

“Trusted Personal Data Management Service (TPDMS)” Certification Program

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Chair, Subcommittee for TPDMS Certification
Committee for TPDMS Promotion

Information Technology Federation of Japan
(IT Renmei)

Data Free Flow with Trust



G20 Osaka Leaders' Declaration

(June 28-29, 2019)

11. Cross-border flow of data, information, ideas and knowledge generates higher productivity, greater innovation, and improved sustainable development, while raising **challenges related to privacy, data protection, intellectual property rights, and security. By continuing to address these challenges, we can further facilitate data free flow and strengthen consumer and business trust**. In this respect, it is necessary that legal frameworks, both domestic and international, should be respected. **Such data free flow with trust will harness the opportunities of the digital economy.** We will cooperate to encourage the interoperability of different frameworks, and we affirm the role of data for development.



Agenda

1. About “Information Bank”

2. Certification as an “Information Bank” by IT Renmei

Information Technology Federation of Japan

3. Discussion

Agenda

1. About “Information Bank”

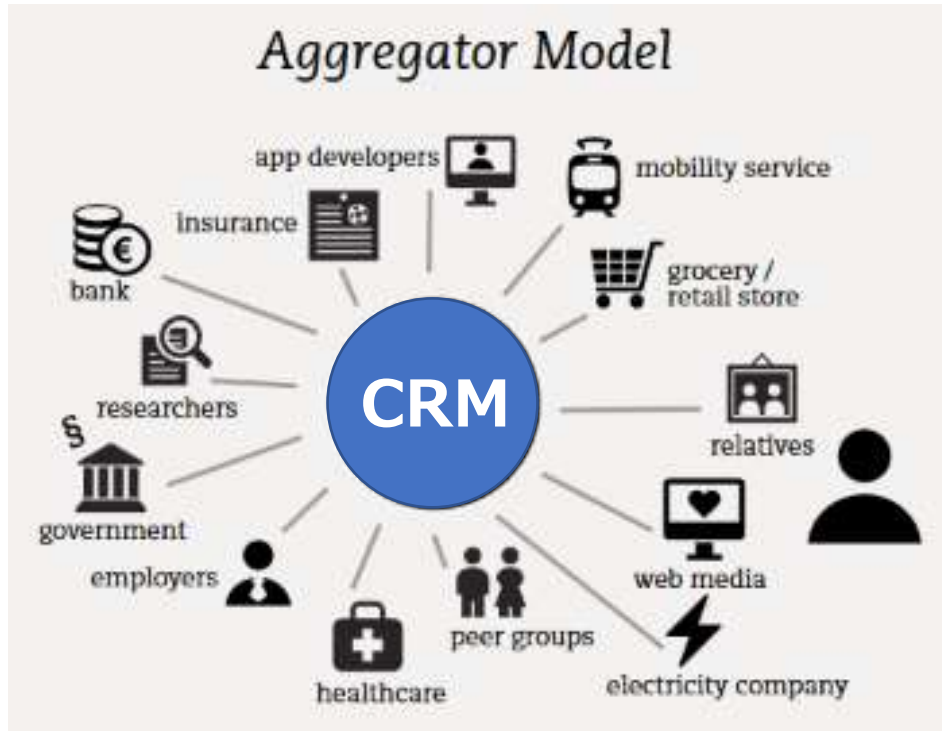
2. Certification as an “Information Bank” by IT Renmei

