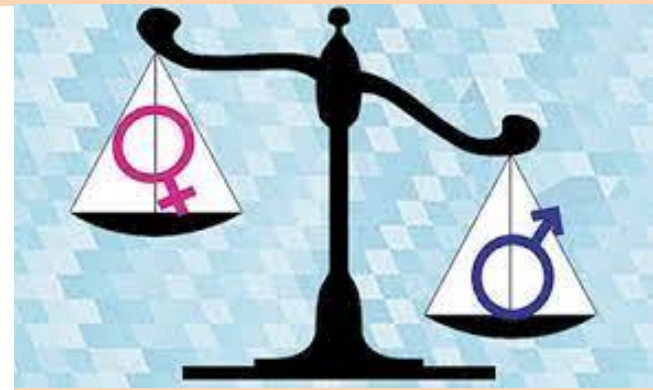


Fostering an Inclusive E-commerce Ecosystem in India

White Paper
2021



Need for an Inclusive E-commerce Ecosystem



Economic Divide

- Exasperated by COVID
- Wide chasm between connected and unconnected
- Internet penetration up till 34 percent

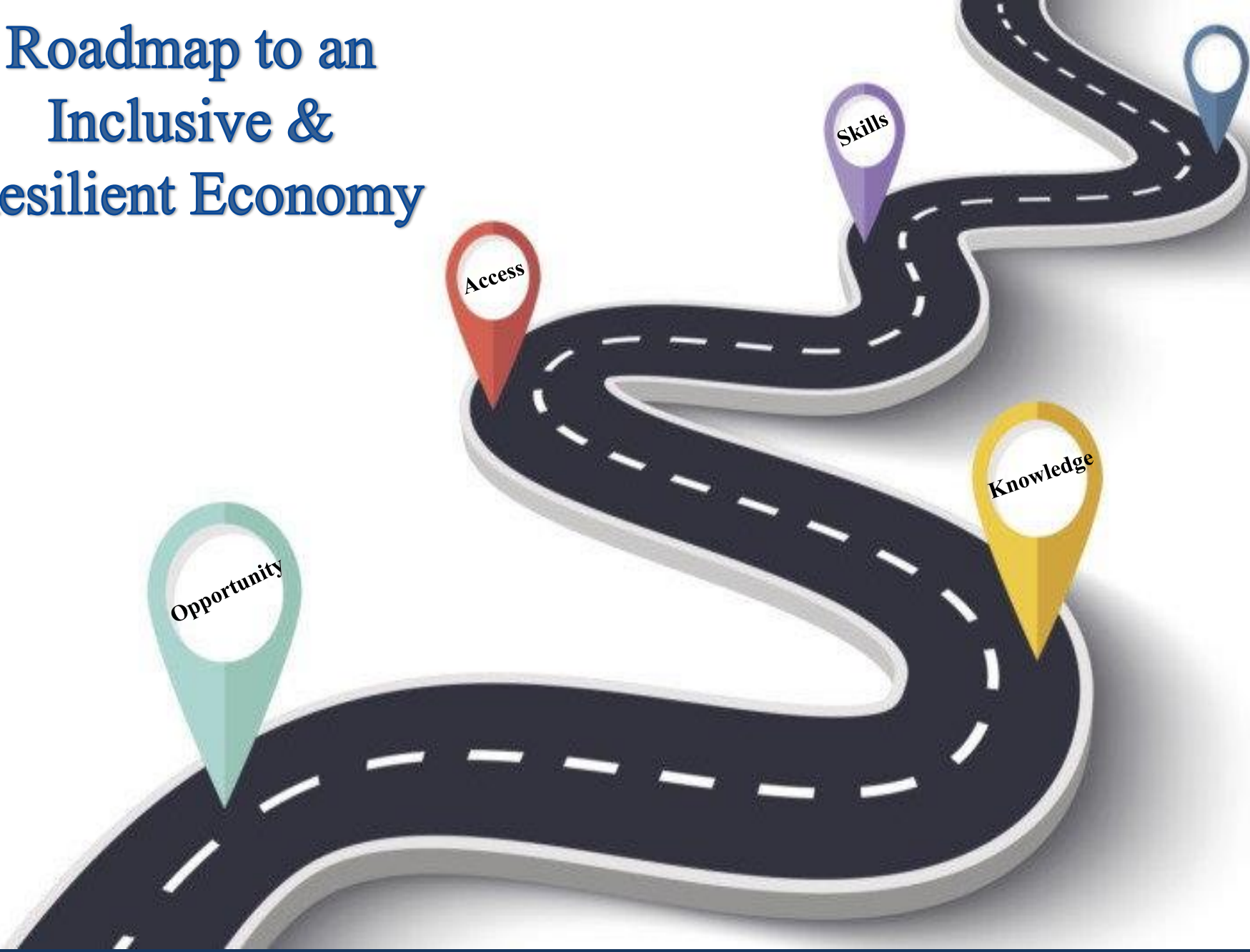
Empowering MSMEs

