Global Digital Economy Commission Meeting

14 May 2024

New York and Online

09:00 - 13:30 EDT



General Housekeeping Rules

The meeting will start soon. In advance, we would like to share some general house-keeping rules with all participants:

- Please keep your microphones on mute and your cameras switched off. When called upon to speak, please unmute yourself and turn your camera on.
- If you have any questions and comments for the speakers, feel free to type them in the chat, we will try to ask them after each session, if time allows.
- If you wish to ask a question or make a comment, please use the "raise hand" function and wait until you are given the floor.
- Please note that the meeting will be recorded for internal purposes only.

Welcome and Opening Remarks

Rene Summer ICC Global Digital Economy Commission Chair

09:00 - 09:10



- Heightened national focus on cyber resilience, protection of critical infrastructures and supply chain security against a fractured backdrop of global geopolitical tensions
- Recent developments at the WTO risk fragmented approaches to data, signaling a serious erosion of trust to open trade and data free flow
- Election year dynamics amplify global attention to issues related to data inequalities, stewardship of trustworthy Al, and online safety, urging for action to mitigate harms
- UN approach to shape the governance of digital technologies will have significant impact on the development of global digital policy landscape moving forward



Intertwining of geopolitical dynamics with technological advancements call for strategic foresight and adaptability from businesses and policymakers alike

ICC Global Policy Updates and Objectives

Andrew Wilson ICC Global Policy Director

09:10 - 09:20



Commission Vice-Chairs

There are **two open slots** for Vice-Chair of the ICC Global Digital Economy Commission.

Nomination process

- All nominations must be made by national committees.
- Nominations will be considered against objective criteria, taking into account the expertise and experience of candidates, as well as our commitment to ensuring full diversity in the leadership of the Commission.
- Final appointments will be made by the ICC Secretary General.
- The call for nominations will be announced at a later stage by the ICC DEC Secretariat.

Q&A

09:20 – 09:30

Questions on global policy priorities and objectives

BREAK

09:30 - 09:35

Updates on Commission Workplan and Working Group Deliverables

09:35 - 11:00

Session Lead:

Rene Summer, ICC Global Digital Economy Commission Chair

Nuria Talayero San Miguel

Co-lead ICC Global Digital Economy Commission Working Group on Connectivity and Access **Christian Ohanian**

Vice President, Senior Managing Counsel, Privacy & Data Protection, Mastercard

Robyn Greene

Co-lead ICC Global Digital Economy Commission Working Group on Data Governance

Timea Suto

ICC Global Digital Policy Lead



Global Digital Economy Commission Strategy

Overview

Demonstrate business leadership in global digital governance to co-create solutions and build trust in digitalisation for social and economic development.

• Catalyse transformative steps in international collaboration to fight cybercrime and strengthen the resilience of the global cyber ecosystem.	• Shape policy frameworks to enable private sector leadership and innovation to achieve universal, meaningful connectivity.	• Co-create policy frameworks that enable trust in data.	• Bring together broad business perspectives to apply existing principles and positions to the development of global governance frameworks on Al.	• Lead business engagement in intergovernmental discussions on the future governance of the Internet and digital technologies.
 International cyber policy discussions heavily influenced by continued geopolitical complexities National focus on increasing cyber resilience 	 Digital transformation remains a global priority as organisations seek to digitalise their operations Countries continue to lag behind and populations remain unconnected 	 Mistrust in data continues to grow in global trade discussions 	 Adoption of advanced technologies intersects with expanding data policy rules 	 UN ambitions to centralise governance of digital technologies Summit of the Future to adopt the formative documents setting out the development of global digital policy going forward

