To: EICHHORN Nele (CAB-MALMSTROM); Art.4.1(b) (TRADE);

Art.4.1(b) (TRADE); Art.4.1(b) (TRADE); MARTIN-PRAT Maria (TRADE); Art.4.1(b) (TRADE); Art.4.1(b)

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Cc: Art.4.1(b) (CAB-MALMSTROM); Art.4.1(b)

(TRADE)

Subject: Report: Commissioner Malmström meeting IBM on Transatlantic

Relationship and Data Flows

Attachments: DataResponsibility-A4 2-sided PRINT.PDF; Data Responsibility @

IBM - lange versie.pdf

Meeting with IBM on the future of the Transatlantic Relationship and Data Flows in FTAs – 11 October 2017

Participants:

EU: Commissioner Malmström, Nele Eichhorn, Art.4.1(b)

IBM: Art.4.1(b) Art.4.1(b) , Art.4.1(b)

Summary:

IBM made a very strong plea for Transatlantic partnership and therefore for a continued engagement with the US Administration. They acknowledged that TTIP is not among the key priorities on the US side. Rather the renegotiation of the NAFTA agreement, relations with China; relations with North Korea and insistence on trade deficits occupy the agenda.

Key priority for IBM to be addressed in transatlantic relations is data flows. They would welcome EU position on rules establishing an obligation to ensure data flows and prohibiting unjustified data localisation requirements in trade agreements.

They presented five principles and practices regarding data responsibility at IBM (the documents attached):

- 1. <u>Data ownership and privacy</u> clients' data is their own, and that government data policies should be fair and equitable and prioritize openness; protecting the privacy of the clients' data is fundamental in a data-driven society.
- 2. <u>Cross-border data flows and government access to data</u> the free movement of data across borders as essential to 21st century; government requests for access to client data need to be done through mutual legal assistance treaties.
- 3. <u>Data security and trust</u> IBM opposes any effort to weaken or limit the effectiveness of commercial encryption technologies that are essential to modern business; IBM employs industry-leading security practices and technologies to safeguard data, and is at the forefront of applying artificial intelligence capabilities.
- 4. <u>Data and artificial intelligence</u> it represents a positive and transformative force for businesses, institutions, governments and individuals.
- 5. <u>Data skills and 'new collar' jobs -</u> to ensure workers worldwide are prepared for technological and business shifts that are changing the way work gets done, and that are driving productivity, economic growth and job creation.