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(CSTD)**

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**Submissions from entities in the United Nations system, international
organizations and other stakeholders on their efforts in 2022 to
implement the outcomes 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 26th 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.

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WSIS Follow up Reporting 2022
WTO submission

Part One: Executive summary

The work of the WTO relates most directly to WSIS action lines on information and communications infrastructure (C2), the enabling environment (C6), ICT applications and particularly e-business (C7), and international and regional cooperation (C11). Over the year, WTO Members have continued considering a wide variety of issues related to ICT and ICT-enabled trade across different bodies and agreements of the WTO. This included work conducted under the auspices of the Information Technology Agreement (ITA), continued participation in efforts on the measurement of digital trade, discussions under the WTO's e-commerce Work Programme and within a plurilateral initiative on e-commerce pursuant to a Joint Statement by Members, as well as seminars, technical assistance activities and events. At the 12th Ministerial Conference (MC12) held in June, Members agreed to reinvigorate the work under the Work Programme, intensify discussions on the Moratorium on customs duties on electronic transmissions and extend the Moratorium until the 13th Ministerial Conference or March 2014, at the latest. Post MC12, consultations in different configurations are ongoing to chart the way forward in line with the Decision. These various streams of work are expected to continue in 2023, in recognition of the impact that ICT developments and new technologies have on global trade and the need to promote recovery and resilience in the wake of the COVID-19 pandemic.

Part Two: Overview of trends and experiences

WTO activities relevant to ICT continued to take place on multiple fronts. The Work Programme on Electronic Commerce remains active, and interest may be expected to endure, despite varied views about the direction the work should take. Diverse perspectives among WTO Members about the Moratorium on customs duties on electronic transmissions, which has been in place as part of the Work Programme (via periodic renewals) since 1998, did not prevent its renewal at the 12th Ministerial Conference held in June. Meanwhile, information and experience-sharing on developments in e-commerce and regulatory efforts to create an enabling environment have continued to be a part of the Work Programme discussions in the Council for Trade in Services. As concerns ICT equipment trade, and reducing tariffs to make it less costly, the Information Technology agreements continued work during the year, with the Lao People's Democratic Republic joining the ITA and the ITA Expansion agreements in 2022. With regard to the often-noted gaps in data on ICT-enabled trade, the WTO continued its efforts to improve statistical collection. A plurilateral initiative on e-commerce continued rulemaking negotiations in 2022, with 87 WTO Member governments taking part as of September 2022. WTO Members and the Secretariat have continued to engage with various stakeholders by means of seminars featuring panels on ICT/e-commerce and Internet governance related topics.

Part Three: Description

Part 3(a) Policies, programmes and projects

Information Technology Agreement (ITA)

In 2022, the focus of discussions amongst participants to the WTO 1996 Information Technology Agreement (ITA) was on implementation issues, product coverage, classification divergence, non-tariff measures. The 1996 ITA has 55 participants, representing 83 WTO members, and accounts for approximately 97% of world trade in information technology products.¹

The 2015 ITA Expansion Agreement (ITA II) has 28 participants, representing 55 WTO Members and accounting for approximately 90% of world trade in these products. The ITA Expansion covers new generation of IT products, including multi - component integrated circuits (MCOs), touch screens, GPS navigation equipment, portable interactive electronic education devices, video game consoles, and medical equipment, such as magnetic resonance imaging products and ultra-sonic scanning equipment.

In 2022, the ITA Schedules of Lao People's Democratic Republic (Lao PDR) was officially certified. Lao PDR became the first LDC to join the ITA and the ITA Expansion Agreements and it committed to eliminate customs duties and other duties and changes on covered products by 2026.

In September 2022, an ITA Information and Dialogue Session with IT industry representatives was held in the WTO, during which government officials and industry representatives undertook in-depth exchanges on cutting-edge industrial technologies and trade policy developments regarding global value chains of the ICT sector.

Measurement of digital trade

In 2022, work has focused on the revision of the OECD-WTO-IMF Handbook on Measuring Digital Trade. UNCTAD has also joined the effort. The new version of the Handbook, which will be available in early 2023, clarifies concepts and definitions, compilation guidance, and includes recent country cases.

Work on electronic commerce

In 2022, discussions on electronic commerce in the WTO maintained momentum particularly in light of the 12th Ministerial Conference (MC12) in June 2022. WTO Members recognized the important role that e-commerce can play in supporting the economic recovery and building resilience in the

¹ Global exports of goods covered under the ITA I have more than quadrupled in value over these 25 years, from 549 billion US dollars in 1996 to over two trillion US dollars in 2020

wake of the COVID-19 pandemic, and the need to address development-related challenges and opportunities.

Discussions continued under two parallel tracks: multilaterally, under the Work Programme on Electronic Commerce, and plurilaterally, under a Joint Statement Initiative by a group of Members who launched negotiations on trade-related aspects of electronic commerce.

At the multilateral level, efforts have been made to reinvigorate the Work Programme on Electronic Commerce, both in the General Council and in the WTO bodies charged with its implementation, namely, the Councils for Trade in Goods (CTG), Trade in Services (CTS), Trade Related Intellectual Property Rights (TRIPS) and the Committee on Trade and Development (CTD).

At MC12, Members took a decision to reinvigorate the work under the Work Programme, intensify discussions on the moratorium – including on scope, definition, and impact of the moratorium on customs duties on electronic transmissions – and extend the moratorium until the 13th Ministerial Conference or March 2014, at the latest. Post MC12, consultations in different configurations are ongoing to chart the way forward in line with the Decision.

