

APPENDIX 4

NEW CHAPTER 19 (ELECTRONIC COMMERCE)

CHAPTER 19 ELECTRONIC COMMERCE

Article 19.1: DEFINITIONS

For the purposes of this Chapter:

electronic authentication means the electronic process or act of providing authenticity and reliability verification for the parties involved in electronic signature, to ensure integrity and security of electronic communication or transaction;

electronic signature means data in electronic form that is in, affixed to, or logically associated with a data message, which may be used to identify the signatory in relation to the data message and to indicate the approval of the signatory of the information contained in the data message;⁶

data message means information generated, sent, received, or stored by electronic optical or similar means;

financial technology means the use of the technology to improve and automate the delivery use of financial services;

commercial electronic message means an electronic message which is sent for commercial purposes to an electronic address of a person⁷ through a telecommunications service, comprising at least electronic mail and, to the extent provided for under a Party's laws or regulations, other types of electronic messages; and **unsolicited commercial electronic message** means a commercial electronic message that is sent without the consent of the recipient or despite the explicit rejection of the recipient;

personal data means any information about an identified or identifiable natural person;

electronic transmission means a transmission made using any electromagnetic means and includes the content of the transmission;

electronic payment means the payer's transfer of a monetary claim on a person that is acceptable to the payee and made through electronic means, but does not include payment services of central banks involving settlement between financial service suppliers⁸;

⁶ For the purposes of this Chapter, electronic signatures used by and in relation to the financial sector, as well as the national regulatory authority, shall comply with the applicable respective domestic legislation.

⁷ For greater certainty, the "electronic address of a person" does not include an IP address.

⁸ For greater certainty, nothing in this Article requires a Party to grant electronic payments services suppliers of another Party not established in its territory access to payment services of

Article 19.2: GENERAL PROVISIONS

1. The Parties recognise the economic growth and opportunities provided by electronic commerce, and the importance of frameworks that promote consumer confidence in electronic commerce and avoiding unnecessary barriers to its use and development.
2. The purposes of this Chapter are to promote electronic commerce between the Parties and the wider use of electronic commerce globally.
3. The Parties shall, in principle, endeavour to ensure that bilateral trade in electronic commerce shall be no more restricted than comparable non-electronic bilateral trade.
4. This Chapter shall apply to measures adopted or maintained by a Party that affect electronic commerce.
5. This Chapter shall not apply to:
 - (a) government procurement; or
 - (b) except for Article 19.10 (Open Government Data), information held or processed by or on behalf of a Party, or measures related to that information, including measures related to its collection.
6. For greater certainty, the Parties affirm that measures affecting the supply of a service delivered or performed electronically are subject to the obligations contained in the relevant provisions of Chapter 8 (Trade in Services) and Annex 8-A (Financial Services), including any exception or limitation set out in this Agreement that is applicable to those obligations.
7. Articles 19.12 (Electronic Payments) shall not apply to aspects of a Party's measures that do not conform with an obligation in Chapter 8 (Trade in Services) to the extent that such measures are adopted or maintained in accordance with:
 - (a) any terms, limitations, qualifications, and conditions specified in a Party's commitments, or are with respect to a sector that is not subject to a Party's commitments, made in accordance with Article 8.3 (Schedules of Specific Commitments); or

central banks that involve settlement between financial services suppliers.

- (b) any exception that is applicable to the obligations in Chapter 8 (Trade in Services).

8. In case of any inconsistency with the rights and obligations in any other chapter of this Agreement, the other Chapter shall prevail.

Article 19.3: CUSTOMS DUTIES

1. Each Party shall maintain its current practice of not imposing customs duties on electronic transmissions between the Parties.
2. The practice referred to in paragraph 1 is in accordance with the WTO Ministerial Decision of 2 March 2024 in relation to the Work Programme on Electronic Commerce (WT/MIN(24)/38).
3. Each Party may adjust its practice referred to in paragraph 1 with respect to any further outcomes in the WTO Ministerial Decisions on customs duties on electronic transmissions within the framework of the Work Programme on Electronic Commerce.
4. The Parties shall review this Article in light of any further WTO Ministerial Decisions in relation to the Work Programme on Electronic Commerce.
5. For greater certainty, paragraph 1-4 shall not preclude a Party from imposing internal taxes, fees or other charges on electronic transmissions, provided that such internal taxes, fees or charges are imposed in a manner consistent with this Agreement.