Information Technology Federation of Japan

3. Discussion

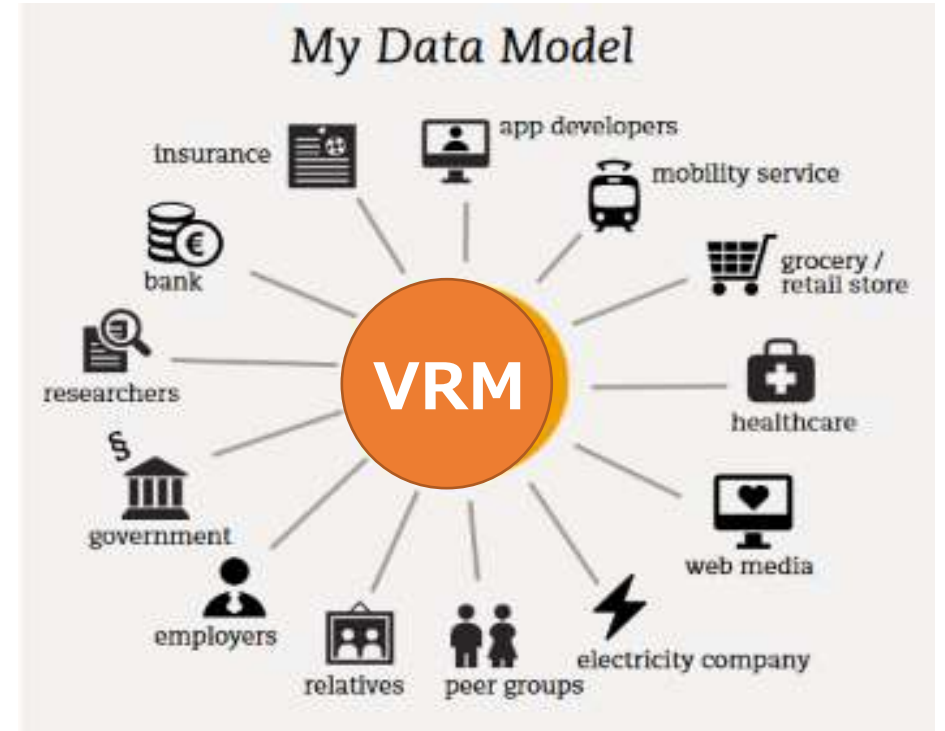
Major Personal Data Ecosystem

Customers Relationship Management



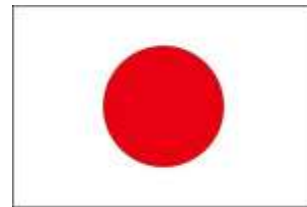
Personal data belongs to the company (enclosure)