Seminars and technical assistance related to e-commerce continued to be held mainly virtually but given the increased relaxation of COVID measures worldwide, these activities are gradually resuming in person. Requests from Members for national and regional seminars continue to be received and the Secretariat has responded positively to such requests. These seminars/workshops, often conducted under the auspices of the WTO's technical assistance, aim to enhance Members' understanding of the state of play in e-commerce discussions in the WTO.

In terms of international collaboration, Secretariat staff participated regularly in ICT and e-commerce related virtual meetings of other organizations, including UNCTAD's "E-commerce Week". The WTO also continued to host a series of events of relevance to e-commerce and connectivity. In late July the 8th Global Review on Aid for Trade was held and one of its main themes was connectivity. The Public Forum held in September featured many sessions focused on e-commerce. In addition, the WTO Secretariat continues to collaborate with various organisations and provide input to publications on e-commerce/digital trade issues.

In a 2021 edited publication "Trade in Knowledge"², WTO Secretariat staff, together with academic researchers in the fields of economics and law, explored various facets of digitization's impact on trade and knowledge flows across borders. The volume addresses the conceptual framework of trade in knowledge, including its measurement, the impact of knowledge flows on trade and development, and the policy, regulatory and legislative frameworks governing, and reacting to, increased trade in digital products. A dedicated webpage on "Trade in Knowledge"³ includes contributions from a follow-up webinar which explored the burgeoning trade in knowledge within the framework of TRIPS.

- E-commerce Work Programme under the Council for Trade in Services (CTS)

The Council for Trade in Services discussed electronic commerce under an agenda item on the Work Programme at all its meetings of 2022.

In the Council, several Members shared their experience and initiatives in supporting the digital capabilities of business and consumers and provided information about recent e-commerce related developments in their respective markets.

Delegations emphasised that e-commerce was vital to fostering economic growth and development and stressed that COVID-19 had considerably highlighted this role. Various Members underscored the need for the WTO to focus attention on the challenges that developing and least-developed countries faced in reaping the opportunities provided by the digital economy, and stressed the importance of strengthening discussions under the Work Programme with a focus on the development dimension.

- E-commerce Work Programme under the Committee on Trade and Development (CTD)

² Antony Taubman and Jayashree Watal (eds.), Trade in Knowledge, Cambridge University Press, forthcoming 2021.

³ [WTO | Trade in knowledge: Intellectual property, digital trade and knowledge flows](#)

The item concerning the Work Programme on E-Commerce has been regularly appearing on the CTD's agenda. In recent meetings, the Committee has been considering a communication from India and South Africa titled 'Global Electronic Commerce for Inclusive Development'. This communication states, *inter alia*, that the digital divide between developed and developing countries is a matter of considerable concern, and that the existing Moratorium on customs duties on electronic transmissions limits the ability of developing countries to impose tariffs on the growing imports of electronic transmissions.

- Joint Statement Initiative (JSI) on e-commerce

A group of 87 WTO Members participating in the Joint Statement Initiative on e-commerce continued to negotiate possible new rules on trade-related aspects of electronic commerce. Negotiations are organized under six broad themes: enabling e-commerce; openness and e-commerce; trust and e-commerce; cross-cutting issues, such as transparency, domestic regulation, and cooperation; telecommunications; and market access.

During 2022, meetings continued to be held in plenary and in small drafting groups to refine various texts proposals submitted by Members. Following the substantive progress achieved in 2021⁴, 2022 saw the establishment of two new negotiating small groups focusing on privacy and telecommunications, respectively. Work intensified on several areas including on cybersecurity, e-invoicing, electronic transaction frameworks and open Internet access. In June 2022, on the margins of MC12, the co-convenors issued a Ministerial statement acknowledging progress made, underlining the importance of developing global rules on e-commerce and charting the way forward. In addition, together with Switzerland, they launched the E-commerce Capacity Building Framework to strengthen digital inclusion and to help developing and least developed countries harness the opportunities of digital trade. The July and September clusters of negotiations saw an increased number of in-person participation which added a positive impetus to the negotiations. In September, Mauritius became the 87th Member to join the Initiative. The co-convenors aim to issue a revised and more streamlined consolidated negotiating text by end of 2022 and to finalise the negotiations by end of 2023 or early 2024.

Part3(b) Future actions or initiatives

The activities indicated above represent ongoing work of the WTO, most of which will continue into the foreseeable future. Questions of obstacles such as low connectivity in developing countries, lack of capacity of MSMEs, and inadequate regulatory frameworks, along with information-sharing on policies and experiences are also expected to remain on the agendas of the WTO bodies. Given the wide range of issues under discussion, a trend toward seeking views of various stakeholders by such means as seminars and panels may also continue. Over the course of the year, many WTO Members have noted how new technologies and business models and e-commerce, in particular, will be essential to the recovery and resilience of economies impacted by the COVID-19 pandemic. This is also evidenced by increased demand from Members for technical assistance. Finally, a number of issues relevant to WSIS actions lines, as identified above, will be touched upon at the WTO 13th Ministerial Conference, which should ordinarily be held before the end of 2023.

⁴ Participants achieved convergence in seven areas namely e-signatures and e-authentication; e-contracts; consumer protection; paperless trading; open government data; unsolicited commercial electronic messages (spam) and transparency.