Article 19.4: DOMESTIC ELECTRONIC TRANSACTIONS FRAMEWORK

1. To the extent practicable, respecting independency and sovereignty of each Party, both Parties shall endeavour to maintain a legal framework governing electronic transactions consistent with the principles of the UNCITRAL Model Law on Electronic Commerce 1996, or the United Nations Convention on the Use of Electronic Communications in International Contracts, adopted in New York, 23 November 2005, and take into account, as appropriate, other relevant international standards.
2. Each Party shall endeavour to:
 - (a) avoid any unnecessary regulatory burden on electronic transactions; and
 - (b) facilitate input by interested persons in the development of its legal framework for electronic commerce.



Article 19.5: ELECTRONIC AUTHENTICATION AND ELECTRONIC SIGNATURES

1. Except in circumstances otherwise provided for under its laws or regulations, a Party shall not deny the legal effect, legal validity, or admissibility as evidence in legal proceedings of an electronic signature solely on the basis that the signature is in electronic form.
2. No Party shall adopt or maintain measures that would:
 - (a) prohibit Parties to an electronic transaction from mutually determining the appropriate electronic authentication method or electronic signature for that transaction; or
 - (b) prevent Parties to an electronic transaction from having the opportunity to establish before judicial or administrative authorities that their transaction complies with any legal requirements with respect to electronic authentication or electronic signatures.
3. Notwithstanding paragraph 2, a Party may require that, for a particular category of transactions, the method of authentication or electronic signature meets certain performance standards or is certified by an accredited authority in accordance with its laws or regulations.
4. To the extent provided for under its laws or regulations, each Party shall apply paragraphs 1 to 3 to electronic seals, electronic time stamps, and electronic registered delivery services.
5. The Parties shall encourage the use of interoperable electronic authentication.

Article 19.6: ONLINE CONSUMER PROTECTION

1. The Parties recognise the importance of transparent and effective measures to protect consumers from, misleading or deceptive conduct when they engage in electronic commerce.
2. For the purposes of this Article, "misleading or deceptive conduct" includes:
 - (a) making misrepresentations or false claims as to material qualities, price, suitability for purpose, quantity or origin of goods or services;
 - (b) advertising goods or services for supply without intention to supply;

- (c) failing to deliver products or provide services to consumers after the consumers have been charged; or
- (d) charging or debiting consumers' financial, telephone or other accounts without authorisation.

3. The Parties recognise the importance of adoption/maintenance and enforcement of laws or regulations to proscribe misleading or deceptive conduct that causes harm, or is likely to cause harm, to consumers engaged in online commercial activities.

4. The Parties recognise the importance of cooperation between their respective national consumer protection agencies or other relevant bodies on activities related to cross-border electronic commerce in order to enhance consumer welfare.

5. The Parties recognise the importance of cooperation between their respective consumer protection agencies or other relevant bodies, including the exchange of information and experience, as well as cooperation in appropriate cases of mutual concern regarding the violation of consumer rights in relation to electronic commerce in order to enhance online consumer protection, where mutually decided.

6. The Parties recognise the benefits of mechanisms, including alternative dispute resolution, to facilitate the resolution of claims over electronic commerce transactions.

Article 19.7: PERSONAL DATA PROTECTION

1. The Parties recognise the economic and social benefits of protecting the personal data of users of electronic commerce and the contribution that this makes to enhancing consumer confidence in electronic commerce.

2. To this end, each Party shall adopt or maintain a legal framework that provides for the protection of the personal data of the users of electronic commerce. In the development of its legal framework for the protection of personal data, each Party shall take into account the principles and guidelines of relevant international bodies.⁹

3. Each Party shall endeavor to adopt non-discriminatory practices in protecting users of electronic commerce from personal data protection violations occurring within its jurisdiction.