Vendors Relationship Management

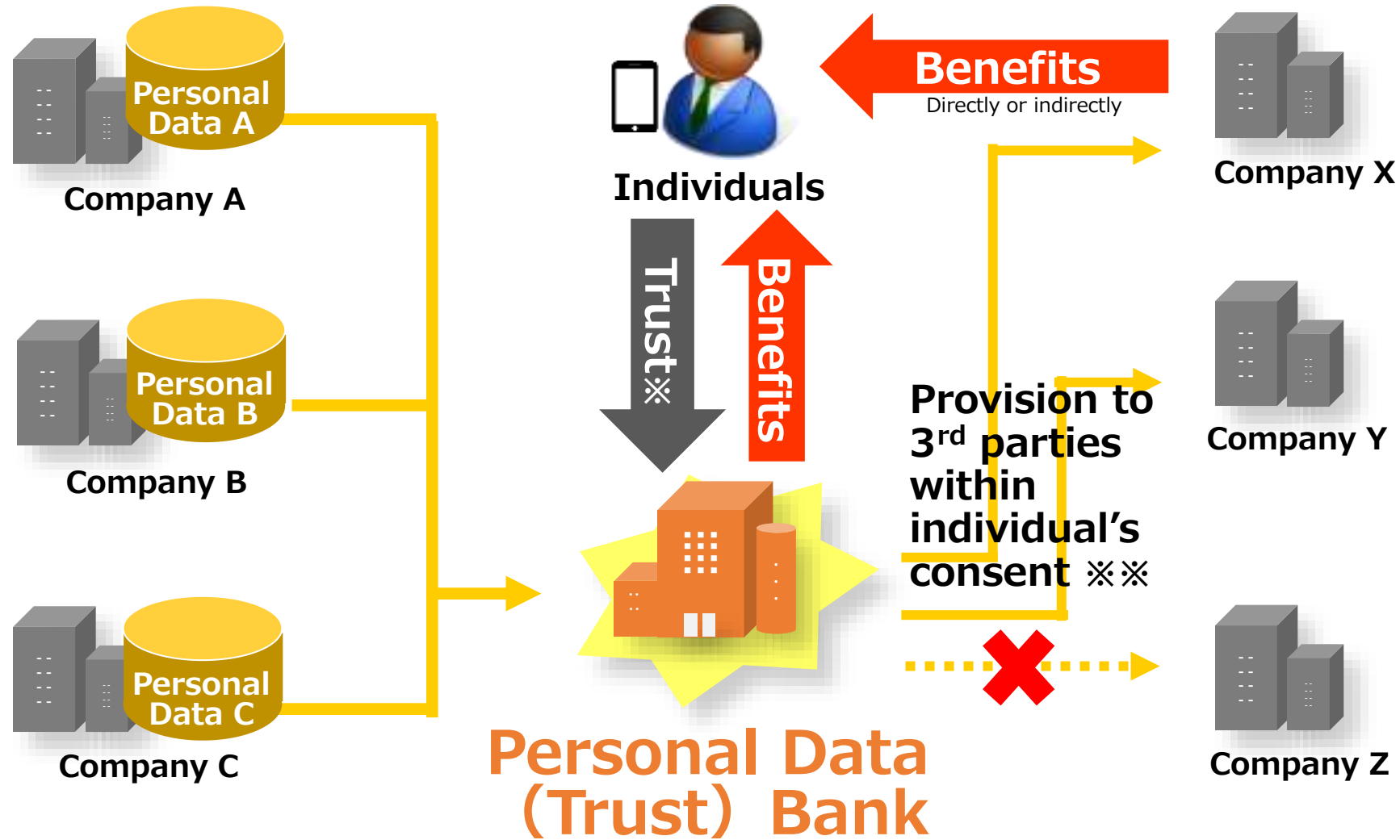


Personal data belongs to individuals (provide)

Third Way



Third Way in Japan



※ individual's consent on conditions for provision to a 3rd party

※※ controllability by individuals

Soft Law (Co-regulation) by Public-private Initiative

① Basic Act on Advancement of Utilizing Public and Private Sector Data, enacted in Dec. 2016

Promote Appropriate Utilization of Personal Data by Multi-stakeholder Under Participation of Individuals



② Interim Report by WG for Data Utilization in AI/IoT era (National ICT Strategy Office, Cabinet Secretariat), (Feb. 2017)

Personal Data (Trust) Bank as Effective Framework to Promote Personal Data Utilization under Participation of Individuals

③ Interim Report (ICC*¹ at MIC*²), (July 2017)

Voluntary Certification Scheme by Private Body to Socially Acknowledge Qualified Personal Data (Trust) Bank



④ Guideline on Certification of Personal Data (Trust) Bank, ver.1.0 (MIC & METI*³), (June 2018)

1) Qualification, 2) Model Terms and Conditions, 3) Governance, for Individuals' Controllability and Trust



⑤ Policy Recommendation for TPDMS*⁴ Certification at WG of ICC, in April 2017

"Data Ethics Board", Privacy Notices as Binding Standard Contracts and others as requirement for operators



⑥ Guidebook ver.1.0 for TPDMS Certification Application, (Dec. 2018)

Based on the Guideline, Starting TPDMS Certification Programme for a safe and secure services/operators

*1 ICC : Information and Communications Council

*2 MIC : Ministry of Internal Affairs and Communications

*3 METI : Ministry of Economy, Trade and Industry

*4 TPDMS : Trusted Personal Data Management Service

Personal Data (Trust) Bank

A service

- 1) to utilize systems, including a PDS*, and manage personal data based on entrustment agreements on the data utilization with individuals;

※PDS (Personal Data Store) : a system that individuals collect and control their personal data by their intention, including data owned by others.

- 2) to provide such data on behalf of the individuals to third parties (other businesses) in accordance with the instructions of the individuals or pre-specified conditions; and
- 3) to judge the appropriateness of the processing of the data.

Guideline ver.1.0 on Certification of Personal Data (Trust) Bank (MIC & METI, June 2018)

- The certification criteria, or qualification, is intended for a voluntary mechanism to certify business operators that meet a certain qualification, where the certification serves as a criteria for individuals to choose safe and secure Personal Data (Trust) Bank.
- The voluntary certification focuses on the flow of personal data under individual's participation (enhancement of controllability functions) and securing reliability/trust from individuals.

① Certification Criteria

- ✓ Management system
- ✓ Information security
- ✓ Specification of collection method and purpose of utilization on personal data
- ✓ Functions for individuals' controllability such as UI
- ✓ Governance system such as "Data Ethics Board" organized by multi-stakeholders
- ✓ liability for damages against individuals

② Model Terms and Conditions

Concrete conditions of contractual agreement for entrustment such as;

- ✓ Scope of operations
- ✓ Effective consent under the Act on the Protection of Personal Information (APPI) for providing personal data to third parties
- ✓ Obligations

③ Governance

- ✓ Eligibility of certification body
- ✓ Method of examination
- ✓ Measures for breach of certification criteria
- ✓ Contractual agreement with certified Personal Data (Trust) Bank
- ✓ Governance system of certification body

TPDMS Mark (Key Points)

- TPDMS Mark could show to individuals that Personal Data (Trust) Bank which they use is safe and secure, which is based on international standards for privacy protection and information security such as ISO/IEC 29100 and 27001



- T:** Third Way for Personal Data Ecosystem
- P:** Participation of Individuals (Controllability)
- D:** Data Free Flow with Trust
- M:** Multi-stakeholder Governance
- S:** Soft Law (Co-regulation) by Public-private Initiative

