



FIRST VICE-PRESIDENT Frans Timmermans
European Commission
Rue de la Loi / Wetstraat 200
1049 Brussels
Belgium

**MINISTER FOR BUSINESS AND
GROWTH**

21 November 2016

Dear First Vice-President Timmermans,

Europe can only benefit fully from data-driven technologies if the right regulatory framework is established. And we urgently need to make certain that regulation does not constitute a barrier to innovative data-driven technologies across borders. In that connection I congratulate you on the recent adoption of the general data protection regulation that safeguards a harmonised level of protection of personal data at a high level.

The next step is to establish a regulatory framework to tackle unjustified data localisation requirements as barriers to the free flow of data and I would like to present our instructive experience with lifting data localisation requirements in Denmark. Due to a growing request from businesses to be able to store electronic financial records abroad without having to obtain a dispensation the Danish Bookkeeping Act was changed in 2015. The change implies that financial records in electronic format can be stored anywhere – also outside Denmark. One essential requirement is that the business must be able to provide an online access to the financial records held abroad, enabling Danish authorities to access the material at any time from a server in Denmark.

The change to the act has been positively received from businesses and the removal of localisation restrictions now gives Danish businesses freedom to choose the most efficient and competitive data service provider with a positive impact on innovation and growth. The Danish government strongly supports comparable freedoms to data flows in all of EU to fully reap the potential of the data economy, whilst respecting concerns for national security. We look forward to your announced data flow proposal within the next months.

Yours sincerely,



Troels Lund Poulsen

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