European Commission Vice-President Andrus Ansip Commissioner Günther Oettinger

EU Free Flow of Data Initiative

Dear Vice-President Ansip, Dear Commissioner Oettinger,

We are writing to you as digital startups and scaleups from across Europe -- from Italy, Spain, Belgium, the UK and Estonia – who are working hard to grow. We believe a modern digital economy and society cannot thrive without an open borderless world when it comes to data. Data-driven innovation is underpinned by the flow free of data across borders. That is why we the undersigned support the Commission's ambition to pursue legislative action to end unjustified data localisation restrictions that are a barrier to the free movement of data.

Existing national barriers, both direct and indirect, to the free flow of data undermine our ability to grow and scale. Existing localisation requirements require the replication of business structures and processes within the single market.

European startups have bold ambitions but often face a patchwork of national laws that is an active disincentive for startups who look to build and scale their business in Europe.

In light of recent reports on the future of data localisation proposals we are writing to urge the Commission to remain resolute on this issue given the economic impact on data-driven startups of not removing existing inappropriate and misplaced data localisation requirements.

As the Commission's own Free Flow of Data Initiative impact assessment noted the removal of data localisation restrictions would add an estimated 8 billion Euros per year to the European economy. This is not just an issue that impacts the startups but all sectors of the European economy that stand to gain from Europe's transformation to a data-driven economy.

We therefore urge the Commission to be brave and move forward with a regulation to enshrine the free flow of data and remove unjustified data localisation restrictions and unlock the full economic and societal power of data.

Regardless of the UK's relationship with the European Union, as growing digital businesses we want to see a Digital Single Market that works. Removing any restrictions that stand in the way of the free flow of data is therefore key. To miss this opportunity would put at risk the ability of European SMEs and data-driven startups to scale in Europe and undermine the ambitions and economic goal of the Digital Single Market.

Yours Sincerely,

Antony Walker Deputy CEO techUK



Märt Aro

Head of International Operations

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