G7 Ministerial Conference "Industry, Technology and Digitalisation"
(Verona, Trento 14-15 March 2024)

B7 Statement on Digital Transformation and Artificial Intelligence

Ahead of the G7 Ministerial Meetings on Industry, Technology and Digitalization scheduled for 14-15 March 2024, the Business Engagement Group of the seven Countries - B7 - has issued the following statement.

Artificial Intelligence (AI) promises significant changes to our economies and societies, acting as the main catalyst for transformation of our era. AI can generate and organize all types of content, draw inferences from data, and enhance production performance and economic resilience in various ways. By optimizing the functioning of global value chains, improving infrastructure planning, natural resource management, energy demand forecasting, climate mitigation, and Environmental, Social, and Governance (ESG) efforts, AI can lead industries into data-driven ecosystems. It can expand the labor market by enhancing job tasks, support the regions and sectors that lag behind due to shortages in technical skills or technological awareness, and boost customer experience and demand for digital products and services in key sectors such as healthcare and life sciences. Moreover, AI-based solutions can strengthen ethics and inclusion in social and professional environments, widen access to existing and new jobs, spark a wave of entrepreneurial opportunities, and reduce biases in corporate processes.

Closer collaboration between the public and private sectors is essential for AI applications to be safe, secure, and trustworthy for all, increasing the productivity and competitiveness of industries while minimizing associated risks. Properly harnessed, AI has the potential to generate prosperity, enhance societal inclusion, improve healthcare, support multiple ongoing transitions, and expand the reach of digital technologies to new applications and sectors. AI will also serve as a powerful driver for research and development, provided intellectual property rights are appropriately regulated to protect the interests of all stakeholders.

Harmonized policy frameworks on AI, based on international technical standards, are paramount to safeguarding against misuse that may threaten fundamental democratic and liberal values. Conflicting regulations can create barriers to AI uptake and raise the cost of AI goods. The B7 is committed to supporting the G7 in building upon the outcomes of the G7 Hiroshima Summit to establish effective rules, principles, and standards for more widespread use of AI. A truly multilateral approach is necessary to monitor the evolution of AI and to provide the G7 community with a common center of knowledge. G7 nations should continue to collaborate on regulation of this emerging technology through processes like the Global AI Safety Summits and G7 AI Hiroshima Process, to prioritize interoperability and international cooperation in AI governance to seize AI's potential.

AI policies should be crafted with international cooperation in mind, which will prevent excessive regulatory burdens on companies developing or adopting AI systems.

For AI to fully deliver its positive effects, the G7 must also ensure effective, safe, and resilient digital infrastructures and upgrade citizens' digital skills. Adequate measures across supply chains, particularly for critical infrastructures, are necessary to prevent extensive and highly dangerous cyber-attacks and foster trust in digital tools, thereby enhancing cybersecurity resilience.

The public debate on AI has renewed attention to the Data Economy as a key competitiveness driver, using available data to generate new insights, services, and products. However, the fragmentation of frameworks for cross-border data flows continues to impose costs and uncertainty for businesses.

The B7 encourages the G7 to advance the Data Free Flow with Trust (DFFT) initiative and the Institutional Arrangement for Partnership (IAP) aimed at developing joint projects that address critical issues such as data flow restrictions, privacy, interoperability, and cybersecurity. More in-depth public-private partnerships would help incentivize technology transfer initiatives beyond the G7. Trustworthiness in accessing public and open data, also through secure and scalable dedicated APIs, will enhance public and private participation in the digital economy.

Government policy is crucial in supporting AI innovation and a strong AI ecosystem. G7 Countries should collaborate in, and share best practices on, investments in research, innovation, security, and procurement. To increase industries' competitiveness, public-private partnerships should aim at testing cutting-edge applications, mitigating implementation and scaling risks and generating common practical use cases while encouraging innovative startups and small businesses to engage in R&D activities, run pilots to boost new business models, and strengthen cross-collaborations to widen the field of applications.

The B7 emphasizes the need to foster the development of digital skills, including AI, to facilitate a cultural paradigm shift that will reduce societal divides. Reskilling and retraining efforts for today's workforce and education for future workers will provide benefits of AI that will last throughout their careers. In this respect, it is paramount that the G7 Countries engage in promoting specialized STEM-related skills, skills in areas such as cybersecurity where there is a major shortage, and general digital skills among the unemployed, NEETs and the elderly, as well as workers, students and even teachers to mitigate generational and skill gaps while supporting businesses in their efforts to upskill and/or reskill employees.

The B7 renews its full commitment to support all endeavors of the G7 Industry, Technology and Digitalization Ministers and looks forward to a most successful and unified outcome in view of the Summit of the G7 Heads of State and Government.