



# Increasing importance of e-commerce in world trade and WTO activities

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# Outline



- Increasing importance of e-commerce in world trade
- Work Programme & Moratorium
- Joint Statement Initiative (JSI)
- Concluding observations

# “E-commerce” – Some figures



- Large and growing fast – but challenging to measure
- UNCTAD’s latest estimates\*:
  - **Global e-commerce sales** amounted to **US\$26.7 trillion** in 2019, up from US\$16 trillion in 2013
  - **B2B = 82%** and B2C =18% of total e-commerce sales
  - Over one quarter of the world’s **consumers** shop online

# Cross-border e-commerce



## - Some figures

- Most **internet purchases** were from domestic vendors - cross-border **B2C** e-commerce accounted for **9%** of the total
- Global **exports of digitally delivered services** grew by 30% in 2021 compared to 2019
- Global **computer services exports** grew by 10.5% during the pandemic, and increased by 21 per cent in 2021, 34 per cent above pre-pandemic levels

# Work Programme & Moratorium –

1998



• **Definition** – “ the term "electronic commerce" is understood to mean the **production, distribution, marketing, sale or delivery** of goods and services by electronic means”



**Work Programme** – Various WTO bodies mandated to examine “**all trade-related issues** relating to global electronic commerce”, including the relationship between WTO Agreements and e-commerce, and “report on progress [...] with any recommendations for action”



**Moratorium** – “Members will continue their current practice of **not imposing customs duties on electronic transmissions**”

# Work Programme & Moratorium –

## *Progress so far*



- General understanding that e-commerce falls **within the scope** of existing WTO Agreements. WTO Agreements **do not discriminate based on how** goods/services are traded
- Since 1998, WTO Members have agreed to **extend** the Work Programme + Moratorium
  - Both were renewed - and Work Programme intensified - **until MC13/31 March 2024...**
- **Moratorium** – issues currently being discussed:
  - Definition → Content?
  - Scope → Services?
  - Impact → Customs revenue?

# Joint Statement Initiative



## *Launch*

- 12/2017 - 71 Members began “**exploratory work**” on the “trade-related aspects of e-commerce”
- 1/2019 – **Negotiations** started, coordinated by Australia, Japan and Singapore:
  - Text submissions, often drawn from Regional Trade Agreements
  - Aim: High-standard outcome, maximum participation, building on WTO rules
- Currently: **89 participants\***, but open to all Members

\* Albania; Argentina; Australia; Austria; Bahrain; Belgium; Benin; Brazil; Brunei Darussalam; Bulgaria; Burkina Faso; Cameroon; Canada; Chile; China; Colombia; Costa Rica; Côte d’Ivoire; Croatia; Cyprus; Czech Republic; Denmark; Ecuador; El Salvador; Estonia; Finland; France; Georgia; Germany; Greece; Guatemala; Honduras; Hong Kong, China; Hungary; Iceland; Indonesia; Ireland; Israel; Italy; Japan; Kazakhstan; Kenya; Republic of Korea; Kuwait; Kyrgyz Republic; Lao PDR; Latvia; Liechtenstein; Lithuania; Luxembourg; Malaysia; Malta; Mauritius; Mexico; Moldova; Mongolia; Montenegro; Myanmar; Netherlands; New Zealand; Nicaragua; Nigeria; North Macedonia; Norway; Oman; Panama; Paraguay; Peru; Philippines; Poland; Portugal; Qatar; Romania; Russian Federation; Saudi Arabia; Singapore; Slovak Republic; Slovenia; Spain; Sweden; Switzerland; Chinese Taipei; Thailand; Turkey; Ukraine; United Arab Emirates; United Kingdom; United States; Uruguay.

