

General Council Meeting
March 01-02, 2021

Statement by India - Delivered by Ambassador & PR to the WTO

**Agenda Item 8: WORK PROGRAMME ON ELECTRONIC COMMERCE
AND MORATORIUM ON IMPOSING CUSTOMS DUTIES ON
ELECTRONIC TRANSMISSIONS – REQUEST FROM INDIA**

Thank you, Chair for giving me the floor.

2. Chair, the digital revolution is still unfolding. There is an existing and widening digital divide among Members, which has been exposed further during ongoing COVID-19 crisis. On this issue, India has been emphasizing how important is for Members to first bridge the digital divides by providing digital infrastructure. Many of us not yet fully comprehend; implications of e-commerce on competition and market structures; issues related to transfer of technology; data storage; automation and its impact on traditional jobs; and the gaps in e-commerce policy and regulating frameworks in developing countries. That is why, India has been a proponent of strengthening our multilateral work under the non-negotiating and exploratory 1998 Work Programme on e-commerce.

3. Under this multilateral Work Programme and with the intention of understanding the implications of the moratorium on customs duties on electronic transmissions, India along with South Africa has earlier introduced three submissions, which explain our understanding of the scope and impact of the moratorium. In December 2019, India joined the consensus on the intended six months extension of the moratorium till MC12 with an understanding that the Work Programme on Electronic Commerce will be reinvigorated with an objective of achieving clarity on issues related to the scope of the moratorium; definition of electronic transmissions; as well as its impact. Due to postponement of the Ministerial Conference the moratorium has since got extended much beyond earlier intended six months i.e. the period agreed for its extension.

4. Chair, the WTO has a unique opportunity to make a contribution towards laying the foundation for an inclusive and development-oriented approach to electronic commerce. Multilateralism is vital in a world facing development challenges. In this regard, India along with South Africa has also circulated a paper WT/GC/W/812, which seeks this Council to play a central role in discussions on the Work Programme; keep this item under regular review; take up any trade-related issue of a cross-cutting nature; and keeping this issue as a standing item on its agenda. We also seek this Council to direct that the Work Programme on E-Commerce be a standing item in the relevant WTO bodies as mandated under WT/L/274. In line with that, we urge Members to engage sincerely on these issues under the multilateral Work Programme, here in this Council and in the relevant WTO Bodies.

I thank you Chair.

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Statement at the End of Discussion on this agenda item:

Thank you, Chair for giving me the floor again.

2. India would also like to thank Members for the engagement today on this agenda item. The interest shown by Members highlights the benefits of having this issue as a standing item in the agenda for this Council meetings. Chair, at the cost of repetition, we would also like to take this opportunity to urge the Membership to actively and constructively engage in discussions on Work Programme on e-Commerce, here in this Council and other relevant WTO Bodies, including on the issue of moratorium of customs duties on electronic transmissions, its scope and coverage; its implications in terms of revenue foregone and policy space and development. Without knowing scope, impact and definition, how are we going to guide/advise our Ministers for decision on this crucial issue in MC12.

3. Chair, are we willing to promote competition or destroy competition, any rule making process protecting existing players and obstructing level playing field for new players will be disastrous for digital market in the long run. It is also interesting to see that while the proponents of continuation of moratorium passionately seek continuance of special and differential treatment for digital trade viz-a-viz physical (conventional) trade of goods, they do not see similar merit in special and differential treatment for developing Members in ongoing other negotiations and question that how long are you going to continue with this kind of support ? It would be helpful to know that how long a fast growing and efficient sector like digital trade will need crutches like moratorium on customs duty.

4. In view of the above, the General Council needs to continue structured and thematic discussions on this important mandated Work Programme; direct that the E-commerce Work Programme be a standing item on its agenda and the agenda for relevant WTO bodies mandate to do so under WT/L/274. The General Council should also play a central role in these discussions and keep the Work Programme under regular review and take up consideration of any trade-related issue of cross-cutting nature as entailed in the 1998 Work Programme. These may include; developmental aspects of electronic commerce; Scope, definition and impact of the moratorium on customs duties on electronic transmissions; and Examination of the challenges experienced by developing countries and LDCs in relation to electronic commerce and explore ways of enhancing their participation in electronic commerce.

Thank you, Chair.
