

# GUIDANCE FOR USE OF ASEAN MODEL CONTRACTUAL CLAUSES FOR CROSS BORDER DATA FLOWS IN SINGAPORE

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#### **Introduction**

1. The ASEAN Model Contractual Clauses (ASEAN MCCs) are contractual terms setting out baseline responsibilities, required personal data protection measures, and related obligations of the parties that protects the data of data subjects. These terms based on the principles of the <u>ASEAN Framework on Personal Data Protection (2016)</u>.

#### When the ASEAN MCCs can be used

- 2. The Personal Data Protection Commission of Singapore (PDPC) recognises and encourages the use of the ASEAN MCCs to fulfil the Transfer Limitation Obligation<sup>1</sup> under the Personal Data Protection Act (PDPA).
- 3. The ASEAN MCCs can also be used to fulfil the Transfer Limitation Obligation under the PDPA for countries with data protection regimes based on the APEC Privacy Framework or OECD Privacy Guidelines<sup>2</sup>. Businesses may adapt these clauses with appropriate modifications at their discretion for transfers between businesses within Singapore, or transfers to countries outside ASEAN.
- 4. Nevertheless, as the ASEAN MCCs are for voluntary adoption, it remains open for parties to continue using their own preferred contractual templates for cross-border data transfer out of Singapore, provided these are compliant with the requirements of the Personal Data Protection Act (PDPA).

## **Modifications to the ASEAN MCCs**

- 5. When using the ASEAN MCCs, parties may modify the MCCs in accordance with the principles set forth in the <u>ASEAN Framework on Personal Data Protection (2016)</u> or as required by any AMS Law. Parties may also add clauses into the ASEAN MCCs as appropriate for their commercial or business arrangements. However, any amendments to the ASEAN MCCs and any added clauses should not contradict or nullify the data protection obligations set out in the ASEAN MCCs.
- 6. <u>In this regard, the following clarifications and amendments are recommended for use in compliance with the PDPA:</u>
  - a. Parties may wish to specify that the definition of "data subject" in the interpretation section would include "persons living or deceased", as the scope of the PDPA covers data belong to both deceased and living persons<sup>3</sup>.
  - b. Parties may wish to specify a specific time frame for the notifying each other of any data breaches. The PDPA has the following data breach notification requirements in the event of a notifiable data breach<sup>4</sup>:
    - i. For data intermediaries to notify the organisation without undue delay; and

<sup>&</sup>lt;sup>1</sup> Refer to Chapter 19 Transfer Limitation Obligation of the Advisory Guidelines on Key Concepts in the PDPA (revised 9 October 2019)

<sup>&</sup>lt;sup>2</sup> The principles in the ASEAN Framework on Personal Data Protection are aligned with the principles under APEC Privacy Framework or OECD Privacy Guidelines.

<sup>&</sup>lt;sup>3</sup> Section 4(4) of the PDPA

<sup>&</sup>lt;sup>4</sup> Part 6A of the PDPA

- ii. For organisations to notify the PDPC as soon as practicable, but no later than three (3) calendar days;
- c. Parties may also wish to include clauses allocating responsibility for contacting individuals affected by data breaches. This is because the PDPA states that, where required, organisations are to notify affected individuals as soon as practicable, at the same time or after notifying the PDPC<sup>5</sup>;
- d. It is not required under the PDPA to include the Addendum of Additional Terms to the ASEAN MCCs for contracts dealing with data transfers.

# Issued by:

Personal Data Protection Commission of Singapore January 2021

<sup>&</sup>lt;sup>5</sup> Part 6A of the PDPA

## **BROUGHT TO YOU BY**



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