

# APEC's Developments in Cross Border Privacy Rules (CBPR) System

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# Overview

- Introduction – APEC ECSG
- Operation of the CBPR System
- Participation in CBPR System
- Other development in relation to CBPR System
- Way Forward

# INTRODUCTION

## APEC E-Commerce Steering Committee

- The APEC Electronic Commerce Steering Group (ECSG) under APEC.
- Meets twice annually - SOM1 and SOM3.
- The recent ECSG Meeting in May 2013 at Medan, Indonesia was the 28<sup>th</sup> Meeting.
- Two (2) Subgroups:
  - Data Privacy Subgroup (DPS): CBPR
  - Paperless Trading Subgroup (PTS): e-Commerce

# INTRODUCTION

## APEC E-Commerce Steering Committee

- Objectives:
  - promotes electronic commerce.
  - explores best develop predictable, transparent and optimised legal, regulatory and policy environments for Member economies.
  - enable economies utilise information and communication technologies to drive economic growth and social development.

# BACKGROUND


## APEC Cross Border Privacy Rules System

- Endorsed by APEC Leaders in 2011.
- A voluntary accountability-based system.
- APEC Cross Border Privacy Rules (CBPR) System developed by participating APEC economies.
- In collaboration between Government and representatives of industry and civil society.

# APEC CBPR

## Objectives

- It aims to build consumer, business and regulator trust in cross border flows of personal information.
- It strives to facilitate privacy-respecting data flows among APEC economies.



# **OPERATION OF THE CBPR SYSTEM**

# BACKGROUND

## APEC Privacy Framework

- In November 2004, Ministers for the twenty-one APEC Economies endorsed the APEC Privacy Framework.
- The Framework is comprised of a set of guiding principles on:
  - developing consistent domestic approaches to personal information privacy protections; and
  - regional approach to promote accountable and responsible transfers of personal information between APEC Economies.



# Compliance & Requirements

- Participation is voluntary. Once an organization has been certified for participation in the CBPR System, these privacy policies and practices will become binding.
- Participant will be enforceable by an appropriate authority, such as a regulator to ensure compliance with the CBPR program requirements.

# CBPR PROCESS OVERVIEW

**Process for Participation and  
Discontinuation of Participation by  
APEC Economies in the CBPR System**



**Process for Recognition of  
Accountability Agents**



**Process for Certification of  
Organisations**



# **PARTICIPATION IN CBPR SYSTEM**

# CBPR FOR....

CONSUMERS

BUSINESS

ACCOUNTABILITY  
AGENTS (AA)

GOVERNMENT

# CBPR For Consumers

APEC CBPR system help protect consumers' information by requiring:

- participating companies to adhere to the standards established by the APEC CBPR system.
- all APEC CBPR system certified companies have their privacy policies and practices evaluated by an Accountability Agent (AA).
- AA to monitor companies' compliance with the APEC CBPR program requirements.
- AA to enforce APEC CBPR program requirements and, in appropriate cases, to report non-compliance to privacy enforcement authorities.

# CBPR For Businesses

- The APEC CBPR system bridges differing national privacy laws within the APEC region, reducing barriers to the flow of information for regional trade.
- By promoting adherence to a standard of best practices, businesses can demonstrate commitment to consumer privacy.
- APEC CBPR system certified organisations:  
IBM (certified by TRUSTe) with effect from 13.08.2013

# CBPR For Businesses - TRUSTe

- TRUSTe is a leading global Data Privacy Management (DPM) company that empowers trust in data economy by enabling businesses to safely collect and use customer data across web, mobile, cloud and advertising channels.
- TRUSTe certification/seal is a signal to consumers that a website is safeguarding your personal information and values your online privacy.
- F o r m o r e , v i s i t :  
[https://www.truste.com/products-and-services/  
program-descriptions](https://www.truste.com/products-and-services/program-descriptions)



# CBPR For Accountability Agents (AA)

- AAs are those that certify privacy policies and practices of participating companies to ensure compliance with CBPR system program requirements.
- AA recognised to perform APEC CBPR system certifications:

