

**CAIDP Update 3.11 (May 18, 2022)** – G7 Digital Ministers Misconstrue Data Free Flows with Trust, Back Off 2021 G7 Commitments

The Data Ministers for the G7 nations recently concluded meetings, in advance of the G7 Summit, with the issuance of a <u>Ministerial Declaration</u> and an accompanying <u>G7 Action Plan for Promoting Data Free Flows with Trust.</u>

Data Free Flows with Trust (DFFT) is an influential concept in the world of global digital policy. As first described by former Prime Minister Shinzo Abe in a speech to the World Economic Forum in 2019, "We must, on one hand, be able to put our personal data and data embodying intellectual property, national security intelligence, and so on, under careful protection, while on the other hand, we must enable the free flow of medical, industrial, traffic and other most useful, non-personal, anonymous data to see no borders, repeat, no borders." Abe underscored the importance of privacy protection, explaining that the DFFT regime should be built on "non-personal data." Abe's vision for DFFT, which Secretary Gurria described as "ambitious and timely," was endorsed by the G-20 Ministers at the 2019 meeting in Osaka.

There are several references to DFFT in the Declaration and the Action Plan discusses DFFT in detail, but the focus has largely shifted from Abe's emphasis on "trust" to the current trade ambition of "interoperability." All of that misses the point of Abe's proposal. Promoting compliance with the GDPR, the modernized Council of Europe Privacy Convention, or the OECD Privacy Guidelines would provide a basis for Data Free Flows with Trust, but none are mentioned in the G7 Digital Ministers' statements.

Also notable was the failure of the Digital Ministers to advance commitments made by the G7 Leaders at the 2021 <u>summit at Carbis Bay</u>. There the Leaders called out algorithmic bias and said, "We support the development of harmonised principles of data collection which encourage public and private organisations to act to address bias in their own systems, noting new forms of decision-making have surfaced examples where algorithms have entrenched or amplified historic biases, or even created new forms of bias or unfairness."

There are no references to algorithmic bias in either the 2022 Ministerial Declaration or the Action Plan. There is an acknowledgment that data protection and privacy authorities could contribute to the future work on DFFT of the G7 under the Japanese Presidency in 2023. But it remains unclear why the <u>earlier recommendations</u> from the 2021 G7 Data Protection working group were not incorporated in the statements recently published by the G7 Digital Ministers.

In a <u>recent statement</u> to the G7 Leaders, CAIDP applauded efforts by the G7 "to ensure human-centric and trustworthy AI and to promote fairness, accountability, and transparency in digital technologies." CAIDP also acknowledged "the important contributions of the data protection and privacy authorities of the G7 member countries." CAIDP urged the G7 to carry forward its earlier commitments and to address the growing challenges of the digital economy to democratic values.