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Ministry of Foreign Trade



Economic Commission for Africa
Office for North Africa

Proposal for functional specifications of
an e-commerce platform in
North Africa



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Proposal for functional specifications of an e-commerce platform in North Africa

1. General Framework

In the framework of using new technologies for information and communications as a tool for development in general, and means of boosting the economy in particular, the United Nations Economic Commission for Africa (ECA) has initiated a study on e-commerce in the countries of North Africa, including the feasibility of a sub-regional electronic commerce platform. The said study is a part of the activities undertaken by the ECA in the framework of the African Information Society Initiative or AISI and comes further to the seminar held in Tangiers from 1 to 3 March on the topic "Information and Communications Technology and the development of trade between the countries of the Arab Maghreb Union."

In this framework four in-depth country studies were conducted on Egypt, Morocco, Mauritania, and Tunisia.

The study highlighted the low rate of trade between the countries of North Africa in spite of the many agreements existing between the countries of the region. Indeed, this rate represents less than 6% of the total amount of trade and is one of the lowest regional ones in Africa and in the world.

This low rate was partially explainable by:

- The vision of the region's countries directed more toward the North, in particular Europe, than toward North Africa.
- Lack of knowledge of the trade practices in force in the different countries of the region in terms of customs procedures and non-tariff barriers.
- Poor knowledge of the production in industrial products and services of the region's countries, but more than anything else, the difficulty in identifying a provider or suppliers of a given product or service.
- To remedy this situation, we propose the development of a regional electronic trade platform, which will be both B2B¹ and B2G². This platform, which over time will go through three stages, i.e. informational, interactive and transactional, will concern enterprises and their products as well as external trade formalities and procedures.

The said platform in a first stage could concern only the countries of the Arab Maghreb Union (AMU³) and be extended afterwards to all countries of the region.

The platform described hereafter is a relatively ambitious project. Its bringing into fruition is dependant on several preliminary factors:

- Availability of information at the level of the various countries
- Facilitation of trade between the countries of North Africa
- Existence of platforms for conducting external trade procedures within the different countries.

This document deals with the functional characteristics of the platform.

¹ B2B: Business to Business, or trade between companies

² B2G: Business to Government, or trade between companies and governmental administrations

³ AMU: Arab Maghreb Union joins together Algeria, Libya, Morocco, Mauritania and Tunisia.

2. Platform Objectives

The objective of this platform is the development of trade between the various countries of North Africa.

This objective will be reached in three different ways.

Firstly, by developing among external trade operators in the various countries, access to information and knowledge of the economies, production, market and demand in the said countries. Naturally, to facilitate external trade endeavors it will also be necessary to make available information concerning the regulatory and legislative constraints.

This information will make possible (a) better targeting of the products traded between the countries, (b) in certain countries the search for products that to date have been imported from outside North Africa and (c) facilitation of the formalities and shortening of the time limits through better knowledge of external trade legislation and procedures.

Secondly, by developing the interactivity of the platform by allowing enterprises and governments to post on line business opportunities by making it possible to get into touch with a supplier and/or provider that will have been identified beforehand through the platform. The search functionalities as well as the quality of information pertaining to enterprises and the products thereof will enable platform users to identify the appropriate product and supplier.

This platform will therefore move toward being a market place.

Thirdly, by allowing on line conducting of external trade formalities for exports from the country of origin and import to the country of destination via interconnection of the existing external trade customs systems (Tunisia, Casablanca), now underway and stated for implementation in the various countries.

This platform could also go in the direction of an e-procurement platform.

3. Description

The electronic trade platform to be implanted in different phases will begin in the form of an informational site.

The said site will contain different items of information useful to economic operators. The said information will be of two types:

- Information on the various countries of the region, their economies in general described in detail per sector, their outputs, imports and exports, regulatory and legislative aspects, as well as the framework of trade between the countries of North Africa.
- Information on the economic operators of the various countries, their products and needs in terms of inputs and services, as well as a description of the enterprise, insofar as possible including details making it possible to assess the solidity and reliability of the enterprise.

At this stage, the on line posting of search criteria will make it possible to identify the suppliers of any given product and the providers of any given service and more detailed searches will make it possible to obtain a greater number of details on products and services. It will also be possible to get into touch with a given enterprise and to move ahead by requesting a proposal for products or services.

