Global Services Coalition presses for strong and clear TiSA provisions on Data Localization

The Global Services Coalition speaks for the services sector in Coalition members' respective countries, particularly in matters of international trade and investment. Digitally enabled services lie at the heart of modern competitive economies. As businesses around the world compete in the global market, the free flow of data across borders has become the life blood of trade. All trade in goods and services – from the placing of an order to confirmation of delivery - now involves the electronic transfer of data. Data-transfer is today's all-purpose means of business communication, spurring economic growth and innovation in all industries. This means that forced data localization policies and practices, where they exist or are proposed, have emerged as a major trade barrier, threatening to disrupt the continued growth and success of trade and commerce worldwide.

For trade in goods and services to flow freely, there needs to be both trust among individuals that their personal data will be securely held and certainty for business that data protection regimes will be transparent, predictable, and as least trade-restrictive as possible. The Global Services Coalition recognizes that data-security and appropriate and effective protection of personal data are essential and can be assured through compliance with applicable privacy and security regulations. Any exceptions to free data flow should however be limited to legitimate public policy objectives and only in full compliance with the provisions of GATS covering data privacy (GATS Article XIV).

The Trade in Services Agreement (TiSA) must create high standards rules for global trade in services across all sectors, providing strong provisions that protect the free flow of data across borders. The Global Services Coalition therefore urges TiSA negotiators to redouble their efforts to reach agreement on strong and effective rules for all services sectors guaranteeing free flow of data and prohibiting forced data localization.

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