Data Localization Laws and Policy: The EU Data Protection International Transfer Restriction Through a Cloud Computing Lens by W Kuan Hon

Data localization laws are becoming somewhat problematic for data controllers and this timely book aims to explain why countries are increasingly introducing them, and creating barriers for cloud computing. This book takes a multidisciplinary approach as it evaluates the data transfer restriction under the EU DP Directive, the GDPR and the EU-US Privacy Shield. The author, Dr Kuan Hon, a solicitor specializing in data protection law and cloud computing, discusses the concept of cloud computing, the history behind data localization restriction, questions of adequacy, authorities’ access, enforcement and compliance issues.

A very interesting part of the book is the discussion on the dilemma of where to set up data centres. Hon argues that it makes little sense to consider personal data location without also considering the extent to which third countries have effective jurisdiction over a (sub)provider, without which such jurisdiction is irrelevant. Hon observes that DPAs focus on personal data location and EEA customers’ demands for EEA data localisation. This had led to the offering of regional clouds. However, there are proposals to limit data localization requirements at international level in trade agreements. Hon emphasises that compliance with DP principles is key, not so much the location of the data, and makes recommendations for GDPR review/guidance to frame ‘transfer’ by reference to recipients, not countries.

This book which is partly a legalistic discussion about terms and concepts is however very useful for companies involved in cloud computing, as it explains the challenges in practical terms and with many examples of real cases. The arguments that the author makes are often not only relevant in the cloud computing context, but also apply more generally for cross-border transfers.

Reviewed by Laura Linkomies