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JOINT STATEMENT ON ELECTRONIC COMMERCE**COMMUNICATION FROM CÔTE D'IVOIRE**

The following communication, dated 13 December 2019, is being circulated at the request of the delegation of Côte d'Ivoire.

I Introduction

1. Côte d'Ivoire is submitting this text proposal as a basis for discussions on e-commerce within the Joint Initiative on Electronic Commerce Group and reserves the right to revise or propose additional elements and/or provisions to this proposal.

2. Côte d'Ivoire, like the low-income developing countries, recognizes the importance of the digital economy for its sustainable development. The digital economy and e-commerce are increasingly permeating and transforming all sectors of the economy and commercial transactions and are shaping more and more global value chains. This certainly creates opportunities for development from which countries like Côte d'Ivoire would like to fully benefit. However, in order to seize such development opportunities, Côte d'Ivoire, like other low-income developing countries, must overcome many challenges: various types of obstacles are slowing down the establishment of an effective ecosystem that would allow our country to fully exploit its e-commerce potential.

3. Our delegation believes that multilateral rules that take into account the development challenges of all WTO Members are useful and necessary. Such rules protect us from unilateral actions, reduce uncertainty and, above all, provide us with a framework within which we can strengthen our own domestic regulations, while taking into consideration international trade needs. The negotiations held under the joint initiative on e-commerce provide an opportunity to examine all e-commerce issues in a single forum and also provide an overview of all aspects of e-commerce and related interactions, including development needs.

4. Despite this view, which is shared by many countries in a position similar to that of Côte d'Ivoire, very few actually participate in the negotiations. The concerns that limit their participation are as follows:

- a. They rightfully believe that the plurilateral approach weakens multilateralism. While it is true that a plurilateral approach is possible under WTO rules, and that some WTO Members should not be prevented from exploring further liberalization according to the willingness and/or capacity of all Members, it is also true that this approach allows Members to ignore the development interests of low-income countries whose involvement within these agreements is not of the slightest interest to the major trading powers. Our countries therefore run the risk of being left to take or leave whatever others decide.
- b. Low-income developing countries are concerned that plurilateral negotiations could undermine multilateral negotiations. It is undeniable and understandable that the major trading powers are far more active in digital trade negotiations that are important for their offensive trade interests than in agricultural negotiations in which they have primarily defensive interests. The fear that an outcome in the e-commerce negotiations

could undermine matters of key interest to low-income developing countries is therefore not unfounded. An isolated agreement on e-commerce without progress on multilateral issues of importance could compromise the inclusive multilateral system.

- c. Low-income developing countries lack the infrastructure and regulatory framework to fully exploit the potential of e-commerce. They also, unfortunately, have not felt the effects of trade digitalization on their economic development. They therefore do not feel that they are in position to effectively defend their interests and to negotiate this complex and technical issue.
- d. Our countries have rather limited capacities to engage in negotiations: our delegations in Geneva are quite small and our officials have various obligations outside the WTO. We cannot afford to send experts to cover all areas of negotiation. We cannot afford to draw on technical support from our capitals as the more advanced countries are able to do. It is therefore understandable that we focus our limited resources on matters of importance to our countries and that we have difficulty tackling subjects as complex as e-commerce.

5. Côte d'Ivoire fully shares these concerns, but we do not believe that abstaining from participating in the negotiations is the solution, as this issue is too important for our future. On the contrary, we believe that it is important for the low-income developing countries to speak up in these forums, and for their interests and constraints to be taken into consideration in the drafting of the rules. Moreover, we have enough faith in our partners in these negotiations to be convinced that our legitimate interests and constraints will be taken into account. While one of the objectives of these plurilateral negotiations is to ensure that the new rules are accepted and respected by as many WTO Members as possible, we should encourage their participation by taking account of their concerns in the following way:

- a. MC12 should not be limited to a plurilateral agreement on e-commerce. It is imperative that the interests of all WTO Members are met and that all Members contribute to the outcomes of the Ministerial.
- b. Low-income developing countries need technical assistance in order to be able to negotiate seriously in this area: (i) we need a technical analysis of our situation and of the potential effects of various measures on our sustainable development; and (ii) we need to build our capacity to engage in negotiations on these technical subjects both in our capitals and in our delegations here in Geneva.

II Côte d'Ivoire's principles of negotiation

1. Côte d'Ivoire intends to pursue a proactive and consensual approach. Our goal is to establish a regulatory framework that has wide consent among WTO Members.

2. We are in favour of a regulatory framework that will enable all Member countries – and low-income developing countries in particular – to fully take advantage of the opportunities that e-commerce provides for their sustainable development.

3. Our approach is simple and logical:

- a. We would like to have a regulatory framework that is in line with our development needs. Rather than seeking exceptions to the rules that do not conform to those needs, we would prefer rules that take our development needs into account, and to which we can adhere. Special and differential treatment should help us to integrate into the global economy and allow us to do what is necessary to fully benefit from this new trade instrument.
- b. Côte d'Ivoire would welcome a system of rules that is valid for all Members, but which takes into account the obstacles and constraints of the least-developed countries. In order to achieve this, we propose an approach similar to the one that was successfully adopted during the negotiations on trade facilitation, that is: (i) principles accepted by all Members who are party to this agreement; and (ii) specific measures for developing

countries that allow them to gradually implement these measures according to their capacities.

