

Department of Commerce Roundtable

Measuring Cross-Border Data Flows: Unmet Data Needs

May 9, 2016, 8:30 a.m. – 12:00 p.m.

Bureau of Labor Statistics
Janet Norwood Conference and Training Center
Floor G, rooms 2 and 3
2 Massachusetts Avenue NE
Washington, DC 20212

BACKGROUND

The Department of Commerce (Commerce) recognizes that worldwide data usage and data flows between countries are increasing. Moreover, these cross-border data flows are an increasingly important component of international trade and a critical form of communication between individuals and businesses in both developed and developing economies. These flows contribute to economic growth, both domestically and globally, by facilitating innovation and enabling productivity gains. Restrictions to the free flow of cross-border data, such as data localization, privacy regulations, and censorship, are threatening these economic and social gains.

There is relatively little data available, however, to understand or quantify the benefits of these data flows or the potential negative impacts of restrictions to these flows. Commerce's Digital Economy Leadership Team (DELT) is working to identify data gaps in measuring the importance of cross-border data flows and the economic impact of restrictions to the free-flow of data. Over the past several months, Commerce has been talking to stakeholders, reviewing literature, and identifying the strengths and potential shortcomings of the existing data and research on cross-border data flows.

The goal of this roundtable is to get input from stakeholders on what additional data and analysis on cross-border data flows is necessary. **What are central questions that need to be answered? What additional data is necessary to answer these questions?** Although the objective of the roundtable is not to discuss solutions to meeting these data needs, we are focusing on those gaps that Commerce could be instrumental in closing.

AGENDA

WELCOME

- | | |
|----------------|---|
| 8:30-8:40 a.m. | Greeting and Overview of Roundtable: <i>Jessica Nicholson, Economist (ESA) and Giulia McHenry, Chief Economist (NTIA)</i> |
| 8:40-8:55 a.m. | Opening Remarks: Commerce's Role in Supporting an Open Internet and the Free Flow of Cross-Border Data: <i>Alan Davidson, Director of Digital Economy for the Department of Commerce (NTIA)</i> |
| | Opening Remarks: 21st Century Economic Measurement: <i>Ellen Hughes-Cromwick, Chief Economist for the Department of Commerce (ESA)</i> |

DEFINING DATA FLOWS

- 8:55-9:00 a.m. Types of cross-border data flows and restrictions: *Jessica Nicholson*
- 9:00-9:10 a.m. Questions to consider when measuring cross-border data flows: *Giulia McHenry*

MEASURING CROSS-BORDER DATA FLOWS: DOMESTIC MACRO-ECONOMY

- 9:10-9:35 a.m. Existing Government statistics related to data flows
- E-commerce data (5 minutes): *Scott Scheleur, Assistant Division Chief, Retail & Wholesale Indicators Program (Census)*
 - Trade in services data (5 minutes): *Alexis Grimm, Economist, Balance of Payments Division, Methodology and Special Studies Branch (BEA)*
 - USITC digital trade studies (10 minutes): *Martha Lawless, Chief, Services Division, Office of Industries (USITC)*
- Other sources – non-government and one-off studies (5 minutes):
Jessica Nicholson
- 9:35-10:15 a.m. BREAK-OUT DISCUSSION 1
- What are the key questions we need to answer about the domestic macro economy? And why do we need to know?
 - What are the strengths of the currently available data?
 - Where do the currently available data fall short?
- 10:15-10:25 a.m. BREAK-OUT DISCUSSION 1 RECAP
- 10:25-10:40 a.m. **BREAK**

MEASURING CROSS-BORDER DATA FLOWS: FIRM LEVEL

- 10:40-10:50 a.m. What do we know about cross-border data flows at the firm level?
Giulia McHenry
- 10:50-11:20 a.m. BREAK-OUT DISCUSSION 2

- a. What are the key questions we need to answer about firm level cross-border data flows? And why do we need to know? Areas to consider:
 - 1. How businesses use cross border data: inter-firm flows (transactional)
 - 2. How businesses use cross border data: intra-firm flows (commercial data and services)
 - 3. Impact of restrictions of cross-border data flows
- b. What are the strengths of the currently available data?
- c. Where do current data sources fall short?

11:20-11:30 a.m.

BREAK-OUT DISCUSSION 2 RECAP

MEASURING CROSS-BORDER DATA FLOWS: FOREIGN ECONOMIES

11:30-11:45

OVERVIEW AND DISCUSSION – *Jessica Nicholson*

- a. What is currently available?
- b. Working groups overview
- c. What do we want to know?

NEXT STEPS

11:45-12:00

LOOKING AHEAD - priorities, feasibility, implementation. Final comments: *Giulia McHenry*

12:00

ADJOURNMENT