



**Asia-Pacific
Economic Cooperation**

Report of the First Technical Assistance Seminar on International Implementation of the APEC Privacy Framework, 2008

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Data Privacy & E-Commerce: Fostering Economic Growth

- Four seminar themes:
 - Diverse cultures of privacy within the APEC region
 - Building a Privacy Infrastructure for Data Processing Across Borders
 - APEC Adoption as a Resource for Economic Development
 - Moving Ahead on the Pathfinder Projects



Session I: The Asian Culture of Privacy

- Privacy is not a traditionally accepted value in agrarian and communitarian cultures of Asia.
- Urbanization of culture and adoption of new technology has led to an interest in privacy.
- Focus of privacy concern on protection of personal data.



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The Diverse Cultures of Privacy Across the APEC Region

Session II: The Latin American Culture of Privacy

- Culture of privacy in Latin America is still being formed.
- Economies are at different stages of development of their legal infrastructures for privacy and data protection.
- Concerns persist about harmonization and choice of approach
- APEC may provide a structure that assists in building governance within economies and that moves beyond issues of harmonization of local law to establish common mechanisms for cross border transfer.



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Session III: Obligations of Outsourcing Companies

- Privacy is a local value, but the obligations that come with data must be honored wherever it travels.
- Companies seeking processing services must look for vendors possessing the capacity to meet those obligations and the ability to carry through if they are not met.
- Companies choose services located in economies with the legal infrastructure to support contract, labor and data protection laws.
- Companies look for locations where data and networks are secure – security is not a local issue.
- Companies must inform data processor of the obligations that come with data.
- Civil society reflected on the deep concern about privacy and outsourcing and urged strong laws within countries, clear notification for consumers and choice, and strong enforcement.



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Session IV: Obligations and Requirements of Processing Service Providers

- Providers of outsourcing services must
 - demonstrate trustworthiness and competency to manage the requirements that come with data.
 - provide a workforce trained about privacy and data protection.
 - be able and willing to follow through when data is mishandled.
- Economies must build capacity for this by educating industry and government; fill gaps in local laws and encourage stakeholder involvement.
- Civil society emphasized the importance that APEC requirements serve as a floor rather than a ceiling; the importance of enforcement and bringing less responsible companies to a higher level.



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APEC Adoption as a Resource for Economic Development

Session V: APEC Principles and Fostering Economic Growth

Advantages of APEC adoption for economic growth:

- Expanded trade and investment for economies, new jobs, improved workplaces, ongoing professional training for the workforce.
- Company branding and public recognition for sound privacy practices.
- Enhanced enforcement and accountability to foster trust.
- A harmonized, interoperable, predictable approach to privacy protection for consumers and industry.
- A starting point for economies just developing their laws and infrastructure – APEC principles provide guidance and a goal for lawmakers.



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Session VI: Using Pathfinder to Build Capacity in Emerging Economies

- Recognition of the role of the APEC Framework and principles in creating governance and establishing mechanisms for cross-border enforcement.
- Importance of the Pathfinder to economies establishing requirements, accountability, and enforcement, even as economies explore their own local requirements and develop domestic governance.
- Public awareness of APEC and the Pathfinder projects is key, and an important goal of economies working toward governance and APEC adoption.



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Session VII: Pathfinders Going Forward

- Pathfinders are the place to test the practicality of concepts, tools, accountability and enforcement mechanisms.
- Goal is a lightweight, non-bureaucratic system.
- Critically important to move ahead.
- Pathfinders can play a role in publicizing APEC Framework and principles.
- Development of FAQs can help the process and further understanding.
- Broadening participation is a key to success.



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