E-Trade Frameworks

WTO Workshop – Ecommerce Week
Information is Fundamental to Trade

Figure 1: The most problematic factors for exporting

Notes: From a list of ten factors, respondents were asked to select the five most problematic for exporting in their country and rank them between 1 (most problematic) and 5. The bars in the figure show the responses weighted according to their rankings. The figure shows the average across the 142 economies covered by the World Economic Forum’s Executive Opinion Survey (because of data shortages, only 132 of these are covered in the ETI).
Trade Sensitivity to Information is Increasing

Commodities
Time Uncertain
Express
Time Definite
Services
E Trade

Information Criticality
E Trade is Dependent on "normal " Trade

People

Information

Services

Trade

Finance
<table>
<thead>
<tr>
<th></th>
<th>Personal Information / Secrets</th>
<th>Mass Data / Meta Data</th>
<th>Data Products / Data Services</th>
<th>General Data / Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>NT</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>MFN</td>
<td></td>
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<tr>
<td>Coherence (HS Codes?)</td>
<td></td>
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Issues to Resolve

**Competition Frameworks in a Digital World**

- Network Effects
- Innovation Speed
- Market Definition
Issues to Resolve

Platform Jurisdiction

Content
Content Platform
Search Engine
Browser
Network...
Hardware
User

- MLA
- Coherence
- Clarity
E15 Initiative

- 350 Experts
- 80 Workshops
- 150 Papers

Proposals for:
- Growth and Employment
- Commercial Friction & Investment Uncertainty
- Sustainable Development
- Diversification & Competitiveness
- Environmental Protection & Food Security
- Societal Choices & System Legitimacy

Issues:
- Regulatory Compatibility
- Competition
- Innovation
- Services
- Digital Trade
- …
### Policy Option Proposals

#### E15 Digital Trade Policy Options

<table>
<thead>
<tr>
<th><strong>Yay Digital!</strong></th>
<th><strong>Build Digital</strong></th>
<th><strong>Open Digital</strong></th>
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</thead>
<tbody>
<tr>
<td>Evaluate national digital trade barriers via the TPRM, etc.</td>
<td>Expand digital infrastructure financing for development</td>
<td>Support Digital Competition by updating the WTO telecoms reference paper</td>
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<tr>
<td>Make permanent the moratorium on customs duties on electronic products</td>
<td>Negotiate digital rules in TTIP, TiSA</td>
<td>Expand digital services market access commitments</td>
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<td>Enhance the Trade Facilitation Agreement to support digital trade</td>
<td>Allow free data flows, subject to an exceptions provision</td>
<td>Clarify digital services rules</td>
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<tr>
<td>Expand depth and coverage of the Information Technology Agreement</td>
<td>Bind data localization requirements</td>
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#### New Digital

- Liberalise digital payment services
- Balance digital IP and intermediary liability rules
- Develop dispute settlement mechanisms for digital trade
- Improve digital regulatory cooperation
- Drive an ambitious WTO e-commerce work programme
- Improve metrics & insights on digital trade
- Enhance public-private cooperation on digital trade
## Problems & Possibilities

<table>
<thead>
<tr>
<th>Type of business</th>
<th>Old</th>
<th>Barrier / Enabler</th>
<th>New</th>
</tr>
</thead>
<tbody>
<tr>
<td>Old</td>
<td>Customs &amp; border barriers impinge heavily on low-value, high-volume, e-shopping consignments.</td>
<td>Data localization restrictions inhibit ongoing use of customer / operational data.</td>
<td></td>
</tr>
<tr>
<td>New</td>
<td>New online services blocked by traditional services market access barriers.</td>
<td>New digital products or services require interoperable payment and information services.</td>
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</tbody>
</table>
Digital Layers

Content
(Apps, services, ...)

Logic
(Routing, Naming, Protocols, ...)

Infrastructure
(Servers, cables, skills, ...)

Aid for E-Trade
Remote Control

- Mutual Legal Assistance
- Data retention policies
- Data export restrictions
Private-Public Action

- Agree Focus & Priorities
- Map Policy & Regulatory Gaps
- Plot Reform & Build Coalition