

**(High Level) Policy Dialogue Technology and Innovation Policy  
in the Age of Global Value Chain**

**GDPR and implications on cross border trade  
(Viewpoint of Consumer Protection)**

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**2019.06.12**



# IOT Grow 2.6 Times On Economic In 2015

## Nine settings where value may accrue

### Size in 2025, \$ trillion<sup>1</sup>

■ Low estimate ■ High estimate

**Factories**—eg, operations management, predictive maintenance 1.2–3.7

**Cities**—eg, public safety and health, traffic control, resource management 0.9–1.7

**Human**—eg, monitoring and managing illness, improving wellness 0.2–1.6

**Retail**—eg, self-checkout, layout optimization, smart customer-relationship management 0.4–1.2

**Outside**—eg, logistics routing, autonomous (self-driving) vehicles, navigation 0.6–0.9

**Work sites**—eg, operations management, equipment maintenance, health and safety 0.2–0.9

**Vehicles**—eg, condition-based maintenance, reduced insurance 0.2–0.7

**Homes**—eg, energy management, safety and security, chore automation 0.2–0.3

**Offices**—eg, organizational redesign and worker monitoring, augmented reality for training 0.1–0.2

**Total \$4 trillion–\$11 trillion**

<sup>1</sup>Adjusted to 2015 dollars; for sized applications only; includes consumer surplus. Numbers do not sum to total, because of rounding.

# Expand Free Trade by Enhancing Digital Trust

## Increase Productivity Through Technological Development

1. Emerging digital technologies, ex., blockchain and artificial intelligence (AI), **help reduce frictions** among global trade and business flows by enhancing “digital trust” in transactions.
2. IBM estimates more than \$300 billion in the underlying costs of global commerce can be **optimized with digital technologies**
3. These technologies can be adopted at relatively low cost through internet and cloud computing with **few requirement to changes legal and regulatory frameworks.**
4. Businesses must agree to a new set of **government policies on transactions and data-sharing** built around these technologies.
5. National governments have every incentive to create as millions who have been denied access to the marketplace will benefit from the **removal of friction from international commerce.**

# Privacy Risk: Intelligent Water

1. Safe drinking water; Optimized delivery
2. Energy-efficient radiant heating and cooling; Reliable infrastructure
3. Protects from leak damage; Enables mindful conservation
4. Enhances household water usage ; Automated and anticipatory controls
5. Improves Adherence ;Insurance Underwriting Tool



# Fair Information Privacy Practices



Source:

<https://security.berkeley.edu/sites/default/files/uploads/FIPPSimage.jpg>

# Three Objectives Of Technological Neutrality Of Law.

## 1. **Compensation** objective

The need to avoid specific technological designs **threaten the substance** of human rights.

## 2. **Innovation** objective

The need to prevent privileging or discriminating specific technological designs in ways that would **stifle innovation**.

## 3. **Sustainability** objective

The need to enact legislation at the right level of **abstraction** to prevent the law from becoming **out of date** all too soon.

Source: Data Protection by Design and Technology Neutral Law  
By Mireille Hildebrandt, Radboud University Nijmegen  
Laura Tielemans, Vrije Universiteit Brussel, 2013

# Should the Privacy Act be technology neutral?

1. Technology-neutral privacy principles ensure Australian Privacy Act **remained flexible and relevant** , while technologies facilitating easier, cheaper and faster methods by which information collected, accessed, aggregated and communicated.
2. Current technologies do **not alter fundamentally** nature of the information-handling cycle.
3. Impact of some technologies on privacy may be inconceivable until the technologies have actually been **invented and deployed**.
4. Surveillance devices and radio frequency identification (RFID) systems facilitate the collection of personal information **without the knowledge or consent** of an individual, but the collection of the information **still be regulated** by the 'Collection' principle in the Australian Model UPPs (Unified Privacy Principles (UPPs))
5. Make **necessary amendments** to the Privacy Act to ensure that the Act remains technology aware.

# Toward A New Digital Ethics



# Glance At EU GDPR



# What the new EU GDPR means in 1 minute

The EU GDPR will increase privacy for individuals and give regulatory authorities greater powers to take action against businesses that breach the new laws. Here's what it means for your business:

**Tough penalties:** fines of up to

**4%** of annual global revenue

or

**€20 million**, whichever is **greater**.



The regulation also applies to **non-EU companies** that process personal data of individuals in the EU.



The **definition of personal data** is now broader and includes identifiers such as



genetic



mental



cultural



economic



social identity.

The **international transfer of data** will continue to be governed under EU GDPR rules.

**Obtaining consent** for processing personal data must be clear, and must seek an affirmative response.



Parental consent is required for the processing of **personal data of children** under age 16.



Data subjects have the **right to be forgotten** and erased from records.

Users may request a copy of personal **data in a portable format**.

GDPR Fines: 4% of global turnover  
Privacy Budget: 0.0004% of global turnover



Written by Daniel J. Solove

www.teachprivacy.com

Illustrated by Ryan Beckwith

I want to be GDPR compliant. What do I need to do?

It's easy. Just buy a badge and pin it on.