- Struggled to adapt and scale-up their operations online, with women-led and home-grown MSMEs witnessing the biggest blow
- No access to basic digital infrastructure
- Digital innovation getting hampered
- Potential to generate jobs

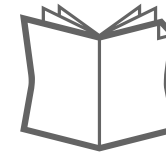
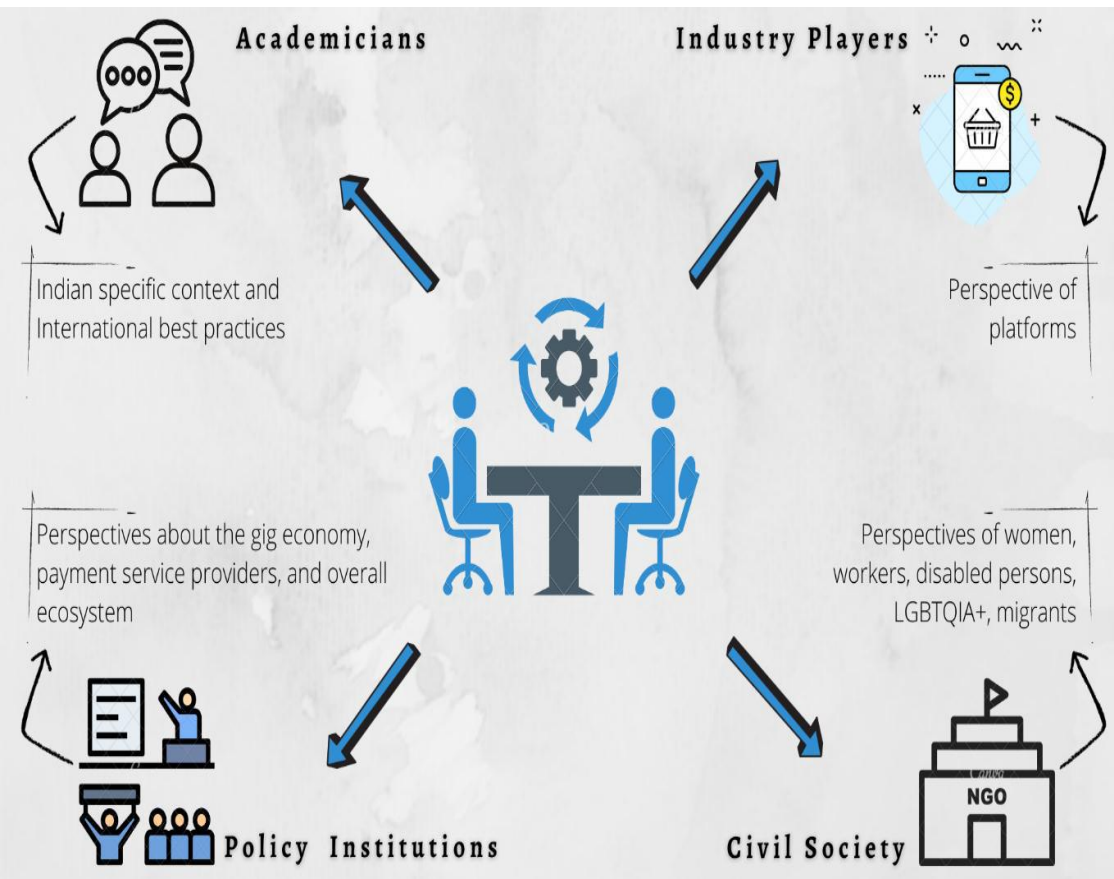
Gender Sensitivity