⁹ For greater certainty, a Party may comply with the obligation in this paragraph by adopting or maintaining measures such as comprehensive privacy or personal data protection laws, sector-specific laws covering privacy, or laws that provide for the enforcement of voluntary undertakings by enterprises relating to privacy.

4. Each Party shall publish information on the personal data protections it provides to users of electronic commerce, including how:

- (a) individuals can pursue remedies; and
- (b) business can comply with any legal requirements pertaining to personal data protection.

Article 19.8: UNSOLICITED COMMERCIAL ELECTRONIC MESSAGES

1. Each Party shall adopt or maintain measures regarding unsolicited commercial electronic messages sent to an electronic address that:

- (a) require suppliers of unsolicited commercial electronic messages to facilitate the ability of recipients to prevent ongoing reception of those messages;
- (b) require the consent, as specified according to the laws and regulations of each Party, of recipients to receive commercial electronic messages; or
- (c) otherwise provide for the minimisation of unsolicited commercial electronic messages.¹⁰

2. Each Party shall provide recourse against a supplier of unsolicited commercial electronic messages that does not comply with a measure adopted or maintained in accordance with paragraph 1.

3. The Parties shall endeavour to cooperate in appropriate cases of mutual concern regarding the regulation of unsolicited commercial electronic messages.

Article 19.9: PAPERLESS TRADING

1. Each Party shall endeavor to make trade administration documents available to the public in electronic form.

2. Each Party shall endeavor to accept the electronic version of trade administration documents as the legal equivalent of the paper version of documents except where:

¹⁰ This option (as an alternative to the standards laid out in (a) and (b) subsections above) is not applicable where commercial electronic message contains / refers to / includes or otherwise indicates financial service or product (as defined by respective domestic legislation). Such messages should strictly adhere to the standards defined in the (a) and (b) subsections.

- (a) there is a domestic or international legal requirement to the contrary; or
- (b) the competent authorities require the paper version to protect the integrity of the administrative process.

Article 19.10: OPEN GOVERNMENT DATA

1. This Article shall apply to measures adopted or maintained by a Party with respect to data held by its central government, disclosure of which is not restricted under its law and which that Party makes digitally available for public access and use (hereinafter referred to as "government data").
2. The Parties recognise that facilitating public access to and use of government data may foster economic and social development, competitiveness and innovation.
3. To the extent that a Party makes government information, including data, available to the public, it shall endeavour to ensure that the information is made available as open government data.
4. The Parties shall endeavour to cooperate to identify ways in which the Parties can expand access to and use of open government data, with a view to enhancing and generating business opportunities.

Article 19.11: COOPERATION ON COMPETITION

1. Recognizing that the Parties can benefit by sharing their experiences in enforcing competition law and in developing and implementing competition policies to address the additional challenges that arise from the digital economy, the Parties shall endeavour to:
 - (a) exchange information and share best practices on the competition policies and effective competition law enforcement activities to promote and protect a competitive environment in digital markets; and
 - (b) facilitate that the Parties' digital markets are open, contestable and efficient.
2. The Parties shall cooperate, as appropriate, on issues of competition law



enforcement in digital markets, including through consultation and exchange of information.

3. This Article shall apply to the relevant provisions of the Competition of Chapter 10 of the Free Trade Agreement between the Government of the People's Republic of China and the Government of Georgia.

Article 19.12. ELECTRONIC PAYMENTS

1. To facilitate the growth of electronic payments, in particular those provided by non-bank financial institutions and financial technology enterprises, the Parties recognise the importance of developing an efficient, safe and secure environment for cross-border electronic payments, including by endeavoring to:

- (a) foster the adoption and use of internationally accepted standards for electronic payments;
- (b) promote interoperability and the interlinking of electronic payment infrastructures; and
- (c) encourage innovation and competition in electronic payments services.

