



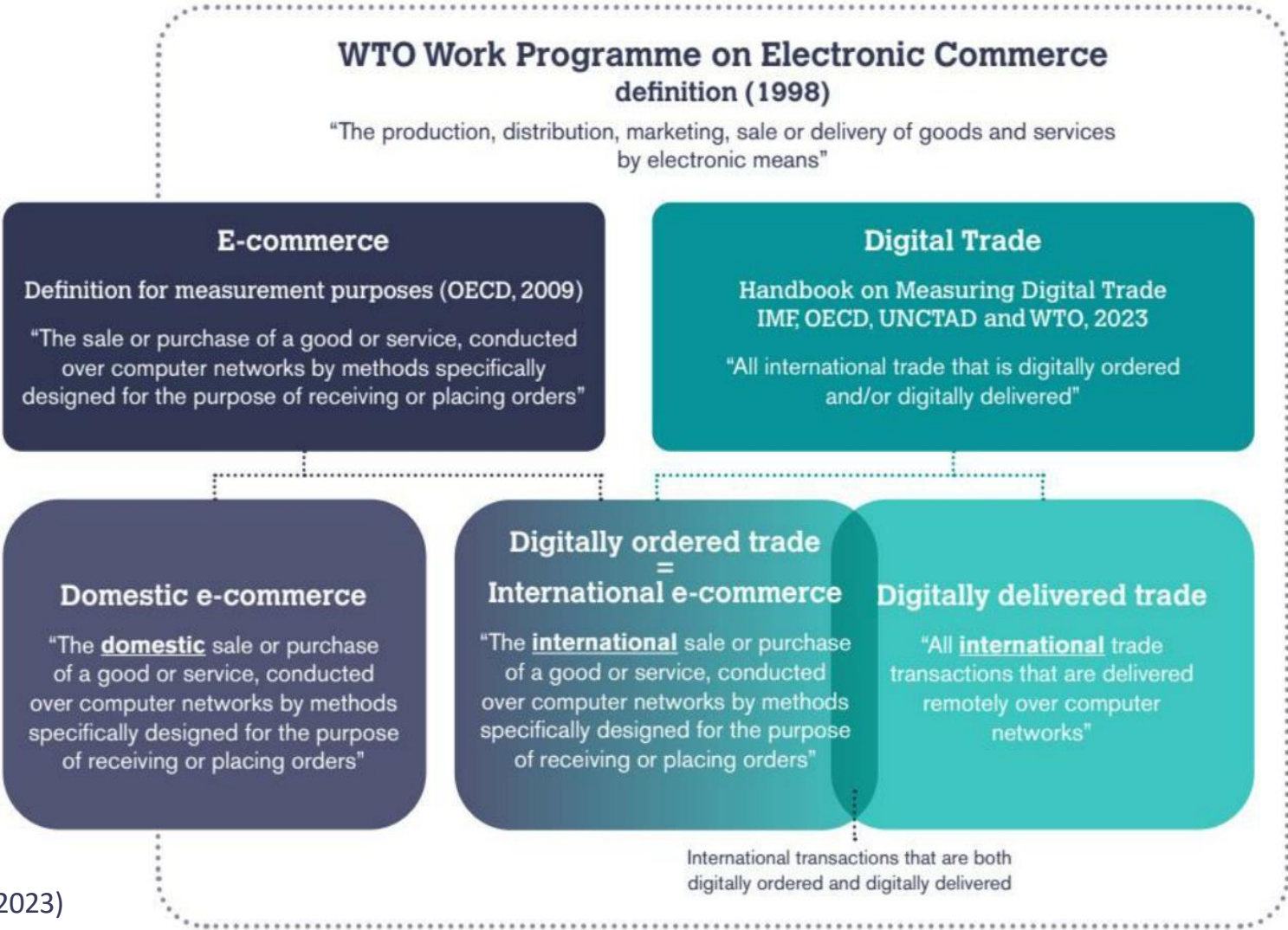
MINISTRY OF FOREIGN AFFAIRS
OF MONGOLIA

INTERNATIONAL TRADE E-COMMERCE, DIGITAL TRADE AND REGULATIONS

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Ulaanbaatar, 01 December 2023

