

# TRANS-PACIFIC PARTNERSHIP AGREEMENT

## OUTCOMES: TRADE IN THE DIGITAL AGE

The TPP has state of the art commitments for trade in the digital age. The internet is an essential tool for Australian companies doing business in the global economy and a dynamic marketplace for Australian consumers. The TPP includes new rules about the movement and storage of data as well as enhanced commitments to protect privacy, consumer rights and efforts to combat 'spam' messages. The TPP strikes the right balance to deliver outcomes for Australian business and consumers – now and into the future.

### KEY OUTCOMES

#### Keeping information moving

For the first time in a trade agreement, TPP countries will guarantee the free flow of data across borders for service suppliers and investors as part of their business activity. This 'movement of information' or 'data flow' is relevant to all kinds of businesses - from an Australian hotel which relies on an international online reservation system, to an Australian telecommunications company seeking to provide data management services to businesses across a number of TPP markets. TPP countries have retained the ability to maintain and amend regulations related to data flows, but have undertaken to do so in a way that does not create barriers to trade.

Australia's open and robust regulatory framework, including the *Privacy Act* and e-health record system (*Personally Controlled Electronic Health Record Act 2012*), will not be affected by these TPP commitments.

#### Addressing localisation barriers

TPP countries cannot force businesses to build data storage centres or use local computing facilities in TPP markets. TPP countries have committed not to impose these kinds of 'localisation' requirements on computing facilities – providing certainty to businesses as they look to optimise investment decisions.

#### Spotlight on cloud computing services

'Cloud computing' refers to a wide range of information-intensive services that can be delivered over the internet. Australia is already well placed to serve the expanding Asia-Pacific market for cloud computing services. A commitment by TPP countries not to impede companies delivering cloud computing and data storage services provides a new platform for growth in Australian ICT services exports. These TPP commitments will increase Australia's ability to competitively deliver services into important and expanding TPP markets including Japan, Singapore, Malaysia and Vietnam.



## Software: new opportunities and greater certainty for exporters

Australian software and games will enjoy fair and equal treatment across TPP markets, providing new opportunities for Australian exporters of all sizes. In addition, Australian software suppliers will not be required to hand over valuable source code when seeking to import or distribute software in a TPP country.

## Preventing forced transfers of technology

Under the TPP, Australian investors will not be required to transfer technology, production processes, or other proprietary information in order to carry on business in a TPP country.

## Choosing the right technology for your business

Australian telecommunications businesses will benefit from an agreement among TPP countries that where a technological requirement exists, it will need to be transparent, and it can't be used to impose trade barriers.

## No customs duties on electronic content or transmissions

TPP countries have agreed not to impose customs duties on electronically transmitted content.

## Recognising the importance of cyber security

In order to make the most of the commercial opportunities in the online environment, consumers and business require a secure and well-functioning Internet. TPP countries recognise the importance of cooperation on cyber security through the work of national computer emergency response teams, such as CERT Australia.

## Addressing the high costs of international mobile roaming

Recognising the negative impact of high international mobile roaming charges on businesses and consumers, TPP countries have agreed to work cooperatively to promote reasonable international mobile roaming rates. The agreement opens the door to TPP countries to enter into arrangements with each other on rates and conditions for wholesale international mobile roaming services.

TPP countries will promote transparent and reasonable rates for international mobile roaming services, including by:

- ensuring that information regarding roaming rates is accessible to consumers;
- minimising impediments to the use of technological alternatives to roaming; and
- sharing information between TPP Parties on the rates for international mobile roaming services.

## Enhancing consumer choice and consumer protection, protecting privacy and tackling 'spam'

Consumers must have confidence their personal information will be protected in online services and transactions. Consumers in TPP countries will benefit from commitments to protect privacy, enforceable consumer protection, and efforts to combat 'spam' messages.

## Improving access to products and services

The internet has an impact on the choice, availability and cost of items for Australian consumers. Parties have undertaken to exchange information and share views on consumer access to products and services offered online among TPP parties. For Australia, this will provide an opportunity to discuss any new and ongoing challenges faced by consumers when using the internet.

## Staying ahead of future challenges

Given the ongoing rapid evolution of the e-commerce and telecommunications sectors, TPP countries agreed on the need for future cooperation. This includes: assisting SMEs to overcome obstacles in the use of e-commerce; sharing information and experiences on e-commerce regulations and policies; and encouraging the private sector to develop self-regulation that fosters e-commerce.