



## Global Industry Statement on the WTO Moratorium on Customs Duties on Electronic Transmissions

The undersigned associations urge WTO members to support continuation of the Moratorium on Customs Duties on Electronic Transmissions at the WTO's Thirteenth Ministerial Conference (MC13).

Allowing the Moratorium to expire would be a historic setback for the WTO, representing an unprecedented termination of a multilateral agreement in place nearly since the WTO's inception – an agreement that has allowed the digital economy to take root and grow. All WTO members have a stake in the organization's continued institutional credibility and resilience, as well as its relevance at a time of unprecedented digital transformation.

Continuation of the Moratorium is critical to the ongoing COVID-19 recovery. As detailed by the United Nations, the World Bank, the OECD, and many other organizations, the cross-border exchange of knowledge, technical know-how, and scientific and commercial information across transnational IT networks, as well as access to digital tools and global market opportunities have helped sustain economies, expand education, and raise global living standards.

Continuation of the Moratorium is also important to supply chain resilience for manufacturing and services industries. Manufacturers – both large and small, and across a range of industrial sectors – rely on the constant flow of research, design, and process data and software to enable their production flows and supply chains for critical products.

The Moratorium is particularly beneficial to Micro, Small and Medium-Sized Enterprises (MSMEs), whose ability to access and leverage digital tools has allowed them to stay in business amidst physical restrictions and lockdowns. Failure to renew the Moratorium will jeopardize these benefits, as customs restrictions that interrupt cross-border access to knowledge and digital tools will harm MSMEs and the global supply chain – increasing digital fragmentation. As [UNCTAD](#) has explained, such fragmentation “reduces market opportunities for domestic MSMEs to reach worldwide markets, [and] ... reduces opportunities for digital innovation, including various missed opportunities for inclusive development that can be facilitated by engaging in data-sharing through strong international cooperation. ... [M]ost small, developing economies will lose opportunities for raising their digital competitiveness.”

The risks of ending the Moratorium have been discussed in recent publications by the [International Monetary Fund](#), [OECD](#), [World Bank](#), [United Nations](#), and [WTO](#), and by think-tanks in [India](#), [Indonesia](#), [Switzerland](#), [Belgium](#), and [around the world](#). As the [OECD](#) has explained, “[t]he overall revenue implications of the Moratorium are small..., [t]ariffs on electronic transmissions would hit low-income country trade the most... Smaller and women-owned firms could be most impacted...” [Other reports](#) predict greater GDP losses due to potential implementation of retaliatory duties and note that goods and services taxes (GST) / value added taxes (VAT) are preferable to tariffs both from the perspectives of revenue collection, economic efficiency, and administrability. Countries that impose such duties also face longer-term harms due to a less predictable investment climate, reduced foreign direct investment, and reduced access to knowledge, information, and digital tools needed by local workers, artists, patients, students, consumers, and other constituents.

Finally, at a time when [the G20](#), seeking to establish “a more stable and fairer international tax system,” has formally endorsed the [OECD Inclusive Framework's Solution to Address the Tax Challenges Arising from the Digitalisation of the Economy](#), it seems unnecessarily disruptive for the WTO membership to abandon a foundational quarter-century old agreement regarding the treatment of electronic transmissions. We also note in this regard the [G7 Digital Trade Principles](#), which state that “[e]lectronic transmissions – including the transmitted content – should be free of customs duties, in accordance with the WTO Moratorium on Customs Duties on Electronic Transmissions.”

We therefore urge all WTO members to show strong leadership and support of the digital economy by supporting continuation of the WTO Moratorium on Customs Duties on Electronic Transmissions.

Sincerely,



1. ACEA – European Automobile Manufacturers Association
2. ACTI - Asociación Chilena de Empresas de Tecnologías de Información
3. Africa Cloud Association
4. Africa Information and Communication Technologies Alliance (AfICTA)
5. Alianza del Pacífico
6. Allied for Startups
7. American Chamber of Commerce in Australia
8. American Chamber of Commerce in Chile
9. American Chamber of Commerce in Malaysia
10. American Chamber of Commerce in New Zealand
11. American Chamber of Commerce in Peru
12. American Chamber of Commerce in Singapore
13. American Chamber of Commerce in Spain
14. American Chamber of Commerce to the EU
15. AMETIC La Voz de la Industria Digital
16. ACT | The App Association
17. APPLiA
18. Asia Business Trade Association
19. Asia Cloud Computing Association
20. Asia Internet Coalition
21. Asia Pacific MSME Trade Coalition (AMTC)
22. Asia Pacific Services Coalition
23. Asociación de Internet MX
24. Asociación Latinoamericana de Exportadores de Servicios (ALES)
25. Associação Brasileira das Empresas de Software
26. Association of Competitive Telecom Operators (India)
27. AusFilm
28. Australasian Performing Rights Association / Australasian Mechanical Copyright Owners Association (APRA AMCOS)
29. Australian Information Industry Association
30. Australian Industry Group
31. Australian Services Roundtable
32. Autos Drive America
33. BDI – Federation of German Industries
34. Belize Coalition of Service Providers (BCSP)
35. Bitkom e.V.
36. Brazilian National Confederation of Industry
37. British Chamber of Commerce Kenya
38. Broadband India Forum (BIF)
39. BSA | The Software Alliance
40. Business Alliance for Customs Modernization
41. Business Council of Canada
42. Business Europe
43. Business NZ
44. Business Roundtable
45. Câmara Brasileira da Economia Digital
46. Cámara Colombiana de Comercio Electrónico
47. Canadian Chamber of Commerce
48. Cámara de Comercio de Lima - CCL
49. Cámara de Industrias de Costa Rica
50. Cámara de Infocomunicación y Tecnología (INFOCOM)
51. Canadian Services Coalition (CSC)
52. Cape Chamber of Commerce and Industry [S. Africa]
53. Caribbean Network of Services Coalition
54. Center for International Economic Collaboration (CFIEC)
55. Chamber of Digital Industry and Services of National Business Association of Colombia – ANDI
56. China Council for Promotion of Int'l Trade
57. China Semiconductor Industry Association (CSIA)
58. City of London Corporation
59. Coalition for Digital Prosperity for Asia
60. Coalition of Services Industries (CSI)
61. Computer and Communications Industry Association
62. Confederation of Danish Industry (DI)
63. Confederation of Finnish Industry (EK)
64. Confederation of Norwegian Enterprise (NHO)
65. Confederation of Swedish Enterprise
66. Consumer Technology Association (CTA)
67. Copyright Overseas Promotion Association (COA)
68. Costa Rican Chamber of Information and Communication Technologies (CANTIC)
69. DIGITALEUROPE
70. Digital Trade Network
71. Dominican Republic Services Association
72. Ecommerce Forum Africa
73. Emerging Business Factory (Morocco)
74. ENGINE
75. Entertainment Software Association
76. EU-ASEAN Business Council

