

DIGITAL TRADE: BUILDING A COMPETITIVE REGULATORY ENVIRONMENT FOR LATIN AMERICA AND THE CARIBBEAN

21 September 2023

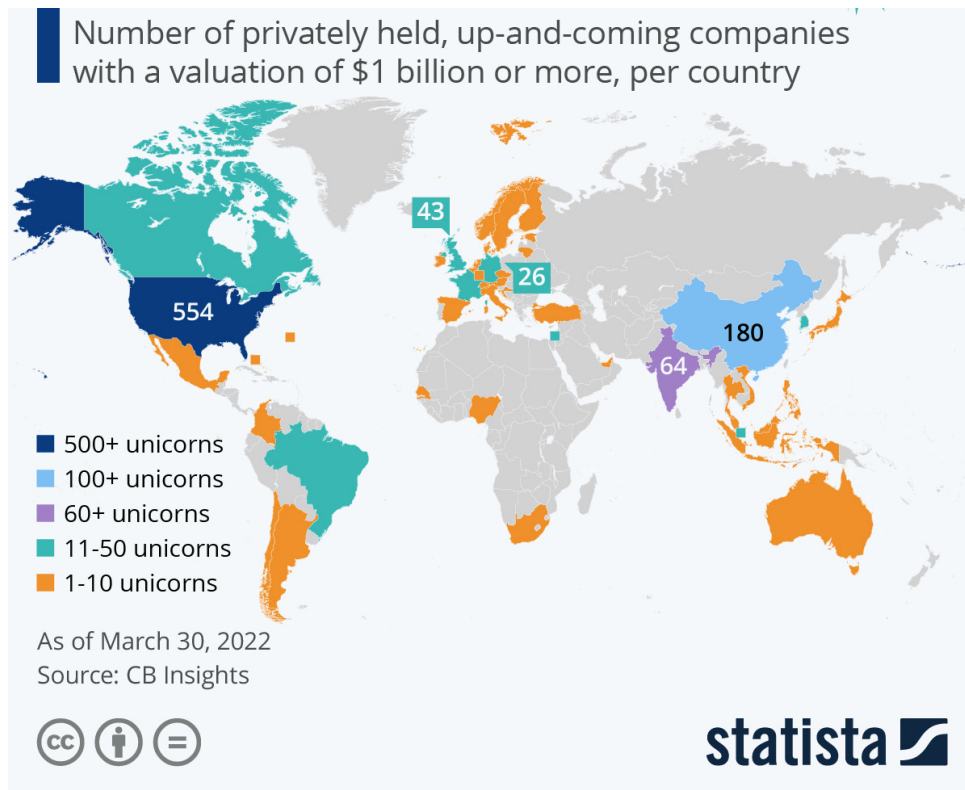
Session 1.a: Global Digital Trade Policy Trends: A Comparative Analysis: Asia-Pacific

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About Asia-Pacific:



<https://www.statista.com/chart/27266/unicorns-by-country-world-map/>

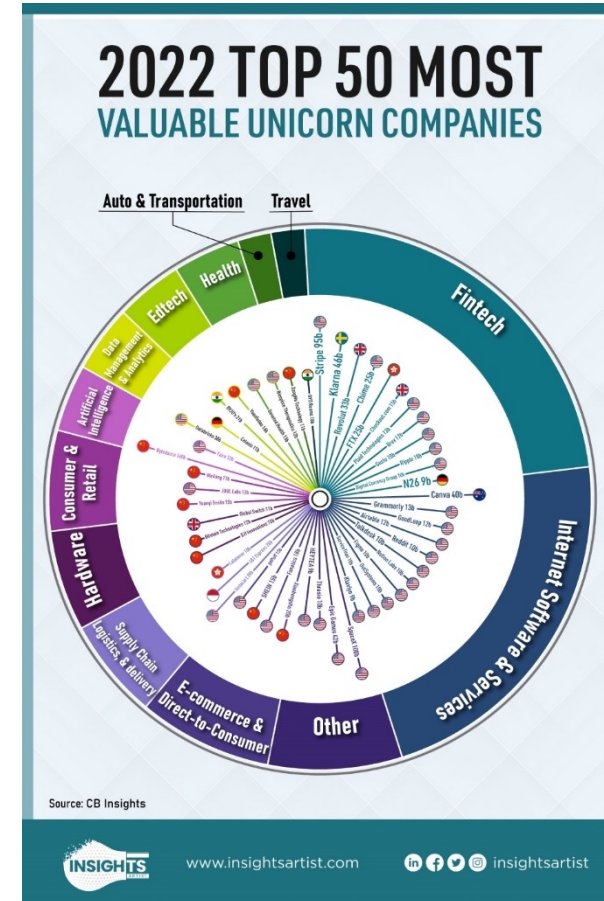


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for Asia and the Pacific



Comparative advantage

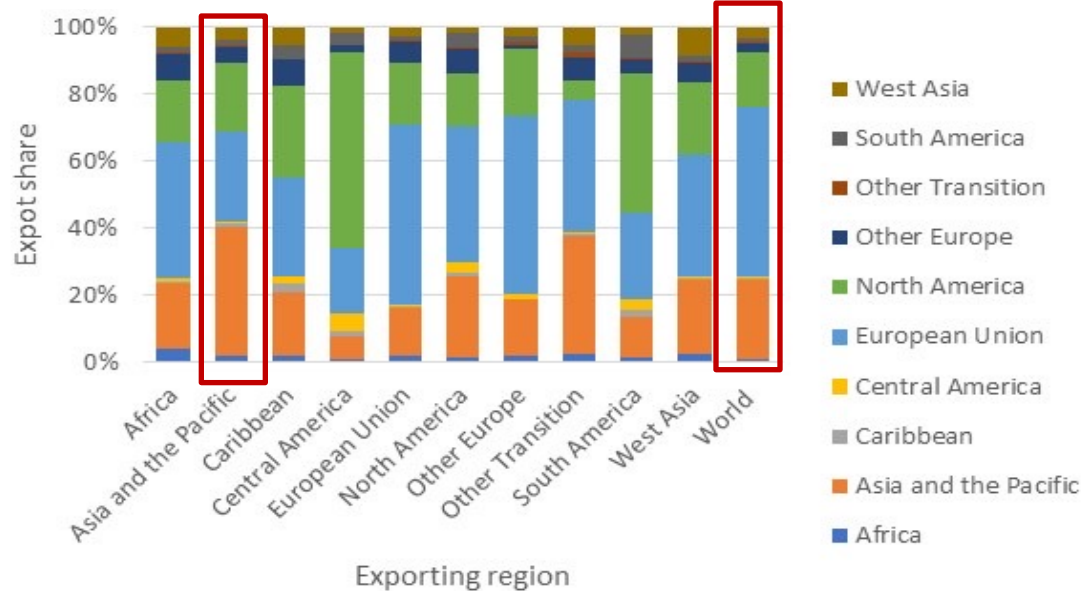
Asia-Pacific	US	EU
E-commerce Powerhouses: Alibaba, Shopee, Lazada.	Tech Giants: Amazon, Google, Apple.	E-commerce Leaders: Zalando, ASOS.
Mobile Payments: Alipay, WeChat Pay, Paytm.	Innovative Platforms: PayPal, Stripe, Netflix.	Digital Infrastructure: Strong GDPR regulations, advanced digital payments like Klarna.
Content Platforms: ByteDance (TikTok), Line, Hotstar.	Start-Up Ecosystem: Silicon Valley fostering global unicorns.	Innovation Hubs: Berlin, Stockholm, London.
Strengths: Localized solutions, vast consumer base, mobile-first innovation	Strengths: Technological leadership, robust IP protections, global influence.	Strengths: Regulatory framework, consumer privacy focus, diversified markets.



