GS1 Industry & Standards Event 2017

Free flow of non-personal data in the EU

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European Data Economy: Essential element of the DSM strategy

Pillar 3 ECONOMY & SOCIETY

Ensuring that Europe's economy, industry and employment take full advantage of what digitalisation offers.

- Digitising industry ✓
- Cloud ✓
- Inclusive digital economy and society ✓
- e-government ✓
- Standardisation & interoperability ✓
- Digital skills ✓

- **Data economy** ✓

Proposal for a Regulation

- **Adopted** by the Commission on 13 September 2017 (SoTEU).

- **Essence**: Member States may no longer require businesses and citizens to store or process data within their territory.

- **Core problem**: Obstacles to data mobility in the EU.

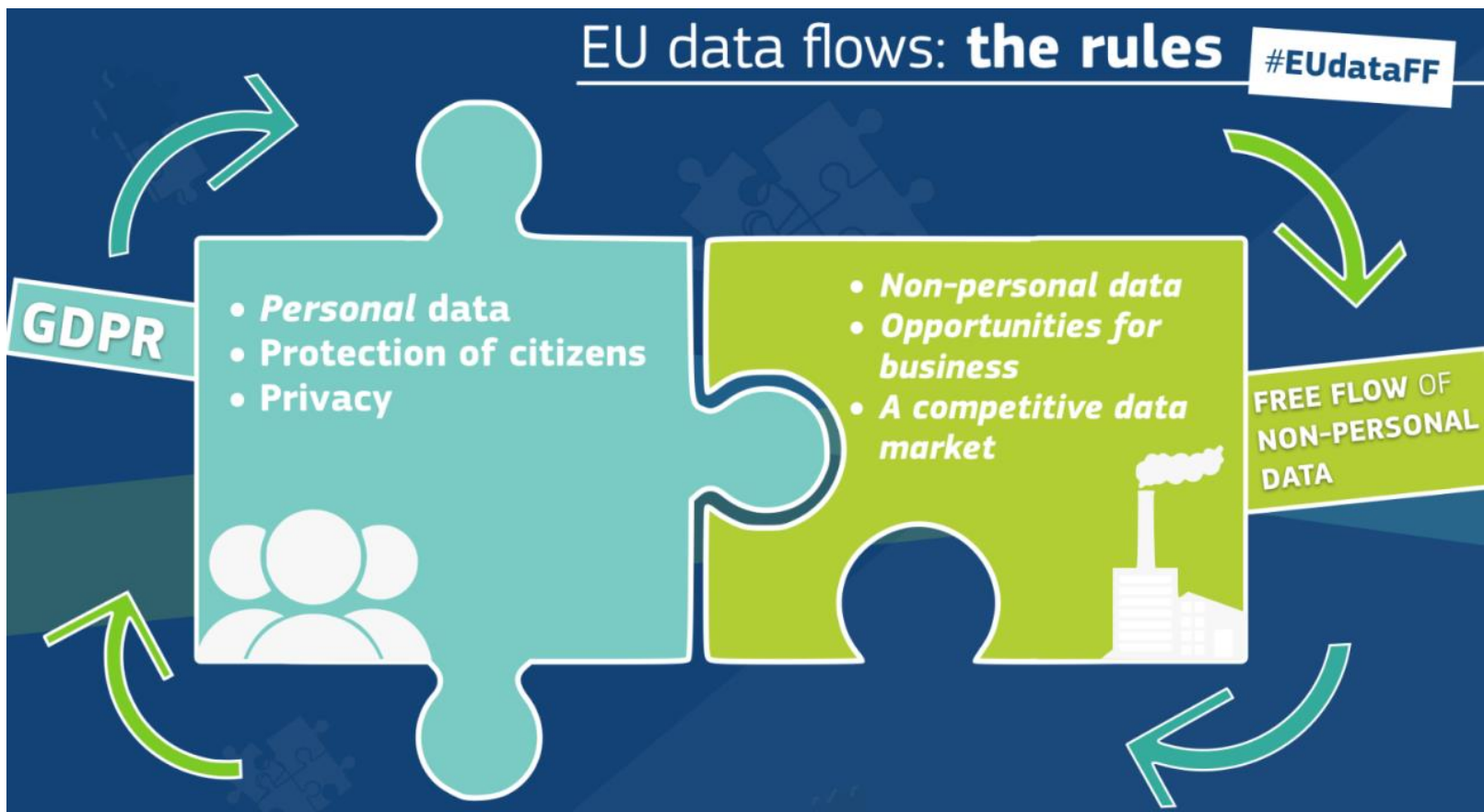- Important element of the **DSM strategy** since the outset.

