



TABC Statement to the G7 Meeting of Industry/ICT Ministers *Turin, September 2017*

On September 26 and 27, 2017 the Italian presidency of the G7 will bring together the Ministers of Industry/ICT of the world's major economies to deal with the biggest world challenges of this sector with the aim of strengthening the global digital economy.

The Trans-Atlantic Business Council (TABC) strongly believes that the benefits of the digital economy are essential for global economic growth and prosperity and emphasizes the importance of the Industry/ICT Ministerial meeting. TABC is an association of American and European companies with significant investments and operations in the EU and the U.S serves as a platform to improve transatlantic collaboration in areas such as telecommunications, data innovation, and cybersecurity, among others. We believe that the G7 can provide positive and actionable leadership in the e-commerce sector and provide the following recommendations to further this purpose.

Cross-Border Data Flows

The free flow of data across and within borders must be encouraged in order to fully realize the potential of the internet. Cross-border data flows empower industry in use of interconnected machinery, big data analytics, supply-chain management, and cloud computing. Ministers should strive to promote facilitation of data flows, fulfilling the goal stated in the G7 People-Centered Action Plan on Innovation Skills and Labor to “promote and protect the free flow of information, while ensuring privacy and data protection and strengthening digital security.”

Restrictions on data flows and associated infrastructure create risk for global business, and ultimately undermine privacy protections when localization requirements are employed to either expand government surveillance or have anticompetitive motives. G7 members should strive to minimize the effects of restrictions on data flows in international agreements and national policies. With the objective of enhancing trust of users and certainty of companies - and thus trade in goods and services - it is essential that businesses comply with all applicable laws and regulations related to data protection and data security. However, it is as critical that governments and the global community work together to ensure that any polices do not restrict global data flows unjustly.

- *G7 members should adopt strong language in the Declaration against forced data localization requirements that mandate local storage and processing of data without appropriate exceptions. This can be accomplished simultaneously with protecting privacy and data protection.*

Encourage Innovation in ICT

To encourage broadband deployment and deploy next generation networks, G7 members must prioritize regulatory approaches that incentivize investment and innovation. Capacity demands for Internet connectivity are only increasing as technological breakthroughs demand greater bandwidth. This challenge can be overcome by an international commitment to innovation-friendly policies such as facilitating swift transition to next generation fiber networks, supporting technology-neutral approaches

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that enables deployment of different technologies, adopting adequate spectrum policies, and minimizing regulatory impediments. With this in mind, the development of next generation networks can be encouraged across *all* sectors of the global economy.

- *The G7 members should support policies that will encourage broadband deployment around the world through a regulatory environment that fosters innovation and regulatory certainty. This should be accomplished by adopting a light-touch approach to regulation and engage in industry collaboration around standards.*

Cybersecurity and Increased Trust in Devices

A strong commitment to innovation in ICT must include a recognition of the role secure systems play to develop and maintain user trust in devices. This is especially true in light of the growth in the Internet of Things (IoT) and Artificial Intelligence (AI) which will dramatically change the digital sector, bringing great benefits to both industry and consumers. With the increasing challenges facing G7 members in this area, a coordinated path forward should be based on risk-informed policies with close engagement with industry and stakeholders.

- *The G7 members should support industry-led engagement in the development of global standards and best practices around security.*

Multi-stakeholder approach to Internet Governance

With the completion of the IANA transition last year, the international community must continue to support the multi-stakeholder approach to Internet governance. This approach was supported in the first meeting of ICT Ministers at the G7 last year in Japan and should extend into all future meetings as it remains a basis for fully realizing agreed commitments in the ICT sector.

- *The G7 members should reaffirm commitment to the multi-stakeholder model for governance issues facing the deployment, development, and evolution of the global Internet.*

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