

Innovation for All

Commission on the Digital Economy

ICC Commission on the Digital Economy Meeting Summary Report

27 April 2020

KEY DECISIONS AND ACTION ITEMS

1. ICC DE Commission leadership renewal

The Secretariat is recruiting a new Chair for the DE Commission.

National Committees are invited to send nominations accompanied by a CV to [Sophie Peresson](#).

2. External engagement

The DE Commission will continue to observe and engage on relevant policy developments in international organizations with special focus on relevant UN bodies, WTO, ITU, EU institutions, OECD and G20/B20.

3. Commission projects

Artificial Intelligence (AI)

The DE Commission will launch a project, supported by the ICC Research Foundation, to develop principles for and discuss the implementation of AI technology that is innovative, trustworthy and human-centric.

Cyber security

The DE Commission will continue to pursue the three work streams on cyber security:

- a) **Policy development:** Cultivate common understanding of cyber security issues and concepts (this workstream will be launched shortly)
- b) **Advocacy:** Continue to promote business views on cyber security norms and behaviours among governments and the private sector
- c) **Capacity building:** Leverage new and existing partnerships to advance cyber security capacity building

Members are invited to advise [Timea Suto](#) if they are interested in joining working groups on AI and/or cyber security.

Members are invited to propose new projects or areas of work to [Sophie Peresson](#).

4. ICC Cross-commission projects

The ICC cross commission working group on **Continuous Transaction Controls (CTCs)** will continue its work and contribute to ongoing consultations. Members are invited to contact [Charly Gordon](#) should they have any questions or wish to join.

ICC commissions on **Taxation**, on **Environment and Energy** and on **Arbitration** have shared presentation of their work and potential areas of interest for members of the DE Commission. Members are invited to contact [Timea Suto](#) should they wish to get in touch with the relevant Commissions and contribute to their work.

SUMMARY AND NEXT STEPS

OPENING SESSION

- Ms Sophie Peresson, Director, Innovation for All, opened the meeting welcoming members (98 registered to participate from 20 countries).
- Ms Peresson also introduced Mr Charly Gordon who recently joined ICC as Deputy Director for the Innovation for All Hub.
- Ms Peresson also updated participants on the process the ICC Secretariat will put in place to recruit a new Chair for the Commission.
- A search was previously conducted in 2017/2018 for a new Commission Chair, but regrettably final acceptance of the role was not possible by the candidate due to unforeseen circumstances. The restructuring of the Department has put the recruitment process temporarily on hold, and the Commission Secretariat now wishes to renew this search aiming to have a complete leadership team by the end of Q2 2020.
- Ms Peresson extended ICC's great appreciation to the current Vice-Chairs of the Commission, Carolyn Nguyen, Christoph Steck and Christiaan van der Valk for their leadership and expertise over the past years and noted the Commission is counting on their continued support as part of this renewed leadership team in developing sound global business policy views related to the digital economy.
- **ACTION by 6pm CEST (Paris time) on 25 May**
- National Committees are invited to send nominations accompanied by a CV to [Sophie Peresson](#) by 6pm CEST (Paris time) on 25 May.
- Mr Andrew Wilson, ICC Permanent Representative to the UN, gave a comprehensive overview of ICC's policy and external engagements strategy. This work is grouped under eight **major policy areas**:
 - **21st Century Trade** (system reform, digital trade, sustainable trade and trade financing)
 - **Innovative and Competitive Markets** (taxation, competition, intellectual property)
 - **Enabling Entrepreneurship** (MSME focused activities, customs/WCO, ICC Centers for Entrepreneurship, GATF)
 - **Financing our Future** (sustainable finance, blended finance, non-financial reporting)
 - **Digital Governance** (internet governance, cybersecurity, artificial intelligence)
 - **Business in Society** (business and human rights, migration, refugee response, diversity)
 - **Integrity in Business** (anti-corruption, anti-counterfeiting/BASCAP)
 - **Climate Action and Green Economy** (UNFCCC engagement, SME climate tools, NDC revision pilots, biodiversity)
- He noted that **signature initiatives for 2020** include:
 - Renewing the **WTO “e-commerce” moratorium**, that is vital for the future of the digital economy
 - Establishing **new standards for digital trade and finance**, primarily through ICC's landmark “Digital Standards Initiative”
 - Shaping a new model for **Internet governance**, through the intensification of engagement with the UN on the revision of current Internet governance models