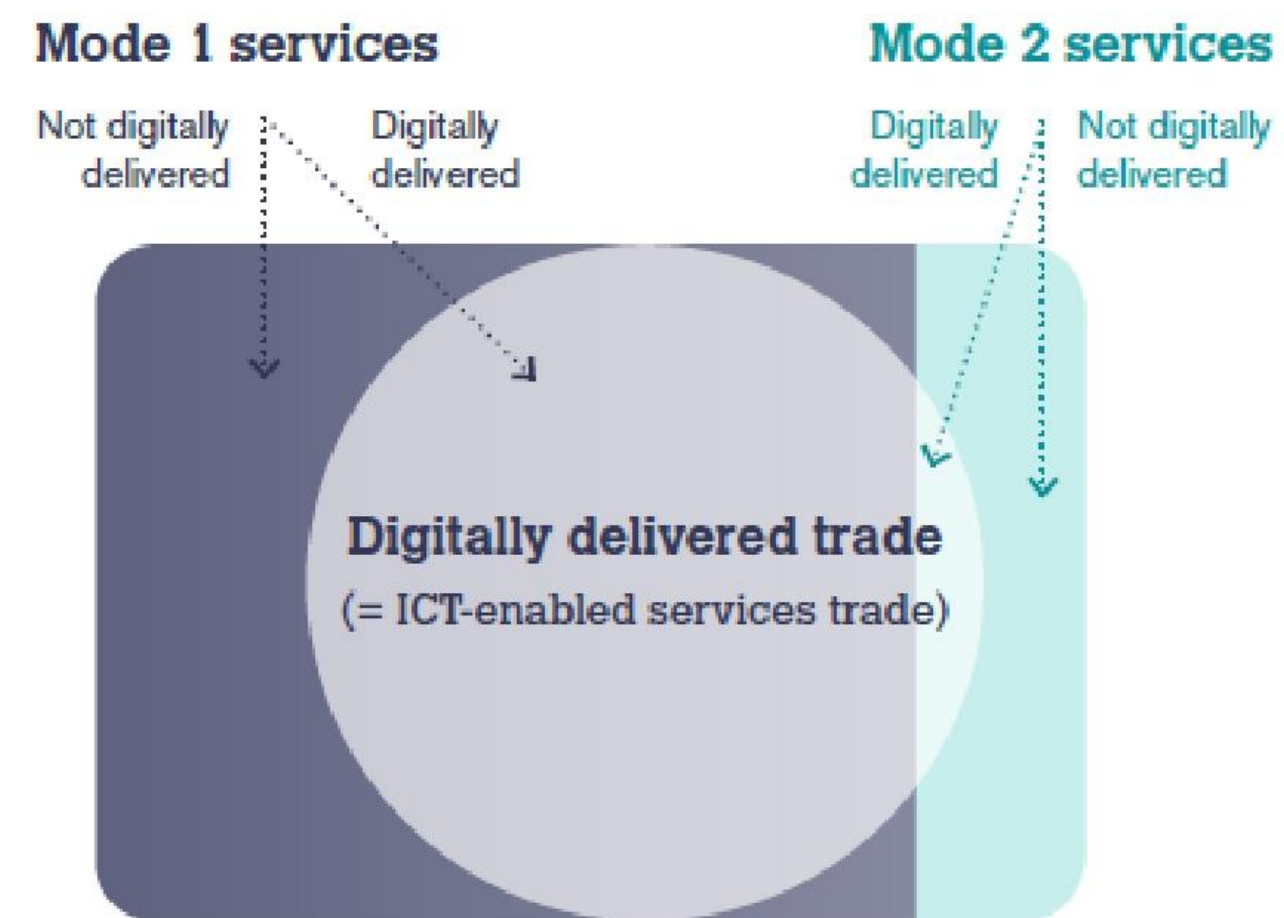
Key concepts



Source: IMF, OECD, UNCTAD and WTO (2023)



