



Bridging Innovation And Trust

Personal data protection and accountability in the age of rapid technological innovation.

Personal data is the new oil of the 21st century. It can be harnessed to make businesses smarter and Singapore's economy more competitive. But its collection and use must rest upon a foundation of trust.

Making this point at the opening of the Personal Data Protection Seminar 2016 on 20th July, Dr Yaacob Ibrahim, Minister for Communications and Information, said that "trust and innovation must go hand in hand".

This was underscored in the theme of the seminar – Bridging Innovation and Trust. In his welcome address, Mr Leong Keng Thai, Chairman of the Personal Data Protection Commission (PDPC), pointed out that big data, data analytics and the Internet of Things (IOT) are technologies that will enable Singapore's journey towards a Smart Nation and drive the next phase of economic activity and growth.

However, he added, "The benefits of these technologies can only be realised in an environment of trust that comes with responsible collection, use and sharing of data, particularly personal data."

Personal Data Protection in the Age of Data

Elaborating on some of these points during a panel discussion on "Capitalising Smart Cities and Nations: Data Protection in the Age of Data", Ms Edith Ramirez, Chairwoman, Federal Trade Commission, United States, noted that the potential for big data is tremendous, but there are also big risks. For example, the ubiquitous collection of data and greater use of analytics means that companies can now draw "sensitive inferences" from what used to be "benign data". Wider collection of data also means greater potential for unexpected uses of data that consumers may not be aware about. The increased use of sensors and IOT devices – many of which will not have traditional user interfaces – means that consumers may not know how their personal information is being collected and used. There are also security challenges involved as more sensors translate into more entry points for attackers to use and exploit.

These are serious issues to consider, in what is a "crucial moment" for big data, said Ms Ramirez.

“The decisions we make today will influence what happens tomorrow. This is a critical juncture to establish consumer trust and ensure that innovation continues.”

Sharing these sentiments, Mr John Edwards, Privacy Commissioner, Office of the Privacy Commissioner, New Zealand said, “There is technology available to us that can enhance our lives and make businesses more efficient. Every day, we see new innovation with data and technology.” But, he added, “deriving benefits from a digital economy depends on trust. And if we don’t have adequate protection of privacy, we don’t have trust”.

Providing a perspective from the technology industry, Ms Jane Horvath, Senior Director of Global Privacy at Apple, said one of the key principles of data protection is that “you shouldn’t collect data that you do not need”.

Apple puts privacy engineers and privacy lawyers into its development teams to ensure that privacy is built into its products, said Ms Horvath. She cited the example of Apple Watch, which incorporates sensors and syncs the user’s activities and health-related data with his or her iPhone. The sensitive data stays on the user’s devices and what Apple does is to provide granular control, on an element-by-element basis, over the ability to read or share the data, she said.

Making a related point at the second panel on “Accountability: Trust and Innovation in a Data Driven World”, Mr Lam Chee Kin, Managing Director and Head, Group Legal, Compliance & Secretariat, DBS Bank said the benefits in incorporating privacy into the early stages of product and service design include enabling data protection to be managed in a holistic way, which ultimately delivers a far better customer experience because everything is more integrated.

Regulator’s Role in Bridging Trust and Innovation

Regulators who spoke at the second panel noted that they too, have an important role to play in demonstrating the opportunities of personal data and enlightening organisations, especially small and medium enterprises (SMEs) of the measures

they can adopt to maintain trust while extracting value from the technology. Highlighting this was Mr Edwards who said that “privacy and personal data regulation has the potential to shift from being a barrier to innovation to a facilitator and enabler of innovation”.

In Singapore, PDPC is working with SPRING Singapore to help SMEs tap on SPRING’s Capability Development Grant to improve their data and business risk management capabilities. The PDPC is also working with the Workforce Development Agency (WDA)¹ to enhance the existing PDPA course for Data Protection Officers to cover a wider range of topics and further develop their practical skills.

In addition, PDPC has released new personal data protection guides to assist organisations, especially SMEs, in building web sites, engaging vendors to provide services relating to personal data processing, and disposing of physical media containing personal data. The “Guide to Securing Personal Data in Electronic Medium” has also been revised to include new information on cloud computing, IT outsourcing and security patching, and the “Advisory Guidelines on Key Concepts in the PDPA” updated to provide greater clarity on withdrawal of consent and access requests.

“Through these guides and advisory guidelines, we hope to drive a shift of mindset from compliance to accountability, and for organisations to take it upon themselves to foster a trustworthy data ecosystem that is conducive for innovation and data use,” said Mr Leong.

From Compliance to Accountability

The topic of accountability was also explored in greater depth in the second panel. Mr Michael McEvoy, Deputy Commissioner, Office of the Information and Privacy Commissioner, British Columbia, described accountability as a systems-based approach that puts the onus on the organisation to manage privacy in a comprehensive way and to be ready to demonstrate to regulators that it is managing personal information appropriately.

“Privacy and data protection really starts with

¹The PDPA course that is currently under the WDA will come under a new statutory board, SkillsFuture Singapore when it is set up by the end of the year.



accountability, and accountability is the foundation for trust and innovation,” he said.

The link between accountability and innovation was also highlighted by Mr Timothy Pilgrim, Acting Australian Information Commissioner, Office of the Australian Information Commissioner. “We know that innovation means change, and that change can be threatening to customers and stakeholders. It can also be seen as a threat within the organisation,” he noted. “One of the ways to manage this change is to have a transparent and open accountability process in place that will help engender trust,” he said.

Ms Teresa Troester-Falk, Chief Global Privacy Strategist with privacy research firm Nymity, said the accountability approach to compliance is much more effective than a checklist approach as it provides a strong foundation for building trust. She noted that demonstrable accountability is gaining prominence. This involves having demonstrable and appropriate accountability mechanisms which include responsible policies and practices, assigning ownership of these practices and producing documentation to align these to the obligations under the personal data protection legislation

Sharing the Hong Kong experience, Mr Stephen Wong, Privacy Commissioner for Personal Data, Hong Kong, said accountability should ultimately be the end product of a whole series of education and enforcement initiatives. Hong Kong’s privacy management programme (PMP) has received strong buy-in from stakeholders such as government, insurance companies,

telecommunication companies, utilities companies, the hospital authority and the Octopus electronics payment company, said Mr Wong. “Through the privacy management programme, we believe there should be a paradigm shift in the mindset from compliance to accountability.”

Bringing the discussion back to the theme of the seminar, Mr Wong said Hong Kong is also focused on innovation and trust. “The fundamental privacy rights of individuals and technology development can coexist,” he said. “We try to ensure that the law is technology neutral and while we protect the rights of individuals, we should also balance this against the free flow of information. This is not a trade-off; it is a balancing exercise,” he explained.

And such exercise will be an ongoing one. As Mr Leong noted in his welcome speech, “Against the background of innovation and fast-changing technology, the data ecosystem will always be fluid.”

“As the personal data protection authority for Singapore, we will work with organisations and industry associations to optimise the opportunities and rewards of this data driven economy that comes along with the need to bridge innovation and trust.”

The Personal Data Protection Seminar, which was held at the Raffles City Convention Centre, was the fourth in the series and attracted a record 700 participants. Among the audience were several regulators from the Asia Pacific region who were also here to attend the 45th Asia Pacific Privacy Authorities (APPA) Forum hosted by Singapore.