<https://insightsartist.com/2022-list-worlds-valuable-unicorn-companies/>

Digital trade destinations

Share of digital (services) trade by destination



Source: ESCAP



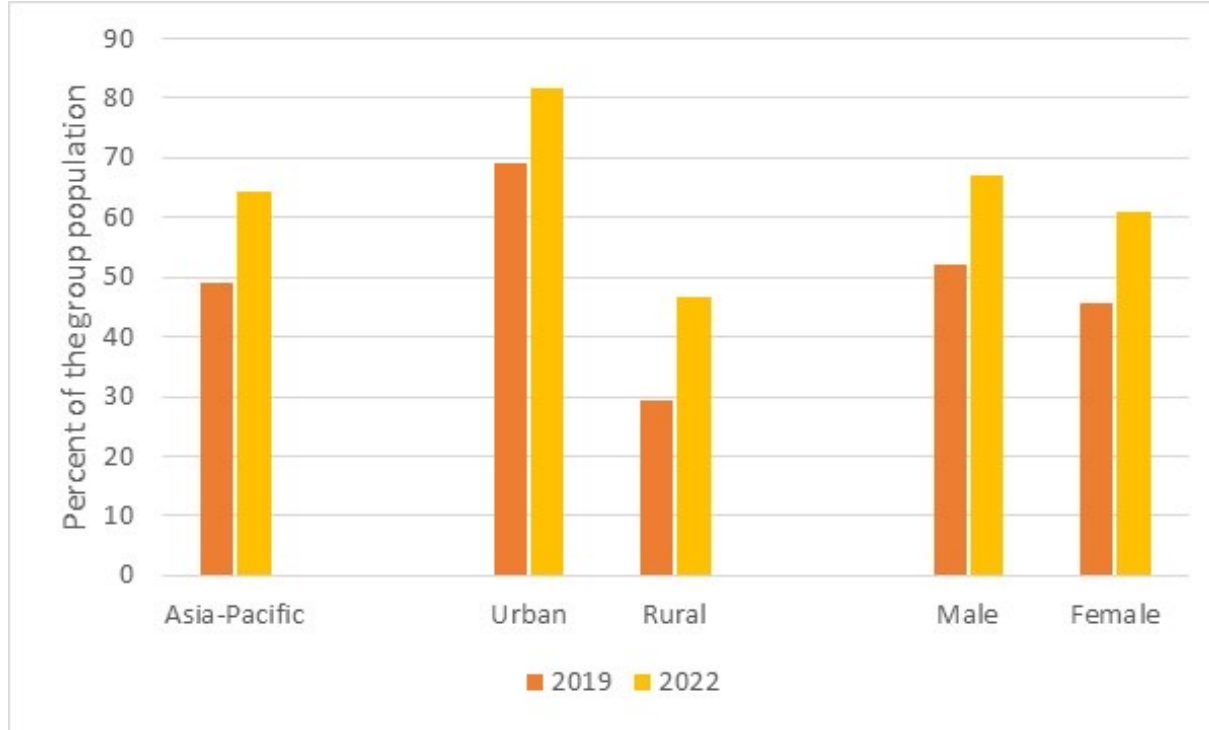
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Let's move beyond stereotypes



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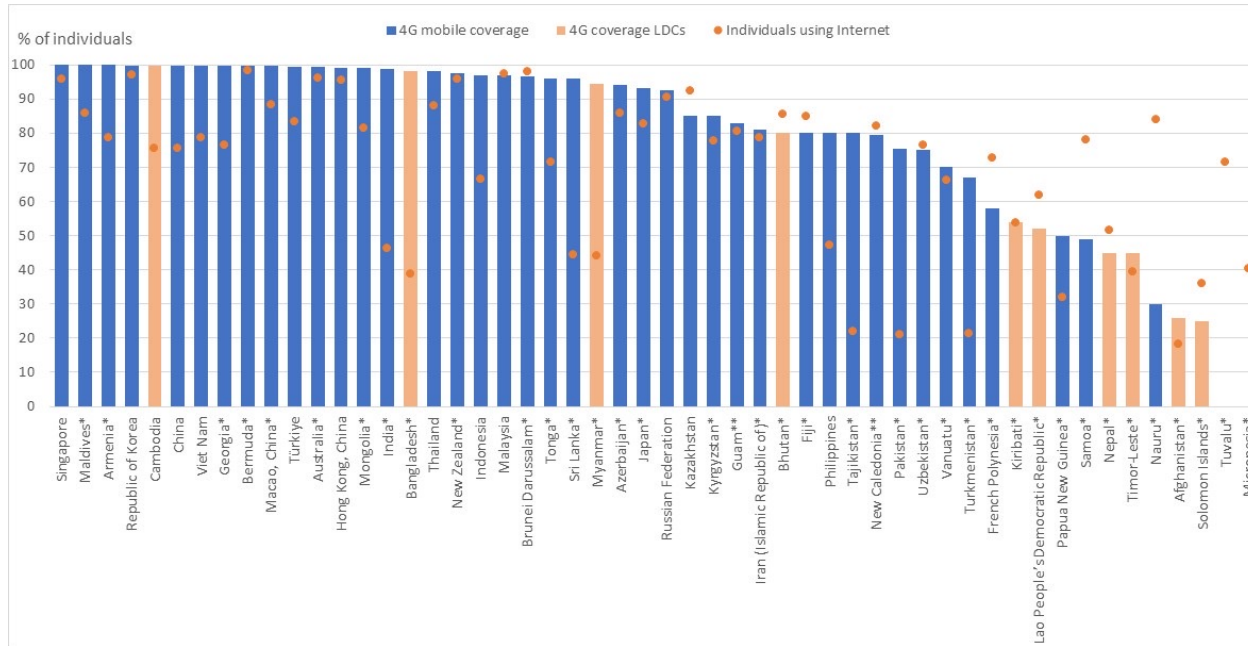
Percentage of population using the internet



