

EXECUTIVE SUMMARY

Information and Communication Technologies (ICTs) and Digital Technologies (DTs) are central to the way we work, conduct business, perform international trade and interact as individuals and communities. The digitalisation of traditional businesses and economies is, more than ever, an essential instrument of change and adaptation to the requirements of the XXI century global economy and society. As the digital economy continues to expand globally, creating new opportunities and challenges, the ICC Commission on the Digital Economy is launching an ambitious workplan to leverage the insights and expertise of ICC members and address the far-reaching implications of the digital age. This document highlights the foundational principles and priorities that underpin the work of the ICC Commission on the Digital Economy to help inform and structure future projects and initiatives. Specifically, the ICC Commission on the Digital Economy fundamentally believes that:

- > **Principle #1** The digital economy is a formidable engine of innovation, competitiveness and sustainable economic growth for both developed and developing economies;
- > **Principle #2** The digital economy enables social and economic empowerment for all, regardless of age, gender and socio-economic background;
- > **Principle #3** The digital economy enhances economic and social resilience when facing crises, especially in economies with high levels of Small and Medium-sized Enterprises (SMEs) digitalisation;

Furthermore,

- > **Principle #4** The digital economy requires collective action and multistakeholder engagement to shape and leverage its empowering effects and address new challenges;
- > **Principle #5** The digital economy requires an enabling environment founded on free trade, open markets, the rule of law, public and private sector investment, and technological neutrality.

Given the central role of industry in the development, deployment and use of ICTs and DTs, the private sector has a responsibility to work closely with policymakers to set the digital economy on a path that serves the best interests of individuals and communities. The ICC Commission on the Digital Economy will proactively engage with policymakers, civil society, thought leaders, academia and the wider business community to:

- > **Priority #1** Promote greater connectivity and access by bridging the digital divide and preserving an open Internet;
- > **Priority #2** Promote a secure online environment by developing robust cybersecurity frameworks and capabilities;
- > **Priority #3** Promote the broad use of data by balancing the free flow of data with high privacy, security and ethical standards;
- > **Priority #4** Promote trust in digital technologies by enabling the development and use of responsible and human-centric technologies;

The ICC Commission on the Digital Economy offers an inclusive and diverse forum open to all ICC members looking to share best practices and engage in the policy debates that will ultimately shape the future of the digital economy.

FOUNDATIONAL PRINCIPLES AND PRIORITIES

The ICC Commission on the Digital Economy aims to provide a comprehensive and authoritative outlook on the impact of ICTs and DTs on the business environment and to demonstrate how public policy affects their use across jurisdictions and across borders. By bringing together businesses of all sizes, operating in different sectors and regions, the ICC Commission on the Digital Economy has the unique ability to drive compelling policy and regulatory advocacy, along with the promotion of best practices aimed at businesses and policymakers alike. **Members of the ICC Commission on the Digital Economy share the core belief that ICTs and DTs, when properly harnessed, are a formidable engine of innovation, competitiveness and sustainable economic growth, as well as instruments of social and economic empowerment for all.** On behalf of users, providers and operators of ICTs and DTs, the ICC Commission on the Digital Economy, addresses the full spectrum of digital policy issues that not only impact daily business activities but also make headway towards the goals of sustainable growth and development.

The ICC Commission on the Digital Economy defines the digital economy as all economic activity that results from the development, deployment and use of ICTs and DTs and from the online connection of individuals, businesses and governments. While stakeholders have yet to agree on a unified definition of the digital economy and debates abound on how to effectively measure the digital economy, every proxy indicator, whether it is computing power, Internet usage or the volume of data in circulation, point to its rapid growth globally. Importantly, ICTs and DTs have long been associated with increases in productivity and stronger economic performance. Indeed, the empirical analysis of economic growth has shown that **ICTs and DTs help raise labour productivity, lower transaction costs and accelerate innovation, thereby increasing multifactor productivity overall.** Furthermore, ICTs can lead to more sustainable growth and help accelerate progress towards achieving the United Nations Sustainable Development Goals (SDGs), as made clear in the UN Secretary-General Roadmap for Digital Cooperation.