Evidence gathering process by the European Commission:

- 2 **public consultations**: platforms, online intermediaries, data, cloud computing and the collaborative economy in **2015**; building a European data economy in **2017;**

- 4 dedicated **studies** and study workshops;

- 3 structured dialogue **meetings with MSs** and numerous bilateral discussions;

- **Stakeholder** engagement / workshops;
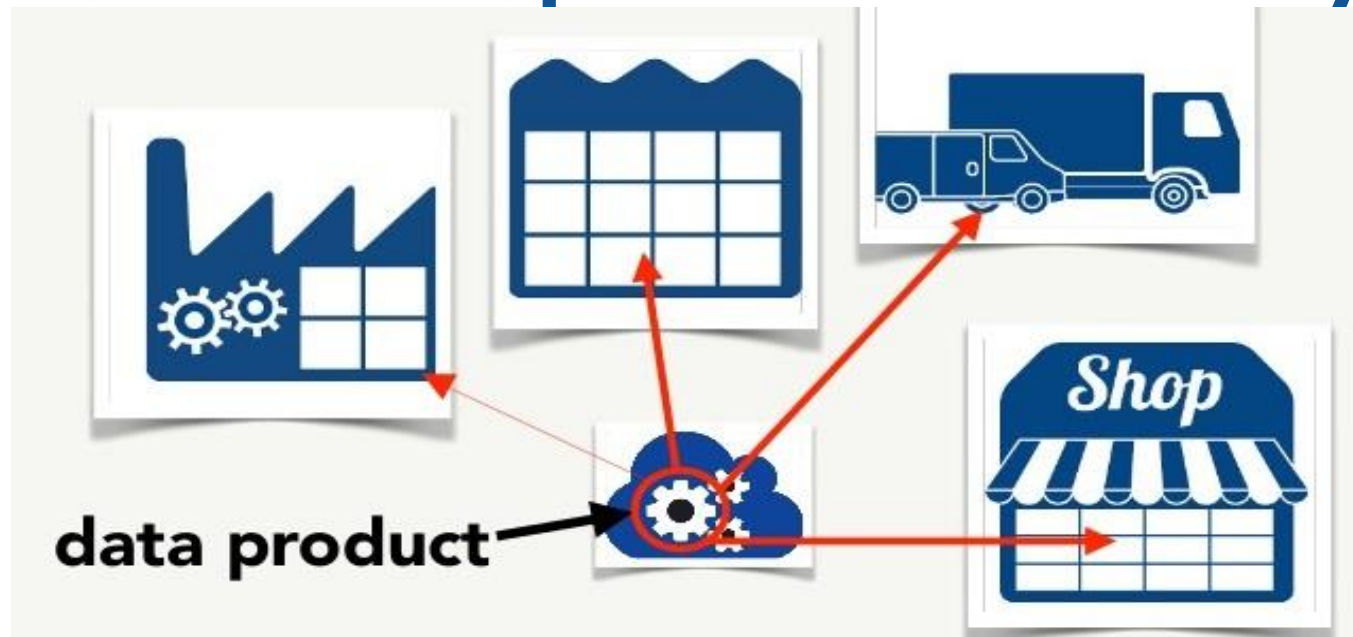
- 2 **impact assessments.**

Obstacles to data mobility

- **Data localisation requirements** by Member States' public authorities;

- **Vendor lock-in** practices by cloud service providers;

- **Legal uncertainty** leading to caution on the market regarding cross-border data storage and processing;

- **Lack of trust** due to security risks and concerns about the cross-border availability of data for regulatory purposes.

