European Commission - Press release





Commission report: EU data protection rules empower citizens and are fit for the digital age

Brussels, 24 June 2020

Today, just over two years after its entry into application, the European Commission published an evaluation report on the <u>General Data Protection Regulation (GDPR)</u>. The report shows the GDPR has met most of its objectives, in particular by offering citizens a strong set of enforceable rights and by creating a new European system of governance and enforcement. The GDPR proved to be flexible to support digital solutions in unforeseen circumstances such as the Covid-19 crisis. The report also concludes that harmonisation across the Member States is increasing, although there is a certain level of fragmentation that must be continually monitored. It also finds that businesses are developing a compliance culture and increasingly use strong data protection as a competitive advantage. The report contains a list of actions to facilitate further the application of the GDPR for all stakeholders, especially for Small and Medium Sized companies, to promote and further develop a truly European data protection culture and vigorous enforcement.

Věra **Jourová**, Vice-President for Values and Transparency, said: "Europe's data protection regime has become a compass to guide us through the human-centric digital transition and is an important pillar on which we are building other polices, such as data strategy or our approach to AI.The GDPR is the perfect example of how the European Union, based on a fundamental rights' approach, empowers its citizens and gives businesses opportunities to make the most of the digital revolution. But we all must continue the work to make GDPR live up to its full potential."

Didier **Reynders**, Commissioner for Justice, said: "The GDPR has successfully met its objectives and has become a reference point across the world for countries that want to grant to their citizens a high level of protection. We can do better though, as today's report shows. For example, we need more uniformity in the application of the rules across the Union: this is important for citizens and for businesses, especially SMEs. We need also to ensure that citizens can make full use of their rights. The Commission will monitor progress, in close cooperation with the European Data Protection Board and in its regular exchanges with Member States, so that the GDPR can deliver its full potential."

Key findings of the GDPR review

Citizens are more empowered and aware of their rights: The GDPR enhances transparency and gives individuals enforceable rights, such as the right of access, rectification, erasure, the right to object and the right to data portability. Today, 69% of the population above the age of 16 in the EU have heard about the GDPR and 71% of people heard about their national data protection authority, according to results published last week in a <u>survey from the EU Fundamental Rights Agency</u>. However, more can be done to help citizens exercise their rights, notably the right to data portability.

- **Data protection rules are fit for the digital age:** The GDPR has empowered individuals to play a more active role in relation to what is happening with their data in the digital transition. It is also contributing to fostering trustworthy innovation, notably through a risk-based approach and principles such as data protection by design and by default.
- Data protection authorities are making use of their stronger corrective powers: From warnings and reprimands to administrative fines, the GDPR provides national data protection authorities with the right tools to enforce the rules. However, they need to be adequately supported with the necessary human, technical and financial resources. Many Member States are doing this, with notable increases in budgetary and staff allocations. Overall, there has been a 42% increase in staff and 49% in budget for all national data protection authorities taken together in the EU between 2016 and 2019. However, there are still stark differences between Member States.
- Data protection authorities are working together in the context of the European Data Protection Board (EDPB), but there is room for improvement: The GDPR established an innovative governance system which is designed to ensure a consistent and effective application of the GDPR through the so called 'one stop shop', which provides that a company processing data cross-border has only one data protection authority as interlocutor, namely the authority of the Member State where its main establishment is located. Between 25 May 2018 and 31 December 2019, 141 draft decisions were submitted through the 'one-stop-shop', 79 of which resulted in final

decisions. However, more can be done to develop a truly common data protection culture. In particular, the handling of cross-border cases calls for a more efficient and harmonised approach and an effective use of all tools provided in the GDPR for the data protection authorities to cooperate.

- **Advice and guidelines by data protection authorities:** The EDPB is issuing <u>guidelines</u> covering key aspects of the Regulation and emerging topics. Several data protection authorities have created new tools, including helplines for individuals and businesses, and toolkits for small and micro-enterprises. It is essential to ensure that guidance provided at national level is fully consistent with guidelines adopted by the EDPB.
- Harnessing the full potential of international data transfers: Over the past two years, the Commission's international engagement on free and safe data transfers has yielded important results. This includes Japan, with which the EU now shares the world's largest area of free and safe data flows. The Commission will continue its work on adequacy, with its partners around the world. In addition and in cooperation with the EDPB, the Commission is looking at modernising other mechanisms for data transfers, including Standard Contractual Clauses, the most widely used data transfer tool. The EDPB is working on specific guidance on the use of certification and codes of conduct for transferring data outside of the EU, which need to be finalised as soon as possible. Given the European Court of Justice may provide clarifications in a judgment to be delivered on 16 July that could be relevant for certain elements of the adequacy standard, the Commission will report separately on the existing adequacy decisions after the Court of Justice has handed down its judgment.
- **Promoting international cooperation:** Over the last two years, the Commission has stepped up bilateral, regional and multilateral dialogue, fostering a global culture of respect for privacy and convergence between different privacy systems to the benefit of citizens and businesses alike. The Commission is committed to continuing this work as part of its broader external action, for example, in the context of the <u>Africa-EU Partnership</u> and in its support for international initiatives, such as 'Data Free Flow with Trust'. At a time when violations of privacy rules may affect large numbers of individuals simultaneously in several parts of the world, it is time to step up international cooperation between data protection enforcers. This is why the Commission will seek authorisation from the Council to open negotiations for the conclusion of mutual assistance and enforcement cooperation agreements with relevant third countries.

Aligning EU law with the Law Enforcement Directive

In addition, the Commission has today also published a Communication that identifies ten legal acts regulating processing of personal data by competent authorities for the prevention, investigation, detection or prosecution of criminal offences which should be aligned with the Data Protection Law Enforcement Directive. The alignment will bring legal certainty and will clarify issues such as the purposes of the personal data processing by the competent authorities and what types of data may be subject to such processing.

Background

The GDPR foresees that the Commission reports on the evaluation and review of that Regulation, starting with a first report after two years of application and every four years thereafter.

The General Data Protection Regulation is a single set of rules of EU law on the protection of individuals with regard to the processing of personal data and on the free movement of such data. It strengthens data protection safeguards, provides additional and stronger rights to individuals, increases transparency, and makes all those that handle personal data more accountable and responsible. It has equipped national data protection authorities with stronger and harmonised enforcement powers, and has established a new governance system among the data protection authorities. It also creates a level playing field for all companies operating in the EU market, regardless of where they are establish, ensures the free flow of data within the EU, facilitates safe international data transfers and has become a reference point at global level

As stipulated in Article 97(2) of the GDPR, the report published today covers in particular international transfers and 'cooperation and consistency mechanism', although the Commission has taken a broader approach in its review, in order to address issues raised by various actors during the last two years. These include contributions from the Council, the European Parliament, the EDPB, national data protection authorities and stakeholders.

For More Information

GDPR implementation report

Communication: EU acts to be aligned with the Law Enforcement Directive

Factsheet: GDPR- the fabric of a success story

Questions and Answers on the two-year report of the GDPR

GDPR web guidance - EU data protection rules

<u>Infographic: What your company must do</u> <u>European Coronavirus response: digital</u>

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