

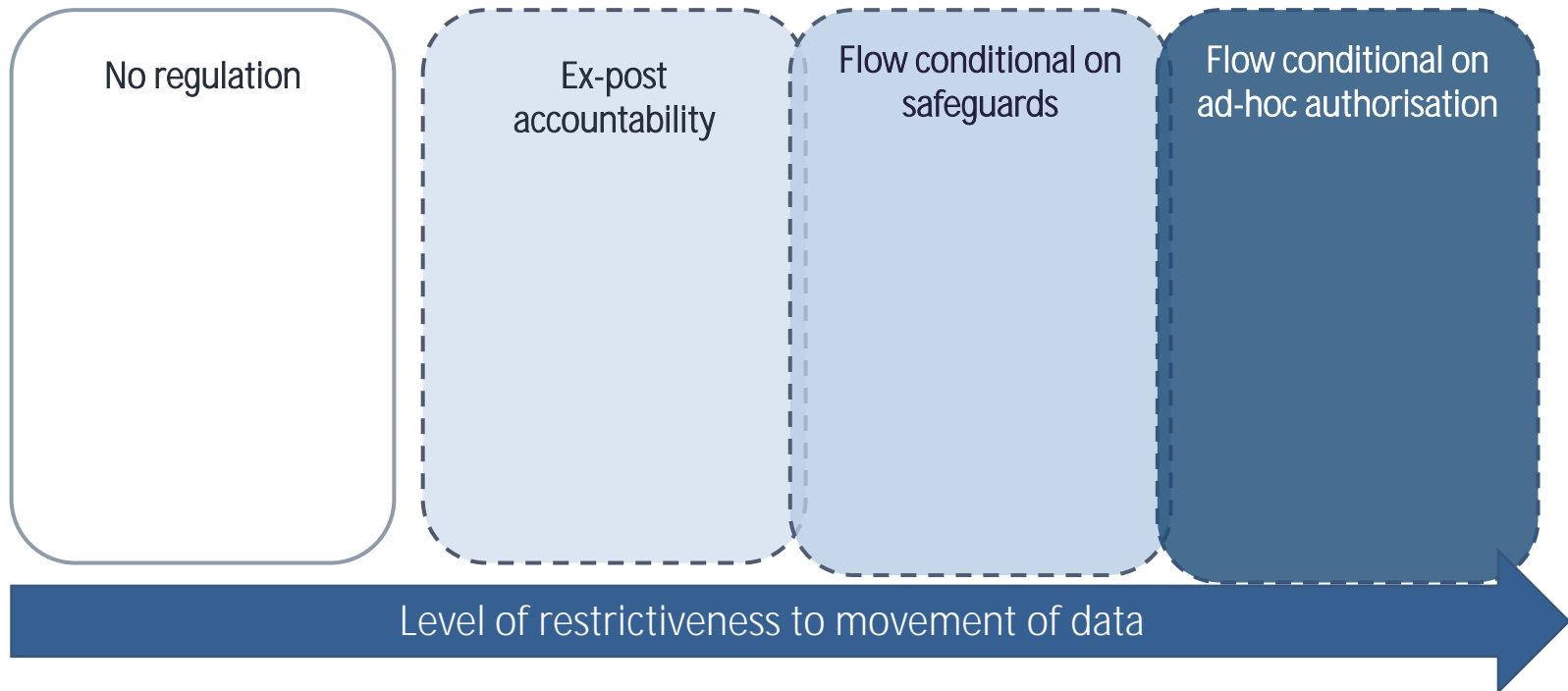


Trade and cross-border data flows

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4 broad approaches to cross-border data flows



Source: adapted from Casalini and Lopez-Gonzalez (2019)