Written by Daniel J. Solove

www.teachprivacy.com

Illustrated by Ryan Beckwith

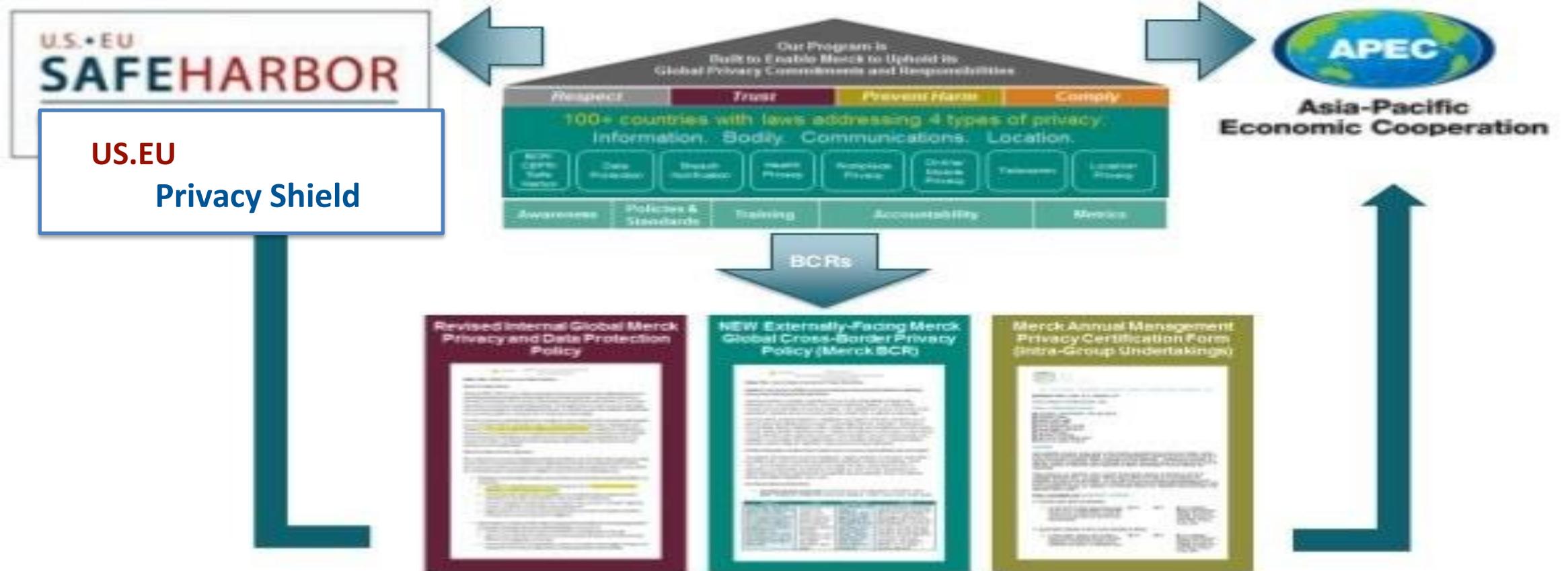


"Before I write my name on the board, I'll need to know how you're planning to use that data."

