



INTEROPERABLE DATA STANDARDS IN TRADE

TENTH TRIENNIAL REVIEW

Proposal from Australia

Revision

The following submission, dated 1 March 2024, is being circulated at the request of the delegation of Australia.

1 BACKGROUND

1.1. A number of thematic sessions during the 9th Triennial Review period explored matters relevant to digital trade. A recurring theme in all these sessions was the importance of interoperability and the value of international standards for achieving it. This proposal is an extension of the exploration of these topics, considering these issues in the context of data standards.

1.2. Digitalisation and digital technologies may facilitate access to international markets and reduce the costs of entry, especially for MSMEs. However, the growth of digital trade and the spread of its benefits is not guaranteed since divergent data standards may create incompatibilities which become barriers to cross-border trade and constrain the adoption of new technologies.

1.3. Incompatibilities may take the form of regulatory controls based on mandated local technologies, data localisation requirements, data flow restrictions, or privacy or security laws acting as trade barriers. Large companies with resources for digital transformation may also widen the existing digital divide by dominating smaller companies, including scenarios where proprietary systems become *de facto* standards for key supply chain operations to the disadvantage of smaller companies.

1.4. Adoption by economies of interoperable data standards can accelerate the adoption of digital processes in support of a rules-based and open global trading environment. Such an environment may reflect the high-level principles on digitalization of trade documents agreed at the August 2023 G20 Trade & Investment Ministerial Meeting, namely: 1. Neutrality, 2. Security, 3. Trust, 4. Interoperability, 5. Data privacy, 6. Reliability, 7. Voluntary sharing of data, 8. Collaboration, 9. Traceability, 10. Scalability.

1.5. Sustainability goals are driving changes in national approaches that will profoundly affect trade and the role of trade-related data. In particular, digital access/verification of data is becoming increasingly important, driven by initiatives such as digital product passports. Support for sustainability outcomes would be an important area of focus to highlight the value of interoperable data standards in trade.

2 PROPOSAL

2.1. Australia proposes a thematic session to explore the importance of interoperable data standards for digital trade, with a view to:

- a. Supporting the reduction of barriers to trade;
- b. Supporting sustainable trade outcomes; and
- c. Supporting a better understanding of the significance of interoperability in a data context.

2.2. Topics and areas of focus could include:

- a. The cross-sectoral relevance and application of data standards, particularly in the context of cross-sectoral sustainability goals;
 - b. Presentations by interested stakeholders, including Members, industry, international organizations, or non-government organizations, that have introduced or are in the process of introducing systems or regulations having cross-sectoral and cross-jurisdictional application that leverage interoperable data standards, particularly in relation to sustainability outcomes, with a view to identifying the necessary prerequisites for interoperability, any implementation challenges and the potential for further extension.
-