Multi-Association Recommendations for the G20 to Drive the Global Digital Recovery

As we look ahead to this year’s G20 Summit in October, global digital and technology industries wish to emphasize the need to harness digital transformation to drive recovery and build resilience into the world economy. Digitalization already plays a central role across the three pillars of action outlined out by the Italian Presidency:

- On People, the digital sector is a key driver of employment and guarantor of security, particularly in an increasingly online world.
- On Planet, digital solutions continue to play a key role in developing the technology necessary to drive action on climate change and other environmental urgencies.
- On Prosperity, digital transformation promotes economic growth and innovation, which the G20 Presidency acknowledges as key to driving a prosperous future.

The above will only be possible with consistent and effective leadership by the G20 on global trade and digital governance rules. Global digital ecosystems – and indeed, societies – operate better with clear and pragmatic regulatory structures in place, and international interoperability should be a top priority.

To achieve these goals, we put forward these recommendations.

**Policies for an open and fair trade and investment environment**

G20 members should:

1. **Avoid digital protectionism** or imposing barriers to trade in recovery planning and economic stimulus packages. This includes a commitment to refrain from the adoption of unilateral digital measures such as the digital services taxes that contravene longstanding trade norms.
2. Ensure that regulatory approaches impacting digital services, technologies and infrastructure are non-discriminatory, both on the basis of national origin, on the basis of business models, and technology; adhere strictly to good regulatory practices; and are based on rigorous, objective criteria, with proportionate and well-justified rules accompanied by strong due process guarantees.
3. Invest in strengthening the resilience of global value chains rather than attempting to pursue autonomy goals in ways that would fragment value chains and global standards to the detriment of innovation and resilience.
4. **Coordinate investment in recovery planning** with a strong focus on the twin digital and green transformations, which are mutually reinforcing.
5. **Oppose measures where governments mandate technology** or require companies to transfer or otherwise subvert technologies such as forced disclosure of source code, algorithms, encryption keys, or other sensitive information as a condition of doing business.
6. Increase spending on R&D and infrastructure, including through cross-border projects. These investment strategies should also be reflected in improving telecommunication infrastructures, skills development for citizens, in schools, in reskilling programs, and in the workplace. Further raise the awareness of IPR to protect R&D efforts and to enhance global harmonization of IPR protection practices. This should be in line with the current WTO TRIPS rules.
7. Commit to respecting existing international commitments while prohibiting and eliminating existing barriers to digital trade, telecommunications and information and communication technology (ICT) through the eCommerce negotiations at the World Trade Organization (WTO), and to further expanding the Information Technology Agreement (ITA) to include more WTO members and more products, and to improve the implementation of the WTO Trade Facilitation Agreement. G20 members should also pursue crucial environmental objectives by exploring market access liberalization for environmental goods and services.

**Governance solutions to support digital transformations**

G20 members should:

1. **Commit to facilitating the free flow of data** that recognizes the need for interoperability of regimes across borders and refraining from imposing damaging data localization requirements, in particular through advancing strong, near-term outcomes in the WTO eCommerce negotiations, and at the Organization for Economic Co-operation and Development (OECD).

2. **Follow the Data Free Flow with Trust (DFFT) principles**, including by ensuring the availability of multiple international, transparent, non-discriminatory legal mechanisms for the cross-border transfer of personal and non-personal data which are interoperable across jurisdictions, while ensuring high level of privacy in line with work in other relevant international forums.

3. Support multilateral efforts at the OECD to establish a set of common practices and legal processes for ensuring trusted law enforcement and national security access to data that provides adequate privacy protections for individuals and certainty for businesses.

4. Establish common approaches to the regulation of emerging technologies, especially artificial intelligence (AI). In the case of AI in particular, any regulatory approaches should focus on specific, high-risk applications that utilize common criteria for the definition of high-risk. Regulatory approaches should be developed and applied in a non-discriminatory manner while taking into account applicable sectoral rules to avoid adding new and potentially unnecessary or conflicting rules on top of existing legislation.

5. **Commit to supporting industry-led, voluntary, consensus-based international standards development while respecting the WTO Technical Barriers to Trade (TBT) rules**, and pursue cooperative approaches to policy that enhance regulatory compatibility and enable governments and industry alike to leverage international standards as a means of demonstrating conformance with emerging regulatory requirements.

6. Seek to enhance cybersecurity through risk-based approaches grounded in global, industry-driven, voluntary-consensus standards and best practices, pushing back against country-specific approaches that serve to fragment markets.

Signed,

Australian Services Roundtable (ASR)
Computer & Communications Industry Association (CCIA)
DIGITALEUROPE
European Business Council (EBC)
European Services Forum (ESF)
Information Technology Industry Council (ITI)
Japan Business Council in Europe (JBCE)
Japan Electronics and Information Technology Industries Association (JEITA)
Korea Electronics Association (KEA)
Semiconductor Industry Association (SIA)
TECHNATION Canada
World Information Technology and Services Alliance (WITSA)

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