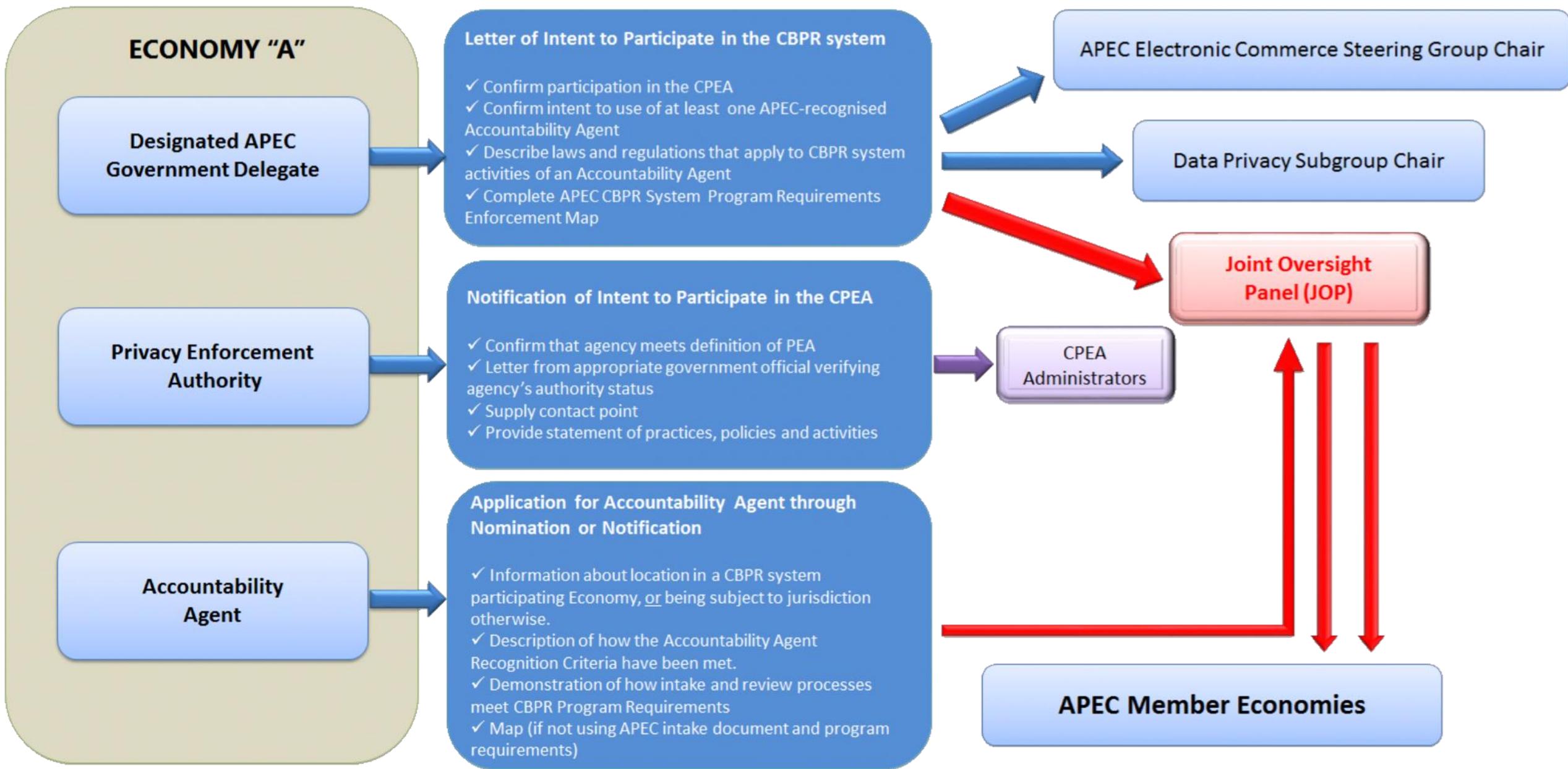
## 4 EASY STEPS FOR GDPR COMPLIANCE

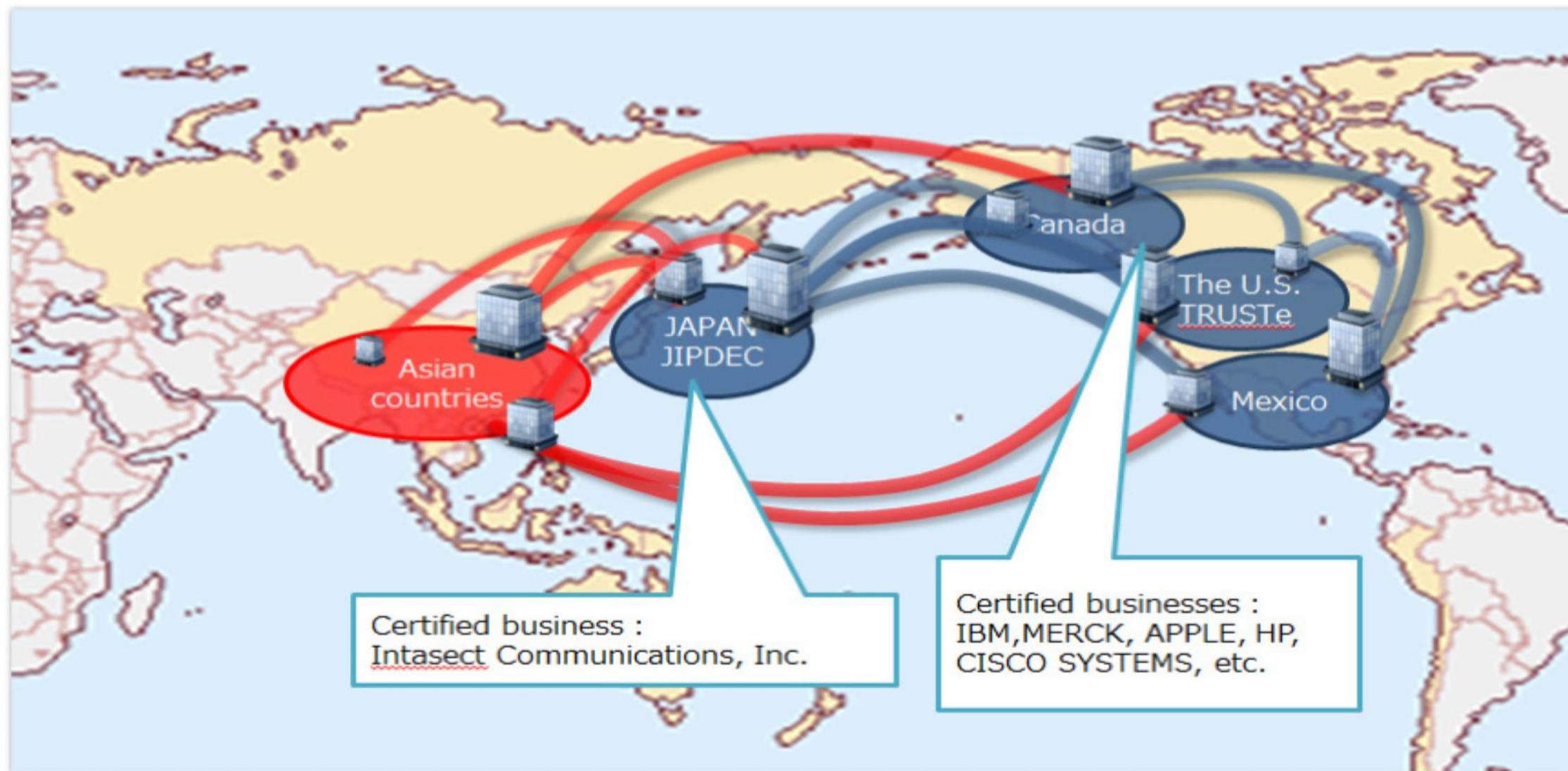


# Approach To Operate An Interoperable Data Protection Framework



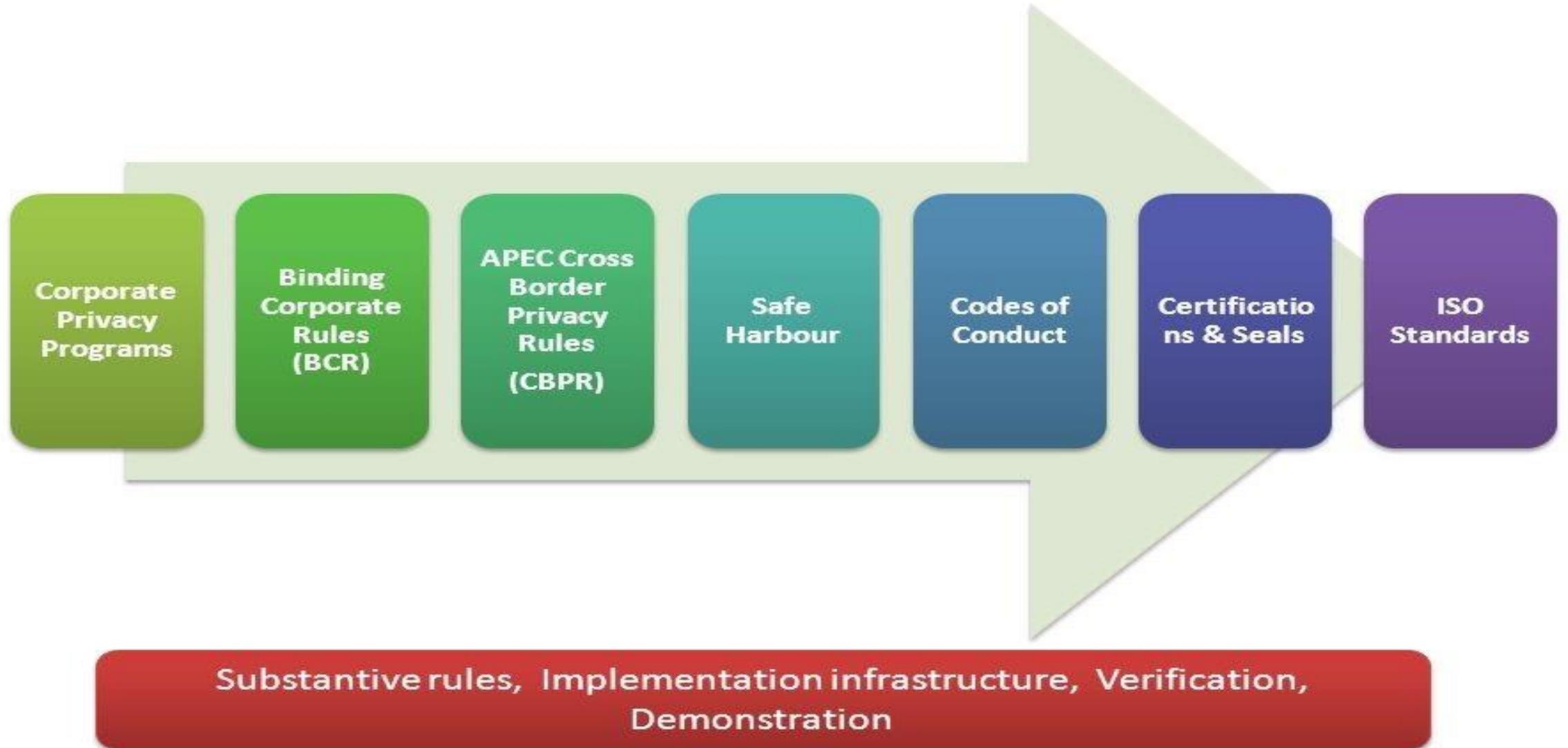
# Structure of the APEC Cross Border Privacy Rules (CBPR) system





Pave the way for engineering the interoperability with the EU personal data cross-border transfer system.

# Many faces of Accountability



# Driving Force Of Data Ethics Governance

As a publicly traded company enhancing accountability and data ethics governance at LiveRamp is vital to shareholder value - LR/AMS

## Essential Elements of Accountability



Commitment to Policy



Mechanism to implement Policy



Monitoring Programs



Individual/Function Participation



Demonstrable Accountability

## Demonstrating Accountability

1. Executive commitment
2. Policies and procedures
3. Business function mechanisms
4. Education and awareness
5. Technical systems and controls
6. Internal monitoring and enforcement
7. Program risk assessment validation
8. Robust Record keeping

## Governance Pillars

People



Process



Technology



## Benefits of Accountability and Governance

**More Scalability, Controllability and Mobility**

# Harmonization and Interoperability





**THANK FOR LISTENING !**

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**Open Data Initiative and Related Policies  
(Viewpoint Of Economy)**