Working Group on Connectivity and Access

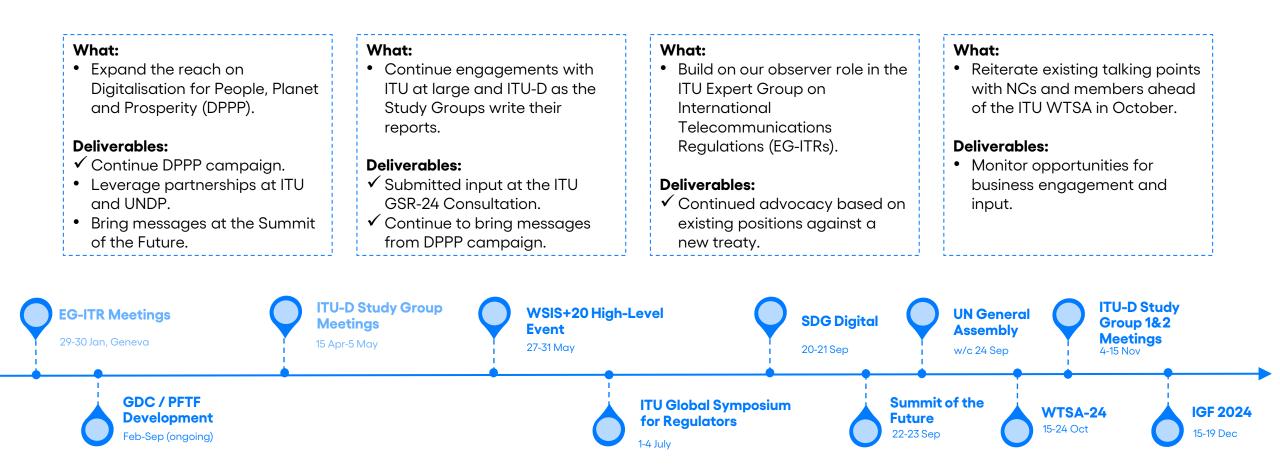
Nuria Talayero San Miguel Co-lead ICC Global Digital Economy Commission Working Group on Connectivity and Access

09:40-10:00



Connectivity and Access

General deliverables and timeline



FOR DISCUSSION

Reflect on existing opportunities and potential activities to further shape the workplan of the group, including messages to bring at SDG Digital + SOTF.

Working Group on Cybersecurity

Christian Ohanian Vice President, Senior Managing Counsel, Privacy & Data Protection, Mastercard

10:00-10:20



Cybersecurity

OEWG 7th

4-8 Mar

Substantive Session

General deliverables and timeline

	 What: Ensure AHC negotiations consider business views and respect human rights. 	 What: Continue sharing messages embedding cyber considerations within development discourses. 	 What: Provide business messages to shape policies on the protection of critical infrastructures and supply chains. 	
	 Deliverables: Convene ICC AHC Advisory Group to develop the advocacy strategy ahead of the 29 July meetings. Short document of outstanding concerns. 1-1 engagements with governments and peer organisations. 	 Deliverables: Continue engagement at the Open- Ended Working Group (OEWG) and Programme of Action (PoA). Continue conversations with the Global Forum on Cyber Expertise (GFCE). 	 Deliverables: ✓ Develop Issue Brief 3 (IB3) on Critical Infrastructure (CI) and Supply Chains. To potentially launch at 8th OEWG Session in July. Advocacy and dissemination of messages. 	
AHC 'Conclu Session 29 Jan-9 Feb	ding' Drafting IB3 Paper Feb-May 2024	OEWG 8 th Substantive Session 8-12 Jul	G20 Summit 3-4 Nov	IGF 2024 15-19 Dec

AHC Post-

29 Jul-9 Aug

Concluding Session

FOR DISCUSSION Reflect on existing opportunities and share other potential activities that can support advocacy of business priorities.

OEWG Inters.

Meeting

13-17 May

OEWG 9th

2-6 Dec

Substantive Session

Updates

- ICC attended the <u>Concluding session of the AHC</u> in New York to advocate agreed messages on business needs and concerns, submitted in writing in advance of the session
- ICC coordinated private sector group meetings and held bilateral meetings with key negotiating states as well as
 industry and civil society organisations, resulting in a joint stakeholder letter urging Members States to withhold
 support for the treaty
- The meeting was <u>suspended</u> and will reconvene the week of 29 July, under the same modalities
- ICC convened a volunteer AHC Advisory Group that will develop the advocacy strategy ahead of the 29 July meetings

Next steps

- Develop a short document of outstanding concerns based on the latest draft of the Convention
- Action at-large 1-on-1 engagements with governments and peer organisations to cement positions ahead of, and at the negotiations



Ad Hoc Committee on Cybercrime (AHC)

