



Deutsche Börse Group (DBG) welcomes the initiative of the European Commission to develop a coherent European Data Union Strategy. This addresses an issue of utmost importance for the development of the EU economy, at a crucial point in time. While the EU is lagging behind in technologies, such as cloud and AI, much of the added value in these technologies as well as jobs are created in other parts of the world. This trend needs to be reversed.

We understand that the European Commission is considering three objectives for its Data Strategy:

DBG fully supports the European Commission's **objective to stimulate investments into data technologies and voluntary data sharing** between data producers and data users. It is important to understand that production, dissemination and sharing of high-quality data comes with costs, which need to be recovered at least. However, in many cases today, the provision of data is even at the heart of certain businesses. Especially in such cases, but as well as above, it is important to fully respect the fundamental rights of EU companies, including data producers, always. Encouraging desired behaviour through incentivisation is more likely to lead to a successful outcome than setting restrictions or regulating prices. This can lead to a burden reduction for both market participants and regulators alike. Other globally leading jurisdictions do not make use of drastic market interventions, either. Implementing such interventions single-handedly in the EU will increase the competitive disadvantage of EU companies, while third country firms predominantly may benefit from such interferences. If the EU does not want to foster dependencies on third countries further, this must be avoided by all means. Furthermore, denying making profit with data means removing the incentive to invest in the ecosystem of data production, provision and (voluntary) sharing, reducing competitiveness vs. other parts of the world. As a result, competitors outside of the EU will be strengthened, value added will be created elsewhere, but not in the EU. Therefore, price-regulation for data should be avoided in order not to deter investments and innovation in the data industry, which would lead to a loss of jobs and growth opportunities. Finally, the special features of data as a digital product should be considered. Regarding data consumption, there are different requirements and different purchasing powers as well as uses for the various user groups. Therefore, the possibility of data creators developing and commercialising specific products and services for different user groups should not be restricted. Another special feature of digital products is that it is not possible to assign specific costs to individual products. On another note, we would caution against extending data (mandatory) sharing models to commercially relevant data, unless by consent of the data provider. Non-commercial data sharing may be sensible for certain types of data, however when data is the basis for existing and potential business models, there is a risk of jeopardizing EU jobs and the competitiveness of the EU data industry as well as supporting third-country companies instead, which can lead to even more dependencies such as can be observed for the AI and cloud sector. In addition, in many cases there is already sufficient access to data at commercial terms.

DBG generally supports the European Commission's **objective of simplification and streamlining** of existing and/ or new rules. While simplification is a good thing and intended to reduce the overall regulatory reporting burden, it must be avoided that foreseeable changes are overly burdening some groups above others. The burden, the responsibility and the costs (i.e. implementation, supervisory fees,

opportunity costs, or other) should be shared fairly and correctly across all affected parties to a transaction and any third party involved. Any intended changes to the current reporting structure need to be fully analysed as regards their impact on all affected entities in the EU (which is expected to be significant) and with a distinct view on the different groups affected, and the impact on their business (i.e. opportunity costs). For the avoidance of doubt, any real-time data such as provided by CTP should be legally excluded from such reporting, as it is already available. “Reported data” should generally not be used for data sharing outside of regulators, especially not, in case this would hurt fundamental rights of market participants. Furthermore, the Consolidated Audit Trail (CAT) in the US had to cope with a significant data leakage of personal data. Such incidents must be avoided. As another consequence, a “need to know principle” should be applied as regards access to reported data, while data should not easily be forwarded to a wide group of recipients. To strengthen the EU economy, the fundamental rights of EU companies must be respected at all times, and as well when considering any changes to the current structure.

DBG generally supports the European Commission’s [development of an International Data Strategy](#). Such a strategy must contain safeguards and rules on how to protect highly sensitive and personal data, avoid unallowed access, while avoiding overreliance on third country entities. Third country access to common European data spaces should be allowed on fair and equal terms (favorable under reciprocity considerations) while respecting EU companies’ fundamental rights at all times. Incentivization of data providers in the EU could as well stimulate data import into the EU. DBG further sees merits in the development of international rules conducive to commercial and non-commercial data sharing on contractual basis, while the input by the affected parties needs to be obtained and respected. Overall, it is essential to conduct a careful balancing of interests that takes into account the consequences for the financial market and the ecosystem of data before introducing core objectives of public financial markets: fostering innovation, securing jobs, and ensuring a more equitable distribution of wealth. Already pressing challenges, such as financing the climate crisis and sustaining pension systems, further exacerbate the situation. It is therefore crucial to initiate a countermovement through appropriate incentives. Part of this effort should be to continue allowing public exchanges to produce high-quality data and to supply the market with such data in an innovative manner.

To summarise, there are costs and an economic value to high-quality data, and in some cases, data are at the heart of certain businesses, where fundamental rights should be acknowledged. On top, costs can only be recovered (and sufficient profit be made) if the commercialisation of data and the free negotiation of prices between market participants are allowed without interference, as it is central to the functioning of a market and data economy.