Accountability Agent Name	AA Contact Information	Economies in which AA has been approved to certify	Date of recognition (DD/MM/YYYY)	Notes	Certified Companies Link
<a href="#">TRUSTe</a>	835 Market Street Suite 800 San Francisco CA USA 94103-1905	•USA	25/06/2013	Recognised to certify organisations under the jurisdiction of the US FTC	<a href="https://www.truste.com/consumer-privacy/trusted-directory/">https://www.truste.com/consumer-privacy/trusted-directory/</a>



# CBPR For Government

- One of the medium to longer term goals of APEC CBPR system is to lift overall standard of privacy protection throughout the region through voluntary opt-in, yet enforceable, standards.
- Current participating APEC CBPR system economies: USA and Mexico. (More expected to join soon.)



**OTHER  
DEVELOPMENT  
IN RELATION TO  
CBPR SYSTEM**

# APEC CBPR

## Components

- It has four (4) main components:
  - recognition criteria for organisations to become APEC CBPR system certified Accountability Agent\*;
  - intake questionnaire for organisations to be certified as APEC CBPR system compliant by a third-party CBPR system certified Accountability Agent;

# APEC CBPR

## Components (cont' d)

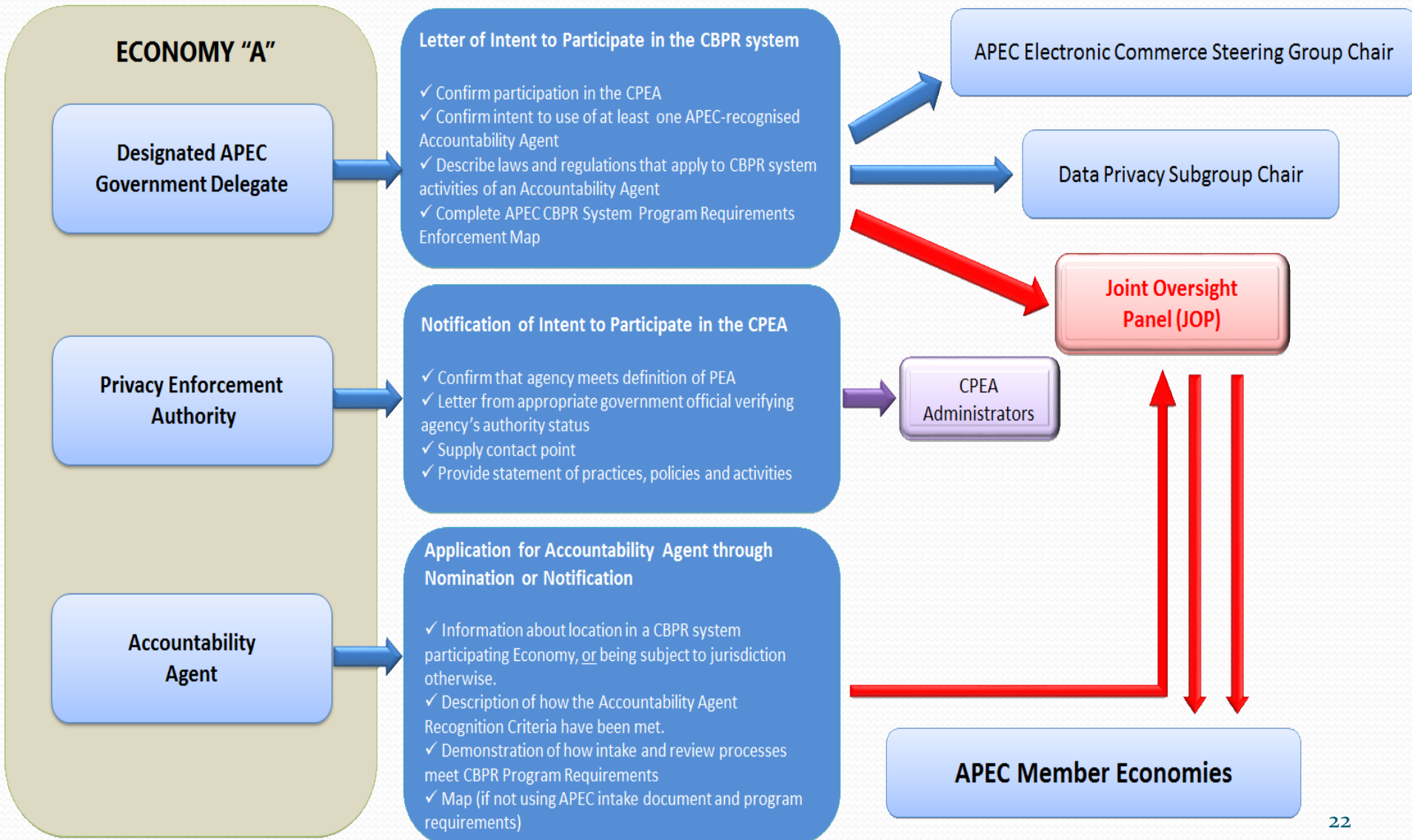
- It has four (4) main components (cont'd):
  - assessment criteria for use by APEC CBPR system certified Accountability Agents when reviewing an organisation's answers to the intake questionnaire; and
  - the APEC Cross-border Privacy Enforcement Arrangement (CPEA\*) which is the regulatory cooperative arrangement to ensure that each APEC CBPR system program requirements can be enforced by participating APEC economies (CPEA is a prerequisite to participate in the CBPR System).

