

FOR IMMEDIATE RELEASE FROM THE CO-CONVENORS OF THE GLOBAL SERVICES COALITION

The WTO Ministerial Conference 13 in Abu Dhabi has just gaveled a final text extending the WTO E-commerce moratorium for another two years. This achievement is a minor miracle given the state of play coming into MC 13. Ministers have reached a deal which is sufficient to save not only the Moratorium but also the multilateral trading system – for now.

Despite acrimony and prolonged overnight discussions that included unbridgeable gaps on agriculture and sensitivities on fisheries, WTO members were able to find a solution on the E-Commerce Moratorium on customs duties on electronic transmissions, extending it until the next Ministerial Conference in Cameroon or March 31, 2026 whichever occurs earlier.

In the months leading up to MC13, an astounding 211 business associations from all over the world, including from least developed countries and emerging markets such as India, Indonesia and South Africa, made a strong convincing case against customs duties on electronic transmissions. These associations and the many academic studies undertaken on the impact of the moratorium all confirm that customs duties on electronic transmissions would lead to higher costs for all digitally enabled trade in goods and services, reduce market accessibility, and decrease competitiveness for businesses operating in the digital space, especially MSMEs. It is a straightforward message that governments must understand.

"We welcome the fact that the Moratorium has not been terminated today, and we continue to call for a permanent ban on customs tariffs on digital trade" said Pascal Kerneis from the European Services Forum.

"MC13 has ended in some triumph", said Jane Drake-Brockman, Director of the Australian Services Roundtable. "On life support for the last 24 hours, the multilateral system has managed to shine through to breathe another day" she said.

"The large amount of data and analysis on the benefits of the moratorium that has been collected over the last year and a half, especially by the OECD, World Bank, IMF, and WTO Secretariat is very compelling. It made it very clear eliminating the moratorium would be a major step backward for the global digital economy," said Christine Bliss, President of the U.S. Coalition of Services Industries.

We are grateful to our negotiators for their dedication and persistence and to our Ministers for their determination to keep global markets open for the immediate period ahead. But the business community will not quickly forget MC13 and the damagingly deep divisions it revealed.

John Cooke, Co-Chair, The City UK Liberalisation of Trade in Services Expert Advisory Group, said "Global business needs the WTO, and a unified and settled consensus on the global rules-based



system that it stands for. MC13, while clearly marking some very welcome steps forward, also highlighted its potential fragility."

Moving forward, it is imperative that WTO members continue to engage constructively to address the ongoing challenges and work towards less divisive and more lasting solutions. The GSC is aware of the widespread support among WTO members for putting the moratorium on a permanent basis through the E-Commerce Joint Initiative. Between now and MC14 we shall support their work on maintaining this prohibition. Business needs more legal certainty on digital trade. It will be best achieved by fast-tracking the conclusion of the Joint Initiative on E-Commerce, including a permanent e-commerce moratorium, and ensuring prompt inclusion of these disciplines in the WTO rulebook.

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