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*Plenary sitting*

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**A8-0384/2017**

29.11.2017

# **REPORT**

Towards a digital trade strategy  
(2017/2065(INI))

Committee on International Trade

Rapporteur: Marietje Schaake

## CONTENTS

	<b>Page</b>
MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION .....	3
OPINION OF THE COMMITTEE ON INDUSTRY, RESEARCH AND ENERGY .....	15
OPINION OF THE COMMITTEE ON THE INTERNAL MARKET AND CONSUMER PROTECTION .....	22
OPINION OF THE COMMITTEE ON CIVIL LIBERTIES, JUSTICE AND HOME AFFAIRS .....	27
INFORMATION ON ADOPTION IN COMMITTEE RESPONSIBLE .....	32
FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE.....	33

## MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

### **Towards a digital trade strategy (2017/2065(INI))**

*The European Parliament,*

- having regard to Articles 207(3) and 218 of the Treaty on the Functioning of the European Union (TFEU),
- having regard to the General Agreement on Trade in Services (GATS),
- having regard to the World Trade Organisation (WTO) Information Technology Agreement (ITA),
- having regard to the WTO Work Programme on E-commerce,
- having regard to the Joint Declaration by G7 ICT Ministers at the Meeting in Takamatsu, Kagawa on 29 and 30 April 2016,
- having regard to the Organisation for Economic Cooperation and Development (OECD) Ministerial Declaration on the Digital Economy in Cancun in 2016,
- having regard to the Dynamic Coalition on Trade at the Internet Governance Forum,
- having regard to the ongoing EU trade negotiations with third countries,
- having regard to the announced agreement in principle on the EU-Japan Economic Partnership Agreement of 6 July 2017,
- having regard to Directive 2000/31/EC of the European Parliament and of the Council of 8 June 2000 on certain legal aspects of information society services, in particular electronic commerce, in the Internal Market (Directive on electronic commerce)<sup>1</sup>,
- having regard to Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation)<sup>2</sup>,
- having regard to the Commission communication of 14 October 2015 entitled ‘Trade for All: Towards a more responsible trade and investment policy’ (COM(2015)0497),
- having regard to the Commission communication of 19 April 2016 entitled ‘Digitising European Industry’ (COM(2016)0180),
- having regard to the Commission communication of 19 April 2016 entitled ‘A European Cloud Initiative – Building a competitive data and knowledge economy in Europe’

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<sup>1</sup> OJ L 178, 17.7.2000, p. 1.

<sup>2</sup> OJ L 119, 4.5.2016, p. 1.

- (COM(2016)0178),
- having regard to the Commission report of 23 June 2017 on trade and investment barriers (COM(2017)0338),
  - having regard to the Commission communication of 10 January 2017 entitled ‘Building A European Data Economy’ (COM(2017)0009),
  - having regard to the Commission proposal for a regulation of the European Parliament and of the Council concerning the respect for private life and the protection of personal data in electronic communications and repealing Directive 2002/58/EC (Regulation on Privacy and Electronic Communications) (COM(2017)0010),
  - having regard to the Commission proposal for a regulation of the European Parliament and of the Council on a framework for the free flow of non-personal data in the European Union (COM(2017)0495 final) of 13 September 2017,
  - having regard to the Commission staff working document of 2 May 2017 entitled ‘Digital4Development: mainstreaming digital technologies and services into EU Development Policy’ (SWD(2017)0157),
  - having regard to its resolution of 5 July 2016 on a new forward-looking and innovative future strategy for trade and investment<sup>1</sup>,
  - having regard to its resolution of 3 February 2016 containing the European Parliament’s recommendations to the Commission on the negotiations for the Trade in Services Agreement (TiSA)<sup>2</sup>,
  - having regard to its resolution of 8 July 2015 containing the European Parliament’s recommendations to the European Commission on the negotiations for the Transatlantic Trade and Investment Partnership (TTIP)<sup>3</sup>,
  - having regard to the United Nations Summit on Sustainable Development and the outcome document adopted by the UN General Assembly on 25 September 2015 entitled ‘Transforming our world: the 2030 Agenda for Sustainable Development’, and the 17 Sustainable Development Goals (SDGs),
  - having regard to the upcoming 11th Ministerial Conference of the WTO, to be held in Buenos Aires, Argentina, from 10 to 13 December 2017, where e-commerce is likely to be discussed,
  - having regard to the UN International Telecommunication Union’s initiatives in support of Developing Countries (ITU-D),
  - having regard to the EU Charter of Fundamental Rights,

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<sup>1</sup> Texts adopted, P8\_TA(2016)0299.

<sup>2</sup> Texts adopted, P8\_TA(2016)0041.

<sup>3</sup> Texts adopted, P8\_TA(2015)0252.

- having regard to Article 8(1) of the Charter of Fundamental Rights of the European Union and to Article 16(1) of the Treaty on the Functioning of the European Union,
  - having regard to the International Covenant on Civil and Political Rights,
  - having regard to the reports of the UN Special Rapporteur on the protection of freedom of speech on Freedom of Expression and the private sector in the digital age (A/HRC/32/38) and on the role of digital access providers (A/HRC/35/22),
  - having regard to the EU Human Rights Guidelines on Freedom of Expression Online and Offline, adopted by the Council (Foreign Affairs) on 12 May 2014,
  - having regard to the Convention for the Protection of Individuals with regard to Automatic Processing of Personal Data, European Treaty Series No.108, and the additional protocol thereto,
  - having regard to its resolution of 26 May 2016 on transatlantic data flows<sup>1</sup>,
  - having regard to the Commission report to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on the implementation of the Trade Policy Strategy Trade for All – Delivering a Progressive Trade Policy to Harness Globalisation (COM(2017)0491).
  - having regard to Rule 52 of its Rules of Procedure,
  - having regard to the report of the Committee on International Trade and the opinions of the Committee on Industry, Research and Energy, the Committee on the Internal Market and Consumer Protection and the Committee on Civil Liberties, Justice and Home Affairs (A8-0384/2017),
- A. whereas technological developments, access to the open internet and the digitalisation of the economy are an engine for growth as they enable companies particularly start-ups, micro-enterprises and SMEs, to create new opportunities in developing, ordering, producing, marketing or delivering products and services, and to reach customers all over the globe at a faster pace and lower cost than ever before; whereas emerging technologies such as distributed ledger technology have the potential to enhance digital trade by improving the transparency of international contracts and expediting the transfer of value; whereas trade in physical goods has been replaced by increasing amounts of cross-border transfers of digital content, sometimes blurring the distinction between goods and services;
- B. whereas data collection, data aggregation and the ability to transfer data across borders has the potential to be a key driver of innovation, productivity and economic competitiveness;
- C. whereas the globalisation and digitalisation of our economies and of international trade have enabled businesses to grow and provided economic opportunities for citizens; whereas the digitalisation of traditional industries affects supply chains, manufacturing

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<sup>1</sup> Texts adopted, P8\_TA(2016)0233.

and services models, which could lead to job creation in new industries, but could also disrupt current jobs and lead to precarious working conditions as more and more tasks traditionally performed by humans are either automated or off-shored, or both; stresses in this regard that the necessary social flanking measures must be put in place for them to benefit the whole society, such as strong education and training policies, active labour market policies and measures to overcome the digital divide;