The recent COVID crisis has also demonstrated that the digitalisation of the economy enhances its resilience when facing external shocks. It is widely recognised that ICTs and DTs played a critical role in responding to the COVID-19 pandemic. Many businesses moved substantial parts of their operations online to ensure business continuity, protect workers and continue to serve customers during the pandemic. More broadly, the pandemic has compelled governments and societies to turn toward digital technologies to respond to the crisis. As we now look to the post-COVID world, it has become increasingly clear that **ICTs and DTs will play a key role in rebuilding the global economy and in creating renewed economic opportunity for all.** The crisis has also demonstrated the importance of accelerating the digitalisation of SMEs, which represent about 90% of businesses and more than 50% of employment worldwide, and contribute up to 40% of national income (GDP) in emerging economies.

Crucially, **the development of ICTs and DTs depends on a broader enabling environment founded on free trade, open markets, the rule of law, public and private sector investment, and technological neutrality.** The ICC Commission on the Digital Economy will continue to share the global business view that creating an enabling environment for access to and use of ICTs and DTs, in close consultation with all stakeholders and through public-private partnerships, is essential for all to benefit from the economic and social dividends of the digital age. Furthermore, the ICC Commission on the Digital Economy will continue to work closely with policymakers to ensure that national legal, policy and regulatory frameworks and approaches create a business environment that is conducive to private sector investment in new and emerging technologies. Importantly, these frameworks must promote innovation and entrepreneurship through STEAM education, fair competition rules, and the protection of intellectual property rights. Given the speed at which new services, players and industries can appear or disappear, **it is vital that regulatory frameworks are forward looking, encourage innovation and large-scale private sector investment by all parties and are sufficiently flexible to adjust to rapidly evolving markets, emerging technologies and new business models.** Regulatory frameworks should be applied consistently across those engaging in similar activity; should have predictable outcomes and should be drafted at a level of granularity that is appropriate and proportionate to the subject matter in question.

While digitalisation has proven time and again to be a powerful driver of economic and social opportunity, individuals, businesses and governments must also contend with its disruptive effects. ICTs, DTs, and the digital economy they underpin, are reshaping the business environment by enabling new business models, supply chains and patterns of employment. They are also transforming the way we communicate and access information, creating new challenges for businesses and policymakers. New safety concerns and security threats stemming from the use of new and emerging technologies must also be addressed in our increasingly technology-dependent world. Failure to adequately tackle these new challenges will lead to growing popular discontent (the so-called ‘Tech Backlash’) and to new sources of tension and conflict on the international stage.


As businesses and governments aim to leverage the empowering effects of ICTs and DTs, and address the new challenges that stem from their widespread use, **collective action and multistakeholder engagement is critically important to ensure that the digital economy creates opportunity for all.** The Commission on the Digital Economy has demonstrated a strong commitment to voice the perspectives of the business community as well as to work collaboratively with other stakeholders in the context of meaningful multistakeholder initiatives. Given the central role of industry in the development, deployment and use of ICTs and DTs, the private sector has a responsibility to work closely with policymakers to set the digital economy on a path that serves the best interests of individuals and communities. Specifically, the ICC Commission on the Digital Economy will engage with policymakers, civil society and the wider business community to achieve or uphold:

(1) CONNECTIVITY AND ACCESS: Bridge the digital divide and preserve an open Internet




ICTs and DTs have proven to be strategic assets, enhancing economies and improving the wellbeing of those who can access and use them. But access to, and use of, ICTs and DTs is uneven, a factor that will continue to weigh on the global economy. It is estimated that almost half of the world's population remains offline and significant gaps in access continue to hinder economic development in both developed and developing economies. Importantly, many SMEs fail to properly leverage ICTs and DTs and remain on the side-lines of the digital economy. To address these systemic challenges, policymakers and the private sector must commit to long-term and holistic strategies that boost investment in digital infrastructure, and the services and application that drive it, as well as to and promote the development of STEAM education and digital skills across communities. Furthermore, policymakers and the private sector must continue to support an open, unfragmented, fair and free Internet, founded on multistakeholder cooperation, to ensure that all users can benefit equally from the opportunities linked to global connectivity.