Focus on state of play & next steps

Issue of concern	Notable developments + current state of play	Next steps
Scope	Proposal by Canada, EU + 38 others to define scope narrowly, attempt by the Chair to adjust language. Article 3 offers tighter scope of the treaty, paired with a broader scope for cooperation on electronic evidence, including for 'serious crimes' in general, which could be combined with a narrow criminalization chapter and some kind of agreement on how other crimes could be added to the convention in the future.	Need for continued advocacy to keep the scope narrowly defined.
Criminalization	Committee failed to find consensus on the extent to which the Convention applies to cyber-enabled crimes. Article 60 creates an obligation for member states to criminalize offences established in accordance with UN conventions and protocols if committed using ICTs, without additional guidance on how this should be done. Russian Federation proposed an Article 5bis to the draft UNGA resolution (not Convention text) for a protocol addressing additional forms of crimes and relevant mechanisms, consistent with the scope and implementation of the Convention to be the subject of future negotiations by an extended AHC in the next year and a half (i.e. before this treaty potentially enters into force). Continued disagreement on online sexual abuse (Article 13) and non-consensual distribution of intimate images (Article 15).	Need for continued advocacy to keep the criminalization provisions limited to cyber- dependent serious crimes.
Human rights safeguards	Human rights (Art. 5) and safeguards (Article 24) failed to find consensus, there were notable proposals by Canada and New Zealand, and attempt by the Chair to adjust language: proposal to include in Article 59(3) language to avoid misinterpretation of the treaty inconsistent with the broader obligations and responsibilities of member states (proposal by Canada) and in Article 40, paragraph 20 bis a non-discrimination clause for grounds of refusal (proposal by New Zealand), which would apply to the whole chapter on international cooperation.	Need for continued advocacy in favor of these proposals.
Data access provisions	References to service providers "located or established in that other State Party" in Articles 42.1, 44.1, and 45.1 were deleted in the final discussion package version of the text, but this was not yet adopted by the Committee ad referendum. Articles on real-time collection of traffic and content data and references to them in mutual legal assistance provisions persist. Article 28.4 allowing "competent authorities to order any person who has knowledge about the functioning of the [computer system] [information and communications technology device] in question, the information and telecommunications network, or their component parts, or measures applied to protect the [computer data] [digital information] therein, to provide, as is reasonable, the necessary information" was adopted ad referendum, which is particularly concerning read together with confidentiality requirements (e.g. Article 40) that have no transparency safeguards and no time limitations.	Need for continued advocacy to keep negotiated language unchanged with respect to service providers and continue to ask for transparency safeguards, potentially as an instrument of redress.

Working Group on Data Governance

Robyn Greene Co-lead ICC Global Digital Economy Commission Working Group on Data Governance

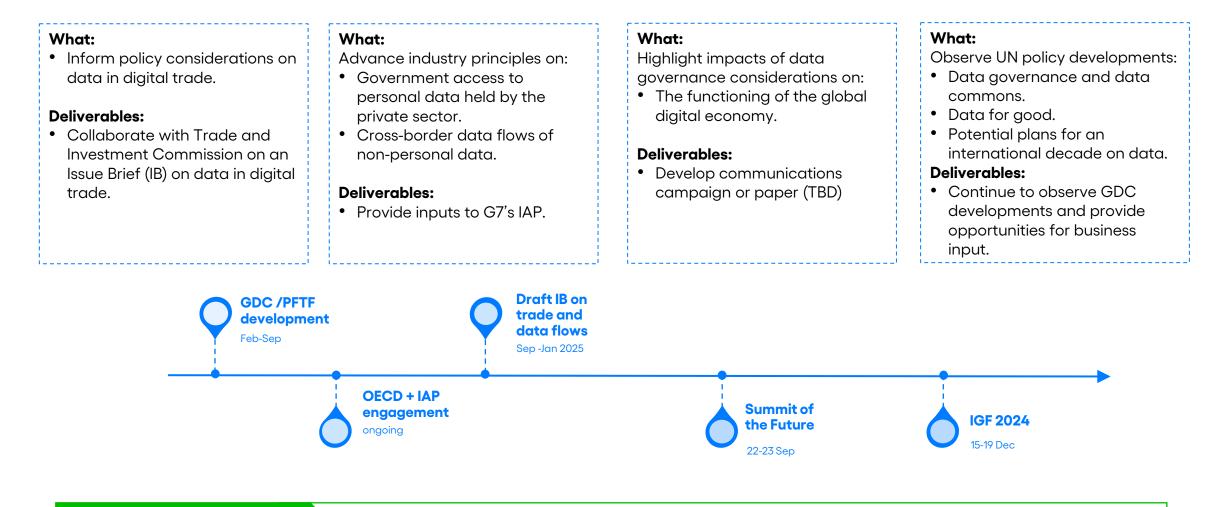
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Data Governance

FOR DISCUSSION

General deliverables and timeline



Reflect on existing opportunities and share other potential activities that can support advocacy of business priorities.

