



**General Council
27-28 July 2015**

ITEM 6 - WORK PROGRAMME ON ELECTRONIC COMMERCE – REVIEW OF PROGRESS

REPORT BY AMBASSADOR ALFREDO SUESCUM - FRIEND OF THE CHAIR

1.1. At the Bali Ministerial Conference, Ministers adopted a Decision that called, among other things, for continued positive work under the Work Programme on Electronic Commerce, based on its existing mandate and guidelines and on the basis of proposals submitted by Members in the respective WTO bodies. Ministers further instructed the General Council to hold periodic reviews of progress on the Work Programme at its meetings in July and December 2014 and July 2015.

1.2. This report, which I am making under my own responsibility, covers developments under the Work Programme on Electronic Commerce since the General Council's last review in December 2014.

1.3. The WTO bodies primarily charged with conducting the E-Commerce Work Programme are the Councils for Goods, Services and TRIPS and the Committee on Trade and Development. The General Council exercises an oversight function and considers any issue of a cross-cutting nature. During the period under review, the Council for Trade in Services met on 18 March and on 3 June and again informally on 15 July to consider submissions under the item on the Work Programme on E-commerce. Further details on the proposals as well as the ensuing discussions are contained in the CTS Chair's report (S/C/47). The Council for Trade in Goods also met on 26 March and on 26 June this year but without much discussion under the item on e-commerce as indicated in the CTG Chair's report (G/C/56). Both the TRIPS Council and the CTD have recently met but e-commerce was not on their Agendas.

1.4. With regard to the horizontal discussions under the auspices of the General Council, on behalf of the General Council Chair, I convened the Tenth Dedicated Discussion on E-commerce on 16 February 2015. At that meeting, DDG Yi made a factual presentation of the Work Programme on E-commerce focusing on its mandate as well as what had been discussed in the WTO since its adoption. In preparation for that meeting, the Secretariat, under its own responsibility, circulated a background information document (JOB/GC/73).

1.5. The main objectives of that Dedicated Discussion were to discuss the way forward on e-commerce and preparations for MC10 and this General Council review. There was no substantial change in Members views since my last report to the General Council in December 2014, on how to move this work forward. Some delegations expressed readiness to consider possible outcomes for MC10 while others felt that the time was not yet right to discuss any recommendations. Some expressed the opinion that the Work Programme on E-commerce was not a negotiating mandate. Delegations also stressed the importance of a bottom-up, Member-driven approach. Some noted that progress across the 4 bodies was uneven and that much of the discussions were focused on the services pillar. Some Members expressed a desire to see the current moratorium on customs duties made permanent; others preferred an extension; and others indicated that this question was premature. I encouraged delegations to remain engaged with each other and to share their views.

1.6. I also urged delegations to think further on the three questions I had posed last year, which remained relevant. The 3 questions were:

1. What were Members views on the status of work on e-commerce given the (then) status on Bali implementation?
2. How did Members see the work continuing in the short to medium term?
3. Were there any concrete results or objectives foreseen for MC10?

1.7. Since the 10th Dedicated Discussion in February, I have continued my contacts with the Chairs of the four principal bodies in charge of issues under the Work Programme on E-commerce. I also invited delegations to schedule additional individual informal meetings, last month, during which I met with 10 delegations to hear if there had been any evolution in their views on the way forward, and what if any new thinking or conversations had taken place. In these contacts I recalled my prior 3 questions; I stressed the need to substantially reinvigorate this work; and I pointed to the short time remaining before MC10.

1.8. Views expressed during these "confessionals" remained almost the same. With regard to possible outcomes for MC10, some again reiterated their view that it was too early to consider outcomes while others thought that such discussions should start soon. A number of delegations reiterated their preference for a permanent moratorium as a possible outcome. Others stressed that they could only consider an extension and made it clear that even this should not be taken as a given. A few delegations commented that any draft decision for Ministers should be streamlined and focused. There was also a suggestion that it may be time to impart a clearer direction to the Work Programme.

1.9. On 25 June 2015, I convened an informal open-ended meeting to report to Members on my consultations and to continue preparations for this General Council review. At that meeting, views expressed by Members continued to be varied. Members welcomed the proposals submitted in the context of the Council for Trade in Services and expressed their willingness to discuss them further. I again refer Members to the report of the Chair of the Council for Trade in Services for further details on these proposals.

1.10. On the moratorium, two well-known positions – making it permanent and extending it – were reiterated. One delegation found it too early to discuss either option as much depended on what would be on the table for MC10. With regard to the effects of the moratorium, one delegation asked whether the Secretariat could provide relevant and updated information on this matter. The Secretariat is currently discussing this internally and will revert to Members in due course.

1.11. There was general support for focusing on SMEs but it was also noted that there were other issues of interest besides SMEs, such as, data flow, privacy, e-signatures, etc.

1.12. Some delegations stressed that it was time to move beyond workshops and information exchange to more concrete matters. One delegation said that, while not proposing to begin a negotiation of multilateral disciplines, it was ready to engage with Members on how to develop an e-commerce work programme for the post-Nairobi phase. Another delegation emphasised that a deepened discussion on e-commerce was important for the WTO to remain relevant. Some developing countries pointed out that e-commerce laws were still being developed in their countries and that they could only participate in conceptual discussions and were not ready to adopt disciplines.

1.13. During the 5th Review of Aid for Trade, I moderated a panel discussion on electronic commerce and aid for e-trade. The feedback regarding this event has been that the event helped present concrete examples of situations, challenges, opportunities, and the cost of missing the opportunities presented to SMEs engaging in e-commerce. The panelists also made suggestions on how the WTO might promote e-commerce as a tool for trade by developing countries. I would encourage delegations to digest the debate and extract ideas for recommendations to the Ministers at MC10.

1.14. To move ahead in this process, Members must submit proposals and continue their discussion in capitals and among themselves. This is a Member-driven process and any forward movement will depend on Members' contributions and engagement. Ministers at Bali did instruct us to make recommendations on possible measures related to electronic commerce to the next Session of the Ministerial Conference. Members will need to think further on how to comply with that mandate and to start considering a possible text for Ministers' consideration. Time is clearly not on our side. It is my hope that rapid concrete progress could be made after the summer recess. I remain ready and available to meet with any Member for further discussion.
