

APEC CBPR Certification – Let's Think About It !

【Personal Data Transfer from Japan to a Third Party in a Foreign Country】

○ Article 24 of the Amended APPI provides that:

In any of the following cases, personal data may be transferred to a third party in a foreign country in the same way as in-country;

- ① Cases in which there is a principal's consent to the provision to a third party in a foreign country;
- ② Cases in which a third party in a foreign country has established and maintained a system that conforms to those standards prescribed by the PPC rules such as: a recipient's having exchanged an **outsourcing contract** or established **bylaws or privacy policy** within a group of companies, and a recipient's or provider's having obtained the APEC Cross Border Privacy Rules (CBPR) certification.
- ③ Cases in which a third party is located in a foreign country designated by the PPC rules.

Personal Information Protection Commission

What is the APEC CBPR system?

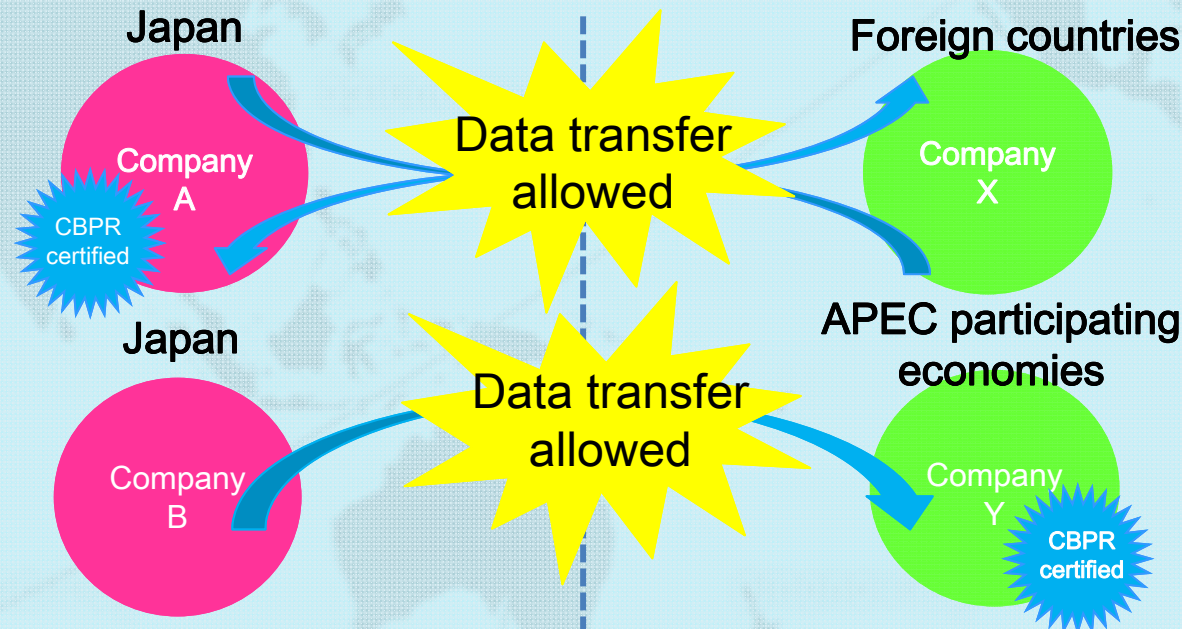
⇒ **A mechanism to smoothen cross-border personal data transfer in the APEC region**

- A business operator carries out a self-assessment of its internal rules, systems etc. for protecting cross-border personal data, undergoes a third-party assessment by an APEC-recognized body (accountability agent) about the contents of the self-assessment, and receives a *certification*. A business operator who has obtained the APEC CBPR system certification may conduct smooth transfer of personal data across the national borders in the APEC region.
- Japan has joined the CBPR system since April 2014, and the JIPDEC was recognized as a Japan's first accountability agent in January 2016.

The PPC has been making every effort to encourage the APEC member economies to participate in the APEC CBPR system such as practicing public relations and undertaking promotional activities by organizing domestic/international workshops, etc.

What advantages can businesses expect ?

