

**General Council Meeting**  
**9-10 May, 2022**

**Statement by India – Delivered by Ambassador & PR to the WTO**

**AGENDA ITEM 10: WORK PROGRAMME ON ELECTRONIC COMMERCE AND MORATORIUM ON IMPOSING CUSTOMS DUTIES ON ELECTRONIC TRANSMISSIONS – REQUEST FROM INDIA AND SOUTH AFRICA**

Thank you Chair.

2. India would like to thank on behalf of South Africa and other co-sponsors and to all the Members who have participated in today's interaction. Let me have India's view on the discussion today.
3. Chair, we would request the process of convening meetings of the Work Program in the General Council as well as in all other four councils as mandated in WT/L/ 274 as a standing item.
4. The Members may recall that on development agenda, India along with other co-sponsors have presented paper in Committee on Trade and Development in 2021 which focuses on the critical issue of digital divide. The paper also describes how the distributional effects of e-commerce have been uneven, exacerbating intra-country as well as inter-country inequalities. The paper explains how entrenched technology platforms have used consumer data to bolster their positions, sometimes at the cost of micro, small and medium sized enterprises. These aspects are important to discuss in the Committee for Trade and Development in relation to E-Commerce.
5. Similarly, the three Councils i.e. Trade in Services, TRIPS and Trade in Goods, Chair, with a mandate to undertake discussions on the Work Programme on E-Commerce, should start abiding by the original mandate. India will work towards shaping the agenda for these discussions.
6. You will recall that in the run-up to the originally scheduled MC12 in November, India, South Africa and Indonesia had presented a communication WT/GC/W/838/Rev.2 which also stressed on the need to rejuvenate the Work Programme on E-Commerce.
7. We will reiterate our ask from the previous General Council held in February. We suggest holding a discussion on the role of E-Commerce during the time of the pandemic. This will help us make a distinction between the role of international e-commerce vis-à-vis domestic e-commerce. It will be good to

hear from Members if they benefited from cross-border e-Commerce during the time of the pandemic.

8. We also firmly believe that the moratorium on customs duties on electronic transmission has not served the development purpose. Digital innovation is also contextual to national circumstances. India has been working on creating public digital infrastructure and assets, which have unleashed the power of productivity in the economy. Let me quote some examples. Firstly, on financial inclusion and payments: In 2021, 40% of all real time payments around the world were made in India. In March 2022, Indians made more than 5-billion transactions on Unified Payments Interface. In the financial year 2021-22, the value of payments made via Unified Payments Interface was more than \$1-trillion. This system did not exist until 2016. But just in six years, it has led to nationwide financial inclusion, mobile payment revolution and transformed business to business and business to consumer payments.

9. We have had international payment processors in the country for several decades now. But none of them could release these animal spirits in the economy. Not because they were not capable of doing so, but because they had no incentive to innovate in the Indian context. India hardly had 50-million credit cards issued in several decades when it was left to a few international players. But our home grown financial inclusion has achieved more in just six years than was achieved in these several decades of waiting. Had we bound ourselves to multilateral rules on payments, we would have lost the flexibility to grow Unified Payments Interface and achieve true democratization.

10. Secondly, India has just launched a pilot on Open Network for Digital Commerce, which enables small sellers to participate in e-commerce on fair terms, without leaving them to the vagaries of platform and aggregator oligopolies. We know that large commerce platforms have been at the receiving end of penalties and investigations in several countries including in the developed world. India's approach to this problem is to create a nationwide public platform which enables digital commerce for MSMEs.

11. Chair, it is these kinds of innovations and contextual solutions that digitalization should drive. We do not see how extending the moratorium on customs duties on electronic transmission can bring about such transformation. Other Members may have their own ways to address their needs and we urge them to think hard if the moratorium has in any way been instrumental in crafting truly transformational solutions.

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