Digitally delivered trade and related statistical concepts



Source: IMF, OECD, UNCTAD and WTO (2023)



Vision 2050 - Digital Nation

WTO

- GATT: General Agreement on Tariffs and Trade
- TRIPS: Agreement on Trade-Related Aspects of Intellectual Property Rights
- GPA: Agreement on Government Procurement
- GATS: General Agreement of Trade in Services
- WTO Telecommunications annex
- Understanding on Commitments on Financial Services



- 164 members

Participation of Mongolia in the international and regional e-commerce rule-making initiatives

International and regional dedicated initiatives

- UN Convention on Electronic Communications in International Contracts
- WTO Reference paper on telecommunications
- Mongolia – Japan FTA (Chapter 9)
- WTO (Work Programme on e-commerce, 1998) --> Moratorium on customs duties on electronic transmissions
- WTO Joint Statement initiative on E-commerce (negotiations in progress)

International and regional accessory initiatives

- UN ESCAP Framework Agreement on Cross-Border Paperless Trade in Asia and Pacific
- WCO Revised Kyoto Convention
- WTO Agreement on Trade Facilitation
- Varied IP treaties administered by the WIPO, to which Mongolia is a party agreements
- WTO GATS and Telecommunication annex

Mongolia's GATS vs. RTA Commitments by sector (1)
Business services



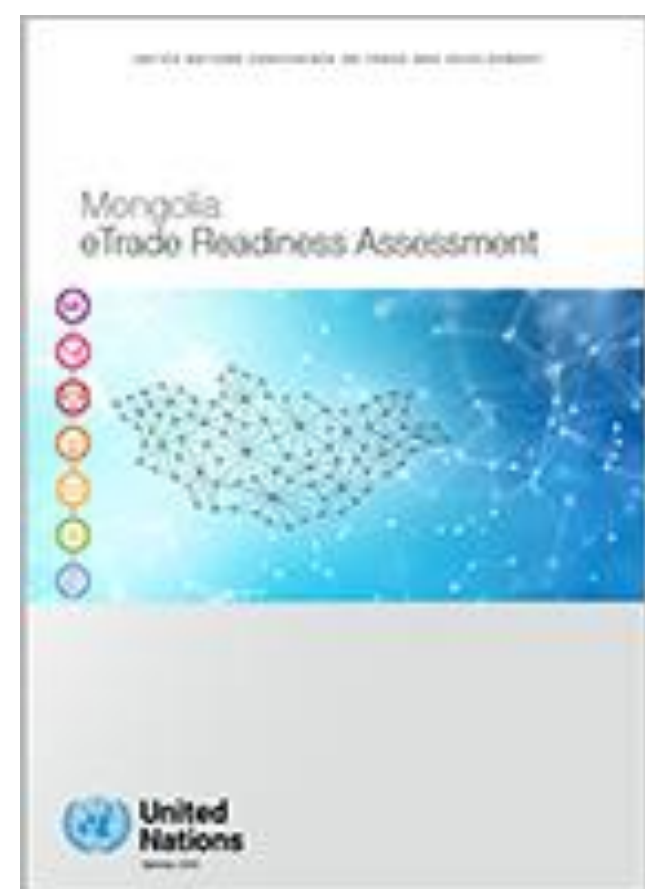
Sector		GATS Commitments	RTA Commitments (Japan – Mongolia)
1.A	Professional Services	X	X
1.B	Computer and Related Services		X
1.C	Research and Development Services		X
1.D	Real Estate Services		X
1.E	Rental/Leasing Services without Operators		
1.F	Other Business Services	X	X



Source: WTO (2023)