- Yawning gap in mobile ownership
- Inequality v/s Equity
- Overcome market barriers and connect consumers

Roadmap to an Inclusive & Resilient Economy



Methodology & Approach



Secondary Research



Mapping the existing e-commerce ecosystem



Policy & Regulatory Review



Gap Assessment



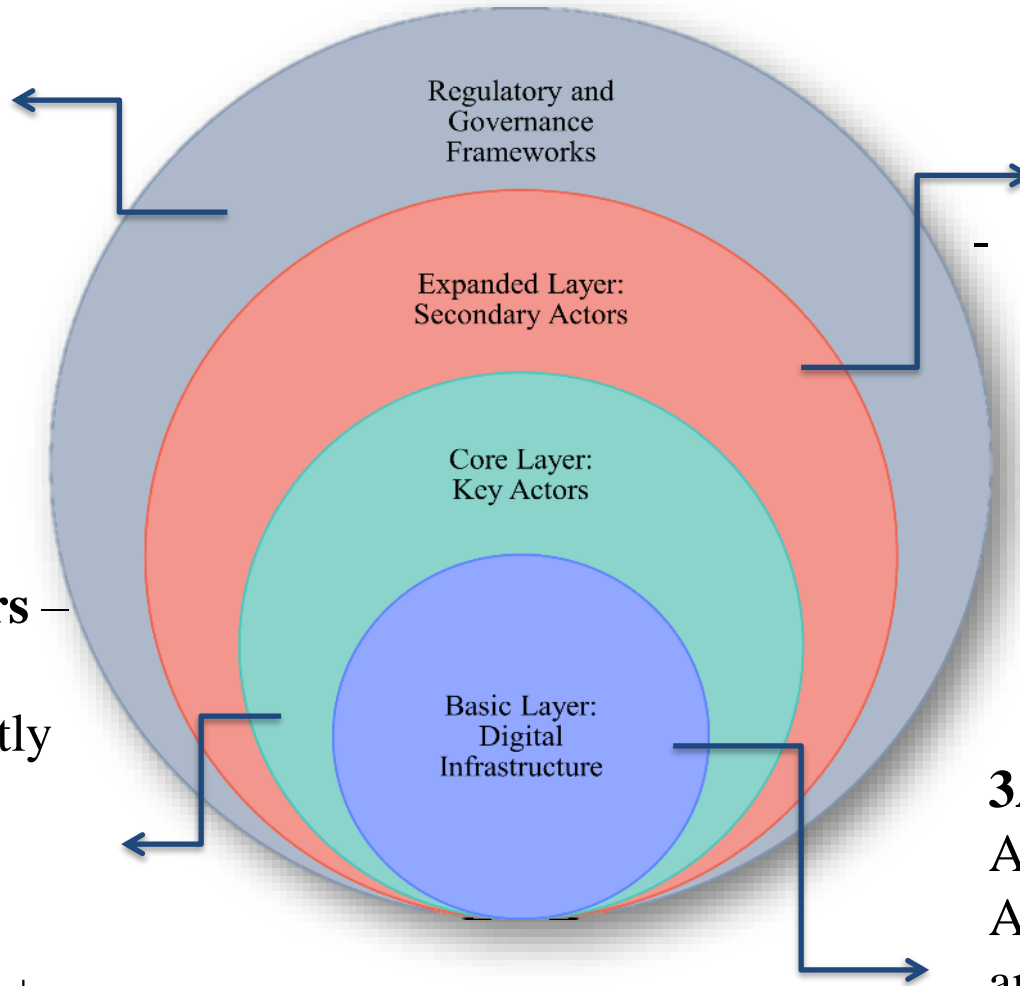
Stakeholder consultation

Inclusive E-commerce Ecosystem Framework

1. Identification

Implementing:
Optimal standards,
practices,
rules, regulations,
and policies

- **Key stakeholders** —
sellers & buyers
 - Treating differently
placed groups
- Women, males,
illiterate, LGBTQIA+,
fairly & equitably



