

FOR IMMEDIATE RELEASE

EuroCommerce and NRF Welcome European Commission's Preliminary Decision on Transatlantic Data Framework

Brussels, 13 December 2022 – EuroCommerce and the National Retail Federation welcomed the European Commission's preliminary decision today that an EU-U.S. agreement on transatlantic data transfers provides adequate protections for European citizens required under EU law and said they would provide further analysis ahead of final approval of the adequacy decision in 2023.

'The European retail and wholesale sector welcomes the new EU-U.S. data privacy framework and appreciates the strong commitments and hard work of the European Commission', said Christel Delberghe, EuroCommerce Director General. "The draft adequacy decision is a sign of progress. Following more than two years of uncertainty and disruption it will facilitate responsible data transfers for retailers and wholesalers alike.'

"Today's action by the European Commission is an important step toward implementing a new EU-U.S. data privacy framework." NRF President and CEO Matthew Shay said. "U.S. retailers that operate storefronts in Europe or sell goods to Europeans want to work under a reliable and legally valid transfer mechanism that allows them to serve their customers in the EU while maintaining the highest data protection standards. We will work collaboratively with our counterparts at EuroCommerce to examine this draft decision closely and provide our joint views next spring as officials work toward a final decision."

The European Commission today released a "draft adequacy decision" on an [agreement](#) reached between the United States and the European Union last March that replaces the former EU-U.S. Privacy Shield program with an improved EU-U.S. Data Privacy Framework. The action comes two months after President Biden signed an executive order implementing portions of the agreement in October.

The draft decision spells out why the commission believes the agreement and steps taken by the U.S. under the executive order are adequate to comply with EU data protection law and should be approved by European authorities. It also begins a process expected to take up to six months in which the draft will be reviewed by the European Parliament and the European Data Protection Board before the European Commission releases a final adequacy decision.

NRF and EuroCommerce have worked together on EU data privacy rules since 2016, holding annual joint meetings with EU officials with the goal of developing approaches to safeguard consumers while fostering regulatory certainty for transatlantic retailers. The

two associations agreed during their annual meeting in Brussels last month to work together to analyze the draft adequacy decision and announced today that they will produce a joint paper providing EU and U.S. transatlantic retailers' views on the draft by next spring. The groups provided a similar in-depth paper outlining global retailers' views on the EU's General Data Protection Regulation before it took effect in 2018.

The previous Privacy Shield was struck down by the Court of Justice of the European Union, the EU's highest court, in its July 2020 ruling in the Schrems II case. That ruling came only four years after the Shield replaced an earlier U.S.-EU Safe Harbor Agreement on transatlantic data flows rejected by the same court in 2015 in the original Schrems decision. Since 2020, standard contractual clauses approved by the European Commission have served as an alternative for businesses transferring data between the U.S. and the EU. Nonetheless, conditions set by the court on their use and supplementary measures recommended by the EDPB have made it more challenging and less predictable for retailers to rely on the clauses after Schrems II.

About EuroCommerce

[EuroCommerce](#) is the principal European organisation representing the retail and wholesale sector. It embraces national associations in 27 countries and 5 million companies, including leading global players and many small businesses. Over a billion times a day, retailers and wholesalers distribute goods and provide an essential service to millions of business and individual customers. The sector generates one in seven jobs, offering a varied career to 26 million Europeans, many of them young people. It also supports millions of further jobs throughout the supply chain, from small local suppliers to international businesses. EuroCommerce is the recognised European social partner for the retail and wholesale sector.

Contact: Daniela Haiduc, haiduc@eurocommerce.eu, +32 473 56 29 36

About NRF

The [National Retail Federation](#), the world's largest retail trade association, passionately advocates for the people, brands, policies and ideas that help retail thrive. From its headquarters in Washington, D.C., NRF empowers the industry that powers the economy. Retail is the nation's largest private-sector employer, contributing \$3.9 trillion to annual GDP and supporting one in four U.S. jobs – 52 million working Americans. For over a century, NRF has been a voice for every retailer and every retail job, educating, inspiring and communicating the powerful impact retail has on local communities and global economies.

Contact: J Craig Shearman, press@nrf.com, (855) NRF-PRESS