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Global Business Dialogue on Electronic Commerce

## GBDe Governance Rules

### 1. Mission

- 1.1 The Global Business Dialogue on electronic commerce (GBDe) is a world-wide business-driven forum providing a constructive venue for stakeholders to work towards consensus agreement on major e-commerce policy challenges.
- 1.2 The GBDe is a continuously evolving process, established in January, 1999, to assist in the creation of a policy framework for the development of a global online economy and stimulate discussion among stakeholders in the e-commerce value chain on emerging online trends and issues.
- 1.3 The GBDe is based on four principles:
  - i. e-commerce has the potential to increase prosperity, create employment and improve lives;
  - ii. the borderless nature of the internet requires a global response to e-commerce policy challenges;
  - iii. the pace and scope of change requires business to play a leadership role to develop an effective e-commerce framework that is global, market driven and flexible;
  - iv. policy solutions should be based on self-regulation where possible.
- 1.4 The GBDe is committed to the principle of transparency, encouraging liaison and dialogue with interested parties concerned with e-commerce issues.
- 1.5 The GBDe focuses on four complementary activities: development of reflection papers to stimulate discussion by identifying challenges and opportunities raised by the application of new technology; development of global policy recommendations; support for global cooperation envisaged by GBDe policy; and advocacy of previously agreed policy recommendations.
- 1.6 The development of reflection papers on new technology is achieved within the Issue Group process with input from GBDe members and external sources.
- 1.7 The development of global policy recommendations is achieved through a decision-making process involving all GBDe members, complying with the GBDe's Consensus Rules, and incorporating feedback from external sources.

### 2. Regional Organization

- 2.1 The three-region principle - Asia/Oceania, Americas, Europe/Africa - underpins the GBDe structural framework. It divides the major geographic and economic centers of the world and provides the cornerstone for maintaining a global balance and focus. This framework also provides the rationale for the annual rotation of Summit venues.
- 2.2 Regional organization is essential to the coordination of outreach and advocacy efforts. Chairs are responsible for admission of new members and for fostering GBDe advocacy initiatives envisaged within their region.
- 2.3 Efforts to develop policy positions through consensus are undertaken globally through Working Issue Groups under the leadership of designated member companies.

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### 3. Membership

- 3.1 There are two categories of GBDe members: Business Steering Committee ("BSC") and Issue Group ("IG") Members.
- i. Business Steering Committee
- 3.2 The BSC provides the leadership, overall management and direction for the GBDe process.
- 3.3 BSC members are eligible to participate in all Issue Groups.
- 3.4 BSC members must be able to meet a personal commitment (in the form of Chief Executive/Board Member and sherpa/s) to the policy development and advocacy process.
- 3.5 BSC members are responsible for:
- administrative coordination of day-to-day business matters including budget expenditure;
  - coordination of Issue Groups globally and in their region;
  - taking a lead in GBDe policy development, outreach, advocacy support and public relations.
- 3.6 BSC Members are required to meet the following conditions:
- subscribe to the analysis and policy that has already been developed by the GBDe and participate in the ongoing process;
  - comply with all GBDe policy commitments;
  - advocate GBDe policy when appropriate;
  - appoint an expert-level representative ("sherpa") to act as the main point of contact and to participate in the Issue Group process.
- 3.7 A subsidiary company may be admitted to BSC membership at the discretion of the Regional Chairs when the parent company is unable to make a commitment to join the GBDe. Only one subsidiary of any group of companies is eligible to join as a member. A subsidiary whose parent company is also a member of the GBDe is not eligible for BSC membership.
- 3.8 BSC membership of industry associations will be considered on an individual basis by the BSC. The BSC will give consideration to the principles of regional and sectoral balance in recommending the acceptance of membership by Industry Associations. Acceptance of membership by any industry association will be in accordance with Consensus Rules. Industry Associations will be precluded from BSC membership where the BSC deems there is overlapping membership with current BSC members or an inability to develop, comply with, and promote new policy positions consistent with those of individual company members.
- ii. Issue Group Members
- 3.9 Issue Group Members comprise those companies, industry associations or academic institutions unable to meet the requirements of BSC members.
- 3.10 Issue Group Members are required to contribute expert-level ("sherpa") input into the Issue Group policy development and advocacy process.
- 3.11 Issue Group Members may choose to participate in more than one Issue Group during any working year.
- 3.12 All Issue Group Members are required to comply with the "Consensus Rules".
- 3.13 Issue Group Members, able to meet the qualification requirements, are encouraged to apply for BSC membership.

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#### **4. Fee Payment**

- 4.1 GBDe Membership fees are payable upon joining the GBDe and annually thereafter.
- 4.2 The annual fee payable is dependent upon membership category – BSC or IG and gross annual revenues of each member.
  - i. Business Steering Committee Member Fees
- 4.3 Companies and industry associations with total gross revenue of more than US\$1 billion for the most recently completed financial year pay an annual fee of US\$30,000. In the case of a subsidiary company the total gross revenue is that of the consolidated group.
- 4.4 Companies and industry associations with total gross revenue of less than US\$1 billion for the most recently completed financial year pay an annual fee of US\$5,000.
  - ii. Issue Group Member Fees
- 4.5 Companies with total gross revenue of more than \$1 billion for the most recently completed financial year pay a fee of US\$5,000 per Issue Group participation. In the case of a subsidiary company this total gross revenue is that of the consolidated group.
- 4.6 Companies with total gross revenue of less than US\$1 billion for the most recently completed financial year pay a fee of US\$2,500 per Issue Group participation.
- 4.7 Payment may be waived for a specified period, subject to BSC approval.

