#### APEC Electronic Commerce Steering Group 13<sup>th</sup> Meeting, Hanoi, Viet Nam 23-24 February, 2006

#### **Executive Summary**

The APEC Electronic Commerce Steering Group (ECSG) held its 13<sup>th</sup> meeting and continued its work pursuant to its 2006 working program. In addition, reports were presented on the 22 February APEC ECSG Data Privacy Subgroup meeting and the 23 February APEC ECSG Paperless Trading Subgroup meeting.

The ECSG welcomed the outcomes of the APEC Symposium on Information Privacy Protection in E-Government and E-Commerce, organized and hosted by Viet Nam, under APEC funding, as well as of the 2<sup>nd</sup> Public Private Partnership Dialogue on Paperless Trade, co-organized by Viet Nam and Korea.

The ECSG approved a project proposal seeking urgent APEC TILF funds for 2006 submitted by Viet Nam. The project objectives are consistent with APEC goals and priorities

The ECSG agreed to grant guest status to the UN/CEFACT upon their request. The ECSG and UN/CEFACT have agreed to undertake work pursuant to enhance trade facilitation through technical cooperation and knowledge sharing, specifically in electronic standards for paperless trade.

Member Economies noted progress on the implementation of the APEC Privacy Framework. They agreed on future work on this issue regarding international initiatives to develop improved privacy notices, application of the Information Privacy Individual Action Plan (IAP), cooperative development of cross-border policy rules, information sharing among jurisdictions, and cross-border cooperation in investigation and enforcement.

The ECSG agreed to undertake communication with other international organizations to coordinate on work to address SPAM and related issues as a threat to the development of electronic commerce, and define its role within APEC in close coordination with the TEL WG.

The next meeting of the ECSG (ECSG 14) will be held on the margins of 2006/SOM III in Nha Trang, Viet Nam.

Welcome the report of the Electronic Commerce Steering Group.

Note the reports of the APEC ECSG Data Privacy and Paperless Trading Subgroups.

*Endorse* the Information Privacy Individual Action Plan (IAP) template for the implementation of the APEC Privacy Framework

**Approve** the project "Paperless Business Transactions – Matching Benefits of Public and Private Sectors" presented by Viet Nam seeking urgent funds from APEC's TILF special account.

*Welcome* the successful outcomes of the APEC Symposium on Information Privacy Protection in E-Government and E-Commerce and the 2<sup>nd</sup> Public-Private Partnership Dialogue on Paperless Trade

*Note* the approval of the ECSG to grant guest status to UN/CEFACT and creation of the "cross-border rules" study group.

#### 13<sup>th</sup> Meeting, Hanoi, Viet Nam 23-24 February 2006

The APEC Electronic Commerce Steering Group (ECSG) held its 13<sup>th</sup> meeting and began its work pursuant to its 2006 work program. Jesus Orta (Mexico) chaired the meeting. Representatives of Australia, Brunei Darussalam, Canada, Chile, China, Japan, Korea, Mexico, Russian Federation, Philippines, Singapore, Chinese Taipei, Thailand, United States, Viet Nam, the Global Business Dialogue on Electronic Commerce (GBDe), the Pan Asian e-Commerce Alliance, and the International Chamber of Commerce (ICC) attended the meeting.

Introductory remarks were given by the Chair, together with a proposal of modifications to the original agenda for the meeting. These modifications included the addition of four agenda items not initially contemplated, as well as sequential rearrangements of agenda items for logistical reasons. The ECSG accepted all the proposed modifications and adopted the agenda (Annex A).

#### **Report on APEC Developments**

The APEC Secretariat briefed member economies on issues relevant to the work of the ECSG. It noted that the theme for the APEC 2006 Year is "Towards a Dynamic Community for Sustainable Development and Prosperity" and presented the subthemes and priorities for this year.

The Secretariat noted that in November 2005 in Busan, Korea at the 17<sup>th</sup> APEC Ministerial Meeting, Minister endorsed the completion of the APEC Privacy Framework. Ministers also urged all member economies to strengthen cooperation in paperless trade with a view of reinforcing mutual cooperation and pushing forward the achievements of APEC's paperless trading goals. It was noted that ECOTECH has been strengthened and restructured into the SOM Steering Committee on ECOTECH (SCE). Its enhanced mandate is to undertake a coordinating function and to rank project proposals of Working Groups by priority while evaluating their progress.

The Secretariat also informed that the next BMC (29-30 March) will be able to consider funding of Operational Account projects to the value of US\$476,195 and TILF Special Account projects to the value of US\$1,449,047 and the deadline to receive all finalised and ranked proposals for consideration at BMC I by **Monday 13 March 2006**. 2007 projects will be considered at BMC 2, scheduled for 10 - 12 October 2006. SCE will consider the ranking of the Operational and ASF projects at its meeting in September 2006.