- D. whereas the digital economy requires a rules-based framework, including modern trade rules which can reconcile the rapid changes in the market with the rights of consumers, providing the policy space and room for new regulatory initiatives needed by governments to defend and strengthen the protection of human rights;
- E. whereas access to a free, open and secure internet is a prerequisite for rules-based trade and development in the digital economy; whereas the principle of net neutrality should be a key part of the EU's digital trade strategy in order to allow for fair competition and innovation in the digital economy, while ensuring freedom of speech online;
- F. whereas investment in infrastructure and access to skills remain key challenges to connectivity and, therefore, digital trade;
- G. whereas the UN's SDGs stress that providing universal and affordable access to the internet for people in least developed countries by 2020 will be crucial for fostering development, as the development of a digital economy could be a driver of jobs and growth, e-commerce being one opportunity to increase the numbers of small exporters, export volumes and export diversification;
- H. whereas women can benefit as entrepreneurs and as workers from better access to global markets, and as consumers from lower prices, whereas many challenges and inequalities still hinder women's participation in the global economy, as many of women in low- and middle-income countries, still have no access to the internet;
- I. whereas e-commerce is also booming in developing countries;
- J. whereas governments around the world are engaging in digital protectionism by putting up barriers that hinder market access and direct investment, or create unfair advantages for domestic companies; whereas a number of broad measures in third countries taken in the name of national (cyber)security have an increasingly negative impact on trade in ICT products;
- K. whereas foreign companies currently benefit from far greater access to the European market than Europeans do to third countries; whereas many of our trade partners are increasingly closing their domestic markets and resorting to digital protectionism; whereas the EU should anchor its digital trade strategy in the principles of reciprocity, fair competition, smart regulation and transparency with a view to restoring consumers' trust and restoring a level playing field for businesses;
- L. whereas geo-blocking should be put to an end and no forms of unjustified discrimination based on a customer's nationality, place of residence or place of establishment within the internal market should take place in the future;

- M. whereas the building blocks that preserve the open internet in the EU's digital single market, including principles such as fair competition, net neutrality and intermediary liability protections, should be promoted in all trade negotiations; whereas the global dimension of digital trade makes the WTO the natural venue for the negotiation of a rule-based multilateral framework; whereas the 11th WTO Ministerial Conference in December 2017 provides the platform for launching such a process;
- N. whereas the European Union is bound by the EU Charter of Fundamental Rights, including Article 8 thereof on the right to the protection of personal data, by Article 16 TFEU on the same fundamental right, and by Article 2 of the Treaty on European Union (TEU); whereas the right to privacy is a universal human right; whereas high data protection standards help to build trust in the digital economy among European citizens and thus foster the development of digital trade; whereas promoting high data protection standards, in particular as regards sensitive data, and facilitating international trade must go hand in hand in the digital era, in order to support freedom of expression and information, e-commerce, and encryption, and to reject digital protectionism, mass surveillance, cyber espionage and online censorship;
- O. whereas digital trade must protect endangered wildlife species, and whereas online market places must ban the sale of wildlife and wildlife products on their platforms;
- P. whereas private companies are increasingly setting norms and standards in the digital economy, which will have a direct impact on citizens and consumers, as well as on domestic and international trade and at the same time accelerate the development of technological solutions to safeguard business and customers;
- Q. whereas the OECD recommendations against base erosion and profit shifting and the EU's plans for a common consolidated corporate tax base have highlighted the need to address a number of tax challenges, including those posed by the digital economy; whereas taxes should be paid where profits are made; whereas a more transparent, efficient and fair system for calculating the tax base of cross-border companies should prevent profit shifting and tax avoidance; whereas a coherent EU approach to taxation in the digital economy is necessary to achieve fair and effective taxation of all companies and to create a level playing field; recalls that trade agreements should include a clause on tax good governance that reaffirms the parties' commitment to implementing agreed international standards in the fight against tax evasion and avoidance;
- R. whereas, according to the OECD, up to 5 % of goods imported into the EU are counterfeited, resulting in substantial losses in jobs and tax revenues;
- S. whereas sensitive sectors such as audio-visual services, and fundamental rights such as the protection of personal data, should not be subject to trade negotiations;
- T. whereas digital trade must also aim to promote the growth of SMEs and start-ups, and not only that of multinationals;
- U. whereas Mexico fulfils the conditions for accession to Council of Europe Convention 108 on data protection;

- V. whereas the protection of personal data is non-negotiable in trade agreements, and whereas data protection has always been excluded from EU trade negotiation mandates;
- W. whereas trade agreements can be a lever to improve digital rights; whereas the inclusion of provisions on net neutrality, a ban on forced unjustified data localisation requirements, data security, security of data processing and data storage, encryption and intermediary liability in trade agreements can strengthen, in particular, the protection of freedom of speech;
1. Underlines that the EU, as a community of values and the world's biggest exporter of services, should set the standards in international rules and agreements on digital trade flows based on three elements: (1) ensuring market access for digital goods and services in third countries, (2) ensuring that trade rules create tangible benefits for consumers and (3) ensuring and promoting respect for fundamental rights;
  2. Stresses the need to bridge the digital divide in order to minimise potential negative social and development impacts; underlines, in this regard, the importance of promoting female participation in STEM (science, technology, engineering and mathematics), of removing barriers to lifelong learning, and of closing gender gaps in access to and in the use of new technologies; calls on the Commission to explore further how current trade policy and gender equality are linked and how trade can promote women's economic empowerment;
  3. Notes that the network effect of the digital economy enables one company or a small number of companies to hold a large market share, which could lead to excessive market concentration; stresses the importance of promoting fair and effective competition in trade agreements, in particular between digital service providers such as online platforms, and users such as micro-enterprises, SMEs and start-ups, and of promoting consumer choice, reducing transaction costs, ensuring non-discriminatory treatment of all market players and avoiding the creation of dominant positions that distort the markets; stresses, in this context, the importance of including net neutrality as a key part of its digital trade strategy; considers that a digital trade strategy must be complemented by a reinforced and effective international framework for competition policy, including by increased cooperation between competition authorities and strong competition chapters in trade agreements; calls on the Commission to ensure that businesses and companies comply with competition rules and that there is no discrimination against competitors to the detriment of consumers' interests;
  4. Stresses that access to secure broadband internet connectivity and digital payment methods, effective consumer protection, in particular redress mechanisms for online cross-border sales, and predictable customs procedures, are essential elements in relation to enabling digital trade, sustainable development and inclusive growth;
  5. Considers that trade agreements should provide for increased cooperation between consumer protection agencies and welcomes initiatives to foster consumer trust-enhancing measures in trade negotiations, such as disciplines on electronic signatures and contracts and unsolicited communications; highlights that the rights of consumers must be protected and must not in any event be diluted;