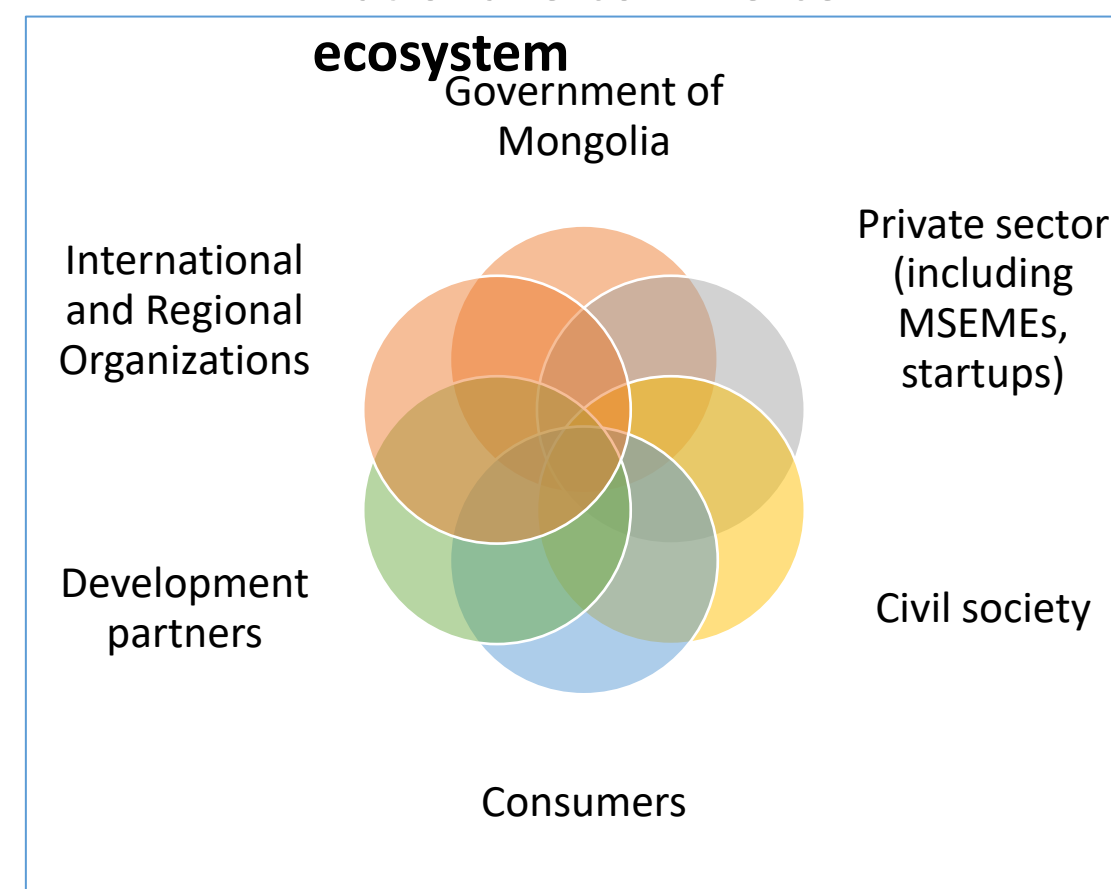
UNCTAD: E-trade readiness assessment of Mongolia



