

Mr. Jean-Claude Juncker
President of the European Commission
European Commission
Rue de la Loi 200
1040 Brussels
BELGIUM

Brussels, 26 September 2016

Dear President,

Last year, the European Commission took two major steps forward with the launch of the Digital Single Market (DSM) Strategy and the adoption of the "Trade for all" communication. Both highlighted the need for ambitious EU digital trade and investment strategies via free trade agreements.

According to a recent study, in 2014, the 28 Member States of the EU collectively exported 1,06 trillion EUR and imported 829,7 billion EUR in ICT-related services, to countries both inside of and outside of the EU. Excluding intra-EU trade, EU Member States exported 505,3 billion EUR and imported 370,8 billion EUR in ICT-enabled services, resulting in a surplus of 134,5 billion EUR for these services. ICT-enabled services trade represented 56% of all services exports to non-EU countries and 52% of all services imports from non-EU countries.

With this strong evidence of the importance of digital trade for the EU, we believe that the time has come now to step up the discussions on provisions that safeguard data flows and ban forced data localisation, in both the Transatlantic Trade and Investment Partnership and the Trade in Services Agreement as well as in any future trade negotiations. This is a crucial issue for all sectors of the economy. The EU is a major world player on cross border data flows, and hence must actively participate to the writing of international rules that will set high standards for the future.

The European Commission wants to promote the free movement of data within the European Union (EU) and to take leadership in the Post-Nairobi agenda. We call upon the Commission to take a decisive step in the coming weeks and to present a digital trade proposal in TTIP and TiSA built upon the principles they recognised last year in their policy strategies.

Without such provisions EU industry risks falling behind competitors that stand to gain from the Trans-Pacific Partnership agreement, with its pioneering approach to data. As a result, the EU will lose its influence and credibility in world trade policy.

The recent adoption of the EU-US Privacy Shield and the EU General Data Protection Regulation also show European support for streamlining data flows and building trust in the digital economy. Promoting the free flow of data in trade agreements is not about re-negotiating our data privacy rules; it is about ensuring that Europe can reap the benefits of the data economy and innovation without lowering data protection or data security standards.

At a time when there is growing public criticism of trade, it is important to address topics that actually make a difference to all our citizens and to SMEs. Digital Trade and issues related to data flows are amongst those elements, because they are the enablers for society and the economy at large.

Sincerely Yours,

Markus J. Beyrer



Director General
BusinessEurope

John Higgins



Director General
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Pascal Kerneis



Managing Director
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