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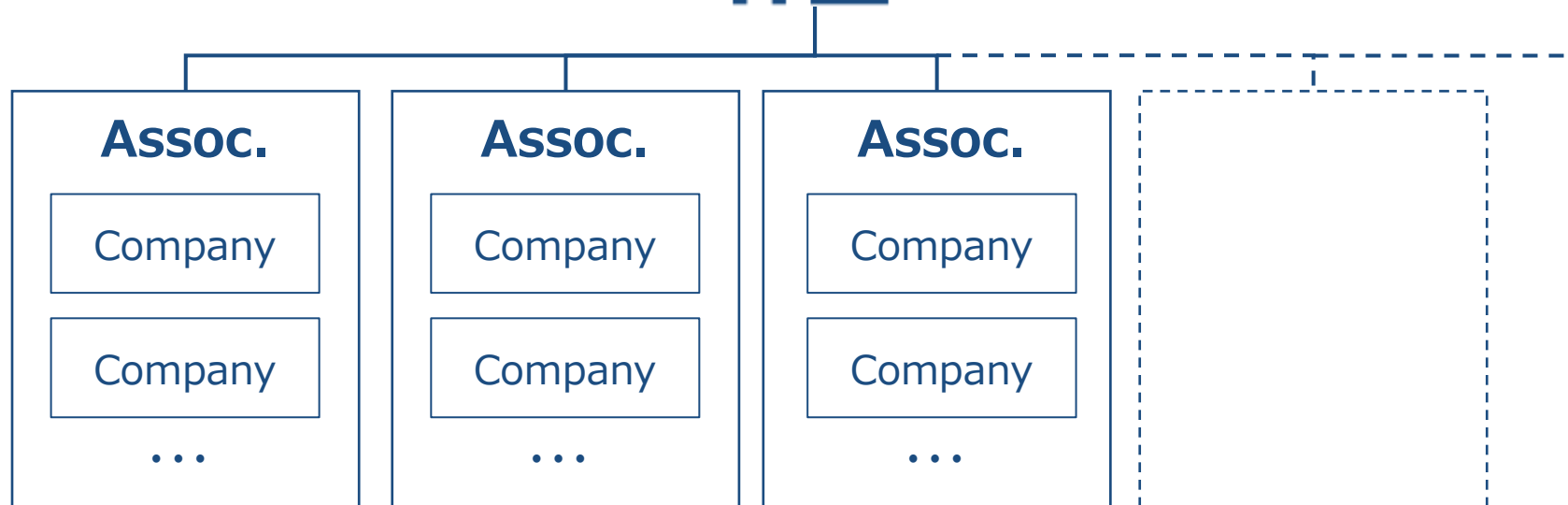
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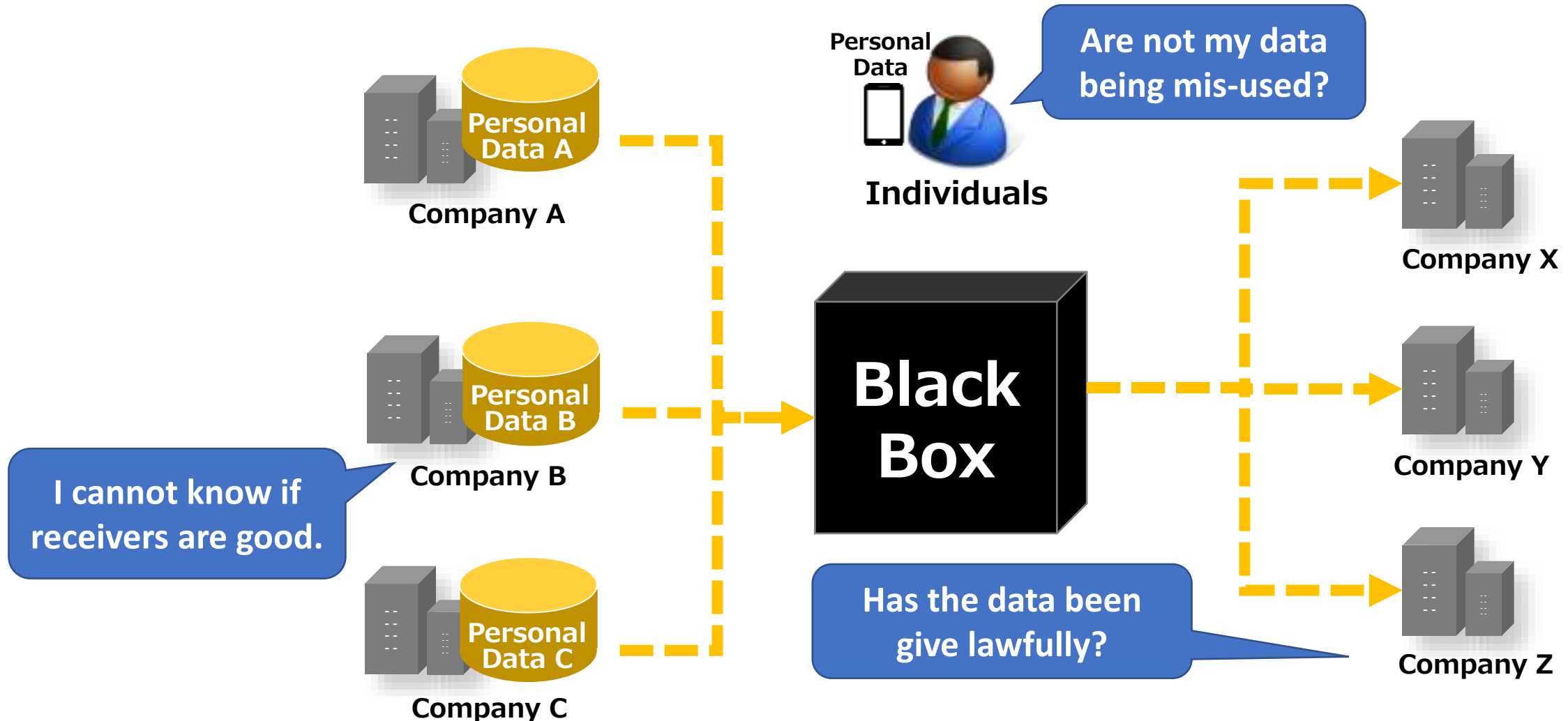
- Established in **July 2016**
- President: **Mr. KAWABE, Kentaro**
(Representative Director, Yahoo! Foundation)
- One of the largest federation of IT industry in Japan
 - Over 60 Associations
 - Around 5,000 Companies
 - Around 4,000,000 Employees

