

EU/Japan Economic Partnership Agreement: free flow of data

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PURPOSE: to conclude, on behalf of the European Union, the Protocol amending the EU-Japan Economic Partnership Agreement on the free movement of data.

PROPOSED ACT: Council Decision.

ROLE OF THE EUROPEAN PARLIAMENT: Council may adopt the act only if Parliament has given its consent to the act.

BACKGROUND: by decision of 12 July 2023, the Council approved negotiating directives for the Commission to negotiate the inclusion of provisions on cross-border data flows in the Agreement between the European Union and Japan for an Economic Partnership.

On 24 October 2022, the EU and Japan launched the negotiations on cross-border data flows. The negotiations were concluded in principle on 28 October 2023.

Data is the lifeline of many businesses and a critical component of business models and supply chains across many economic sectors. The outcome of the negotiations confirms EU and Japan continued commitment to the rules-based international trading system and joint determination to shape global data flow rules that respect shared values and respective regulatory approaches.

CONTENT: the Commission proposes that the Council decide to approve, on behalf of the Union, the Protocol amending the EU-Japan Economic Partnership Agreement on the free movement of data.

This agreement brings much needed legal certainty that data flows between the EU and Japan will not be hampered by unjustified data localisation measures, and ensures the benefit from the free flow of data with trust in full compliance with our respective rules on data protection and the digital economy.

The proposal concerns:

- the addition of definition of “covered person” defining the scope of the provisions concerned;
- the rules for cross-border transfer of information by electronic means based on a closed list of prohibited measures restricting cross-border flow of information and relevant exceptions;
- personal data protection. In line with EU practice and with the consolidated proposal for provisions on cross-border data flows and protection of personal data and privacy in trade agreements it recognises each Party's right to determine the appropriate level of privacy and personal data protection;
- the deletion of the provision concerning financial data.