WTO E-Commerce and JSI

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WTO’s Existing Work Program

• Council on Trade in Services (CTS) started e-commerce work in 1998
  • Followed May 1998 Declaration on Work Program
  • Intensive early activity
  • Then stopped for nearly a decade
  • Resumed again in 2011

• Key areas of focus:
  • Application of “customs duties” to electronic transmissions
    • Temporary moratorium renewed regularly
  • Classification issues
    • Members decided that all services included in GATS, whether or not delivered electronically
    • No distinction between electronic/non-electronic services
    • Ongoing discussions, including on extension of moratorium at each MC
Launch of JSI on E-Commerce in December 2017

- (Members) reaffirm the importance of global electronic commerce and the opportunities it creates for inclusive trade and development.
- We share the goal of advancing electronic commerce work in the WTO in order to better harness these opportunities.
- We recognize the particular opportunities and challenges faced by developing countries, especially LDCs, as well as by micro, small and medium-sized enterprises (MSMEs), in relation to electronic commerce.
- We also recognize the important role of the WTO in promoting open, transparent, non-discriminatory and predictable regulatory environments in facilitating electronic commerce.
- We, as a group, will initiate exploratory work together toward future WTO negotiations on trade related aspects of electronic commerce. Participation will be open to all WTO Members and will be without prejudice to participants’ positions on future negotiations. A first meeting will be held in the first quarter of 2018.
- Welcoming the contributions since the 10th WTO Ministerial Conference in Nairobi, our work will build on WTO rules. Our initiative will be undertaken without prejudice to existing WTO agreements and mandates. We encourage all WTO Members to join us and to support and enhance the benefits of electronic commerce for businesses and consumers across the globe.
JSI: “Themes” That Include:

• Openness
  • Includes data flows, data localization or data hosting rules
  • Customs duties on electronic transmissions

• Trust
  • Personal information, source code, cryptography
  • Consumer protection, spam

• Trade Facilitation
  • Paperless trading, e-signatures, e-authentication

• Market Access Issues
  • Goods and services included

• Other Topics
  • Cybersecurity, transparency, capacity building, legal issues
JSI Negotiations Include:

- Farthest advanced texts include:
  - Electronic signatures
  - Electronic authentication
  - Unsolicited electronic messaging (“spam”)

- Continuing discussions:
  - Online consumer protection,
  - Paperless trading,
  - Open government data,
  - Source code,
  - Customs duties on electronic transmission,
  - Open internet access,
  - Electronic transaction frameworks,
  - Electronic invoicing,
  - Electronic payments and financial services
  - Telecommunication services

- Early stage topics:
  - E-contracts
July 5 2021 Structured Discussion Meeting Included:

- Connection between customs duties and internal taxation regimes
- Concerns raised included:
  - Digital infrastructure challenges
  - Financial inclusion and online payment options and systems
  - Role of platforms and other e-commerce and digital trade companies
  - Regulatory divergence in policies related to digital trade
  - Definitional issues remain important
  - Role of exceptions
- Opportunities addressed included:
  - Covid acceleration of digital adoption
  - Digital as a tool to facilitate recovery, including use of open government data
  - Online platforms increase inclusion, especially for developing countries
  - Potential for small business (MSME) growth
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