Informal Project Group on Artificial Intelligence

Timea Suto ICC Global Digital Policy Lead

10:40-11:00



Al governance

What:

• Follow and monitor global AI policy and governance processes and ensure alignment with business priorities.

Deliverables:

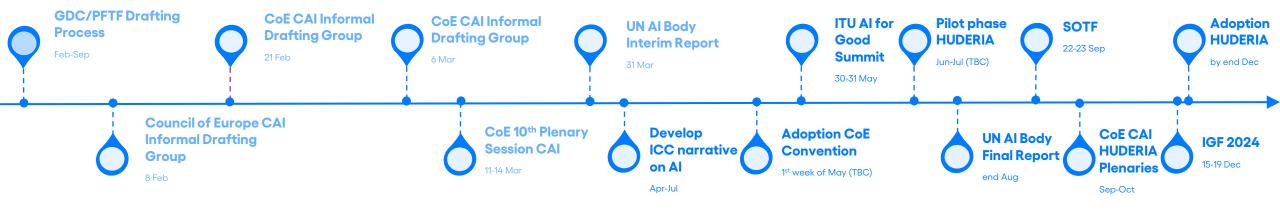
- ✓ Establish ICC Informal Project Group on AI
- ✓ Share substantive input for the consideration of the Council of Europe AI Framework Convention.
- Monitor opportunities for meaningful business input through UN structures and processes (GDC, UN AI Advisory Body)

What:

• Leverage existing positions and principles for the stewardship of trustworthy Al.

Deliverables:

- Develop ICC overarching narrative on Al, based on input and guidance of the members of the Informal Project Group on Al.
- Provide a unifying narrative for the ICC network on AI, leveraging existing positions, messages shared by members, and external work supported by ICC.



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- **European Union AI Act** was <u>endorsed by the Parliament</u> on 13 March. The act, which needed final endorsement after approval on political and technical level, is expected to enter into force this May, and will be fully applicable 24 months after (except codes of practice, general purpose AI rules, obligations for high-risk systems, that correspond to a different timeline of application each). The Commission is looking to set up an AI Pact, a set of business early-adopters who will implement the provisions of the AI Act before it fully enters into force. First meetings of the AI Pact are expected in early 2024.
- **Council of Europe Al Convention** has been <u>finalised</u> on 14 March by the CAI and will be referred to the Committee of Ministers for adoption in May. The Explanatory Report is in process of approval in written procedure by 22 March at 18:00 CET. The Report will also be submitted to the Council of Ministers for their taking note and will be issued as a non-legally binding document of the CoE Secretariat, accompanying the Framework Convention.
- United States resolution A/78/L49 on Al for sustainable development, which was first released in December 2023, has passed the silence procedure and was <u>adopted</u> at the UNGA Plenary meeting on 21 March. This consensus resolution, was developed with direct input from member states, and cosponsored by more than 120 countries.

COFFEE BREAK

11:00 - 11:15

Deep-dive on Ongoing Projects and Next Steps

Session lead: Rene Summer ICC Global Digital Economy Commission Chair

11:15 – 12:15



Deep-dive:

ICC Cybersecurity Issue Brief 3

Protecting the cybersecurity of critical infrastructures and their supply chains Rene Summer ICC Global Digital Economy Commission Chair

11:15-11:45



IB3 on Critical Infrastructure (CI) & Supply Chain Protection

Update & Next Steps

Current status and final document:

- Commission offered substantive feedback to the sections covered in the paper, including:
 - Varying approaches to defining CI and essential services
 - Challenges in protecting CI: actors and their motivation, threats and their impact, as well as added complexities i.e. cross-border implications
 - Current state of play in protecting CI: industry best practices, policy and regulatory approaches
- Recommendations towards better protection of CI and increased supply chain security, for:
 - Policymakers, noting regional experiences
 - Private sector actors
 - Effective public-private partnerships

Next steps

- The consolidated draft was shared with the Commission, who had until 13 May to share any substantive objections.
- The paper will be submitted for approval by the ICC Board by 16 May.