6. Underlines that SMEs in developing countries make up the majority of businesses and employ the majority of manufacturing and service sector workers; recalls that facilitating cross-border e-commerce can have a direct impact on improving livelihoods, fostering higher living standards and boosting economic development;
7. Recalls that nothing in trade agreements shall prevent the EU and its Member States from maintaining, improving and applying its data protection rules; recalls that personal data can be transferred to third countries without using general disciplines in trade agreements when the requirements – both at present and in the future – enshrined in Chapter IV of the current Data Protection Directive and in the Chapter V of the forthcoming Data Protection Regulation, are fulfilled; recognises that adequacy decisions, including partial and sector-specific ones, constitute a fundamental mechanism in terms of safeguarding the transfer of personal data from the EU to a third country; notes that the EU has only adopted adequacy decisions with four of its 20 largest trading partners; recalls the importance of guaranteeing, in particular through adequacy dialogues, the transfer of data from third countries to the EU;
8. Calls on the Commission to prioritise and speed up the adoption of adequacy decisions, provided that third countries ensure, by reason of their domestic law or their international commitments, a level of protection ‘essentially equivalent’ to that guaranteed within the EU; calls on the Commission to adopt, and to make public, updated and detailed binding procedures with a specific timeframe for reaching these decisions, while fully respecting the powers of national supervisory authorities and the opinion of Parliament;
9. Recalls that the ability to access, collect, process and transfer data across borders has become increasingly important for every type of company that delivers goods and services internationally; notes that this matters for both personal and non-personal data and includes machine-to-machine communication;
10. Urges the Commission to draw up rules for cross-border data transfers as soon as possible which fully comply with the EU’s existing and future data protection and privacy rules; calls on the Commission, furthermore, to incorporate into the EU’s trade agreements a horizontal provision, which fully maintains the right of a party to protect personal data and privacy, provided that such a right is not unjustifiably used to circumvent rules for cross-border data transfers for reasons other than the protection of personal data; considers that such rules and provisions should form part of all new and recently launched trade negotiations with third countries; stresses that any disciplines in this regard should be exempted from the scope of application of any future chapter dealing with investment protection;
11. Calls on the Commission to strictly prohibit unjustified data localisation requirements in free trade agreements (FTAs); considers that the removal of such requirements should be a top priority, and emphasises that the relevant data protection legislation should be adhered to; regrets attempts to use such requirements as a form of non-tariff barrier to trade and as a form of digital protectionism; considers that such protectionism seriously hampers opportunities for European businesses in third country markets and undermines the efficiency benefits of digital trade;

12. Calls on the Commission to put forward, as soon as possible, its position on cross-border data transfers, unjustified data localisation requirements, and data protection safeguards in trade negotiations, in line with Parliament's position, so as to include it in all new and recently launched negotiations and to avoid the EU being sidelined in international trade negotiations;
13. Calls on the Commission to combat measures by third countries, such as 'buy local' policies, local content requirements or forced technology transfers, to the extent that they are not justified by UN-led programmes on closing the digital divide or TRIPS-related exceptions, so as to ensure that European companies can operate in a fair and predictable environment;
14. Stresses that the EU should continue to pursue its efforts at bilateral, plurilateral and multilateral level to ensure that third countries offer a level of openness towards foreign investments equivalent to that of the EU, and that they maintain a level playing field for EU operators; welcomes the EU's proposal for a regulation establishing a framework for review of foreign direct investments into the Union and supports its objectives to better protect critical infrastructures and technologies;
15. Underlines that a digital trade strategy must be fully in line with the principle of net neutrality and safeguard the equal treatment of internet traffic, without discrimination, restriction or interference, irrespective of its sender, receiver, type, content, device, service or application; recalls, moreover, that traffic management measures should be permitted only in exceptional cases where they are strictly necessary, and only for as long as necessary, to comply with legal requirements, preserve the integrity and security of the network or prevent impending network congestion;
16. Strongly deplores third country practices which make market access conditional on the disclosure and transfer to state authorities of the source codes of the software that companies intend to sell; considers that such measures are disproportionate as a blanket requirement for market access; calls on the Commission to prohibit signatory governments to FTAs from engaging in such activities; stresses that the foregoing should not prevent state authorities from promoting transparency of software, encouraging the public disclosure of source code through free and open-source software, as well as sharing data through open data licenses;
17. Recalls that in some cases local presence requirements are necessary to ensure effective prudential supervision or regulatory oversight and enforcement; reiterates its call on the Commission, therefore, to undertake limited commitments in Mode 1, so as to avoid regulatory arbitrage;
18. Notes that pro-development technology transfer requirements should not be ruled out by disciplines on digital trade;
19. Calls on the Commission to prohibit third country authorities from requiring the disclosure or transfer of details of the (cryptographic) technology used in products as a condition of manufacturing, selling or distributing these products;
20. Notes that the protection of intellectual property (IP) rights and investments in R&D are

a precondition on the EU's knowledge-based economy, and that international cooperation is key to combating the trade in counterfeited goods throughout the entire value chain; encourages the Commission, therefore, to push for the worldwide implementation of international standards such as the WTO TRIPS Agreement and the WIPO Internet Treaties; recalls that legal protection throughout the EU, both online and offline, is needed for new creations since it will encourage investment and lead to further innovations; stresses, however, that trade agreements are not the place to extend the level of IP-protection for rights holders by providing for more extensive copyright enforcement powers; stresses that access to medicines in third countries should not be challenged on the basis of IP protection; stresses that trade in counterfeited goods requires a distinctly different approach to IP infringements in the digital economy;

21. Exhorts the Commission to keep a close eye on ICANN's gTLD Program, which expands domain names to thousands of generic names, and to guarantee, in line with its commitment to a free and open internet, the protection of rights holders, in particular those relating to geographical indications;
22. Calls on the Commission to use trade agreements to prevent parties from imposing foreign equity caps, to lay down pro-competitive wholesale access rules for incumbent operators' networks, to provide transparent and non-discriminatory rules and fees for licensing, and to secure genuine access to last-mile infrastructures in export markets for EU telecom providers; recalls that rule-based competition in the telecommunications sector leads to higher quality services and lower prices;
23. Calls on the Commission to continue its efforts towards developing a set of binding multilateral disciplines on e-commerce in the WTO, and to continue focusing on concrete and realistic deliverables;
24. Calls on the Commission to urgently re-launch TiSA negotiations in line with Parliament's adopted recommendations; espouses the view that the EU should seize the window of opportunity to take the lead to set state-of-the art global digital standards;
25. Recalls that, since 1998, members of the WTO have upheld a moratorium on tariffs on electronic transmissions; stresses that such tariffs would entail unnecessary additional costs for businesses and consumers alike; calls on the Commission to transform the moratorium into a permanent agreement on banning tariffs on electronic transmissions, subject to careful analysis of the implications in the area of 3D printing;
26. Calls on the Commission to use trade agreements to promote the interoperability of ICT standards that benefit both consumers and producers, notably in the context of a secure Internet of things, 5G and cybersecurity, while not circumventing legitimate fora for multi-stakeholder governance which have served the open internet well;
27. Considers that particular consideration should be given to the increasing number of consumers and individuals who are selling and buying items on the internet and are caught up in burdensome customs procedures for goods purchased online; recalls the need to put in place simplified, tax- and duty-free customs treatment of items sold online and returns unused; recalls that the WTO's Trade Facilitation Agreement aims to speed up customs procedures and improve their accountability and transparency;

stresses the need to digitise customs information and management via online registration and operation of information, which should facilitate clearance at the border, cooperation in fraud detection, anti-corruption efforts and transparency of prices relating to customs; believes that the broader use of tools such as online dispute settlements would be beneficial for consumers;

