

Annex I: E-COMMERCE
Letter to the Hon. Lockwood Smith
8 June 1999

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Dr. the Hon. Lockwood Smith
Minister for International Trade
Chair, APEC Trade Ministers
Parliament Buildings
Wellington
New Zealand

Dear Minister

ABAC commends the work of the APEC E-Commerce steering group in examining the issues facing Government and the private sector in the area of E-Commerce. In particular, the proposed experts group meeting at the Trade Ministers meeting in Auckland in June on legal issues is an excellent first step in working on this complicated issue.

ABAC has set up a website (www.abac-ecom.org.nz) for ABAC to examine and comment upon several aspects of E-Commerce including framework principles for handling the E-Commerce debate (attached), specific discussions of privacy and encryption, and other issues. ABAC will coordinate its work with other bodies in the area (e.g., PBEC and PECC) and international organizations working on E-Commerce issues such as the OECD. We hope this process can be useful to the APEC E-Commerce steering group in integrating private sector leadership into the APEC process.

We further offer the following specific recommendations to Ministers:

- i) ABAC recommends that APEC work in partnership with the private sector to develop principles governing the E-Commerce debate (draft principles are attached).
- ii) ABAC recommends that at their meeting in Auckland in June, APEC Trade Ministers endorse the conclusion of a binding agreement in the WTO not to impose any new customs duties on electronic transmissions over the Internet.
- iii) ABAC recommends that APEC governments agree to come forward with a description of the extent to which each uses electronic means of communication and transactions with each other and with the private sector (e.g. customs clearances, government procurement, regulatory notification).
- iv) In cooperation with the broader private sector, ABAC offers to work with the APEC E-Commerce steering group, as appropriate, to establish an APEC E-Commerce public/private sector partnership to examine the policy/legal/regulatory and self-regulatory issues relevant to E-Commerce.

We look forward to your favourable response on these matters.

Yours sincerely

HON PHILIP BURDON
ABAC Chair 1999

cc.: APEC Trade Ministers
ABAC Members