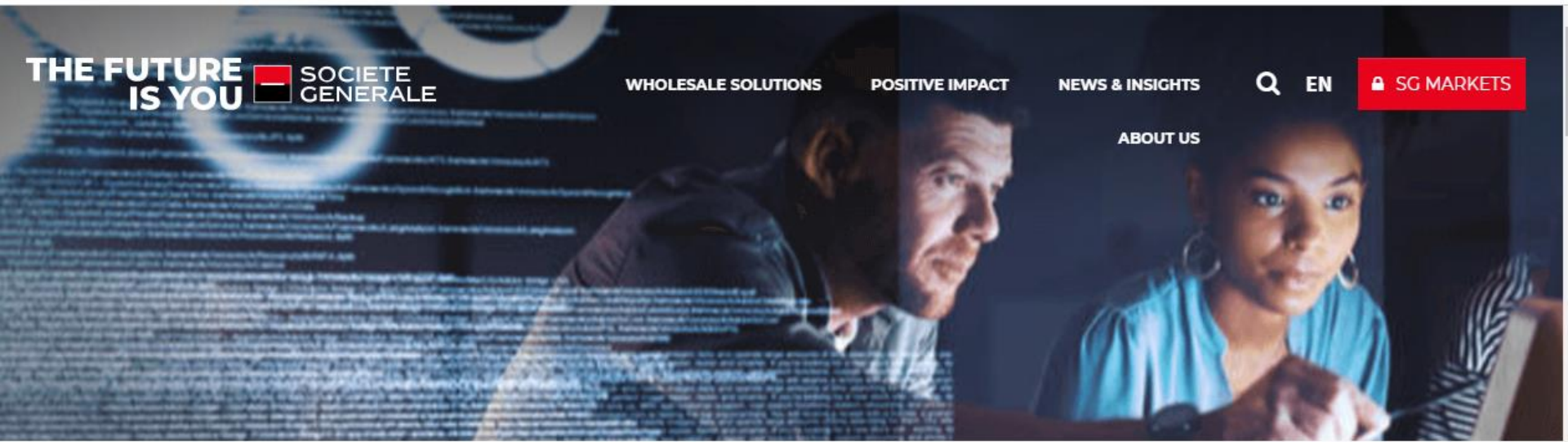
In 2021, retail E-Commerce sales are approximately 5.2 trillion dollars worldwide. It's forecasting to reach 8.1 trillion dollars by 2026



- Mobile and Social Commerce
- Personalization and local language
- E-residency
- Block chain-based technologies
- Artificial Intelligence (AI) and Machine Learning (ML)
- Metaverse/Virtual Reality

- Service trades via digital platforms
- Mobile payments
- 3D-printing
- Digitized trade documents(The Model Law on Electronic Transferable Records (MLETR))





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MLETR: A TRADE MOMENTUM FOR A DIGITAL BIG-BANG



UNCITRAL Model Law on Electronic Transferable Records (MLETR)

- Transferable documents and instruments are essential commercial tools. Their availability in electronic form may be greatly beneficial for facilitating electronic commerce
- (MLETR) aims to enable the legal use of electronic transferable records both domestically and across borders (bills of lading, bills of exchange, promissory notes, warehouse receipts, International guarantees etc.
- The International Chamber of Commerce (ICC) has been promoting actively adoption of the MLETR.
- Enacted in Bahrain, Belize, Kiribati, Paraguay, Papua New Guinea, Singapore, United Kingdom, ,UAE



1-Introduction



2-Determinants and Trends



3-Countries Experience

*(Desk Research + Field Visits + **Survey**)*



4-Recommendations



- ✓ 57 OIC countries
- ✓ 3 Different languages
- ✓ A database of 5.000 e-commerce companies based in OIC countries was created and e-mails were sent to all of this database twice at different times to answer the survey questions

Survey



*Relevant Institutions
and organizations*



E-Commerce Companies

- Factors that motivate the companies
- Problems they encounter in e-commerce
- To compare the problems perceived by the enterprises and the regulatory/supporting institutions
- Their recommendations for the development of e-commerce in their countries and within the OIC.

Table 3-11 Evaluation of E-commerce Infrastructure in the Country (Org/Inst)

| Infrastructure | Average Score | Rank |
|---------------------------------|---------------|------|
| Country E-commerce Strategy | 3,18 | 3 |
| ICT Infrastructure | 3,29 | 2 |
| Payment Solutions | 3,12 | 5 |
| Trade Logistic and Facilitation | 3,53 | 1 |
| Legal Frameworks | 3,00 | 7 |
| Skills Developments | 3,12 | 5 |
| Financing SME's | 3,18 | 3 |

How e-commerce develops in your country (Org/Inst)

- Legal arrangements should be made (3)
- Raise public awareness and information (2)
- Legislation on e-commerce and e-signature (1)
- Digital and logistics infrastructure (1)
- Internet, road infrastructure and to solve security problems for FDI (1)



How to develop e-commerce among the OIC countries? (Org/Inst)

- Physical and legal infrastructure (1)
- Supporting underdeveloped countries in e-commerce within the OIC(2)
- Sharing information directly or through a digital platform from countries experienced in e-commerce (2)
- Organization of a campaign to raise public awareness(1)

Table 3-13 Factors That Motivate Companies to E-commerce (Company Surveys)

| Motivations | Average Score | Rank |
|---|----------------------|-------------|
| Inexpensively making the company widely known | 3,83 | 5 |
| Cost savings through e-Commerce operations | 3,79 | 7 |
| Cost savings through decreases in personnel | 3,63 | 8 |
| Improving customer service via e-Commerce | 4,17 | 2 |
| Expanding sales to a wider geographic area | 4,29 | 1 |
| Top management's enthusiasm for using high technology | 3,96 | 4 |
| Maintaining company prestige | 3,83 | 5 |
| Keeping up with technology trends in Business | 4,00 | 3 |