**Dr.JJ Pan**

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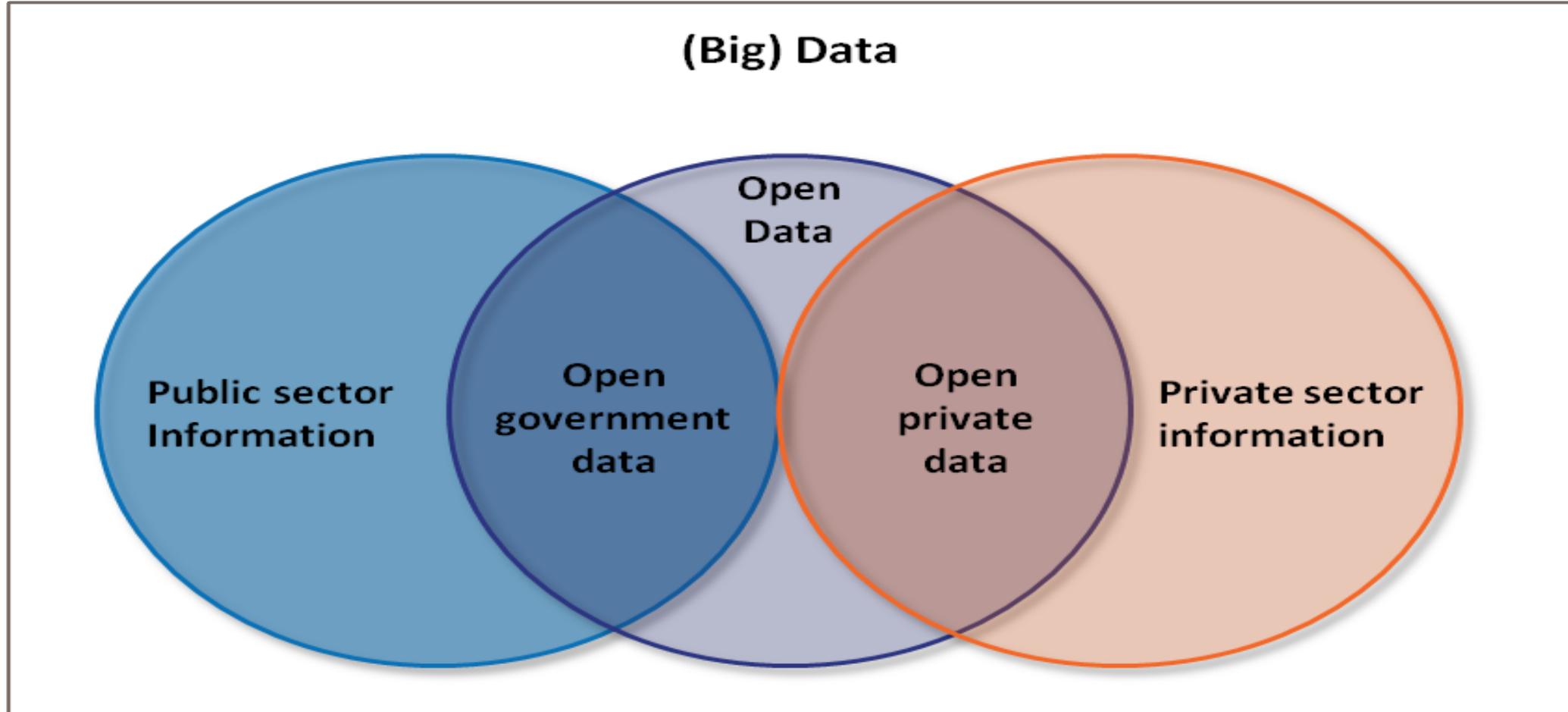
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# Open Data in The Broader Data Economy

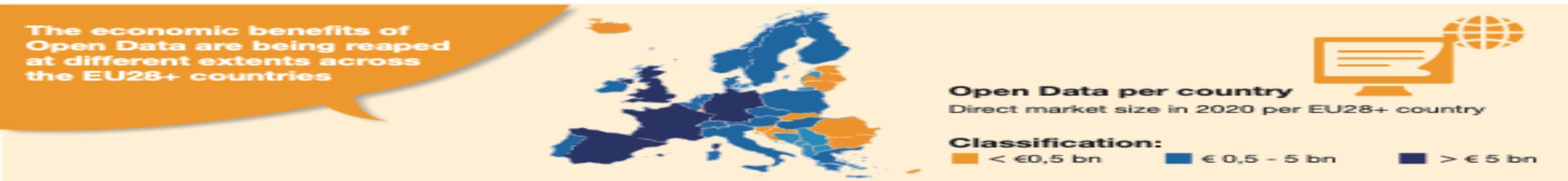


**Figure 2 Open Data in the broader data economy**

Source: 2017 Economic Value of Open Data

# Estimated Data Value in 2020 for EU

Market size and value added	Number of jobs created	Cost savings for the public sector	Efficiency and productivity gains
<p>€ 325 billion direct market size for the period 2016-2020</p> <p>36.9% increase in share of GDP from 2016 to 2020</p> <p>€ 83,578 million market for public administration in 2020</p>	<p>100,000 jobs in Open Data in 2020</p> <p>7.3% average increase in Open Data jobs</p> <p>More than 2,500 jobs in at least nine countries</p>	<p>€ 1.7 billion cost savings for EU28+ public administrations in 2020</p>	<p>7,000 lives can be saved due to quicker response</p> <p>2,549 hours can be saved in terms of finding parking</p> <p>629 million hours saved, equivalent to € 27.9 billion</p>



## Open Data has both direct and indirect economic benefits

### Indirect economic benefits

- 2,549 hours saved in finding parking
- 16% less energy used

### Direct economic benefits

- 25,000 Jobs created in Open Data in 2020
- > € 30 million of savings in public administration in 11 countries

