



PERMANENT
TECHNICAL
COMMITTEE
-
227th/228th Sessions
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PC0614Eb

Brussels, 9 July 2020.

E-COMMERCE

E-Commerce Package - outstanding annexes

(Item IX.b on the Agenda)

(“C” Item on the Agenda)

SUMMARY

Purpose of document

This document reports on the progress with the finalisation of the three outstanding annexes to the E-Commerce Package, namely “Reference Datasets for Cross-Border E-Commerce”, “Revenue Collection Approaches”, and “E-Commerce Stakeholders: Roles and Responsibilities”.

Action required of the Permanent Technical Committee

The Permanent Technical Committee is invited to :

- examine the draft updated documents on “Reference Datasets for Cross-Border E-Commerce”, “Revenue Collection Approaches”, and “E-Commerce Stakeholders: Roles and Responsibilities” as outlined in the annexes hereto;
- further develop them as appropriate; and,
- endorse them for submission to the June 2020 sessions of the Policy Commission and Council for their endorsement as living documents, in view of their subsequent inclusion in the WCO E-Commerce Package.

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I. **Background**

1. In June 2019, the Policy Commission and Council endorsed the E-Commerce Package, with the exception of three documents devised as Annexes to the Technical Specifications to the WCO Framework of Standards on Cross-Border E-Commerce (hereafter “E-Commerce FoS”), and extended the mandate of the Working Group on E-Commerce (WGEC), in a virtual manner, until June 2020. The three documents that had not been endorsed by the June 2019 Policy Commission and Council sessions are “Reference Datasets for Cross-Border E-Commerce”, “Revenue Collection Approaches”, and “E-Commerce Stakeholders: Roles and Responsibilities”. The WCO E-Commerce Package, as endorsed in June 2019, can be consulted via the following link: <http://www.wcoomd.org/en/topics/facilitation/instrumentand-tools/frameworks-of-standards/ecommerce.aspx>.
2. Furthermore, the Policy Commission and Council recognized the need to place the topic of E-Commerce on future Permanent Technical Committee (PTC) and Enforcement Committee (EC) agendas, as the WGEC ceases to exist.
3. Following the respective decision of the June 2019 Policy Commission and Council, Members and stakeholders were invited, via the WCO’s CLiKC! virtual platform, to provide input and suggestions with regard to the further development of the three outstanding documents.
4. Based on inputs and comments received from Members and stakeholders (Australia, Canada, Japan, the Netherlands, the United States and the Universal Postal Union - UPU), the draft documents were updated and presented, as annexes to document PC0572, to the October 2019 PTC sessions. The PTC was requested to examine the proposals put forward by Members and stakeholders, as well as carry out further work and provide guidance as appropriate, with a view to finalizing the documents by June 2020.
5. During the October 2019 PTC sessions, a delegate pointed out that document PC0572 was helpful as it set out some meaningful points, however it was also confusing and difficult to work with, due to formatting aspects. It was therefore suggested that the Members who had comments on the outstanding E-Commerce Package annexes work virtually with the clean draft documents and return with a new version accompanied by full track changes.
6. In that context, the PTC discussed approaches to advancing the remaining work on the three documents, recommending an initial focus on “Revenue Collection Approaches” and “E-Commerce Stakeholders: Roles and Responsibilities”, with continued consideration of the data elements issue as practicable, in keeping with the Council’s instructions from June 2019. Additionally, the PTC discussed the constraints of work being performed solely in a virtual fashion and suggested that the format of the Working Group be reconsidered by the Policy Commission, with feedback from the Secretariat regarding the associated administrative arrangements.
7. At its 82nd Session in December 2019, the Policy Commission, based on document SP0700, took note of the progress made to date in the area of E-Commerce; encouraged Members to share their related case studies, best practices and initiatives for inclusion in the Compendium of Case Studies on E-Commerce; took note of Members’ keen interest in holding face-to-face meetings in order to finalize the outstanding work and ensure proper maintenance and update of the E-Commerce Framework of Standards; and agreed to hold a face-to-face meeting by March 2020, to enable presentation of the completed work to the PTC in April 2020, and subsequently to the June 2020 Policy Commission.

