Civil Society Groups Congratulate and Support South Africa, India, Indonesia for <u>Standing Firm Against E-Commerce Duties Moratorium</u>, and

Refusing to Give Tax Breaks to Big Tech January 29, 2024

The Moratorium on Customs Duties on Electronic Transmissions is nothing other than declaring cross-border operations of Big Tech as tax free. This first of all leads to huge revenue losses for developing countries – about which numerous studies exist, including by the UNCTAD, the Third World Network, the South Centre, and the International Centre for Tax and Development of the Institute of Development Studies (IDS). But equally importantly, it curtails policy space for developing countries to protect, shape, and develop their digital economies and undertake digital industrialisation.

All major industrial countries appropriately employed border taxes for their industrialisation in the 19th and 20th century. Digital industrialisation would also need continued right to levy border taxes on digital products and services, which is what the Moratorium bans.

Civil society groups at the WTO MC13, and outside, congratulate and support South Africa, Indonesia, and India for standing firm on the behalf of all people, groups and countries who badly seek means to restrain unsustainable power of Big Tech, and to have self-directed digital industrialisation, avoiding the traps of digital colonization.

We urge South Africa, Indonesia, and India, and those other developing countries that come out in support of them, to stand **firm and ensure that the E-Commerce Moratorium expires at MC13**. This will not only open up new sources of revenue, but also herald a new period for self-determined digital industrial policies.

We also encourage that the E-Commerce Work Program is renewed, with more robust and specific language on policy space for digital industrialisation, digital industrial policies, and the need to develop digital public infrastructures.

A civil society letter signed by many groups on the need to discontinue the moratorium:



And a fact sheet on this issue is here:



OWINFS is a network of organizations and social movements worldwide fighting the current model of corporate globalization embodied in the global trading system of the WTO, and is committed to a sustainable, socially just, democratic and accountable multilateral trading system.

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