# APEC CBPR

## Joint Oversight Panel

- Joint Oversight Panel (JOP) administers the APEC CBPR system, assisted by the CBPR Secretariat.
- Key functions:
  - APEC Economy Participation
  - Accountability Agents recognition and re-attestation
  - Discontinue Accountability Agent recognition
  - Conflicts of interest
  - Complaint handling

# Structure of the APEC Cross Border Privacy Rules (CBPR) system




# CBPR STRUCTURE

## Designated APEC Government Delegate

**ECONOMY "A"**

**Designated APEC  
Government Delegate**



**Letter of Intent to Participate in the CBPR system**

- ✓ Confirm participation in the CPEA
- ✓ Confirm intent to use of at least one APEC-recognised Accountability Agent
- ✓ Describe laws and regulations that apply to CBPR system activities of an Accountability Agent
- ✓ Complete APEC CBPR System Program Requirements Enforcement Map

# CBPR STRUCTURE

## Privacy Enforcement Authority

**Privacy Enforcement  
Authority**

The diagram consists of a light blue rounded rectangle on the left containing the text 'Privacy Enforcement Authority'. A blue arrow points from this rectangle to a larger blue rounded rectangle on the right. This second rectangle contains the title 'Notification of Intent to Participate in the CPEA' and a bulleted list of four requirements.

