

Informal Summary

Panel Discussion on the Development Implications of the Proposed WTO Plurilateral Negotiations on Electronic Commerce (5 April 2019, Room XXVI)

- E-commerce and digital trade is growing rapidly and has had transformative effect on the global economy and development prospects of developing countries. Digital divide, however, remains a real concern to many developing countries, particularly LDCs, and many face challenges of drawing benefits from vibrant digital trade owing to the lack of adequate digital capacities. Policies and support measures are important in this regard.
- The plurilateral e-commerce negotiations launched under the WTO will be an open process. The results will be applied on the most-favoured-nation basis. The negotiations aim at a comprehensive and ambitious set of e-commerce rules.
- A limited number of LDCs have chosen to participate in the negotiations out of the belief that e-commerce is important for their economies but also of the desire to reflect LDC perspectives in the negotiations.
- It is significant that 88 developing countries, including the vast majority of LDCs, Africa and small island countries, remain outside of the negotiations. These countries have legitimate concerns over their unpreparedness in the negotiations. It was argued that the gains from e-commerce are not automatic and there is need to build national digital industrial capacities and improve national preparedness through adequate national policies, regulations and strategies. In this view, global e-commerce rules and disciplines could affect their ability to do so. It was also argued that the implications of new technologies on the existing WTO rules had not been sufficiently analyzed and discussed in the WTO.
- Due consideration would need to be given to possible effect of some of the “hard” elements of the proposed e-commerce disciplines, such as free cross-border data flows, ban on data localization requirement and a permanent moratorium on customs duties on electronic transmissions. These policies are seen to affect their ability to implement digital industrialization and raise government revenue.
- Development dimension is a cross-cutting issue and to be addressed in all aspects and stages of negotiations. Greater participation of developing countries is therefore important in incorporating development dimension, and development dimension needs to be addressed at the upfront of negotiations.
- UNCTAD should play an important role in assisting developing countries to better address policy challenges posed by growing e-commerce in general and by the ongoing WTO e-commerce negotiations in particular. UNCTAD could facilitate member States’ examination, assessment and discussion of developmental issues arising from e-commerce and WTO negotiations.
- In particular, UNCTAD could usefully support developing countries and LDCs in their national policy, regulatory and institutional capacities building through analytical and research in measuring e-commerce, assessing the effect of proposed e-commerce rules on national economies, e-readiness assessment, broader trade-related capacity building and training, including through trade negotiation capacity building support.