77. Eurochambres
78. European Chamber of Commerce in Indonesia
79. European Chamber of Commerce in Thailand
80. EuroCommerce
81. European Services Forum (ESF)
82. European Semiconductor Industry Association (ESIA)
83. Federation of Korean Information Industries (FKII)
84. Forum for Internet Retailers, Sellers & Traders of India
85. German Chamber of Commerce and Industry (DIHK)
86. Global Data Alliance
87. Global Trade Solutions (South Africa)
88. Grenada Coalition of Service Industries (GCSI)
89. Hong Kong Coalition of Services Industries
90. India Electronics & Semiconductor Association (IESA)
91. INDIA SME FORUM
92. Independent Film & Television Alliance (IFTA)
93. Indonesia Services Dialogue (ISD)
94. Information Technology Industry Council (ITI)
95. Interactive Games and Entertainment Association
96. The International Association of Scholarly, Technical and Medical Publishers (STM)
97. International Chamber of Commerce (ICC)
98. International Generic and Biosimilar medicines Association (IGBA)
99. IP Federation (United Kingdom)
100. Japan Business Council in Europe (JBCE)
101. Japan Electronics and Information Technology Industries Association (JEITA)
102. Japan Information Technology Service Industry Association (JISA)
103. Japan Machinery Center for Trade and Investment (JMC)
104. Japan Semiconductor Industry Association (JSIA)
105. Japan Services Network (JSN)
106. Joint Foreign Chambers of Commerce in Thailand
107. Kenya Private Sector Alliance
108. Korea International Trade Association
109. Korea Semiconductor Industry Association
110. Korean Broadcasters Association
111. Korean Film Digital Distribution Association
112. La Chambre de Commerce d'Industrie et d'Agriculture de Saint-Louis (Sénégal)
113. La Conférence permanente des chambres consulaires et organisations intermédiaires africaines et francophones (Cpccaf)
114. Malaysian Service Providers Confederation (MSPC)
115. Malaysia Semiconductor Industry Association
116. Mexican Business Council for Foreign Trade, Investment and Technology
117. Mexican Chamber of Electronics, Telecommunications and Information Technologies (CANIETI)
118. Motion Picture Association (MPA)
119. Motion Picture Distributors Association of Australia (MPDAA)
120. Motion Picture Producers Association of Japan
121. National Association of Manufacturers (NAM)
122. National Association of Cinema Operators – Australasia (NACO)
123. National Foreign Trade Council (NFTC)
124. New Zealand International Business Forum
125. Philippine Exporters Confederation (PHILEXPORT)
126. Professional & Business Services Council
127. Papua New Guinea Chamber of Commerce and Industry
128. Recording Industry Association of America (RIAA)
129. Saint Lucia Coalition of Services Industries (SLCSI)
130. Saint Kitts & Nevis Coalition of Services Industries
131. Semiconductor & Electronics Industries in the Philippines Foundation, Inc. (SEIPI)
132. Semiconductor Industry Association (SIA)
133. Screen Producers Australia (SPA)
134. SGTECH
135. Small Business and Entrepreneurship Council
136. SPADA NZ – The Screen Production and Development Association
137. Singapore Business Federation
138. Singapore Semiconductor Industry Association
139. Sociedad de Comercio Exterior del Perú (ComexPerú)
140. Sociedad de Fomento Fabril (SOFOFA)
141. Taiwan Coalition of Services Industries (TWCSI)
142. Taiwan Semiconductor Industry Association (TSIA)
143. techUK
144. TECHNATION Canada
145. Technical Service Providers Association of South Africa
146. Technology Trade Regulation Alliance (TTRA)
147. Telecommunications Industry Association (TIA)
148. TheCityUK
149. The National Customs Brokers & Forwarders Association of America (NCBFAA)
150. Trinidad and Tobago Coalition of Services Industries
151. Unión Costarricense de Cámaras y Asociaciones del Sector Empresarial Privado (UCCAEP)
152. Uruguay: National Chamber of Commerce and Services
153. US-ASEAN Business Council
154. US-Bangladesh Business Council
155. US Chamber of Commerce
156. US Council for International Business
157. US-India Business Council
158. US-India Strategic Partnership Forum (USISPF)
159. US Information Technology Office (China)
160. Vietnam E-commerce Association (VECOM)
161. World Information Technology and Services Alliance (WITSA)