									• IGF 2024 , Ri [*]	yadh, 15-19 Dec
First draft of normative sectionMeeting to review content8 Feb12 Feb	1st draft of policy positions 20 Feb 27 Fe	ack Secretariat n combines ing and edits ip 12 Mar	Secretariat prepares 4 th draft 25 Mar	Feedback from Working Group 5 Apr	Share with the Commission By 10 Apr	Feedback from Commission – final wording & approval 24 Apr	Teedback	Final edits by Secretariat 15 May	Final draft sent to the Board by 16 May	Advocacy opportunities TBC

IB3 on Critical Infrastructure (CI) & Supply Chain Protection

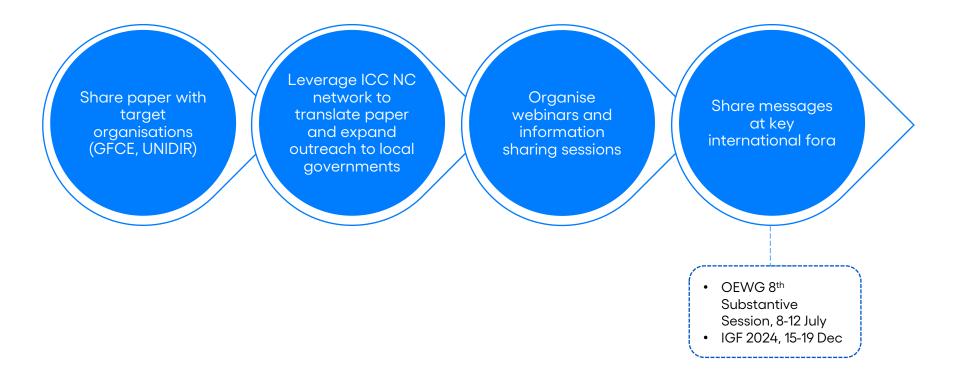
Outline of final paper

Section	Content	Main message(s)					
Introduction	• Lay out the scope of the paper to address the multifaceted challenges surrounding the protection of critical infrastructure (CI) and essential services (ES).						
Varying approaches to defining CI and ES	 Present the impact of the disruption of CI and ES, and examples of major incidents and the national approaches / responses to those 	 Harmonised efforts are needed to set a baseline to protect CI and foster international collaboration Strategies to raise CI security: finding convergence of CI definitions, aligning global standards and frameworks, and implementing strong third-party risk-management approaches 					
Challenges in protecting Cl	 Explain the complexities of safeguarding CI and ES and analyse the various dimensions of threats through case studies Provide a foundation for constructing effective cybersecurity strategies, tailored to the intricate challenges of safeguarding CI: actors and their motivation, threats and their impact, public-private colloboration and cross-border implications 	 Actors have distinct motivations to disrupt CI, including influencing policy or pursuing ideological aims (hacktivists), conducting long-term operations for espionage, obtaining sensitive data, military strategies (state-nexus threat groups) etc. Types of CI threats more pronounced impactand consequences than cyber threats, affecting public safety, national security and the economy Added complexities in responding to threats are tied to unclear delineation of roles for public-private collaboration 					
Protecting CI and supply chains – where are we now?	 Industry best practices in protecting CI and ES Policy and regulatory approaches to cybersecurity of CI 						
Towards better protection of CI and increased supply chain security	 Describe the fundamental challenges in protecting ES, CI and their supply chains 	 Need for transnational agreements for the establishment of baseline cybersecurity outcomes and objectives Need to decrease cyber threats, including cybercrime originating from criminal groups and threats by states or state-sponsored cyber actors Identification of incentives and deterrents for cybersecurity investment is crucial for enhancing resilience in CI and ES. 					
Recommendations	• Focused recommendations for each of the following groups/themes: private sector actors, policymakers, effective international collaboration, effective public-private partnerships	 Industry best practices already work on effective security controls to prevent attacks and mitigate risks. These efforts should be adopted and implemented at a large scale Policymakers to adopt a holistic approach, engage stakeholders, coordinate legislative instruments, facilitate information sharing, clarify agency roles, invest in capacity building etc 					
Annex	 Overview of national and regional approaches on the cybersecurity of CI and ES 						

IB3 on Critical Infrastructure (CI) & Supply Chain Protection

Advocacy Opportunities

Upcoming opportunities



FOR DISCUSSION

Please share your thoughts on the advocacy opportunities for the dissemination of messages from the paper. What key venues or fora should be explored?

