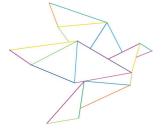


State of the Union 2017: A framework for the free flow of non-personal data in the EU

Brussels, 19 September 2017

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To unlock the full potential of the EU data economy, the Commission is proposing a <u>new set of rules to</u> <u>govern the free flow of non-personal data</u> in the EU. Together with the already existing rules for personal data, the new measures will enable the storage and processing of non-personal data across the Union to boost the competitiveness of European businesses and to modernise public services in an effective EU single market for data services. Removing data localisation restrictions is considered the most important factor for the data economy to double its value to 4% of GDP in 2020.

Andrus **Ansip**, Vice-President for the Digital Single Market, said: "Europe's digital economy is still strongly split along closed national lines. This is holding Europe back from its broader digital growth. Our proposal, together with EU personal data protection rules will enable the free movement of all types of data in the single market. The free flow of data will make it easier for SMEs and startups to develop new innovative services and to enter new markets."

Mariya **Gabriel**, the Commissioner for the Digital Economy and Society, said: "*To ensure Europe's* success in the new era of the digital economy, we need solid and predictable rules for the circulation of data. Citizens and businesses will benefit from better products and services as more and more data becomes available for data-driven innovation. Removing obstacles to cross-border data flows is essential for a competitive European data economy."

Free flow of non-personal data

A clear, comprehensive and predictable framework will contribute to a more competitive and integrated EU market for data storage and data processing services. The framework proposes:

- The principle of free flow of non-personal data across borders: Member States can no longer oblige organisations to locate the storage or processing of data within their borders. Restrictions will only be justified for reasons of public security. Member States will have to notify the Commission of new or existing data localisation requirements. The free flow of non-personal data will make it easier and cheaper for businesses to operate across borders without having to duplicate IT systems or to save the same data in different places.
- 2. The **principle of data availability for regulatory control:** Competent authorities will be able to exercise their rights of access to data wherever it is stored or processed in the EU. The free flow of non-personal data will not affect the obligations for businesses and other organisations to provide certain data for regulatory control purposes.
- 3. The development of **EU codes of conduct** to remove obstacles to switching between service providers of cloud storage and to porting data back to users' own IT systems.

Benefits for businesses and people

The new rules will increase legal certainty and trust for businesses and organisations. They will also clear the way for a truly EU single market in data storage and processing, leading to a competitive, safe and reliable European cloud sector and to lower prices for users of data storage and processing services. As the aim of the new rules is to increase trust, companies are expected to use more cloud services and to feel re-assured when entering new markets. They will also be able to move their inhouse IT-resources to the most cost-effective locations. Ultimately, this means an estimated additional growth of EU GDP by €8 billion per year.

The new measures complement the <u>personal data protection legislation</u> as an additional step towards a truly functional common European data space.

Background

Tackling obstacles to the free flow of non-personal data is one of the key actions announced in the <u>Mid-Term Review</u> of the <u>Digital Single Market Strategy</u>. This proposal complements the measures for <u>Building a European Data Economy</u> launched in January 2017. The proposal also builds upon the revision of the <u>European Interoperability Framework</u> for a better digital collaboration between pubic administrations in Europe.

In its <u>Conclusions of December 2016</u>, the European Council called for action on the free flow of data. Similar calls came from the Estonian Presidency of the Council of the EU in its <u>Vision Paper on the Free</u> <u>Movement of Data</u>, as well as from Members of the European Parliament.

Embracing digital opportunities, including the use of data-driven technologies and services, is also one of the goals of the holistic <u>industry policy strategy</u> presented yesterday.

Today, the Commission also launched a <u>public consultation</u> to evaluate the implementation of the <u>Public Sector Information Directive</u>. It seeks views on how to improve accessibility and re-use of public and publicly funded data as well as on access to privately held data of public interest.

For more information

A framework for the free flow of non-personal data in the EU – Questions and Answers

Factsheet: Free flow of non-personal data

Factsheet: Building the European Data Economy

Regulation on the Free Flow of non-personal data

Public Consultation on Data Economy: synopsis report

Digital Single Market: study on data location restrictions

Communication "Building a European Data Economy" of January 2017

Communication "<u>Mid-Term Review on the implementation of the Digital Single Market strategy</u>" of May 2017

#DataEconomy #freeflowofdata #dataflows #EUdataFF

IP/17/3190

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Attachments

Free Flow Of Data Factsheet A4 20170918 1655.pdf