

Free flow of non-personal data in the EU

In 2017, the European Commission adopted a proposal for a regulation on a framework for the free flow of non-personal data across the EU. This proposal was presented as one of the key actions in the mid-term review of the Digital Single Market strategy. The European Parliament is due to vote on the text agreed in trilogue negotiations during its October I plenary session.

Background

In an increasingly connected world, to make the most of the data economy and achieve a Digital Single Market, it is essential to enable data to flow across borders in the EU. According to the Commission [review](#), many Member States still restrict the geographical location and processing of data, such as those related to the financial sector, company records, accounting and tax, telecommunications and government data. This limits the choices for companies, which may not be able to choose the most suitable locations for data. Yet it has been estimated that lower costs for data services, more flexibility for companies and greater legal certainty could boost EU GDP by up to €8 billion a year. Moreover, according to the Commission, removing data localisation restrictions is the most important factor for the data economy to unlock its full economic potential, to grow up to €739 billion in 2020, doubling its value to 4 % of GDP.

European Commission proposal

On 13 September 2017, the Commission adopted a proposal for a regulation aimed at removing obstacles to the free movement of non-personal data across the EU, with a focus on removing geographical restrictions on data location and processing. In addition, it proposes self-regulation to enable customers to switch cloud service providers more easily, and avoid lock-in effects.

European Parliament position

On 4 June 2018, Parliament's Committee on the Internal Market and Consumer Protection (IMCO) adopted its [report](#), as well as the mandate to negotiate with the Council. [Agreement](#) was reached in trilogue on 19 June, after just two meetings, and that agreement was endorsed by the IMCO committee on 12 July 2018.

The agreed text sets the principle of allowing non-personal data to be located and processed anywhere in the EU without unjustified restrictions, with possible exceptions on grounds of public security. It abolishes data localisation requirements, while making sure that competent authorities can access data for the purposes of regulatory control. To facilitate competent authorities' access to the data, a single point of contact per Member State would be created, to liaise with other Member States' contact points and with the Commission. The regulation would cover only non-personal data, as personal data is already protected by the General Data Protection Regulation (GDPR). Non-personal data is defined as data other than personal data, i.e. not relating to an identified or identifiable person, including anonymised data and machine-to-machine data. Under the agreement the Commission is to publish guidelines within six months in respect of 'mixed' data sets (i.e. data sets composed of both personal and non-personal data). The regulation will also enable easier switching of cloud-service-providers for customers, through the development of self-regulatory codes of conduct, which include the terms and conditions under which users can port data outside their IT environments. Parliament is due to vote on the text during the October I plenary session.

First-reading report: [2017/0228\(COD\)](#); Committee responsible: IMCO; Rapporteur: Anna Maria Corazza Bildt (EPP, Sweden). For further information see our 'EU Legislation in progress' [briefing](#).