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Deep-dive: ICC Overarching Narrative on Al

Timea Suto ICC Global Digital Policy Lead

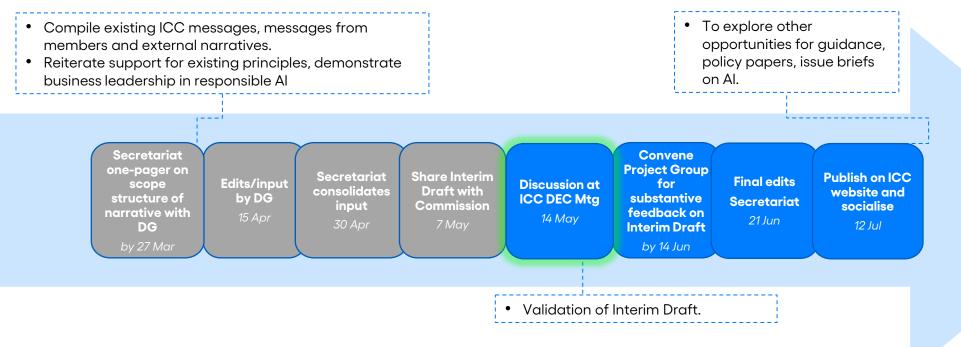
11:45-12:15



The Informal Project Group on AI agreed to develop a **unifying narrative** that will serve as a 'base' under which all ICC work (i.e. policy papers, issue briefs) on AI will be housed.

- A volunteer drafting group (DG) was assembled to support the writing and/or feedback process
- The narrative was developed throughout Q2, and will be publicised on the ICC website in July
- Following the launch of the narrative, more opportunities for policy papers and issue briefs will be explored

Timeline



ICC Narrative on Artificial Intelligence

Outline of Interim Draft

Section	Content	Main message(s)				
Introduction	 Summary of key messages from the narrative 					
Background	 Overview of the current landscape of Al technologies and their socio-economic impact 	 Note positive impacts of AI to accelerate access to information and resources, create economic opportunities including for SMEs, and improve social outcomes Acknowledge the potential for misuse 				
Principles for responsible Al	 Overview of existing guiding principles for the responsible development, deployment and use of AI technologies drawing on existing frameworks supported by business 	 Multilateral: OECD, UNESCO, UNGA Regional/Plurilateral: G7, EU AI Act. Joint AI roadmap of the US-EU Trade and Technology Council National: U.S. White House Executive Order on AI, the U.S. NIST Risk Management Framework, the UK's AI Principles 				
Considerations on global Al governance	 Call for international and multistakeholder cooperation Set out a framework / guiding principles to enable such cooperation 	 Need for international convergence on governance and standards, based on evidence and stakeholder input to avoid fragmentation of the policy space Policy frameworks should rooted in democratic principles and designed to anticipate and address potential risks and challenges A risk-based regulatory approach that differentiates between high and low risk scenarios, providing protection without hindering innovation Recognise the diverse roles and responsibilities of stakeholders throughout the Al lifecycle Need for international collaboration to monitor and respond to globally significant safety and security riks 				
Policy priorities (rolling)	 Identify key policy areas that require attention to ensure the responsible development, deployment and use of AI 	 Indication of possible policy topics for further development by ICC (data, safety and security and inclusive access, environmental sustainability, comptetion, IP, capacity building, skilling, education and workforce adaptations) 				
Industry best practices (rolling)	 Provide case studies illustrating successful approaches to Al policy and governance in different contexts. Highlight lessons learned and best practices that can inform future policy efforts 	 Following a call to members, this section will ultimately include a continuously updated repository of single company, association, coalition or multistakeholder projects and initiatives The Drafting Group will consider categories under which case studies can be collected 				

FOR DISCUSSION

Please share your thoughts on the Interim Draft of the ICC Narrative on AI. What is missing, how can it be improved?

