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WITSA Calls for New Digital Trade Rules

Fairfax, VA: The World Information Technology and Services today published a statement of policy entitled “*Supporting Digital Trade Rules for Innovation and Sustainable Economic Development: A Case for a Trade Agreement*”. The paper welcomes the ongoing efforts at the World Trade Organization to negotiate a new comprehensive e-commerce agreement, making the case that the Joint Statement Initiative on E-Commerce (JSI) presents a critical opportunity for the global trade body to prove its relevance in the current political environment and could lead to broader WTO reforms as well.

“WITSA is concerned about the very real risk that the significant achievements in multilateral trade liberalization since 1948 might begin to erode, as nations become introspective and protective in the face of global financial and economic challenges”, stated WITSA Secretary General Dr. Jim Poisant. “This is a serious and complex issue for the global business community, affecting not just the future of multilateral negotiations, but – equally important – the future of global trade rule making and dispute settlement.” “A successful conclusion of the WTO e-commerce negotiations resulting in an agreement by the 2020 WTO Ministerial would invigorate global digital trade at a critical time and enhance the stature and relevance of the global trade body,” continued Dr. Poisant.

The statement makes key recommendations regarding a new WTO E-Commerce Agreement, including:

- Compliance with WTO non-discrimination principles, such as Most-Favored Nation (MFN) and National Treatment (NT);
- A New WTO ecommerce trade agreement should enable the secure movement of data across borders;
- , a new WTO trade framework should prohibit the forced localization of data or computing facilities for all sectors;
- A WTO agreement should permanently prohibit customs duties and other discriminatory measures from being applied to electronic transmissions;
- A new WTO digital trade agreement should include further commitments on trade facilitation that help enable cross-border e-commerce for businesses of all sizes, especially micro-, small- and medium sized enterprises (MSMEs);
- A WTO agreement on digital trade should include protections against requirements that companies provide source code or proprietary algorithms as a condition of market access, which severely limits open trade and investment and violates the principle of non-discrimination so fundamental to the entire trade system;
- An agreement should prohibit governments from imposing measures requiring companies to purchase or use a particular technology and governments from according a preference to a

particular technology in their markets and should retain the obligation to support international standards which are integral to interoperable software, hardware and services which underpin the open Internet;

- A WTO agreement should strengthen existing cybersecurity collaboration mechanisms;
- An agreement should recognize that personal information must be protected regardless of where it is located, but also acknowledge that different approaches can achieve comparable levels of privacy protection and provide a mechanism to guarantee international transfers of protected data;
- A WTO agreement should recognize the importance of open government data by promoting access in machine-readable and open formats leveraging international standards.

The full statement can be found on the WITSA web site at the following link:

https://witsa.org/wp-content/uploads/2019/10/DigitalTrade_final.pdf

About WITSA:

The World Information Technology and Services Alliance (WITSA) is the leading recognized international voice of the global ICT industry, whose members from over 80 countries and economies represent more than 90 percent of the world ICT market. WITSA is dedicated to advocating policies that advance industry growth and development; facilitating international trade and investment in ICT products and services; strengthening WITSA's national industry associations; and providing members with a broad network of professional contacts.

WITSA members are leaders in a globally interconnected marketplace. Because the challenges facing the ICT industry are undisputedly global in nature, WITSA members work together to achieve a shared vision on important issues of common interest. WITSA makes it possible for its members — ranging from Mongolia and Argentina to Kenya and the United States — to identify common issues and priorities, exchange valuable information, and present a united position on industry issues. For more information on WITSA, please visit www.witsa.org