- **COVID-19 response**, building on landmark partnership with WHO to enable effective response by business
- Mr Wilson also presented ICC's COVID-19 response strategy to be rolled out in three phases, drawing on the expertise of ICC members and policy commissions, and leveraging ICC's unique position with key intergovernmental organizations:
 - Mitigating the crisis – emergency interventions to stem the spread of the coronavirus pandemic and limit economic damage
 - Avoiding further disruption – upstream engagement to mitigate potential and emerging challenges to an effective response to the pandemic
 - Rebooting and rebuilding the global economy – shaping mid-term thinking on the design of a post-COVID-19 economy.
- He highlighted some of ICC's priority interventions that include:
 - Safeguarding the development of COVID-19 vaccines and treatments: proactive advocacy to counter potential hurdles to global R&D collaboration
 - Launching ICC's [Save Our SMEs](#) (SOS) campaign to (i) shine a spotlight on the devastating impact of COVID-19 on small businesses and their employees; (ii) ensure effective policy and fiscal responses at both the international and national levels; and (iii) provide resources and tools to small businesses to help them navigate the crisis
 - Halting the production and distribution of counterfeit goods: public awareness messaging being deployed through ICC's [BASCAP initiative](#) to warn against the purchase of fake COVID-19 related supplies
 - Combating cyber attacks: practical engagement to help MSMEs navigate growing cyber risks in the context of widespread teleworking
- **ACTION**
- For a comprehensive and up-to-date overview of ICC's COVID-19 response, please visit [this dedicated platform](#) and feel free to contact the ICC Secretariat or your National Committee if you would like participate in any of the projects.

POLICY PROJECTS AND ADVOCACY

Cybersecurity

- Discussions on cybersecurity and responsible behaviour in cyberspace have long been on the agenda of global public policy discussions. A plethora of public, private, multistakeholder and intergovernmental initiatives have emerged to develop shared principles, provide solutions, create policies and standards. ICC seeks closer collaboration between business and government to ensure future developments related to a cybersecurity and the Internet do not splinter into differing approaches at local, national, regional and global levels.
- Members discussed the three streams of work currently ongoing at ICC in relation to cybersecurity issues :
 - To **advance cybersecurity capacity building**, the Secretariat continues to maintain and improve ICC's existing partnerships with the Cyber-Readiness Institute (CRI) and the Global Forum on Cyber Expertise to deliver cybersecurity capacity building tools and programmes, especially for developing countries and SMEs. As part of this effort and in response to the current crisis, the ICC Secretariat drafted a [short practical guide](#) to help MSMEs understand cyber security threats in the context of the COVID 19 pandemic and sets out easy steps for action to increase resilience.

- To **continue promoting business views on cybersecurity norms and behaviours** among governments and the private sector, the ICC working group on cybersecurity continues to observe and engage with the work of UN Open-Ended Working Group (OEWG) and the Group of Governmental Experts (GGE) on cybersecurity. ICC's privileged position as sole private sector observer to the UNGA presents a unique opportunity to monitor these developments and facilitate business input.
- To **cultivate common understanding of cybersecurity issues and concepts**, the ICC Secretariat, building on the valuable work carried out in past years with the ICC working group on cybersecurity, seeks to develop and publish an issues paper to draw a base-line understanding of concepts and definitions around major cybersecurity issues and roles and responsibilities of stakeholders. This work stream will be commencing shortly.
Building on this common framework, a consultation will be launched to survey ICC's global membership on cybersecurity issues of top importance they would like to see addressed through global cooperation and business leadership. The Innovation for All hub will then develop policy advice on the identified top-level issues to capture business recommendations and manage cybersecurity challenges.

➤ **ACTION**

- Please advise [Timea Suto](#) if you are interested in joining the working group on cybersecurity.

IGO activities on digital economy

- Participants discussed the various global and regional level initiatives and developments of intergovernmental organizations and fora that have an impact on governmental policy makers views on digital issues. Members worked to identify those discussions where it is most impactful and strategic to leverage ICC policy and engagement.