(2) CYBERSECURITY: Develop robust cybersecurity frameworks and capabilities




A truly global and inclusive online environment can only be achieved if businesses and governments commit to the highest levels of cybersecurity. There is an urgent need for measurable improvements on the ground as malicious actors online create new security threats and undermine economic development. These threats are particularly acute for SMEs which often lack the necessary resources for adequate protection and need dedicated support. The global nature of information networks and digitally-enabled services requires an unprecedented degree of international and multistakeholder cooperation if we are to leverage the empowering effects of ICTs and DTs and successfully tackle their harmful misuse. Despite the private sector's best efforts, businesses will always depend on the support of governments to create a legal and regulatory framework that fosters security, stability and regulatory certainty in the online environment. At the international level, governments must effectively implement collectively agreed norms of responsible State behaviour in cyberspace and recognise the need of many States worldwide for capacity building and technical assistance.

(3) DATA GOVERNANCE: Enable data-driven economies based on data free flow with trust

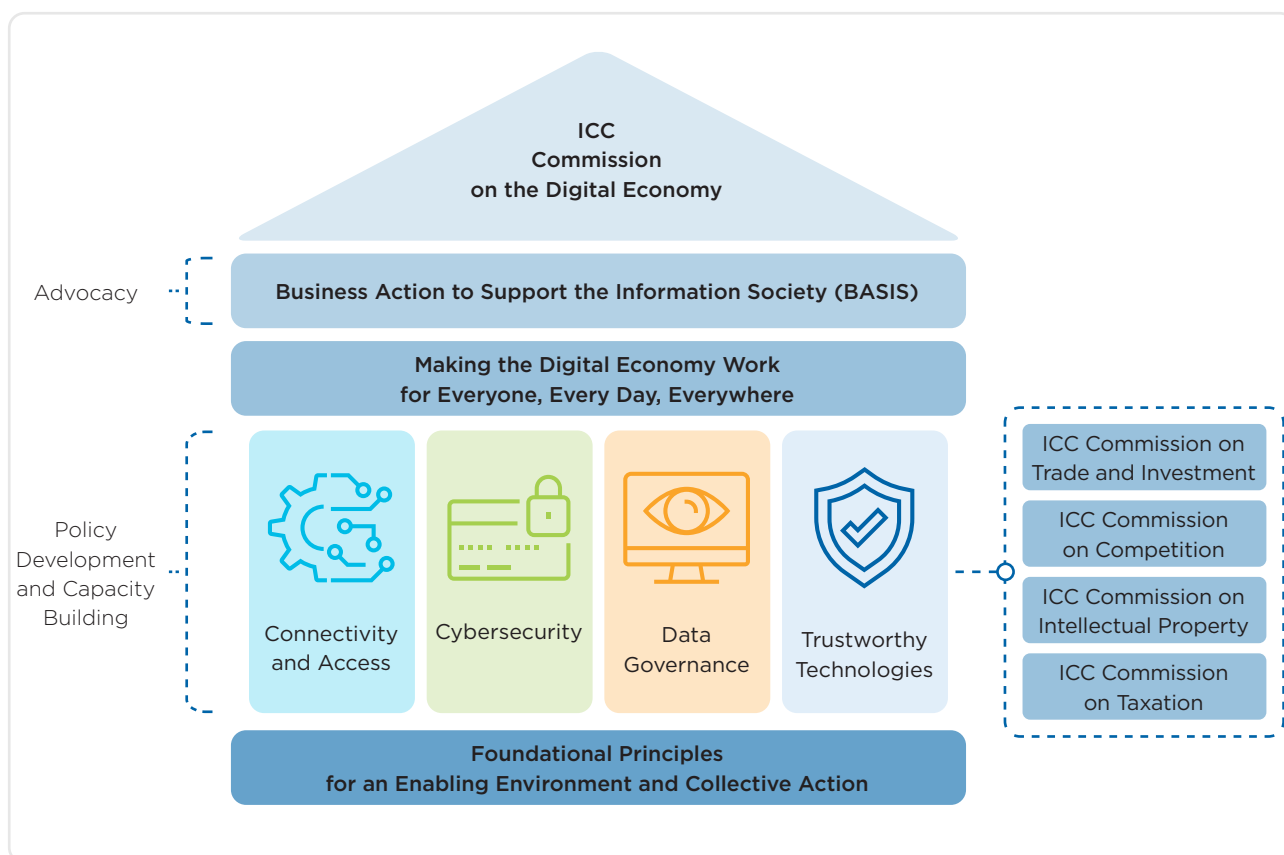


Data has become an essential part of economic development, driving global trade and productivity across all sectors of the economy. Businesses of all sizes, sectors and regions depend on the free flow of data to conduct business and create value for communities. Free and open markets depend on the free flow of data across borders. Enhancing the availability and interoperability of data between relevant stakeholders and across borders will uncover new sources of innovation and growth. In this context, SMEs often require specific guidance on how to manage and leverage their data to become truly data-driven organisations and seize new growth opportunities. Policymakers must recognise the importance of free flow of data and the need to balance the broad use of data with high privacy, security and ethical standards. The ICC Commission on the Digital Economy believes that the concept of data free flow (3) Data Governance—Enable data-driven economies based on data free flow with trust greater convergence and harmonisation between national data governance frameworks.

(4) TRUSTWORTHY TECHNOLOGIES: Promote responsible, human-centric and trustworthy technologies



