

WTO E-commerce Moratorium & Gender WTO Informal Working Group in Trade and Ger**Gen**eva, 20 June, 2023



## Background: The WTO Moratorium on Customs Duties on Electronic Transmissions

#### Main Aspects

- WTO Members' agreement not to impose customs duties on electronic transmissions (since 1998)
- Renewed until: 13th WTO Ministerial Conference (February 2024)

#### Current Discussions

- Expiration, temporal extension or permanent moratorium? Impacts of each scenario?
- Foregone customs revenues & the scope of electronic transmissions.
- Other collateral costs that need to be addressed.



Lack of research: *Trade & Gender implications of the E-commerce Moratorium.* 



### Literature Review

- ECIPE Policy Brief (2019): end of the moratorium would result in negative economic consequences higher prices, a slowdown in GDP growth, and a reduction in tax revenues.
- OECD Paper (2019): need to examine other issues apart from tax revenues: role of tariffs in ecommerce, the use of alternative, nondiscriminatory mechanisms for collecting revenue, and the impact in the export of services.
- 1. <u>UNCTAD Paper</u> (2020): estimates potential tariff revenue losses for developing countries.
- ICC-ITC Policy Brief (2023): the collateral costs of not renewing the moratorium are considerable & compelling: burdensome economic and admin. costs; direct tax on consumers and businesses; negative impact on digitally-enabled services, etc.

# TEN "QUICK WINS" FOR Digital Trade



#### Develop & implement aspects of "Quick Win No. 8":

'Apply a gender lens to the discussions under the Joint Statement Initiative on Ecommerce'



# TE Collaboration with Australia's mission at the WTO

#### Objective

Examine the gender impact of the WTO's moratorium on the imposition of customs duties on electronic transmissions.

#### Research activities

- 1. Literature review on the WTO E-commerce moratorium
- 2. Series of webinars divided in 3 geographic regions: Latin America & the Caribbean, Africa region and Asia and the Pacific.
- 3. Short report incl. policy recommendations.





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Rossana Fuentes Berain SPEAKER **CEO of XOOK Audio Editorial** 

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**Julia Sekke** SPEAKER

Economist at **Global Affairs Canada** 



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Devi Ariyani SPEAKER **Executive Director. Indonesia** 

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Mansi Kedia Senior Fellow, Indian Council for Research on International

**Economic Relations** 



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Witada Anukoonwattaka SPEAKER Economic Affairs Officer, UN **Economic and Social** Commission Asia and the Pacific





" Without online sales and technological innovations, women owned SMEs are less likely to export relative to men owned SMEs.

#### —Julia Sekkel Economist at Global Affairs Canada

#### LATAM & the Caribbean Webinar <sup>30 May 2023</sup> Key points:

- Technology is an equalizer tool, regulatory and fiscal policies that increase the costs of business will hamper that effect.
- In the Caribbean approx. 85% of women operate within the services sector. But: need to have disaggregated data on services exports by women to calculate impact of the Moratorium.
- Use of digitally delivered services have intensified during COVID and served as an antidote to other economic effects of the pandemic.
- The Moratorium is part of business-as-usual for womenowned SMEs, so there's lack of awareness of what will happen if it is scrapped.
- The risk of increasing the costs of importing digitally delivered services is that producers and exporters will become less competitive, and lose market-share.



Generation Businesses that embraced digital transformation during COVID-19 times were the ones that survived. ??

—**Anne Wambui Gaitha** Founder & CEO Regal Africa Group

# Africa region Webinar 13 June 2023

#### Key points:

- The African digital services landscape is quite different from other parts of the world, and greatly varies across the continent.
- Digital payment solutions were key for vulnerable communities, game changer for women in trade during COVID-19 pandemic times.
- Under the right circumstances women would go from unemployment to business owners + employers.
- The gender-digital-divide is still one of the biggest issues in Africa. Importance of digital inclusion in the development of DDS in Africa.



# WTO IWG in Trade & Gender

Experts suggested hard data was needed in order to measure a possible impact of scrapping the Moratorium.

Others pointed out the importance of defining "electronic transmissions" to be able to measure possible impacts in terms of revenue collection and impact of women in the digital economy.





Considerations from the WTO IWG in Trade & Gender



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