

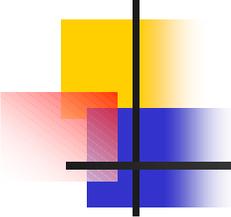
APEC ECSG Technical Assistance Seminar: Domestic Implementation of the APEC Privacy Framework

**Panel V: Educating & Publicizing domestic
privacy protections**

**Mrs. Pamela W. S. CHAN
Chief Executive
Hong Kong Consumer Council**



CONSUMER COUNCIL



Introduction

As a consumer representative:

Reiterate concerns of consumers

Introduction

Everyday, we leave countless trails

- in commercial transactions
- using government services



Introduction

Many believe that they have exercised ample self-protection by

- reading company privacy notices carefully
- limiting exposure of personal information

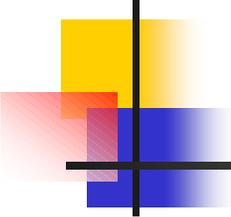


Introduction

With advance in information technology,
**personal data may be collected
without our knowing it !**

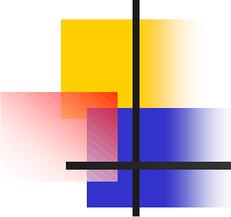
- cookies
- hackers to wireless Internet access
- unwelcome surveillance by RFID





Introduction

- We become **“Glass Consumers”**
- Have no control over
 - collection
 - useof personal information



Introduction

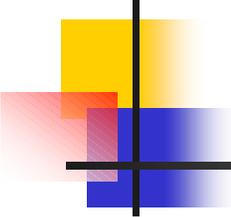
- To allow more in-depth discussion:
on-line privacy protection

Introduction



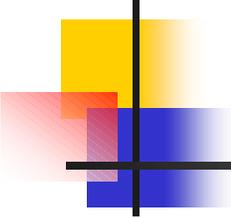
APEC Privacy Framework

- balance between **privacy protection** & **information flow**



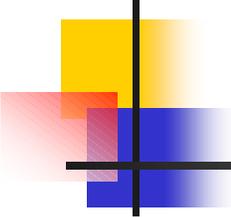
Use of Internet

- 302 million people in Asia are connected to the Internet
- **Hong Kong** – high Internet penetration rate
 - **64.9%** households connected
 - **7.1%** used on-line purchasing in 2004
 - selling: **0.42%** of total business receipts



Use of Internet

- High **Internet penetration** rate \neq use of **e-commerce**
- But consumers do surf for information online before shopping



Security of on-line transactions – Consumers

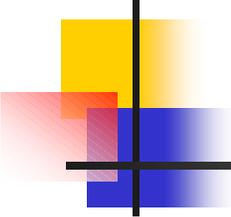
Concerns about on-line security

- **US**

58% reduce on-line shopping: identity theft & other concerns

- **Japan**

77% agreed that “Consumers have lost all control over how personal information is collected and used by business”



Security of on-line transactions – Consumers

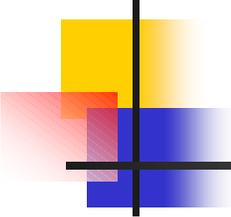
	Malaysia	Thailand
Looked for privacy notice before purchase	59%	86%
Will not buy from sites without privacy notice	88%	88%
Problem: Getting unwanted mail / advertisements	52%	20%

Importance of compliance to privacy regulations

Hong Kong

- **89.6%** business agreed would improve public image
- **84.4%** agreed would improve customer relationships



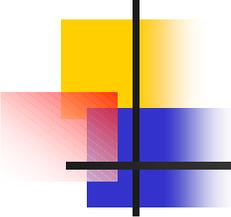


Effective Education & Publicity

- Directly address consumer concern

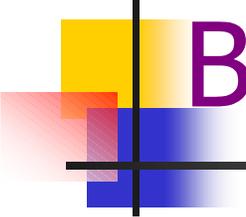
- Resistance 

- Confidence 



Build Consumer Confidence

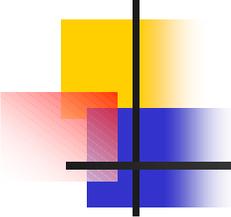
- **The tool**
- **The person-in-charge**
- **The users**
- **The government**



