



Companies in EU: Current privacy concerns & Lessons Learned

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Company vs. current privacy regulatory initiatives

How are current regulatory trends impacting companies ?

- Current “e-privacy” rules primarily focus on certain “industries” or market categories
- Yet, EU Commission is now working on extending some of these obligations (e.g. data breach notification) to other providers although no formal EU legislative proposal has yet been submitted.
- However, recommended changes to the Data Protection Directive echo “market findings” for:
 - More regular conduct of Privacy Impact Assessment (PIA) before roll-out or implementation of technology changes.
 - More systematic preparation and updating of documentation (e.g. privacy policies, ethical codes, organizational structures on data privacy, etc.)
 - Better preparedness to respond to DPAs’ audits
 - Enhanced transparency towards data subjects

“Top 4” topics on companies’ privacy agenda...(1)

- Centralization of data collection and data storage in multinational corporate schemes
- Employee monitoring and social networks
- Data leakage
- New “technologies” such as e.g. Cloud Computing

“Top 4” topics on companies’ privacy agenda...(2)

- **1. Centralization of data collection and data storage in multinational corporate schemes**
- **Common business concerns**
 - Define roles of “data controller” / “data processor”
 - Choose appropriate data transfer mechanism
 - Ensure appropriate notifications (authorizations) to DPA & Works’ Councils approval
 - Ensure appropriate security measures at level of central system and local system

“Top 4” topics on companies’ privacy agenda...(3)

➤ 2. Employee monitoring and social networks

➤ Common business concerns

- No clear guidelines or “off the shelf” approach on how employers should react to employees’ “social networking” at work
- Three main areas of concern for companies:
 - Can/should we use information from social networks for hiring of employees ?
 - Can/should we monitor employees’ use of social network sites ?
 - What about companies’ liability for employees’ misuse of social network media ?

“Top 4” topics on companies’ privacy agenda...(3)

➤ 2. Employee monitoring and social networks (cont.)

➤ Common business concerns

- New problems arise, such as:
 - Use employer’s tools for “blogging” / “chatting” / “networking” out-of-office hours
 - Use employer’s “identity” for subscription to SNS
- Are there clear guidelines on company’s practices vs. employee social networking?

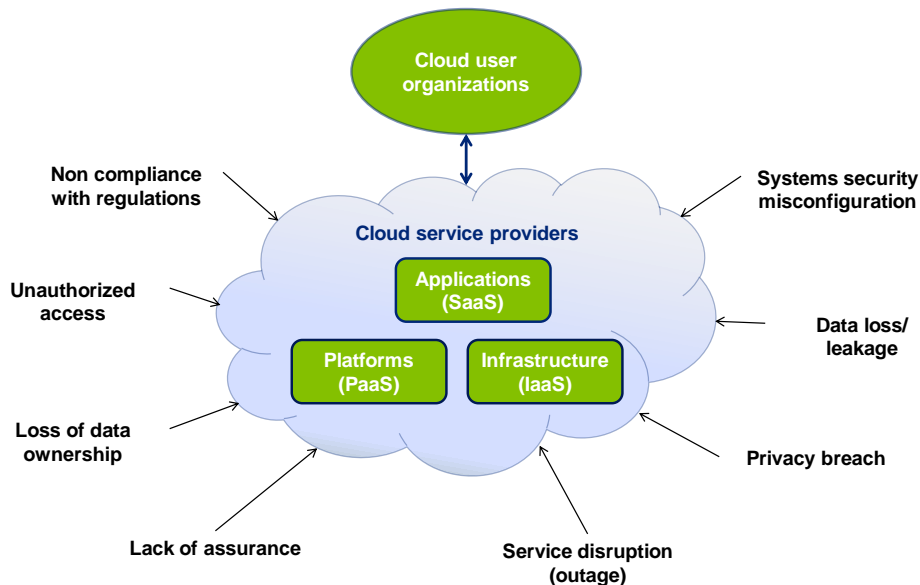
“Top 4” topics on companies’ privacy agenda...(4)

- **3. Data Leakage**
- **Common business concerns**
- Other data than personal data are of vital importance to business
- Unclear regulatory framework on data confidentiality & business secrecy
- Can personal data protection rules apply by default?
- Which basic security measures to apply? What incident response procedures apply and what is their effectiveness ?
- Are there data breach notification requirements? (esp. for multinationals which may be subject to different regulatory “regimes” depending on country of establishment)

“Top 4” topics on business privacy agenda...(5)

- **4. New “technologies” such as e.g. Cloud Computing**
- **Common business concerns**
- Define the “data controller” / “data processor”
- Determine the types of data processing activities to be entrusted to the “cloud” (i.e. can segregation of data types work for your business and for how long?)
- How prevent data “leakages” to other companies using the cloud?
- Determine appropriate security guarantees and responsibilities for exercising data subjects’ rights

Cloud security, privacy and resilience risks



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Some quotes as food for thought

- “Data protection rules must be updated to keep abreast of technological change to ensure the right to privacy” (EU Commission)
- “Privacy is dead, deal with it” and “If you are online, you have zero privacy” (Scot McNealy, former CEO Sun Microsystems)
- “Just because someone says something on the web, does that mean it’s public information by default ?” (Danah Boyd, researcher)
- “Innovation is important in today’s society but should not go at the expense of people’s fundamental right of privacy” and “People should have the right to say no...whenever they want” (Viviane Reading, EU Information Society & Media commissioner)
- The three most difficult and important privacy hurdles for companies today are: pragmatic scoping, consistent risk-based approach and effective awareness/training (Erik Luysterborg, Deloitte)

10 Privacy Trends

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