

IBM Policy Lab

Bold Ideas for a Digital Society

Fostering a renewed transatlantic tech relationship

Policy recommendations for a values-based and sustainable transatlantic agenda for digital trade

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The EU and the US have a close, historic relationship based on the promotion of core democratic values like human rights, the rule of law, the market economy and fair competition. The transatlantic economy is also the largest, most prosperous market in the world¹. The strength of this relationship has become all the more important as both sides continue to face unprecedented challenges, from the COVID-19 pandemic and resulting economic disruptions, to climate change.

In a shifting global context, both **the EU and the US have a common interest in facing those challenges together, leveraging their common strengths and shared values**. As the digital economy continues to transform our societies and economies, **technology must be at the heart of a renewed phase in EU-US cooperation, which should be built on a transatlantic technological eminence.**

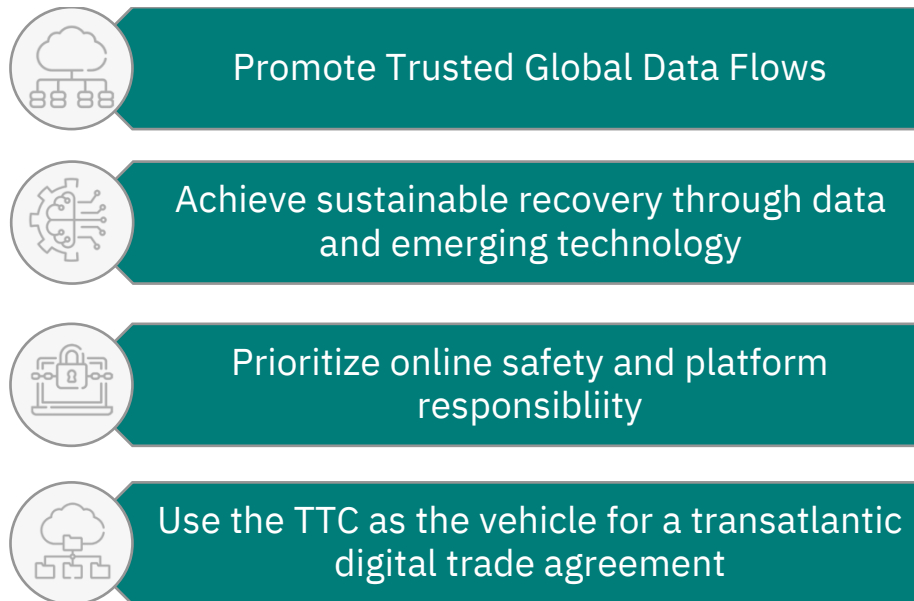
IBM is deeply encouraged by the prospect of a rejuvenated transatlantic relationship: we welcome the European Commission's recent proposal for a **new EU-US agenda for global change**, which we believe—together with the new Biden administration in the US—represents a unique opportunity to accelerate EU-US

cooperation on key issues, particularly tech and trade policy.

IBM specifically welcomes the European Commission's initiative to create a Technology and Trade Council (TTC): we strongly support establishing a structured framework for governments on both sides of the Atlantic to cooperate on policy principles, regulatory approaches and standards, and lay the foundations for future EU-US agreements on digital trade. IBM believes that a TTC—rooted in the principles of values-based democracy, trust, and sustainability**—can deepen cooperation to position the transatlantic bloc as a **global technology leader and standard-setter for the digital age.****

¹http://www.amchameu.eu/sites/default/files/publications/files/te2019_fullstudy.pdf

To support this objective, we recommend **four key policy focus areas** for the TTC:



The EU and the US can help **raise the bar in data protection globally** while preserving their own approach to data protection in line with their values.

PROMOTING TRUSTED GLOBAL DATA FLOWS



- While data flows are essential for economic recovery, legitimate safety concerns from governments are increasing. **The TTC should serve as a new forum** to discuss solutions for facilitating cross-border data flows. As such, it would serve as a complement to ongoing negotiations on EU-US data transfer mechanisms, while promoting **greater trust in EU-US data flows on both sides of the Atlantic**.
- Data privacy and security are not mutually exclusive with free flows of data. As one of the first companies to appoint a Chief Privacy Officer more than 20 years ago, [IBM has always been committed to applying such high standards](#).
- **Enhanced cooperation between like-minded countries and regions can promote transparency and enhance public trust in technology**. We must uphold high data privacy standards—that are flexible and technology-agnostic—while guaranteeing adequate levels of protection. This is why IBM has also [expressed our support for a modern, national privacy law in the US](#).

