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Signature of the Japan-EU EPA and Final Agreement on the Development of a Framework for Mutual and Smooth Transfer of Personal Data between Japan and the EU

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The Japan-EU EPA was signed on July 17, 2018. JEITA lauds the enormous amount of effort put in by both governments to achieve this, and looks forward to the early entry into force of the agreement.

We are also delighted to see final agreement reached in the bilateral dialogue on the development of a framework for mutual and smooth transfer of personal data between Japan and the EU.

We believe that the recognition of mutual adequacy underpinning this agreement will facilitate the smooth transfer of personal data between Japan and the EU, and make a major contribution to promoting the growth of the digital economy in both our regions in the coming era of the Internet of Things, and, consequently, to our mutual advance, while also further expanding corporate partnerships, complementing the Japan-EU EPA, and strengthening the bilateral relationship.

The world is currently in the midst of a digital transformation whereby the massive amount of data generated by the Internet of Things lifts social systems and industrial structures to a new level. Data utilization has consequently never been more important, but recent years have seen some countries restrict cross-border data transfer by the reason of privacy and data protection to protect and foster domestic industries.

In line with those exceptions to general principles permitted by the WTO, exceptions to the free cross-border transfer of data should be kept to the bare minimum measures necessary to meet legitimate public policy purposes. Countries should therefore avoid arbitrary, discriminatory, or unnecessary restrictions on cross-border data transfer in their policies of privacy and data protection and instead realize policies that ensure international interoperability and promote innovation.

The provisions in the TPP11 chapter on electronic commerce that secure the free cross-border transfer of personal data and other information and ban countries from requiring that computing facilities storing data be located in their territory will be an important model for government policy in terms of promoting the advance of the digital economy.

We believe that the high level of personal data protection now affirmed between Japan and the EU should be extended worldwide, to which end achieving a balance between personal information protection and trade rule provisions on free cross-border data transfer and storage will be vital. Consequently, we strongly urge that a provision on free cross-border data transfer and storage also be included in the Japan-EU EPA as early as possible, and encourage both governments to continue working toward the early realization of the agreement.

The digital industry of Japan looks forward to further deepening partnership between Japan and the EU toward our mutual advance.