COFFEE BREAK

12:15 - 12:20

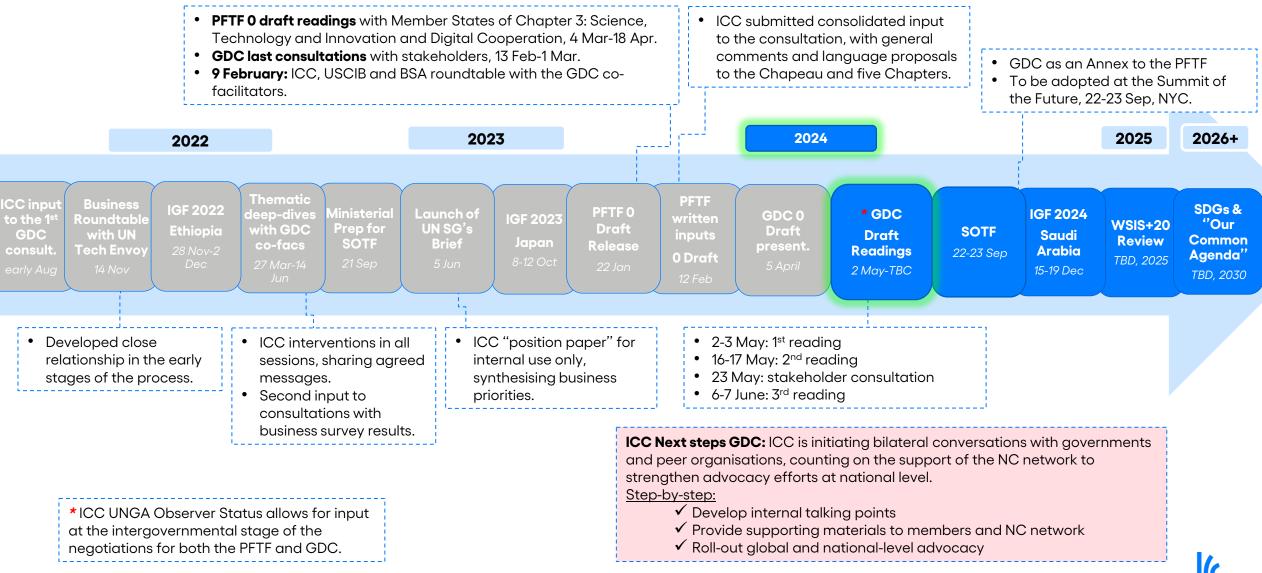
Overview of Related ICC Activities and Opportunities for Engagement

Session lead: Timea Suto ICC Global Digital Policy Lead

Speaker: Luisa Scarcella ICC Global Tax Policy Lead 12:20 – 13:20



ICC engagement overview + Next steps



Overview





FOR ACTION

For more information or if you plan to attend IGF 2024, please email <u>meni.anastasiadou@iccwbo.org</u>.

ICC Global Tax Commission Update

1. UN Tax Committee of Experts

2. UN Tax Framework Convention

UN TAX COMMITTEE OF EXPERTS: Article XX on the taxation of cross-border business services

- The proposal calls for the replacement of Articles 5(3)(b), 12A, 14 of the UN Model Convention with a single new provision dealing with cross-border business services.
- This proposal abandons traditional PE rules.
- The concerns we shared were multiple ranging from the exceptionally broad scope (it goes beyond digital!), to the critical economic implications and the lack of an economic analysis of these implications, possible double taxation, no simplicity achieved but higher administrability issues and possible dispute.

UN TAX FRAMEWORK CONVENTION NEGOTIATIONS

Negotiations currently ongoing on the Terms of Reference (TOR) on a UN Tax Framework Convention.

- Some of the topics that are coming up for the scope of the convention are the taxation of: cross-border transactions/services, digitalized economy, illicit financial flows, environmental taxation, wealth taxation as well as indirect taxation, exchange of information and capacity building.
- TOR to be then submitted in September to the UN GA for approval.

Meeting Summary

Chaired by: Rene Summer Chair of ICC Global Digital Economy Commission

13:20 - 13:30



About

The National Committee Digital Policy Dialogues Series 'NC Digital Policy Dialogues' is an initiative of meetings coordinated by the ICC Global Digital Economy Commission (DEC), aimed at informing the ICC NC Network of the ongoing projects of the DEC on a topic-per-topic basis, presenting what is at stake, the actions taken and opportunities to engage.

Upcoming sessions

1st week of June (TBC)

Topic: Cybersecurity: Critical Infrastructure and Supply Chain Protection, Ad-Hoc Committee on Cybercrime 1st week of July (TBC)

Topic: Data and Al governance

1st week of October (TBC)

Topic: ICC at the Internet Governance Forum

Many thanks for your participation!

Please get in touch to collaborate further

Timea Suto timea.suto@iccwbo.org

Meni Anastasiadou meni.anastasiadou@iccwbo.org

