

**India's Statement at the General Council meeting
held on 12th December 2018**

'Review of E-Commerce Work Programme'

1. India was one of the proponents, and welcomes the decision taken at MC-11 to strengthen the 1998 Work Programme on E-Commerce.
2. E-commerce has created new and exciting opportunities in global trade. At the same time, it also poses significant infrastructure and regulatory challenges, especially for developing countries, which can lose out on these opportunities due to the huge digital divide. As the digital revolution is unfolding, there are still large gaps in our understanding on issues like effects of e-commerce on existing trade rules and issues related to technology transfer. There are also gaps in policy in this area in several countries.
3. It is in this context that South Africa and India introduced the proposal on 'Moratorium on customs duties on electronic transmissions: Need for a re-think' in the General Council.
4. The proposal was discussed in an informal, open-ended meeting of the GC on 27 November, 2018. We believe that the realities prevailing in 1998, when WTO Members agreed, for the first time, to the temporary moratorium on customs duties on electronic transmissions, have changed significantly. These changes necessitate a re-examination of the implications of the moratorium, particularly from the development perspective.
5. With the advent of Industry 4.0, and the advance of 3D printing technologies, the moratorium will erode the existing GATT bound rates, which are typically higher in developing countries.
6. We propose to continue engaging with Members as we look forward to better and more comprehensive empirical studies to guide us in our decision-making process. The MC-XI decision on the ecommerce moratorium will continue till December 2019. We therefore have before us almost a year to revisit the various issues identified by the Members in the context of the ecommerce moratorium.
7. Referring to the Report by the CTS Chair on the 'Work Programme on Electronic Commerce'. I would like to take this opportunity to clarify that India does not intend to engage on a discussion on the moratorium in the CTS as the GC is already seized of the matter. However, as 'customs duties' is listed as an issue for discussion in the CTS under the Work Programme on Electronic Commerce and given that the moratorium is

identified as a 'cross cutting' issue, Members appear within their rights to raise this issue in the CTS and the CTG.

8. We also want to reiterate our concerns on parallel discussions on ecommerce under the Joint Statement Initiative with the objective of rulemaking, which clearly runs contrary to the exploratory mandate of the 1998 multilateral work programme on e-Commerce, which has been reaffirmed by all Members at MCXI.
9. Our considered view on rules and disciplines in E-commerce is that the same would be highly premature at this stage given the highly asymmetrical nature of the existing global E-commerce space. The UNCTAD's recently released report on Trade and Development, 2018 is a very timely warning to developing countries on how they could lose out to digital monopolies, unless they take charge of their trade and investment policies.
10. We are, therefore, committed to reinvigorate work on the multilateral track with its non-negotiating mandate to understand these issues better. This will also build a strong foundation for the growth of e-commerce, which, in turn, would benefit all.