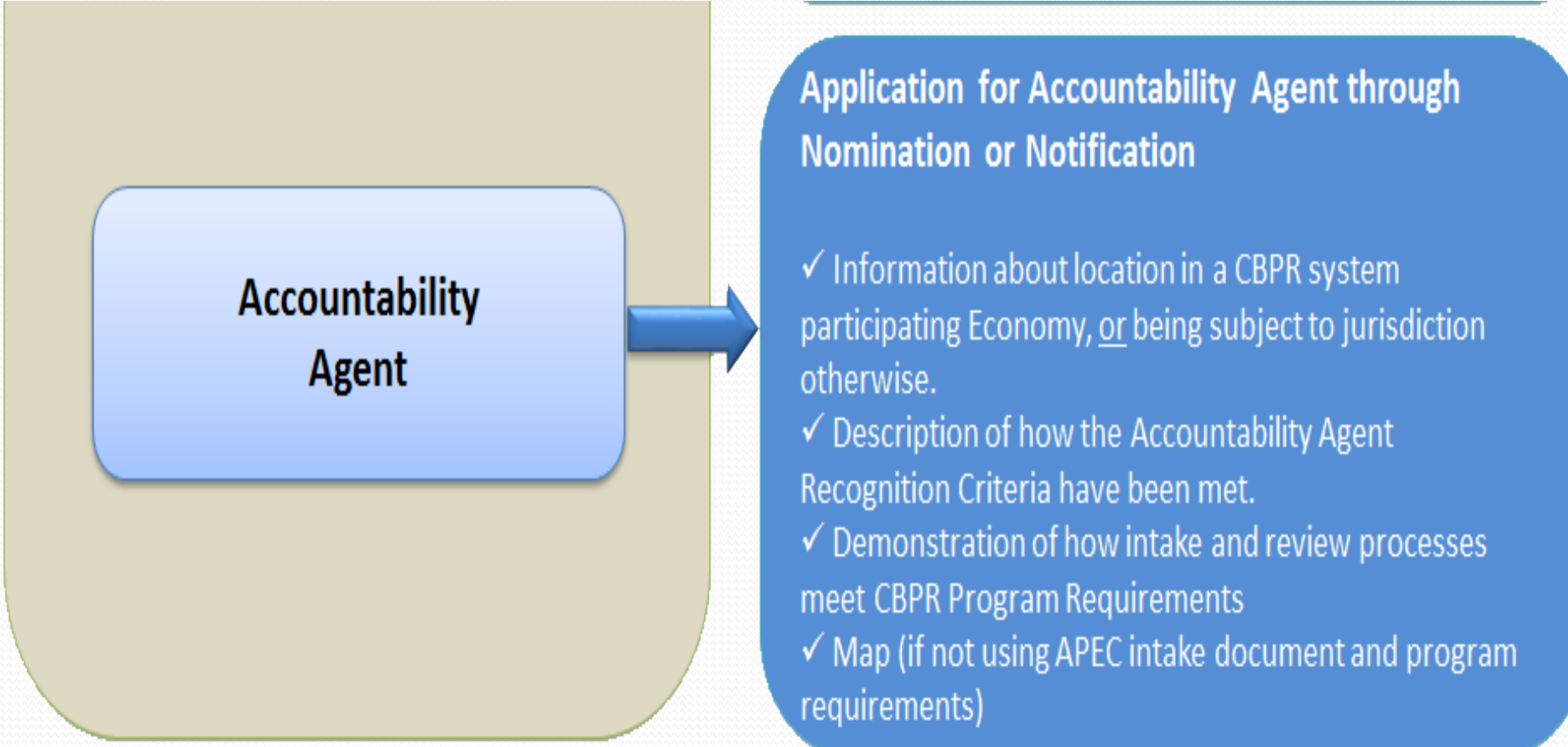
### Notification of Intent to Participate in the CPEA

- ✓ Confirm that agency meets definition of PEA
- ✓ Letter from appropriate government official verifying agency's authority status
- ✓ Supply contact point
- ✓ Provide statement of practices, policies and activities



# CBPR STRUCTURE

## Accountability Agent



The diagram consists of a light blue rounded rectangle labeled 'Accountability Agent' inside a larger tan rounded rectangle. A blue arrow points from the 'Accountability Agent' box to a blue rounded rectangle on the right. This blue rectangle contains the title 'Application for Accountability Agent through Nomination or Notification' and a bulleted list of four requirements.

**Accountability Agent**

### Application for Accountability Agent through Nomination or Notification

- ✓ Information about location in a CBPR system participating Economy, or being subject to jurisdiction otherwise.
- ✓ Description of how the Accountability Agent Recognition Criteria have been met.
- ✓ Demonstration of how intake and review processes meet CBPR Program Requirements
- ✓ Map (if not using APEC intake document and program requirements)



# WAY FORWARD

# WAY FORWARD

- APEC ECSG and EU Article 29 Working Party exploring how European Binding Corporate Rules (BCRs) and the APEC CBPR system can facilitate privacy-respecting transfers of personal data between Europe and the APEC region.
- To coincide with the upcoming 10-year anniversary of the APEC Privacy Framework in 2015, APEC ECSG to undertake a stocktake of the APEC Privacy Framework.
- To continue identifying capacity building needs and engage in capacity building activities on domestic implementation of the APEC Privacy Framework, as required.



**TERIMA KASIH**  
**(THANK YOU)**