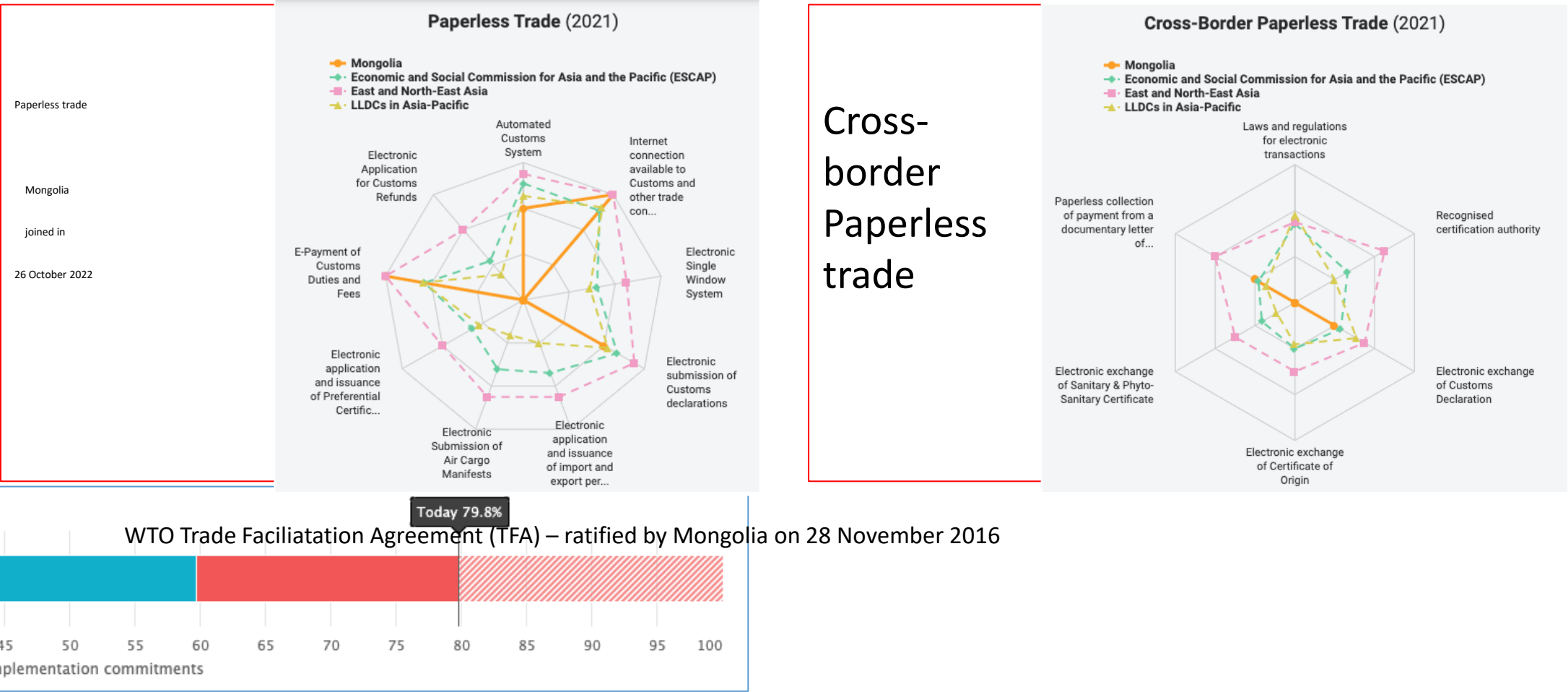
Overview of the e-commerce policy areas:

1. National e-commerce strategy
2. Legal and regulatory frameworks underpinning the e-commerce development
3. ICT infrastructure and services
4. Trade facilitation and paperless trade
5. E-payments
6. Access to financing
7. E-commerce skills development

National e-commerce ecosystem



WTO TRADE FACILITATION & UNESCAP PAPER-LESS TRADE AGREEMENT



How have digital trade rules evolved?



WTO Rulebook

GATT, GATS, ITA etc.