- ⇒ 1 Smoothing of personal data transfer from Japan to a foreign country (even beyond the APEC region!)
 - The PPC guidelines issued under the amended Act on the Protection of Personal Information have stipulated the obtainment of a CBPR certification by a transferor(*) or transferee as an exemplary case where personal data may be transferred across the national borders.
- ⇒ 2 Smoothing of personal data transfer from the APEC region to Japan!
- ⇒ 3 Attractive sales point for consumers!
Building up brand power as a business counterparty!



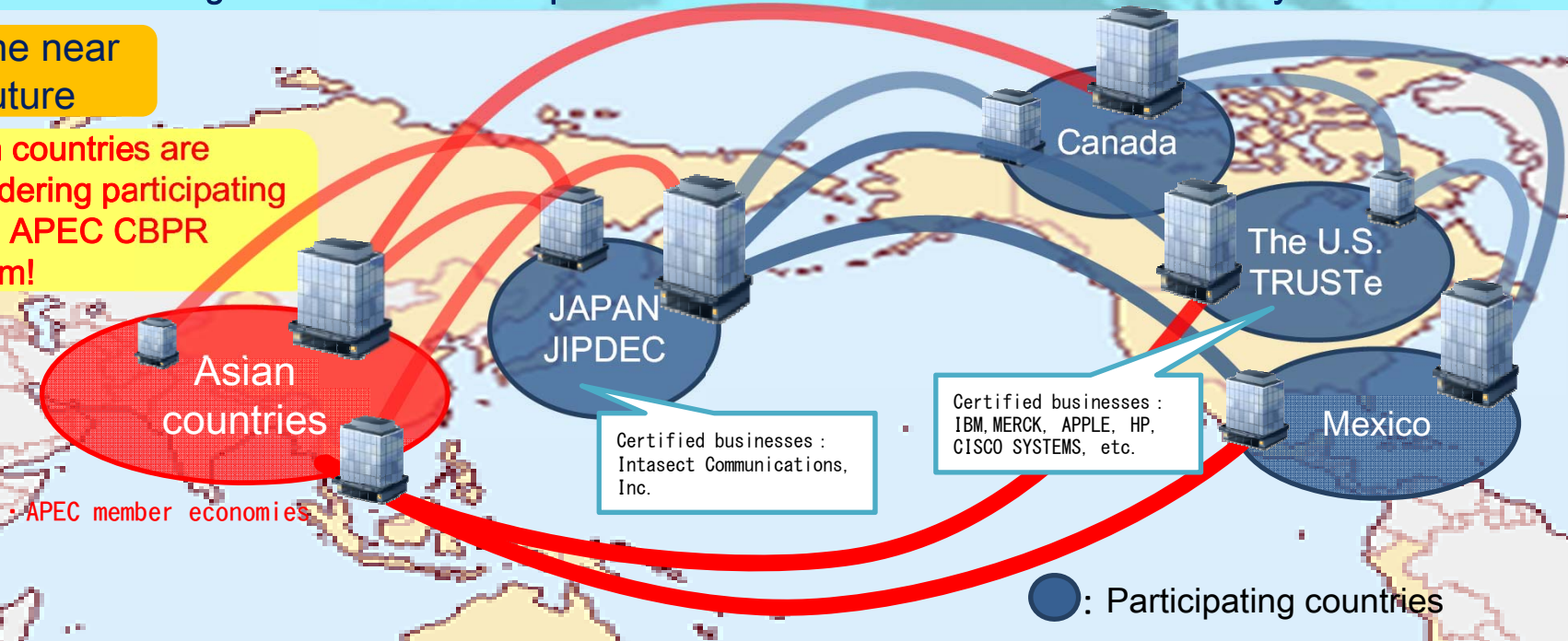
(Note) A business operator who has obtained a certification under the APEC CBPR system shall, in cases where it has a third party handle personal information on its behalf, establish measures with the third party, as one eligibility requirement for the certification, to ensure that the said third party fulfills in the same way those duties which the said business operator owes to a principal.

Future Image of the APEC CBPR system

Picture image of the cross-border personal data transfer under the APEC CBPR system

In the near future

Asian countries are considering participating in the APEC CBPR system!



The more Asian countries participate, the greater convenience will be achieved.
A certified business operator's brand power will also be built up in the APEC region.

