

Global Digital Economy Commission Meeting

SUMMARY

14 May 2024, 09:00 – 13:30 EST (New York, United States)

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1. Introduction

The first 2024 biannual meeting of the ICC Global Digital Economy Commission (DEC) took place in New York and online, hosted by the United States Council for International Business (USCIB). The meeting was followed by 62 online and in person attendees from the following regions: Asia-Pacific (Australia, China, India, Iran, Japan, Pakistan, Singapore Thailand), Africa (Cameroon, Egypt, Nigeria), Europe (Armenia, Belgium, Croatia, Cyprus, Finland, France, Germany, Italy, Portugal, Spain, Sweden, Switzerland, UK), and the Americas (Brazil, Colombia, Peru, USA).

2. Welcome and Opening Remarks

Rene Summer, Chair of the ICC DEC, opened the meeting, giving an overview of recent developments in the digital policy sphere spanning the issues of cybersecurity, data, Al and the governance of digital technologies. He highlighted how geopolitical tensions underscore the need for a holistic approach to counter the growing fragmentation of global policy, legal, and regulatory frameworks. He noted the need to rebuild trust in data to further its potential as a key driver for socio-economic development, while highlighting the growing uncertainty among businesses regarding the future governance of digital technologies, as the UN centralises discussions in New York. He called for increased collaboration¹ across the ICC network, pointing out the key global policy discussions for the ICC DEC to contribute to, notably the UN Ad Hoc Committee on Cybercrime, the Summit for the Future, the Global Digital Compact (GDC) and the World Summit for the Information Society 20-year review (WSIS+20) process.

3. ICC Global Policy Updates and Objectives

Building on the Chair's opening remarks, **Andrew Wilson, ICC Global Policy Director**, presented the ICC Global Policy Department's workplan and targets for 2024, and the role of the DEC in driving them. He indicated cross-cutting priorities for the Department led by the DEC, including the

¹ The ICC Digital Policy Dialogues Series are driven by the Commission Secretariat, and are aimed at informing the NC network of different workstreams and opportunities for engagement, on a topic per topic basis. Please refer to the Annex of this summary for the calendar of next meetings.

development ICC Overarching Narrative on artificial intelligence (AI), which seeks to provide an overview of existing initiatives and best practices on AI, while creating a level-set for ICC's future, global policy work on AI.

He also noted work underway in other policy commissions, for the interest of DEC members. These include the revision of the ICC Marketing & Advertising Code, the coordinated ICC advocacy around the lapse of the WTO e-commerce Moratorium, and the developing UN Tax Convention framework.

Members also discussed how the work of the Commission, and ICC more generally can support the digital transformation of enterprises. They also took note of ICC's Centre of Entrepreneurship as a means to support businesses in their capacity-building and training efforts.

The introductory segment closed with the Secretariat noting two vacancies for Vice-Chair positions of the DEC. The process for filling these vacancies will soon be launched with nominations to be made by National Committees (NC) and appointments by the ICC Secretary General.

4. Working session: Updates on Commission Workplan and Working Group Deliverables

This roundtable discussion focused on the Commission's objectives and workplan for 2024, giving an overview of the concrete projects and deliverables of the Commission's working groups (WG) on connectivity, cybersecurity and data governance as well as the informal project group on Al. Based on the written updates circulated to members in advance of the meeting, the WG co-leads led discussions on their planned initiatives and work items:

- Nuria Talayero San Miguel, Co-lead ICC Global Digital Economy Commission Working Group on Connectivity and Access, began the presentation discussing the continued dissemination of messages anchored in the ICC <u>Digitalisation for People, Planet and Prosperity</u> (DPPP) campaign, and close monitoring and participation of the International Telecommunication Union (ITU) <u>Study Group 1 and 2</u> meetings on enabling digital transformation and meaningful connectivity. She also shared the <u>ICC response</u> to the ITU <u>Global Symposium for Regulators</u> (<u>GSR-24</u>) consultation (slide 12). With regards to next steps, she noted that the WG will be working on a response to the <u>ITU Council Working Group on International Internet-Related Public Policy Issues (CWG-Internet) consultation</u>, focusing on the developmental aspects to strengthen the Internet.
- Christian Ohanian, Vice President, Senior Managing Counsel, Privacy & Data Protection, Mastercard noted the Commission's engagement in the UN Open-Ended Working Group (OEWG) on the Security of and the Protection of Information Technologies (ICTs), as one of the key advocacy venues for ICC on cybersecurity. He also highlighted the ongoing ICC input at the UN Ad-Hoc Committee on Cybercrime and next steps in developing a key messages document to note persisting industry concerns on the draft Treaty, ahead of the reconvened concluding session taking place from 29 July to 9 August in New York (slides 15-16). He underlined the importance of bilateral engagements with governments, and peer organisations, to effectively share private sector perspectives with negotiators. The ICC NC network plays an instrumental role in the impactful delivery of global industry positions at the national level, thus informing government positions in advance of international negotiations. The Secretariat will share the document of key messages, as well as an open letter for NCs to share with their government contacts in due course.
 - FOR ACTION: Upon receipt, please circulate the key messages document with your national network, including peer organisations, business and civil society partners to support the ICC international advocacy efforts.