Source: ESCAP based on ITU data

Network Coverage vs. Internet Usage: A Complex Interplay

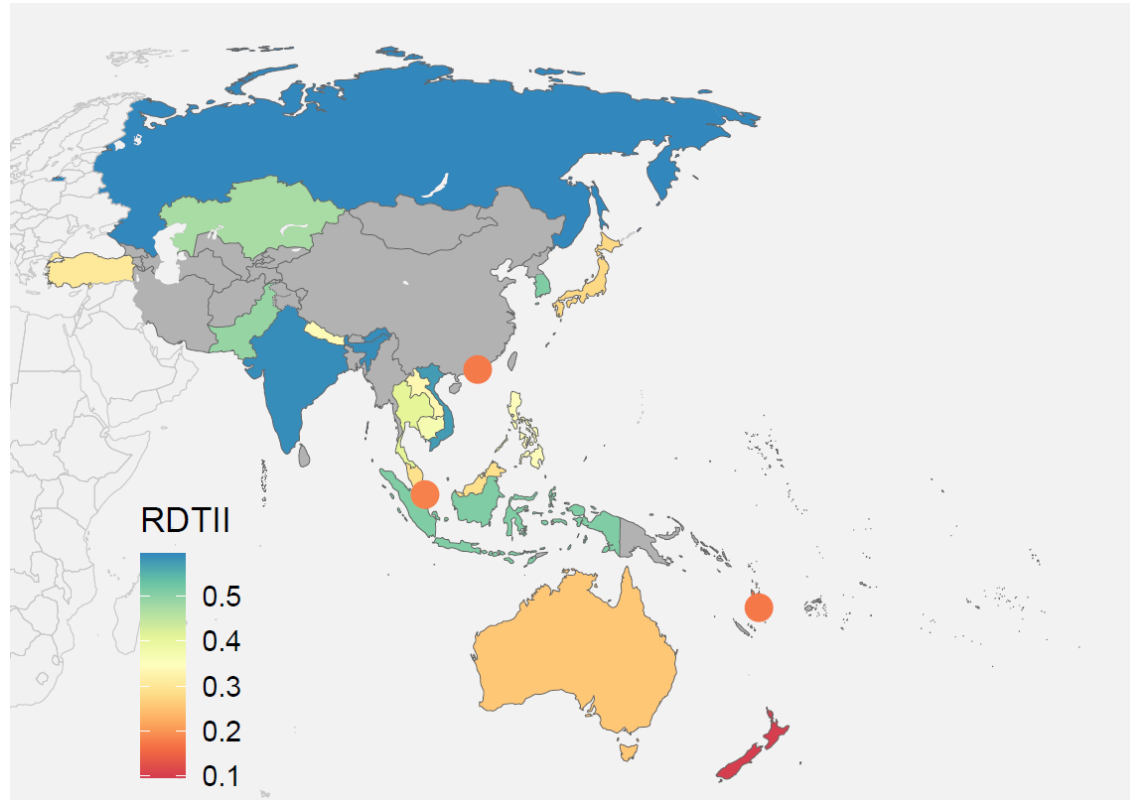
4G mobile coverage and internet use by Asia-Pacific economy, 2022



Asia-Pacific: Policy environment overview



Regional Digital Trade Integration Index (RDTII): Asia-Pacific



Source: ESCAP

For economy-level data please visit <https://dtri.uneca.org/escap/home>



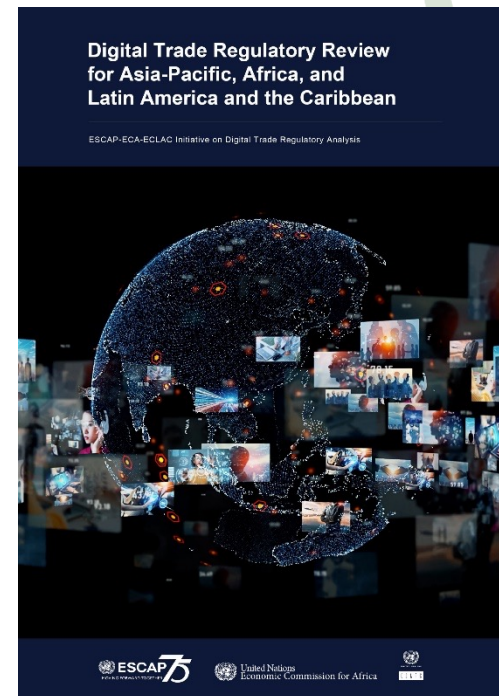
Digital trade policy environment

- Policy environment in Asia-Pacific is more complex and diverse than in Africa and LAC

