

WTO

E-commerce Work Programme



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The Work Programme

Declaration on Global E-Commerce: Geneva Ministerial Conference, 1998

- **Established a comprehensive work programme on trade-related aspects of global e-commerce**
- **Moratorium: a provisional moratorium on customs duties on electronic transmissions (a practice continued by Members)**



What are we talking about

Definition

For the purposes of the work programme...

"electronic commerce" *is understood to mean the production, distribution, marketing, sale or delivery of goods and services by electronic means*

WT/L/274, 30 September 1998

Adopted by the General Council on 25 September 1998



Where to discuss E-Commerce?

In the relevant WTO bodies:

- The Council for Trade in Goods (CTG)
- The Council for Trade in Services (CTS)
- The TRIPs Council
- The Committee on Trade and Development (CTD)

PLUS

The Dedicated Discussions of the GC on E-commerce

AND

Progress reports to, and review by, the General Council (GC)

BUT ALSO

Decisions by the Ministerial Conferences

Work Programme: Goods



- **market access for and access to products related to e-commerce**
- **standards-related issues**
- **customs valuation issues**
- **rules of origin issues**
- **import licensing issues**
- **classification issues**
- **customs duties and other duties and charges**

Work Programme: Services

- **scope (incl. modes of supply)**
- **most favoured nation treatment**
- **transparency**
- **increasing participation of developing countries**
- **domestic regulation**
- **competition issues**
- **protection of privacy and public morals and the prevention of fraud**
- **market-access commitments**
- **national treatment**
- **Annex on Telecommunications**
- **customs duties**
- **classification issues**

Work Programme: TRIPS



- **protection and enforcement of copyright and related rights**
- **protection and enforcement of trademarks**
- **new technologies and access to technology**

Work Programme: Trade & Development



- **effects on trade and economic prospects of developing countries, notably on small- and medium-sized firms**
- **ways to enhance the participation of developing countries**
- **use of information technology to integrate developing countries into the multilateral trading system**
- **the possible impact on traditional means of distribution of physical goods**
- **financial implications**

Dedicated Discussions of the General Council

- “Classification” issue
 - Downloadable or “digital” products
- Fiscal implications: Customs duties & the moratorium
- Development
- Other “cross-cutting” issues

Seven new submissions!!!

- Definition
- Customs duties/
Moratorium
- Transparency (general)
- Non-discrimination
- Data flows
- Market access
commitments/
negotiations:
- Privacy/ personal data
- E-signatures
- Authentication
- Consumer protection &
confidence
- IPR protection
- Electronic payments
- Paperless trading
- Legal frameworks
- Regulatory cooperation
- Cooperation with other
Int. Organizations
- Localization restrictions

Other Relevant WTO Agreements & Bodies



- **Agreement on Government Procurement**
- **Customs Valuation Agreement** (Decision on the valuation of carrier media bearing for data processing equipment)
- **Aid for Trade** – focus on connectivity – e-commerce related questionnaires
- **Information Technology Agreement (ITA)**
- **ITA Expansion Agreement** (+ support to the WP on E-commerce)
- **Agreement on Trade facilitation**
- **STDF**



The WTO Agreement on Trade Facilitation (TFA)

Indicative list of TFA provisions related to e-commerce
and e-procedures and transactions

Clearance and Release of Goods



Article 3: Advanced Rulings

1. Each Member shall issue an advance ruling in a reasonable, time-bound manner **to the applicant that has submitted a written request** containing all necessary information. If the Member declines to issue the AR, it shall **promptly notify the applicant in writing**
- 6: Each Member shall **publish, at a minimum the requirements for the application for an advanced ruling**, including the information to be provided **and the format**

Comment: the Member can accept electronic requests and also inform electronically that it declines to issue the AR. Formats can also be e-forms

Clearance and Release of Goods



Article 7: Release and Clearance of Goods

1.2: Each Member shall, **as appropriate, provide for advance lodging of documents in electronic format** for pre-arrival processing of such documents

2 Electronic Payment: Each Member shall, to the extent practicable, adopt or maintain **procedures allowing the option of electronic payment for duties, taxes, fees, and charges** collected by customs incurred upon importation and exportation

Clearance and Release of Goods



Article 7: Release and Clearance of Goods

3. Use of international standards: Members are encouraged to use relevant international standards or parts thereof as a basis for their import, export or transit formalities and procedures [...]

