



Global Industry Statement on Supporting Digital Trade in the African Continental Free Trade Area

The undersigned associations urge negotiators to develop comprehensive pan-African digital trade commitments to be incorporated into the African Continental Free Trade Area (AfCFTA).

Africa is poised to lead the globe in unlocking digital transformation opportunities across countless consumer and enterprise sectors and verticals. Enhancing participation in, and access to, the global digital economy across the continent must be a cornerstone of any strategy that aims to sustainably and equitably create opportunities, particularly for micro/small/medium-sized enterprises (MSMEs). A successful digital transformation for Africa will speed investment and innovation, enhance competition, create jobs, reduce poverty, and generally improve the availability of goods and services. Notably, there are enormous opportunities for Africa in both existing and emerging technology markets including artificial intelligence (AI), the internet of things (IoT), and quantum computing, among others. Africa is well positioned to seize these openings with leapfrogging opportunities that exist due to having fewer legacy physical and governance infrastructure challenges.

Building on Africa's focused efforts to achieve and sustain growth through digital transformation, we strongly encourage the development of comprehensive digital trade rules for the AfCFTA to ensure African leadership is at the forefront of the fourth industrial revolution. Specifically, the AfCFTA should:

- (1) Establish a moratorium on tariffs and customs formalities on electronic transmissions, including content;
- (2) Prohibit restrictions on the cross-border flow of data (allowing only for narrowly tailored exceptions) and forced localization of computing facilities, including for financial services data;
- (3) Preserve the ability of commercial actors to use technical protection mechanisms, including commercial encryption, to secure data transactions;
- (4) Prohibit governments' ability to require forced local partnerships or the disclosure of proprietary source code and algorithms as a condition of market entry or conducting business in-country, or duty-free treatment;

- (5) Provide for the adequate and effective protection and enforcement of intellectual property rights, including that all parties join and fully implement the WIPO Digital Treaties;
- (6) Commit to consistent and strict adherence to non-discriminatory treatment and good regulatory practices if considering regulation of nascent and emerging technologies and industries, including but not limited to transparency, consultation, and sufficient timelines for implementation;
- (7) Require that all parties join and enforce the 1996 World Trade Organization Informational Technology Agreement and its 2015 expansion;
- (8) Develop and promote transparent, accountable, and evidence-driven good regulatory practices for digital trade, which include public transparency in the regulatory process, the opportunity for input from the public, experts, and interested stakeholders, analysis of evidence according to sound, objective, and verifiable methods, and provision of procedural safeguards and due process;
- (9) Further reliance on globally-accepted international technical standards for the satisfaction of domestic regulatory requirements;
- (10) Ensure that all digital provisions extend to financial services, including electronic payments, banking, and insurance services; and
- (11) Promote risk-based approaches to cybersecurity regulation, cooperate on cybersecurity and incident response, and to share information and best practices.

We encourage proactive efforts by African leaders to support growth and innovation through the continent through clear and strong AfCFTA digital trade rules, and commit to assisting in the development and implementation of such rules moving forward.

ACT | The App Association

Africa Information and Communication Technologies Alliance (AfICTA)

Asia Internet Coalition

Coalition of Services Industries (CSI)

Computer & Communications Industry Association

Consumer Technology Association (CTA)

Global Innovation Forum

National Foreign Trade Council (NFTC)

Small Business and Entrepreneurship Council

Technology Trade Regulation Alliance (TTRA)

U.S. Council for International Business

World Information Technology and Services Alliance (WITSA)