#### Implementation of the 2006 ECSG Work Plan

#### Information Privacy

The Acting Chair of the Data Privacy Sub Group (United States) reported on the results of the Data Privacy Subgroup's meeting on 22 February (Annex B). The ECSG:

- a) Welcomed the successful publication of the APEC Privacy Framework, endorsed by APEC Ministers in 2004, and commended the Data Privacy Sub Group for its efforts in utilizing this instrument for the diffusion and implementation of the Framework across APEC Member Economies.
- (b) Agreed to the proposal of the Data Privacy Sub Group to encourage Member Economies to advance in the completion of the Information Privacy IAP, which is expected to be endorsed by APEC Senior Officials during SOM I, noting that any modifications instructed by Senior Officials to the Information Privacy IAP template, if the case, should be notified to Member

Economies for compliance during the completion process. Member Economies agreed to complete the Information Privacy IAP template in the course of 120 days, should APEC Senior Officials endorse it during SOM I (Annex B4).

- (c) Noted the creation of a "cross-border rules" study group within the Data Privacy Sub Group to analyse and identify best practices and the role of trustmarks in promoting the cross-border flow of information.
- (d) Welcomed the communication process among Member Economies the Data Privacy Sub Group will undertake to promote information sharing among jurisdictions and cross-border cooperation in investigation and enforcement, to build up on the implementation of Part B "Guidance for International Implementation" of the APEC Privacy Framework.

The ECSG also welcomed the successful outcomes of the APEC Symposium on Information Privacy Protection in E-Government and E-Commerce, organized and hosted by the Socialist Republic of Viet Nam, 20-22 February in Ha Noi, with the participation of 54 international delegates from APEC Member Economies and 110 participants from the host Economy. (Annex B2)

#### **SPAM**

The United States gave an update on the status of the survey on Spam tabled at ECSG9. Until today, 7 economies have submitted the survey. The United States agreed to keep the survey open and continue receiving submissions from Economies. The Chair encouraged Economies to complete the survey as it will provide valuable input for future work in addressing this important issue.

As agreed during ECSG 12, the ECSG will seek formal communication with the APEC TEL WG in order to coordinate for undertaking work in addressing SPAM within the APEC process. To that extent, the ECSG chair informed that:

- A formal invitation by the Chair of the TEL WG was received to participate in a Symposium on SPAM and Related Issues to be held on the margins of TEL 33 in Calgary, Canada on April 2006. The goal of the Symposium is to gather the views of international organizations dealing with SPAM, including the OECD, ITU, and APEC, to advance in the design and agreement of a coordinated agenda to address this issue.
- On the occasion of the SOM Committee on Ecotech Committee of the Whole meeting to be held 26-27 February in Ha Noi, the ECSG and TEL WG Chairs will meet in order to exchange ideas for coordination between the two groups' working programs, including SPAM.

The ECSG agreed to accept the invitation of the TEL WG Chair to participate in the Symposium. In order to define the position and key messages of the ECSG's participation in this event, the ECSG Chair will prepare an initial document and conduct an intercessional consultation process among the group.

The ECSG Chair will report on the outcomes of the Symposium to the group, as these will serve as the basis for future work of the ECSG in addressing SPAM.

#### Paperless Trade

The Acting Chair of the Paperless Trading Sub Group (Korea) reported on the outcomes of the APEC ECSG Paperless Trading Subgroup meeting, which was held on 22 February 2006 in Ha Noi (Annex C). The ECSG:

- a) Noted progress reported on the status of the Electronic Certificate of Origin Pathfinder Project (ECO Pathfinder) conducted by Chinese Taipei, Korea, and Singapore and commended the Paperless Trading Sub Group's work in this field.
- b) Agreed to encourage Member Economies to update and submit their Individual Action Plan on Paperless Trade according to its new format, agreed and approved intercessionally by APEC Senior Officials, before September 2006.
- c) Welcomed the outcomes of the 2<sup>nd</sup> Public Private Partnership Dialogue on Paperless Trade (PPP Dialogue), organized by Viet Nam, with the support of Korea; and encouraged further dialogue between the Paperless Trading Sub Group and the private sector (Annex C2). It was agreed that the 3<sup>rd</sup> PPP Dialogue will be held, according to its terms of reference, in Australia on the margins of SOM I 2007.

The ECSG noted and welcomed the election of Viet Nam as the new Chair of the Paperless Trading Sub Group for the upcoming meeting in September 2006.

