



June 2016

Dear Minister,

We are approaching you as the common voice of the European industry federations regarding the issue of a major importance for the development of the EU's digital economy, the Digital Single Market and the current situation in the field of transatlantic data flows.

The EU and the US are each other's most important markets. The political, cultural and economic ties between these partners mean that the transfer of personal data across the Atlantic is inevitable. The free flow of data between the EU and the US is the most important in the world. European companies from all sizes and from all sectors need to transfer data and rely on the seamless flow of information to serve their clients, deliver their products and manage their operations globally. The free movement of data creates jobs and enhances economic growth on both sides of the Atlantic. The EU recognized the importance of data flows to the European economy already in last year's *Digital Single Market Communication* and in its *Trade for All Strategy*.

Since the invalidation of the *Safe Harbour framework* by the European Court of Justice on 6th of October 2015, the ability for companies to transfer data from the EU to the US has been seriously undermined. The judgement created an unprecedented state of legal uncertainty for European and US businesses of all sizes and even worse in some cases a halt to data flows because of the difficulties to use other transfer mechanisms.

Business federations have repeatedly called for improvements in the framework of transatlantic data transfers. The new *EU-US Privacy Shield* finally addresses the concerns raised by the Commission, the Court of Justice and the national Data Protection Authorities and provides a reliable framework for international data transfers. We therefore very much welcome the new *EU-US Privacy Shield* and believe that this instrument can reinstall the much needed legal certainty and restore trust in transatlantic data flows.

The *Privacy Shield* introduces more solid processes, new redress mechanisms for citizens and creates an Ombudsman to deal with complaints regarding US surveillance practices. In addition, the new framework will be more demanding for companies compared to the previous system. But businesses are ready to do their part and give their positive contribution to the functioning of the *Privacy Shield*. In conclusion, the *Privacy Shield* is an important improvement to *Safe Harbour framework*.

In the week beginning by July 4, the EU Member States in the Article 31 Committee will be asked to vote on the new Draft Adequacy Decision. We understand that additional improvements have been made to address various concerns raised by the Article 29 Working Party and we consider the final text as a very good compromise of the various interest in stake.

We therefore call upon you to support the Privacy Shield and to restore the much needed legal certainty in transatlantic data flows for companies again.

Yours sincerely,

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IV - Federation of Austrian Industries

Jaroslav Hanák, President
SP CR – Confederation of Industry of the
Czech Republic

Davor Majetic, Director General
HUP - Croatian Employers' Association

Toomas Tamsar, Chairman
ETK - Estonian Employers' Confederation

Jyri Häkämies, Director General
EK - Confederation of Finnish Industries

Henryka Bochniarz, President,
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Peter Molnar, Secretary General
RÚZ - National Union of Employers of
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Carola Lemne, Director General
Svenskt Näringsliv - Confederation of
Swedish Enterprise

Addressed to:

Ministers of the represented countries
responsible for the data protection issues