- c. With regard to market access, Côte d'Ivoire is pursuing a liberalization policy that allows its industry in this area to develop and integrate into the global economy. An infant industry in this area cannot grow if it bears the full brunt of competition from the international giants from its inception. A certain degree of protection that enables our industry to develop its services is indispensable, given the comparative advantage that established enterprises enjoy due to their infrastructure and overall experience. However, in order to avoid the creation of ineffective monopolies, such protection must be time-limited and gradually reduced according to agreed schedules.
- d. With regard to the payment of customs duties, Côte d'Ivoire maintains that an inclusive agreement on e-commerce must avoid all prohibitions and should, instead, continue the practice of concessions as in other agreements, while seeking to encourage the non-taxation of electronic transmissions through a strategy that strengthens the production capacity of consumer States.

III Proposals by Côte d'Ivoire for ensuring the participation of low-income developing countries

1. It is in WTO's interest to ensure that all Members are able to participate in and enter into an agreement that has been negotiated within our Organization. In order to allow low-income developing countries to actively participate in the negotiations and to eventually enter into an agreement, Côte d'Ivoire proposes the following measures:

- a. Countries engaging in plurilateral negotiations should consider an agreement to be an integral part of multilateral negotiations. To this end, they should commit to:
 - vigorously pursuing multilateral negotiations and respecting their development objectives;
 - respecting the priorities concerning food security established by ministers at MC11, by developing, at a minimum, measures to promote food security in low-income developing countries to be adopted at the next Ministerial.
- b. Participants in plurilateral negotiations should commit to working towards an agreement that brings together the greatest possible number of WTO Member countries, rather than an agreement that contains concessions that only a small number of major trading countries will be able to honour. To this end, they should commit to: (i) taking into consideration the legitimate interests and constraints of developing countries; and (ii) providing them with the necessary assistance so that they are able to negotiate knowledgeably and to undertake commitments that they can effectively fulfil.
- c. Support to national digital networks for low-income countries should be guaranteed in order to ensure that these countries are able to benefit effectively from the opportunities that e-commerce provides. We therefore propose that the development banks be convoked by the Secretariat to develop a mechanism to coordinate and facilitate access to funding in this area.
- d. A framework for inter-institutional cooperation should be established. In a world where economies are increasingly interdependent and interconnected, participation in e-commerce appears to be a right. In this respect, the establishment of a legal framework to facilitate e-commerce should inevitably be accompanied by the establishment of a multilateral cooperation forum for the various institutions involved in this area. The WTO should hold a consultation meeting with the relevant agencies and draft a memorandum of cooperation with them.
- e. The WTO should urgently set up a fund accessible to the low-income developing countries that agree to participate in the negotiations on e-commerce, with a view an agreement with principles that apply to all participating countries, provided that special

measures that take into account the capacities and interests of developing countries, in accordance with the Trade Facilitation Agreement, are included. This fund would be in the interest of all WTO Members: it is in the interest of the Organization that all its Members, if they so wish, should be able to participate knowledgeably and thereby contribute proactively and consensually to an agreement that takes the interests and constraints of a larger number of Members into account. The following measures are essential for the effective engagement of our countries: (i) the reports of the facilitators must be circulated in the three official languages of the WTO; (ii) all meetings should offer simultaneous interpretation, even if held outside official working hours; (iii) negotiating sessions should take other negotiating sessions into account, and lastly; (iv) each low-income developing country involved in, and subscribing to, the objectives of such negotiations should obtain the funding needed to have an expert from its capital attend the negotiating sessions.

IV Proposed approach to special and differential treatment

1. Côte d'Ivoire proposes the following approach to negotiations in order to ensure that development needs are taken into account and that a large number of WTO Members participate:

a. Regulatory aspect:

This aspect should apply to all Members, irrespective of their stage of development. Development needs should be an integral part of the provisions.

Negotiators should work towards principles that would allow the greatest number of Members to adhere to those principles, instead of adopting an approach that would satisfy only the major players in international trade. Côte d'Ivoire is confident that the participants in these negotiations will take the development needs of all WTO Members into account.

b. Liberalization aspect:

This aspect should define the conditions of market access and the facilitation of access to be granted to low-income developing countries that subscribe to the agreement.

It should also establish the principles that developing countries should adopt on opening up their markets, while allowing them the freedom to choose the level of access they are prepared to grant. Their market access offer will define the conditions of access, as well as the timetable for progressive liberalization, and will be recorded in their schedules of concessions.

c. Infrastructural capacity to participate in e-commerce:

As infrastructure is not a good or service to be traded, but the means through which production and trade occur, Members that are able to provide the necessary support for the development of a digital ecosystem in low-income developing countries should do so. In this regard, key commitments in terms of market access will depend on their ability to participate as a supplier or producer of digital goods and services.

d. Facilitating the participation of developing countries in the agreement:

i. Regulatory aspect:

Developing countries – and low-income developing countries in particular – should undertake to accept all the normative rules according to a schedule that they will submit, with the following two categories:

- rules that they are willing and able to abide by through their own means, and the schedule according to which they will apply them;

- rules they are able to honour only with assistance from WTO Members or from international or regional institutions.
 - ii. *Rules on market access:*

Developing countries – and low-income developing countries in particular – should define three categories of liberalization:

 - market access that they are willing and will be able to grant once the agreement enters into force;
 - market opening that they are willing and will be able to provide according to a gradually established schedule;
 - market access that they are not currently in a position to provide. They should nonetheless commit to proposing a schedule of liberalization within 10 years.
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