Comment: encouragement to use standards set-out by relevant international organizations, including e-forms contained therein or e-commerce forms and procedures

Clearance and Release of Goods



Article 7: Release and Clearance of Goods

4. Single Window: Members shall endeavour to establish or maintain a single window, enabling traders to submit documentation and/or data requirements for importation, exportation, or transit of goods through a single entry point to the participating authorities or agencies. After the examination by the participating authorities or agencies of the documentation and/or data, the results shall be notified to the applicants through the single window

Comments:

Use of ICT tools to structure, operate and feed the single window with the pertinent and accurate data and information in real time.

Possibility to submit electronically all the documentation, forms, and requirements, including e-payment

Clearance and Release of Goods



Article 7: Release and Clearance of Goods

7. TF Measures for AO

Each Member shall provide **additional trade facilitation measures related to import, export, or transit formalities and procedures, pursuant to paragraph 7.3, to operators who meet specified criteria, hereinafter called authorized operators.**

Comments:

E-traders (exporters/importers) could be recognized as AO and benefit from the TF measures such as low documentary and data requirements, low rate of physical inspections; rapid release time, deferred payment of duties, taxes, fees and charges; etc.

Clearance and Release of Goods



Article 7: Release and Clearance of Goods

8. Expedited shipments

Each Member shall adopt or maintain **procedures allowing for the expedited release of at least those goods entered through air cargo facilities to persons who apply for such treatment, while maintaining customs control.**

Comments:

E-traders (exporters/importers) could benefit from the TF measures if they fulfil the criteria set out in Para. 8.1. Such measures could be: minimal documentation for the release of the goods or a single submission on certain shipments; **release of goods as rapidly as possible after arrival**; provide to the extent possible, for a ***de minimis shipment value or dutiable amount for which customs duties and taxes will not be collected***, aside from certain prescribed goods.



Article 12: Customs Cooperation

2. Exchange of Information: **Upon request** and subject to conditions , Members shall exchange information for the purposes of verifying an import or export declaration

4. Request: the requesting Member shall provide the requested Member with a written request, **through paper or electronic means** ...

- 6.1 Provision of Information: the requested Member shall promptly (a) respond in writing, **through paper or electronic means** ...



Additional work by the Standards and Trade Development Facility (**STDF**)

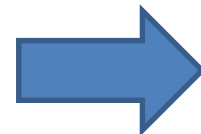
STDF What is an electronic SPS certificate?

Electronic SPS Certification is the authenticated, non-repudiative and secure electronic transmission of sanitary and phytosanitary certification data, including the certifying statement, from the competent authority of the exporting country to the competent authority of the importing country.

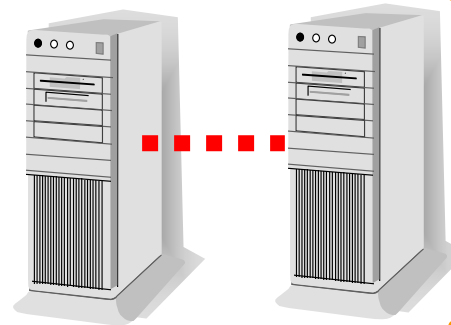
**EXPORTING COUNTRY
COMPETENT AUTHORITY**



Certification process
Inspection procedure,
testing,...



