CUTS Project Brief

White Paper on
Leaving No One Behind: Fostering an Inclusive E-commerce Ecosystem in India

Background & Rationale

The global crisis brought on by the pandemic has pushed us further into a digital world, and structural and behavioural changes are likely to last longer. The e-commerce market has been one of the biggest beneficiaries of the pandemic, introducing millions to the convenience and safety of online shopping and prompting seasoned online shoppers to buy more. The digitally-enabled world is indeed working – but only for some, and not all equally.

The pandemic has highlighted various fault lines that can hopefully be turned into an opportunity by leveraging e-commerce and other digital services to help build resilient and inclusive economies and societies. Thus, it is imperative to mitigate the growing digital divide by ensuring universal access to the internet, digital literacy, and inclusivity by design. Thus, the issues of opportunity, access, knowledge, and skill in the digital context must be articulated and addressed, without which countries cannot fully leverage e-commerce and other digital services.

The Draft E-commerce Policy, 2021 (Policy) of India, which has been making rounds in several media reports and articles, also recognises the government's role in enabling a 'welfare state' while regulating the economy for the holistic growth of all stakeholders. It has also been reported that the Policy speaks of 'inclusive growth' on various occasions, ensuring that gains from growth are accessible to all participants and that the interests of consumers are well protected.

Through this project, CUTS intends to explore the means and ways of fostering an equitable and inclusive e-commerce ecosystem in India. In furtherance of that, we intend to explore the existing e-commerce ecosystem and the policy and regulatory landscape in an evidence-based, decentralised, bottom-up, and inclusive manner.

Objective

To explore and institutionalise 'inclusive ecosystems' in the digital transformation in India to ensure equitable distribution of benefits of such transformation to all relevant stakeholders.

Methodology and Approach

1. Literature Review
To conduct an extensive literature review of relevant national and international literature across diverse themes, including components (processes and actors) of an e-commerce ecosystem, impact of e-commerce on the digital divide, the ability of e-commerce to foster inclusive growth, and best practices to leverage an inclusive e-commerce ecosystem. These diverse themes will aid in identifying the contours and elements necessary for fostering an 'inclusive' e-commerce ecosystem while highlighting the nuanced elements of inclusivity, which might be more relevant for developing countries like India.

2. Mapping the Existing E-commerce System
An in-depth analysis of the secondary research, reports, and policy-related documents will be undertaken for creating a systems landscape for e-commerce in India. This will include mapping the critical processes involved in the e-commerce supply-value chain and identifying key

stakeholders of the e-commerce ecosystem. The understanding of key processes and actors will be used to envisage a functional ecosystem of e-commerce.

3. **Policy and Regulatory Review**
The mapping will be complemented by reviewing key policies and regulations at the central, state, and local levels that impact India's inclusive e-commerce landscape or foster it.

4. **Gap Assessment**
The steps mentioned above will enable assessing the gaps in the existing landscape which disallows or disincentivises an inclusive ecosystem and the priority elements and components of the ecosystem where measures to foster inclusivity must be taken.

5. **Key Informant Interviews with Relevant Stakeholders**
Basis the gap assessment, few key informant interviews will be conducted with select relevant stakeholders such as industry players, policymakers, academicians, and policy research institutions. The purpose will be to understand better the contours and elements of the e-commerce 'ecosystem' and an 'inclusive' ecosystem in India and gauge actionable recommendations for fostering an inclusive ecosystem.

The recommendations identified through secondary research and preliminary consultations will be further analysed to gauge their priority and importance levels and the practicability of implementing such recommendations.

6. **Report Drafting**
Pursuant to the steps outlined above, the draft report will be prepared in the form of a white paper that will provide actionable recommendations for fostering an equitable and inclusive e-commerce ecosystem.

7. **Advocacy and Dissemination**
The white paper will be widely disseminated, through a panel discussion and across various platforms, including our CUTS' website, e-forums, social media, and more. CUTS' partnership with 'eTrade for All' initiative by UNCTAD and other relevant partner organisations will also be leveraged to ensure maximum and optimal dissemination.

Envisaged Outputs

- A white paper highlighting the existing e-commerce ecosystem, priority elements and components which must be made inclusive and an actionable framework of recommendations to foster the same.
- A panel discussion with key experts to disseminate the white paper.
- A slide deck showcasing the main findings and recommendations from the white paper (tentative).
- An op-ed highlighting the importance of an inclusive e-commerce ecosystem, while building a narrative in favour of the proposed recommendations in the white paper (tentative).

Expected Outcomes

- A clear understanding of the existing e-commerce ecosystem in India, its inefficiencies and priority areas for fostering inclusivity.
- A novel and nuanced framework for addressing the growing digital divide in the form actionable recommendations to onboard diverse stakeholders to the e-commerce supply-value chain, thus enabling inclusive and equitable distribution of benefits of such an ecosystem.

Project Duration

The total estimated timeframe for the project is one month (June 2021).