IT連 IT renmei



Lack of trust necessary for data flow

Whether or not there are black box data intermediaries, information asymmetry abounds and not enough trust was formed for data to freely flow per DFFT.

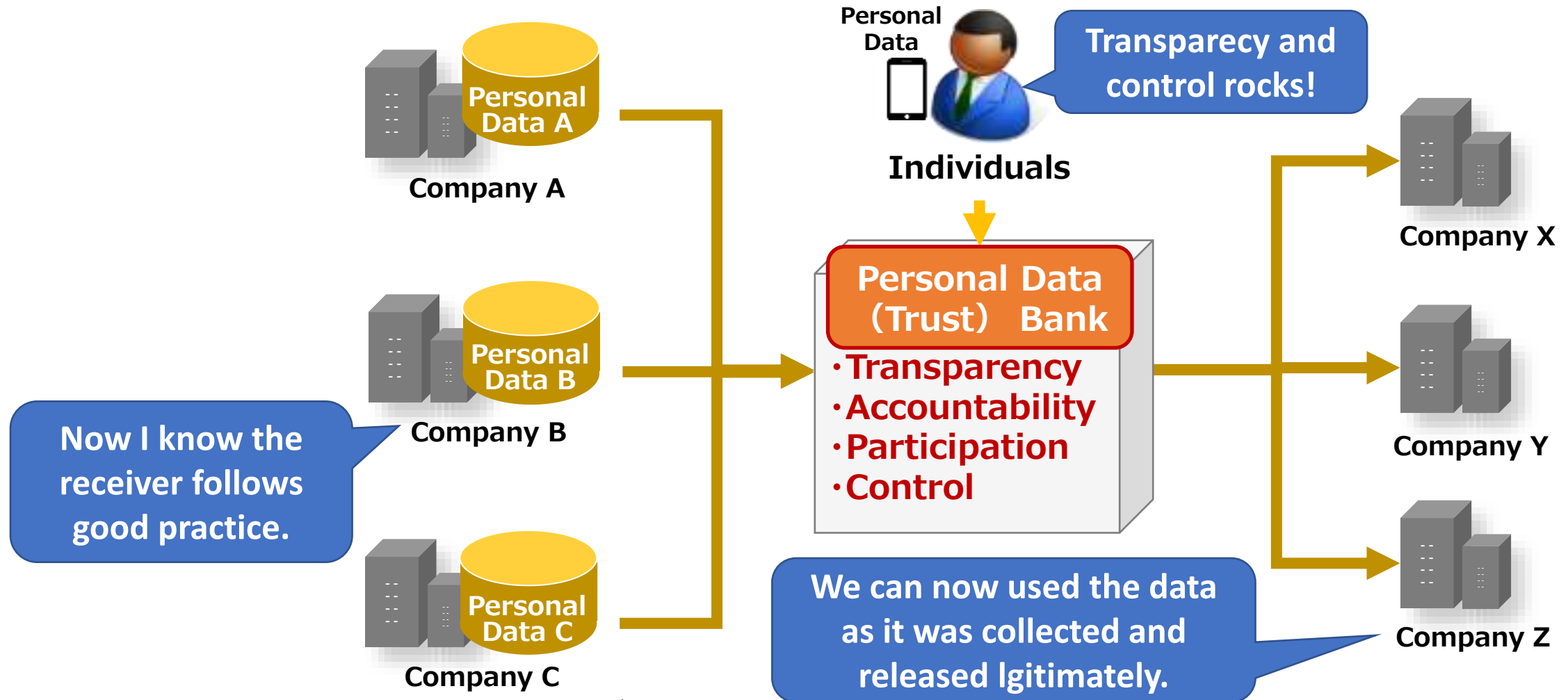


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※※ controllability by individuals