Sending
certificate

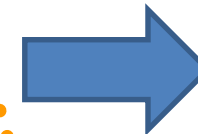


E-cert

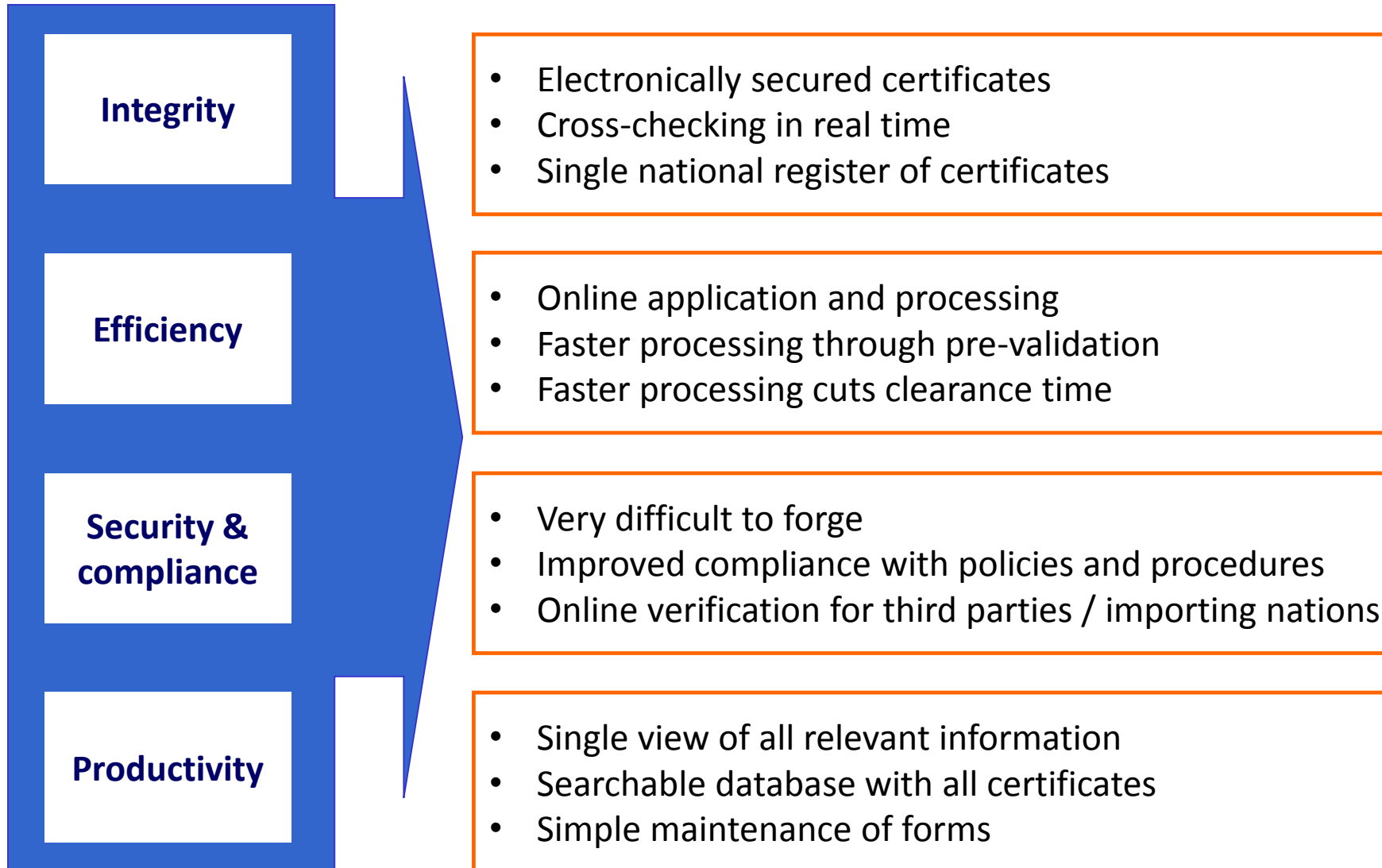
**IMPORTING COUNTRY
COMPETENT AUTHORITY**



Import procedures
Inspection,
release,...



Receiving
certificate



STDF project on electronic phytosanitary certification (ePhyto)

- **A global initiative led by the International Plant Protection Convention (IPPC)**
- **Establish a e-Phyto Solution comprised of a Hub and a Generic National System**
- **E-Phyto once established and accessible to all Contracting Parties should enable them to communicate phytosanitary assurances in a modern, cost effective and globally harmonized way**

**“Tomorrow’s exports shall be transmitted
and not
transported”**

Dubai International Airport



Thank you.