



JOINT STATEMENT ON ELECTRONIC COMMERCE INITIATIVE

COMMUNICATION FROM THE RUSSIAN FEDERATION

The following communication, dated 15 April 2018, is being circulated at the request of the delegation of the Russian Federation.

Welcoming the outcomes of the 11th WTO Ministerial Conference on e-commerce issues and referring to the Ministerial Joint Statement on e-commerce (WT/MIN(17)/60), we would like to present our vision on the possible ways of undertaking exploratory work preceding future WTO negotiations on trade-related aspects of e-commerce.

We are convinced that the success of the above-mentioned exploratory work depends on the active participation of all WTO Members, without which the elaboration of universal rules on effective regulation on e-commerce issues at the international level is not deemed possible. We therefore encourage WTO Members that signed the Joint Statement to put in their best efforts to involve as many Members into the exploratory work as possible.

1 NEXT STEPS

1.1. The exploratory work shall be based on the examination and analysis of the gaps in the WTO Agreements related to e-commerce and existing barriers in this sphere. These two elements should determine the future coverage of the negotiation on e-commerce issues, as well as the format of future arrangements. Therefore, we believe that **the first step** of exploratory work should be to prepare such analysis.

1.2. Under these circumstances, we suggest that WTO Secretariat could provide an analytical survey that includes the following: examination and analysis of the gaps in the WTO Agreements that could potentially affect e-commerce; and overview of the existing practices and mechanism of e-commerce regulation (e. g. in regional agreements, free trade agreements, etc.), including an illustrative list of the regulated e-commerce issues. Furthermore, for further accumulation of such information by the WTO Secretariat, we propose that Members provide the WTO Secretariat with illustrative lists of the existing barriers to e-commerce.

1.3. We are convinced that a collective undertaking of e-commerce related issues will be useful for structuring further work in this area.

1.4. **The second step** should be to determine the scope and coverage of future arrangements in order to have a clear understanding of the potential gains from the future agreements. The determination of the scope and coverage shall not be based solely on the gaps and barriers analyses, but also on developing a common understanding on e-commerce subject matter.

1.5. As we have already stated before (JOB/GC/131), Members have always applied different approaches towards determining e-commerce subject matter (e-commerce – trade in goods, trade in services, trade related aspects of intellectual property), therefore, different subject matters will require specific regulations. We consider e-commerce to be a cross-cutting issue including all spheres of regulation, therefore, we believe that a holistic approach to this topic should be applied in order to avoid misleading interpretations and to build a common understanding on this issue.

Therefore, we suggest that the future discussions cover all aspects of e-commerce without splitting topics on e-commerce for separate discussions.

1.6. Thus, we have prepared a preliminary list of e-commerce issues that in our opinion deserve Members' attention. It is in no way intended to determine the scope and outcome of the future negotiations, but rather to attract attention to these important aspects of e-commerce. We propose that e-commerce issues could be divided into the following two groups:

1. *Matters that fall within the WTO legal framework but need further clarification regarding the specificity of e-commerce:*

- imposition of custom duties;
- application of customs valuation, rules of origin, import licensing, certification, labelling, technical regulation and SPS measures;
- application of traditional principles of intellectual property rights protection in the sphere of e-commerce taking into account cross-border nature and innovative character of e-commerce;
- application of different specific commitments under the GATS, as well as separate services related to e-commerce;
- facilitation of paperless trading.

2. *Matters that are not covered by the existing WTO rules, but are relevant to e-commerce:*

- authentication and recognition of e-signature (principles and rules of electronic authentication and recognition of electronic signatures need to be developed);
- e-payments (secure mechanism for e-payments need to be developed);
- privacy, personal data protection, secure data flow (mechanism for data protection and conditions for secure data flow need to be developed);
- consumer protection principles (key consumer rights need to be recognized, which include the right to access reliable information on goods and/or services; principles of cooperation between competent authorities need to be developed with a view to restrain unfair business practices; protection against SPAM need to be enhanced; measures against abuse of consumer rights in e-commerce need to be determined; etc.)

1.7. We understand that each Member has his own interest in this sphere, which is why the above-mentioned analytical work could help us structure future discussions and define an exhaustive list of issues for discussion.

1.8. And, **the potential next step** of exploratory work could be to discuss selected e-commerce issues.

1.9. Overall, we are convinced that such exploratory work structure could help all WTO Members to benefit from this process as much as possible.