B20/G20

- Eng. Badr Ali AlGhamdi, General Manager, Government Affairs, STC presented the work of the B20 Saudi Arabia Digitalization Task Force (DTF).
- He noted the four focus areas of the B20 in 2020:
 - Enabling digital infrastructure and fostering cyber security
 - Advancing all aspects of artificial intelligence
 - Driving digital inclusion and growing digital skills
 - Laying the foundation for smart cities
- As a network partner for the B20, ICC will continue to participate in the work of the DTF and work with the members of the DE Commission to provide broad business input to the work of the B20 as well as to help inject business views and shape impactful recommendations to G20 leaders.

➤ **ACTION**

- For any questions on engagement with the B20 DTF, please contact [Timea Suto](#). For questions on broader engagement with the B20 and G20, please contact [Damien Bruckard](#), Deputy Director, Trade and Investment.

World Trade Organization (WTO)

- ICC's working group on e-commerce was set up in May 2019 to explore the various aspects of the World Trade Organization (WTO) Joint Statement Initiative on E-commerce, with the aim of shaping a robust WTO agreement to support the growth of e-commerce

informed by industry experience and expertise. Supported by ICC staff in New York, Paris and Geneva and leveraging corporate expertise in several ICC commissions (digital economy, taxation, customs) the working group issued seven highly regarded briefings to inform ongoing WTO talks and held 5 workshops with negotiators.

➤ **ACTION**

- Please contact [Raoul Renard](#), Government Affairs Manager, to find out more about and participate in the work of the ICC working group on e-commerce.

European Union (EU)

- Dr Tom Voege, Head of ICC EU Affairs presented recent policy developments and initiatives in the EU. He noted that delays and funding issues to might be expected in rolling out the European Digital Strategy. Whilst the original deadline of end of May still applies for the public consultation on the EC White Paper on Artificial Intelligence (AI), the public consultation on the EU Digital Strategy expected for end of March has not yet been launched. Overall delays to the next elements in the development of the EU Digital Strategy are also likely, including the Digital Services Act
- He also noted that current focus in the EU Commission is on helping businesses survive the immediate crisis, working with platforms on data sharing and analytics, and more long-term economic recovery. He highlighted that the pre-crisis priorities, which still apply, are AI policy, platform regulation, and cybersecurity. More specific EC policy goals in this space are to improve the functioning of the internal market, competition between large platforms and SMEs, and regulating platform workers in the “gig economy”. Next steps for the Digital Services Act are public consultations to be launched soon, followed by an impact assessment, and the eventual policy instrument(s) later in the year.
- The DE Commission Secretariat will continue to observe the work of the EU institutions and work with members to provide input to relevant workstreams. EU updates by Dr Tom Voege will continue being disseminated in order to keep members updated on developments on the next crucial developments.

COMMISSION PROJECTS

Artificial intelligence

- To harness benefits and mitigate risks of AI, governments, businesses, intergovernmental and multi-stakeholder organizations, and the technical community have developed or are actively considering guidelines, principles and standards along which AI can or should be developed and deployed. Currently there are an increasing number of policy initiatives spearheaded by (coalitions of) governments or international and regional organizations that could have a direct impact on the developers, deployers and users of these technologies.
- When it comes to the application of these guidelines, the private sector is on the front lines, be it in the design, distribution or utilization of AI.
- ICC has the unique opportunity to convene businesses worldwide to provide a common private sector perspective to discussions on AI worldwide, gather input from those already active in this space, bring to the table those who have not yet been heard as well as to demonstrate business action on implementing AI principles through case studies.
- As these initiatives are moving from principles to practice, it is of utmost importance to cooperate with those affected by their implementation and involved in their development. During the meeting, participants discussed two such initiatives. Ms Karine Perset,

Administrator on Digital Economy and AI Policy, OECD and Ms Sasha Rubel, Programme Specialist, Digital Innovation and Transformation, UNESCO presented the work carried out in their respective organizations in the field of artificial intelligence.

