

## World Trade Organization (WTO)'s E - Commerce Moratorium

*Prelims: Current events of national and international importance | International Relations*

### Why in News?

*The WTO e-commerce moratorium is set to expire at the 14th Ministerial Conference in Yaoundé, Cameroon.*

- E-commerce Moratorium is a **WTO agreement not to impose customs duties on electronic transmissions** (software, e-books, music, films, games, streaming).
- **Purpose** - To promote growth in digital trade, ensure predictability, and keep the internet open by preventing tariffs on digital products.
- **First adopted in** -1998 at the WTO Second Ministerial Conference (Geneva).
- **Renewal** - Typically renewed every 2 years, lastly extended at MC13 (2024) for two years.
- It has been regularly extended at WTO Ministerial Conferences (MC12, MC13, and discussions towards MC14).

### World Trade Organization (WTO)

- It is the ***only global international organization*** managing the rules of trade between nations.
- **Established in** - 1995 to replace GATT.
- **Headquarters** - Geneva, Switzerland.
- **Aim** - To ensure trade flows smoothly, predictably, and freely, providing a platform for negotiations and settling disputes to facilitate economic growth.
- **Functions**
  - **Settling Disputes** - The WTO acts as a mediator when member nations disagree on trade policies.
  - **Lowering Barriers** - It facilitates negotiations to reduce tariffs, quotas, and other trade barriers.
  - **Establishing Rules** - It provides legal ground rules for international commerce to encourage fair competition.
  - **Monitoring Policies** - It regularly reviews the trade policies of member countries for transparency.
- **Members** - 166 nations (including the European Union)- representing **98%** of world trade. The most recent accessions (2024) were **Comoros** and **Timor-Leste**.
- **Decision Making** - Decisions are made by consensus among all member governments.

## Reference

[The Hindu | Moratorium](#)