Personal Data Bank functions

TPDMS aka “Personal Data (Trust) Bank” is a mechanism that reduces the information asymmetry.



※ individual's consent on conditions for provision to a 3rd party

※※ controllability by individuals

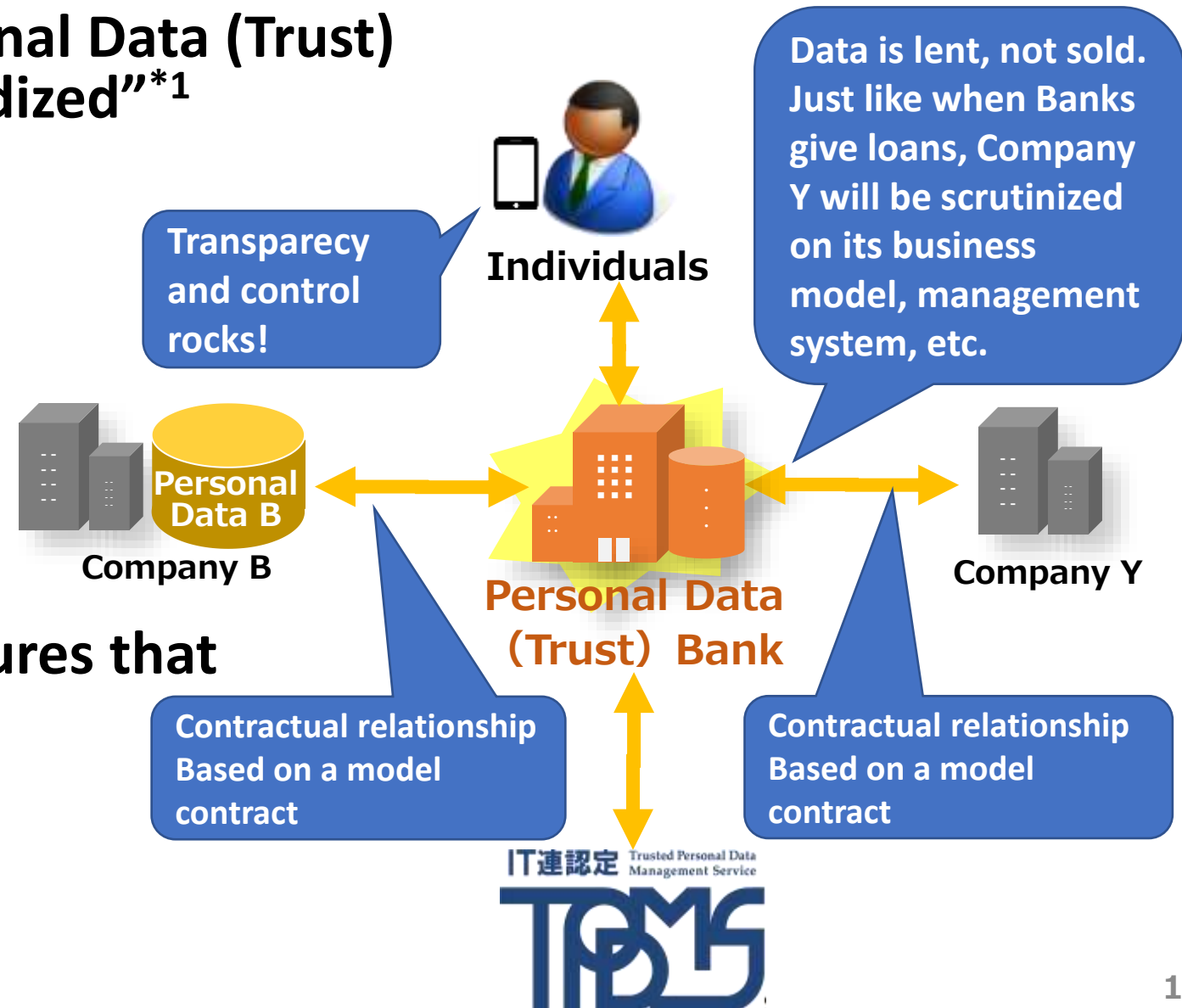
A new Trust Service: TPDMS Certification Scheme is for the rescue

