

KEEP EUROPE GROWING

11 December 2015

AVOID A PERMANENT FREEZE ON EUROPEAN DIGITAL ECONOMY

Europe is once again at a crossroads, with a critical choice to make about its future. While the Coalition is very much encouraged by the major progress made on improving citizens' control, extending their protection and increasing the accountability of governments and businesses, we also have serious concerns on certain issues. We have continuously stressed that European policy makers **should not have to choose between protecting privacy and fostering innovation**. The Coalition has emphasised the **necessity of protecting the fundamental right to privacy** and bringing trust to data processing activities, but we have also reminded stakeholders that **privacy is not an absolute right**.¹ A "tunnel vision" approach to the protection of privacy will only lead to **the neglect of other rights also enshrined in the EU Treaties**.² As we have said before, **digital innovation can foster the fulfillment of other fundamental rights** as well as the **achievement of highly desirable societal goals**.³ Finally, we have also stressed the need for a General Data Protection Regulation (GDPR) that fulfills [principles of better regulation](#) such as those listed by 19 European Ministers on November 26.

And yet, here we are, with EU policy makers due to agree on the final text of the GDPR by the third week of December, and still with crucial provisions that fail to provide the progressive balance that the European digital economy demands. We, like so many others, have strongly pushed for a text that both effectively protects people's data and, at the same time, ensures the creation of more jobs in Europe, supported by a competitive and prosperous Digital Single Market. All in all, as Rene Summers, the European Data Coalition spokesperson commented, *"this winter threatens to place a permanent freeze on the European digital economy, decisively changing the fate of a prosperous European economy"*.

We urge European policy makers to do their utmost to secure a prosperous future for Europe and pay particular attention to two outstanding issues that are game changers for Europe:

- **The European processor market is not broken:** We must maintain clear accountability for citizens and legal certainty for business by clearly differentiating controllers and processors, avoiding duplication of effort and a confusing joint and several liability regime;
- **Punitive deterrence will push legitimate data-driven innovation away from Europe:** We must provide proportionate and effective sanctions that deter non-compliance without discouraging legitimate innovations by relying on punitive sanction provisions of up to 4% of global turnover.

As European policy makers go to decide the fate of European citizens, businesses and the Digital Single Market, the Coalition can only hope that European policy makers' professionalism in achieving a progressive GDPR outcome will prevail and that hopes for a prosperous European digital economy are not shattered.

ABOUT THE COALITION

¹ See, *Handbook on European Data Protection Law*, European Union Agency for Fundamental Rights (FRA), Council of Europe (CoE) and the European Court of Human Rights (ECHR), p. 21, 2014.

² Art. 3(3) of the Treaty on European Union.

³ <http://europeandatacoalition.eu/en/company-b-ab/>

Our Coalition is made up of nineteen European companies, from SMEs to Global Multinationals and non-profit organisations operating in a variety of sectors on a national, regional and global scale. With an aggregate turnover (2013) of over € 158 billion and some 752,000 employees worldwide, our footprint allows us to bring growth, progress and jobs to the EU's economy. Our membership includes...

*... a global leader in power and automation solutions...
... the leading Central and Eastern European e-commerce company...
... a productivity solutions provider of compressors, vacuum solutions, construction and mining equipment...
... a non-profit organisation dedicated to collecting money to prevent and combat child cancer diseases...
... a global leader in household appliances...
... two providers of communications technology and services...
... a designer, engineer, manufacturer and distributor of outdoor power products...
... an investment company...
... a SME provider of online marketing through search engine marketing, conversion and lead generation...
... an e-commerce company providing payment services for online storefronts...
... an engineering group in tooling, materials technology, mining and construction ...
... an enterprise software corporation...
... a global provider of heavy trucks and buses, engines and services...
... a global provider of renewable solutions in packaging, biomaterials, wood and paper...
... the leading university in technology and digital arts programmes...
... a provider of business software and services to more than 340 000 business in the Nordics...
... a producer and distributor of trucks, buses and construction equipment...
... the leading company in advanced mobile services...*

Our businesses are profoundly different but deeply united by the need for clear roles and responsibilities, open cross-border data flows, balanced codified sanction guide lines, effective one stop shop and absence of overly prescriptive rules as fundamental conditions for long-term growth, competitiveness and prosperity, for both us and the economies in which we operate.

For further information please visit us www.europeandatacoalition.eu or contact us at info@europeandatacoalition.eu