Viet Nam submitted a project proposal seeking urgent funds from APEC's TILF special account. The project's title is "Paperless Business Transactions – Matching benefits of public and private sectors" and consists of a seminar to be held on the margins of SOM III in Viet Nam (Annex C3). The ECSG agreed to forward the project to APEC Senior Officials to seek their approval, as there was consensus on the view that the project potentially contributes to APEC goals on trade facilitation and is consistent with APEC 2006 themes.

#### Other Business

The ECSG Chair conducted a discussion on the group's working program to be submitted and presented at the SOM Committee on ECOTECH – Committee of the Whole Meeting, with an emphasis on potential coordination with other working groups within APEC. Delegates agreed the ECSG to manifest the willingness of the group to establish communication with other working groups that undertake work related to that of the ECSG. It was also recommended that the ECSG, through the APEC Secretariat, be briefed on progress made by other working groups, in order to propose coordination. The ECSG Chair will report on the outcomes of this meeting to the group.

The Secretariat presented the Final 2005 Stocktake of Electronic Commerce Activities in APEC approved by Senior Officials and presented to APEC Ministers in November. It also explained the logistics to develop the 2006 Stocktake, which will be circulated for the consideration of Member Economies on June 2006.

Regarding the request of the UN/CEFACT to be granted guest status at the ECSG to strengthen collaboration with APEC in the field of paperless trade, and following the approved APEC Guidelines on Non Member Participation, the ECSG reached consensus to accept UN/CEFACT's request. The ECSG requested to the APEC Secretariat to officially informed this decision to the UN/CEFACT.

China reported progress on the organization of the 2<sup>nd</sup> APEC-Electronic Commerce Business Alliance Forum to be held 18-19 May in Qingdao, China. China stressed the success of the 1<sup>st</sup> APEC-ECBA Forum held two years ago in Yantai and encouraged ECSG delegates to actively participate in this important event which theme is "Optimize Environment, Enhance Cooperation, Encourage Innovation, Promote Application".

Korea addressed the group on the 2005 results of the "Initiative for APEC Women's Participation in the Digital Economy". This project aims to expand informatization and e-business opportunities for current and prospect women entrepreneurs. The initiative is based on a holistic, systematic and

continuous approach and is comprised of four collaborating components that will be carried annually from 2005 to 2009, namely 1) research, 2) capacity building, 3) e-community building, and 4) policy forum. The projects activities will be conducted through the APEC Women's e-Biz Center, established in August 2005 and located at Sookmyung Women's University in Korea. The preliminary results conducted during 2005 of research on Women Enterprises and e-Business were presented, showing very interesting findings that will provide valuable input for policy and project development.

China and Russia presented progress reports on the APEC funded projects they would be undertaking in 2006. China announced that they will circulate shortly the final program for the APEC Training Program on E-Trade and Supply Chain Management and asked for delegates advise on the best timing for this event to take place. It was agreed that an intercessional consultation will be conducted within the ECSG to define the final date of the event. Russia informed that it had submitted to the Secretariat the terms of reference for the "Development of APEC Guidance for Electronic Commerce, using the Best Practices of E-Government Procurement Systems" project. They also anticipated that the seminar is intended to be held November 2006 in Moscow.

Representatives of the Global Business Dialogue on Electronic Commerce and the Pan-Asian Alliance on E-Commerce reported on their activities. The ECSG commended both organizations for their proactive and decisive contribution to the development of e-commerce in the region and encouraged them to continue collaborating with the ECSG in its working program.

The ECSG welcomed the International Chamber of Commerce (ICC) as this was their first participation in the group's activities after they have been granted guest status. The ICC presented a proposal to the ECSG to support an "ICT-enabled growth" policy initiative. The justification for this proposal lies on the widespread recognition that ICT has had an enabling role in contributing to economic growth, and its impact on SME's. There was wide acceptance from the ECSG for this initiative and it was agreed that further discussion will take place in order to define a concrete project to undertake towards this issue. It was noted that due to the overarching nature of the proposal, it will be presented to other working groups within APEC, preferably and if possible during the SCE – Committee of the Whole Meeting, so a multi-group discussion could be initiated and hopefully build up on a horizontal policy approach project within APEC. The Chair will lead these discussions and report to the ECSG on progress.

The APEC Secretariat briefed the group on two very important issues taking place in the APEC process. Firstly, it provided a report on the results of communications activities aimed at enhancing diffusion of APEC's projects and work. It also explained the resources available from the Secretariat to assist working groups in the quest of promoting its work to media, business, government officials and key target audiences. Secondly, the Secretariat presented to the group the features of the APEC Information Management Portal (AIMP) and how these resources could enhance the collaborative work of the ECSG. The group commended the Secretariat for the good work conducted in these two issues and agreed to maximize the use of those resources.