WTO Work Programme on
Electronic Commerce

FTAs

(with e-commerce
provisions or chapters)

e.g. Singapore-Australia FTA,
AANZFTA, CPTPP, RCEP

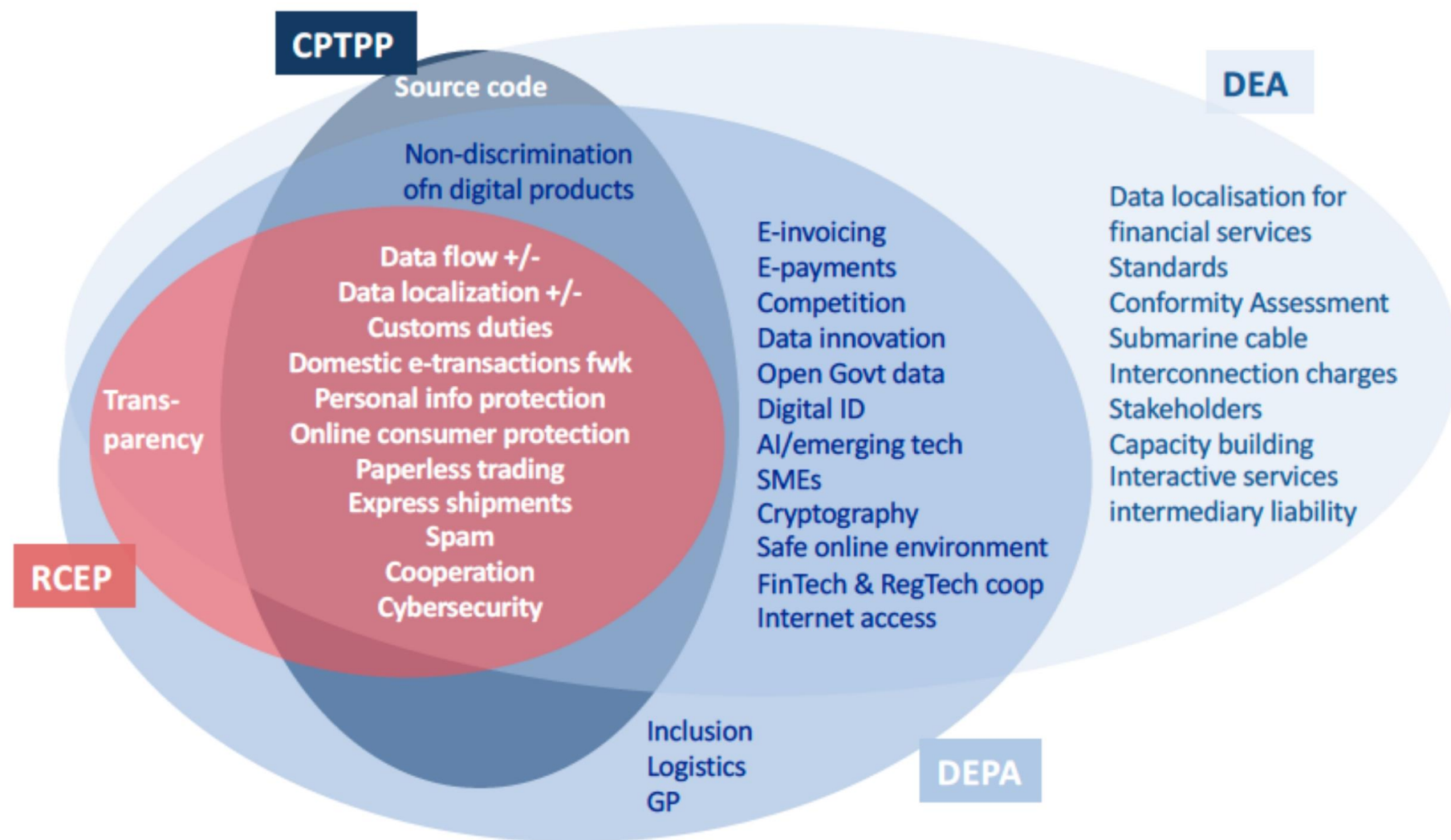
DEAs

DEPA
Bilateral DEAs
ASEAN DEFA
EU Digital Partnerships
UK-NZ and UK-Aus FTAs
IPEF

Free trade agreements

1. **Pre-CPTTP:** KORUS, EU-Korea, ASEAN-Australia-New Zealand FTA ,
China-South Korea FTA, Japan-Mongolia EPA, CETA, ...
2. **Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)**
3. **Post-CPTPP:** USMCA, EU-Japan EPA, Australia-Singapore FTA, ...