28. Calls on the Commission to encourage signatories of trade agreements to include, in the telecommunications chapter of their FTAs, provisions making both international roaming fees and the fees applied to international calls and messages transparent, fair, reasonable and consumer-oriented; calls on the Commission to support policies that promote cost-oriented retail prices for roaming services with a view to reducing prices, promoting transparency and preventing commercial practices that are unfair or in any way negative for consumers;
29. Recognises that the principles of the E-commerce Directive (2000/31/EC) have contributed to the development of the digital economy by creating favourable conditions for innovations and by guaranteeing freedom of speech and the freedom to conduct a business; recalls that the Commission is bound by the EU *acquis* in its trade negotiations;
30. Calls on the Commission to further mainstream digital technologies and services into the EU's development policy, as outlined, inter alia, in the Digital4Development agenda; calls on the Commission to use trade agreements to improve and promote digital rights; recognises that only 53.6 % of all households worldwide have access to the internet; deplors the fact that there is still a significant digital divide; calls on the Commission to increase investments in digital infrastructure in the Global South in order to bridge this digital divide, including by stimulating public-private partnerships, but while still respecting the development effectiveness principles; notes in this context the contribution of the UN ITU-D in the creation, development and improvement of telecommunication and ICT equipment and networks; urges the Commission to make investments in broadband infrastructure in developing countries contribute integrally to, and contingent on, respect for a free, open and secure internet and to develop adequate solutions to promote mobile internet access; stresses that such investments are particularly important for local micro, small & medium enterprises, especially in developing countries, in order to enable them to interact digitally with multinational enterprises and to access global value chains; recalls that facilitating cross-border e-commerce can have a direct impact on improving livelihoods, fostering higher living standards and boosting economic development; recalls the contribution that such endeavours could make to gender equality since a great number of these companies are owned and run by women; reiterates that digital trade could also be a resource for public administrations and thus support the development of e-government;
31. Stresses that it is imperative that any digital trade strategy must be fully in line with the principle of policy coherence for development, and should in particular seek to promote and enable start-ups and micro, small & medium enterprises to engage in cross border e-commerce, recalling the contribution this could make to gender equality;
32. Considers that digital issues should also feature more prominently in the EU's Aid for Trade policy to facilitate the growth of e-commerce via increased support for innovation

and infrastructure and access to financing, notably via micro finance initiatives, as well as assistance in increasing online visibility for e-commerce businesses in developing countries, facilitating platform access and promoting the availability of e-payment solutions and access to cost-effective logistics and delivery services;

33. Stresses that any digital trade strategy, including its flanking measures, must be fully in line with and contribute to the realisation of the 2030 Agenda for Sustainable Development; notes that SDG 4 on quality education: providing free, equitable and quality primary and secondary education to all girls and boys, SDG 5 on achieving gender equality and empowering all women and girls, SDG 8.10. on promoting inclusive and sustainable economic growth, in particular by strengthening the capacity of domestic financial institutions and expanding access to financial services, as well as SDG 9.1. on developing reliable and resilient infrastructure with a focus on equitable access for all and SDG 9.3. on increasing the access of small enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets, which is particularly relevant in this regard;
34. commits to updating its digital trade strategy every 5 years;
35. Highlights that the deployment of and access to infrastructure, especially in rural, mountainous and remote areas, that is adequate in coverage, quality and security and supports net neutrality, is crucial for digitising European industry and increasing e-governance;
36. Supports the Commission communication of 19 April 2016 on ICT standardisation priorities for the digital single market (COM(2016)0176); stresses that while ICT standardisation must continue to be primarily industry led, voluntary and consensus driven, based on the principles of transparency, openness, impartiality, consensus, effectiveness, relevance and coherence, a clearer set of priorities for ICT standardisation, together with high-level political support, will boost competitiveness; notes that this process should make use of the instruments of the European Standardisation System and involve a wide range of stakeholders, both within the EU and at international level, to ensure delivery of improved standard-setting processes, in line with the Joint Initiative on Standardisation; calls on the Commission to foster the emergence of global industry standards under EU leadership for key 5G technologies and network architectures, notably through the exploitation of the 5G public-private partnership (5G PPP) results at the level of key EU and international standardisation bodies;
37. Notes the efforts made by the WTO to advance its work programme on e-commerce; asks the Commission to seek the further expansion of the WTO's Information Technology Agreement to include more products and more WTO members, and takes note of the WTO Ministerial Conference in Buenos Aires scheduled for December 2017; asks the Commission to consult European businesses and Member States as soon as possible on its position on e-commerce and other digital trade matters to be agreed at the conference in order to ensure a united European position;
38. Believes that digital trade should be further facilitated in procurement policies, including by taking advantage of possibilities to provide services remotely and by

enabling European companies, particularly SMEs, to obtain access to public and private procurement;

39. Stresses the importance of international standards on digital equipment and services, especially in the area of cybersecurity; asks the Commission to work to ensure the introduction of basic cybersecurity measures into Internet of things products and cloud-based services;
40. Stresses that even though the Digital Single Market strategy addresses many of the problems facing digital trade, EU companies still face significant global obstacles such as non-transparent regulations, government intervention and unjustified data location or data storage; points out that some of the key actions of the Digital Single Market strategy, such as the EU cloud initiative and the copyright reform, have an international dimension that could be addressed in a European digital trade strategy;
41. Instructs its President to forward this resolution to the Council and the Commission, the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy, and the EEAS.

8.11.2017

## **OPINION OF THE COMMITTEE ON INDUSTRY, RESEARCH AND ENERGY**

for the Committee on International Trade

on towards a digital trade strategy  
(2017/2065(INI))

Rapporteur: Reinhard Bütikofer

### **SUGGESTIONS**

The Committee on Industry, Research and Energy calls on the Committee on International Trade, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

- having regard to Directive 2000/31/EC of the European Parliament and of the Council of 8 June 2000 on certain legal aspects of information society services, in particular electronic commerce, in the Internal Market (the E-Commerce Directive)<sup>1</sup>,
  - having regard to the Commission communication of 28 September 2017 entitled ‘Tackling illegal content online: towards an enhanced responsibility of online platforms’ (COM(2017)0555),
1. Notes that the increased speed and convenience of digital tools empower companies and expand their reach; stresses that the EU must develop strategies to harness the benefits of digital technology for its citizens, businesses and consumers, bridge the digital divide between regions and generations, ensure fair, transparent and sustainable market access and protect the fundamental rights of all citizens, including freedom of expression and data protection;
  2. Notes that information communications technology (ICT) facilitates an inclusive economy and could act as a key driver of innovation, growth and job creation, which can have a positive knock-on effect on the entire value chain and across all industries and regions, including on consumers and employees; calls on the Commission, therefore, to pursue 21st-century trade agreements that recognise the fundamental nature of the advancement

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<sup>1</sup> OJ L 178, 17.7.2000, p. 1.

of technology and the internet and their potential for prosperity; calls on the Commission, in this connection, to show that there is a coherent link between the digital internal market strategy and a digital trade strategy and make clear its benefits for EU citizens;