The benefits of Open Data are diverse and range from improved performance of public administrations, economic growth in the private sector to wider benefits for citizens and the society

### Performance

- Improving Efficiency of Public Services
- Improving Quality

### Economy

- Developing Innovative Services
- Creating New Business Models

### Social

- Improving Transparency & Accountability
- Enhancing Participation

# Direct Market Size Per Sector

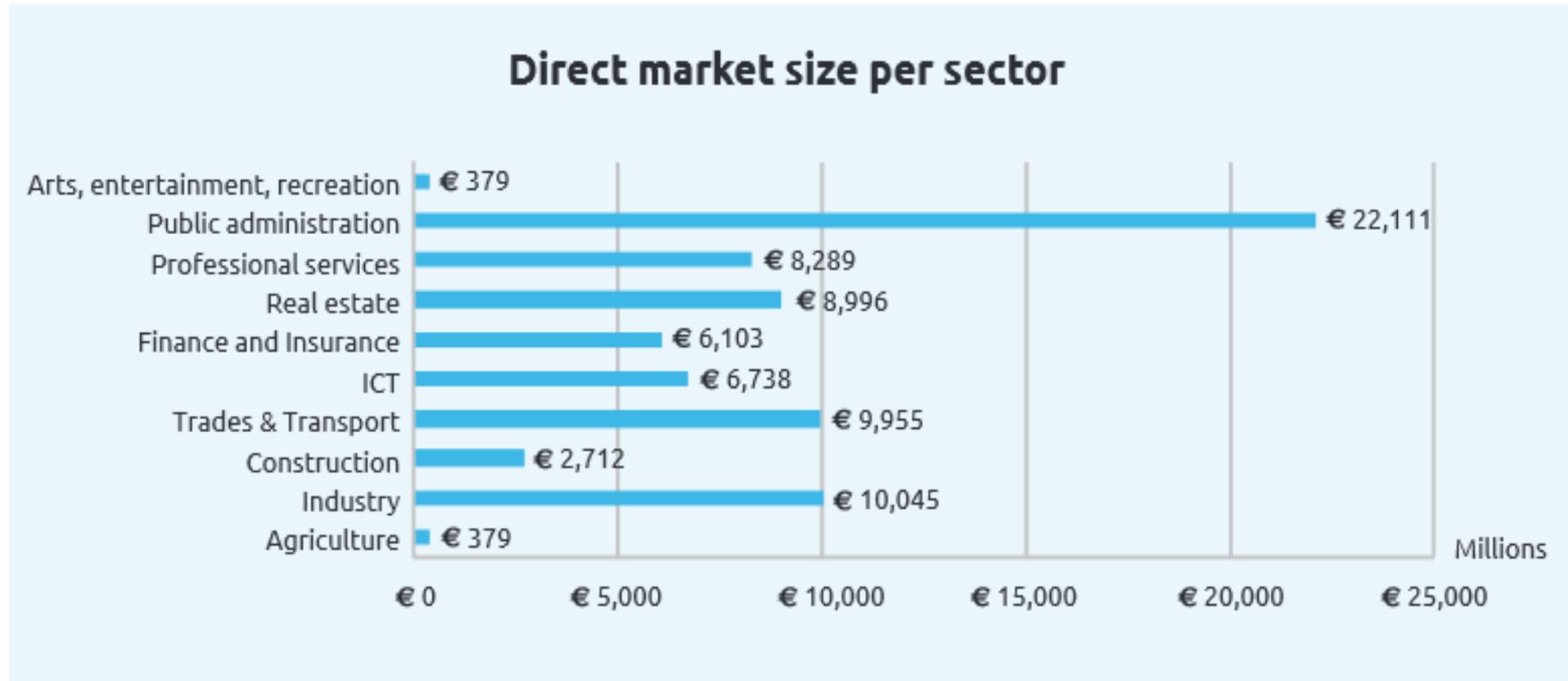


Figure 6 Direct market size of Open Data per market sector for EU28+, (2020, million Euros)



The keys to building  
confidence with customers:  
Privacy and Security



The challenges faced in cross border e-commerce transaction involved logistic and payment issues



I Prefer to Buy Products Within My Country



Source: Google Consumer Barometer, n= 18587

Notes: - the percentage is based upon the internet users



Source: Google Consumer Barometer, n= 14174

Notes: - the percentage is based upon the e-commerce users



Supply issues when conducting cross border transaction:



Demand side: why SEA customers do not purchase cross border e-commerce?



Notes:

- Logistic Issue
- Payment Issue

Source: The Consumer Barometer Survey 2014/15 N=8750

# Five Ways Increase Trust In E-commerce

## Trust As Most Powerful Currency

1. Create online **consumer protection** mechanism
2. Protect **personal data**
3. Address **variation** in the rules/regulations
4. Increase **international cooperation** on e-commerce
5. Engage in international **self-regulatory** talks

Source: The Global Governance of Online Consumer Protection and E-commerce  
Building Trust, © 2019 World Economic Forum

