



WORK PROGRAMME ON ELECTRONIC COMMERCE

COMMUNICATION FROM SOUTH AFRICA

The following communication, dated 1 December 2023, is being circulated at the request of the delegation of South Africa.

DRAFT MINISTERIAL DECISION

The Ministerial Conference:

Recalling the "Work Programme on Electronic Commerce" adopted on 25 September 1998 and subsequent Ministerial Declarations and Decisions on the Work Programme,

Concerned with the deep digital and technological divide afflicting developing countries including least-developed countries (LDCs) and noting the need to address the same,

Recognising the uneven spread of global electronic commerce and inequitable gains arising from the digital economy,

Concerned by the impact of the moratorium on customs duties on electronic transmissions which provides the global tech firms with a distinct unfair tax advantage over local competitors in developing countries and hampers digital industrialisation,

Further concerned that transactions of most global platforms are channelled through to a global entity, thus depriving the importing country of corporate tax revenue, hindering developing countries in their efforts to support digital industrialisation initiatives,

Noting that the OECD/G20 initiative to address the tax challenges, whilst a useful step, will not result in developing countries individually benefiting to any material extent and does not resolve the fundamental problem generated primarily by the lack of digital tariffs which can enable more sustainable promotion of investment in developing countries,

Acknowledging the importance of work under the Work Programme in examining trade-related issues relating to global electronic commerce, taking into account the economic, financial, and development needs of developing countries,

Emphasising the need to preserve policy tools to promote digital industrialisation and inclusive participation in the digital economy,

Decides as follows, we

1. agree to terminate the moratorium on the imposition of customs duties on electronic transmissions.
2. further agree to re-invigorate the work under the Work Programme on Electronic Commerce, including the development-related issues under it, based on the mandate set out in [WT/L/274](#).

3. instruct the General Council to deliver concrete outcomes on the implementation of the Work Programme on all the issues allocated to the relevant WTO bodies by December 2024.
4. agree to establish a Fund that accepts voluntary contributions from developed countries and developing countries in a position to do so to provide developing countries including LDC Members with targeted support to address the digital divide and promote investments in developing domestic SME platforms in developing countries.
5. agree that all leading platforms must promote greater levels of participation and promotion of historically disadvantaged SMEs on digital infrastructure through among others, funding via fee rebates for onboarding and subscription, and ad credits or targeted promotions and to improve the visibility of developing countries including LDCs apps through a local app curation and provision of ad credits, as well as through promoting technology transfer.