Service providers:

- Financial
- Logistics
- Packaging
- Inventory & storage
- Advertising & marketing

3As-
Availability,
Affordability
and Ability to
utilise

Inclusive Digital Economy: Building Blocks

Enabling Policy and Regulation

Government's active role in promoting the development of an inclusive digital economy

Policies and regulations supporting the digital economy

Open Digital Payment Ecosystem

Development of mobile infrastructure

Phone ownership

Network coverage

Status of digital payment ecosystem

Level of interoperability

Openness of digital infrastructure for third-party players

Empowered Customers

Active participation of public and private sectors

Usage of digital channels for relevant skills development

Inclusive Innovation

Level of development synergies in innovation

Level of skills by entrepreneurs

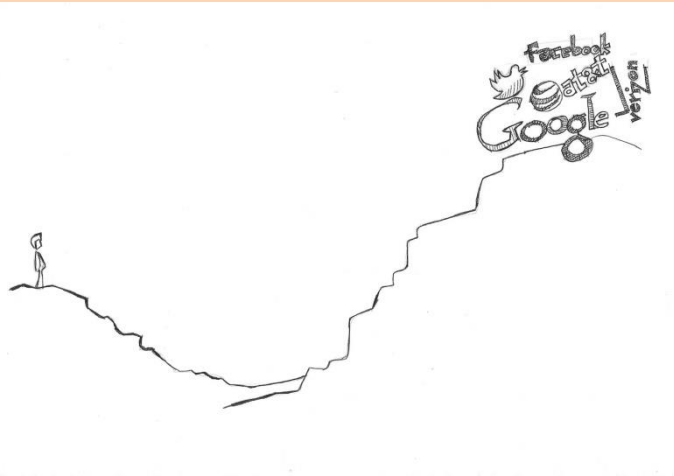
Presence of supporting infrastructure such as national and international experts and financing

Digital Rails': Foundation of an inclusive digital economy

Better enabled and opened by proper development of 'Digital Rails'

From Vision to Action

1. Basic Layer – Digital Infrastructure



Comprehensive Data Collection

- Internet penetration and mobile ownership
- Representation of vulnerable and marginalised communities
- The potential biases and gaps in the data collected should be addressed
- Principles of transparency

Digital Infrastructure

- Access basic digital infrastructure
- Unbundling WiFi networks
- Prime Minister Wi-Fi Access Network Interface (PM-WANI)

Digital Literacy

- Skills required for the digital economy
- Upskilling/ Reskilling
- Move beyond only the quantity of users to the quality of their experience
- Skilling workshops
- UNCDF in partnership with SafeBoda

2. Core Layer – Key Actors



Digital Trust

- Instill trust and confidence in users
- Ensuring the quality and genuineness of products
- Safe and secure payment systems
- Tailoring initiatives per category of vulnerable and marginalised stakeholders
- Ensure safety and security of users' data

Representative Design

- Relevant to the life experiences, social context, and cultural norms
- Gender-inclusive design features
- Accessible for people with disabilities
- Requirement of an email address to log in

Promote Marketplace Model

- Curtail the proliferation of inventory models
- FDI in inventory model related to MBRT

3. Expanded Layer – Secondary Actors



Financial Access

- Initiatives to enhance financial literacy
- Lending & credit opportunities
- Focus on MSMEs and Women Entrepreneurs (94.2% excluded)
- Mobile based payments

Accessibility to All Pincodes

- Support to logistic service providers
- Issue of Last Mile Delivery
- Build warehouses and micro-fulfillment centres
- Leveraging India Post

Regulatory & Governance Frameworks



Regulatory Agency

- Safeguard the interests of stakeholders
- Clarity of roles
- Coherent Policies
- Cooperation v/s Conflict amongst regulators

Reducing Regulatory Burden

- Excessive compliance requirements tend to discourage the entities
- System of self-certification
- Reducing the number of forms required to be filed
- Periodic review



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