# World Trustmark Alliance

2018 Chairman:  
Hongkong



2014 Chairman:  
China



2012 Chairman: Chinese  
Taipei



2014 Chairman:  
Malaysia



2011 Chairman: Japan



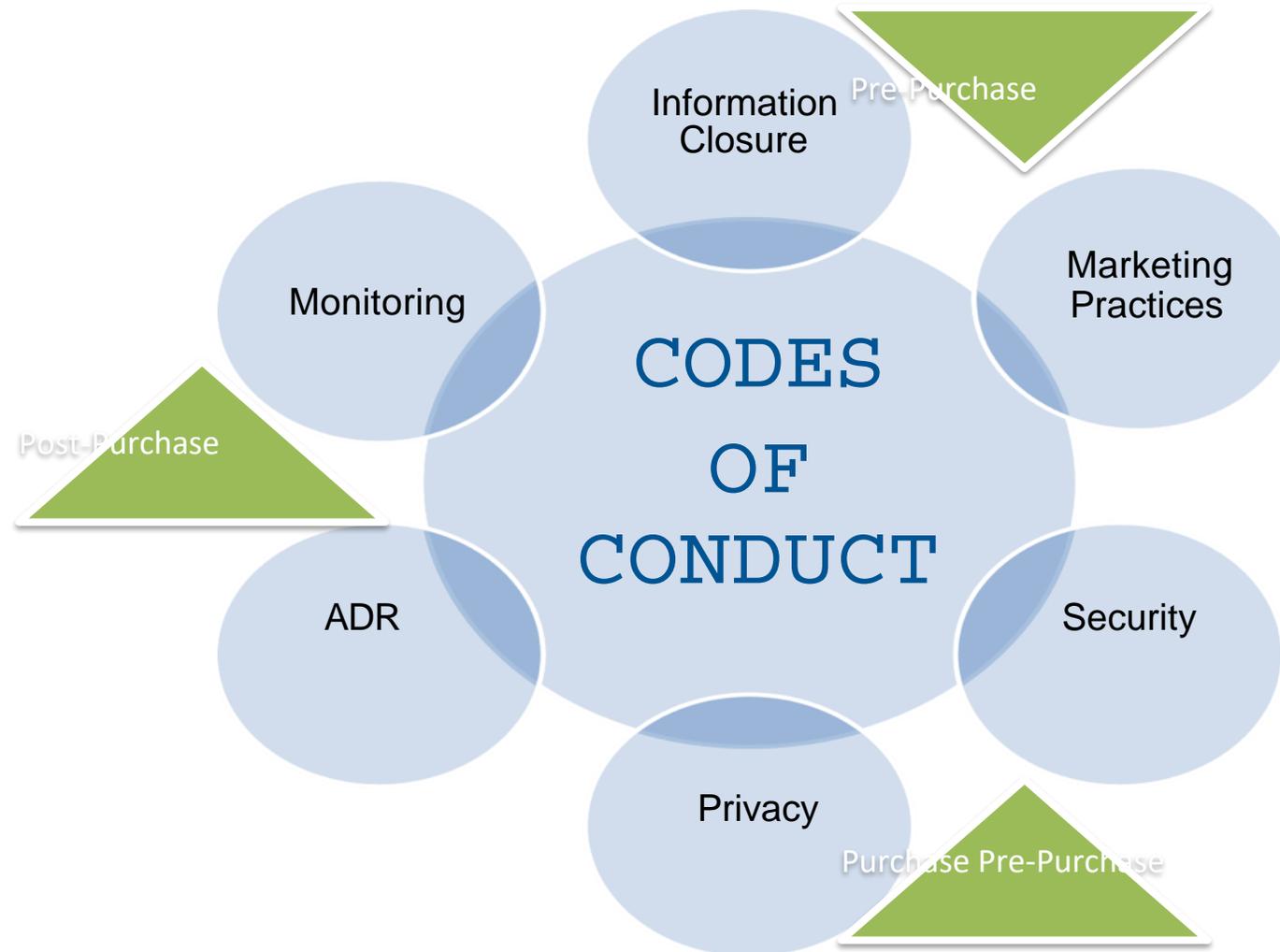
2010 Chairman:  
Philippines



Operating Areas: Asia Pacific, Northern and Southern America and EU

Organizations: 37 organizations operating 30 countries

# Principled Based Accountability



# Trusted ECommerce Eco-system

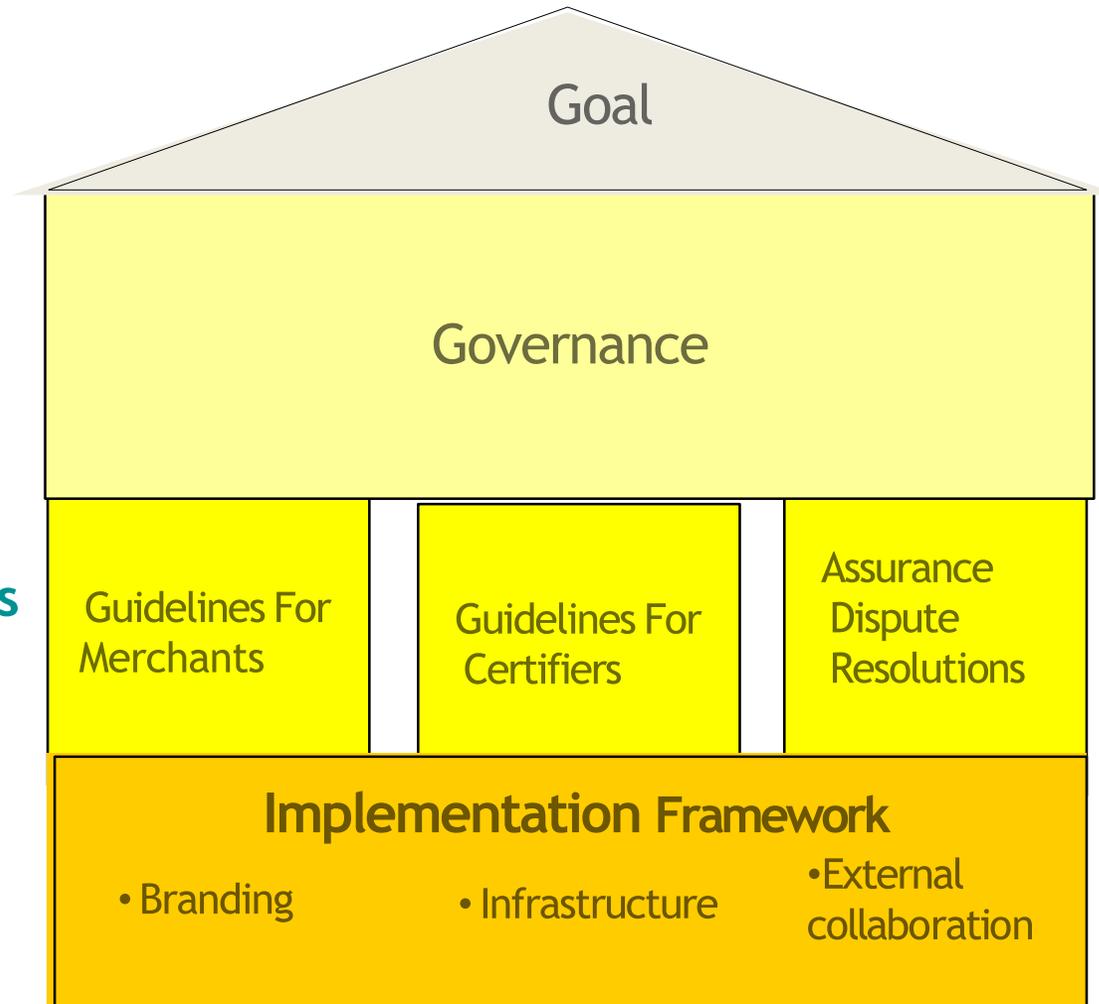
Creating Trust

Assuring Trust

GBDe Trustmark Guidelines

APEC Privacy Principles

Projecting Trust



# Harmonization and Interoperability





**THANK FOR LISTENING !**



# Laws & Cases



## Declaration on Artificial Intelligence Ethics and Data Protection” by HongKong PCPD

The 40th ICDPPC adopted the “Declaration on Artificial Intelligence Ethics and Data Protection”. The Declaration proposes six basic principles, including

Reflect the respect of **privacy in design** ;

Ensure that each **individual is involved** ;

Ensure artificial intelligence system **non-discriminatory, transparent, and controllable;**

**Accountable** and continue to pay attention;

**Assess the risks** of artificial intelligence development.

The meeting also established a long-term working group to ensure that ethics and data protection in the development of artificial intelligence is monitored and promoted at the international level.

## EU: EDPB publishes opinion on EU and Japan draft adequacy decision

The European Data Protection Board ('EDPB') published, on Opinion regarding the European Commission Draft Implementation Decision on the Adequate Protection of personal data in Japan ('the Opinion'), following its [adoption](#) on 5 December 2018.

In particular, the Opinion noted that there are key areas of alignment between the framework such as **data accuracy and minimization, storage limitation, security of data and an independent supervisory authority.**

Challenges include

A reliable system regarding **efficient compliance by Japanese entities and enforcement** by the Personal Information Protection Commission ('PPC');

Assure **no onwards transfers from Japan to third countries** that may not have been the subject of a previous assessment or adequacy finding of the EU;

