How to Create a Safe and Trust-Worthy Market Environment for Electronic Commerce

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SYMPOSIUM ON APEC SUPPORTING THE WTO NEGOTIATIONS ON TRADE RELATED ASPECTS OF E-COMMERCE

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CUMULATIVE GROWTH IN CROSS-BORDER DATA FLOWS IN APEC
THE REGULATORY OBJECTIVES OF CROSS-BORDER DATA FLOW RESTRICTIONS

- Competition
- Financial Regulation and enforcement
- Internet access and control
- Privacy
- Security
CUMULATIVE NUMBER OF DATA FLOWS RESTRICTIONS IN APEC BY LEVELS OF RESTRICTIVENESS

- Least Restrictive
- Medium Restrictive
- Most Restrictive
LEVELS OF DATA FLOW RESTRICTIVENESS ACROSS REGULATORY GOALS

- Competition: Least Restrictive
- Security: Medium Restrictive
- Privacy: Least Restrictive, Medium Restrictive, Most restrictive
- Financial Regulation and enforcement: Least Restrictive, Medium Restrictive, Most restrictive
- Internet access and control: Least Restrictive, Medium Restrictive, Most restrictive
The number of cross-border data flow restrictions are concentrated in four APEC economies.
WHAT CAN APEC DO?

1. APEC support for cross-border data flows with suitable exceptions

2. Build trust in cross-border data flows
   - Minimize regulatory heterogeneity amongst APEC economies
   - Expand work on good regulatory practice to include cross-border data flows

3. Expand international regulatory cooperation to develop interoperability mechanisms
   - Update Privacy Framework and include CBPR in FTAs
   - Develop new interoperability mechanisms

4. Give regulators confidence that having data reside in another economy will not undermine regulatory capacity and law enforcement