

# THE WTO E-COMMERCE JSI IN THE RUN-UP TO MC13



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18 January 2024

# PRESENTATION OVERVIEW

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- What is a digital economy ?
- Mauritius participation in the WTO e-commerce JSI negotiations
- Participation of developing countries
- Special and differential treatment(S&DT)
- Mauritius proposal on S&DT
- Status of negotiations on S&DT

# WHAT IS A DIGITAL ECONOMY ?

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- Foundations of a any digital economy rest on:
  - *modern ICT infrastructure*
  - *favourable business environment*
  - *sound regulatory framework ;and*
  - *educated population.*
- Without the right framework in place, there is a clear risk that big players will increasingly dominate, leaving smaller businesses behind.
- While a lot of work need to happen domestically, initiatives at **the global level** can also play an important role.
- At the WTO negotiations are taking place on two parallel tracks :
  1. *The existing Work Programme on Electronic Commerce.*
  2. *WTO JSI on E-commerce*

# PARTICIPATION OF DEVELOPING COUNTRIES IN THE WTO JSI ON E-COMMERCE

## Few Statistics

- A large number of LDCs have opted not to take part in the JSI negotiations.
- *In particular, many LDCs have expressed their unpreparedness to take on additional commitments in this area for various reasons.*
- Africa: Benin, Mauritius, Nigeria, Côte d'Ivoire, Kenya, Cameroon, and Burkina Faso.
- Four participants from LDC: Benin, Lao PDR, Myanmar, and Burkina Faso.
- Least represented region :Africa and Caribbean.

## Problems faced by the developing countries participants

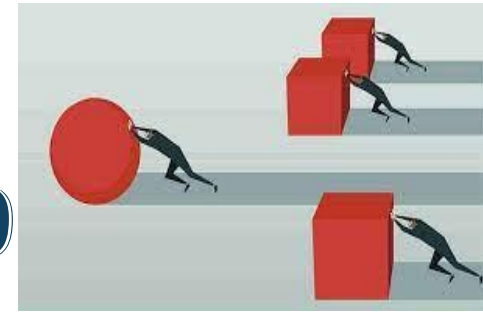
- Many of the developing countries are facing considerable capacity constraints compared to their developed country counterparts.
- *They do not have the capacities to participate actively in the negotiations nor to implement the commitments of the outcome effectively*

# MAURITIUS PARTICIPATION IN THE WTO E-COMMERCE JSI



- Mauritius joined the JSI on e-commerce in the year 2022 .
- An assessment of the e-commerce ecosystem in Mauritius was made on an informed basis .
- A number of principles and good practices are already being implemented However, there are some areas that require improvements.
- Mauritius recognises that least developed and developing countries face barriers in achieving these aims and therefore “assistance would be required in those areas where the gaps between the current draft JSI provisions and the existing domestic legal provisions are the largest”

# SPECIAL AND DIFFERENTIAL TREATMENT(S&DT)



- E-commerce has been recognized as a potential engine for trade, growth and development but at the same time, is also presents serious challenges that prevent developing countries from achieving e-commerce development.
- It is therefore not surprising that any initiative at the WTO to promote the expansion of e-commerce is expected to include a provision on S&DT .
- Various proposals are being put forward:
  - 1. The need for bridging the digital divide by promoting more research, training and communication.*
  - 2. The provision of technical assistance by the WTO Secretariat.*
  - 3. Provisions in other WTO agreements were viewed as possible templates, including those of the TFA.*
- A small group has been created at the level of the e-commerce JSI to look into the provisions pertaining to S&DT.

# MAURITIUS PROPOSAL ON S&DT



- Mauritius is in favour of a regulatory framework that will enable all Member countries, in particular LDCs, to fully take advantage of the opportunities that e-commerce provides.
- *S&DT should help developing countries to integrate into the global economy and allow them to do what is necessary to fully benefit from this new trade instrument.*
- Mauritius had in the beginning of the negotiations proposed the Trade Facilitation Agreement (TFA) model that allows for *self-designated transitional implementation periods and linking of the implementation of some commitments to the provision of technical and capacity building assistance.*
- In addition, Mauritius had also recommend that developed countries and relevant international organisations assist developing and LDC's Members to undertake national needs assessment exercise to identify areas where assistance would be required.

# STATUS OF NEGOTIATIONS ON S&DT



- It is noted that when it comes to assisting developing countries most of the JSI Members would prefer to have “best endeavour provisions” rather than “binding” ones .
- A binding language would give more comfort to the developing countries.
- If implementation is not linked with financial assistance, many developing countries, especially the LDCs would find it difficult to implement the Agreement.
- It may end up enlarging the digital divide between the developing and the developed countries.
- Developing countries will only end up opening their markets for imports of digital services.
- Once the Agreement is concluded, it should benefit both the developed and the developing countries .



