

## **Informal General Council Meeting on 24 May 2022**

### **Hong Kong, China's Statement**

#### **Work Programme on Electronic Commerce (and Moratorium on Customs Duties on Electronic Transmissions)**

- Thank you, Chair,
- Thank you for the updates. Hong Kong, China supports your continuous effort on the outcome document, and would like to focus this morning on the Work Programme on E-commerce and the moratorium on customs duties on electronic transmissions.
- Noting that Members' views on the future of the Work Programme and the moratorium remain divergent, we believe the most pragmatic and least-disruptive way forward at this moment is to extend the moratorium to at least MC13 so as to preserve the existing enabling environment for international digital trade, which is critical for the global post-pandemic recovery. We also reaffirm our support for continuing the discussions under the Work Programme in order to address the issues of concern to Members.
- I wish to highlight the following points.
- First, Hong Kong, China believes that the moratorium has underpinned a stable and predictable e-commerce environment for over two decades. Letting the moratorium lapse would be a major setback for the WTO, and more importantly, we do not see how this would help clarify the relevant issues or narrow the current gaps among Members. The only things certain are: it would cause unnecessary harms to the stability of the global e-commerce environment, and cast serious doubts on the relevance of the WTO to global trade and its ability to respond to the needs of the industry.
- As highlighted in a statement issued last week by over 90 industry associations around the world, including those from developing countries, continuation of the moratorium is critical to avoiding substantial disruptions to trade and investment and supporting post-pandemic recovery. Failure to extend the moratorium would

have detrimental effects, especially on MSMEs, which depend on digital tools to access the world market and online services to overcome physical restrictions.

- Second, as shown by various studies conducted during the past few years and summarised in a trade brief issued by the OCED last week, the benefits associated with the moratorium far outweigh the potential revenue loss to a government, and would bring substantial benefits in terms of reduction in trade costs, increased consumer welfare and enhanced export competitiveness.
- Chair, Hong Kong, China supports your consultation efforts to identify a positive solution to the moratorium before MC12 and will continue to engage positively and constructively to find a solution acceptable to all.

**Hong Kong Economic and Trade Office in Geneva**  
**May 2022**