COMMISSION ON SCIENCE AND TECHNOLOGY FOR DEVELOPMENT (CTSD)

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Submissions from entities in the United Nations system and elsewhere on their efforts in 2012 to implement the outcome of the WSIS

Submission by

World Trade Organization

This submission was prepared as an input to the report of the UN Secretary-General on "Progress made in the implementation of and follow-up to the outcomes of the World Summit on the Information Society at the regional and international levels" (to the 16th session of the CSTD), in response to the request by the Economic and Social Council, in its resolution 2006/46, to the UN Secretary-General to inform the Commission on Science and Technology for Development on the implementation of the outcomes of the WSIS as part of his annual reporting to the Commission.

Part One: Executive Summary of Activities

In December 2011, WTO Ministers adopted a Decision that called, *inter alia*, for continued reinvigoration of work under the Work Programme on Electronic Commerce, based on its existing mandate and guidelines and on the basis of proposals submitted by Members. These activities, carried out by the relevant bodies during 2012, are described below in Part Three.

The 2011 Ministerial Decision also further extended WTO's Moratorium on customs duties on electronic transmissions, an undertaking in place since 1998. WTO Members have credited this Moratorium with helping global e-business to flourish.

Other work of WTO bodies undertaken in 2013 is also relevant to the WSIS actions lines and targets. These include activities of the Information Technology Agreement and the Agreement on Trade Facilitation and which are also described below.

Many activities of WTO and its various bodies generally relate to action lines C6 – the enabling environment – and C11 – International and regional co-operation. In addition, some work of the WTO is relevant to AL C1 – the promotion of ICTs for development, C2 – information and communication infrastructure and C4 – capacity building.

Part Two: Overview of Trends

The Members of the WTO have shown a renewed interest in trade-related aspects of ICT and electronic commerce over the past year. As a result, a re-invigoration of the long dormant E-commerce Work Program took place, including submissions by Members on the relations between e-commerce and economic development, SME's, regulatory principles, mobile applications and cloud computing. In the WTO discussions, many Members economies, both developing and developed alike, affirmed that developments in ICT have been instrumental in creating new trade opportunities and in supporting economic growth and development.

Part Three: Description of Activities

a) Activities undertaken

-       WTO Work Program on Electronic Commerce

The General Council.— Under the auspices of the General Council, Dedicated Discussion on E-Commerce Cross-Cutting Issues delegations met during 2012 and took stock of the progress made to date in the respective bodies of the WTO. They expressed satisfaction with the substantive engagement on the E-Commerce Work Programme, particularly during the latter part of the year. In December, the General Council also included the E-commerce Work Program on its agenda.

The Council on Trade in Services.-- The Council for Trade in Services continued its examination of E-commerce issues in 2012. It held several discussions on a EU-US submission (S/C/W/338) on trade-related ICT trade principles and a US submission on the implications on mobile applications and cloud computing. Toward the end of the year, it also considered submissions from the European Union (S/C/W/348) on the implications of licensing practices for e-commerce and from Australia (S/C/W/349) on additional ICT trade principles to consider. Members also discussed a proposal to hold a CTS workshop in 2013 on services-related issues for the development of e-commerce.

The Goods Council.—During 2012, the Council for Trade in Goods held discussions topics such as making permanent the moratorium on customs duties on electronic transmissions, the relationship between e-commerce and development, and the participation of developing and least-developed countries in e-commerce as a means to combat poverty. Several delegations highlighted in the Council the importance of access to new technologies and tools for the participation by developing-country SMEs in ICT trade.

The Committee on Trade in Development.-- The Committee on Trade and Development discussed and approved a proposal from Ecuador and Cuba to hold a Workshop on E-Commerce, SMEs and Development. The Workshop will be held in April 2013. A background paper on relevant trends is being prepared by the WTO Secretariat for the Workshop.

-        Activities of Other WTO Bodies

The Information Technology Agreement (ITA).—Over the past year, a group of Members of the ITA Committee has begun work to expand the product coverage of the Agreement. Adherents to the ITA undertake to eliminate customs duties on covered IT products, thereby reducing the cost of IT. The group of Members has produced an initial product list of tariff items, which would be added to the products currently covered. Discussions were also conducted on ways to reduce non-tariff measures affecting trade in IT products.

Trade Facilitation.-- The Negotiating Group on Trade Facilitation discussed several proposed measures that seek to create a more transparent, predictable and efficient trading environment. Members addressed various suggestions to expedite the movement, release and clearance of goods through streamlined procedures. Several of them would be based on modern technologies such as internet, single window, pre-arrival processing and the like.

b) Future actions

A seminar on electronic commerce of the Committee on Trade in Development (CTD) will be held at the WTO on 8-9 April 2013. The seminar will raise awareness and increase knowledge concerning e-commerce and ICTs role in economic development. The importance of ICT to small, medium and micro enterprises (SMMEs) will be a major focus of the event.

A seminar on electronic commerce of the Council for Trade in Services (CTS) is expected to be held at the WTO in mid to late 2013, following the seminar of the CTD. The purpose of this seminar will be to share information and experiences concerning e-commerce trade and relevant best practice in regulatory regimes that may help promote trade in ICT and ICT enabled services.

Finally, the WTO will hold a Ministerial Conference in Bali, Indonesia 3-5 December 2013. At this session, electronic commerce will be among the topics for discussion as it will be necessary to consider whether to continue to renew the Moratorium on customs duties on electronic commerce. Ministers will also need to provide further guidance and direction to Members regarding the e-commerce work program.