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Council for Trade in Goods

WORK PROGRAMME ON ELECTRONIC COMMERCE

**REPORT BY THE CHAIRPERSON OF THE COUNCIL FOR TRADE IN GOODS
TO THE GENERAL COUNCIL**

As agreed by the Council for Trade in Goods at its meeting of 30 June 2017, I hereby make, under my own responsibility as Chairperson, the following factual report to the General Council.

Pursuant to the 2015 Ministerial Decision¹ instructing the General Council, *inter alia*, to hold periodic reviews of the Work Programme on Electronic Commerce in its sessions of December 2016 and July 2017, based on the reports submitted by the WTO bodies entrusted with the implementation of the Work Programme, the Council for Trade in Goods placed the issue of the Work Programme on Electronic Commerce on the agenda of its meetings held on 15 April, 14 July and 17 November 2016, and of its meetings held on 6 April and 30 June 2017. At these meetings, the Chair invited delegations to express their opinions and to make suggestions as to how to work on the preparation of the periodic reviews to be held in the General Council at its sessions of December 2016 and July 2017.

This report only concerns the CTG meetings that took place on 6 April and 30 June 2017.²

At the meeting of 6 April 2017, the *interim* Chairperson informed delegations that, in addition to the proposal put forward by China and Pakistan at the November 2016 meeting³, three additional submissions had been circulated to delegations as JOB documents under the General Council, the Goods, Services, and TRIPs Councils, and the Committee on Trade and Development (CTD).⁴ Following his invitation to the proponents and to other delegations to express their opinions on these communications and on any other relevant matter they believed important in the context of electronic commerce and trade in goods, 27 delegations took the floor. In the view of the *interim* Chairperson, this demonstrated that Members' interest in E-Commerce discussions had significantly increased at the CTG-level.

Nevertheless, and despite Members' interest in E-Commerce discussions, an important number of delegations indicated their wish to identify the goods-related issues in E-Commerce as potential deliverables at MC11 while a number of other delegations continued to raise the development component and requested a further clarification of definitions before they would give consideration to E-Commerce.

During the course of the discussions a significant number of delegations pointed out the benefits and opportunities that E-Commerce could provide to developing countries, least developed countries (LDCs), and small and medium-sized enterprises. They also referred to the fact that the digital economy had developed significantly over several decades although only limited progress had been achieved at the WTO itself. Some others reiterated that trade facilitation and transparency in E-Commerce regulations could be a good start for negotiations and identified e-signatures, e-certification, e-authentications, and paperless trade, as possible areas where

¹ Document WT/L/977.

² The factual report to the General Council concerning the discussions on E-Commerce that took place at the 15 April and 14 July 2016 meetings is contained in document G/C/57. The factual report to the General Council concerning the meeting of 17 November 2016 is contained in document G/C/58.

³ JOB/GC/110/Rev.1 – JOB/CTG/2/Rev.1 – JOB/SERV/243/Rev.1 – JOB/DEV/39/Rev.1.

⁴ JOB/GC/115 – JOB/CTG/3 – JOB/SERV/247 – JOB/IP/20 – JOB/DEV/41; JOB/GC/116 – JOB/CTG/4 – JOB/SERV/248 – JOB/IP/21 – JOB/DEV/42; AND JOB/GC/117 – JOB/CTG/5 – JOB/SERV/249 – JOB/IP/22 – JOB/DEV/43.

progress could be made and an outcome be achieved. Delegations also spoke of the importance of sharing their experiences, and of an exchange of information and best practices, so as to allow Members to learn from one another. With regard to the moratorium, some Members indicated that it should be made permanent while others argued that it should only be extended.

Other delegations referred to the digital divide and the stark differences in capacities and supporting infrastructure among Members, and sought an increased focus on bridging the digital gap. Several of these delegations also noted that the issue of insufficient infrastructure had hindered LDCs from taking advantage of E-Commerce opportunities in the first place.

At the CTG meeting of 30 June 2017 I recalled the four proposals that had been submitted by various delegations on this issue under the General Council, the Goods, Services, and TRIPs Councils, and the CTD⁵, and invited delegations to express their opinions and to make suggestions as to how to work on the preparation of the periodic review to be held in the General Council at its session of July 2017. The 16 delegations that intervened showed again that there is an increased interest in E-Commerce and a range of views were expressed with regard to the scope of discussions at the CTG level. The issue of development and sharing experiences and practices to develop E-Commerce was again highlighted by various delegations, while others emphasized a need to intensify and deepen the discussion in a concrete and focused way in light of MC11.

Among the proponents, one delegation referred to its experience with "pilot zones" located in the customs free-zones to develop and facilitate E-Commerce; another identified various topics raised by Members, such as e-signatures, ITA expansion, and the extended moratorium; and another said that the discussion on trade in goods and E-Commerce should be intensified. One delegation encouraged discussion on the existing WTO rules, E-Commerce provisions in RTAs, and on how MSMEs could be integrated into the global economy through E-Commerce. One delegation indicated that E-Commerce had changed the way of doing business and highlighted that the WTO could and should play an important role in promoting an E-Commerce-friendly trading environment, and announced that it had recently circulated two proposals on E-Commerce at the General Council, the Goods, Services, and TRIPs Councils, and the CTD.⁶

Among other delegations that intervened, some observed that all papers included horizontal and cross-cutting topics that required further exploration, including possibilities offered by E-Commerce to MSMEs, e-signatures, security, and privacy, and that some of these themes related not only to goods but also to services. Other delegations highlighted again the development aspects of E-Commerce, the challenges faced by developing and least developed Members, the digital divide, internet access and interconnectivity, the need to frame discussions on the type of measures required to develop capacity, as well as on the policies and efforts required to develop the necessary infrastructure and global integration. These delegations also referred, once again, to the need to revisit the proposals to include the development aspects and special and differential treatment, as well as an exchange of information, experiences, and regulatory measures with a view to developing the E-Commerce discussion further.

⁵ JOB/GC/110/Rev.1 – JOB/CTG/2/Rev.1 – JOB/SERV/243/Rev.1 – JOB/DEV/39/Rev.1; JOB/GC/115 – JOB/CTG/3 – JOB/SERV/247 – JOB/IP/20 – JOB/DEV/41; JOB/GC/116/Rev.2 – JOB/CTG/4/Rev.2 – JOB/SERV/248/Rev.2 – JOB/IP/21/Rev.2 – JOB/DEV/42/Rev.2; and JOB/GC/117 – JOB/CTG/5 – JOB/SERV/249 – JOB/IP/22 – JOB/DEV/43.

⁶ JOB/GC/128 – JOB/CTG/7 – JOB/SERV/264 – JOB/IP/24 – JOB/DEV/45 and JOB/GC/129 – JOB/CTG/8 – JOB/SERV/265 – JOB/IP/25 – JOB/DEV/46.