



INTERNET GOVERNANCE PROJECT

DIGITAL FREE TRADE PROJECT

The Internet Governance Project will focus on digital free trade as one of its main areas of research and engagement for the next two years. We believe that civil society organizations should resist economic nationalism, whether it emerges in authoritarian or democratic regimes. Economic nationalists oppose global integration of the economy and have negative views about free trade, immigration and international economic competition. This document introduces our Digital Free Trade project, what it entails and how you can get involved.

WHAT IS DIGITAL TRADE?

Digital trade is the provision of goods and services through the Internet. It relies on the unimpeded flow of data amongst legitimate Internet users. Digital trade includes more than just online commercial transactions, it also facilitates global supply chains and it has created a wide array of new information services and online platforms. Internet technologies have also changed business models, produced innovation in financial technologies and created new trade partners in unconventional ways.

WHAT IS DIGITAL PROTECTIONISM?

Digital protectionism is the nationalistic approach to the digital economy. It tries to confine digital activities to national borders or assert sovereignty over cross-border digital activities. Various forms of digital protectionism exist. Data localization can be classified as a non tariff trade barrier since it obliges Internet companies to have a physical presence in a territory if they want to provide their services to its residents. Blocking and filtering web sites and other forms of discrimination against foreign information service providers is another manifestation of digital protectionism. There is an increase in data localization and laws that lead to data localization.

WHY SHOULD CIVIL SOCIETY ORGANIZATIONS CARE ABOUT DIGITAL TRADE ISSUES?

Trade agreements can have many benefits, from reduced prices for consumers to improved leverage on human rights. With the creation of online platforms, consumers' search and transaction costs have been substantially reduced. Cross-border trade has become so easy that consumers can now engage with transnational consumer to consumer trade more than ever. Online global digital platforms have also provided new trade infrastructures, such as online payment mechanisms and online dispute resolution systems. But trade agreements are often negotiated only by special interest groups. Civil society needs to engage with digital free trade discussions to make their voice heard, and to pressure governments to come up with local laws that facilitate trade by enhancing privacy, competition and transnational data flow. Civil society groups can also have an effective role in impacting international processes that can in turn address local needs.

FREEDOM OF EXPRESSION, ACCESS TO INFORMATION AND PRIVACY

Openness to new and competing information services is both an economic issue (free trade) and a human rights issue (free expression). The free flow of data has come under attack due to attempts by nation states to censor different views and to control and localize data. Two issues are at stake here from the civil society perspective: privacy and access to information services. Regarding privacy, imposing a local jurisdiction upon digital data flows can decrease privacy protection for residents of countries with weak or no privacy laws. There is also a linkage between network neutrality and traditional trade principles of nondiscrimination by national origin. Countries who block and filter the internet often combine economic protectionism with censorship, as they can more easily control local information service providers. The goals of digital free trade and civil society are often aligned.

ADVOCACY TOOL FOR CIVIL SOCIETY

As a part of IGP's Digital Free Trade project, we are planning to develop a toolkit for civil society organizations to help them engage in policy discussions on digital trade in international forums. It is also intended to provide guidance on how to advance users' digital rights through trade-oriented policies and agreements. The toolkit will help civil society organizations understand digital trade issues and help them to educate their constituents and policy makers about the benefits of digital free trade. It will explain:

- How to write opinion pieces for editorial pages
- How to get with UN agencies that focus on digital trade
- When and where to attend WTO meetings or regional negotiations
- How to collaborate with other like-minded organizations to develop shared strategies and collective action
- Where to find research and data about digital trade

CREATING A NETWORK OF ADVOCACY GROUPS FOR DIGITAL FREE TRADE

If you want to network with like-minded civil society groups and are interested in utilizing our DFT toolkit, give us your contact information and join our network. We will periodically send important updates on activities and issue developments in the global trade arena.

- Send an email to DFT@internetgovernance.org
- Subscribe to our mailing list for announcements: <https://www.internetgovernance.org/subscribe>

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