Build Consumer Confidence

The tool

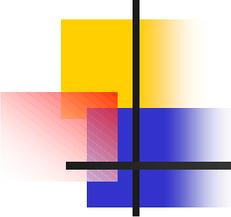
- keep them well informed of company's privacy policy
- good privacy notice



The tool - Good Privacy Notice

- Consumer-focused
- Prominently displayed
- Direct & clear message
- Simple language & large, readable fonts
- Provide means of contact with data controller

...cont'd



The tool - Good Privacy Notice (cont'd)

“layered” notice

- list the basic important points first
- simple “click-through” for details

The person-in-charge

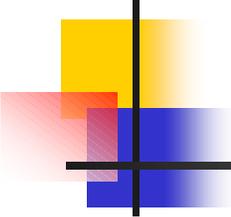
Privacy compliance ↔ expensive ?

- Failure to protect consumers' data

harmful consequences !!!



- Total payout of ¥461.5M or US\$4M! one case in Japan
- **Other additional costs:** investigation, distribute payments, publicity to restore customers' confidence



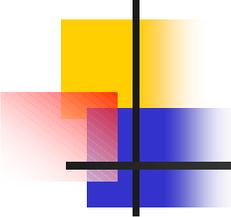
The person-in-charge

- **Personal Information Controllers** - one personal information controller in each company
- **How to induce this to happen?**
 - **Mandatory item** for company audit?

The person-in-charge

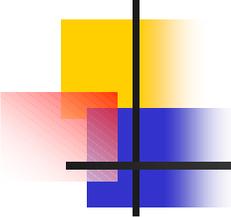
- **Stringent data handling procedures,** for outsourcing contractors especially
- Good **corporate governance,** including **regular audit**
- **Training** and **updating** developments





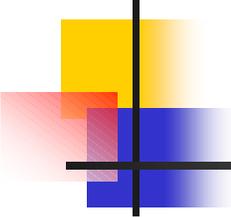
The users

- Individuals should know - how to **report violations & pursue remedies**
- **Easy & convenient** procedures
- **Contacts persons**
- **Remedies**



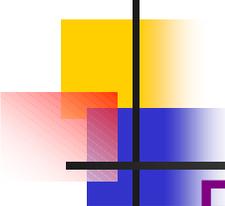
The users

- **Be Vigilant**
- **Self help tips:**
 - Limit disclosure of personal information
 - Separate e-mail account
 - Reject cookies
 - Use tools to protect privacy
 - Learn about legal protections



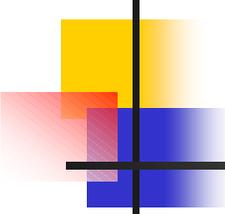
The users

- Parents have to pay special attention to protecting their **children's privacy on-line**
- Access own **credit data** record to verify accuracy & ensure timeliness



The government

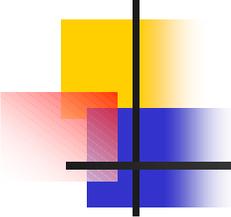
- Ensure effective implementation of the Framework with adequate resources
- Review -
 - scope and definition of privacy protection
 - address concerns over
 - technology evolution
 - political measures
 - adequacy of enforcement, sanction & resources



The government

Cross border co-operation

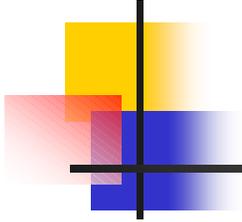
- Support the development & recognition of **cross border privacy codes** such as APEC Framework
- Make **remedies** available
- Develop **co-operative arrangements** between **privacy investigation & enforcement** agencies



Conclusion

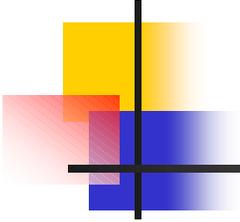
Effective Education & Publicity:

- address consumer concern
- raise general awareness
- seen to be done
- effective actions against violations
- start young for users
- focus on SMEs



Story of a blind man





THANK YOU!