2. To this end, each Party shall:

- (a) make its laws and regulations on electronic payments, including those pertaining to regulatory approvals, licensing requirements, procedures and technical standards, publicly available in a timely manner, unless it is proscribed by national legislation;
- (b) endeavour to finalise decisions on regulatory approval or authorization in a timely manner in accordance with its domestic laws and regulations;
- (c) endeavor to adopt or promote, for relevant electronic payment systems, international standards for electronic payment messaging, and for electronic data exchange between financial institutions and services suppliers to enable greater interoperability between electronic payment systems; and
- (d) facilitate the use of open platforms and architectures such as tools and protocols provided for through Application Programming Interfaces ("APIs") and encourage payment service providers to safely and securely make APIs for their products and services available to third parties, where

possible, to facilitate greater interoperability, innovation and competition in electronic payments.

3. In view of paragraphs 1 and 2, the Parties recognise the importance of upholding safety, efficiency, trust and security in electronic payment systems through regulations, and that the adoption and enforcement of regulations and policies should be proportionate to the risks undertaken by the payment service providers.

Article 19.13: CYBERSECURITY COOPERATION

1. The Parties have a shared vision to promote secure electronic commerce to achieve global prosperity and recognise that cybersecurity underpins the digital economy.

2. In line with their applicable laws, regulations and the international agreements either Party is a party of, the Parties further recognise the importance of, and will facilitate the following activities:

- (a) building the capabilities of their national entities responsible for computer security incident response;
- (b) using existing collaboration mechanisms to co-operate to identify and mitigate computer security incidents and scale of the entailed damage thereof that affect the electronic commerce between the Parties; and
- (c) pre-emptive sharing of information on relevant cyber threats affecting electronic commerce between the Parties.

Article 19.14: PRINCIPLES ON ACCESS TO AND USE OF THE INTERNET FOR ELECTRONIC COMMERCE

1. For the purposes of this Article, "end-user" means a person who purchases or subscribes to an Internet access service from an Internet access service supplier.

2. The Parties recognise the benefits of end-users in their respective territories having the ability to:

- (a) access and use lawful services and applications of their choice available on the Internet, subject to reasonable network management that does not block or slow down Internet traffic for unfair commercial advantage;¹¹

¹¹ For the purposes of this subparagraph, the Parties recognize that an Internet access service

- (b) connect the devices of their choice to the Internet, provided that such devices do not harm the network; and
- (c) access transparent and clear information on the network management practices of their Internet access service supplier.

3. For greater certainty, nothing in paragraph 2 requires a Party to adopt, amend, or maintain a particular measure to implement the principles set out in that paragraph.

Article 19.15: FINANCIAL TECHNOLOGY COOPERATION

The Parties recognise the importance of promoting cooperation between the financial technology industries of the Parties. The Parties recognise that effective cooperation regarding financial technology will require involvement of businesses. To this end, the Parties encourage:

- (a) promoting development of financial technology solutions for business or financial sectors; and
- (b) collaboration of entrepreneurship or startup talent in financial technology between the Parties, consistent with the laws and regulations of the respective Parties.

Article 19.16: COOPERATION

Recognising the global nature of electronic commerce, the Parties shall endeavour to:

- (a) exchange information and share experiences on regulations, policies, and enforcement and compliance mechanisms regarding electronic commerce, including in relation to:
 - (i) personal data protection;
 - (ii) online consumer protection;
 - (iii) unsolicited commercial electronic messages;
 - (iv) security in electronic communications;

supplier that offers certain content only to its end-users would not be acting inconsistently with this principle.



- (v) electronic authentication;
 - (vi) cross-border logistics services, including multi-model transport, and cooperation between logistic services and postal services;
 - (vii) trade facilitation for cross-border electronic commerce, including the use of customs warehouses or free zones, and regulatory cooperation in areas such as data exchange and product safety risk warning; and
 - (viii) any other area mutually agreed by the Parties.
- (b) participate actively in regional, multilateral, and international fora to promote the development of electronic commerce.

Article 19.17: SETTLEMENT OF DISPUTES

No Party shall have recourse to dispute settlement under Chapter 15 (Dispute Settlement) for any matter arising under this Chapter.

