E-COMMERCE MEASUREMENT @UNCTAD

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CROSS-BORDER E-COMMERCE DATA

In search of Cross-Border E-commerce Trade Data

UNCTAD
WHAT IS ELECTRONIC COMMERCE?

• OECD definition of an e-commerce transaction:
  – “...the sale or purchase of goods or services, conducted over computer networks by methods specifically designed for the purpose of receiving or placing of orders”.
  – Payment and delivery do not have to be conducted online.
  – Orders made by telephone calls, fax or manually typed e-mail excluded

• Business-to-business (B2B)
• Business-to-consumer (B2C)
• Consumer-to-consumer (C2C)
• Government-to-business (G2B): e.g. e-procurement
• What is cross-border e-commerce?
## MAJOR E-COMMERCE MARKETS: TOP 10

<table>
<thead>
<tr>
<th></th>
<th>Economy</th>
<th>Total $ billion</th>
<th>% of GDP</th>
<th>B2B $ billion</th>
<th>% of all e-commerce</th>
<th>B2C $ billion</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>United States</td>
<td>7,055</td>
<td>39%</td>
<td>6,443</td>
<td>91%</td>
<td>612</td>
</tr>
<tr>
<td>2</td>
<td>Japan</td>
<td>2,495</td>
<td>60%</td>
<td>2,382</td>
<td>96%</td>
<td>114</td>
</tr>
<tr>
<td>3</td>
<td>China</td>
<td>1,991</td>
<td>18%</td>
<td>1,374</td>
<td>69%</td>
<td>617</td>
</tr>
<tr>
<td>4</td>
<td>Korea (Rep.)</td>
<td>1,161</td>
<td>84%</td>
<td>1,113</td>
<td>96%</td>
<td>48</td>
</tr>
<tr>
<td>5</td>
<td>Germany (2014)</td>
<td>1,037</td>
<td>27%</td>
<td>944</td>
<td>91%</td>
<td>93</td>
</tr>
<tr>
<td>6</td>
<td>United Kingdom</td>
<td>845</td>
<td>30%</td>
<td>645</td>
<td>76%</td>
<td>200</td>
</tr>
<tr>
<td>7</td>
<td>France (2014)</td>
<td>661</td>
<td>23%</td>
<td>588</td>
<td>89%</td>
<td>73</td>
</tr>
<tr>
<td>8</td>
<td>Canada (2014)</td>
<td>470</td>
<td>26%</td>
<td>422</td>
<td>90%</td>
<td>48</td>
</tr>
<tr>
<td>9</td>
<td>Spain</td>
<td>242</td>
<td>20%</td>
<td>217</td>
<td>90%</td>
<td>25</td>
</tr>
<tr>
<td>10</td>
<td>Australia</td>
<td>216</td>
<td>16%</td>
<td>188</td>
<td>87%</td>
<td>28</td>
</tr>
<tr>
<td>10 above</td>
<td>16,174</td>
<td>34%</td>
<td>14,317</td>
<td>89%</td>
<td>1,857</td>
<td></td>
</tr>
<tr>
<td>World</td>
<td>25,293</td>
<td></td>
<td>22,389</td>
<td></td>
<td></td>
<td>2,904</td>
</tr>
</tbody>
</table>

Note: Figures in italics are estimates. Missing data were estimated based on average ratios. Converted to $ using annual average exchange rate.

Source: UNCTAD, adapted from US Census Bureau; Japan Ministry of Economy, Trade and Industry; China Bureau of Statistics; KOSTAT (Republic of Korea); EUROSTAT (for Germany); UK Office of National Statistics; INSEE (France); Statistics Canada; Australian Bureau of Statistics and INE (Spain).
Web sales to private customers, 2014

- Retail: 25%
- Wholesale: 16%
- Transport & storage: 16%
- Information & communication: 13%
- Other services: 13%
- Utilities: 8%
- Accommodation & food services: 5%
- Manufacturing: 3%
- Construction: 1%

Note: Micro enterprises refer to entities with less than 10 employees.

