



## EVENTS

### ITC supports SMEs to explore services export opportunities in China

ITC sponsored nine tourism enterprises from Sri Lanka and Myanmar to participate in the 5th China International Fair for Trade in Service (CIFTIS), held in Beijing from 28 May to 1 June. The companies met with potential buyers and partners to explore the opportunities of attracting more Chinese tourists and working together with Chinese tour operators. Ms. Dorothy Tembo, ITC Deputy Executive Director, spoke in three different sessions at the 2018 CIFTIS: the “Africa Theme Day”, [“World vision: Global e-commerce cities development forum”](#) and the UNCTAD forum on “Enhancing cooperation on services trade in the context of Belt and Road Initiative”.



## BUSINESS NEWS

### Google fined by the EU for abusing the dominance of Android

The European Commission [has decided](#) to fine Google US\$ 5 billion (€4.34 billion) for a violation of the EU antitrust rules. The mechanism contested by the European authorities is related to the smartphones that are using the Android mobile operating system. Investigations find that Google favoured the use of its own services by imposing to the smartphone makers to preinstall Google apps, specifically Google search and Google Chrome, in a bundle with Google Play. The tech giant has also forbidden the smartphone makers to sell phones that run modified versions of Android. Market dominance is not forbidden by the EU competition rules but the dominant company cannot abuse its position by restricting competition. The fine has been calculated based on the revenue of Google from search advertising services on devices using Android in the European Economic Area.

### First lawsuits under EUGDPR

25 May marked an important day for tech companies, when the European Union’s General Data Protection Regulation (GDPR) entered into force. Many companies have been adapting to this set of rules and some are already facing lawsuits. On the first day of enforcement, Austrian lawyer Max Schrems, the president of an NGO focused on privacy issues, [sued](#) Facebook and Google for a violation in users’ expression of consent. Schrems argues these tech giants are linking consent with services access, forcing users into an “all-or-nothing choice”. The combined fine claimed is around US\$ 8.8 billion.

### EllaLink and CV Telecom will connect Cabo Verde to Europe and South America

EllaLink and Cabo Verde Telecom [signed](#) a Memorandum of Understanding (MOU) in June, to install subsea fibre in the African country. The new 4-fiber-pair submarine cable system will connect the African archipelago to Europe and Latin America by 2020, linking Cabo Verde with Brazil and Madeira (Portugal). The project will enhance the growth of internet in the region, supporting the development of the digital economy of different countries, as well as providing the first connection between South America and Europe.

### Uber wins the appeal to restart its operations in London

Uber has won the [appeal](#) on 26 June and is able to operate again in London for the next 15 months. The appeal has reversed the decision of Transport for London (TfL) in September 2017 not to renew the license of Uber. The decision has been taken as the company agreed on stricter supervision from the local government and on implementing new policies, as sharing traffic data with the city authorities and reporting incidents to the police. Westminster Magistrates’ Court’s decision allows the company to provide its services with the condition of regular audits. Currently, Uber serves more than 3.6 million customers in London with about 45,000 drivers, making London its biggest European market.

### Samsung will use Blockchain and AI for its new logistics platform, Cello Square 3.0

Samsung SDS announced the creation of a [new logistics platform](#) created for e-commerce, using block chain and Artificial Intelligence technologies. The new platform will integrate blockchain technology and artificial intelligence with global logistics, in order to reduce costs and delivery time by choosing optimal shipping methods. Blockchain in particular, will allow the buyers to access relevant information, such as the company that is shipping the goods, the country of origin and the distribution history, by putting a mobile device close to the NFC tag on the product. Moreover, users will be able to view information on the order and track the parcel in real time. The platform will also use machine learning to predict future sales and advice users regarding the logistics settings they should implement to reduce the costs.

## REGULATORY AND TRADE NEWS

### US Supreme Court decision allows for e-commerce sales tax

On 21 June, the US Supreme Court’s [decision](#) in the case South Dakota v. Wayfair Inc. ruled that online retailers could be required to collect sales taxes in states where they do not have physical presence. Anticipating the ruling, several states have passed laws based on South Dakota’s, which requires merchants to collect a 4.5% sales tax if they are above US\$ 100,000 in annual sales and have more than 200 transactions in that state.

### Important updates on data policies from US CLOUD Act

In March, the President of the United States Donald Trump [signed](#) an appropriations bill that included the CLOUD Act. The Clarifying Lawful Use of Overseas Data (CLOUD) Act has been created to clarify the modalities of data access of the United States and foreign countries when data is stored in cloud servers in third countries. The idea is to solve the issue of extraterritorial jurisdiction, especially in cases of terrorism or piracy. The amended act allows law enforcement warrants applying when US tech companies store data abroad, providing access to gather data stored abroad for investigation purposes. At the same time, it enables those companies to challenge such warrants based on privacy laws in the jurisdiction where data are stored.

### The United States plans to limit Chinese investment in tech companies

The US Treasury Department is [preparing measures](#) to limit Chinese investment in “industrially significant” technological firms in the United States. Companies with at least 25% Chinese ownership will be restricted from buying companies involved in technologies deemed relevant by the White House, which is likely to include aerospace, robotics and automotive sectors. The measures aim to prevent technology transfer from the US to Chinese companies. The US Government also plans to increase export controls for goods to China. The restrictions will be motivated using a broader definition of national security, as stated by Robert Lighthizer, the US Trade Representative.

## PUBLICATIONS

### ITC’s “Faster Customs, Faster Trade: Using technology for trade facilitation”

The International Trade Centre, in cooperation with Huawei, released in June its new publication [“Faster Customs, Faster Trade: Using technology for trade facilitation”](#). This report offers policy advice to explore synergies between the WTO Trade Facilitation and Information Technology Agreements. These agreements reinforce each other, and can boost trade. Used well, policymakers can set in motion technology-based national trade facilitation reforms, especially for customs processes.

ITC produced this report in cooperation with Huawei Technologies. It encourages the use of ICT tools and schemes such as the Authorized Economic Operator. These reduce costs and time for small firms, and help them be competitive in regional and global markets.