A new Trust Service: Trusted Personal Data Management Services, aka Personal Data (Trust) Banks as hubs provides “Standardized”^{*1} Contractual relationships

- improves transparency;
- ensures user participation and control;
- greatly reduce the number of contracts;
- enforces Legal Entity KYC;
- ensures that the use of data will be ethical;
- enforces that Data recipient follows good practice (standard) for privacy and security; and
- provide assurance to individuals.

TPDMS Certification Scheme ensures that

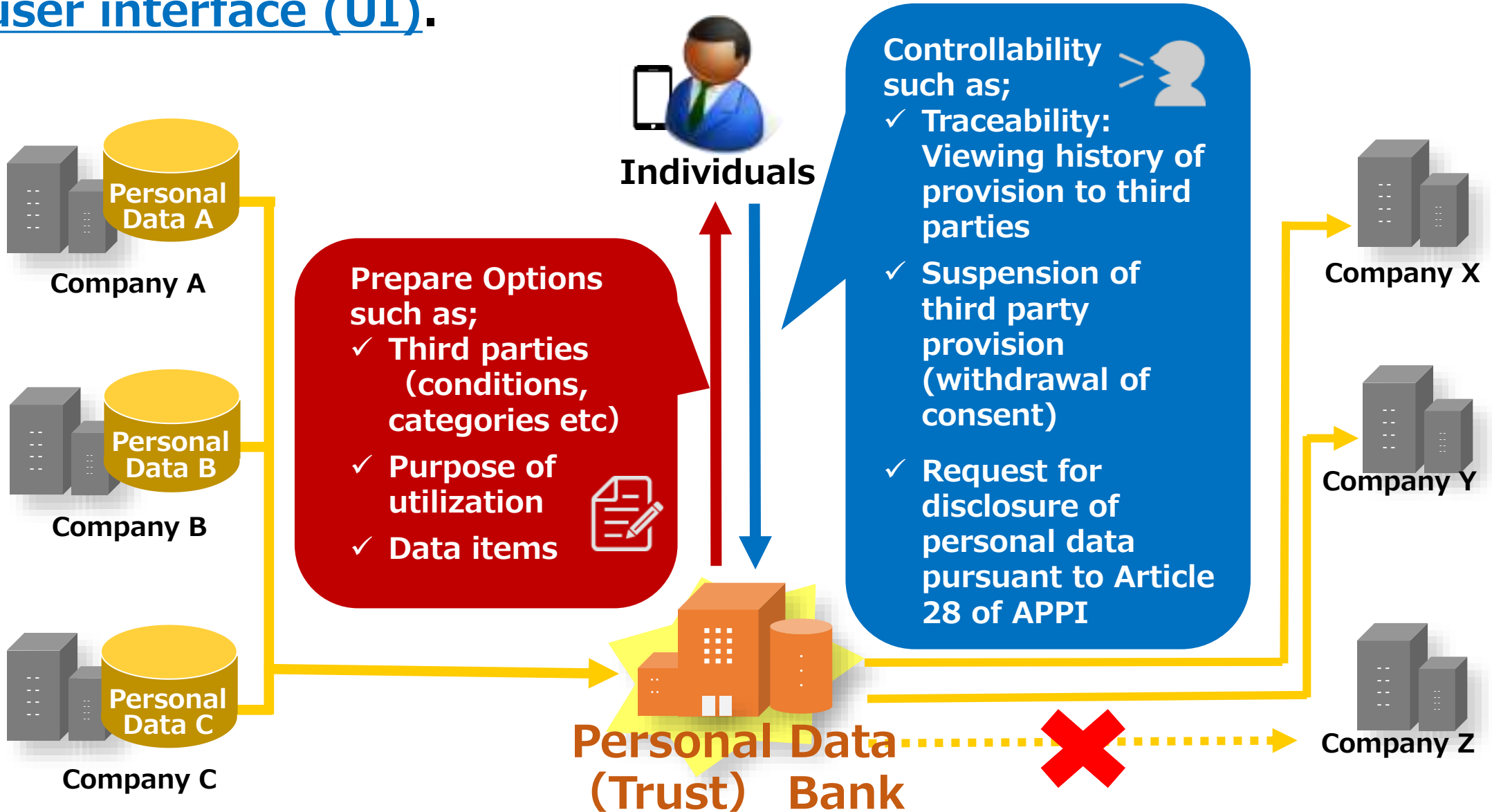
- handling of data at Personal Data (Trust) Banks are following standard and ethical; and
- proper oversight of its processing as well as that of the source and destination of the data is implemented.



