



DATA TRANSFER INITIATIVE

A vision for digital economy growth through data portability



About DTI

The Data Transfer Initiative (DTI) is a non-profit organization of policy experts and technologists working with the technology industry and other stakeholders to enhance data portability through the development of open-source tools and shared frameworks. DTI works globally to deliver its mission statement: "empower people by building a vibrant ecosystem for simple and secure data transfers."

DTI upholds **five fundamental principles**: building for users, prioritizing privacy and security, embracing reciprocity, focusing on users' data, and respecting everyone. DTI applies these principles in practical ways, guiding product development and fostering discussions with users, platforms, nonprofits, academia, and governments to promote safe and effective data portability.

Vision

Data portability empowers people and expands markets, creating opportunities for new digital economy growth. Portability allows individuals to use personal data in the online services of their choice, not only similar services, but also new downstream innovations. This reorients markets to provide meaningful freedom to people and genuine opportunity to entrepreneurs, creating a virtuous cycle of growth, innovation, competition, and individual empowerment.

The UK's Smart Data agenda reflects these opportunities, and it is critical to understand the intersection between Smart Data and Online Banking, and data transfers in the digital sector. Notably, the impact of data portability goes further than its roots in data protection and competition. Allowing people to move from online services to safer alternatives aligns market forces with platform responsibility. And meaningful user choice and mobility, together with transparency and accountability, brings similar synergies to strengthen AI governance.

Coordination on data policy is necessary between the UK and its allies, notably the European Union. As the EU's new, and expansive, technology regulations enter their implementation, developing a framework for growth through data portability would ensure the UK remains influential in shaping global norms for digital openness and governance.

Three goals, aligned with the core values of the King's Speech, outline a framework for implementing this vision:

1. **Security** – Data portability is strongest when built on a foundation of trust, comprising data protection and security baselines to help businesses protect their users and their users' data. Done properly, trustworthy portability unlocks a future where people have agency over the services they use and the content they see. We can then affirmatively choose security and responsibility, reinforced by, and reinforcing, the Online Safety Act.
2. **Fairness** – Portability opens doors to data, allowing people to try new services whether or not they decide to move on from what they use today, and giving businesses of all sizes fair chances both to attract and to retain users. This helps ensure a fair market for users and businesses, promoting growth, innovation, and competition.
3. **Opportunity for all** – In combination, a secure and fair data market creates opportunities for empowerment of individuals, and for market entry and growth for all businesses, including entrepreneurs and small businesses. Notably, incumbents are not penalized for past investments, but are incentivized to make the most of available opportunities alongside their competitors; just as users are not forced to leave or lose services or features, but rather have the freedom to change at any time.

Growth

The internet's secret sauce, behind both its economic and innovative strengths, is low cost market entry and growth. It is easier today to build something new and reach people who want to pay for it – and also easier to scale and grow successful businesses at any size, and identify new value for current users – than in any prior era of human history, thanks to the internet.

The internet is no longer new. Decades of use of some of the same digital tools mean that people invest something more than just personal data in an online service – often, cherished memories. When a user leaves an online service, they risk losing access to that personal data, leaving those memories behind. The result can be, at times, feeling trapped. This imposes a cost, a friction that impedes a successful free market – and undermines the internet's secret sauce. But it's a solvable problem.

Openness is fundamental to growth; and, more and more, data portability is fundamental to openness.

But what about?

- **Security and privacy risks?** Trust is paramount for portability. Effective authentication and authorization, together with establishing trust between transfer parties, can go far to mitigate fraud and abuse. Furthermore, in a transparent and competitive market, trusted and reliable providers will rise to the top.
- **Users who don't like having to make choices?** Portability doesn't force users to leave a service they love. It enables everyone to have the *option* to transfer data. Choice provides consumer confidence, including to try new and related services.
- **Users who make harmful choices?** Some individuals may select services that don't serve them well, for example those that allow disinformation and harmful speech. But limiting choice is not a solution, and increases division. Transparency, accountability, and empowerment through portability can help align incentives with values.
- **Markets that don't provide good options?** It takes two to transfer data, and many users will choose to stay with big companies. However, investment and entrepreneurship fill gaps in markets and create compelling alternatives where current services fall short.
- **Other sources of lock-in effects?** A lack of data portability is not the only potential obstacle to free choice. Access to platforms like operating systems and marketplaces can be complex. Portability is separate from, but complementary to, these discussions.

Opportunities

Key priorities for the UK:

1. **Promote portability:** Ensure that future iterations of the Data Protection and Digital Information bill help make adequate space for data portability and interoperability, subject to user consent and initiation of transfer requests.
2. **Keep users at the center:** It is not data itself which must be smart to ensure success of the Smart Data effort, rather the infrastructure and policies built to implement it. Similarly, the data sources, processors, and collectors are not the target for empowerment, but rather the humans creating, using, and living online and offline as the subjects of data.
3. **Measure true impact:** If metrics to gauge the success of portability measure the wrong outcomes, they will lead to the UK adopting the wrong policies. Customer churn, in particular, can be highly misleading if used to evaluate portability efficacy. Good metrics account for stakeholders across the ecosystem and their needs.
4. **Reward openness:** As the Digital Markets, Competition and Consumers Act continues its implementation journey, evidence of its impact should be collected and studied, and affirmative steps towards portability should be incentivized.