Afterwards, this platform will gradually move toward being an interactive site providing the enterprise the possibility of publishing business opportunities, proposals for purchases and services, by providing governments the possibility of posting invitations to tender on line.

The gradual move of the site toward the transaction stage will make it possible trading and trade agreements between economic operators and perhaps even the processing of external trade formalities via the interconnection of the existing platforms in some of the countries.

A description of the various components of the site is given hereafter.

4. Introduction to the countries and enterprises

The introductions to the various countries will comprise information on the countries of North Africa in the framework of a fact sheet bearing demographic, social and economic data. The said fact sheet could also see the addition of two other sheets including a selection of country external trade indicators for the previous year, or even over a few years, as well a selection of the country information and communications technology indicators.

Posting on line of country information could also be done by providing series of links to other sites, or if not, via the creation of a database specific to the platform. The establishment of links to other existing information sites would enable acceleration of the installation of this platform.

4.1. Regulatory aspects

The regulatory aspects will deal with three types of information:

- Trade agreements
- Legal framework pursuant to external trade
- Legal framework pursuant to electronic trade.

The trade agreements will concern the actual agreements signed between the countries and preferably should be consultable as follows:

- Trade agreements per region
- Trade agreements per country
- Trade agreements per sector.

The legal framework pursuant to external trade will concern legislation dealing with trade at the level of each country. It will concern the legal framework of the various countries as well as the procedures pursuant to external trade, imports and exports.

The legal framework pursuant to electronic trade will concern legislation regarding electronic trade at the level of the different countries. In addition, it will concern legislation pursuant to electronic trade, the protection of personal data, copyrights and intellectual property, third parties and regulatory bodies.

4.2. Regulating and support bodies

The role played by regulating and support bodies in the framework of external trade operations is highly important. Presence on the site with links to the respective websites will enable economic operators to better identify the public institutions and agencies to which one must apply to obtain complimentary information or to carry out a given formality.

4.3. Directory of products and enterprises

The directory of products and enterprises will make it possible to procure a better idea on the economic operators as well as to spread better knowledge of their products. Perhaps it would be effective to enable importers to identify regional producers for products they are used to purchase outside the zone. This directory of products and enterprises could also be made accessible to operators outside the region.

Search facilities on the products and enterprises will make it possible to identify the suppliers of a given product and/or the providers of a specific service. In a second phase, the platform will make it possible to get into touch with a given enterprise or to request a price quote.

4.4. Invitations to tender and business opportunities

The posting of invitations to tenders and business opportunities is a part of the core of the e-commerce platform. Indeed, by allowing economic operators to benefit from concrete opportunities for doing business; it will be easier and quicker to develop trade between the region's countries.

However, if the aforementioned remain relatively static, business opportunities and invitations to tender are relatively dynamic and require extensive endeavors for prospecting and identification backed with the continuous deployment of efforts.

5. Market place

Once the invitations to tender and business opportunities are put on line, this platform will move on to being a market place where the following operations can be carried out:

- Introduction to enterprises and products
- Publication of invitations to tender and other requests
- Sending of price requests
- Transmission of cost estimates and commercial offers.

6. External Trade Procedures

Some countries have already begun the establishment of a platform for conducting external trade procedures on line. To facilitate business development between North African countries, it would be of interest to look into the interconnection of the existing platforms, to develop and enable them to communicate together. This would make it possible to streamline procedures and to cut down on the transmission of paper documents, folders with the necessary shipments, thereby making it possible to save substantial time and allow increased regional integration.

The objective of the site is neither to replace the systems existing in certain countries for conducting external trade procedures nor to provide availability to countries that have no such system. What we propose is to interconnect these platforms to facilitate and accelerate the conducting of external trade procedures, to be informed upon shipment of the goods or merchandise, of the type and accompanying documents.

7. Phases of execution

The setting up of a regional electronic commerce platform will be achieved in several phases. These phases are described in detail in the table hereafter.

