

Draft National e-commerce policy

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In India, as across the globe, the Electronic Commerce market has been witnessing consistent growth in recent years. The Indian B2C e-commerce market was valued at USD 38.5 billion in 2017 and is estimated to rise to USD 200 billion in 2026, while B2B e-commerce was estimated to be around USD 300 billion. Despite the high rate of growth of e-commerce in India, the sector is still at a nascent stage and according to some estimates, it is about 3 percent of the retail market worth USD 860 billion, excluding travel and tourism.

Electronic commerce and data are emerging as key enablers and critical determinants of India's growth and economic development. In order to enhance the capabilities and realise the potential of the electronic commerce sector, it is imperative that India develops robust administrative, regulatory and legal mechanisms. The National e-Commerce Policy lays down strategies to address issues pertinent to the sector.

Aim

The National e-Commerce Policy aims to create a framework for achieving holistic growth of the e-commerce sector along with existing policies of Make in India and Digital India

Scope and Objectives

The National e-Commerce Policy addresses six broad issues of the e-commerce ecosystem viz.

1. Data
2. Infrastructure development

3. e-commerce marketplaces
4. Regulatory issues
5. Stimulating domestic digital economy; and
6. Export promotion through e-commerce.

It identifies critical aspects of each issue and lays out strategies to achieve the Government's vision. The identification of aspects and strategies takes into account the needs and expectations of all stakeholders and accords the interests of startups, small manufacturing, trading and service enterprises a high consideration

Key highlights of the policy

- The National e-Commerce Policy lays down strategies to address issues pertinent to the sector. Consumer protection, data privacy and maintenance of a level-playing field are some of the crucial issues.
- The Policy takes into account the interests of all stakeholders, be they investors, manufacturers, MSMEs, traders,retailers, startups and consumers.
- The Policy takes into account the interests of all stakeholders, be they investors, manufacturers, MSMEs, traders,retailers, startups and consumers. The strategies envisages should provide a basis for unlocking productivity, generating new-age jobs, protecting critical personal information, enhancing consumer awareness and facilitating onboarding of domestic producers, manufacturers, traders and retailers.
- The policy mentions that the unprecedented explosion in the volume of data creates as much a threat to its misuse as it creates opportunities for utilization for policy making.
- The National e-Commerce Policy also aims to streamline protection of personal data and empower the users/consumers to have control over the data they generate and own.

- **Regulation of cross border data flow:** In light of the increasing importance of data protection and privacy, the National e-Commerce Policy (“Policy”) aims to regulate cross-border data flow, while enabling sharing of anonymised community data (data collected by IoT devices installed in public spaces like traffic signals or automated entry gates).
- **With an aim to develop capacities of the domestic industry, the Policy takes forward the following core components of the Digital India initiative:**

1. The development of secure and stable digital infrastructure
2. Delivering Government services digitally; and
3. Universal digital literacy

- **Development of data-storage facilities/infrastructure is an important vision of the Policy** wherein data centres, server farms, towers, tower stations, equipment, optical wires, signal transceivers, antennae will be granted ‘infrastructure status’ to facilitate last mile connectivity across urban and rural India.
- The Policy provides for integrating Customs, RBI and India Post systems to improve tracking of imports through e-Commerce
- Domestic alternatives of foreign-based cloud services and email facilities are also promoted under the Policy.
- Online sale of counterfeits is a worrisome trend. Anti-counterfeiting measures have been prescribed under the Policy.
- It also mentions that e-Commerce entities are required to publicly share all relevant details of sellers who make their products available on websites/platforms of these entities.
- Mechanisms to enable trademark owners (and licensees) to be informed about any possible counterfeit product

being sold on a platform have been included in the Policy.

- Transparency, consumer-oriented strategies and prevention of sale of prohibited items (as prescribed by DGFT) have been addressed under the Policy.
- The Policy recognizes the importance of enacting regulations in the areas of taxation, law, small enterprises and start-ups, consumer protection, payment systems, content liability and environment in harmony with the necessities and interests of the digital ecosystem
- The National e-Commerce Policy is aimed to address concerns which go beyond the sale and purchase of products by electronic means