II. Progress towards finalising the outstanding annexes to the E-Commerce Package

8. In line with the conclusions of the December 2019 Policy Commission, a face-to-face meeting of the WGEC was held from 12 to 14 February 2020 at the WCO Headquarters in Brussels. In preparation for the WGEC Meeting, the Secretariat drafted working documents for each of the outstanding annexes outlining: i) the clean text of the annex as presented to the Policy Commission and Council in June 2019; ii) the comments received from Members and stakeholders post-June 2019; and iii) a proposed revised text incorporating the comments and inputs by Members and stakeholders as of January 2020. These working documents were uploaded on the WCO Members' web-site and were sent via CLiK!, inviting Members and stakeholders to submit further comments and input. Between 16 and 31 January 2020 further input to the outstanding annexes was submitted by Australia, the Eurasian Economic Commission (EEC), Japan, the Netherlands, the United Kingdom, the United States and the UPU. Based on these contributions, the Secretariat prepared revised versions of the three annexes.
9. The annexes, as updated following the comments and input received virtually, were presented to the February 2020 WGEC meeting. During the Meeting, the WGEC examined the draft updated documents, further developed them to reflect comments and input by delegates and endorsed them for submission to the April 2020 PTC and the June 2020 Policy Commission and Council Sessions for their endorsement as living documents, in view of their subsequent inclusion in the WCO E-Commerce Package. The report of the February 2020 WGEC Meeting is contained in document EM0049 and will be presented under item IX.a on the Agenda of the current PTC sessions. The draft documents on "Reference Datasets for Cross-Border E-Commerce", "Revenue Collection Approaches", and "E-Commerce Stakeholders: Roles and Responsibilities" as endorsed by the February 2020 WGEC are appended as Annexes I, II and III to this document.
10. It is worth reiterating that, following an interactive discussion, in February 2020, the WGEC endorsed the "Reference Datasets for Cross-Border E-Commerce" document under the following frameworks:
- "Reference Datasets for Cross-Border E-Commerce" is an evolving, non-binding document that can serve as a guide to WCO Members and relevant stakeholders for possible pilots and implementation of the E-Commerce FoS;
 - it includes links to Members' pilot datasets, as well as to the WCO reference data elements table (presented as a part of Annex II to document EM0044E); and,
 - regular review of this Annex could be conducted by the PTC and/or the Enforcement Committee to allow for relevant and timely updates and revisions for further harmonization, in particular, by sharing and discussing the results of ongoing pilot programmes.
11. The draft annex on "Revenue Collection Approaches" provides a clear description of the revenue collection models based on the OECD model. It is intentionally descriptive in nature, to provide a better understanding of the several existing options based on the OECD model, and not by any means intended to be prescriptive. The document does not place any additional obligations on Customs administrations nor stakeholders.
12. Furthermore, in its February 2020 meeting, the ECWG decided to delete the table on potential advantages and important considerations of each revenue collection model, and instead, include reference to Members' case studies on revenue collection models, as the case studies would provide practical information for Members and

external stakeholders. The important considerations as initially included in the table would be reformulated as key questions and inserted into the case studies drafting guidelines provided to Members.

13. The draft document on “E-Commerce Stakeholders: Roles and Responsibilities” provides a clear description of the roles and responsibilities of various E-Commerce stakeholders for transparent and predictable cross-border movement of goods. The document does not place any additional obligations on stakeholders.
14. The three annexes and the E-Commerce FoS as a whole can be subjected to regular reviews, as might be required.
15. During the 227th/228th PTC Sessions a delegate requested the deletion of the expression “and government administration accounts” from the second bullet in paragraph 1.4 of the document on Revenue Collection Approaches, as it rendered the text in the bullet point unclear. Annex II to the current b) version of document PC0614 outlines the document on Revenue Collection Approaches as revised to reflect that comment. No changes have been made to the other annexes to document PC0614.

III. Conclusion

16. The Permanent Technical Committee is invited to :
 - examine the draft updated documents on “Reference Datasets for Cross-Border E-Commerce”, “Revenue Collection Approaches”, and “E-Commerce Stakeholders: Roles and Responsibilities” as outlined in the annexes hereto;
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