3. Takes note of the ongoing negotiations on the legislative files on the digital single market and calls on the Commission to ensure coherence between the new EU digital single market and its external policies so as to pursue an integrated approach in trade negotiations; highlights that free trade agreements (FTAs) should not be the only cooperation mechanism to facilitate digital trade;
4. Highlights that the deployment of and access to infrastructure, especially in rural, mountainous and remote areas, that is adequate in coverage, quality and security and supports net neutrality, is crucial for digitising European industry and increasing e-governance;
5. Notes that reaching the EU's strategic connectivity objectives for 2025 will require an estimated EUR 500 billion in investment in very high-capacity infrastructure over the coming decade; stresses that the European Electronic Communications Code will be instrumental in achieving a more predictable investment environment, in particular through regulation adapted to the risks and challenges of deploying predominantly new networks, with rewards for early movers;
6. Stresses the need for the simplification and alignment of rules through a technologically progressive and transparent model of e-governance for administrative procedures; calls on the Member States to advance rapidly their e-governance policies, legislation and practice;
7. Highlights the global nature of best ICT standards and technical specifications for trade infrastructure, both locally and internationally; asks, therefore, for closer cooperation at G7 and G20 level; underlines that the online environment acts as the gateway for the application of a range of other standards, including with regard to consumer rights, the environment, health, and social and fundamental rights;
8. Supports the Commission communication of 19 April 2016 on ICT standardisation priorities for the digital single market (COM(2016)0176); stresses that while ICT standardisation must continue to be primarily industry led, voluntary and consensus driven, based on the principles of transparency, openness, impartiality, consensus, effectiveness, relevance and coherence, a clearer set of priorities for ICT standardisation, together with high-level political support, will boost competitiveness; notes that this process should make use of the instruments of the European Standardisation System and involve a wide range of stakeholders, both within the EU and at international level, to ensure delivery of improved standard-setting processes, in line with the Joint Initiative on Standardisation; calls on the Commission to foster the emergence of global industry standards under EU leadership for key 5G technologies and network architectures, notably through the exploitation of the 5G public-private partnership (5G PPP) results at the level of key EU and international standardisation bodies;
9. Notes that digital connectivity enhances the volume of trade, but that an efficient delivery system is a prerequisite for online merchants; underlines, in this respect, that the EU supports harmonised labels, that can lead to better and more efficient cross-border tracking services; welcomes the open IT standards developed within the European



Committee for Standardisation (CEN) and suggests that the Commission promote such effective tools with international trade partners to reduce the costs of cross-border delivery and ultimately benefit end users and consumers;

10. Notes that when shopping online, EU consumers continue to encounter obstacles to making purchases from traders in other Member States, such as the rejection of their payment or products that cannot be delivered in their country;
11. Stresses that the EU has a major role to play in developing and promoting these standards worldwide;
12. Underlines that the EU should strengthen cooperation on digital trade with its trading partners, who apply high digital standards by working at multilateral, plurilateral and bilateral levels in order to reduce both tariffs and non-tariff barriers through tools such as e-labelling and promote global recognised standards; warns against the use of trade agreements as a standardisation tool;
13. Underlines that while EU trade agreements increasingly have to tackle behind-the-border barriers beyond tariffs, they must preserve the primary function of regulations, which is to advance the public interest, and limit themselves to facilitating trade and investment through the identification of unnecessary technical barriers to trade and duplicated or redundant administrative burdens, which affect SMEs to a disproportionate degree, while ensuring that the technical procedures and standards on health, safety, consumer, labour, social and environmental protection, and cultural diversity are not compromised; recalls that corresponding mechanisms must be based on enhanced information exchange and improved adoption of international technical standards, and lead to increased convergence, while under no circumstances undermining or delaying the democratically legitimised decision-making procedures of any trading partner;
14. Stresses that products on the digital market need to be clearly labelled to ensure that citizens and companies can verify the origin and safety of these goods;
15. Highlights the major societal impact of digital trade on employment, working conditions, labour rights, education and skills; insists that trade agreements keep competition fair, prevent further relocation, do not lower European standards, protecting workers' rights and their social security benefits and preventing digital exploitation, and do not use the lower standards of partner countries as a means to avoid meeting social and quality standards;
16. Stresses that fair and similar treatment of stakeholders must be included in all trade agreements; believes that European businesses should, for reasons of reciprocity, enjoy the same rights as economic actors from partner countries, so as to fully ensure the cybersecurity of their operations and the confidentiality of their communications; underlines the need to ensure protection against demands that would undermine the ability of businesses or citizens to ensure the cybersecurity and confidentiality of their communications;
17. Recognises that the principles of the E-Commerce Directive have been crucial in developing the digital economy and guaranteeing freedom of speech and the freedom to conduct a business; stresses that online intermediaries should not have a general

obligation to monitor the information they transmit or store, or to actively seek out facts or circumstances indicating illegal activity; believes, however, that they should cooperate to swiftly detect, remove and prevent the reappearance of illegal content and guarantee the fair remuneration of authors and rights holders, for instance by establishing an appeal mechanism to enable users and copyright holders to flag unlawful third-party content or improving the use of filters, and to prevent legal content from being taken down mistakenly, by introducing counter-notice mechanisms;

18. Stresses that trade agreements should encourage the use of advanced technologies, the interoperability of systems, predictable contractual relations and the rule of law; stresses the need for the digitalisation of customs information and management via the on-line registration and management of information, in respect of international standards, e-certification and the on-line payment of customs duties; calls on the Commission to consider setting up new cooperation mechanisms between regulators in order to support joint collaboration in R&D, exchange best practices to foster innovation, create new ecosystems (e.g. smart cities) and ensure the highest standards of consumer protection and cybersecurity;
19. Stresses the importance of the compatibility and interoperability of digital and cross-border payment systems and clear and binding rules on the payment of taxes and duties; stresses that taxes must be paid in the Member State in which the profits are generated; calls attention to VAT fraud in this context; calls on the Commission to review the exemption of small consignments and apply effective VAT procedures;
20. Emphasises that digital trade is best facilitated through an open exchange of data, provided that, as a minimum requirement, an initial provision is included in trade agreements to ensure that cross-border data transfers comply with the existing and future EU legal data protection framework, and in particular with adequacy decisions, and that a horizontal provision that fully maintains the right of a party to protect personal data and privacy, with the clear condition that it must not be used with the intention to restrict data flows for reasons other than the protection of personal data, is incorporated in EU trade agreements, accompanied by a second provision that prevents unjustified requirements for data localisation, as forced data localisation can be used as a protectionist tool and translate into a trade barrier, putting SMEs in particular at a disadvantage; reiterates that the protection of personal data is a priority in order to strengthen consumer trust and fundamental rights;
21. Stresses that telecommunications companies worldwide not only provide their own products and services, but also enable other sectors, providing the connectivity infrastructure that is essential for functioning and growing in the digital economy, especially with a view to innovative business models, and urges the Commission, in this respect, to continue incorporating provisions in trade agreements with levels of access similar to those in the EU; considers that trade partners with pro-competitive telecommunications networks will increase trading opportunities for the EU and contribute to the digital divide between developed countries and less-developed countries with limited access to the internet;
22. Calls on the Commission to promote rule-based competition in the telecommunications sector, guaranteeing the independence of regulators and ensuring fair and non-

discriminatory access to telecom networks for EU undertakings, which will increase consumer choice; strongly supports the principle of non-discriminatory access to the internet and encourages the Commission to actively promote this principle at multilateral level and in FTAs;

23. Highlights that the global digital trade in goods is confronted with the problem of counterfeiting and urges the Commission to promote initiatives such as an open-system IT trustmark to boost the trust of consumers in e-merchants and ensure a level playing field; encourages the use of instruments such as the Memorandum of Understanding on the sale of counterfeit goods via the internet (COM/2013/0209).

## INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

<b>Date adopted</b>	6.11.2017
<b>Result of final vote</b>	+:               36 -:                2 0:                6
<b>Members present for the final vote</b>	Bendt Bendtsen, Jonathan Bullock, Reinhard Bütikofer, Angelo Ciocca, Jakop Dalunde, Pilar del Castillo Vera, Christian Ehler, Fredrick Federley, Adam Gierek, Theresa Griffin, Kaja Kallas, Barbara Kappel, Peter Kouroumbashev, Zdzisław Krasnodębski, Christelle Lechevalier, Janusz Lewandowski, Edouard Martin, Miroslav Poche, Carolina Punset, Paul Rübig, Massimiliano Salini, Sven Schulze, Claude Turmes, Vladimir Urutchev, Henna Virkkunen, Martina Werner, Lieve Wierinck, Anna Záborská, Flavio Zanonato, Carlos Zorrinho
<b>Substitutes present for the final vote</b>	Eugen Freund, Françoise Grossetête, Benedek Jávor, Jude Kirton-Darling, Olle Ludvigsson, Vladimír Maňka, Răzvan Popa, Dennis Radtke, Sofia Sakorafa, Pavel Telička
<b>Substitutes under Rule 200(2) present for the final vote</b>	Inés Ayala Sender, Michael Gahler, György Hölvényi, Agnes Jongerius

## FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

<b>36</b>	<b>+</b>
ECR	Zdzisław Krasnodębski
ENF	Angelo Ciocca, Barbara Kappel
PPE	Bendt Bendtsen, Christian Ehler, Michael Gahler, Françoise Grossetête, György Hölvényi, Janusz Lewandowski, Dennis Radtke, Paul Rübig, Massimiliano Salini, Sven Schulze, Vladimir Urutchev, Henna Virkkunen, Anna Záborská, Pilar del Castillo Vera
S&D	Inés Ayala Sender, Eugen Freund, Adam Gierek, Theresa Griffin, Agnes Jongerius, Jude Kirton-Darling, Peter Kouroumbashev, Olle Ludvigsson, Edouard Martin, Vladimír Maňka, Miroslav Poche, Răzvan Popa, Martina Werner, Flavio Zanonato, Carlos Zorrinho
Verts/ALE	Reinhard Bütikofer, Jakop Dalunde, Benedek Jávor, Claude Turmes

<b>2</b>	<b>-</b>
EFDD	Jonathan Bullock
GUE/NGL	Sakorafa Sofia

<b>6</b>	<b>0</b>
ALDE	Fredrick Federley, Kaja Kallas, Carolina Punset, Pavel Telička, Lieve Wierinck
ENF	Christelle Lechevalier

**Key to symbols:**

+ : in favour

- : against

0 : abstention

12.10.2017

## **OPINION OF THE COMMITTEE ON THE INTERNAL MARKET AND CONSUMER PROTECTION**

for the Committee on International Trade

Towards a digital trade strategy  
(2017/2065(INI))

Rapporteur: Daniel Dalton

### **SUGGESTIONS**

The Committee on the Internal Market and Consumer Protection calls on the Committee on International Trade, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Reiterates its support for the Commission's 'Trade for All' strategy; encourages the Commission to continue to prioritise new approaches to facilitate trade in digital goods and services and eliminate digital non-tariff barriers; believes that the EU should have a leading role in promoting digital trade issues at international level and considers that all avenues for progress in this area should be explored;
2. Stresses that the new challenges of digital trade must also be reflected in education and the promotion of digital skills, which are important for both consumers and businesses, and that efforts must be made, particularly in rural areas and the less developed economies; underlines that it is of the utmost importance to strengthen the competitiveness of European enterprises in the global market to make full use of the EU's economic potential;
3. Underlines that measures envisaged for the Digital Single Market strategy, such as improvements to the consumer protection regimes, abolishing geo-blocking, fostering net neutrality and improving cybersecurity, are relevant both in terms of the EU's external trade policy and strengthening the single market, as well as contributing to a stronger EU negotiating position in this regard in trade with third countries; calls, therefore, for the general identification and elimination of obstacles in the internal market to digital trade;
4. Notes, in this context, the importance of market access for EU telecommunication enterprises;
5. Notes the efforts made by the WTO to advance its work programme on e-commerce; asks the Commission to seek the further expansion of the WTO's Information Technology

Agreement to include more products and more WTO members, and takes note of the WTO Ministerial Conference in Buenos Aires scheduled for December 2017; asks the Commission to consult European businesses and Member States as soon as possible on its position on e-commerce and other digital trade matters to be agreed at the conference in order to ensure a united European position;

6. Regrets that positive progress has been slow in this regard; calls on the Commission to be ambitious in framing issues to be addressed in the programme; considers that particular consideration should be given to the increasing number of consumers caught up in customs procedures and possible violations in relation to goods purchased over the internet; believes that the broader use of tools such as online dispute settlements would be beneficial for consumers in this regard; believes that a higher de minimis rate should be pursued in the context of trade negotiations and that it would also further simplify international trade rules;
7. Considers, in this context, that the regulatory framework for e-commerce should, on the one hand, ensure that consumers are effectively protected from any infringements and are effectively informed about the product's characteristics when purchasing goods over the internet, in order to strengthen trust in digital trade, and, on the other hand, to cut red tape for SMEs, start-ups, scale-ups and micro-businesses, which stand to gain the most from the guaranteed visibility of online trade and can benefit from the strengthening of digitalisation and digital trade;
8. Highlights that effective tools, such as secure and reliable international online payment systems and innovative dispute settlement mechanisms, are crucial to reducing online fraud, tackling unfair practices and improving access to information about consumer rights in order to facilitate redress for consumers; asks the Commission to promote and work towards such improvements as part of the increase in international trade;
9. Asks the Commission to analyse custom and taxation agreements to ensure that digital trade is not harmed by rules that were drafted with only physical goods in mind, and to seek reforms where needed;
10. Believes that digital trade should be further facilitated in procurement policies, including by taking advantage of possibilities to provide services remotely and by enabling European companies, particularly SMEs, to obtain access to public and private procurement;
11. Emphasises that digital trade is best facilitated through an open exchange of data, with no geographical restrictions; considers that the removal of data localisation requirements should be a top priority, while emphasising that the relevant data protection legislation should be adhered to; regrets attempts to use such requirements as a form of non-tariff barrier to trade and as a form of digital protectionism; believes that the first step towards a global ban on data localisation requirements should be a Union-wide ban within the single market and the establishment of the free flow of data as a 'fifth freedom' in Europe and supports all Commission efforts in this regard;
12. Calls on the Commission to include digital trade and data flows as part of all future trade negotiation mandates; invites the Commission, furthermore, to seek the introduction of annexes on digital trade and data flows into current agreements wherever possible; calls

for the creation of an international convention on data flows, in addition to bilateral agreements on the free flow of data, stressing the need to ensure that existing intellectual property protection requirements are respected and that cross-border transfers of personal data are in compliance with the current and future EU legal frameworks, in particular through adequacy decisions;

13. Stresses that the exchange of open data must respect the principles of intellectual property protection;
14. Recognises that multilateral international trade discussions on digital trade are not as advanced as comparable debates on the Digital Single Market; recommends that, at least at a bilateral level, the Commission develops positions on the anticipated developments in digital trade, including the appropriate adaptation of consumer protection, trade in products where the barriers between goods and services are blurred (e.g. 3D printing) and those goods with significant digital components (e.g. connected vehicles);
15. Supports making the current WTO moratorium on tariffs on electronic transmissions permanent; calls on the Member States to defend European interests from any attempts to generate revenue from such tariffs by third countries;
16. Underlines the value of the collaborative economy, both within the Single Market and between EU businesses and consumers and businesses outside the EU; believes the global growth of this type of commerce should be seen as a positive development for the future of trade;
17. Stresses the importance of international standards on digital equipment and services, especially in the area of cybersecurity; asks the Commission to work to ensure the introduction of basic cybersecurity measures into Internet of Things products and cloud-based services.



## INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

<b>Date adopted</b>	12.10.2017
<b>Result of final vote</b>	+: 20 -: 4 0: 3
<b>Members present for the final vote</b>	John Stuart Agnew, Dita Charanzová, Carlos Coelho, Sergio Gaetano Cofferati, Anna Maria Corazza Bildt, Dennis de Jong, Liisa Jaakonsaari, Philippe Juvin, Antonio López-Istúriz White, Marlene Mizzi, Nosheena Mobarik, Jiří Pospíšil, Christel Schaldemose, Olga Sehnalová, Jasenko Selimovic, Igor Šoltes, Catherine Stihler, Mylène Troszczynski, Anneleen Van Bossuyt, Marco Zullo
<b>Substitutes present for the final vote</b>	Birgit Collin-Langen, Edward Czesak, Anna Hedh, Arndt Kohn, Roberta Metsola, Marc Tarabella
<b>Substitutes under Rule 200(2) present for the final vote</b>	Andrey Kovatchev

**VOTE FINAL PAR APPEL NOMINAL  
EN COMMISSION SAISIE POUR AVIS**

<b>20</b>	<b>+</b>
ALDE	Dita Charanzová, Jasenko Selimovic
ECR	Edward Czesak, Nosheena Mobarik, Anneleen Van Bossuyt
PPE	Carlos Coelho, Birgit Collin-Langen, Anna Maria Corazza Bildt, Antonio López-Istúriz White, Roberta Metsola, Jiří Pospíšil
S&D	Sergio Gaetano Cofferati, Anna Hedh, Liisa Jaakonsaari, Arndt Kohn, Marlene Mizzi, Christel Schaldemose, Olga Sehnalová, Catherine Stihler, Marc Tarabella

<b>4</b>	<b>-</b>
EFDD	John Stuart Agnew
ENF	Mylène Troszczynski
GUE/NGL	Dennis de Jong
Verts/ALE	Igor Šoltes

<b>3</b>	<b>0</b>
EFDD	Marco Zullo
PPE	Philippe Juvin, Andrey Kovatchev

Légende des signes utilisés:

+ : pour

- : contre

0 : abstention

24.10.2017

## **OPINION OF THE COMMITTEE ON CIVIL LIBERTIES, JUSTICE AND HOME AFFAIRS**

for the Committee on International trade

Towards a digital trade strategy  
(2017/2065(INI))

Rapporteur: Angelika Mlinar

### **SUGGESTIONS**

The Committee on Civil Liberties, Justice and Home Affairs calls on the Committee on International Trade, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

- having regard to Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation),
- having regard to the Convention for the Protection of Individuals with regard to Automatic Processing of Personal Data, European Treaty Series No.108, and its additional Protocol,
- having regard to its resolution of 26 May 2016 on transatlantic data flows<sup>1</sup>,
- having regard to Article 45 of Regulation (EU) 2016/679, which establishes that a third country ensures an adequate level of protection of personal data by reason of its domestic law or the international commitments it has entered into, the rule of law, respect for human rights and the existence and effective functioning of independent supervisory authorities,
- having regard to the judgment of the European Court of Justice in Case C-362/14 (Schrems), which clarified that an adequate level of protection in a third country must be understood to be ‘essentially equivalent’ to that guaranteed within the European Union by virtue of Directive 95/46/EC, read in the light of the Charter of Fundamental Rights of the

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<sup>1</sup> Texts adopted, P8\_TA(2016)0233.

European Union,

- having regard to the Report from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on the implementation of the Trade Policy Strategy Trade for All – Delivering a Progressive Trade Policy to Harness Globalisation (COM(201)0491),
- A. whereas the European Union is bound by the Charter of Fundamental Rights of the European Union, including Article 8 thereof on the right to the protection of personal data, by Article 16 of the Treaty on the Functioning of the European Union (TFEU) on the same fundamental right, and by Article 2 of the Treaty on European Union (TEU);
- B. whereas the protection of personal data is non-negotiable in trade agreements and data protection has always been excluded from EU trade negotiation mandates;
- C. whereas the free flow of data is integral to the modern economy, allows for the offering of cross-border services, thereby creating many tangible benefits for users, fosters the global outreach of European companies, including SMEs, and is set to increase even more in the coming years;
- D. whereas the EU data protection framework already allows for the ‘free flow’ of data within the EU and with third countries, provided that its provisions to ensure that the level of protection of personal data warranted in the Union is not undermined as a result of the transfer are complied with;
- E. whereas the General Data Protection Regulation (GDPR) not only clarifies the rules for assessing the level of protection of third countries (adequacy decisions), but also codifies one of the tools already used for international transfers (binding corporate rules) and provides two additional options to facilitate transfers of personal data (certifications and codes of conduct);
- F. whereas the protection of personal data is a fundamental right and high standards in this field help to build trust in the digital economy and thus foster the development of digital trade; whereas promoting high data protection standards and facilitating international trade must go hand in hand in the digital era; whereas, therefore, the GDPR may not be seen as an obstacle to data flows;
- G. whereas trade agreements can be a lever to improve digital rights; whereas the inclusion of provisions on net neutrality, prohibition of forced unjustified data localisation requirements, data security, security of data processing and data storage, encryption and intermediary liability in trade agreements can strengthen the protection of freedom of speech in particular;
- H. whereas the collection, storage, processing and transfer of data in line with the EU acquis on data protection and the digitisation of such data have become an integral part of modern business models;
- I. whereas the Member States must be able to benefit from the digital trade, and this requires close cooperation between the Commission, the Member States and EU industry;

1. Calls on the Commission to ensure that cross-border data transfers are in compliance with the EU data protection acquis and EU fundamental rights standards, in particular on a bilateral level, through adequacy decisions, and at an international level, by incorporating in our trade agreements a horizontal provision that fully maintains the right of a party to protect personal data and privacy and that prevents unjustified requirements for data localisation, upon the key condition that it must not be used with the intention to restrict data flows for reasons other than the protection of personal data; calls on the Commission to seek the formal opinion of the European Data Protection Supervisor (EDPS) and the forthcoming European Data Protection Board (EDPB) on any of such rules already in the drafting stage;
2. Advocates the efficient use of all instruments provided for under the GDPR with a view to guaranteeing a strong legal framework, while acknowledging the fact that EU rules on the transfer of personal data may prohibit the processing of such data in third countries if they do not meet the EU adequacy standard;
3. Underlines the need to tackle, as a top priority, all forms of digital protectionism, including unjustified data localisation requirements, for purposes other than data protection, as such protectionism is contrary to the objectives of the EU's data protection rules, seriously hampers opportunities for European businesses in third-country markets and undermines the efficiency benefits of digital trade; emphasises that any restriction on data flows must be justified;
4. Urges the Commission to act as the benchmark for setting high data protection standards on data flows at international level and to consult the appropriate EU data protection institutions and bodies before and during the negotiation process of international or trade agreements that may potentially impact data protection; underlines, in this respect, the obligation of the Commission resulting from Paragraph 10 of Article 218 TFEU, which stipulates that Parliament shall be immediately and fully informed at all stages of the procedure;
5. Stresses that commercial policy already contributes to the fight against corruption, for example by increasing the transparency of regulations and award procedures, and by simplifying customs procedures; points out that a digital trade strategy could continue to be used to combat corruption and ensure the implementation of international conventions and principles, fair competition in the internal market, harmonisation of standards, and consumer protection and security;
6. Stresses that even though the Digital Single Market strategy addresses many of the problems facing digital trade, EU companies still face significant global obstacles such as non-transparent regulations, government intervention and unjustified data location or data storage; points out that some of the key actions of the Digital Single Market strategy, such as the EU cloud initiative and the copyright reform, have an international dimension that could be addressed in a European digital trade strategy.

