JAPAN INTELLECTUAL PROPERTY ASSOCIATION

Nihombashi 3-Chome Square Bldg. 6F, 9-1 Nihonbashi 3-chome, Chuo-ku, Tokyo 103-0027, JAPAN



TEL:+81-3-6262-1570 FAX:+81-3-6262-5655 URL:http://www.jipa.or.jp/

July18th,2025

Re: JIPA Submission on European Data Union Strategy

Dear European Commission,

We, as an association, express our support for the European Commission's proposed "European Data Union Strategy." We welcome the establishment of a simplified, clear, and coherent framework that aims to balance the development of a data-driven economy with high standards of privacy and security, while building on the foundation of existing data regulations.

Our association comprises member companies covering across all industries, including:

- 1. Manufacturers of devices and providers of services that generate data,
- 2. Developers and providers of AI that utilize data, and
- 3. Users of AI—many of whom operate in one or more of these roles in the data business.

In all these capacities, our members regard data as a vital source of corporate competitiveness. We therefore believe that the creation of a secure, safe, and fair environment for data use is of utmost importance.

At the same time, from the standpoint of companies participating in the European market, we would like to raise several issues and items for further consideration, as outlined below.

1. Unlocking the Potential of Data to Advance Cutting-Edge Technologies

Europe is leading the world in addressing the safety, reliability, and risk management of artificial intelligence through the adoption of the AI Act. In addition to these efforts, utilizing high-quality data—collected through safe and reliable access methods—in AI systems can further enhance Europe's competitiveness in the global market. Such an approach is also expected to facilitate market entry for both European and international companies.

At the same time, we are concerned that imposing excessive burdens on data holders, such as mandatory access provisions or compulsory granting of usage rights for both personal and non-personal data (including industrial data), may undermine existing data regulations and the protection offered by intellectual property laws, including trade secrets. This could potentially hinder the deployment of data-driven business models and the introduction of innovative technologies in the European market.

In addition, overly restrictive data protection measures or disproportionate compensation requirements may have unintended side effects, such as impeding the effective use of data and AI. It is essential to strike an appropriate balance between data use and data protection.

It should also be noted that Europe's legal landscape is characterized by a complex interplay between general and sector-specific legislation, including the GDPR, the Digital Markets Act (DMA), the Digital Services Act (DSA), the Data Act—which focuses on data utilization—and the Trade Secrets Directive.

The introduction of additional legal frameworks for data may create challenges for businesses in understanding and navigating the overall regulatory environment, potentially reducing legal predictability.

Moreover, ensuring consistency with international agreements, such as the TRIPS Agreement, is of significant importance. In this context, we believe it is essential to pursue a simplified, clear, and coherent legal framework that enables seamless and large-scale data sharing.

2. Discussion Points Regarding the Development of New Data Legislation and Rules

2.1 Simplification of Data Legislation and Rule Implementation

As digitalization advances, data becomes indispensable for leveraging cutting-edge technologies, including AI. Therefore, it is essential to establish governance mechanisms that are simple and easily implementable by companies of all sizes and across various sectors. If the implementation of data-related legislation is overly complex or costly, it could become a barrier to market entry and limit the number of companies—including European firms—that can effectively utilize data in AI. Avoiding over-reliance on or concentration of data within a few specific companies is also crucial to ensuring the EU's long-term competitiveness.

2.2 Clarification of the Scope of Application of Data Legislation and Rules

Given the diverse and dynamic nature of AI and data supply chains, it is vital to clearly define which parties in the supply chain bear what rights and obligations. A lack of clarity in this regard reduces predictability for stakeholders and hampers appropriate responses. By minimizing regulatory burdens and legal uncertainty for businesses, voluntary data sharing can be promoted, thereby enabling more effective value generation from data produced in Europe.

2.3 A Coherent Framework Across the Broader Digital Legislative Landscape

Maintaining harmonization and consistency for existing European legal frameworks and international agreements related to AI and data is essential for improving data sharing. At the same time, pursuing an approach that enables seamless and large-scale data sharing will help ensure high standards of data protection while improving open access to data. We believe this approach will also contribute to the development of competitive, non-discriminatory, and trustworthy AI technologies within the EU.

We appreciate for the opportunity to provide these comments.

JIPA supports the European Commission's efforts to advance a coherent, trusted, and innovation-friendly framework for data use in AI, data regulation simplification, and trusted international data flows under the forthcoming Data Union Strategy, welcomes the opportunity to answer any questions these comments may raise, and looks forward to a continuing dialogue on this very important subject.

Sincerely,

Toshihiko Kobayashi

Too water

President

Japan Intellectual Property Association