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JOINT STATEMENT ON ELECTRONIC COMMERCE

COMMUNICATION FROM NEW ZEALAND

The following communication, dated 7 June 2019, is being circulated at the request of the delegation of New Zealand.

POSSIBLE CUSTOMS DUTIES TEXT

INTRODUCTION

1.1. New Zealand supports a robust and in-depth process for discussion of all trade-related aspects of e-commerce regulation as part of e-commerce negotiations initiated by Ministers in a Joint Statement issued on 25 January 2019. As part of this process, New Zealand previously submitted a proposal on consumer protection (INF/ECOM/21).

1.2. A prohibition on customs duties on electronic transmissions is trade facilitating - providing more certainty and predictability for businesses and consumers. It is likely to provide opportunities for the wider adoption of e-commerce, reducing the costs of market transactions and delivering important flow-on effects, such as the creation of new markets, products and services. By increasing international trade, we support economic growth ultimately enabling governments to collect more revenue.

1.3. New Zealand therefore submits for consideration the below text as a basis for discussion on the prohibition on customs duties on electronic transmissions. New Zealand anticipates proposing text in other areas at later stages of the negotiation, and this proposal is without prejudice to New Zealand's ability to make further submissions, and to New Zealand's position on the applicable legal framework.

DRAFT TEXT FOR DISCUSSION

Customs Duties

- 1. No Party shall impose customs duties on electronic transmissions, including content transmitted electronically, between a person of one Party and a person of another Party.
- 2. For greater certainty, paragraph 1 shall not preclude a Party from imposing internal taxes, fees or other charges on content transmitted electronically, provided that such taxes, fees or charges are imposed in a manner consistent with this Agreement.