Global Digital Economy Commission Meeting

SUMMARY

6 December 2023, 14:00 – 18:00 CET (Geneva, Switzerland)

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1.   Welcome and Opening Remarks

Rene Summer, Chair of the ICC Global Digital Economy Commission, opened the meeting, reflecting on the central role of digital technologies in trade, and the intersection between digital and trade policy issues. Furthermore, he highlighted the need for the Commission, together with the wider ICC network of members and national committees to work closer together and speak with one voice, especially across the numerous global policy discussions over the next year, in particular the Summit for the Future, the Global Digital Compact and the WSIS+20 process.

With the meeting taking place on the side of the UNCTAD eWeek, **Torbjörn Frederiksson, the Head of E-commerce and Digital Economy branch at UNCTAD**, gave an overview of the event and the growing role of digital trade in the global economy. Global trade has rapidly digitalised, with digitally provided services significantly outpacing traditionally delivered services. However, digital divides persist, with many people remaining offline even in areas where there is a high level of internet penetration, limiting the potential of digital trade. He also spoke about challenges created by policy systems created for traditional goods and services trade failing to adapt and enable e-services and e-commerce. Uneven progress in digital development and limited government capacity means that policymakers in some countries do not understand the issues facing business. He called on the private sector to be proactive in building understanding and capacity and improving coordination with governments. He emphasized how ICC, as the representative of businesses of all sectors and sizes globally, is uniquely positioned to speak to these issues and impact policy discussions on digital trade.

Following these introductory statements, members engaged in a lively discussion, highlighting the need for continued attention to closing digital divides and promoting ICC's ecosystem approach to meaningful connectivity, including infrastructure, services and skilling. Participants also discussed

access to finance as a key barrier facing small businesses attempting to engage in digital trade, as well as a lack of localised solutions adapted to the reality of businesses on the ground.

2. Reviewing 2023

Moderated by Rene Summer, ICC Global Digital Economy Commission Chair

Timea Suto, ICC Global Digital Policy Lead, gave an overview of the Commission's activities from 2023. This year, ICC hosted 15 events to further our policy projects, spoke 38 times during external events including UN negotiations and international conferences, attended 45 additional events to gather intelligence and build relationships with key stakeholders, released 8 new projects including policy papers, comments on policy proposals, and ICC-wide surveys. In addition, the Commission was engaged in 4 global campaigns in the past months:

1. **Shared Goals for Cyber Action**
   This campaign promotes the idea that cybersecurity is a crucial element of the continued digitalisation that supports development, and securing cyberspace requires a society-wide multistakeholder approach. As part of the campaign ICC hosted 3 events with 530+ registrants, led the drafting of a joint letter with 21 other organisations to the Open-Ended Working Group on Cybersecurity (OEWG), released the paper *Towards a common implementation framework of the cybersecurity acquis: shared goals for cyber action* at the Global Conference on Cyber Capacity Building, and held more than 10 bilateral meetings with governments. ICC's positions have been reflected in interventions by governments and in the second Annual Progress Report of the OEWG.

2. **Cybercrime**
   ICC has been actively participating in the UN Ad Hoc Committee to Elaborate a Comprehensive International Convention on Countering the Use of Information and Communications Technologies for Criminal Purpose (AHC) since its establishment. In these meetings ICC continued advocating for business interests and to voice major concerns around the draft text of the Convention, , attending 5 negotiating sessions and over 10 bilateral meetings, co-convening and speaking in 3 related advocacy events and sharing 2 input documents which compiled our positions.

3. **Digitalisation for People, Planet and Prosperity**
   This campaign aims to counter the focus on risks of digitalisation in global policy discussions by demonstrating how businesses have taken a lead on leveraging digitalisation for positive impacts on development and bringing the UN Sustainable Development Goals back on track. For this campaign, ICC collected more than 27 case studies from 6 regions of the world to showcase business action. The campaign reached over 3000 targets, resulting in over 200 registrants to its launch event and nearly 100 downloads of the advocacy paper. Social media for the campaign gained more than 10000 impressions and over 30 shares.

