

## Concept Note

### High-level Digital Conference

***“Digital and Trade: A path to better market opportunities and employment creation”***

**Date: 28 February 2022, 13:30-15:00 CET**

**Venue : Zoom ([https://us06web.zoom.us/webinar/register/WN\\_luJG1qzyQE7\\_V6QI9h9hw](https://us06web.zoom.us/webinar/register/WN_luJG1qzyQE7_V6QI9h9hw))**

## Background

Trade is a driver for competition, productivity, and innovation and allows societies and businesses to take advantage of lower prices, better products and services and increased choices. Trade and market openness have been drivers for better economic performance, job creation and societal progress worldwide. Global trade has contributed to job creation in developed and developing economies and has lifted hundreds of millions of people out of poverty. Recent research shows that trade liberalization increases economic growth by an average of 1.0 to 1.5 percentage points, resulting in 10 to 20 percent higher income after a decade. Since 1990, trade has increased incomes by 24 percent globally and by 50 percent for the poorest 40 percent of the population. Economic growth underpinned by better trade practices has lifted more than 1 billion people out of poverty since 1990.

Due to the Covid-19 pandemic and its impact on employment, the current challenges confronting trade underline the need for international cooperation, effective multilateralism, and robust investment frameworks to enable enterprises to create more and better jobs. Business needs to increase its support for a global system of rules-based free trade in general and the WTO in particular, as well speak up for national frameworks conducive to harnessing the employment and welfare benefits of trade.

Furthermore, the digital transformation has reduced the costs of engaging in international trade, facilitated the co-ordination of global value chains, helped diffuse ideas and technologies, and connected a greater number of businesses and consumers globally. According to UNCTAD, ICT services grew to almost 14% of total services' exports worldwide in 2020, while the long-term upward trend in digitally deliverable services trade rapidly accelerated.

Digital trade refers to commerce enabled by electronic means – by telecommunications and/or ICT services – and covers trade in both goods and services. It comprises both digitally ordered trade in goods and services (cross-border electronic commerce (e-commerce)) and digitally delivered trade (services delivered internationally through the Internet or other networks). But even though it has never been easier to engage in international trade, the adoption of new business models has given

rise to more complex international trade transactions and policy issues. Governments are facing new regulatory challenges, not just in managing issues arising from digital disruption, but also in ensuring that the opportunities and benefits from digital trade can be realised and shared inclusively. As an example, the issue of data is a crucial element of digital commerce. While information and data flows are not always for profit, they are essential components of digital commerce. Data localization barriers remain a major challenge around the world, often due to unnecessary requirements to store data in a particular jurisdiction or to localize IT facilities, as well as outright bans on cross-border data flows

Digital trade is more topical than ever. Despite strong opposition from some members, it was decided at the last WTO MC12 Conference, in June 2022, to keep the status quo on the Moratorium and Work Programme on Electronic Commerce. This in order to foster e-commerce by maintaining the current practice of not imposing customs duties on electronic transaction, based on the WTO 2021 Moratorium on Customs Duties on Electronic Transmissions, which is itself based on the WTO 1998 Declaration on Global Electronic Commerce, stating that Members will "continue their current practice of not imposing customs duties on electronic transmissions". Some Members states such as India and South Africa, important producers of tech related services, have been demanding for many years the end of the Moratorium in order to increase their fiscal revenues.

IOE and its global network representing over 50 million businesses in more than 150 countries can serve as a key asset for the multilateral system in policy for trade and sustainable economic growth. In 2021, IOE launched the Business Coalition for Trade, Employment & Sustainable Development to promote and coordinate the efforts of employers' organisations and companies, of all sizes and characters, to support employment growth and sustainable development through trade that is underpinned by the multilateral rules, as well as to strengthen dialogue between business and the WTO and other international trade organisations. IOE has already organized two high-level and well attended Conferences with various UN leaders, CEOs and renowned experts on all aspects linked to trade.

**This high-level digital Conference will be the opportunity to share views, experiences and more importantly to identify critical action from relevant stakeholders on how to maximize economic growth and employment creation around the world by shaping an enabling global environment for trade enabled by technology.**

## Agenda

**Moderator:** Mr. Amadou Sako, IOE Adviser & Project Officer for Africa

13:30-13:35	Opening remarks by <b>Mr. Roberto Suarez, IOE Secretary-General</b>
13:35 – 14: 45	<p style="text-align: center;"><i>Interactive Discussion</i></p> <p style="text-align: center;"><b>Ms. Miho Shirotori,</b> <b>Head of Trading Systems, Services and Creative Economy, United Nations</b> <b>Conference on Trade and Development (UNCTAD)</b></p> <p style="text-align: center;"><i>Trade around the world: What is the state of play and how is digitalization changing trade? (8 mins)</i></p> <p style="text-align: center;"><b>Ms. Sulyna Abdullah, Special Advisor, International Telecommunication</b> <b>Union (ITU)</b></p> <p style="text-align: center;">The ITU is “Committed to connecting the world”. What should governments across the world do regarding digital regulatory environments and digital infrastructures to foster digital trade? (8 mins)</p> <p style="text-align: center;"><b>Ms. Manuela Tomei, Assistant Director-General for Governance, Rights and</b> <b>Dialogue</b></p> <p style="text-align: center;"><i>The ILO DG has recently proposed to forge a Global Coalition for Social Justice, bringing together the ILO tripartite constituents and organizations from the multilateral system as well as other stakeholders. What role is foreseen for multilateral trade organizations in this Coalition and why is their involvement important? (8 mins)</i></p> <p style="text-align: center;"><b>Ms. Jihen Boutiba, Executive Director of EBSOMED and Secretary General of</b> <b>BusinessMed</b></p> <p style="text-align: center;">BusinessMed recently launched the Business Country Desk (BCD). Could you please tell us more about this initiative and the results obtained so far? (8 mins)</p> <p style="text-align: center;"><b>Phil O'Reilly, Former Chairman Business@OECD</b></p> <p style="text-align: center;"><i>Digital trade has become a fundamental factor in the development of global economy. What is the role and importance of cross-border flow of data as a horizontal principle to create a global level playing field? (8 mins)</i></p>
14:45-14:55	Q & A session
14:55-15:00	<b>Concluding remarks by Mr. Roberto Suarez, IOE Secretary-General</b>



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