*1 Requirements set by TPDMS Scheme.

Participation of Individuals (Controllability)

➤ Realizing the following functions by providing an easy-to-operate user interface (UI).



TPDMS Qualification Example② "Data Ethics Board"



TPDMS Certification
- IT renmei -



Multi-stakeholders from data/info system engineers, security experts, lawyers, data ethics specialists, consumer representatives, privacy specialists etc

"Data Ethics Board"

- To report regularly
- To ask advice

- To review
 - i) data collection method,
 - ii) purpose/utilization of data,
 - iii) examination for third parties which will be provided etc.
- To suspend usage of data

Individuals

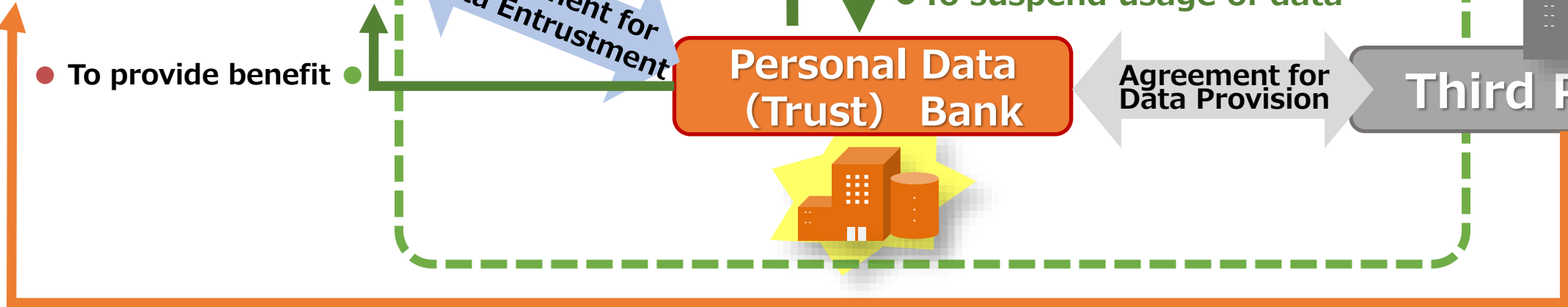
- To provide benefit

Agreement for Data Entrustment

Personal Data (Trust) Bank

Agreement for Data Provision

Third Parties



Relationships to ISO Standards

Current certification scheme is based on:

- **Security Management**

- ISO/IEC 27001 Information security management systems — Requirements
- ISO/IEC 27002 Code of practice for information security controls

- **Privacy Enhancement**

- ISO/IEC 29100 Privacy framework
- ISO/IEC 29134 Privacy Impact Assessment Guideline
- ISO/IEC 29184 Online privacy notice and consent^{*1} (2020)
- ISO/IEC 27701 Extension to ISO/IEC 27001 and ISO/IEC 27002 for privacy information management — Requirements and guidelines^{*2} (2019)

But they do not cover what are required to run the scheme in its entirety as the scheme incorporate local standards, experts & public consultation results, as well.



*1 Current certification scheme is based on the precursor of the standard, a METI guideline on Notice and consent, and to be aligned.

*2 To be aligned.

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- Human-Centric Approach and Information Bank
 - *Prof. Kazue SAKO, Waseda University*
- Enhanced Data Access and Trusted Data Intermediary
 - *Mr. Christian Reimsbach-Kounatze, OECD Secretariat*

Summary

- TPDMS is a mechanism that helps reduce the information asymmetry among the data economy participants by implementing transparency, accountability, and controllability by individuals.
- TPDMS Certification Scheme formed by Public-Private partnership will help the trust formation by removing the need to verify by each participants.