

REGULATION AND POLICY SPACE



Regulatory Structure

Key Highlights: E-commerce Policy

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With the rising trend of digitization of economies, e-commerce industry can be a major stimulator of economic development for both developed and developing nations like Pakistan. E-commerce markets with the adequate facilities and competitiveness can strive and bloom the economy within the country and in the international markets as well. Despite being at its early stages, the industry is already enhancing and growing at a very fast stage. In 2019, the total revenue generated by e-commerce market was US\$2 Billion. Data reveals that in the first quarter of financial year 2017-18 the total registered e-commerce merchants were 964 which touched 1094 by the end of the very same year.

The fact of fast growing e-commerce markets cannot void the current hurdles that are staggering the achievement of steady growth. The low level of financial inclusion, lack of standardized and internationally used mode for payment PayPal, business within the country after importing goods, higher cost of logistic are slowing down the pace of development of e-commerce markets.

In order to overcome above written gaps of development, government of Pakistan launches its very first policy of e-commerce in October 2019. The policy was approved by the federal ruling party. The policy tends to strike major lagging areas of the economy. The policy major concern of the policy is to achieve holistic growth of industry as well as economy as whole by focusing on the areas; job opportunities, inter regional connectivity, enhanced and efficient domestic market to compete domestically and internationally as well, women inclusion in the economically activities through supporting small scales enterprises, adequate set up for market competitiveness.

The policy was made in the light of Pakistan's SDG-8 (Decent work and economic growth), SDG-9 (Industry, innovation and infrastructure) and SDG-12 (Responsible and sustainable consumption and production patterns). It tends to create a cost effective environment for the business digitally. The policy covers most of the problems like empowering youth to enhance market competition, financial inclusion and digital mode of transaction, regulation system by the launch of National Single Window system (National E-commerce Council) for increasing the working mechanism of exports, registration of e-commerce business for efficient check and balance of imports, provision of consumer protection, enhancement in taxation structure to generate revenue, efficient access of third party logistics 3PL through public and private sector.