The continued growth and development of the digital economy hinges on trust in ICTs and DTs. Businesses must actively engage with international organisations, governments, academia, and civil society to promote the development and advocate the responsible use of human-centric technologies. For instance, the ethical use of artificial intelligence (AI) technologies can help generate new insights and lead to better outcomes in every aspect of the world around us. The ICC Commission on the Digital Economy is working to support trustworthy, globally compatible and market-driven policies that can help unlock the societal and economic benefits of AI, based on insights from the practical application of AI ethics by businesses worldwide. The ICC Commission on the Digital Economy also seeks to actively engage with policymakers in an effort to curb illegal and harmful content online and maintain a safe environment for Internet users, especially for children and other vulnerable groups.



In order to maximise the impact of its advocacy activities, the Commission on the Digital Economy works jointly with ICC’s Business Action to Support the Information Society (BASIS) initiative across the four tracks described above. BASIS advocacy efforts leverage the robust consensus building efforts of the Commission to provide guidance and input into the variety of multistakeholder and multilateral channels where Internet governance and global digital policy matters are discussed. To better defend an open, accessible, stable and secure Internet for all, BASIS ardently promotes the value of the multistakeholder approach and the important role of the private sector in policy development that fosters economic growth, development, innovation, trade and investment. Additionally, in order to address the full spectrum of digital policy issues, the ICC Commission on the Digital Economy also maintains close links with all other ICC Commissions, especially on Intellectual Property, Trade and Investment, Competition, and Taxation.

The ICC Commission on the Digital Economy offers an inclusive and diverse forum open to all ICC members looking to share best practices and engage in the policy debates that will ultimately shape the future of the digital economy. The path that the digital economy will take in the decades to come will be decided to a great extent by the social, political, and economic choices we make now. The ICC Commission on the Digital Economy and its members will ensure that the voice of business resonates with all stakeholders as we collectively take action and ensure that the digital economy work for everyone, every day, everywhere.

ABOUT THE INTERNATIONAL CHAMBER OF COMMERCE (ICC)

The International Chamber of Commerce (ICC) is the institutional representative of more than 45 million companies in over 100 countries. ICC's core mission is to make business work for everyone, every day, everywhere. Through a unique mix of advocacy, solutions and standard setting, we promote international trade, responsible business conduct and a global approach to regulation, in addition to providing market-leading dispute resolution services. Our members include many of the world's leading companies, SMEs, business associations and local chambers of commerce.



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