# Joint Statement Initiative

## *Issues under discussion*



6 themes, with some of the issues discussed:

### Enabling e-commerce

Facilitating electronic transactions and digital trade (e.g., e-signatures, e-contracts, paperless trading)

### Openness

Non-discrimination, flow of information, customs duties, access to internet and data

### Trust

Consumer protection, privacy, business trust

### Cross-cutting issues

Transparency, cybersecurity, capacity building

### Telecommunications

GATS Telecom Reference Paper

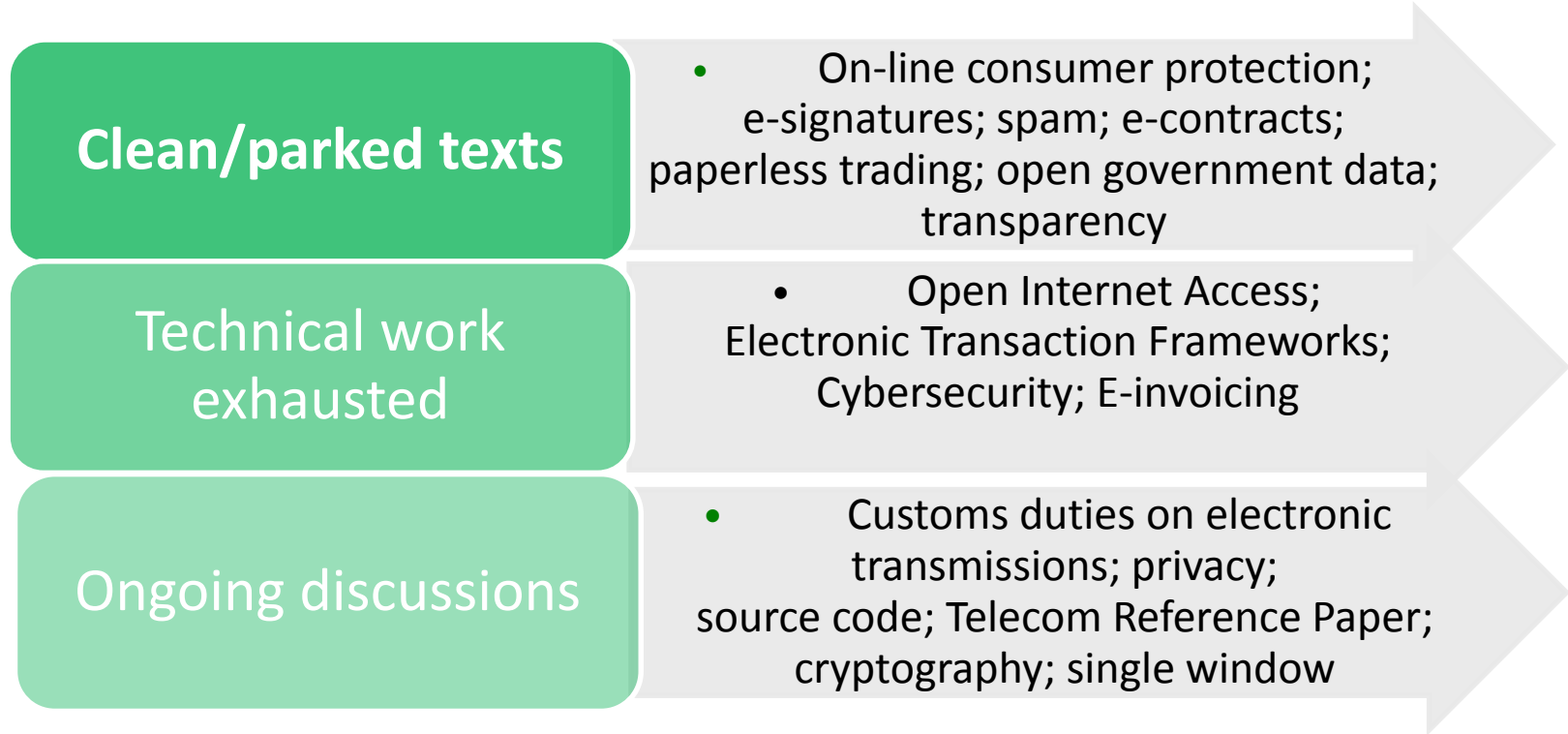
### Market access



# Joint Statement Initiative



## *Progress so far*



- Some of the *challenges*: legal architecture, data aspects, MA
- Aim: to substantially conclude by **end 2023**



# Concluding observations

- Trade conducted through electronic means **falls within** the scope of existing WTO Agreements
- In the WTO:
  - At the **multilateral** level, e-commerce is discussed under the Work Programme – and beyond – and the Moratorium is currently in force
  - At the **plurilateral** level, JSI participants believe that WTO rules need updating (additions, clarifications) and are pursuing negotiations



# THANK YOU

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