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Page: 1/2

General Council

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## JOINT STATEMENT ON ELECTRONIC COMMERCE

### COMMUNICATION FROM UKRAINE

The following communication, dated 19 September 2018, is being circulated at the request of the delegation of Ukraine.

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Ukraine is pleased to participate in the exploratory work undertaken among interested Members to implement the MC11 Joint statement on Electronic Commerce.

Recognizing that e-commerce enhances trade opportunities in many sectors and considering the significant potential for its development, Ukraine emphasizes the necessity to continue working with other Members to develop universal rules for e-commerce regulation and identifies a number of possible areas for future discussions on this issue.

Ukraine fully supports a comprehensive and in-depth exploration of trade related aspects of e-commerce with a view to start the negotiation of concrete outcomes.

### POSSIBLE ISSUES FOR FUTURE DISCUSSION

#### 1 INFRASTRUCTURE GAP

1.1. Insufficient development of Internet communications is a key barrier to the extension of e-commerce in developing and least developed countries. Therefore, the pressing issue now is to determine the readiness of these countries to build a relationship in the field of e-commerce and appropriate measures to promote the improvement of infrastructure and technical specifications for its development.

#### 2 TELECOMMUNICATION SERVICES

2.1. Ukraine fully supports the proposal to upgrade provisions contained in the GATS Telecommunications Reference Paper (Reference Paper).

#### 3 CUSTOMS DUTIES AND OTHER TAXES ON ELECTRONIC TRANSMISSIONS

3.1. One challenging question regarding the predictability of e-commerce is the imposition of customs duties and other taxes on electronic transmissions.

- The proposal to establish a permanent moratorium on customs duties on electronic transmissions is fully supported by Ukraine.
- We share the view that a permanent moratorium on customs duties on electronic transmissions should not prevent Members from imposing internal taxes or other charges.

#### **4 TRADE-RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS**

4.1. Ukraine supports a discussion on increasing the level of transparency regarding the remuneration of copyright and related rights in the digital environment and on the improvement of the business environment in the electronic copyright trade by means of reaffirming the territoriality of copyright in the digital environment as a principle of the international trading system.

4.2. We also support the prohibition of disclosure of important information such as trade secrets including source codes and proprietary algorithms.

#### **5 OPEN DATA**

5.1. One issue that should be discussed as it is becoming relevant in the context of economic feasibility is open data. It is necessary to establish or facilitate further development of public web portals of open data, where data is published in accordance with the interests of e-commerce participants and legal requirements for the openness and transparency of activities. In addition, the functioning of such portals will increase the awareness of participants about the economic opportunities of open data.

#### **6 ELECTRONIC AUTHENTICATION AND ELECTRONIC CONTRACTS**

6.1. The development of standards, formats, identifiers for the introduction of interoperable means of electronic authentication will facilitate the development of both national and cross-border e-commerce. In addition to the legal validity of the signature, provided in electronic form and the enforcement of internal legislation for the recognition of electronic authentication tools, the issue of compatibility of these means (especially electronic signatures and electronic stamps) becomes more and more relevant. After all, the mutual recognition and compatibility of electronic authentication tools can become catalysts for the further growth of e-commerce. Qualified provision of trust services will help increase the confidence of the participants, who will be convinced that all electronic transactions will be private.

#### **7 PAPERLESS TRADE**

7.1. Another issue that would require attention is paperless trade. Promoting the development of paperless trade will significantly optimize trade facilitation procedures by accepting electronic trade administrative documents (for custom clearance) that would lower financial costs and transaction time.

#### **8 UNSOLICITED COMMERCIAL ELECTRONIC MESSAGES**

8.1. Regarding the regulation of the receipt of unsolicited commercial electronic messages (spam), Ukraine supports the position that:

- Suppliers of spam should provide an opportunity for consumers to opt-out from such messages at any time; and
- Spam must be clearly identifiable.

#### **9 CYBERSECURITY**

9.1. A final issue that might entail fruitful discussions is cybersecurity. Rising level of cybercrime and fraud in terms of increasing the number of information systems that use personal data is certainly a challenge, whose impact should be minimized. This can be achieved through collective cooperation in order to identify existing threats and mechanisms to combat them.

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