

U.S.-JORDAN JOINT STATEMENT ON ELECTRONIC COMMERCE

Electronic commerce will be an engine of economic growth in the twenty-first Century, with the potential to invigorate economies by enhancing productivity, streamlining distribution, and revamping corporate structures. Jordan and the United States have already taken steps domestically to realize the full potential of Electronic Commerce.

Electronic commerce will enhance the standard of living of citizens in the United States and Jordan, as well as the rest of the globe, by creating new, high-paying jobs and opportunities. Small and medium-sized enterprises, in particular, will benefit from new opportunities to sell their products to a worldwide market. Consumers will likewise benefit from the greater variety of choices made possible by electronic commerce, which will also lead to lower prices.

The Governments of the United States and Jordan recognize the importance of working together to promote global electronic commerce. We support and endorse the following fundamental principles and policies, which should guide the development of electronic commerce.

I. General Principles

The private sector should lead in the development of electronic commerce and in establishing business practices.

Both governments should avoid imposing unnecessary regulations or restrictions on electronic commerce. Government actions, when needed, should be transparent, minimal, non-discriminatory, and predictable to the private sector.

Governments should encourage effective self-regulation through codes of conduct, model contracts, guidelines, and enforcement mechanisms developed by the private sector.

Cooperation among all countries, from all regions of the world and all levels of development, will assist in the construction of a seamless environment for electronic commerce.

II. Policy Issues

The Social and Regional Challenge

The Internet and other information and communication technologies are shaping not just our economies, but our societies as well and creates the potential to enhance citizenship as well as commerce. Used creatively, the Internet and information technology more generally can be a powerful tool for tackling difficult social challenges as well as fostering economic growth.

We encourage countries to open their markets to private sector investments to help modernize their communications infrastructure. Jordan and the United States are ready to advance international cooperation to achieve this goal and to avail themselves of international organizations and financial institutions to further this goal.

Governments also should promote competition in all information and communications markets. Competition will result in lower prices, more customer choice, and faster deployment of new technologies.

Advanced communications networks can benefit all countries through information and information technology integration into the global economy, and facilitate the dissemination of knowledge and technologies to citizens and companies.

We must also ensure that new technologies will widen the circle of opportunity. The technological revolution allows us to imagine a future with greater opportunities for all.

Jordan and the United States will cooperate in (1) making it easier to use the Internet to address social challenges, such as helping working adults to acquire new skills, (2) increasing access to healthcare, especially in isolated rural communities, (3) improving the quality of life for people with disabilities, and (4) strengthening democracy.

To avoid the creation of a "digital divide" on a social, cultural or geographic basis, we should promote universal technological literacy and encourage the wide availability of information technology at public institutions such as schools, libraries, and community centers. Governments also have an important role to play in ensuring universal access to telecommunications services, particularly for consumers in under served areas.

Open Access to Information, Cultural Diversity, and Content

The Internet provides unprecedented access to information. For the first time, a means of communication enables an individual to select what he or she wishes to view from among billions of pages of information posted on hundreds of thousands of web sites all around the world. This information is posted in many countries and in many languages. Governments should promote access to this information.

The Internet can and should be used to afford an opportunity to promote cultural diversity. Content that reflects the cultural and linguistic interests of any group can be produced cheaply and accessed by others with similar interests worldwide. We support the deployment of technologies that enable this diversity.

Content should be transmitted freely across national borders in response to a user's request. Trade barriers to the free flow of content do not exist today and should not be created in the future.

In instances where users do not wish to receive certain types of content, such as that which is unsuitable for children, filtering/blocking systems or other tools should be made available so that the individual consumer can exercise his or her choice.

Encouragement of the free flow of information on the Internet, however, should not impair the rights of intellectual property owners. The importance of protecting intellectual property on the Internet cannot be underestimated. If electronic commerce is to be fully successful, the businesses that use it must be confident that their intellectual property rights will be protected. Jordan may want to explore participation in the Government Advisory Committee (GAC) of the Internet Corporation for Assigned Names and Numbers (ICANN). The GAC is attempting to set standards for "best practices" for country code top level domain names (ccTLDs).

In addition, we encourage international cooperation between law enforcement authorities to prevent, investigate and prosecute illegal activities on the Internet, including those by criminal and terrorist organizations and those involving goods or services that contain intellectual property.