Single EU Data Space

EU data flows: **the rules** #EUdataFF

GDPR
- *Personal data*
- *Protection of citizens*
- *Privacy*

- *Non-personal data*
- *Opportunities for business*
- *A competitive data market*
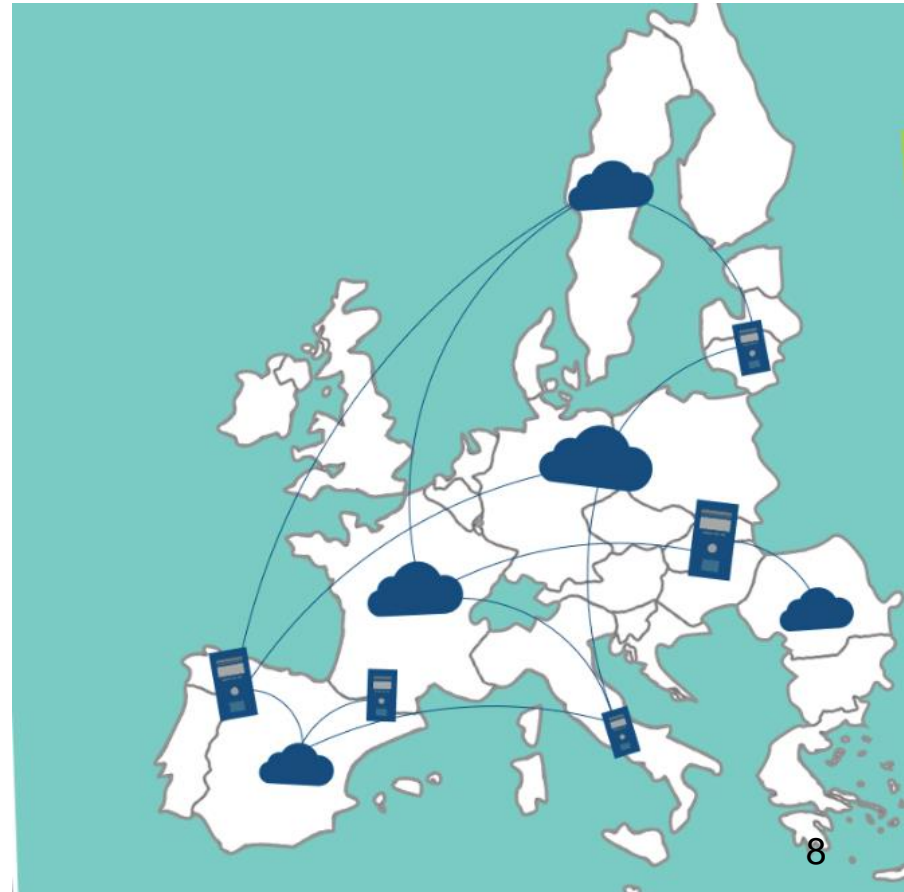
FREE FLOW OF NON-PERSONAL DATA

Free movement of data is essential for the European Data Economy

- Data and data flows "feed" **technological innovation** (IoT, AI, blockchain, fin-tech, smart mobility, e-health)

- Enabling free flow of data in the EU is estimated to contribute to the growth of the European Data Economy with an **additional 4% of the GDP by 2020**

Unlocking cross-border data storage and processing for EU business

- Creating legal certainty for cross-border storing and processing of data within the EU;

- Less multiplication of IT systems for EU companies (SMEs) active in different Member States;

- Enabling innovative cross-border data ecosystems in Europe;

- A competitive EU single market for secure, reliable and affordable cloud services (avoiding vendor lock-in).

The proposed Regulation:

- **Principles-based**, not detailed (Better Regulation):
  - **The free flow of non-personal data** principle
  - **The principle of data availability** for regulatory control purposes
  - Actions to make sure cloud service providers and users develop s**elf-regulatory codes of conduct for easier switching of provider and/or porting data** back to in-house servers
  - Governance by **single points of contact** per Member State, forming an expert group.

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Scope of the proposed Regulation

→ **Applicable to outsourced and on premise data storage & different types of processing:**

  → *Cloud Services (IaaS/PaaS/SaaS)*

  → *Innovative data services such as big data analytics*

→ **Applicable to data not related to an identified or identifiable natural person & anonymised data.**

→ **Territorial scope: *exclusively* the territory of the European Union (no implications for EU foreign policies regarding data flows).**