



## **Global Data Alliance Submission on the European Strategy for Data**

The Global Data Alliance<sup>1</sup> welcomes the opportunity to provide feedback on the European Strategy for Data (“the Strategy”) and in particular its international aspects. The Global Data Alliance is a cross-industry coalition of companies, headquartered in different regions of the world, operating in Europe and across the globe, that are committed to high standards of data responsibility. It supports policies that help instill trust in the digital economy while safeguarding the ability to transfer data across borders and refraining from imposing data localization requirements that restrict trade and hamper companies’ ability to take full advantage of digital technologies to grow and innovate. Cross-border data flows are instrumental to the use of these technologies by companies of all sizes and all sectors in Europe and by extension to Europe’s economic recovery post-COVID-19. The objectives of innovation and competitiveness laid out in the Strategy can only be achieved if the EU continues to fully integrate cross-border data flows into future data-related policies.

The Global Data Alliance welcomes the European Commission’s forward-looking commitment and international approach to data flows, based on trust and openness – two key drivers of Europe’s global competitiveness. The EU’s ambition to “become a leading role model for a society empowered by data to make better decisions” should build on the existing EU legislative framework conducive to cross-border data flows, including the Free Flow of Data Regulation and the General Data Protection Regulation. At the same time, upcoming EU data policies including “fit-for-purpose legislation and governance to ensure availability of data, with investments in standards, tools and infrastructures,” as mentioned in the Strategy, should be developed with this in mind and not be prescriptive or lead to measures at EU or national levels that may impose market access or other unjustified barriers, such as data localization measures.

Companies of all sectors increasingly rely on the ability to transfer data responsibly around the world, including Europe, to design, create, and export new products and services; to enhance business processes and increase productivity; to ensure seamless global customer experience and reach new customers; to access global supply chains; and to engage in research, development, and innovation. 75% of the value of data transfers globally accrues to traditional industries like agriculture, logistics, and manufacturing.<sup>2</sup>

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<sup>1</sup> The Global Data Alliance is a cross-industry coalition of companies that are committed to high standards of data responsibility and that rely on the ability to transfer data around the world to innovate and create jobs. The Alliance supports policies that help instill trust in the digital economy while safeguarding the ability to transfer data across borders and refraining from imposing data localization requirements that restrict trade. Alliance members include BSA members and American Express, Amgen, AT&T, ITB360, Mastercard, Panasonic, United Airlines, Verizon, Visa, and WD-40 Company. BSA | The Software Alliance administers the Global Data Alliance. EU Register of Interest Representatives: 75039383277-48

<sup>2</sup> [Internet matters: The Net’s sweeping impact on growth, jobs, and prosperity](#), McKinsey Global Institute, 2011

Movement of data is critical for the services that sustain global commerce, protect consumers from fraud and counterfeit products, improve health and safety, and promote social good. Many industry sectors increasingly adopt digital technologies such as artificial intelligence (AI) and analytics to run, facilitate, improve, and optimize their day-to-day operations.<sup>3</sup> For instance:

- The global aviation industry uses digital innovation to improve customer experience and drive predictive maintenance;
- The manufacturing sector uses it to share product information and facilitate collaboration with external partners, design offices, and material suppliers and subcontractors across the world;<sup>4</sup>
- Companies engaged in services including transportation, logistics, and financial services rely on digital technology to foster compliance with regulatory requirements – for example by allowing financial firms to spot potentially fraudulent financial transactions in real time or to track financial transactions suspected of implicating money laundering and other criminal activities.

In many cases, AI and analytics technologies can only be effectively deployed on the basis of responsible cross-border access to consolidated data sets from around the world.

Furthermore, the COVID-19 pandemic has further highlighted that responsible movement of information across borders also supports scientific advances and improved health and safety outcomes. For example, pharmaceutical R&D and clinical trials depend upon the ability to assess the safety and efficacy of potential vaccines and treatments among different population groups with different genetic characteristics. Absent such rigorous trials and the ability to efficiently and responsibly share the underlying data across borders, the safety and efficacy of a particular candidate vaccine or treatment may not be conclusively established for global use. Likewise, at the present time, the ability to move data across borders responsibly contributes to the workforce's ability to remain productive through teleworking, virtual collaboration, and online training, as well as remotely delivered health care and other services. In this context, the adoption of digital technologies that rely on data flows is expected to continue advancing as the response to and recovery from the COVID-19 pandemic depend on policies and initiatives that will enable governments and their citizens to prepare for and implement increased remote working and other remote-based activities. To illustrate this point, according to Eurofound, almost 4 in 10 employees started teleworking since the confinement measures were put in place in Europe.<sup>5</sup>

In addition to this empirical evidence, quantifying and qualifying the significance of data flows to inform policy making is very important. This could dramatically empower individual industry sectors to better understand and leverage the benefits of data flows, fostering economic development. The Global Data Alliance welcomes the EU's project to create a European analytical framework for measuring data flows and would be pleased to provide input on data flow trends in relevant industry sectors.

On the international stage, this EU's ongoing engagement to promote cross-border data flows, as well as strong privacy safeguards, is critical to encouraging trust and responsible behavior in

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<sup>3</sup> In Europe, almost 80% of large companies and 35% of SMEs use information sharing software. [Digital Economy and Society Index](#), European Commission, 2019

<sup>4</sup> [The Cross-Border Movement of Data: Creating Jobs and Trust Across Borders in Every Sector](#), Global Data Alliance, 2020

<sup>5</sup> [Living, working and COVID-19. First findings](#), Eurofound, April 2020

digital economy. By addressing unjustified barriers and digital restrictions, the EU is sending an important signal at a time when many countries seek to impose data localization requirements and restrict cross-border transfers, including India, China, Russia, Indonesia, Vietnam and Pakistan. The Global Data Alliance encourages the EU to promote international convergence and interoperability of trade and policy frameworks to accommodate for a similar objective of seamless data flows with strong privacy safeguards. This approach will significantly contribute to facilitating European companies' cross-border growth and integration into global supply chains.

We welcome the European Commission continued leadership on this crucial issue through ongoing engagement and dialogue with other governments. We look forward to supporting the Commission further on this important matter.

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