



Draft Ecommerce Policy Inimical to \$1 Trillion Digital Economy: IAMAI

New Delhi, April 08, 2019: The Internet and Mobile Association of India [IAMAI] is of the view that the draft National Ecommerce Policy [Policy] may be inimical to the government's efforts of building a trillion-dollar digital economy by 2022. By artificially curbing cross border data flow, by mandating data localization, by extending the definition of e-commerce to include all digital services like digital advertising and online streaming and possibly imposing FDI restrictions (currently restricted to product e-commerce only under the Consolidated FDI Policy) on all digital services, the draft Policy is likely to severely bring down FDI flows in the sector which is the backbone to building a trillion-dollar digital economy.

The association also found that the process of making the Policy itself was less than inclusive and open as compared to more recent national level policies such as the National Digital Communications Policy 2018.

IAMAI expressed difference in opinion with the draft Policy's understanding of 'data is the new oil'. IAMAI stated that unlike non-renewable natural resources like oil or coal, data is non-exclusive, non-exhaustive and easily replicable. Furthermore, unlike the other natural resources, processing of data does not deplete the stock of data and only created further data.

The association also points out that the provisions of this Policy contradict the underlying principles of the draft Personal Data Protection Bill [PDP] on multiple grounds: the PDP is restricted to individual data and keeps anonymized data outside its ambit while the e-commerce policy covers all data; the PDP recognizes individuals as ultimate owner of their data and even the State is at best a fiduciary, while the e-commerce bill considers State as the ultimate owner of data; The PDP recognizes consumer's consent while the e-commerce bill completely negates it; the PDP allows cross border sharing of data with limitations based on category of data while the e-commerce bill suggests blanket ban. IAMAI would like to highlight that the PDP was based on the principles of Privacy as fundamental rights as laid by the Supreme Court in the *Puttaswamy* Judgment.

IAMAI stated that going ahead, the processes and principles laid out in the association's submission will be followed in order to arrive at an effective national e-commerce policy.

About IAMAI

The Internet and Mobile Association of India [IAMAI] is a young and vibrant association with ambitions of representing the entire gamut of digital businesses in India. It was established in 2004 by the leading online publishers, but in the last 13 years has come to effectively address the challenges facing the digital and online industry including online publishing, mobile advertising, online advertising, ecommerce, mobile content and services, mobile & digital payments, and emerging sectors such as fin-tech, edu-tech and health-tech, among others.

Thirteen years after its establishment, the association is still the only professional industry body representing the digital and mobile content industry in India. The association is registered under the Societies Act and is a recognized charity in Maharashtra. With a membership of over 300 Indian and overseas companies, and with offices in Delhi, Mumbai, Bengaluru and Kolkata, the association is well placed to work towards charting a growth path for the digital industry in India.



For queries please contact:

NilotpalChakravarti – AVP- IAMAI

nilotpal@iamai.in /+91-98106-72906

Vishwapriya Bhattacharya

Vishwapriya@iamai.in / +9184471-66068