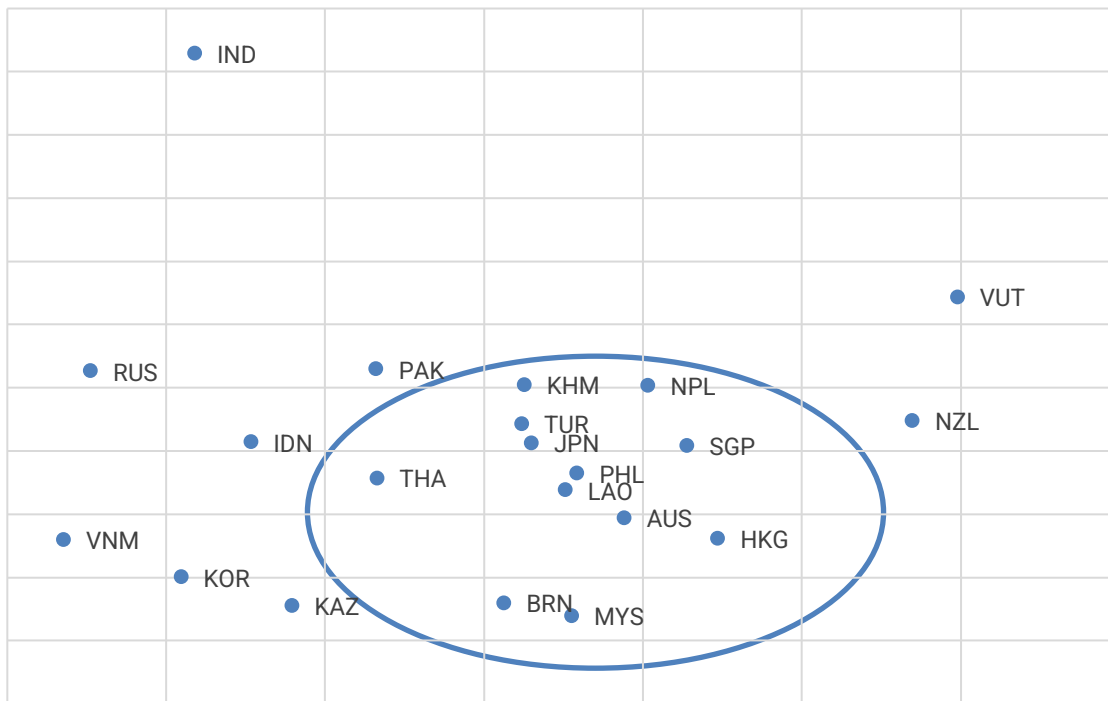
	RDTII (Compliance cost)	RDTII similarity (Policy convergence)
Asia-Pacific (21)	0.36	0.63
Africa (28)	0.34	0.68
LAC (20)	0.25	0.72
Average 3 regions	0.32	0.68