» Thinking about the appropriate tools to evaluate costs and benefits

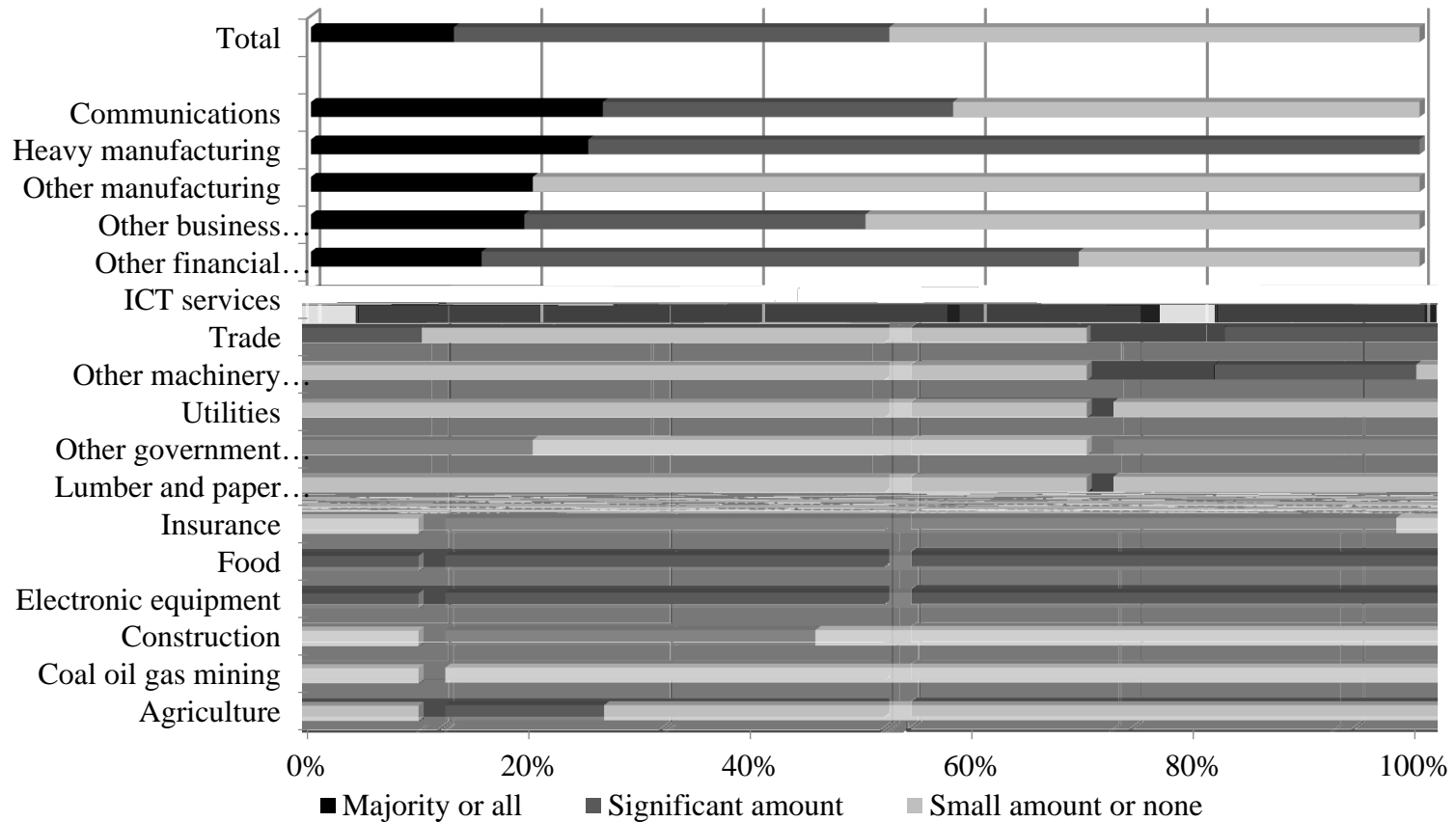
- Range of tools and models exist to better understand the economic impact:
 - **Ex-ante models:** mathematical models allowing to model hypothetical scenarios (CGE models) – assumption driven.
 - **Ex-post models:** econometric analysis using past events (gravity-type models) – difficult to isolate regulation change as concurrent with other events affecting trade (e.g. EU-Japan)
 - **Firm level surveys:** useful to gather specific insights – difficult to get large enough or comparable sample size (and costly).
 - **Combinations of the above:** firm level surveys to feed into CGE models calibrated using econometric analysis.
- Working in an imperfect environment (data issue)
- Difficult to provide a model that gives the answer, but can make headway in different parts of the ‘problem’ making it more manageable.
- The policy discussion is ongoing, and we need the economic analysis to enable that this is an evidence based discussion.



