For:Tech UNIVERSITÄT BONN

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# Designing Data Trusts
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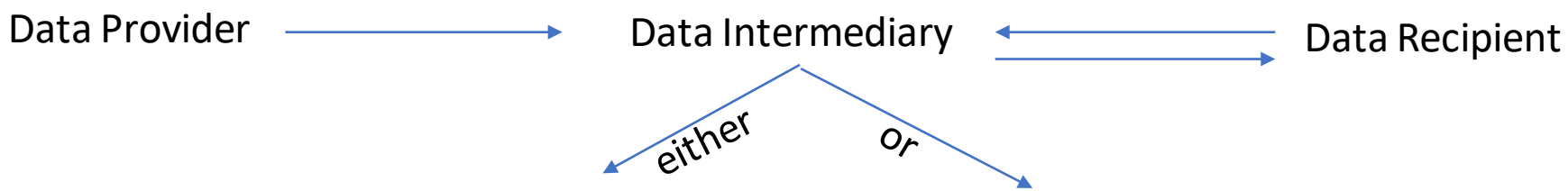
# A purpose-based approach

# From Data Intermediaries to Data Trusts




Functions as broker
=
brings data provider and data recipient together and enables them to share data (broker)

Functions as seller
=
shares data which he has received before to the data recipient

# From Data Intermediaries to Data Trusts

Fiduciary obligations or statute

Data Provider ⇄ Data Trust ⇄ Data Recipient

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shares data which he has received before to the data recipient but does so in the best interest of another party or based on statutes

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Always a data holder, never only a data broker

# Four basic forms of Data Trusts

| | voluntary use | mandatory use |
|---|---|---|
| centralized data storage | optional data host | mandatory data host |
| decentralized data storage | optional data cache | mandatory data cache |

# What is required in the healthcare sector?

- Problem: Underutilization of data for research purposes results from legal uncertainty
- 1. Need: Legal certainty for sharing and evaluating large data sets in accordance with data protection legislation
- Solution: Data Clean Rooms
  - Data storage solutions that meet the highest it security standards, in which data can be merged and analyzed without the various data providers being able to access the data themselves.
  - Only the analysis results are output to all data providers

# What is required in the healthcare sector?

- Problem: Underutilization of data for research purposes results from legal uncertainty
- 2. Need: Possibilities to improve the finding of data being already stored in a register
  - Solution: Coordinating Body which knows where already existing data can be found
- 3. Need: Possibilities to better "donate" data for research purposes
  - Solution: Improving the usability of electronic health records for this purpose

# What is required in the online sector (PIMS)?

- Problem: Overuse of personal data is based on infomational, behavioural and competition problems as well as on enforcement deficit of data protection law
- Need: Better control over data use
- Solution: Personal Information Management Systems (PIMS)
  - already exist in the market but do not work because there is no benefit for the users
  - No benefit basically because the instructions of the PIMS are not mandatory

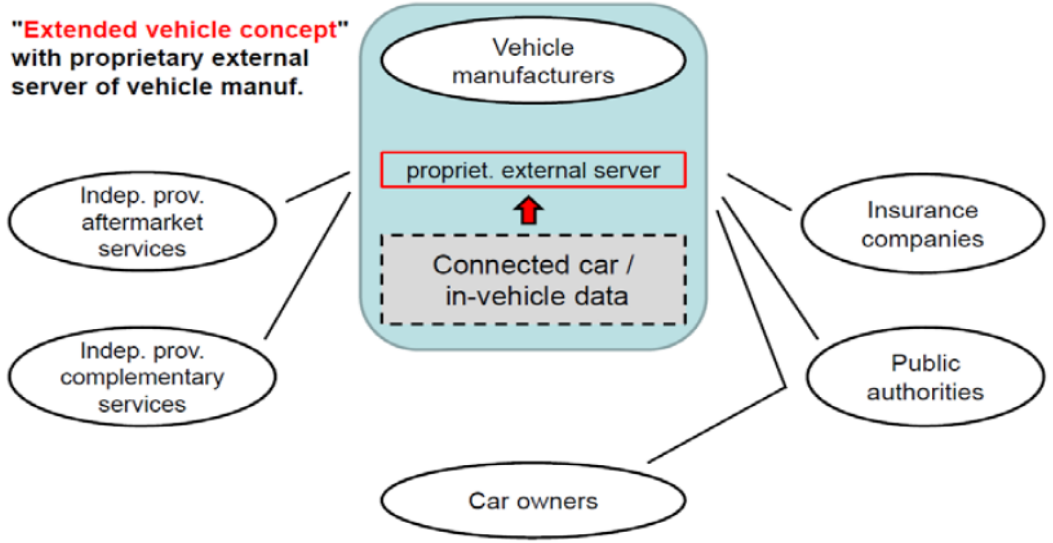
# What is required in the online sector (PIMS)?