Source: ESCAP

<https://www.unescap.org/kp/2023/dtr>

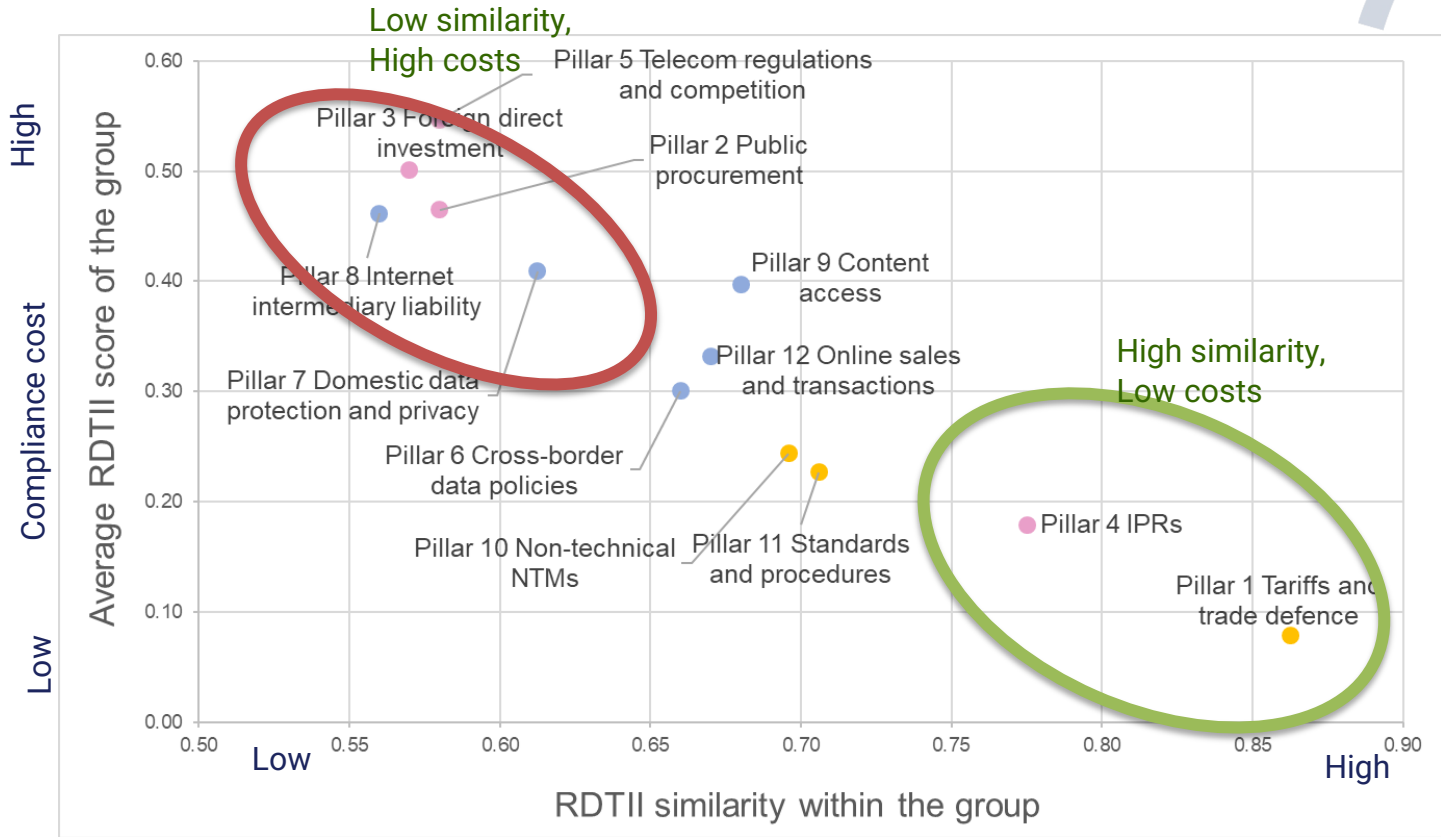


Asia-Pacific regulatory similarity



Source: ESCAP calculation based on RDTII

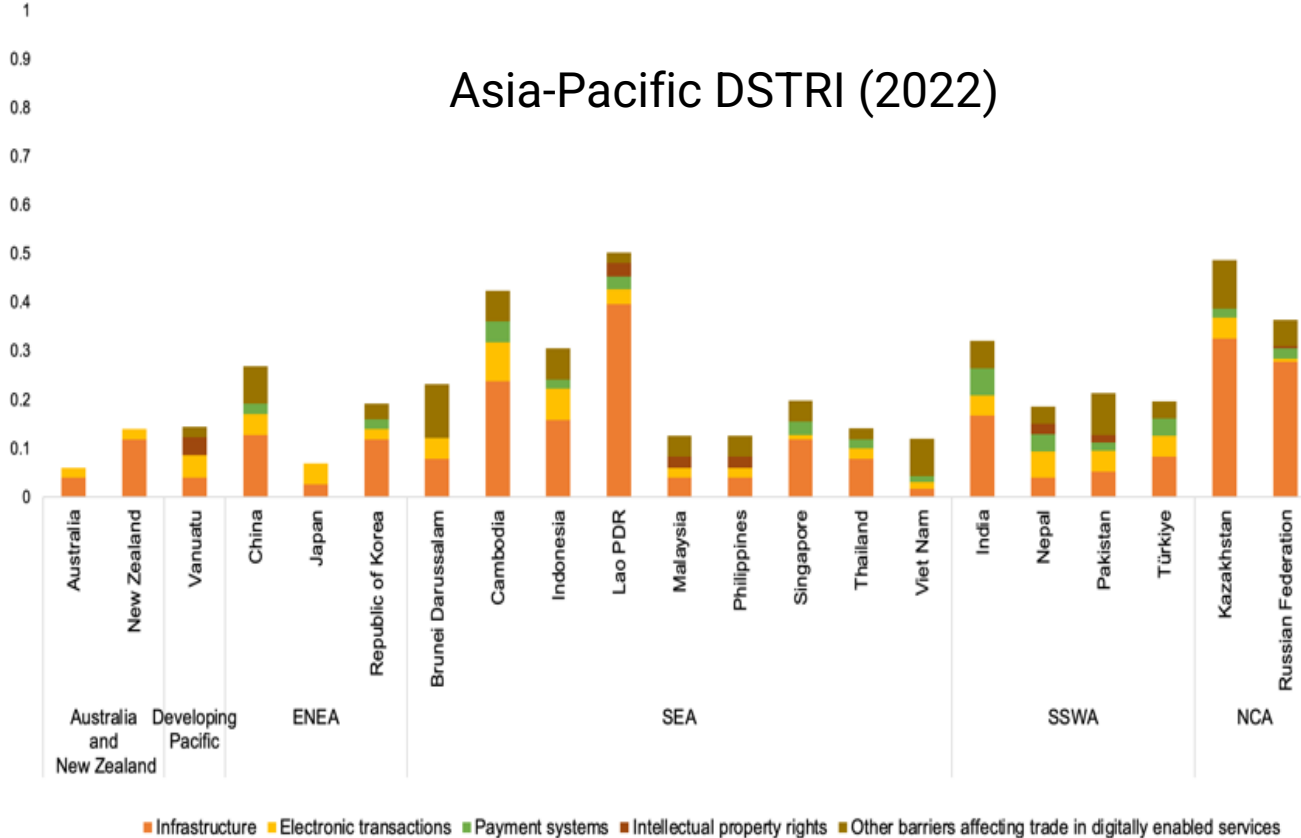
Digital trade regulatory cooperation priorities



Source: ESCAP

For details, please see <https://www.unescap.org/kp/2023/dtr>

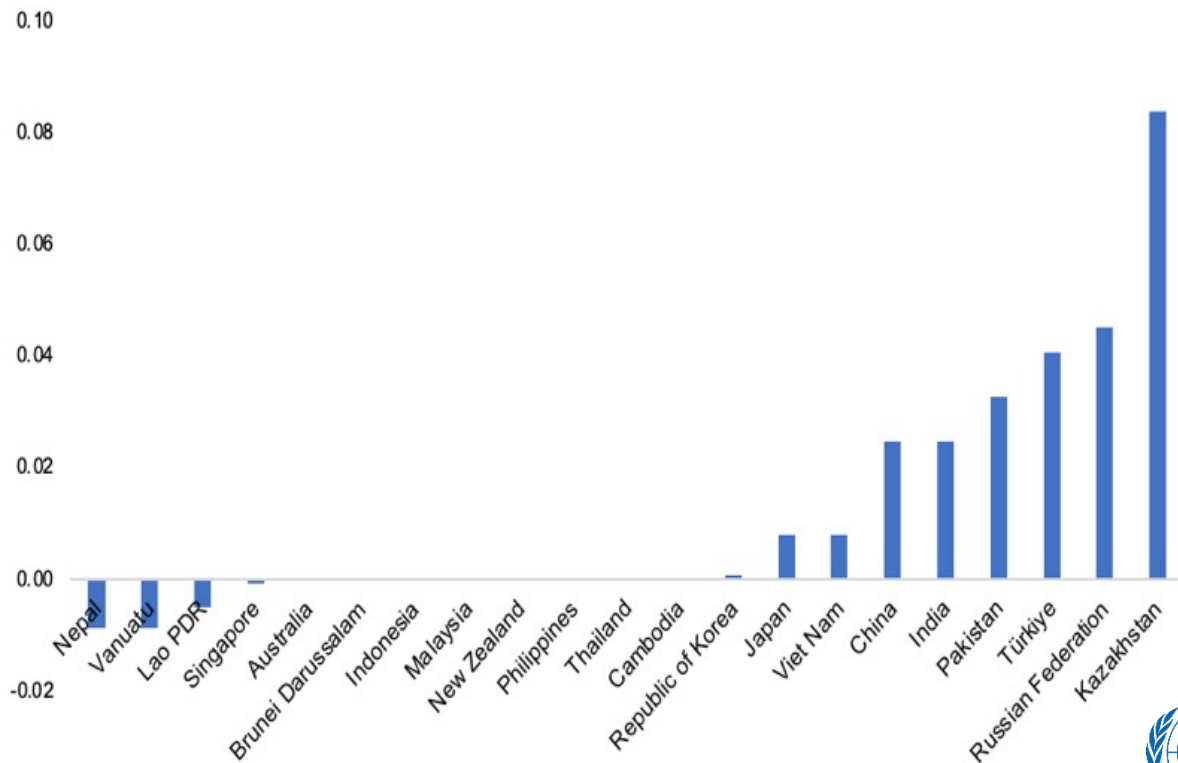
Asia-Pacific DSTRI (2022)