The Secretariat presented a consideration item to the ECSG in terms of undertaking work conducive to the development of model chapters on e-commerce in FTA/RTA's, following on the recommendations of the 3<sup>rd</sup> SOM FTA/RTA Policy Dialogue. After a discussion of this topic, it was agreed that an intercessional consultation would be conducted by the Chair in order to agree on whether the ECSG should have a role to report to the Senior Officials and the Committee on Trade and Investment on recommending to undertake work on this issue.

The Secretariat reminded the group on Budget and Management Committee requirements to establish an evaluation group of three Member Economies for the assessment of project proposals seeking APEC funding. The ECSG argued that there were inconveniences on having just one evaluation group for assessing all projects and instead agreed to establish one evaluation group for each project.

For the first two projects that already need to be assessed, whose project overseers are China and Thailand, an intercessional consultation will be consulted to define the evaluation groups.

#### Next Meeting

ECSG 14 will be held on September 2006 on the margins of SOM III in Nha Trang, Viet Nam.

## 13<sup>th</sup> APEC ELECTRONIC COMMERCE STEERING GROUP MEETING

#### DRAFT ANNOTATED AGENDA for ECSG Plenary Meeting

February 23 - 24, 2005

February 23: 8:30 – 12:30; 14:00 – 16:00 February 24: 09:00 – 13:00

Location: Ha Noi Meliá Hotel

Ha Noi, Viet Nam

#### **Introductory Remarks by Chair and adoption of the agenda**

The ECSG Chair will report on progress of the ECSG working program and will propose a discussion on medium term future work and action items of the ECSG.

Adoption of the 13<sup>th</sup> APEC ECSG Agenda.

#### Report on APEC Developments

a. The APEC Secretariat to provide a brief report on APEC developments relevant to the work of the ECSG

#### Implementation of the 2006 ECSG Work Plan

#### **b.** Information Privacy

- i. Report of the APEC Information Privacy Subgroup: The Chair of the APEC Privacy Subgroup to report on the outcomes of the APEC Privacy Subgroup Meeting
- **ii.** APEC Symposium on Information Privacy Protection in E-Government and E-Commerce: Viet Nam will report on the main outcomes of this symposium.

#### b. SPAM

- *iii.* APEC Survey on SPAM: The United States will provide an update regarding the survey on spam.
- iv. Coordination with the APEC TEL WG. The ECSG Chair will update on conversations with the TEL WG Chair to propose establishing formal communication with TEL and identify possible collaboration between the two groups on SPAM and other relevant issues for both groups. This communication includes an invitation to the ECSG to participate

in an international fora discussion to be held on the margins of the next TEL meeting to be held in Calgary, Canada next April where a coordinated agenda to deal with SPAM is an expected outcome. Delegates are expected to provide their economies' position on the role the ECSG should take in its working program towards SPAM.

#### c. Paperless Trade

- i. Report of the APEC Paperless Trading Subgroup: The Chair of the APEC Paperless Trading Subgroup to report on the outcomes of the APEC Paperless Trading Subgroup Meeting.
- **ii.** APEC Public-Private Partnership (PPP) Dialogue on Paperless Trading: Viet Nam to report on the main outcomes of the PPP Dialogue on Paperless Trading.

#### Other Business

- a. First SOM Steering Committee on ECOTECH Meeting. The ECSG Chair will present the ECSG work plan for 2006 to be tabled at the First ESC Meeting to be held on 26 February in Ha Noi. Delegates are expected to provide input on cross-group activities within APEC that the ECSG should undertake regarding its working program for 2006.
- **b.** Presentation of the Final 2005 Stocktake of Electronic Commerce Activities in APEC: APEC Secretariat to present the final 2005 Stocktake of Electronic Commerce Activities in APEC, and to provide details on the process for preparing the 2006 Stocktake.
- c. Collaboration ECSG-United Nations Center for Trade Facilitation and Electronic Business (UN/CEFACT). The Chair of the Paperless Trading Subgroup will submit for decision of the ECSG a proposal to encourage UN/CEFACT to request guest status as a first step to future collaboration with that organization.
- d. APEC E-Commerce Business Alliance: China will provide an update on this initiative and preparations for the 2<sup>nd</sup> APEC-ECBA Forum in Qingdao, China in May 2006.
- e. Initiative for APEC Women's Participation in the Digital Economy: Korea will update the ECSG on the status of their project, including the progress on the establishment of APEC Women's e-Business Centers in all APEC Economies and preparations for the 2<sup>nd</sup> APEC Forum on the Digital Economy for Women.

