



الهيئة العامة للتجارة الخارجية
Saudi General Authority of Foreign Trade

E-commerce, digital trade and the WTO What's at stake for Arab and Middle Eastern countries

**Roundtable Discussion on Digital Trade And Economic Development Of
Arab And Middle Eastern Countries**

24 March 2021 - Geneva

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Work Programme on E-Commerce of 1998

- WTO Members continue the practice not imposing customs duties (Moratorium) on Electronic transmissions
- Periodic reviews of the work programme by the General Council
- Ministers regularly consider the programme at the WTO's Ministerial Conferences.



- Having the Moratorium **permanent**.
- **Extending** the Moratorium every Ministerial Conference.
- **Imposing** customs duties on Electronic transmission.

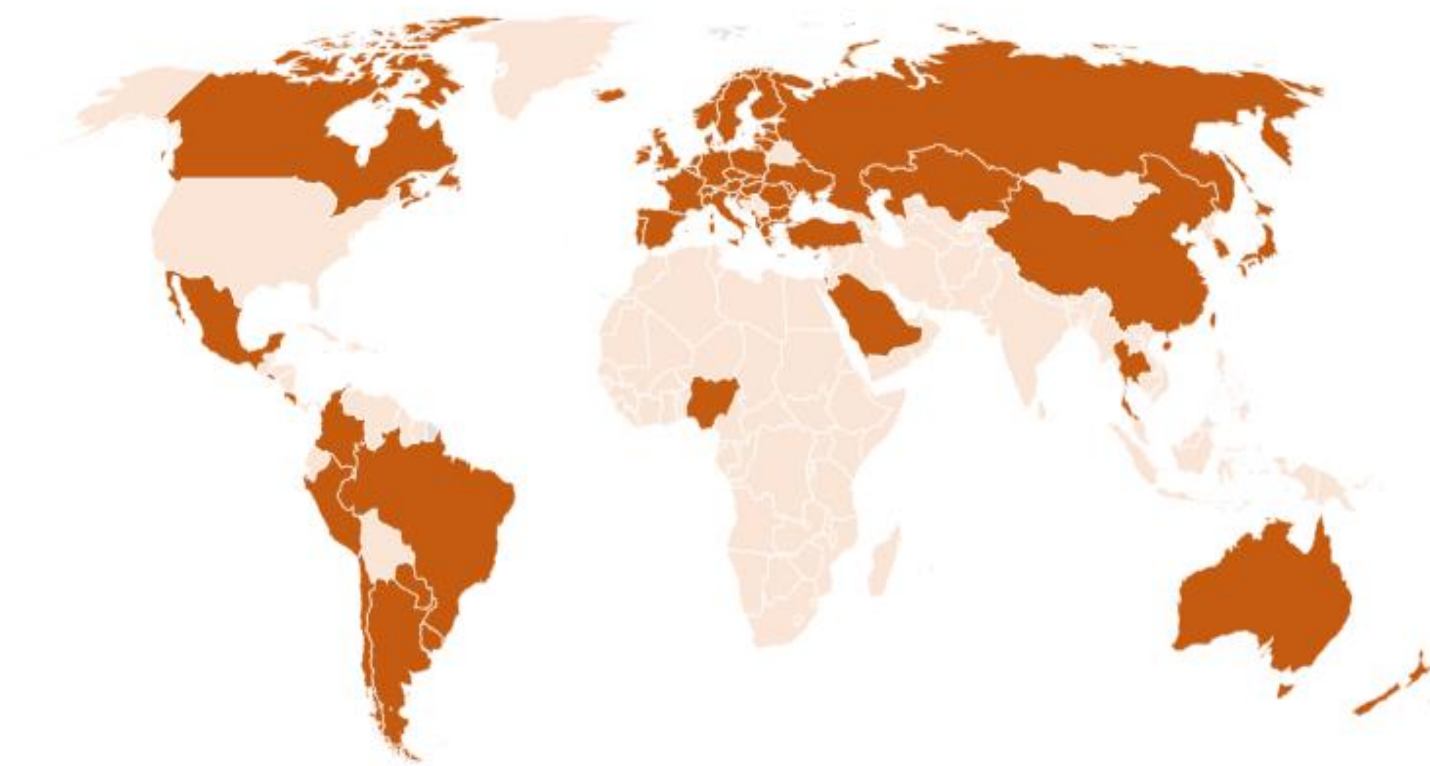
Joint Statement Initiative on E-Commerce

- Ministerial Joint Statement – MC11 December 2017
- Ministerial Joint Statement - Ministerial Gathering of the WTO in Davos – 25 January 2019



- WTO JSI negotiations on trade-related aspects of electronic commerce

The WTO JOINT INITIATIVE ON ELECTRONIC COMMERCE



86 WTO
Members



90% of world
global trade

Participating members seek to achieve a high-standard outcome that builds on existing WTO agreements and frameworks with the participation of as many WTO members as possible.