Source: ESCAP based on OECD data

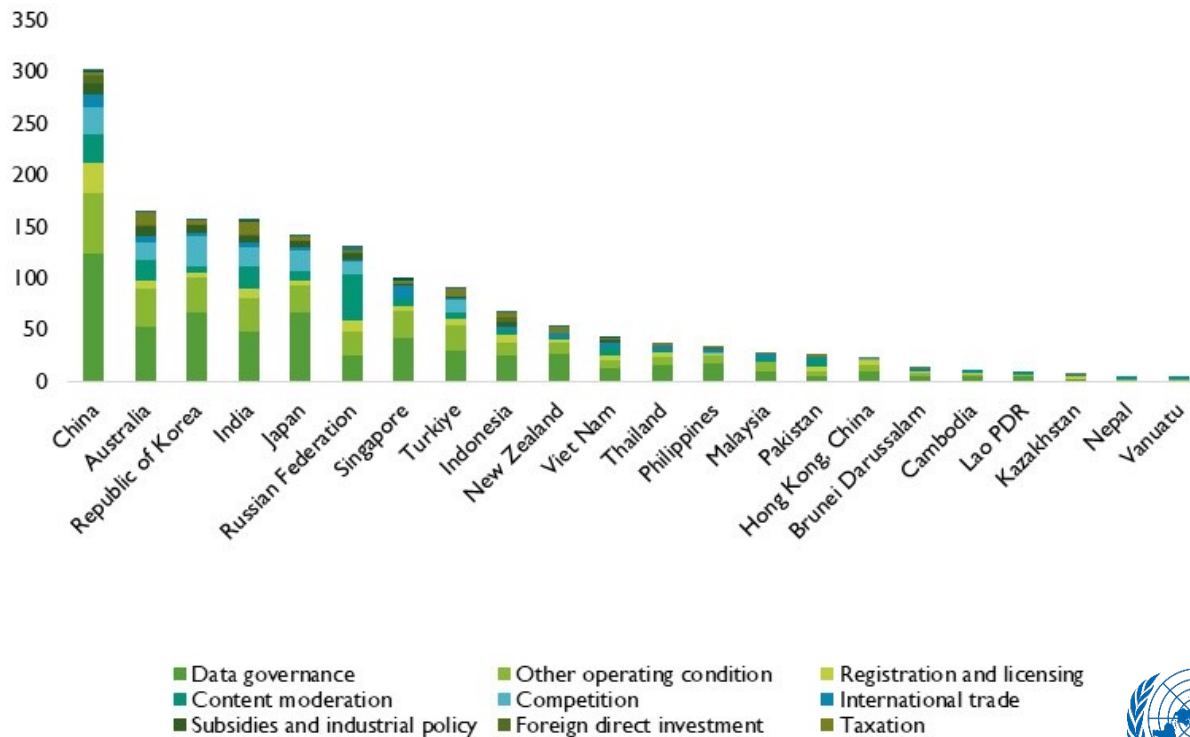
Digital services trade policy changes overtime.

Changes in OECD DSTRI scores (2014-2022)