Source: UNCTAD, based on data from ONS.
CROSS-BORDER E-COMMERCE

- International trade is sluggish, but data traffic online is surging as is e-commerce
  - Global Internet traffic expected to be 66 times higher in 2019 than in 2005
- How much of international trade is e-commerce?
- How much of e-commerce is cross-border?
- Very few official statistics on cross-border e-commerce; some estimates available
- Developed countries e-commerce predominantly domestic
- In some developing countries cross-border more significant
CROSS-BORDER E-COMMERCE DATA GAPS

• We have good statistics on cross-border merchandise trade
  – But we cannot distinguish what is the result of e-commerce

• We have some data on e-commerce
  – But very limited information on what is cross-border

• We have balance of payment statistics on services trade
  – But these data do not distinguish be mode of supply
Cross-border shopping in the EU: Proportion of EU online shoppers among Internet users (left) and EU online shoppers buying from local and overseas sellers (right), 2015

Cross-border online B2C sales between China, Japan and the United States, 2015 (left) and cross-border online purchases in the Republic of Korea, various years (right) ($ billion)

# B2C CROSS-BORDER E-COMMERCE 2015

*New UNCTAD estimates*

<table>
<thead>
<tr>
<th>Country</th>
<th>Total B2C ($ billion)</th>
<th>Share of B2C in merchandise imports, by value (Per cent)</th>
<th>Share of total B2C (Per cent)</th>
<th>Total B2C online shoppers</th>
<th>Number of shoppers (Million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>40</td>
<td>1.7</td>
<td>7</td>
<td>612</td>
<td>34</td>
</tr>
<tr>
<td>China</td>
<td>39</td>
<td>2.3</td>
<td>6</td>
<td>617</td>
<td>70</td>
</tr>
<tr>
<td>Germany</td>
<td>9</td>
<td>0.8</td>
<td>10</td>
<td>93</td>
<td>12</td>
</tr>
<tr>
<td>Japan</td>
<td>2</td>
<td>0.3</td>
<td>2</td>
<td>114</td>
<td>9</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>12</td>
<td>1.9</td>
<td>7</td>
<td>200</td>
<td>14</td>
</tr>
<tr>
<td>France</td>
<td>4</td>
<td>0.7</td>
<td>6</td>
<td>73</td>
<td>12</td>
</tr>
<tr>
<td>Netherlands</td>
<td>0.4</td>
<td>0.1</td>
<td>2</td>
<td>19</td>
<td>4</td>
</tr>
<tr>
<td>Republic of Korea</td>
<td>3</td>
<td>0.6</td>
<td>5</td>
<td>48</td>
<td>10</td>
</tr>
<tr>
<td>Canada</td>
<td>7</td>
<td>1.7</td>
<td>16</td>
<td>48</td>
<td>11</td>
</tr>
<tr>
<td>Italy</td>
<td>3</td>
<td>0.8</td>
<td>19</td>
<td>17</td>
<td>6</td>
</tr>
<tr>
<td>Top 10 countries</td>
<td>120</td>
<td>1.4</td>
<td>7</td>
<td>1 839</td>
<td>181</td>
</tr>
<tr>
<td>WORLD</td>
<td>189</td>
<td>1.1</td>
<td>7</td>
<td>2 904</td>
<td>380</td>
</tr>
</tbody>
</table>

>1,000 participants, 170 speakers

Recommendations on measurement:

- Use existing surveys of economic activity and customs declarations to collect data on e-commerce + add a few questions
- Use creatively "big data" from financial, transport firms and Internet trading platforms, as well as postal data, as an input into public data collection
- Build capacity in developing-country statistical agencies
- Continue partnership by all relevant stakeholders in the measurement agenda
MORE AND BETTER E-COMMERCE DATA ARE NEEDED

- What are new areas of demand?
- What are future plans to improve data availability?
- What are your priorities for action?
- Where should technical assistance focus for better and faster results?
THANK YOU