- Robyn Greene, Co-lead ICC Global Digital Economy Commission Working Group on Data Governance provided an overview of the WG efforts in supporting the operationalisation of data free flow with trust (DFFT), through close collaboration with Business at OECD and the OECD Expert Group on DFFT. She also gave an update on the policy products envisaged for the WG, including the joint issue brief on data and trade to be developed by the DEC and Global Trade and Investment commissions. The paper will aim to address the topic of data flows in light of the decisions taken at the WTO's 13th Ministerial Conference on the moratorium on electronic transfers, as well as the work of the WTO Joint Statement initiative on e-commerce. The drafting of the issue brief on trade and data flows is planned for the fall and early winter.
 - FOR ACTION: Please reach out to meni.anastasiadou@iccwbo.org should you wish to support the drafting process of the issue brief.
- Timea Suto, ICC Global Digital Policy Lead reminded members of the general deliverables and objectives of the informal project group on AI, including (1) following and monitoring global AI policy and governance processes and ensure alignment with business priorities, and (2) leveraging existing positions and principles for the stewardship of trustworthy AI. She shared an overview of the different areas of focus of the informal project group on AI, as well as recent updates in global AI governance discussions (slides 20-21).
 - FOR ACTION: Please notify meni.anastasiadou@iccwbo.org if you would like to join any of the Commission's WGs (including the informal project group on Al), or if you have questions on any of the work items presented.

5. Deep-dive on Ongoing Projects and Next Steps

This session gave an opportunity to members to provide feedback on currently ongoing substantive work items on cybersecurity and AI respectively:

• Segment 1: ICC Cybersecurity Issue Brief #3 (IB3) on Protecting the cybersecurity of critical infrastructures and their supply chains:

Members reviewed the IB3 drafting process to date (slide 25) and discussed the paper's main messages and potential advocacy opportunities. The paper aims to spotlight challenges and best practices in safeguarding critical infrastructure cybersecurity, emphasizing that industry regulation alone cannot address these challenges.

Next steps: Following adoption by the ICC Executive Board, the paper will be launched in summer 2024 and will be publicized through a communications campaign with the support of the NC network and individual members. The Secretariat will develop and distribute the webpage, social media material and key message document in advance, seeking members advocacy support. The Secretariat will also socialize the paper and advocate for its messages during international events and intergovernmental discussions such as the UN Open Ended Working Group (OEWG) on the Security of and in the Use of ICTs and the Internet Governance Forum.

• Segment 2: ICC overarching narrative on Al:

Members discussed the ICC overarching narrative on AI (slide 29) based on the interim draft which was shared with members for their feedback ahead of the meeting. The narrative aims to consolidate ICC's existing positions as well as principles and guidelines on AI generally supported by business to establish a comprehensive narrative that reflects the private sector's overarching views on AI governance. At this stage, this initiative does not aim to develop indepth policy recommendations, but rather to define a clear and coherent position that can guide future ICC policy work on AI governance. The narrative will be published as a dedicated

page on ICC's website and will be supported by concrete examples on how businesses developing, deploying, and using AI implement global principles and guidelines in their own processes and what initiatives industry takes to address policy challenges around AI.

Next steps: Since the meeting, the Secretariat incorporated the feedback received into a second draft, which is currently being finalized by the AI Project Group. Over the summer period concrete examples and case studies will be collected, and the webpage is set to be launched in early September.

6. Overview of Related ICC Activities and Opportunities for Engagement

This session featured **Timea Suto, ICC Global Digital Policy Lead** and guest speaker **Luisa Scarcella, ICC Global Lead, Taxation and Trade** and explored ICC's advocacy priorities at the UN including the GDC process and the UN Tax Convention.

- Global Digital Compact (GDC): The GDC, set to be adopted at the Summit of the Future, presents a significant milestone in global governance of digital technologies at the UN level (slide 33). Industry engagement is key to ensure that the Compact reflects business priorities and sets the ground for collaborative, multistakeholder efforts towards its implementation. The process is currently in its intergovernmental negotiating phase, where the opportunities for stakeholder input are more limited. Members agreed that ICC's Observer status to the United Nations General Assembly (UNGA) gives a unique opportunity to convey the private sector's expertise and priorities in these negotiations and to ensure that industry perspectives are duly considered. Members also took note of the upcoming 20-year review of the World Summit on the Information Society (WSIS) which will dominate digital policy discussions in the UN over the next 18 months, and will likely aim to operationalize some of the GDC's objectives.
 - FOR ACTION: Please reach out to timea.suto@iccwbo.org for additional information, and to get involved in the ICC advocacy efforts around the GDC process.
- UN Tax Convention: Members discussed the latest developments in the <u>United Nations</u>

 <u>Committee of Experts on International Cooperation in Tax Matters</u> and its implications for addressing the complexities of taxation in, and beyond the digital economy (slide 35). The introduction of Article 12B into the UN Model Tax Convention was noted as a significant development, as it aims to establish taxing rights over income from Automated Digital Services (ADS), reflecting the evolving nature of global business practices. Relatedly, members discussed the ongoing discussions surrounding the Ad Hoc Committee to Draft Terms of Reference for a United Nations Framework Convention on International Tax Cooperation, where negotiations are ongoing for the scope of the convention, including topics such as cross-border transactions and services, digitalized economy, exchange of information and capacity building.

7. Closing session and next steps

In his closing remarks, the Chair reiterated that a commitment to collaboration and knowledge exchange within the Commission, across other ICC policy commissions and with the NC network is necessary to successfully accomplish the DEC's objectives set for 2024.

The ICC Secretariat will schedule the next meeting of the Commission for November 2024.