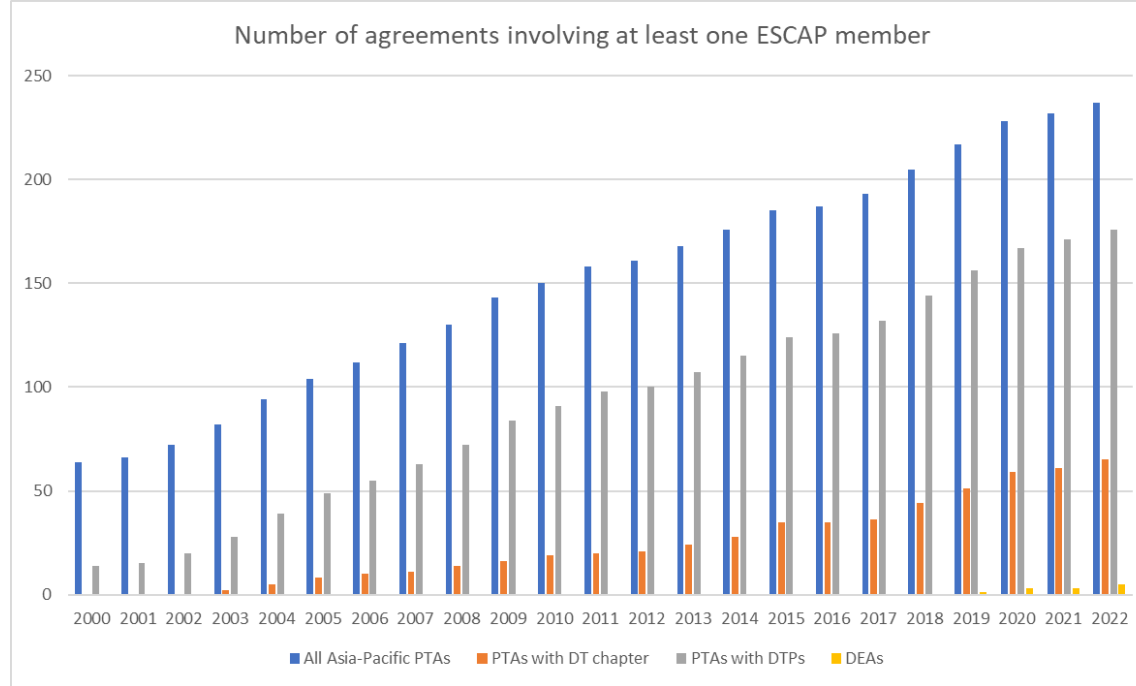
Source: ESCAP based OECD data

New measures adopted since January 2020



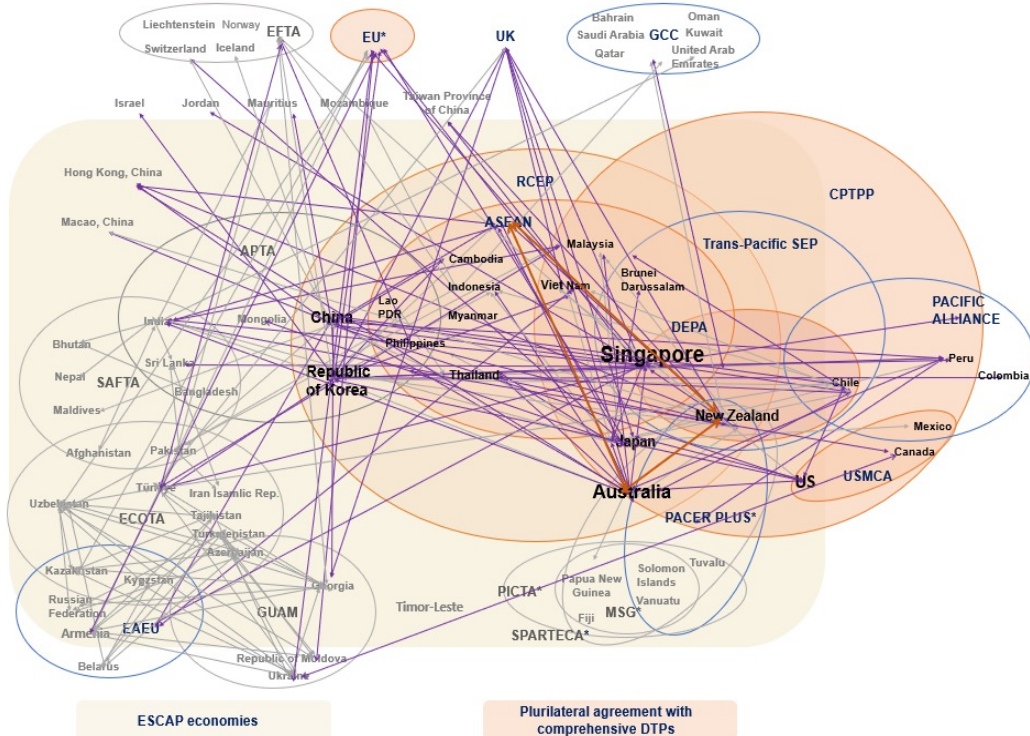
Source: ESCAP based DPA data

Digital trade in Asia-Pacific RTAs



Source: ESCAP

Asia-Pacific DTA clubs



*Not all members shown

- Signed and enforced agreements with DTPs
- Signed and enforced agreements without DTPs

Blue circle: plurilateral agreement with DTPs; Grey circle: plurilateral agreement without DTPs.

Economy that have signed larger number trade agreements with DTPs is presented in a bigger font.

THANK YOU

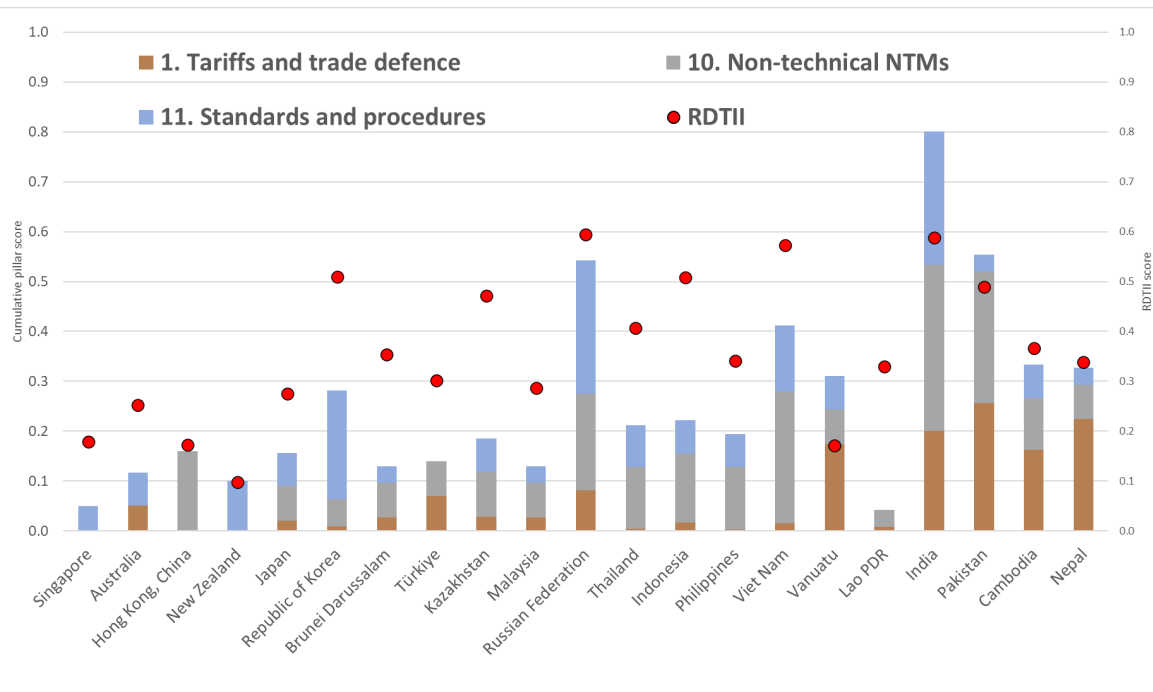
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Digital Trade Regulatory Review 2023
<https://www.unescap.org/kp/2023/dtr>