- In a moderated discussion with Sophie Peresson, the speakers presented the [OECD AI Policy Observatory](#) and the [UNESCO initiative for a global standard-setting instrument on ethics of AI](#), noting areas of collaboration and complementarity between the initiatives, as well as opportunities for engagement with the private sector. Please find further details on these initiatives on the presentations used at the meeting (*attached*).
 - The DE Commission Secretariat will be launching, with the support of the ICC Research Foundation, a project through which to :
 - Gather and review existing principles on AI and distil commonalities of wide business support.
 - Bring to the table and gather perspectives from actors just starting out in this space, especially developing countries and SMEs.
 - Demonstrate, through case studies, how businesses already active in the field of AI are implementing (some of) the principles and make recommendations for how they can be implemented more widely.
 - Advocate and gather global support for the principles, both among businesses and governments.
 - The DE Commission Secretariat is currently negotiating possible partnerships with various academic and research institutions that would be best placed to carry out the work.
 - The project will build on existing work, research and resources and to seek partnership with relevant organizations working on related issues, such as the OECD and UNESCO, as well as the European Commission, the Council of Europe and leveraging the expertise of ICC members both in the DE Commission and in other commissions. ICC will aim to add value to the field by highlighting business initiatives in various sectors and across the world on both developing AI principles and implementing those.
 - The project will aim to deliver:
 - A peer-reviewed, evidence-based report bolstered by research and industry case studies that reviews existing principles on AI, distils commonalities and proposes a set of business principles on responsible and human centric development and deployment of AI technologies, bolstered by case studies on implementation
 - A comprehensive advocacy strategy, leveraging ICC’s network and convening power to secure global support and endorsement of the principles
- **ACTION**
- Please advise [Timea Suto](#) if you are interested in joining the working group on artificial intelligence.

LINKAGES WITH OTHER SECTORS

Continuous Transaction Controls (CTCs)

- Mr Christiaan van der Valk, ICC Commission on the Digital Economy Vice Chair to presented the progress of the ICC cross-commission project on Continuous Transaction Controls (CTCs). He noted ICC has been working on this topic within a multistakeholder group to collectively understand and identify solutions for ensuring trends and the use of technology has a positive impact on trade, as well as advance the common goal of reducing tax burdens on business while also facilitating tax collection by countries.

- The working group developed the set of Practice Principles for Implementation of CTCs (*attached*) to be used as an advocacy tool for outreach to governments considering designing CTC systems to raise awareness of the impact and opportunity when developing these tools in collaboration with business.
- In addition, the ICC Stocktaking Report of the Implementation of CTCs (*attached*), was developed by the group to capture significant trends and level-set the discussion with recommendations on future action. This report is aimed at Tax Administration practitioners who design, develop and maintain functional and technical CTC specifications and will be restricted for controlled use in cases where a country has reached a level of maturity in its deliberations on CTCs where such level of detail can be addressed productively. The document will serve as providing concrete guidance to understand what the higher level policy principles mean in practice. The set of practice principles and implementation examples can be used by authorities to optimise laws and systems in the interest of supporting digital transformation and ensure trade works for all.

➤ **ACTION**

- Please contact [Charly Gordon](#) if you are interested in joining the expert group.

Climate action

- Ms Sandra Hanni, Knowledge Manager, ICC Green Inclusive Growth presented the work of the ICC Inclusive and Green Growth Hub, noting possible opportunities of collaboration with members of the DE Commission on the nexus of technology and climate/biodiversity, as well as on the the development of concrete digital solutions for climate action.

Taxation

- Ms Raelene Martin, Knowledge Manager, ICC Trade and Investment provided updates on the work of the ICC Commission on Taxation, drawing attention to ongoing deliberations within the OECD Inclusive Framework to develop a global, consensus based solution to address the tax challenges of digitalisation. ICC provided input on the “Unified Approach” (Pillar 1) and the “GloBE Proposal” (Pillar 2) and the ICC Commission on Taxation will continue to discuss further inputs.

Arbitration and dispute resolution

- Ms H el ene van Lith, Manager, ICC Commission on Arbitration and ADR presented the work of the ICC International Court of Arbitration, as it relates to the telecommunication and specialized technologies sector. She also noted the need for access to cutting-edge technology in the field of arbitration.

➤ **ACTION**

- Please contact [Timea Suto](#) to be connected to the Knowledge Hubs engaged on the ICC initiatives of your interest.

We would like to thank all participants who joined the virtual meeting. We remain at the disposal of DE Commission members should you have any questions or comments.

We look forward to “seeing” you at our next virtual meeting!