



**Asia-Pacific
Economic Cooperation**

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Session 2

Electronic Commerce Discussions at the WTO

Submitted by: WTO



**Free Trade Area of Asia-Pacific Capacity
Building Workshop on E-Commerce
Elements in Free Trade Agreements and
Regional Trade Agreements
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Electronic Commerce discussions at the WTO

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The international context

- Spread of digital technologies and broader availability of faster, more reliable internet access
- Growing importance of e-commerce in the global economy
- Growing number of RTAs with e-commerce provisions
- Impact of the COVID-19 pandemic



E-commerce at the WTO



Declaration on Global Electronic Commerce, May 1998

- Mandate for a comprehensive **work programme**
- **Moratorium** – “[...] we also declare that Members will continue their current *practice of not imposing customs duties on electronic transmissions.*”

Work Programme on Electronic Commerce



- Established in **September 1998**
- Definition of **e-commerce**: the “production, distribution, marketing, sale or delivery of goods and services by electronic means”
- **Objectives:**
 - Relation between e-commerce and WTO agreements
 - Consideration of the economic, financial, and development needs of developing economies
- Work is conducted in the **General Council** and **relevant bodies**

Early considerations



- Generally understood that e-commerce falls within the scope of existing WTO Agreements.
- WTO's basic principles – non-discrimination, transparency – equally important to e-commerce
- WTO Agreements do not discriminate based on how goods/services are sold, purchased or traded
- Standards for IPR protection and enforcement extend to products traded online

11th Ministerial Conference, Buenos Aires

Work Programme

- Reinvigorate work under the Work Programme
- Extend the moratorium
 - Extension (last decision: Dec 2019, until MC12)

Joint statement

- 71 WTO Members
- Exploratory work towards future WTO negotiations

Joint statement on e-commerce



- **December 2017:** Joint statement signed by 71 WTO Members
 - **Objective:** exploratory work towards future WTO negotiations on trade related aspects of e-commerce
- **January 2019:** 76 WTO Members confirmed their intention to commence negotiations
 - **Objective:** a high standard outcome that builds on existing WTO agreements and frameworks with the participation of as many WTO members as possible
- Current number of participants: **86 (out of 164 Members)**

Discussions are organized into 6 focus groups:



WORLD TRADE
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- | | |
|----------------------------|-------------------------|
| A. Enabling e-commerce | D. Cross-cutting issues |
| B. Openness and e-commerce | E. Telecommunications |
| C. Trust and e-commerce | F. Market access |

- Texts based on Members' submissions
- Consolidated text circulated in December 2020
- Proposals mostly based on language from RTAs (e.g., CPTPP, USMCA)
- 5 clean articles (spam, e-authentication/e-signatures, online consumer protection, open government data and e-contracts) and 1 "parked" text (transparency)

Key issues under the JSI



- Customs duties on electronic transmissions
- Electronic authentication and electronic signatures
- Paperless trading
- Flow of information
 - Cross-border data flows and data localization
- Open government data

Key issues under the JSI (cont'd)



- Open internet access
- Online consumer protection
- Privacy
- Unsolicited commercial electronic messages (spam)
- Source code

Key issues under the JSI (cont'd)



- Market access for goods – focus on ITA and its expansion
- Market access for services
- Reference Paper on Telecommunications
- Cross-cutting issues

Challenges

- Legal architecture
- Scope of the negotiations
 - Inclusion of market access
- Data-related issues
 - Different approaches



Thank you

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