

IGF 2017 Reporting

- Session Title: Data and Trade: Identifying win-win solutions for future digital commerce

- Date: 20/12/2017

- Time: 09.00 – 10.00

- Session Organizer: Jimena Sotelo, International Trade Centre, (ITC)

- Chair/Moderator: Ms. Marion Jansen, Chief Economist, International Trade Centre (ITC)

- List of Speakers and their institutional affiliations:

- Mr Adam Schlosser, Project Lead for the Digital Trade and Cross Border Data Flows project at the World Economic Forum;
- Dr Jovan Kurbalija, Founding Director of DiploFoundation;
- Mr Torbjorn Fredriksson, Chief of ICT Analysis Section at the United Nations Conference on Trade and Development (UNCTAD);
- Ms Lousewies van der Laan, Former Member of the European Parliament for the Netherlands;
- Mr Satriyo Bramono Brotodiningrat, First secretary of the Permanent Mission of the Republic of Indonesia to the United Nations, WTO and other international Organisations in Geneva,

- Key Issues raised:

- How to enhance the benefits, and mitigate the risks, of integrating data and trade policies.
- Investigate win-win solutions for users and companies regarding data flows and privacy protection.

- Description of the session and speakers interventions:

In this session, speakers discussed how to enhance the benefits, and mitigate the risks, of integrating data and trade policies. Dr Marion Jansen, Chief Economist at the International Trade Centre (ITC), moderated the panel.

Mr Adam Schlosser, Project Lead for the Digital Trade and Cross Border Data Flows project at the World Economic Forum, expressed his belief that good data policies will produce multiple winners across the stakeholder spectrum. While trade agreements can provide guardrails for issues related to data, they should not be the first port of call for these concerns, as they do not move as quickly as the technologies they (aim to) cover. Collaborations between different governments, including businesses and civil society, can result in better policies. Concerning the role of small and medium enterprises (SMEs) in improving global trade, and being helped by data, Schlosser highlighted the importance of the business-to-business angle. Because ‘the sun never sets in business’, SMEs in developing economies can offer their services to companies who would like to be present in every time zone.

Dr Jovan Kurbalija, Founding Director of DiploFoundation, noted how greatly the notion of data influenced the Internet Governance Forum (IGF) discussions. In an analysis of all IGF 2017 transcripts so far, conducted through the IGF Dailies of the Geneva Internet Platform, DiploFoundation found that it has been the keyword in this year’s discussions. There was also a shift from the language of ‘efficiency’ and ‘business opportunities’ that had prevailed in the last 11 years to that of ‘values’, such as trust and equal distribution. Moreover, we can see these developments on two different levels. More abstractly, we are experiencing a transition between an approach where data was used for data mining and targeted ads and one where data feeds artificial intelligence (AI). At a more concrete level, we see the European Union’s General Data Protection

Regulation (GDPR), postulating that it will represent a big challenge not only within the Union, but also in other countries who are adopting similar policies.

Mr Torbjorn Fredriksson, Chief of ICT Analysis Section at the United Nations Conference on Trade and Development (UNCTAD), posited that one of the reasons for increased interest in dataflows is society's realisation that the digital economy is changing, owing to improvements in computing, storage and transmission power. Together with, digital platforms understand the value of data, and thrive not only on data collection, but also on its analysis. Users may be happy with how these measures improve their experience, but have now grasped that they pay for these services with their information input, and governments are trying to address the issue. Most developing economies, however, possess neither enterprises strong enough to compete with these behemoths nor laws and regulations to protect their citizens. For this reason, UNCTAD channels substantial efforts into capacity building programmes

To Ms Lousewies van der Laan, Former Member of the European Parliament for the Netherlands, any win-win solution must depart from an understanding that free trade and data protection are not mutually exclusive. She emphasised the attitudinal differences of Americans and Europeans regarding the manipulation of their data. While Americans 'do not care', Europeans have pushed for the GDPR. Although it has caused waves, the policy was initially conceived to harmonise the EUs 28 different protection regimes. Later, when the issue of data held overseas was raised, it took its current shape. Legislators advanced this because they considered the customer's perspective, and van der Laan's advice for private sector members is that they think about consumers and their needs.

Mr Satryo Bramono Brotodiningrat, First secretary of the Permanent Mission of the Republic of Indonesia to the United Nations, WTO and other international Organisations in Geneva, offered an overview of Indonesia's digital economy sector. Internet penetration reached 52%, with 8.7 million dollars of e-commerce transaction. By contrast, there is a scarcity of data: only 36% of the population own bank accounts, and 23% have made or received digital payments. As for SMEs, 59% have bank accounts, but only 9% have an online presence. Thus, digital literacy and financial inclusion, which go hand in hand, are key challenges for developing economies. After all, before protecting data, we must create data.

The ensuing Q&A covered questions on whether other countries can replicate the GDPR, how the decision of the US Federal Communications Commission to end net neutrality might impact global trade, if there is a standards-setting body for the digital economy, and how to raise global awareness on the importance of data protection.

Gender Reporting

- Estimate the overall number of the participants present at the session: 50/60
- Estimate the overall number of women present at the session: 20/25