**easy access by individuals** in the EU to the redress system provided by the PPC

## Video Camera Record Panelized For \$EUD 4,800 in Austria

Austria DSB issued 1st GDPR infringement for a **Video Camera Record of a building**.

It is reported that the company installed a CCTV camera in front of its building, which can record a large part of the image on the sidewalk, and the company did not fully present the camera, making it impossible for pedestrians to know that their behavior monitored.

The DSB believes this behavior exposing the public place not been explicitly monitored, in violation of the GDPR prohibition of large-scale surveillance of public places and requirements for **transparency**.

# Survey Shows Japanese Companies Still Lack GDPR Compliance

The EU performed an **adequacy assessment** in January that concluded that Japan's data protection **was similar to the EU's**, and such a conclusion might have left Japanese companies under the belief that they would easily comply with the GDPR

**A lack of penalties** contribute to Japan's lagging compliance, but organizations know punishments will come.

"The wave of crackdowns may reach Japan, that there is a lack of urgency because Brussels has **yet to take action** against any Japanese enterprises.

## Thailand's PDPA takes effect

Thailand's Personal Data Protection Act B.E. 2562 (A.D. 2019) (the "PDPA"), which was passed by the National Legislative Assembly on February 28, 2019, was finally published in the Government Gazette, and thus became effective on May 28, 2019

The Personal Data Protection Act will have a **one-year grace** period before its main functions, including penalties, are fully enforced. Organizations will be able to use the next year to take measures to comply with PDPA standards.

Although **now effective**, the main operative provisions concerning personal data protection (including requests for **data subjects' consent; collection/use and disclosure of personal data; rights of data subjects; complaints; civil liabilities and penalties**) will not come into force until one year after their publication in the Government Gazette (i.e., on May 28, 2020).