

140424 Flash report High-Level Transatlantic Summit

Organized by Lisbon Council and Progressive Policy Institute

On Thursday 24 April 2014, [**Art. 4.1b**] participated in a High-Level roundtable to discuss Digital Trade; Finding Common Ground. The event was jointly organized by the think tank Lisbon Council and the Progressive Policy Institute (PPI). Aim of the roundtable was to take a look at the opportunity inherent in expanding trans-Atlantic trade in data, and to discuss the opportunity for greater collaboration through the TTIP negotiations. The audience largely consisted of representatives of the data industry, European Commission, US Mission to the EU, consultancy agencies, representatives of governments (i.e. Chili, Norway, Mexico and Korea) and members of the host institutions. Other members of the roundtable were;

- Michael Mandel (Chief economist strategist at PPI)
- Giuseppe Abbamonte (Director Media and Data in DG CONNECT)
- Elena Bryan (Senior trade representative US Mission to EU)
- And moderated by Will Marshall (president and founder of PPI).

After a welcome by Will Marshall, [**Art. 4.1b**] gave a presentation on the state-of-play in the TTIP negotiations, focused on data-driven trade (please find his presentation attached).

Next speaker in the roundtable was Michael Mandel. His published paper (co-written with Paul Hofheinz) 'Bridging the data gap; how digital innovation can drive growth and create jobs' had been handed out to the audience and his presentation was a reflection of this paper. He indicated data as a third basis of global economy (next to good and services) and explained that there is a big data gap between the (Western) EU countries and the US, since almost three times more data is currently used in the US. Michael Mandel set out the potential benefits of using data as means to create economic stimulus and jobs, meanwhile pointing out the dangers of a (too) strict regulation regime.

Giuseppe Abbamonte succeeded the previous speaker and confirmed that the EU lacks behind the US in data using. However, he also set out the steps which are currently taken within the European Commission to catch up with the US and thereby mentioned the renewal of safe harbours, creation of flagships, attracting talent and supporting a way in which data users, data owners and capital can be combined, while respecting private data. He underlined that data are currently not discussed within trade negotiations and that the European Commission firstly want to 'put their house in order' and to strengthen EU data position, before it will enter in negotiations.

Lastly, Elena Bryan took the floor and elaborated on the American perspective of the TTIP negotiations with regard to data. She thereby echoed [**Art. 4.1b**] outline of the content of negotiations. Bryan also expressed her surprise by the type of public attention which TTIP receives and that therefore, both sides of the Atlantic should work on educating and explaining civil society and stakeholders. In accordance with [**Art. 4.1b**] presentation, she put forward some myths heard with regard to TTIP (concerning ISDS, lowering of standards, being a big business agreement) and also laid out that regulatory cooperation does not mean to take over each other's system, but will be a mean to avoid unnecessary barriers and could especially be relevant for new regulation. She stressed the importance of input of stakeholders (output is as good as the input we receive).

After this roundtable, there was room for a Questions and Answers session. Most questions were issued by the Moderator himself. He asked for two concrete examples of clearly conflicting interests between EU and US side and wanted to know whether any timetable or deadlines have been set. [**Art. 4.1b**] answered that there are approximately 20-25 fields in which we are sowing seeds; some areas are well-known, some are new (TTIP will ultimately be a unique and real 21st century agreement). Despite the division in pillars and sub discussions, TTIP remains a single undertaking (some plants are waiting on what will happen in another field before they start growing). Regarding a timeframe, [**Art. 4.1b**] explained that the aim is to conclude TTIP as fast as possible; however, substance prevails over time. Elena Bryan shared his view and emphasized that TTIP will be an agreement for decades, so the substance must be right. She compared the negotiations with a multi-dimensional chess play.

Another question raised by the moderator focused on the hypothetical situation where data flows will be used strictly locally in the EU. Both Michael Mandel and Giuseppe Abbamonte replied that localization of data would negatively impact the economy and will widen the data gap with the US. Abbamonte added that this is not the purpose of his just laid out vision and underlined the importance for the EU to import data from the US. Mandel also answered [**Art. 4.1b**] question by explaining that most data are used by consumers and consists of video watching. [**Art. 4.1b**] (Telefonica) reaffirmed this and he also suggested the TTIP negotiators to divide the amount of subjects equally between the US and EU, in order to allow a bit of experimentation and to make progress faster. [**Art. 4.1b**] thanked him for his input, but did not see this as a feasible option. Elena Bryan agreed with him.

[**Art. 4.1b**] (DG TRADE) asked [**Art. 4.1b**] to elaborate on the position of MS in TTIP. [**Art. 4.1b**] explained that Commission has a mandate, but does this in close cooperation with the Parliament and even closer, with the TPC. [**Art. 4.1b**] (European Commission) asked Michael Mandel to the discussion on the line of personal data and commercial data. Mandel explained that the line is thin; data could be used to offer retraining for lower skilled workers, to use your car more efficient i.e. Sometimes

regulation needed, but fact is that regulation will always decrease benefits and increase costs. In addition, [**Art. 4.1b**] (IBM) asked [**Art. 4.1b**] to his view on the European Commission's standpoint with regard to safe harbours of data protection. [**Art. 4.1b**] and Elena Bryan both dissociates themselves from this discussion, as they both are trade negotiators and not involved in this discussion.

