



Emerging Issues in Multi-Jurisdictional Trade

Addressing Data Privacy, Intellectual Property, and Competitiveness

Presented by:
Dr. GD Singh
Founder & Chairman,
Asian African Chamber of Commerce & Industry (AACCI)

Introduction



- ❑ Overview of Multi-Jurisdictional Trade
- ❑ Global trade is increasingly complex due to varying regulations across regions.
- ❑ Digitalization has transformed trade dynamics, but it has also exposed vulnerabilities, particularly around data and IP issues.
- ❑ According to the WTO, world merchandise trade volume is projected to grow by only 1.7% in 2024, largely due to regulatory challenges.

Data Privacy Concerns in Multi-Jurisdictional Trade



Varying Data Protection laws:

- ❑ Multinational companies face challenges in adhering to different privacy laws while operating globally.
- ❑ For example, the GDPR (Europe) imposes strict data privacy rules, while the CCPA (California) has its own regulations.
- ❑ In 2023, Amazon was fined \$746 million by the EU for non-compliance with GDPR.
- ❑ The global cost of data breaches in 2023 was estimated at \$4.45 million per incident (IBM report).

Cross-Border Data Transfers



Regulatory Hurdles:

- ❑ In 2020, the EU-U.S. Privacy Shield was invalidated, leading to complications in data transfers between the EU and U.S.
- ❑ Companies like Facebook and Google face potential multi-billion dollar fines for non-compliance with new data transfer mechanisms.
- ❑ **Localization requirements:** China's Cybersecurity Law mandates that companies store certain types of data locally, leading to increased operational costs for firms like Apple and Microsoft.

Enforcing Intellectual Property Rights



Digital Piracy on the Rise:

- ❑ **Legal enforcement challenges:** Jurisdictional barriers complicate enforcement. For instance, Amazon's struggles with counterfeit goods on its global platforms highlight how difficult it is to police intellectual property in digital markets.
- ❑ The global market for counterfeit and pirated goods is projected to reach \$991 billion by 2025 (OECD).
- ❑ Fashion brands like Nike and luxury companies like Louis Vuitton face constant battles against counterfeits, particularly in markets like China.

Intellectual Property in Digital Trade



E-commerce Boom:

- ❑ **International treaties:** The WIPO (World Intellectual Property Organization) and TRIPS agreement provide frameworks for cross-border IP enforcement, but real-world enforcement is often slow.
- ❑ For example, Netflix and Disney+ face challenges with piracy as content is distributed digitally across borders.
- ❑ With global e-commerce sales expected to hit \$6.3 trillion by 2024, protecting IP in digital environments is critical.

Building Competitiveness in Multi-Jurisdictional Trade



Examples of competitiveness:

- ❑ **Regulatory harmonization:** The EU-U.S. Trade and Technology Council is working to harmonize tech regulations, including AI and cybersecurity, to enhance competitiveness between the two regions.
- ❑ Companies like Tesla leverage innovation and adaptability to maintain competitiveness in global markets despite trade tensions.
- ❑ In 2021, Tesla navigated U.S.-China trade tensions by building localized production in Shanghai to reduce tariffs and supply chain risks.

Enhancing Resilience in Global Trade



Building Resilience:

- ❑ **COVID-19 and supply chain disruptions:** The pandemic highlighted vulnerabilities in global trade, particularly around medical supplies and semiconductors.
- ❑ Companies are now investing in diversifying supply chains. Toyota, for example, has adopted a “multi-supplier” strategy to avoid overreliance on any one region or country.
- ❑ For instance, Apple faced delays in iPhone production due to reliance on Taiwanese chipmakers.

Future Trends in Multi-Jurisdictional Trade



Sustainability and ESG pressures:

- ❑ By 2025, it is projected that over 60% of global trade deals will include environmental provisions.
- ❑ Companies like Unilever and Patagonia are leading the charge in sustainable trade practices, reducing carbon footprints, and meeting consumer expectations.
- ❑ **Cybersecurity Focus:** In 2023, cyberattacks on trade systems cost global businesses over \$10 trillion, pushing companies to prioritize cybersecurity investments.

Conclusion



Recap of Key Points:

- ❑ **Data privacy:** Navigating regulatory frameworks like GDPR and CCPA.
- ❑ **Intellectual property:** The growing challenge of enforcing IP rights in a digital world.
- ❑ **Competitiveness and resilience:** Strategies to thrive in an increasingly complex trade landscape.
- ❑ **Final thought:** As global trade continues to evolve, businesses must stay agile, investing in compliance, technology, and partnerships to succeed in multi-jurisdictional environments.



THANK YOU