

From: Art 4.1.b (CAB-MALMSTROM)
Sent: Friday 11 December 2015 13:49
To: Art 4.1.b (CAB-MALMSTROM)
Subject: FW: KAS/Google event on the Digital Transformation of Transatlantic Trade, 9 December 2015

For registration in Ares.

I spoke on 9 December at a Konrad-Adenauer-Stiftung event (in cooperation with Google) on *the Digital Transformation of Transatlantic Trade*. It was a well-attended luncheon and I would like to highlight the following from the presentations by other speakers:

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- Need for a clearer (OECD) framework for measuring the value of data in (digital) trade.
- Trade has changed because of digital development but so have investment patterns. Increasingly investments are in intangible assets.
- On digital density, South Korea, the US and Canada lead the way globally.
- Safe Harbour 2 is needed urgently for business.
- TTIP absolutely needs to include data flows. TTIP needs to set the gold standard for digital trade. A need for a "Geneva Convention on Data" to set a global standard for digital trade.

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- Digital is a domain that is not well known by regulators, yet they need to regulate on it. Considering the speed of development in the digital sphere, it would make sense if TTIP were to become a living agreement.
- Important to change the perception (also prevails in the EP with respect to CETA) that "digital" in trade agreements equals e-commerce, as there are many other issues covered.
- Understands that data protection standards have not been negotiated or new rules created in trade agreements, esp. in CETA.

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- Notes that data is seen in the EU as a risk rather than as an asset. Data flows in TPP for instance is not a sensitive issue in the US deliberations. Promotes TPP and draws attention to USTR "digital dozen" principles.
- Since data flows underpin all aspects of economy and society, one should no longer speak about digital economy.
- Europe does not lag behind in digital development. Not sure why some would say that. The strength of the EU lies in digital services, the many innovative SMEs, start-ups. The EU has 30 tech unicorns (companies valued more than 1bn) while the US has 39 unicorns. So, not so asymmetrical.
- While EU digital single market is important, transatlantic digital single market is even more important, given the interlinkages. TTIP is central for developing such

a transatlantic digital single market. The EU and US should also work closely together on regulations and standards in digital sphere.

- Safe Harbour 2 is in reach, confident that the EU and US are very close to a solid agreement. The negotiators are in Brussels this week, followed by stock-taking between Secretary of Commerce Pritzker and Commissioner Jourova next week.

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- ICT is an enabler. No data, no trade. If one is serious about trade, one should not stop data flows.
- Promotes Digital Europe's 10 principles of digital trade.

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- Digital trade is empty words until most people in the world have access to Internet.
- Important to avoid that there are different internets in the world. Trade and commerce is instrumental in bringing countries to the (mainstream) Internet.
- Agrees that the EU and US can set a golden standard for digital and data in TTIP.
- Acknowledges the "Trade for All" Communication that sets out an ambitious digital trade strategy. Data localisation and other trade restrictive practices need to be curbed, not only in third countries but also in EU MS. The focus needs to be on dismantling existing barriers and on avoiding creating new barriers.

Finally, since Art. 4.1.b listed e-government services as part of digital services in presentation, a representative Art. 4.1.b asked for confirmation that digital services of general interest would equally be excluded from TTIP. Art. 4.1.b confirmed that they are not seeking e-government services to be part of TTIP.

Kind regards, Nele