# Consumer-oriented unilateralism and implications for world trade

#### **Presented by**

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## Connect consumers to the supply chain

• Jie (Jeanne) Huang, <u>The Latest</u> <u>Generation of SEZs: Consumer-Oriented</u> <u>Unilateralism in China's E-Commerce</u> <u>Trade</u>, Journal of International Economic Law (2021).



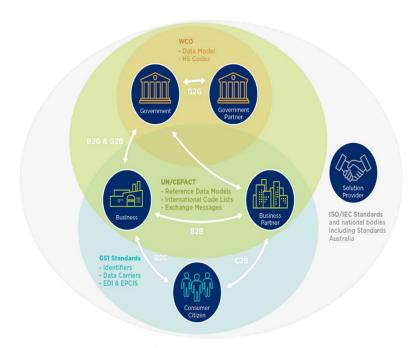


Figure 1: The relationship between key trade facilitation standards agencies

#### Chart One: General trade and the Classical Model of Trade Liberalization

#### National Border Foreign International Domestic **Importers** Consumers **Suppliers** sale sale Behind-the-border On-the-border regulations: labelling, regulations: reducing consumer protection tariff reduction and measures, etc regulating non-tariff measures.

#### Chart Two: CERI and the New Model of Trade Liberalization

#### National Border



Before-the-border regulations: product quality traceable system and other consumer protection measures. On-the-border regulations: no tariff within the quota, minimum non-tariff measures. Behind-the-border regulations focuses on after-sale consumer protection e.g. product return

CERI: Cross-border E-commerce Retail Import

### A New, Consumer-oriented Trade Liberalization

- WTO multilateralism allows importing states to impose domestic labelling and product quality standards, as well as other measures to protect consumers, on the condition that these measures are not used as disguised trade barriers.
  - E.g. Article IX:2, XI and XX of GATT; Article 22.2 (a) of TRIPs
- CERI unilateralism protects consumers by giving them the right to choose products made under standards different from those in China
  - Quality, safety, and labelling requirements imposed by Chinese law are unilaterally waived. As such, they are determined by the law of the exporting countries with limited exceptions.

Main driving forces

Develop Chinese e-commerce platforms and shape international regulations

Promote a balanced development of import and export

Acknowledges that consumers are diverse and that their needs are not homothetic

## **Prospects**

 Rethinking of WTO multilateralism from its initial focus on corporations and capital owners to a revised focus on consumers.



## **Initial thinking**

- 1. Mixed mosaic and trustworthy system with distributed control
  - Conflict of laws

2. CAB focus expands from data issuance to data exchange accreditation

- SMEs ? Consumers?

Table 4. Privacy protection instruments have been widely developed in multiple international fora

	The OECD Privacy Guidelines	APEC Privacy Framework	APEC CBPR system	Convention 108 (ratified)	ASEAN PDP Framework	AU Malabo Convention <sup>1</sup>	ECOWAS Supplementary Act A/SA. 1/01/10 on Personal Data Protection	Data Protection Standards of the Ibero- American States	RTAs including privacy principles	RTAs including provisions on data protection recognising certain international standards
Number of jurisdictions ratifying/adhering to each arrangement (number of JSI participants)	37 (37)	21 (19)	9 (9)	55 (43)	10 (8)	19 (1)	15 (4)	10 (9)	103 (79)	78 (60)

<sup>1.</sup> As of latest available data published 18 June 2020.

Source: Authors' calculations based on websites of the OECD Privacy Guidelines, APEC CBPR system, Convention 108, ASEAN PDP Framework, AU Malabo Convention, ECOWAS and Ibero-American Data Protection Network and the TAPED dataset. See Annex B.

### OECD, Digital Trade Inventory- Rules, Standards and Principles, page 19

## Thank you and Questions

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