**HOW TO ESTABLISH
AND IMPLEMENT AN E-TRADE DESK**

**GUIDE 6**

# CHECKLIST OF PRE-CONDITIONS

TRADE
WORLD TRADE POINT FEDERATION

## CHECKLIST OF PRE-CONDITIONS

The current document indicates the crucial elements to be covered in the Background Document which is to accompany the formal letter of request submitted by the host entity to the World Trade Point Federation (WTPF) for the establishment of an e-Trade Desk. Any questions regarding these pre-conditions should be addressed to the WTPF through the appropriate Regional Coordinator.

## 1. Market Assessment

Clearly ascertain the need for the type of services an e-Trade Desk is expected to provide, primarily to satisfy the requirements of Small and Medium Enterprises (SMEs)

The aim of creating an e-Trade Desk is to increase the support of SMEs to actively participate in the e-trade using a trusted e-trade system (ETO), international trade, and to render essential trade-related services (primarily to SMEs) for which there is a real need. Market assessment is the first step towards setting up an e-Trade Desk and it will be expected from them to identify the need for e-TradeDesk and to identify the potential client base. All this information will later serve to be incorporated into the e-Trade Desk Action Plan, which will outline how to implement the tools to satisfy the identified needs and where the necessary resources will come from.

## 2. The entity setting up the e-Trade Desk

e-Trade Desks are established in response to a request by an entity, therefore it is essential that WTPF has a viable counterpart to work with in setting up an e-Trade Desk. To ensure the effectiveness of the future e-Trade Desk, the counterpart entity should ideally be an institution/organisation with strong links to the local business community and either have proven experience in trade-related services or be able to demonstrate the legal and technical capacity to ensure the provision of such services within the framework of the e-Trade Desk once it has been established. A sound track record in the provision of trade-related services or the development of a well-defined plan of how to go about providing such services is critical.

The contact person within the entity (and perhaps future coordinator/manager of the e-Trade Desk) should ideally have practical experience in international trade, a good working knowledge of English, and familiarity with information and communications technologies.

All the above factors will help consolidate the image of the e-Trade Desk once created, provide easier access to information through already existing networks at the local/national level, expand the data-base of potential affiliates and open up the opportunity to make a positive contribution to the development of e-trade, trade information and trade facilitation measures within the country.

## 3. Commitment

There should exist no impediment, legal or otherwise, to acceptance of the "Terms and Conditions for the establishment of an e-Trade Desk and Associate Membership in the

World Trade  Point Federation" by the entity granted the right to use the e-Trade Desk brand. Once the e-Trade Desk is established, it will be bound by the rules and regulations laid down by the WTPF.

The successful functioning of the WTPF and of each individual e-Trade Desk depends among other things on a high degree of commitment and observance of the agreed practices and code of conduct. Infringement of these codes may lead to withdrawal of the e-Trade Desk brand.

Please read the institutional information available on the World Trade Point Federation, its partners and its e-Trade Desk and Trade Point members (see also www.tradepoint.org)

## 4. Legal Framework of the e-Trade Desk

The name of the e-TradeDesk to be established will be: e-Trade Desk + name of the host entity.

The following are some issues that need to be established when establishing an e-Trade Desk: what is the interest of the entity in setting up an e-Trade Desk? Why is it an appropriate entity to do so? How will it guarantee that the e-Trade Desk has sufficient budget to be viable? An adequate legal format must be approved by the relevant authorities of the host entity whereby once the right to use the e-Trade Desk brand has been granted, the e-Trade Desk will be incorporated into the entity infrastructure.

The WTPF will require precise information in this area before approving a request to set up an e- Trade Desk. The legal constitution and registration of the entity (or appropriate legal provisions within the framework of a host institution) showing to have the legal capacity to set up an e- Trade Desk is an obligatory step prior to signature of the "Terms and Conditions….".

Please refer to Guide 2 for model legal texts.

## 5. Funding

Ensure sufficient funds to operate the e-Trade Desk.

e-Trade Desks receive no funding from the WTPF and it should be ensured that the e-Trade Desk will be assigned an adequate, regular budget to carry out its operations. Other potential funding from local sources in the form of subsidies can supplement the income generated from the services provided by the e-Trade Desk and ensure the continuity of e-Trade Desks activities.

## 6. Minimum Services an e-Trade Desk is expected to provide

In order to be awarded functional status an e-Trade Desk must have sent to the WTPF the complete accurate information requested by WTPF in regards to its organization profile and offer at least:
- the services included in the e-Trade Desk CENTRAL service package (please refer to Guide 5)
- advice and consultation on all aspects of e-trade and international trade transactions
- collection of trade offers/requests the feed the ETO trust system

- actively search for opportunities to match the requests/offers
- consult Guide 5 for possible additional services.

## 7. Information and Communications Technologies – Minimum Requirements

The future e-Trade Desk must have full internet access and digital know-how.

E-Trade Desk services are based on e-technologies and swift communications, so it is essential that the office be as well-equipped in this sense, as feasible. This aspect is particularly important in case of countries / regions where potential local clients do not have access to the latest technologies and may wish to use the ICT facilities of the e-Trade Desk.

### Minimum Equipment Requirements

- please consult the Guide 6 ICT Requirements for detailed information.

## 8. Deliver together with the WTPF the e-Trade IDs to companies

The host entity setting up the e-Trade Desk guarantees the delivery of e-Trade ID to a critical mass of companies (to be established by the WTPF on a case-by-case basis).

The e-Trade ID is one of an e-Trade Desk´s principle tools contributing to create a trusted international ecosystem for e-trade, and forms one of the components of the basic service package offered by e-Trade Desks together with WTPF. The effectiveness of the e-Trade ID in promoting trade depends on an ever-expanding database of certified companies.

The e-Trade Desk will receive the necessary technical assistance when the time comes to deliver the e-Trade ID to the companies (Step 6 of the Work Plan for the Establishment and Implementation of an e-Trade Desk).