4. **Global Digital Compact**
   With the UN set to adopt the Pact of the Future and the Global Digital Compact (GDC) during the Summit of the Future in September 2024, ICC has been actively contributing to the development of the GDC wherever possible, attending all related meetings and providing substantive input. Our input was based on existing policy positions and a survey to understand the ICC network's views, which 100 companies responded to from over 40 countries in 4 different regions.

Next Steps

Members expressed a number of ideas to continue the work set out in 2023.

- Multistakeholder models of digital governance
  Members highlighted the need to be vocal in support of the multistakeholder model for digital governance, and to better articulate why the multistakeholder model is necessary across the ICC network, especially focusing on communicating the importance of this topic to MSMEs. Members advised continued engagement in the Global Digital Compact over the next year as there a risk that it will develop in a way which closes off opportunities for stakeholder engagement in digital governance.
- Cybersecurity
  Members discussed the need for collaborative initiatives that support the implementation of cybersecurity tools and implementation within all kinds of businesses through capacity building.
- Connectivity
  Members encouraged the Secretariat to reinforce existing work on meaningful connectivity, engage further on closing both the coverage and usage gaps, including through preparations for the ITU World Telecommunication Standardization Assembly.

3. National Committee Sharing Session

Moderated by Juan Luis Redondo Maillo, ICC Global Digital Economy Commission Vice-Chair

The Digital Economy Commission Secretariat ran a survey across the ICC National Committees (NCs) network, which sought feedback on the engagement of NCs with the Commission. 10 NCs from four regions participated, with a majority indicating that they were engaged in the Commission's work and agreeing that the Commission is overall addressing the right digital issues. However, improvements can be made translating our work to the national level. NCs made it clear that regular update emails and topical meetings were their preferred mode of communication.

Members also heard updates from ICC NCs in Germany, Italy, and Canada on current digital projects and policy developments in their respective countries.

- **Oliver Wieck, Secretary-General, ICC Germany** reported on developments on paperless trade, the main digital focus of the NC, and their accompaniment of the Model Law on Electronic Transferable Records (ML-ETR) process. He noted that increasing regulations for digital trade have led to a patchwork regulatory environment which have created challenges for businesses and highlighted ICC Germany's collaboration with other business associations to advocate for business and to introduce an ICC certification to further harmonisation for electronic documents.

- **Barbara de Donno, Secretary-General, [ICC Italy](#)** reported on developments within the G7, given Italy's presidency of the group in 2024. The 2024 G7 priorities will be published in January, and ICC is already in contact with the G7 in an effort to understand their digital-related priorities ahead of time. ICC Italy will share further updates on how they intend to engage on those priorities, including those related to the work of the Commission, in due course.
- **Patrick Gill, Senior Director, Operations & Partnerships, Business Data Lab (BDL), [Canadian Chamber of Commerce](#)** discussed their four main priorities related to digital: (1) the widespread responsible adoption of AI; (2) increased adoption of cybersecurity tools; (3) sustained monitoring of the brick and mortar world; and (4) supporting data sharing and collaboration. He also discussed the [Business Data Lab,](#) which aims to democratise business data in collaboration with Statistics Canada by creating publicly available tools and platforms from high-performance and high-capacity data.

4. Working Session: Trade and the Digital Economy

Chaired by Deena Magnall, ICC Global Digital Economy Commission Vice-Chair;

Lead Speaker: Valerie Picard, Head of Trade, ICC

Valerie Picard began the session by giving context on some of the policy challenges in digital trade. The World Trade Organisation's (WTO) [WTO E-Commerce Moratorium on Electronic Transmissions (the Moratorium)](#) on electronic transmissions, in place since 1998, is up for renewal at the [WTO's 13th Ministerial Conference](#) in February 2024. Despite the OECD and IMF issuing [reports](#) which demonstrate that VAT is a more efficient tax on e-commerce, certain WTO developing country members continue to be opposed to the Moratorium. If the Moratorium were to lapse, the result would be a significant increase in red tape, in particular affecting SMEs, and an increase in costs for business and consumers.