- Solution: Regulation on the system level FIRST
  - Obligation to comply with the instructions of PIMS
  - Interoperability standards
- Second: Regulation of the details
  - Enabling broad consent towards PIMS
  - Enabling the enforcement of data subjects' rights
  - Measures to minimize risks e.g. to the right to informational self-determination
  - Competition policy solutions

→ DGA-E and § 26 TTDSG provide for only such measures

# Mobility sector:Data in connected cars

Current governance concept of vehicle manufacturers (VM):




- all data directly transmitted to proprietary server of VMs
- VMs have exclusive control of
  1) access to in-vehicle data and
  2) technical access to the car (closed system / no interoperability)

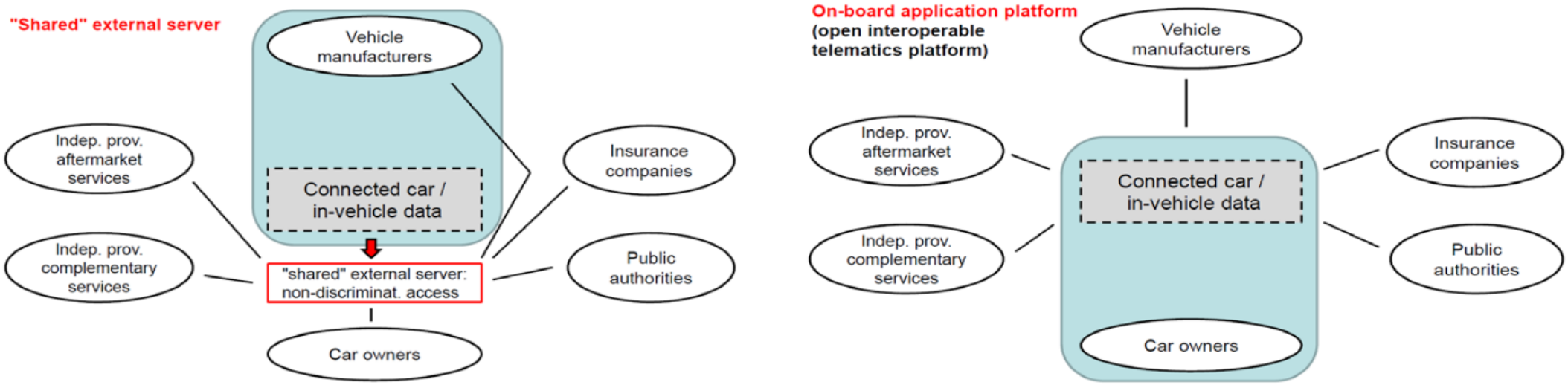
  => gatekeeper position

- allows VMs to control all secondary markets and foreclose independent service providers and leverage market power to these markets
- negative effects on competition, innovation, consumer choice

=> Independent service providers and consumer associations demand a regulatory solution for these problems (policy discussion since 2016)

# Mobility sector:Data in connected cars

Alternative solutions for access to data and the car:




- "shared server" operated by neutral entity (data trustee solution)
- open interoperable telematics platforms: data stored in the car, and car user has direct control over whom to give access to data and the car

  => both solutions would eliminate gatekeeper position of VM
- TRL study 2017: both solutions superior to "extended vehicle" concept, and also the security problems can be solved

# Mobility sector:Data in connected cars

EU Commission acknowledged the problems of „extended vehicle“ concept, announced solution but so far no policy proposal

**Policy options for solving gatekeeper problem:**

(necessary: solutions for data access, interoperability, and security)

1) Strict regulatory FRAND solution for access to in-vehicle data and the car (interoperability, security), e.g. via Type Approval Regulation for motor vehicles
2) On-board application platform: needs far-reaching standardisation regarding telematics platform and security => car owners can give access!
3) Data trustee solution: (as obligatory data host)
   - legislator establishes a data trustee which has the task of granting access to the in-vehicle data according to certain objectives and principles
   - data access for firms, public institutions (public interest), research
   - plus: regulatory solution for interoperability and security
   - mobility data of connected cars as „infrastructure“ for innovation …

# Different purposes of data trusts

Better and easier data sharing

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Necessary in the healthcare sector

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Solution: Optional Data Hosts as Data Clean Rooms

Avoiding de facto „data exclusivity“

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Necessary in the mobility sector

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Solution: Mandatory Data Hosts

More control over data processing

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Necessary in the online sector

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Solution: Mandatory Data Hosts/mandatory Data Cache as PIMS

# Contact Information

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