Government Services and Information

Electronic commerce will help our two governments to serve their people better, by increasing efficiency of public services and products. Governments can also contribute to the development of the information economy by acting as role models and market catalysts. Business and user confidence will be enhanced by effective government use of electronic payments systems. Jordan and the United States will cooperate in developing innovative methods for the provision of government services through the use of electronic commerce.

Tariffs and Trade Principles

The current practice of not imposing customs duties on electronic transmissions should be maintained with a view to making it permanent and binding as soon as possible.

We agree that electronic commerce falls within the scope of WTO rules and commitments. Conducting electronic commerce in conformity with these rules and commitments will ensure a predictable, trade-liberalizing environment, thereby promoting the growth of electronic commerce and creating opportunities for trade and development for Members at all stages of development.

Taxes

Any taxation of the Internet or electronic commerce should be clear, consistent, neutral and non-discriminatory. We will actively participate within, and coordinate with, the Organization for Economic Cooperation and Development (OECD) and work toward achieving a consensus regarding the taxation of electronic commerce. Close cooperation and mutual assistance between Jordan and the United States tax authorities is necessary

to ensure effective tax administration and to prevent tax evasion and avoidance on the Internet.

Electronic Authentication/ Electronic Signatures

Governments should work towards a global approach that supports, domestically and internationally, the recognition and enforcement of electronic transactions and electronic authentication methods (including electronic signatures). At an international level this should include working together on a convention or other arrangements to achieve a common legal approach that will support electronic transactions as well as a variety of authentication technologies and implementation models. This approach should:

- a. Remove paper-based obstacles to electronic transactions by adopting relevant provisions from the UNCITRAL Model Law on Electronic Commerce;
- b. Permit parties to a transaction to determine the appropriate authentication technologies and implementation models for their transaction, with assurance that those technologies and implementation models will be recognized and enforced;
- c. Permit parties to a transaction to have the opportunity to prove in court that their authentication technique and their transaction is valid;
- d. Take a non-discriminatory approach to electronic signatures and authentication methods from other countries.

Privacy

Ensuring the effective protection of privacy with regard to the processing of personal data on global information networks is necessary as is the need to continue the free flow of information. With regard to frameworks for personal data protection, governments and businesses should consider consumers' concern about their private information. Since content, usage, and the method for collection of private information differ from industry to industry, means for privacy protection should be flexible. Governments should encourage the private sector to develop and implement enforcement mechanisms, including preparing guidelines and developing verification and recourse methodologies. The OECD Privacy Guidelines provide an appropriate basis for policy development.

Security

Information infrastructures are critical to public safety and national economic well-being. The OECD Guidelines for the Security of Information Systems should be the basis for national approaches to information security. Governments should provide advice on threats, vulnerabilities, and security responses to ensure that critical information infrastructures are protected. The preferred approach to information security is through industry awareness and industry-based solutions.

Electronic Payments

Developments in this area should recognize the importance of private sector leadership, and should promote both a competitive market for, and user confidence in electronic payment systems.

Intellectual Property Protection

Growth of electronic commerce depends on adequate and effective protection of intellectual property including industrial property and copyright. The protection of copyrighted works in the digital environment will be assisted by the prompt ratification and implementation of the WIPO Copyright Treaty and the WIPO Performances and Phonograms Treaty. Implementation of the treaties should be accompanied by provisions to appropriately limit the liability of carriers for copyright infringement where such carriers have no direct relationship to the infringing content and remove infringing content when made aware of the infringement.

Consumer Protection

Consumers should receive effective protection in the online environment that can be promoted through enforcement of existing consumer protection laws, modification of these laws if necessary to accommodate the unique characteristics of the online environment, consumer education, and industry supported mechanisms to empower consumers and resolve consumer complaints and concerns.

III. Future Work

We will continue to work together to support the development of global electronic commerce in the future, through:

Close policy coordination between the United States and Jordan to promote electronic commerce;

Continuing substantive bilateral discussions at the experts level on issues regarding electronic commerce;

Encouraging private sector leadership through dialogue and cooperation between the private sectors of both countries and our governments; and

Close cooperation between the United States and Jordan at international fora to support the development of global electronic commerce.

The Honorable William M. Daley
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