At the same time, a subset of WTO members are working on digital trade topics through the [Joint Statement Initiative on E-commerce](#) (JSI), aiming for a negotiated outcome that builds on existing WTO agreements and frameworks. Their objective is to conclude negotiations in early 2024, but the provisions on more contentious issues, including on data flows, data localisation, source code, and privacy, have been 'parked'. Negotiations were further complicated by the US pulling their support for data flow and localisation proposals.

Given the importance and cross-cutting nature of digital trade, the Global Digital Economy Commission and the ICC Global Trade and Investment Commission see the need for enhanced collaboration. To further messages on the importance of cross-border data flows, the Digital Economy Commission organised two sessions during UNCTAD eWeek in order to reach a large developing country presence at the conference. Earlier in the year, the Global Trade and Investment Commission held an information sharing session at the JSI with the participation of SMEs from the ICC network on cross-border data flows. Upcoming activities in relation to the Moratorium include a global webinar to be held on 25 January 2024 to raise awareness of the benefits of the Moratorium and securing additional signatures from business associations to the Global Industry Statement on the Moratorium, particularly from developing countries.

Members then discussed future collaboration. They suggested that we need to make it clear that business wants continued multilateral spaces to discuss digital trade issues. Participants emphasised that we need to continue to articulate the link between data flows and trade. Members suggested identifying important industries in relevant countries and working with NCs to create resources which illustrate the importance of the Moratorium for those industries. The Global Commission on Trade and Investment will work with the Global Digital Economy Commission and the Working Group on Data Governance, in particular, over the next year to facilitate providing business views on the various topics under consideration by the JSI and shape policy outcomes on digital services trade. There will be a call for volunteer contributors in Q1 next year.

5. Working Session: ICC Engagement on Artificial Intelligence

Moderated by Rene Summer, ICC Global Digital Economy Commission Chair

The final working session of the meeting reviewed recent policy and governance developments related to AI and considered potential next steps for the Commission in this context. Two important recent international governance efforts were highlighted; the Council of Europe Committee on Artificial Intelligence process **to create a** Convention on Artificial Intelligence, Human Rights, Democracy and the Rule of Law and the announcement of the UN High-Level Advisory Body (HLAB) on AI. ICC convened an informal project group to guide industry input to the Council of Europe process and held a roundtable to further reinforce these messages and continues to monitor this process. The initial report of the HLAB is expected at the end of the year and will give insight into the UN's approach to AI governance. There will be an opportunity for further engagement on this initial report in Q1 of 2024 and the project group may be needed to compile this input.

The survey of the Digital Economy Commission Secretariat to NCs also explored their engagement and priorities on AI. NCs are actively working on various aspects of AI, with 70% of respondents already engaging policymakers on this topic. They would like to see further action on this topic, with all respondents thinking that the most desirable output from ICC would be business recommendations and guidance on AI to policymakers, and a shared policy position on the development, deployment, and usage of AI. Work on AI is also happening within other Commissions, and representatives from the ICC Global Commission on Intellectual Property and on Marketing and Advertising joined the meeting to discuss how their work touches on AI.

In response, members suggested that it is important for the Commission to create a central ICC narrative on AI to help align views across the ICC network. Members also stressed that ICC work does not have to start from scratch, but instead should build on existing ICC positions and should complement, not reproduce, existing work from other organisations. There was also discussion on whether there should be a new Working Group on AI, which could help guide activities and draw in new perspectives. Alternatively, the existing project group could serve as a central focal point while specific topics, such as the impact of AI on cybersecurity, could be dealt with by existing working groups. The project group will meet in January to begin work on the narrative and we will proceed with scoping the future workplan on AI.

6. Closing session and next steps

In his closing remarks, ICC Global Digital Economy Commission Chair Rene Summer reiterated that the positive benefits of digitalisation must be considered as a horizontal topic which should underpin the work of the Commission across 2024. Rene made particular note of AI, echoing that

ICC needs to have a narrative with an authoritative voice to avoid repeating existing work, and the need for further collaboration to articulate the links between work on data governance and trade.

The ICC Secretariat will schedule the next meeting of the Commission for Spring 2024, aligning with other events so that members can efficiently plan their travel.