

## Tech industry calls for more ambitious provisions on data flows in EU trade agreements

Brussels, 19 February, 2018

Dear Members of the European Parliament Committee on International Trade,

European exports and jobs are increasingly harmed by the rise of forced data localisation measures around the world.<sup>1</sup> As the world's main exporter of manufactured goods and services, and a leader in connected cars and Internet of Things, Europe's economy increasingly rely on the ability to move data across borders to be competitive and to serve end customers abroad.

The EU must maintain its strong data protection framework while pushing against data protectionism in its trade agreements.<sup>2</sup> Industry and startups, therefore, welcome the European Parliament's calls to "prohibit unjustified data localisation requirements in free trade agreements" which "seriously hampers opportunities for European businesses in third country markets and undermines the efficiency benefits of digital trade."<sup>3</sup>

Industry and startups are, however, disappointed by the provisions for data flows announced by the [European Commission](#) on January 31. These provisions are unlikely to remove existing and future data localisation measures enacted by our trading partners. The European Parliament has already warned that data protection must not be "unjustifiably used to circumvent rules for cross-border data transfers for reasons other than the protection of personal data."<sup>4</sup> As currently drafted, the EU provisions will do just that, and even justify more data protectionism abroad and undermine investment confidence in European exports.

The Commission's proposal is a missed opportunity for the EU to exercise its global leadership in promoting protection of personal data while ensuring global open digital trade.

We call on the European Parliament to inject much needed ambition into this text to the benefit of European exports and jobs and to promote EU data protection standards abroad.

Sincerely yours,

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Vice President & Head of Office  
CCIA Europe

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Director, European Policy & Government Relations  
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<sup>1</sup> Until the year 2000, only 15 measures were imposed globally while the number is now more than 80. "Unleashing Internal Data Flows in the EU", European Centre for International Political Economy, 2016

<sup>2</sup> EU data protection laws and trade commitments on data flows have co-existed for decades. The EU has since the 1990s been a signatory to WTO agreements which facilitates data transmissions and allow for the protection of personal data.

<sup>3</sup> European Parliament's Resolution of December 2017 "Towards a digital trade strategy".

<sup>4</sup> Ibid