

**PRESS RELEASE: Enhancements in the Data Act key for startups**

[Brussels, 24rd February 2022, contact: [manon@alliedforstartups.org](mailto:manon@alliedforstartups.org)] Allied for Startups acknowledges the critical value of free flowing data to the EU economy and proposes enhancements to the Data Act.

Allied for Startups welcomes the objectives of the European Commission's proposal. This proposal can ensure the extraction of more value from data throughout the EU, enabling interoperability and further building the Digital Single Market. Startups are, however, integrated in ecosystems that rely on international data flows. **"Startups in Europe become unicorns if they have a competitive infrastructure, including a harmonised market and, crucially, global free flow of data"**, Benedikt Blomeyer, Director of EU Policy said on Thursday.

The Data Act proposes multiple new provisions and has a broad scope, which Allied for Startups is only beginning to assess in-depth on behalf of its members. However, what is immediately clear is that a straightforward data-sharing framework incentivising free market activity remains a top priority.

**"Mandatory data-sharing requirements are compliance-heavy measures, we need to ensure this won't hold back startup ecosystems. An exemption for SMEs is not a long-term solution for highly ambitious startups."** Blomeyer added.

Allied for Startups is increasingly concerned that creating more layers of policy on data flows could make the legislative framework for digital players so complex that it will benefit only bigger digital and analog incumbents. A simple and straightforward framework for data sharing is key to ensure a level playing field for startups.

*Allied for Startups is a worldwide network of over 40 advocacy organisations focused on improving the policy environment for startups. Our mission is to ensure that the voices of startups are heard in government. For more information on Allied for Startups including a full list of our network, visit the website at [www.alliedforstartups.org](http://www.alliedforstartups.org)*