A: Enabling Electronic Commerce

A.1. Facilitating Electronic Transactions

Transactions frameworks,
Authentication and signatures,
Contracts, Invoicing
Payments services

A.2. Digital trade facilitation and logistics

- (1) Paperless trading
- (2) De minimis
- (3) Customs procedures
- (4) Improvements to trade policies
- (5) Single windows data exchange
- (6) Logistics Services
- (7) Enhanced trade facilitation
- (8) Use of technology for the release & clearance of goods
- (9) Provision of Trade Facilitating & Supportive services

B: Openness and e-commerce

B.1. Non-discrimination and liability

- (1) Non-discriminatory treatment of digital products
- (2) Interactive computer services limiting liability)
- (3) Interactive computer services (infringement)

B.2. Flow of information

- (1) [Cross-border data flows]
- (2) Location of computing facilities
- (3) [Financial information / Location of fin. computing facilities for covered financial service suppliers]

B.3. Customs duties on elect. transmissions

B.4. Access to internet and data

- (1) Open government data
- (2) [Open internet access
- (3) Access to and use of interactive computer services
- (4) Competition

C: Trust and electronic commerce

C.1. Consumer Protection

- (1) Online consumer protection
- (2) Unsolicited commercial e- messages

C.2. Privacy

- (1) [Personal information protection / Personal data protection]

C.3. Business trust

- (1) Source code
- (2) ICT products that use cryptography

D: Cross-cutting issues

D.1. Transparency, domestic regulation and cooperation

- (1) Transparency
- (2) Electronic availability of trade related information
- (3) Domestic regulation
- (4) Cooperation
- (5) Cooperation Mechanism

D.2. Cybersecurity

D.3. Capacity building

- (1) Options for capacity building and technical assistance

E: Telecommunications

E.1. Updating the WTO Reference Paper on Telecommunications Services

- (1) Scope
- (2) Definitions
- (3) Competitive safeguards
- (4) Interconnection
- (5) Universal service
- (6) Licensing and authorization
- (7) Telecommunications regulatory authority
- (8) Allocation and use of scarce resources
- (9) Essential facilities
- (10) Resolution of disputes
- (11) Transparency

E.2. Network equipment and products

- (1) Electronic commerce-related network equipment and products

F: Market access

Services Market Access

Temporary Entry and Stay of Electronic Commerce-Related Personnel

Goods Market Access

STATE OF PLAY OF THE JSI ON E-COMMERCE NEGOTIATIONS

Members priorities



- Facilitating digital trade and electronic transactions), ensuring consumer protection (including rules to deal with spam and protecting personal information and privacy).
- Transparency, domestic regulation, cooperation and technical assistance and capacity building.
- Developed members have interests in permanent moratorium, open government data, source code, prohibiting restrictions on data flows and localization of data, market access in services.