—> New model: **DEA (Digital Economy Agreements)**



FTAs with E-Commerce Provisions or Chapters

For example:

- Australia-Singapore FTA (2003)
- AANZFTA (2010)
- TPP (2016), CPTPP (2018)
- USMCA (2020)
- RCEP (2022)



Digital Economy Agreements

- **Digital Economy Partnership Agreement:** Chile, New Zealand Singapore (2020)
- Singapore-led bilateral **DEAs**:
 - Singapore-Australia DEA (2020)
 - Singapore UK DEA (2022)
 - Singapore-Korea DPA (2023)
 - *Negotiations with Viet Nam, EFTA*
- **ASEAN E-Commerce Agreement**
 - *Negotiations on DEFA*
- **EU Digital Partnerships**
 - EU-Japan DP (2022)
 - EU-Korea DP (2022)
 - EU-Singapore DP (2023)
- Recent **UK FTAs** (New Zealand, Australia)
- **Indo-Pacific Economic Framework (IPEF)**
 - Trade Pillar: Digital trade (13 countries)
- US-Japan Digital Trade Agreement

Source: Honey (2021)

Context: Trade/economic



1. Rising **digital trade barriers** – and narrow (or no) coverage in FTAs and WTO on e-commerce



2. Want to lock in a **predictable trading environment** for business and a trusted, safe environment for consumers

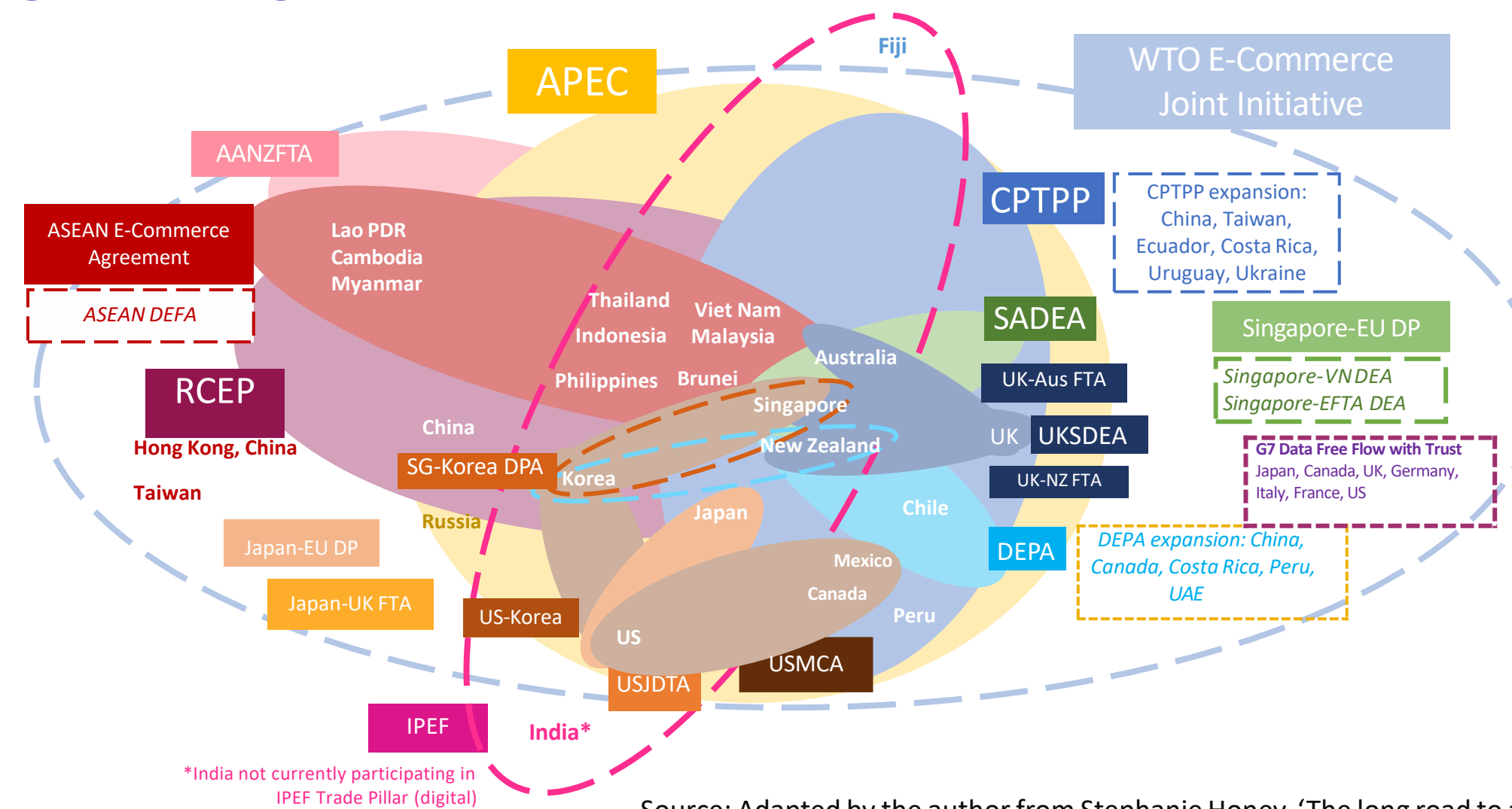


3. Need to create **new trade opportunities**, including for goods, achieved via greater interoperability



4. **Emerging technologies** may require new rules

Digital fragmentation



Source: Adapted by the author from Stephanie Honey, 'The long road to a seamless global digital economy', Hinrich Foundation, 30 May 2023

Thematic Progress of the JI Negotiations (1)

“Parked” converged articles/ Facilitated by Model laws	Remaining issues / It’s complicated	Annex/ Limited traction or it’s too complicated
