



**July 5, 2016**

**Contact:** Dr Jim Poisant M: +1 703 728-4547 E: [jpoisant@witsa.org](mailto:jpoisant@witsa.org)

## **WITSA Warns Against Excessive Restrictions on Free Flow of Data**

**Fairfax, VA:** The World Information Technology and Services today published a Statement of Policy on Restrictions of the Free Flow of Information Across Nationality/Regional Borders, calling 'data' an essential resource for healthy economic growth and warning that that excessive restrictions on the flow of data hinders the barrier to secure management and protection of data. The paper advocates a principled policy approach which recognizes that data regulations must be simple, transparent and harmonized with other legislative requirements. The statement also takes a strong stance against forced localization of data requirements as these interrupt the free flow of data that underpins the complex online networks connecting the globe in ways that threaten the cultural and economic growth potential of the Internet and Internet-based technologies.

"In today's global economy, consumers, regulators, and businesses all benefit from a constant stream of data flowing seamlessly back and forth across national borders", stated WITSA Chairman Santiago Gutierrez. "Businesses use data to create valuable products and services, enhance productivity, reduce costs, improve efficiency, deter fraud, protect consumers, and foster economic growth and jobs", continued. Mr. Gutierrez. "To secure these benefits, it is essential to have clear, consistent rules in place that allow for the unimpeded flow of data except as limited to legitimate public policy objectives." In general, National Security, Data Privacy etc. should not be used as a lever to restrict data flows, and mandate data localization.

The Statement notes that the free flow of data issue is not independent from other public policy issues, but is an integral part of policy making in the digital age, including Internet public policies, personal data protection, digital trade and security. Unfortunately, many casual observers have conflated the issues of national security and the ability of business to move data cross borders. As a result, businesses and individuals often have to comply with a confusing set of requirements related to law enforcement where multiple governments may attempt to assert jurisdiction.

The WITSA Statement was drafted under the leadership of Dr. Makoto Yokozawa, Public Policy Chairman of the Japan Information Technology Services Industry Association (JISA). Dr. Yokozawa is also the head professor of the Market and Organisation Informatics Systems Laboratory at the Graduate School of Informatics, Kyoto University, which is a Joint Research Unit with a private IT service company, Nomura Research Institute, Ltd. "When foreign goods, services, or IP are disadvantaged in a market, that can distort trade, discourage foreign direct investment, and push other trading partners to

impose similarly detrimental measures”, stated Dr. Yokozawa. “Often over the long term, these measures can hinder economic growth and competitiveness objectives that they were intended to achieve”, continued Dr. Yokozawa. “For these reasons, WITSA strongly advocates against localization and other barriers and instead encourage governments to pursue policy approaches that help their economic growth and competitiveness without discriminating against imported goods or services.”

**The paper can be found on the WITSA web site at the following link:**  
[http://witsa.org/witsa-wp-site/wp-content/uploads/2013/10/Cross-border-Data-Flows\\_final.pdf](http://witsa.org/witsa-wp-site/wp-content/uploads/2013/10/Cross-border-Data-Flows_final.pdf)

#### **About WITSA:**

The World Information Technology and Services Alliance (WITSA) is the leading recognized international voice of the global ICT industry, whose members from over 80 countries and economies represent more than 90 percent of the world ICT market. WITSA is dedicated to advocating policies that advance industry growth and development; facilitating international trade and investment in ICT products and services; strengthening WITSA’s national industry associations; and providing members with a broad network of professional contacts.

WITSA members are leaders in a globally interconnected marketplace. Because the challenges facing the ICT industry are undisputedly global in nature, WITSA members work together to achieve a shared vision on important issues of common interest. WITSA makes it possible for its members — ranging from Mongolia and Argentina to Kenya and the United States — to identify common issues and priorities, exchange valuable information, and present a united position on industry issues. For more information on WITSA, please visit [www.witsa.org](http://www.witsa.org)