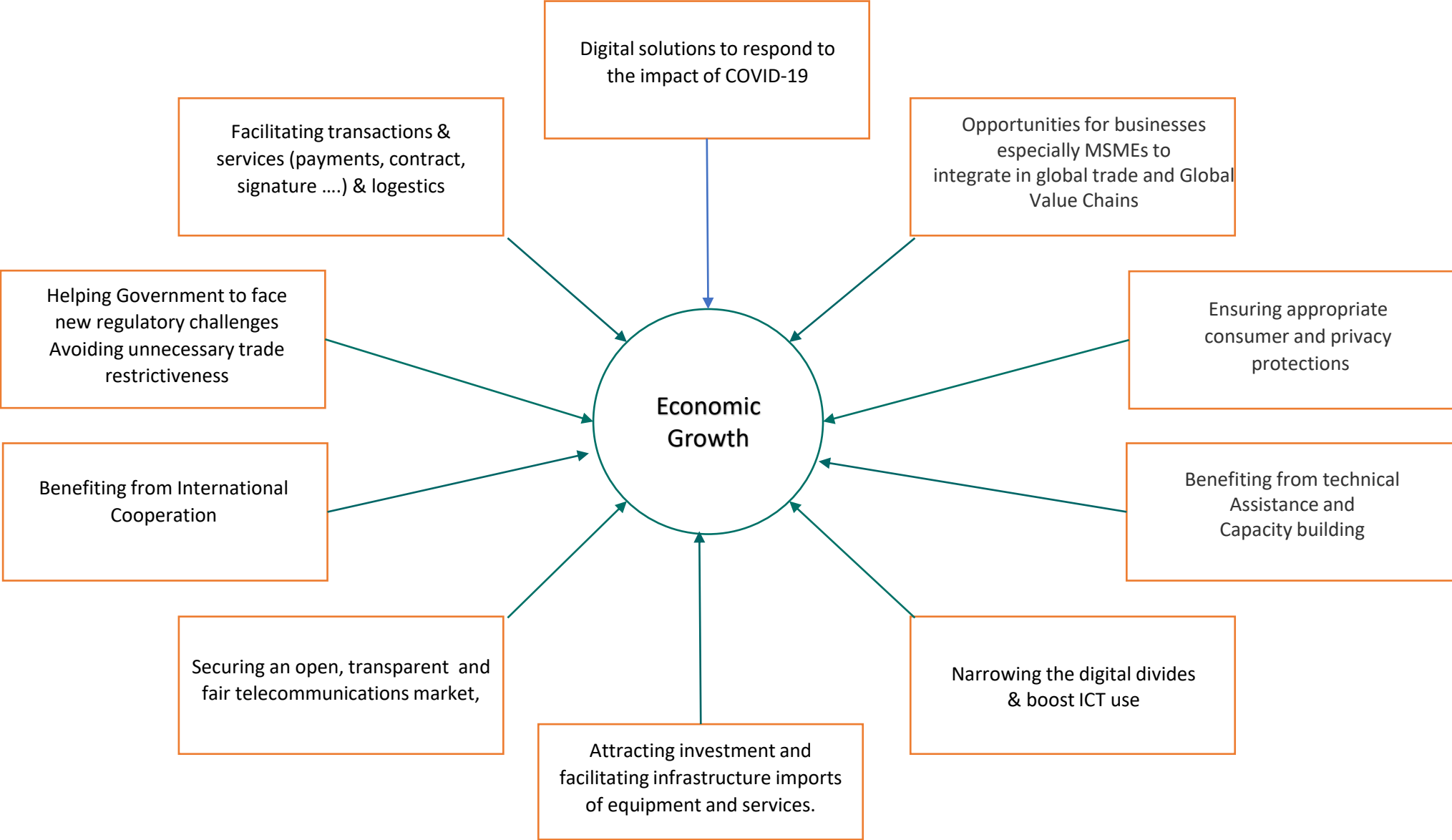


Key progress



- Consolidated text, small and focus groups discussions
- Clean spam text and progress in e-signature and e-authentication.
- Members target to deliver “clean” text on ten areas of the negotiations before the summer break.
- Outcome in MC12

BENEFITS OF GLOBAL RULES ON DIGITAL TRADE FOR ARAB AND MIDDLE EASTERN COUNTRIES



DIGITAL TRANSFORMATION : SAUDI ARABIA'S EXPERIENCE

Regulatory infrastructure in KSA

- The share of e-commerce in the kingdom reached **11 billion USD in 2020**.
- Enhancing and promoting e-commerce is one of the important objectives of the Kingdom's **vision 2030**.
- Establishment of **E-Commerce Council** in 2018 which launched 39 initiatives to promote the growth of e-commerce.
- **New E-Commerce law issued** along with the existing Electronic transactions and cybercrime combat regulations.
- Enhancing the **participation of SMEs** in electronic commerce, especially in the international markets through different initiatives including **trade funding and the creation of digital platforms**.
- **Data Management and Personal Data Protection Standards developed** by the National Data Management Office (NDMO).

Participation of the Kingdom in the WTO E-Commerce negotiations

- Joined the **Telecommunications Reference Paper** and the **Information Technology Agreement**.
- **No restrictions on trade in cross-border computer services** (the first type of service delivery), both on access to markets and national treatment.
- Participated actively in the JSI **on e-commerce** discussions since 2018. and **Joined the JSI Group in June 2019**.
- The Kingdom is of the view of **finalizing negotiations on the easy topics “low hanging fruit”** where consensus can be reached easily and avoid complex and challenging issues for developing and LDCs.
- On work program on e-commerce, the Kingdom prefers **extending the Moratorium on duties on electronic transmission** with the right to impose internal taxes VAT.
- For open government data, source code, prohibiting restrictions on data flows and localization of data negotiations, the Kingdom insists on the importance of taking into account the policy space and capacities of Members and request the reference to **the General Exceptions (Article 14 of GATS) and National Security Exception (Article 14 bis of GATS)** in these provisions.
- The Kingdom of Saudi Arabia encourages a meaningful e-commerce outcome in MC12. This outcome should fully incorporate **development dimension** and should enable developing Members and LDCs in particular, to better participate in and benefit from international trade and global value chains.

The G20 Saudi Presidency Discussions on Digital trade

- The **importance and challenges of digital trade**
- Identifying how Members can **cooperate to leverage technology** to achieve inclusive growth
- Addressing **privacy and security** issues

1

First meeting of Trade and Investment Working Group (TIWG)



State-of-play of discussion on WTO ecommerce / digital trade to identify common ground among Members on certain topics, thus supporting the development of frameworks and rules governing digital trade. **WTO SECERTARIAT**

2

Second meeting of Trade and Investment Working Group (TIWG)



Background paper on “Opportunities and challenges for trade in the digital era” **OECD SECRETARIAT**

3

G20 Leaders Declaration



“We acknowledge the importance of data free flow with trust and cross-border data flows. We reaffirm the role of data for development. We support **fostering an open, fair, and non-discriminatory environment, and protecting and empowering consumers**, while addressing the challenges related to **privacy, data protection, intellectual property rights, and security**. By continuing to address these challenges, **in accordance with relevant applicable legal frameworks**, we can further facilitate data free flow and strengthen consumer and business trust”

Thank you
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