

# **E-Commerce**

## **- John Kelly**

**A Presentation to the July 21, Joint  
Event**

**- Irish Internet Association  
& Revenue Commissioners**

# **E-Commerce - a definition...**

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- **“E-Commerce is the use of computers and telecommunications networks to develop and conduct business transactions between buyers, sellers and other trading partners”**

# E-Commerce Values

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- **OECD**

- **1997**                      **US \$26 billion**

- **2005**                      **US \$1 trillion**

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- **Forrester Research Inc**

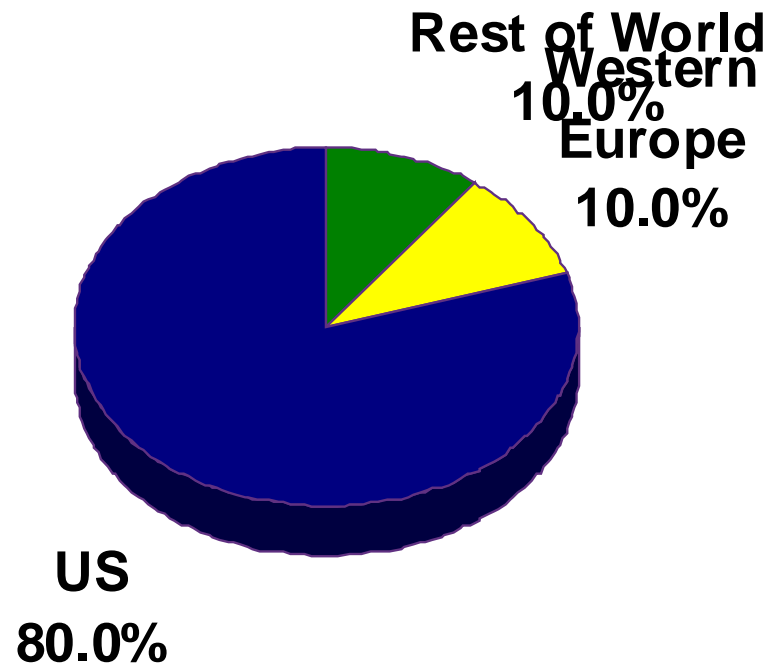
- **1997**                      **US \$8 million**

- **2002**                      **US \$350 billion**

# World E Commerce Market

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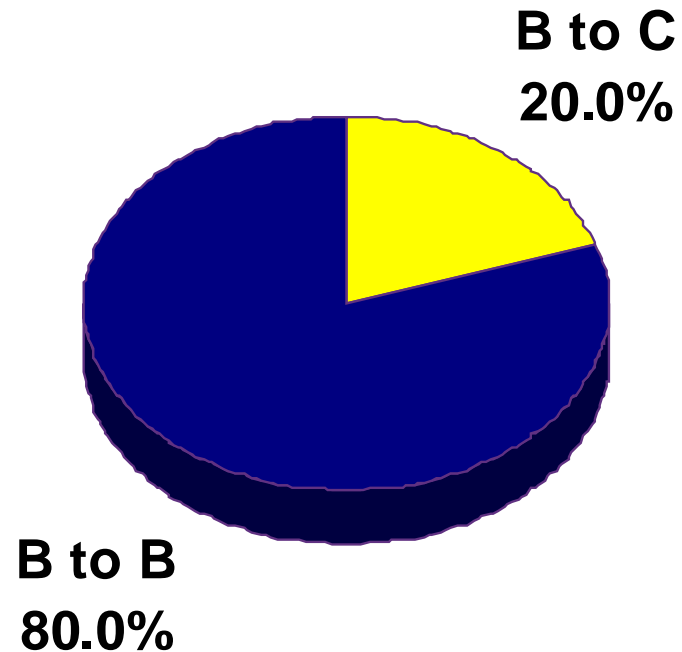


# World E Commerce Market

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## Business to Business/Business to Consumer

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# **Inhibitors on European E-Commerce**

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- **Multiple Cultures**
- **Multiple tax /legislative and currency domains**
- **Low PC and Internet adoption**
- **Reactive Management approach**
- **Few new business models**
- **Undue focus on ROI payback**
- **Competing IT issues Y2K and EMU**

# **E-Commerce issues for Ireland**

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- **1. Telecommunications Infrastructure**  
(ODTR, Comp. Auth., DETE, DTE. DFIN, IDA-I, EI, Forfas)
- **2. Awareness/Access**  
(D Taois, SPE, Info Soc Comm, SETE, CEB's, D ACGI, Agencies)
- **3. Education/Training/Skills**  
(D Ed., DETE, Fas, EI, CEB's)
- **4. E Regulation and E Government**  
(D JE&LR, DPE, DETE, ODTR, ODCA, Rev Comms, All Public Sector)

# **Telecommunications Infrastructure**

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- **1. Connectivity to broadband telecommunication network.**
- **2. Unbundling the local loop**
- **3. Telco competition in the Irish Market**
- **4. Low cost telecom charges**

# Telecommunication Costs - Ireland's Position

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- **Indicators in Top Quartile**      **Rank1998**      **Rank1999**
- 2 Mbit/s leased lines national circuits - annual rental 100Km (US\$)      **8 out of 10**      **4 out of 28**
- 2 Mbit/s leased lines to USA - annual rental (US\$)      **8 out of 10**      **5 out of 25**
- Analogue leased lines national circuits annual rental 100 Km (US\$)      **7 out of 10**      **6 out of 25**
- Cost of Call to the US - 1st minute peak time (US\$)      **6 out of 27**
- Cost of Call to the UK - 1st Minute peak time (US\$)      **3 out of 27**
- 2 Mbit/s leased lines national circuits - annual rental 50Km (US\$)      9 out of 10      5 out of 28

# Awareness and Access to Internet

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- \* **Promote PC Adoption**
- \* **Promote SME connectivity to Internet**

# Technology Penetration

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Source : Forbes

Country	% Online	PC's per 1000
Sweden	15%	509
Finland	14.6%	505
Denmark	13.1%	510
UK	9.5%	441
Netherlan	9%	450
Germany	6.4%	362
Belgium	4.7%	405
Austria	4.5%	346
<b>Ireland</b>	<b>4%</b>	<b>404</b>
France	2.6%	368
Italy	2.4%	297
Spain	2.2%	202
Portugal	1.9%	160
Greece	1.1%	125
Switzerlan	10.6%	444
Norway	14.3%	515
EU	6%	352
U.S.	16%	580

# Education/Skills/Training

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- **1. 5,400 new 3rd level places**
- **2. IT Initiative**
- **3. Education Technology Initiative**
- **4. FIT Initiative**
- **5. Prism**
- **6. Enterprise Ireland**

# **E Regulation**

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- **Proposed EU Directive on E-Commerce**
- **National legislation on Electronic Contracts and Digital Signatures**
- **Tax on E Commerce**
- **Intellectual Property**
- **Tanaiste's Policy Statement on E Commerce**

# **Proposal for a European Parliament & Council Directive on certain aspects of E-Commerce in the internal market**

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- **1. The place of establishment and the principle of country of origin**
- **2. Commercial Communications**
- **3. Electronic Contracts**
- **4. Liability of intermediaries**
- **5. Settlement of Disputes**
- **6. The Role of the National Authorities**
- **E-Government**

# **E-Government**

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- **1. Implications for Public Procurement**
- **2. Electronic Payment Methods**
- **3. Government Websites**
- **4. Business & Citizens Database**
- **5. Office of Revenue Commissioners**
- **6. Health**