Emerging technologies will also be at the core of our global efforts to combat climate change and manage pandemics: high-performance computing (HPC), AI, and Quantum Computing will be key to better manage and prepare for crises in public health, food, energy security, and climate and natural disasters.

ACHIEVING SUSTAINABLE RECOVERY THROUGH DATA AND EMERGING TECHNOLOGY



- The **TTC should enable innovation and encourage emerging tech investments:**
 - Supporting clean and circular technologies
 - Facilitating science readiness
- To get there, both sides should work on establishing a common approach to **human-centric AI**. Key to this is IBM's vision of accountability, transparency, fairness, and security, as outlined in [the IBM Policy Lab's policy recommendations](#) calling for **different rules for different risks**—an approach IBM supported as a member of the [European Commission's High-Level Expert Group](#).
- The TTC should accelerate **tech cooperation for building transatlantic technological eminence** and strengthen both sides' capabilities to face the next generation of tech challenges:
 - Developing **HPC infrastructures** and facilitate the sharing of IP for companies to build solutions, for example through the [openPOWER foundation](#);
 - Further **investing in Quantum** computer installations. In Europe, such computers would be under complete data sovereignty of EU law;
 - Promoting the adoption of globally recognized standards, such as Open RAN, for competitive, secure, and **open 5G technologies**;
 - Enhancing research, design, prototyping through to manufacturing, testing, and packaging as well as developing foundry capabilities for **Semiconductors**.
- TTC could also help establish a dialogue and possible agreement on **technology procurement**, ensuring equal transatlantic access to public procurement markets for emerging tech, based on shared values and standards, such as open architectures and technology choice.

IBM agrees with both the EU and US on the need to find solutions to the problems created by some online platforms, such as harmful market behaviors, illegal content or algorithm-fueled propagation of hate speech and disinformation, and we see great potential for transatlantic leadership on this issue.

PRIORITIZING ONLINE SAFETY AND PLATFORM RESPONSIBILITY



- Install “reasonable care” requirements and **regulatory frameworks to establish a level playing field online**. IBM was among the first technology companies to advocate that [Section 230 of the Communications Decency Act](#) be updated and strongly welcomed the proposed [EU Digital Services Act and Digital Markets Act](#).
- **Platforms should be prevented from exploiting consumer data they have accumulated to control new markets**. We welcome regulatory frameworks to establish a level playing field online and rules that prevent firms from engaging in behavior that could distort competition in digital markets.
- **Blanket liability protection for platform companies**—which was developed when the internet was in its infancy and is actively being debated—should not be included in trade agreements.

We believe that **both the US and the EU should use the TTC to discuss common approaches** on these issues, develop common standards, and refrain from promoting digital trade agreements that include provisions shielding platforms from liability.

SERVING AS THE VEHICLE FOR AN EU-US DIGITAL TRADE AGREEMENT



With the Transatlantic Trade and Investment Partnership (TTIP) negotiations halted, the EU and the US should leverage their shared willingness to rejuvenate their trade relationship by **using the TTC as a structured dialogue to negotiate an ambitious, digital-specific agreement**. Such a digital trade agreement would enable businesses on both sides to serve clients and customers with trust, security and without interruption.

As outlined in the IBM Policy Lab’s [digital trade principles](#), an EU-US agreement should be based on shared principles of openness, fair competition and innovation and include provisions to facilitate the above-mentioned priorities in data flows, online safety and platform responsibility, as well as sustainable recovery through emerging technology.

About the IBM Policy Lab

The IBM Policy Lab is a forum providing policymakers with a vision and actionable recommendations to harness the benefits of innovation while ensuring trust in a world being reshaped by data. As businesses and governments break new ground and deploy technologies that are positively transforming our world, we work collaboratively on public policies to meet the challenges of tomorrow.