#### **5. Overall Chair**

- 5.1 The Overall Chairmanship of the GBDe transfers annually among the GBDe membership following the annual Summit or BSC meeting.
- 5.2 An Overall Chair is selected on a global basis by consensus.
- 5.3 The Overall Chair has responsibility for coordination of the GBDe work program, chairing the BSC and sherpa meetings, and management of CPC's activities and expenditure.

#### **6. Vice Chair**

- 6.1 The Vice Chair is appointed annually from GBDe members following the annual Summit or BSC meeting.
- 6.2 The Vice Chair is appointed as Overall Chair for the subsequent year.
- 6.3 The Vice Chair is responsible assisting Overall Chair.

#### **7. Regional Chairs**

- 7.1 Regional Chairs are appointed annually for each of the three regions from among GBDe members.
- 7.2 The Regional Chairs are responsible coordinating the membership, advocacy and outreach within their respective regions.

#### **8. Issue Groups**

- 8.1 The number and focus of Issue Groups is determined annually by the GBDe membership via consensus.
- 8.2 Each Issue Group is coordinated by at least one GBDe member company of either BSC or IG status.
- 8.3 Issue Group Leaders are responsible for motivating the work of their respective groups, eliciting maximum consultation with contact points and, to the extent possible, the entire membership, to develop GBDe policy reflecting consensus.
- 8.4 In addition to the process of consensus building within the GBDe, Issue Group Leaders are also responsible for coordination of contact and consultation with appropriate government representatives and international organizations regarding their respective issues.
- 8.5 It is the responsibility of each Issue Group to prepare a document containing a set of

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recommendations for each particular issue. These reports are produced at the end of the Issue Groups' one-year mandate and presented at the GBDe's annual summit.

## **9. Consensus Rules**

- 9.1 Consistent with the GBDe's objectives to serve the common global interests of e-commerce, these rules are designed to enable meaningful, and not lowest common denominator, positions to be established.
- 9.2 GBDe Members shall undertake to resolve any divergences of opinion between themselves.
- 9.3 If unanimity is not achievable then consensus, that is the absence of sustained opposition to a position which is supported by a broad majority, is an acceptable basis for a GBDe agreement on a position, a statement, or course of action.
- 9.4 Members, in joining the GBDe, undertake only to sustain opposition to a broad majority view in situations where, in their view, the important interests of their company or association are threatened. In such cases they have the right to have their reservations recorded, provided reasons for their reservations are also stated. Such minority view shall be clearly noted in agreed policy recommendations.
- 9.5 Before any final document can be deemed to have been approved, every effort must be made by the Issue Group Leaders to consult fully all GBDe members. When an Issue Group has reached a consensus on its paper among those GBDe members participating directly in the process, it should proceed to wider consultation of all members. Members are required to comply with comment deadlines and "no response" will be deemed to be consent.
- 9.6 The GBDe will only undertake to develop and to decide on any 'codes of conduct' binding the actions of any or all GBDe members in case of unanimity.

## **10. Secretariat**

- 10.1 The GBDe Secretariat is appointed annually by the Overall Chair.
- 10.2 The Secretariat supports Overall Chair for the administration of GBDe activities. The Secretariat is tasked with following functions:
  - managing GBDe overall activities under the instruction of Overall Chair.
  - developing an annual operating budget for approval by all GBDe member companies
  - organizing BSC/Sherpa meetings and the annual conference (Summit).
  - acting as GBDe spokesperson / representative at the request of Overall Chair
  - assisting in coordination of public relations support.
  - managing CPC activities (as set forth in Section 11 below)

## **11. Central Point of Communication (CPC)**

- 11.1 The GBDe Central Point of Communication (CPC) is appointed annually by the incoming Overall Chair in consultation with the membership.
- 11.2 The CPC is tasked with the following functions:
  - administrative support for the GBDe's annual conference.
  - providing support for periodic conference calls between members.
  - assisting in the organization and administration of periodic meetings including collating working documents, meeting minutes and logistics.
  - continued development, maintenance and hosting of the GBDe's web sites.
  - archiving copies of all GBDe documents.
  - creating and updating databases of member contact information.
  - familiarizing new members with GBDe rules and protocol.
  - coordinating the collection of the financial contribution of GBDe members and managing the GBDe's central banking facility.
  - providing all GBDe members with a report on revenue and operating expenses.
  - registration and maintenance of GBDe's NPO status

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## 12. **Audit**

Revenue and operating expenses are reviewed annually at the conclusion of the annual contract. The CPC is required to provide all GBDe members with a copy of its annual report. The annual report is audited by the specialist appointed by the company of previous Overall Chair.