eTrade for all leadership roundtable: Unlocking digital trade for inclusive development

Q1. From your perspective, what are the key policy recommendations to unlock the full potential of digital trade for development?

- Develop and implement inclusive digital trade policies that consider the unique challenges of developing countries. India's "Digital India" initiative focuses on inclusive policies, resulting in a significant rise in digital transactions, especially in rural areas, showcasing the impact of tailored policies on broadening participation.
- Establish and enforce robust cybersecurity and data protection regulations. The GDPR in the European Union serves as a benchmark.
- Develop regulatory frameworks that balance innovation with consumer protection.
- Invest in digital infrastructure and skills development. For instance, South Korea's investment in broadband infrastructure has contributed to its status as a global leader in digital technology.
- Implement and enforce robust competition laws to prevent monopolistic behaviour. For example, the European Commission's antitrust investigation into digital platforms has led to regulatory actions promoting fair competition.
- Facilitate open trade by reducing barriers and promoting interoperability of digital systems. The ASEAN Single Window initiative aims to simplify customs procedures, reducing trade barriers among member countries and facilitating open digital trade in the Southeast Asian region.
- *Open Trade Initiatives*: The success of initiatives like the Trade Facilitation Agreement (TFA) under the WTO demonstrates the positive impact of open trade policies. TFA has the potential to reduce trade costs by an average of 26%, facilitating smoother cross-border digital transactions.¹
- Foster public-private partnerships to drive innovation and inclusivity in the digital economy.
- Ensure that policies prioritise environmental sustainability in digital trade practices.
- Support capacity-building programs to enhance regulatory capabilities in developing countries.

¹ Impact of implementation of digital trade <u>facilitation on trade costs</u>

• Foster international cooperation to harmonise standards and regulations for a globally competitive digital market.

Q2. How can civil society and non-governmental organisations, like CUTS, contribute to shaping a fair and inclusive digital trade ecosystem?

- Advocate for fair and inclusive digital trade policies that prioritise the interests of marginalised communities.
- Advocate for effective regulation that promotes fair competition and protects consumer welfare.
- Facilitate education and awareness programs on digital rights, privacy, and the potential of digital trade. **CUTS International's project "My Data or yours"** aims to broaden discussions on privacy and Digital Financial Services, encouraging policymakers to explore strategies that foster innovation while protecting consumers from potential risks associated with data.
- Support capacity-building initiatives for marginalised groups to actively participate in the digital economy. CUTS International has been working on developing capacities of adult girls (in the age group of 18-22 years), and MSMEs, particularly women-led MSMEs, on various aspects of cyber security in urban, peri-urban, and rural areas in East and Northeast India.
- Monitor and report on market practices that hinder open trade and fair competition.
- Engage in policy dialogues to ensure that regulations consider the interests of all stakeholders, including consumers and smaller businesses.
- Support initiatives that empower consumers with information and tools to make informed choices in the digital marketplace.
- Collaborate with governments and industry players to create a regulatory environment that fosters open and fair digital trade practices.