Table 3-14 Evaluation of Electronic Commerce Infrastructure (Company Surveys)

| Infrastructures | Average Score | Rank |
|---------------------------------|----------------------|-------------|
| Country E-commerce Strategy | 2,71 | 5 |
| ICT Infrastructure | 2,92 | 3 |
| Payment Solutions | 2,96 | 2 |
| Trade Logistic and Facilitation | 2,71 | 5 |
| Legal Frameworks | 2,79 | 4 |
| Skills Developments | 3,04 | 1 |
| Financing SME's | 2,63 | 7 |

How e-commerce develops in your country (Q 2 Companies)

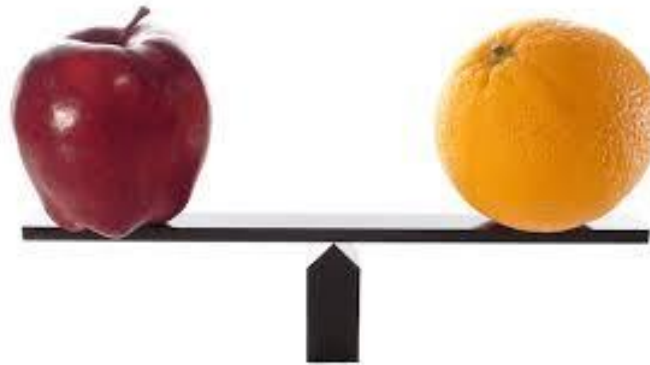
- Establishment of a legal framework, (1)
- Development of the internet (1)
- Payment network (1)
- Inform and raise public awareness by developing a national strategy (3)
- Supporting companies operating in the field of ecommerce (2)
- Simplifying permit processes (1)



How to develop e-commerce among the OICcountries? (Q 2 Companies)

- Establishment of a common payment platform (2)
- Supporting for startups (2)
- Increasing digital literacy(1)
- Ensuring effective coordination at the OIC level (2)
- Increasing the level of training of human resources (1)
- Acquisition of new markets.(2)

***Detailed Evaluation of the E-Commerce
Infrastructure Under Sub-Headings
(Company and Org/Inst Compartment)***



Detailed Evaluation of the E-Commerce Infrastructure in the Country Under Sub-Headings (Company and Org/Inst)

| Infrastructure | Org/Inst | | Companies | |
|--|---------------|------|---------------|------|
| | Average Score | Rank | Average Score | Rank |
| There is no problem with digital connection in my country (broadband Internet access, cell phones) | 3,18 | 16 | 3,21 | 2 |
| My country follows transparent and pro-competitive policies | 3,29 | 13 | 2,96 | 9 |
| There are laws and regulations in my country that facilitate the entry and exit of companies. (Establishment and bankruptcy) | 3,82 | 3 | 3,17 | 3 |
| My country has an open trade regime that exposes companies to foreign competition and investment | 3,88 | 2 | 2,96 | 9 |
| People in the country have the skills to use e-commerce. | 3,94 | 1 | 3,13 | 4 |

Detailed Evaluation of the E-Commerce Infrastructure in the Country Under Sub-Headings (Company and Org/Inst)

| Infrastructure | Org/Inst. | | Companies | |
|---|---------------|------|---------------|------|
| | Average Score | Rank | Average Score | Rank |
| E-commerce businesses can access data on domestic and international trade. (Foreign Market information, export procedures etc.) | 3,59 | 5 | 3,04 | 6 |
| There are restrictions on electronic payment instruments in my country. | 3,35 | 12 | 2,83 | 18 |
| There are regulatory barriers to the flow of information in my country. | 3,00 | 18 | 2,88 | 16 |
| There are reliable shipping and logistics services in my country. | 3,76 | 4 | 3,08 | 5 |
| In my country, trainings are given to consumers for the development of e-commerce. | 3,41 | 8 | 2,88 | 16 |

Detailed Evaluation of the E-Commerce Infrastructure in the Country Under Sub-Headings (Company and Org/Inst)

| Infrastructure | Org/Inst | | Companies | |
|---|---------------|------|---------------|------|
| | Average Score | Rank | Average Score | Rank |
| In my country, trainings are given to businesses for the development of e-commerce. | 3,59 | 5 | 2,92 | 13 |
| E-business skills are sufficient in our business. (Business skills, Technology skills) | 3,00 | 18 | 2,92 | 13 |
| Digital specialist skills are sufficient in our business | 3,41 | 8 | 3,00 | 8 |
| Digital user skills are sufficient in our business. | 3,12 | 17 | 2,96 | 9 |
| In my country, laws and regulations regarding electronic documents and e-signatures are sufficient. | 3,00 | 18 | 2,83 | 18 |

Detailed Evaluation of the E-Commerce Infrastructure in the Country Under Sub-Headings (Company and Org/Inst)

| Infrastructure | Org/Inst | | Companies | |
|---|---------------|------|---------------|------|
| | Average Score | Rank | Average Score | Rank |
| In my country, regulations are sufficient for electronic payments. | 3,29 | 13 | 2,92 | 13 |
| My country has legislation on consumer protection measures such as spam restriction, right of withdrawal | 3,41 | 8 | 2,75 | 21 |
| Cyber security measures are being taken in my country. | 3,47 | 7 | 2,83 | 18 |
| In my country, there are rules on intermediary responsibility that deal with the legal responsibility of digital platforms. | 3,41 | 8 | 2,96 | 9 |
| There are reasonable safeguards for the use of personal information, such as privacy and data protection regulations. | 3,24 | 15 | 3,04 | 6 |



Thank You

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