Access all of the
information from the
Trade & Agriculture
Directorate at:

www.oecd.org/tad

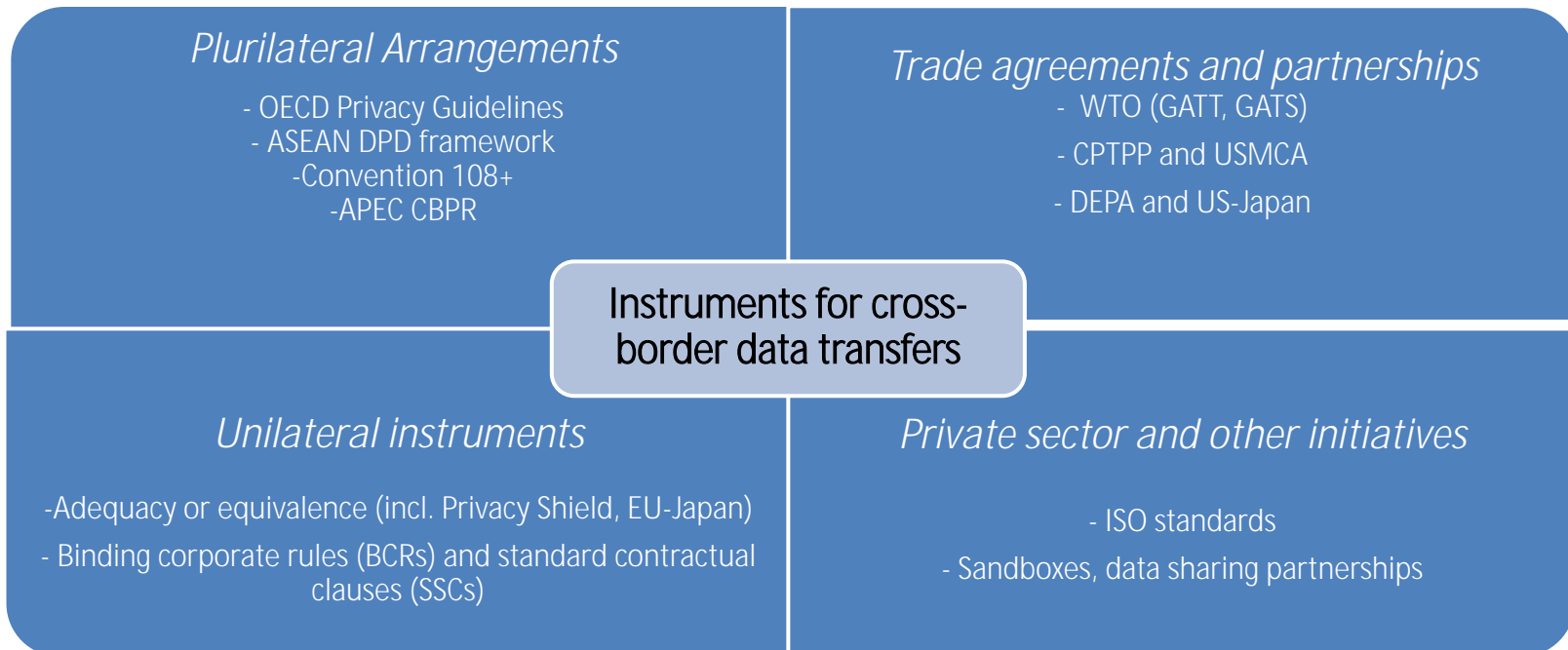
Some Pieces of the Puzzle: Importance of personal data varies by sector but stronger for services



Bars show the share of respondents by answer given across sectors. This figure is based on answers from 159 firms and only sectors for which we have more than 3 respondent is represented. Coal oil gas mining and Construction: 3; Heavy manufacturing: 4; Other manufacturing: 5; Agriculture and Insurance: 7; Trade: 10; Other machinery and equipment: 11; Other financial services: 13; Communications: 19; Other business services: 26; ICT services: 41.



Governments have turned to different instruments to enable data flows with trust



OECD (2020) "Mapping approaches to data and data flows", Report for the G20 Digital Economy Task Force. <http://>