



**Asia-Pacific  
Economic Cooperation**

---

2013/SOM3/CTI/WKSP1/014

## **e-Commerce Negotiations**

Submitted by: United States




**Workshop on Building and Enhancing FTA  
Negotiation Skills on e-Commerce  
Medan, Indonesia  
27-28 June 2013**

## E-COMMERCE NEGOTIATIONS




Paulette Hernandez  
International Trade Administration  
U.S. Department of Commerce  
Paulette.Hernandez@trade.gov


### WHY DO WE INCLUDE E-COMMERCE IN A TRADE AGREEMENT? WHAT BENEFIT DOES IT HAVE?

- The e-commerce chapter sets up best practices and disciplines that help companies avail themselves of the opportunities presented by online trade.
  - E-commerce is a 21st century driver that increases businesses' global competitiveness in a technology-driven marketplace.
- 

## WHY IS E-COMMERCE IMPORTANT?

- To companies:
    - Leverages the power of cloud computing
    - Enables the delivery of new services
    - Revolutionizes the delivery of familiar services
    - Empowers entrepreneurship
- 

## WHY IS E-COMMERCE IMPORTANT?

- To consumers:
    - Delivers digital media content and services
    - Enables greater mobility
    - Helps them connect with others
    - Gives them more economic choices
- 

## WHY IS E-COMMERCE IMPORTANT?

- To governments:
  - Can reduce costs associated with government services
  - Facilitates the delivery of critical services and information
  - Provides economic opportunities



## EVOLUTION OF E-COMMERCE

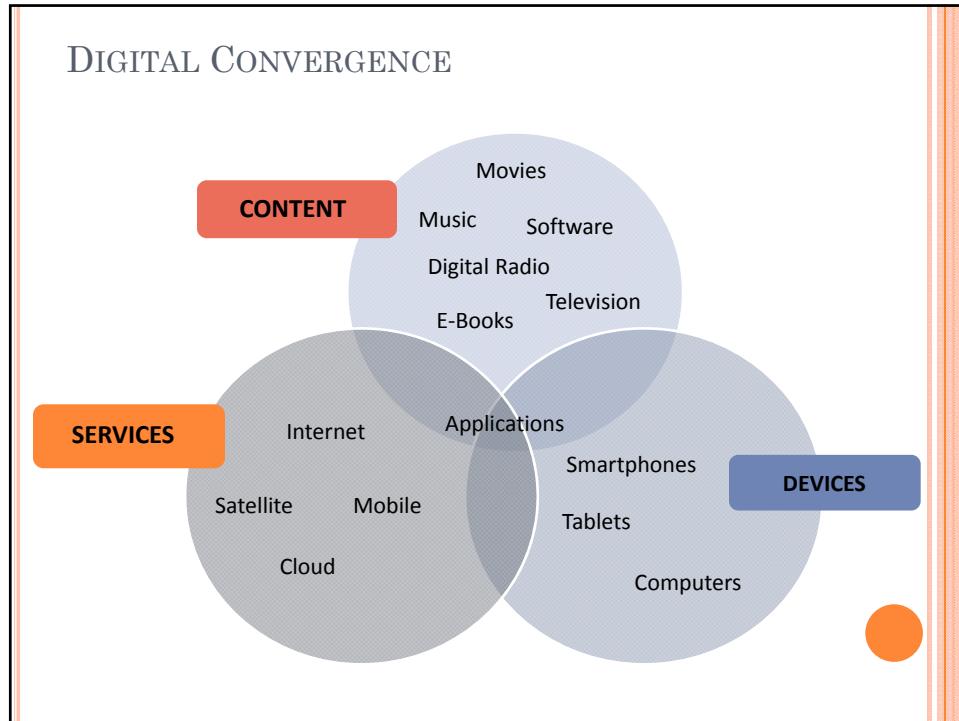
### Then

- Focus: Physical Goods
- Main Concerns: e-services no different from other services; tariffs
- Delivery System: Computer + Shipping
- Example: Amazon
- Example: Microsoft

### Now

- Focus: Big Data
- Main Concerns: data flows; local infrastructure requirements; privacy; security; IPR
- Delivery System: Smartphone + Download
- Example: Amazon
- Example: Google





## E-COMMERCE: THE U.S. EXPERIENCE

- U.S.-Singapore Free Trade Agreement
  - First full e-commerce chapter for the United States
  - Only four articles, including definitions
  - Groundbreaking text: digital products
- Consultation with industry

## E-COMMERCE: THE U.S. EXPERIENCE

Now have e-commerce commitments with 16 trade partners:

- Australia
  - Bahrain
  - Chile
  - Colombia
  - Costa Rica
  - Dominican Republic
  - El Salvador
  - Guatemala
  - Honduras
  - Republic of Korea
  - Morocco
  - Nicaragua
  - Oman
  - Panama
  - Peru
  - Singapore
- 

## E-COMMERCE: THE U.S. EXPERIENCE


Now negotiating e-commerce commitments with 7 more trade partners:

- Brunei Darussalam
  - Canada
  - [Japan]
  - Malaysia
  - Mexico
  - New Zealand
  - Viet Nam
- 

## TYPICAL E-COMMERCE ELEMENTS IN U.S. FTAS

- Electronic Supply of Services
  - Digital Products
  - Electronic Authentication & Electronic Signatures
  - Online Consumer Protection
  - Paperless Trading
  - Principles on Access to & Use of the Internet for Electronic Commerce
  - Cross-Border Information Flows
- 

## E-COMMERCE IN TPP: SOMETHING NEW

- Cross-Border Information Flows
    - reflecting work done in APEC
  - Local Infrastructure Requirements
- 

## KEY TAKEAWAYS

- Consultation with industry is important.
- The global uptake of connected, mobile devices provides both opportunities and challenges that cannot be ignored in our technology-driven marketplace.
- Many APEC economies have solid e-commerce negotiation experience, but there are always opportunities to evolve along with the technology.

THANK YOU