Traditional trade policies



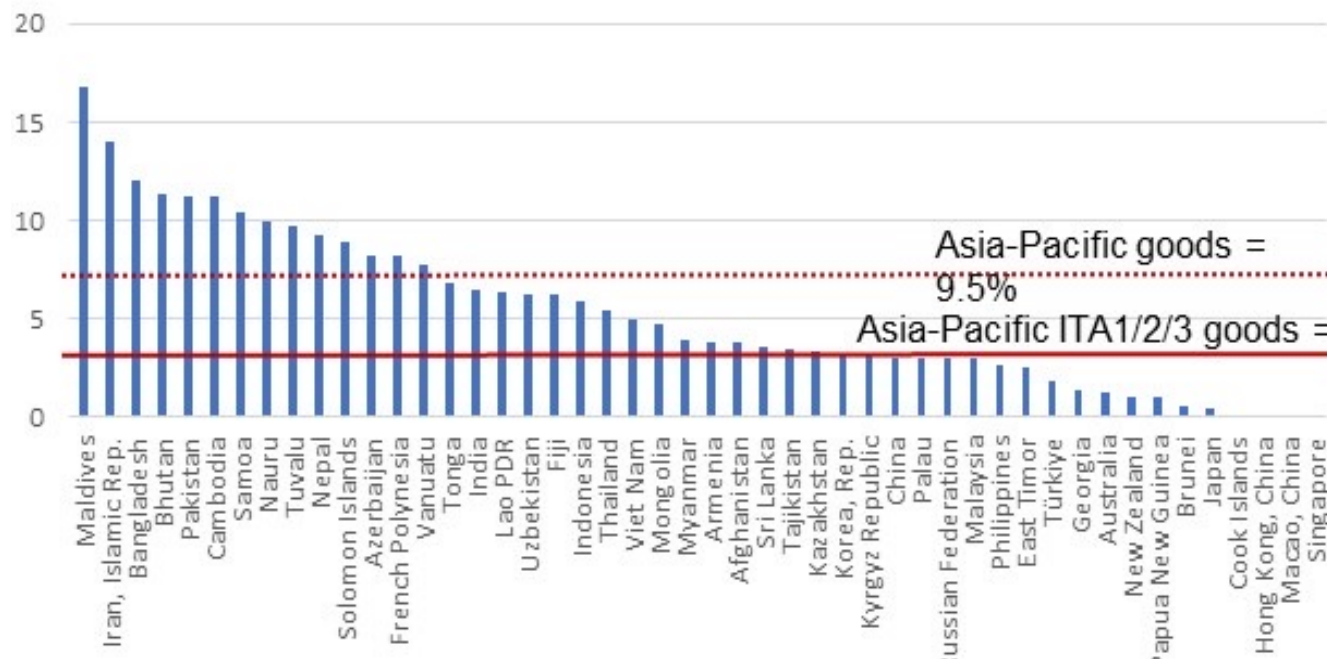
Higher-income

Lower-income

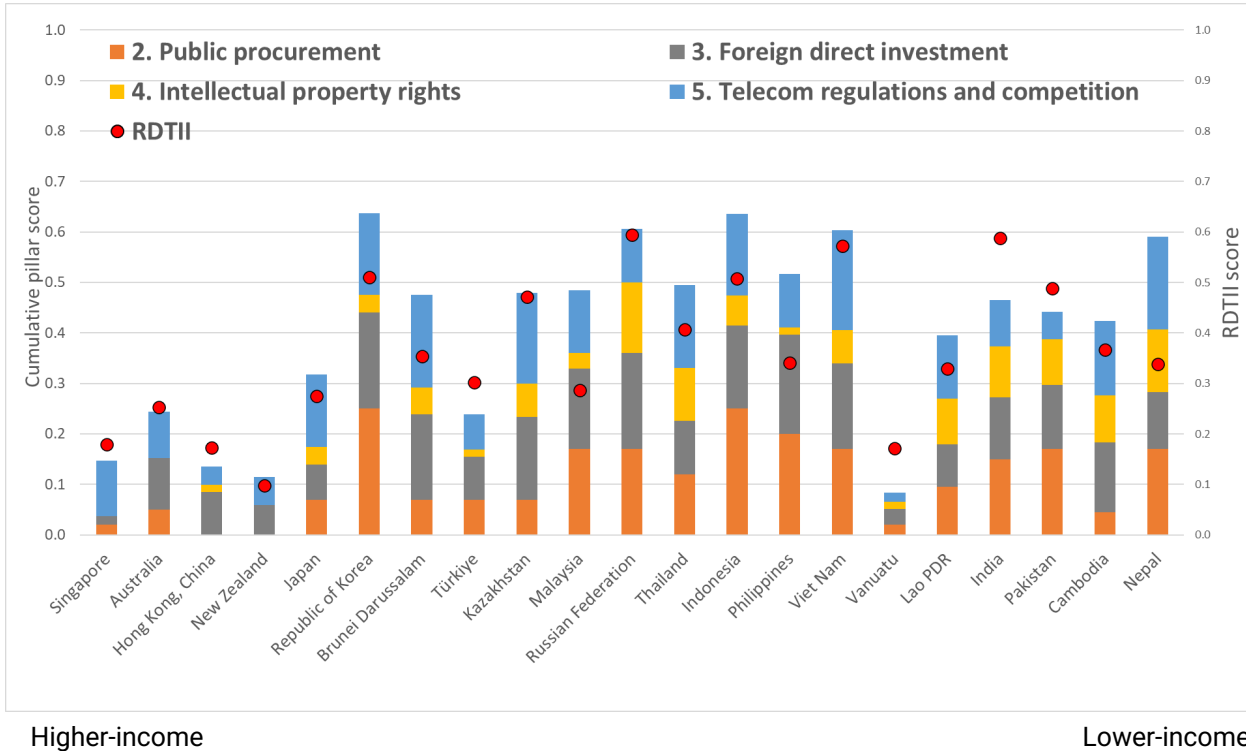
Common issues

- Not participating in the WTO Information Technology Agreement (ITA I, II)
- Conditional imports of digital devices
- Not accept third party certification

Traditional trade policies



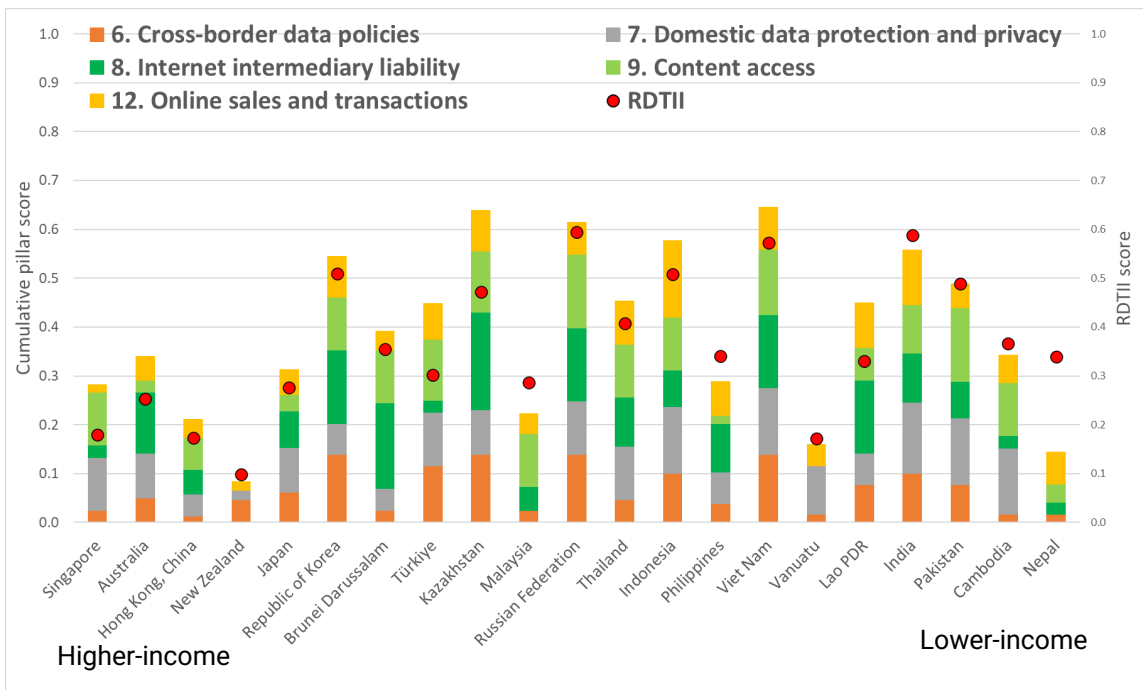
Domestic regulations



Common issues

- Commercial presence requirements, foreign equity cap (FDI)
- Presence of SOEs, licensing requirements (Telecom)
- Not participating in the WTO GPA
- Patent filing, copyright enforcement

Digital governance policies



Common issues

- demanding conditions for data flow, not participating in an agreement with binding commitments
- Minimum period of data retention, government access to personal data
- Limited safe harbour, blocking- and filtering
- Not participating in the UN convention on E-commerce, UCTIRAL Model Laws