<div>1. Electronic transaction frameworks</div> <div>2. Electronic authentication and electronic signatures</div> <div>3. Electronic Contracts</div> <div>4. Electronic Invoicing</div> <div>5. Paperless Trading</div> <div>6. Single Windows data exchange and system interoperability</div> <div>7. Open government data</div> <div>8. Access to and use of the internet</div> <div>9. Online Consumer Protection</div> <div>10. Unsolicited commercial electronic messages (Spam)</div> <div>11. Cybersecurity</div> <div>12. Transparency</div>	<div>⊖ Customs duties on electronic transmissions (Permanent Moratorium)</div> <div>⊖ Personal information protection / Personal data protection</div> <div>⊖ Source Code →</div> <div>⊖ ICT products that use cryptography ←</div> <div>⊖ Cross-border transfer of information / Cross-border data flows →</div> <div>⊖ Location of computing facilities →</div> <div>⊖ Financial information / Location of financial computing facilities for covered financial service suppliers →</div> <div>⊖ Updating Telecommunications Reference Paper</div>	<div>⊖ Logistics Services</div> <div>⊖ Enhanced trade facilitation for cross-border e-commerce</div> <div>⊖ Use of technology for the release and clearance of goods</div> <div>⊖ Electronic payments services / Electronic Payments</div> <div>⊖ Non-discriminatory treatment of digital products</div> <div>⊖ Access to Online Platforms / Competition</div> <div>⊖ Domestic regulation</div> <div>⊖ Electronic Commerce-Related Network Products</div> <div>⊖ Services market access</div> <div>⊖ Temporary Entry and Stay of Electronic Commerce-Related Business Persons</div> <div>⊖ Goods market access</div>
Quick wins	Objective: reach “parked” texts by the end 2023 or MC14	Complicates integration with WTO agreements/ Leave out?



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