Phase	Phase 0	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5
Schedule	1T2007	2T2007	3T2007	4T2007	1T2008	2T2008
Platform services	Finalization of the platform specifications	Consultations for selection Selection of partner	Development of the prototype for three countries	Generalization to all countries of the AMU.	Extension to all countries of North Africa.	
Informational						
Country indicators Country fact sheet F1		Design of F1: selection of economic and social indicators	Development of sheet F1 for the first group of countries	Development of sheet F1 for the second group of countries	Development of sheet F1 for the third group of countries.	
Country indicators External trade indicators F2		Design of F2: selection of the most recent indicators for country external trade	Development of Sheet F2 for the premier group of countries	Development of sheet Fiche F2 for the second group of countries	Development of sheet F2 for the third group of countries	
Country indicators ICT indicators F3		Design of F3: selection of ICT indicators for the country.	Development of sheet F3 for the first group of countries	Development of sheet F3 for the second group of countries	Development of sheet F3 for the third group of countries	
Regulatory aspects Trade agreements		Design of F4: actual trade agreements signed by the different countries	Development of F4 for the first group of countries • per region	Development of F4 for the second group of countries	Development of F4 for the third group of countries	

Phase	Phase 0	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5
Schedule	1T2007	2T2007	3T2007	4T2007	1T2008	2T2008
F4			<ul style="list-style-type: none"> • per country • per sector 			
Regulatory aspects Legal framework pursuant to external trade F5		Design of F5: laws and decrees pursuant to external trade of the country	Development of F5 for the first group of countries <ul style="list-style-type: none"> • legal framework per sector of activity • Procedures pursuant to external trade, import and export 	Development of F5 for the second group of countries	Development of F5 for the third group of countries	
Regulatory aspects Legal framework pursuant to electronic trade F6		Design of F6: Laws and decrees pursuant to electronic external trade in the country	Development of F6 for the first group of countries <ul style="list-style-type: none"> • Legal framework for electronic commerce • Protection of personal data • Third parties and regulatory bodies • Copyright and intellectual and industrial property 	Development of F6 for the second group of countries	Development of F6 for the third group of countries	
Regulating and support authorities Regulation and support authorities F7		Design of F7: selection of regulatory and support authorities	Development of F7 for the first group of countries Classified information per country and per category with links to websites	Development of F7 for the second group of countries	Development of F7 for the third group of countries	
Introduction to products / enterprises Directory F8			Design of F8: links to the enterprise directors per country	Development of F8 for the first group of countries	Development of F8 for the second group of countries	Development of F8 for the third group of countries

Phase	Phase 0	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5
Schedule	1T2007	2T2007	3T2007	4T2007	1T2008	2T2008
Invitations to tender Invitations to tender F9			Design of F9: selection invitations to tender per country and per activity.	Development of F9 for the first group of countries	Development of F9 for the second group of countries	Development of F9 for the third group of countries
Business opportunities F10			Design of F10: selection of business opportunities classified per country and per category	Development of F10 for the first group of countries	Development of F10 for the second group of countries	Development of F10 for the third group of countries
News		Various items of information	Various items of information	Various items of information	Various items of information	Various items of information
Transactional						
ExtCom procedures					Interconnection and interfacing of platforms for the external trade procedures of the various countries	
Market place				<ul style="list-style-type: none"> • Introduction to enterprises and products • Publication of invitations to tender and requests • Sending of price inquiries 		
Countries covered	Examples of various countries	Tunisia – Morocco - Mauritania	Tunisia – Morocco - Mauritania	Algeria –Libya	Egypt – Sudan	
Sectors		Choice among <ul style="list-style-type: none"> •Craftsmanship including design 	Pilot sectors	Addition of other sectors	Addition of other sectors	

Phase	Phase 0	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5
Schedule	1T2007	2T2007	3T2007	4T2007	1T2008	2T2008
		<ul style="list-style-type: none"> •Agribusiness and fishing •Textiles and leather including fashion and design •Tourism •IT Off shoring •Hydrocarbons •Regional training center or program 				
Players	ECA Consultant	ECA / AMU	ECA/ AMU (SG) Chambers of Commerce and industry Promotional bodies Professional associations of the relevant sectors		Platform administrators for external trade formalities	
Management		ECA / AMU (SG)	ECA / AMU (SG)	Support by third party body motivated by platform turnover	Support by third party body motivated by platform turnover	
Communication Around platform		ECA / AMU (SG)	ECA / AMU (SG)	Chambers of Commerce and industry Promotional bodies	Platform administrators for external trade formalities	
Longevity				Billing / fees Market place subscription	Billing fees / subscription platform interconnection ExtCom formality	