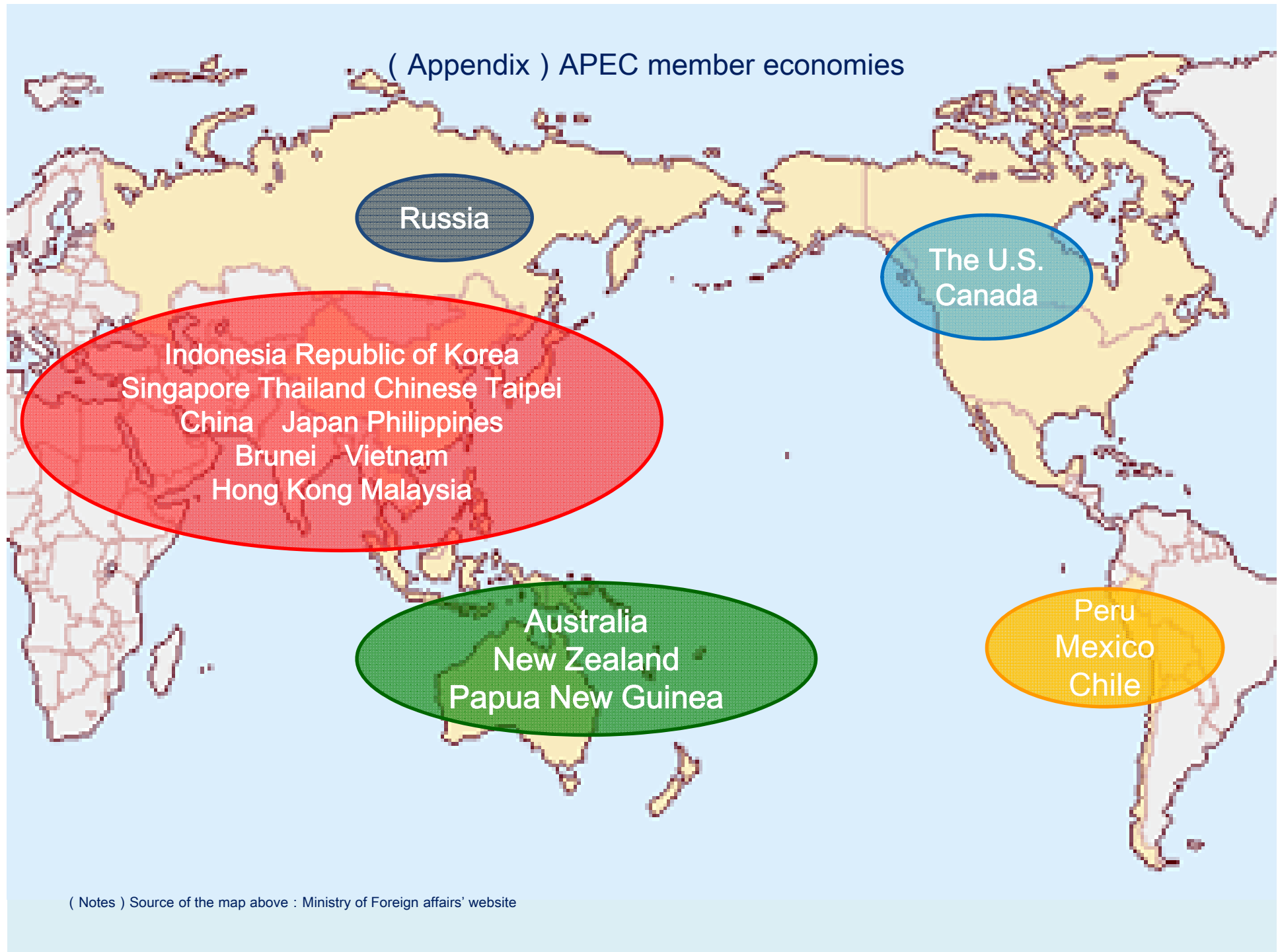
(※) Certified businesses as of Dec 2016 : IBM, MERCK, APPLE, HP, CISCO SYSTEMS, etc.

In the distant future

Pave the way for engineering the interoperability with the EU personal data cross-border transfer system.

(Notes) Source of the map above : Ministry of Foreign affairs' website

(Appendix) APEC member economies



(Notes) Source of the map above : Ministry of Foreign affairs' website