## INFORMATION ON ADOPTION IN COMMITTEE RESPONSIBLE

<b>Date adopted</b>	19.10.2017
<b>Result of final vote</b>	+: 52 -: 3 0: 1
<b>Members present for the final vote</b>	Asim Ahmedov Ademov, Jan Philipp Albrecht, Gerard Batten, Heinz K. Becker, Michał Boni, Caterina Chinnici, Daniel Dalton, Rachida Dati, Cornelia Ernst, Laura Ferrara, Raymond Finch, Ana Gomes, Nathalie Griesbeck, Sylvie Guillaume, Jussi Halla-aho, Monika Hohlmeier, Sophia in 't Veld, Eva Joly, Dietmar Köster, Barbara Kudrycka, Cécile Kashetu Kyenge, Marju Lauristin, Juan Fernando López Aguilar, Monica Macovei, Roberta Metsola, Claude Moraes, Alessandra Mussolini, József Nagy, Péter Niedermüller, Soraya Post, Judith Sargentini, Birgit Sippel, Csaba Sógor, Helga Stevens, Traian Ungureanu, Bodil Valero, Harald Vilimsky, Kristina Winberg, Tomáš Zdechovský, Auke Zijlstra
<b>Substitutes present for the final vote</b>	Anna Maria Corazza Bildt, Ignazio Corrao, Gérard Deprez, Lívia Járóka, Dennis de Jong, Sylvia-Yvonne Kaufmann, Andrejs Mamikins, Angelika Mlinar, Kati Piri, Jaromír Štětina, Axel Voss
<b>Substitutes under Rule 200(2) present for the final vote</b>	Xabier Benito Ziluaga, Josu Juaristi Abaunz, Kaja Kallas, Martin Sonneborn, Janusz Zemke

## FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

52	+
ALDE	Gérard Deprez, Nathalie Griesbeck, Sophia in 't Veld, Kaja Kallas, Angelika Mlinar
ECR	Daniel Dalton, Jussi Halla-aho, Monica Macovei, Helga Stevens
EFDD	Ignazio Corrao, Laura Ferrara, Kristina Winberg
ENF	Harald Vilimsky
GUE/NGL	Xabier Benito Ziluaga, Cornelia Ernst, Josu Juaristi Abaunz
NI	Martin Sonneborn
PPE	Asim Ahmedov Ademov, Heinz K. Becker, Michał Boni, Anna Maria Corazza Bildt, Rachida Dati, Monika Hohlmeier, Lívia Járóka, Barbara Kudrycka, Roberta Metsola, Alessandra Mussolini, József Nagy, Csaba Sógor, Jaromír Štětina, Traian Ungureanu, Axel Voss, Tomáš Zdechovský
S&D	Caterina Chinnici, Ana Gomes, Sylvie Guillaume, Sylvia-Yvonne Kaufmann, Cécile Kashetu Kyenge, Dietmar Köster, Marju Lauristin, Juan Fernando López Aguilar, Andrejs Mamikins, Claude Moraes, Péter Niedermüller, Kati Piri, Soraya Post, Birgit Sippel, Janusz Zemke
Verts/ALE	Jan Philipp Albrecht, Eva Joly, Judith Sargentini, Bodil Valero

3	-
EFDD	Gerard Batten, Raymond Finch
ENF	Auke Zijlstra

1	0
GUE/NGL	Dennis de Jong

Key to symbols:

+ : in favour

- : against

0 : abstention

## INFORMATION ON ADOPTION IN COMMITTEE RESPONSIBLE

<b>Date adopted</b>	23.11.2017						
<b>Result of final vote</b>	<table style="width: 100%; border: none;"> <tr> <td style="width: 100px;">+:</td> <td style="text-align: right;">33</td> </tr> <tr> <td>–:</td> <td style="text-align: right;">0</td> </tr> <tr> <td>0:</td> <td style="text-align: right;">5</td> </tr> </table>	+:	33	–:	0	0:	5
+:	33						
–:	0						
0:	5						
<b>Members present for the final vote</b>	William (The Earl of) Dartmouth, Laima Liucija Andrikienė, Maria Arena, Daniel Caspary, Salvatore Cicu, Edouard Ferrand, Santiago Fisas Ayxelà, Karoline Graswander-Hainz, Heidi Hautala, Nadja Hirsch, France Jamet, Jude Kirton-Darling, Bernd Lange, David Martin, Emma McClarkin, Anne-Marie Mineur, Alessia Maria Mosca, Artis Pabriks, Franck Proust, Godelieve Quisthoudt-Rowohl, Viviane Reding, Inmaculada Rodríguez-Piñero Fernández, Tokia Saïfi, Marietje Schaake, Helmut Scholz, Joachim Schuster, Joachim Starbatty, Adam Szejnfeld, Jan Zahradil						
<b>Substitutes present for the final vote</b>	Klaus Buchner, Nicola Danti, Bolesław G. Piecha, Frédérique Ries, José Ignacio Salafranca Sánchez-Neyra, Ramon Tremosa i Balcells, Jarosław Wałęsa						
<b>Substitutes under Rule 200(2) present for the final vote</b>	Merja Kyllönen, Marco Zullo						



## FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE

33	+
ALDE	Frédérique Ries, Marietje Schaake, Nadja Hirsch, Ramon Tremosa i Balcells
ECR	Bolesław G. Piecha, Emma McClarkin, Jan Zahradil, Joachim Starbatty
EFDD	Marco Zullo, William (The Earl of) Dartmouth
PPE	Adam Szejnfeld, Artis Pabriks, Daniel Caspary, Franck Proust, Godelieve Quisthoudt-Rowohl, Jarosław Wałęsa, José Ignacio Salafranca Sánchez-Neyra, Laima Liucija Andrikienė, Salvatore Cicu, Santiago Fisas Aixelà, Tokia Saifi, Viviane Reding
S&D	Alessia Maria Mosca, Bernd Lange, David Martin, Inmaculada Rodríguez-Piñero Fernández, Joachim Schuster, Jude Kirton-Darling, Karoline Graswander-Hainz, Maria Arena, Nicola Danti
VERTS/ALE	Heidi Hautala, Klaus Buchner

0	-

5	0
ENF	Edouard Ferrand, France Jamet
GUE/NGL	Anne-Marie Mineur, Helmut Scholz, Merja Kyllönen

**Key to symbols:**

+ : in favour

- : against

0 : abstention