



## Global Data Alliance Comments on the United Kingdom National Data Strategy

December 2020

The Global Data Alliance<sup>1</sup> welcomes the opportunity to provide comments on the United Kingdom National Data Strategy as it relates to maintaining a pro-growth and trusted data regime, and to championing the international flow of data. Global Data Alliance members believe these two objectives are foundational to today's digital economy and to Covid-19 recovery.

The 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. The ability to move data across borders responsibly also 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.<sup>2</sup>

With 75% of the value of data transfers globally accruing to traditional industries like agriculture, logistics, and manufacturing,<sup>3</sup> companies of all sectors increasingly rely on the ability to transfer data responsibly around the world:

- 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.<sup>4</sup>

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<sup>1</sup> The Global Data Alliance ([globaldataalliance.org](https://globaldataalliance.org)) 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, Citi, ITB360, LEGO, Mastercard, Medtronic, Panasonic, Pfizer, Roche, United Airlines, Verizon, Visa, UDS Technology, and WD-40 Company. These companies are headquartered across the globe and are active in the advanced manufacturing, aerospace, automotive, consumer goods, electronics, energy, financial services, health, supply chain, and telecommunications sectors, among others. BSA | The Software Alliance administers the Global Data Alliance.

<sup>2</sup> Primer "Cross-border data transfers and Remote Work," <https://globaldataalliance.org/downloads/10052020cbdtremotework.pdf>

<sup>3</sup> [Internet matters: The Net's sweeping impact on growth, jobs, and prosperity](#), McKinsey Global Institute, 2011

<sup>4</sup> Primer "Jobs in all sectors depend on cross-border data flows" <https://globaldataalliance.org/downloads/infographicgda.pdf>

With the continuing adoption of digital and data-driven technologies that rely on data flows, maintaining trust in the data regime and enabling data to flow across borders should be integral parts in the UK National Data Strategy, building on existing policies.

Various aspects of the current consultation are very important to Global Data Alliance members, and comments on those issues are being communicated to you through different submissions, and we ask that you kindly consider them. This submission respectfully presents our specific views regarding cross-border data flows, as this is the focus of the Global Data Alliance. Therefore, the Global Data Alliance would like to offer some insights and recommendations on the questions below.

**Q18. How can the UK improve on current international transfer mechanisms, while ensuring that the personal data of UK citizens is appropriately safeguarded?**

Companies across sectors are embracing digital technologies as a way to improve operations, increase efficiency, stimulate innovation and remain competitive. These digital technologies are used to serve a variety of functions, from market forecasting and productivity tools, to regulatory compliance and supply-chain management. They rely on business and personal data, and on the ability of companies to move this data across locations and jurisdictions. As a result, the protection of personal data is a key part of building customers' and employees' trust as companies embrace digital transformation.

The UK data protection framework currently provides for strong privacy safeguards and lays out a comprehensive international transfers regime. These pillars could be strengthened by ensuring the following three aspects are taken into account:

- Ensure companies can rely on a set of valid transfer mechanisms.

The UK Data Protection Act (Chapter 5) provides a list of mechanisms that can be used by organizations to comply with its general principles and specific requirements when transferring personal data outside of the country. Different organization types and business models require the use of different transfer mechanisms that are not interchangeable. It is therefore critical to ensure that businesses, in particular M-SMES, can continue using the full range of existing data transfer mechanisms, such as: adequacy decisions; Binding Corporate Rules (BCRs); Standard Contractual Clauses (SCCs); and other mechanisms. All these mechanisms are critical to support global data flows and are built with strong safeguards.

- Expand the UK international data flows regime.

As it further reflects on its international transfer regime post-Brexit, the UK could seize this opportunity to facilitate British companies' cross-border growth and integration into global supply chains by promoting international convergence and interoperability of privacy frameworks across the world. At a principle level, this would help promote a similar objective of seamless data flows with strong privacy safeguards across the world with like-minded countries and beyond. At a time of rising protectionism across the world, the UK can be an important advocate to promote strong privacy safeguards and international data flows. At a more operational level, this work towards convergence would help create frictionless interoperability of regimes, in

particular as they relate to the alignment of principles, and compatibility of safeguards and mechanisms. The UK should consider pursuing these objectives through all the appropriate channels, in particular the World Trade Organization's Joint Statement Initiative on e-commerce, in discussions with Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) members, in current and upcoming trade negotiations' digital and other chapters relevant to data flows.<sup>5</sup>

The UK can also build on its existing legislative framework by preserving existing tools that have been widely adopted by the business community and by recognizing the power of issuing UK adequacy determinations to countries not yet recognized as such (See response to question 19).

**Q19. What are your views on future UK data adequacy arrangements (e.g. which countries are priorities) and how can the UK work with stakeholders to ensure the best possible outcome for the UK?**

In order to maximize its use of adequacy, the UK should consider countries that have high relevance for UK organizations and UK trade overall. Top UK trading partners include the United States and China (respectively 15.5% and 6.4% of UK exports), EU countries (which would fall under the UK adequacy decision for the EU), and Hong Kong, the UAE, Japan, Singapore, India and Brazil which collectively represent close to 8% of UK exports.<sup>6</sup> A UK adequacy determination for like-minded trading partners would contribute to providing legal certainty and a valuable alternative transfer tool for UK businesses that operate globally.

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<sup>5</sup> Data flows disciplines should apply across all economic sectors, including financial services.

<sup>6</sup> <http://www.worldstopexports.com/united-kingdoms-top-import-partners/>