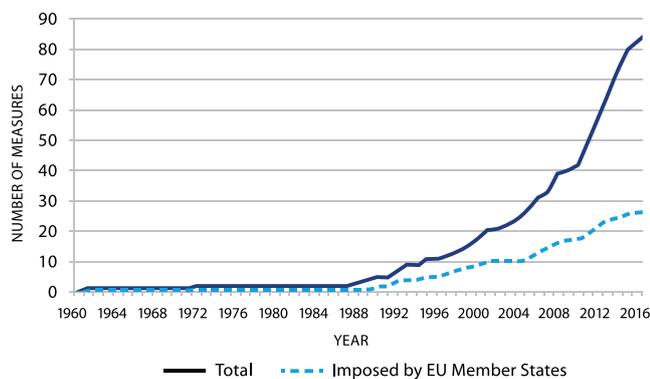


# THE FREE FLOW OF NON-PERSONAL DATA IN THE EUROPEAN UNION

European decision makers are currently discussing a proposal to enable the free flow of non-personal data in Europe. Forced data localisation measures are on the rise globally and in EU Member States:<sup>1</sup> This negative trend runs counter to the ambition of a European Digital Single Market. It also reduces competition and **increases storage costs with up to 120%** for companies and consumers.



More than **20** measures in EU Member States impose restrictions on data transfers to another Member State. The most common restrictions target company records, accounting data, banking, telecommunications, and government data. In addition, there are at least **35** restrictions on data usage that could indirectly localise data within a certain Member State.

Removing existing data localising measures would be worth **8 billion euros per year** in GDP gains.

Preventing new data localisation measures in the future would be worth **52 billion euros per year**, or 0.37% of the EU's GDP.

## What do decision-makers say?

Andrus Ansip Vice-President, European Commission:<sup>2</sup>



*"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."*

European Heads of Government:<sup>3</sup>

*"an early legislative proposal providing for the free flow of data is crucial to avoid market fragmentation and further obstacles to the development of the data economy in the EU."*

Members of the European Parliament:<sup>4</sup>



*"The free flow of data is what makes the digital economy function and has been vital for growth. If Europe is to achieve its full potential, this data flow should not be obstructed by local or national measures. ... Such protectionist measures prevent our companies, especially SMEs, from scaling up."*

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<sup>1</sup> European Center for International political Economy: "Unleashing Internal Data Flows in the EU: An Economic Assessment of Data Localisation Measures in the EU Member States" (2016).

<sup>2</sup> European Commission press release, September 2017.

<sup>3</sup> Letter from 16 heads of European governments to Council President Donald Tusk, 2016.

<sup>4</sup> Letter from Members of the European Parliament, April 2017.