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Data Policy and Innovation (Unit G.1)
DG Communication, Networks, Content and Technology
European Commission
Rue de la Loi 200
1049 Brussels, Belgium

Brussels, November 6th, 2020

Dear [REDACTED],

I am writing to you on behalf of **European Family Businesses (EFB)** and the family business community across Europe. Family businesses play an integral role not only in the EU's economy but also in the provision of skills, employment, resilience, and sustainability. There are 14 million family businesses in the EU, which employ 60 million people. European Family Businesses is the voice of these companies.

I write to you today regarding the **"Open data – availability of public datasets"** initiative, and more specifically the list of **high-value datasets** to be held by the public sector. EFB recognise that a well-functioning data economy in Europe is good for both our economy and society, however only when this is grounded in strong, responsible, and common values. We believe that the new initiative should attempt to achieve a balance between the ease of use of this information by start-ups and SME's and the requirement to prevent dominant players taking advantage of their position in the data driven economy by preventing the innovation of other organisations or violating ethical standards. Therefore, the attempt to identify High-Value Datasets and make them easily accessible for users is warmly welcomed by EFB and the family business community.

One key issue with this proposal, however, is the intention to classify **ownership data** as a high-value dataset. As we have highlighted in our previous position paper on **"Beneficial Ownership Registers"**, the family business community feel that the proposal to include data such as **Beneficial Ownership data** as high-value data and make this publicly available is a threat to their **privacy and security**¹. Above all, business owners are **European citizens with a right to a private life**. This is especially the case for family business owners who will experience this as a disproportionate violation of their personal information. Their ownership stakes will become public information, something that is neither essential nor fair. When looking at this question in an ethical manner, just because someone has shares in a business, does this mean they no right to a private life? After all, we must not forget that in a business, liability rests with the Director not the owner.

¹ <http://www.europeanfamilybusinesses.eu/publications/57/101/Position-Paper-on-the-4th-Anti-Money-Laundering-Directive>

It must be noted that there is a legitimate risk that open access to ownership data as could expose many vulnerable individuals to risks of fraud kidnapping, blackmail, violence, or intimidation. Considering that family businesses tend to have more concentrated share ownership, most family businesses are likely to be more affected by these obligations than other anonymous corporations. It is highly likely that any provisions arising from the Open Data Directive that do not sufficiently protect data holders from criminals, will see judicial challenges at the Member State level.

Moreover, when having the possibility of combining data from several datasets, there is a greater security and privacy risk for owners and members of the owner's family. This ownership data from several streams may become information that puts the privacy and security of business owners and stakeholders at risk. With regards to ownership data, the **European Data Protection Supervisor has flagged this issue before**, notably within the realms of the **Anti-Money Laundering Directive** and it has been raised by other larger EU member states in discussion with the Commission. The rights of business owners seem to be consistently neglected by these initiatives but must be protected.

EFB would like to highlight that the family business community **has no problem with transparency** in business when it comes to their data being used by competent and relevant authorities and institutions who have a duty of managing this data in a secure way. With the data open to all, it risks becoming commercialised and used incorrectly.

Europe has always been a leader in international data privacy and protection going above and beyond global standards, ensuring citizens' rights are valid and respected over everything else. EFB expect the Commission to maintain this protection for all in European society, including business owners.

EFB would therefore strongly advise the Commission to reassess their inclusion of business ownership data as a high-value dataset and remember the position of business owners as ordinary members of our European society.

If you wish to discuss the issue further, we remain at your disposal.

Kind regards,



CC: Roberto Viola, Director General of DG Communication, Networks, Content and Technology.