#### f. ECSG projects for 2006:

1. APEC Training Program on E-Trade and Supply Chain Management: China will report on the progress and proposed schedules to implement the project.

- 2. The Development of APEC Guidance for Electronic Commerce, using the Best Practices of E-Government Procurement Systems. The Russian Federation will report on efforts and proposed schedule to implement the project.
- g. Voluntary reports on activities by Guests
  - 1. Global Business Dialogue on Electronic Commerce (GBDe)
  - 2. International Chamber of Commerce (ICC)
  - 3. Pan-Asian E-Commerce Alliance (PAA)
- h. APEC Information Management Portal (AIMP). The APEC Secretariat will conduct a briefing session about the features of the AIMP and how it could assist ECSG work.
- i. APEC Secretariat Communications Team. The APEC Secretariat Communications Team will inform the group on communications services available to assist the ECSG to promote its work to media, business, government officials and key target audiences.
- j. Discussion on future work of the ECSG. The Chair will lead a discussion on future areas of work for the ECSG in the medium term. Delegates are expected to contribute to the discussion by providing input on action items in which the ECSG should undertake work in the future.

#### **Conclusion and Next Meeting**

The Chair will lead a discussion on: 1) the logistics of reporting to Senior Officials at SOM I; and, 2) Next meeting at SOM III (2006) in Vietnam

#### Report on the Meeting of the APEC ECSG Data Privacy Subgroup

#### 22 February 2006 Han Noi, Viet Nam

The APEC ECSG Data Privacy Subgroup ("subgroup") met on February 22, 2006 in Han Noi, Viet Nam and was presided by Ms. Patricia Sefcik of the United States who was the acting Chair of the subgroup. The following member economies and organizations were represented at the meeting: Australia; Brunei; Canada; Chinese Taipei; Japan; Republic of Korea; Mexico; Philippines; Russia; Singapore; Thailand; United States; Vietnam, the International Chambers of Commerce (ICC), and the Global Business Dialogue on Electronic Commerce (GBDe). In addition, Mr. Malcolm Crompton and Dr. Nguyen Trong Dung, consultant and APEC Project Coordinator, respectively, for the APEC Symposium on Information Privacy Protection in and E-Government and E-Commerce participated in the meeting. The Agenda for the subgroup meeting is attached hereto as Annex B1.

The Chair noted the Ministerial endorsement of the language for international implementation of the APEC Privacy Framework, the successful publication of the Framework, and the ABAC report to the Leaders emphasizing the need for continued work on the implementation of the APEC Privacy Framework. In addition, the Chair noted that the subgroup's work is consistent with the Vietnam themes for APEC 2006.

## Assessment of the APEC Symposium on Information Privacy Protection in E-Government and E-Commerce

Mr. Malcolm Crompton, consultant to the APEC Symposium on Information Privacy Protection in E-Government and E-Commerce, led a discussion on the results of the symposium. He noted that the symposium built upon the themes of the previous technical seminars on the implementation of the APEC Privacy Framework. Mr. Crompton further noted the remarkable progress in creating the Framework and emphasized the need to maintain momentum through the implementation stage. He further stressed the importance of the underlying issues and instruments related to data privacy. The major themes resulting from the two-day symposium are attached hereto as Annex B2.

The Chair noted the opportunity for partnerships between APEC Economies to further the dialogue on data privacy and the implementation of the APEC privacy principles. As an example of partnerships, it was noted that the development of U.S. privacy impact assessments (PIAs) has been done with consultations with other APEC Economies.

The Chair also led a discussion on the possibility of changing the name of the subgroup to more accurately portray the work being done by the subgroup. After much discussion, there was agreement to reexamine the terms of reference of the subgroup and raise this issue for consideration at a later date.

#### International Initiatives to Develop Improved Privacy Notices

Mr. Martin Abrams, Executive Director of the Center for Information Policy Leadership in the United States, along with Mr. David Loukidelis, Commissioner for the Office of the Information and Privacy Commissioner of British Columbia, Canada, delivered an update outlining the progress on development and implementation of improved privacy notices. Mr. Abrams discussed the progress made by the private sector on this issue in 2005; in particular the paper titled the "Ten Steps to Develop a Multilayered Privacy Notice", hereto attached as Annex B3. Mr. Abrams reported that governments are becoming increasingly active in this area, citing examples used in Australia, New Zealand and British Columbia, Canada. He also provided examples from the private sector of companies using the multi-layered privacy notice. The subgroup supported his proposal to create a broader compendium of privacy notices in different languages. Mr. Loukidelis likewise provided specific examples of the multi-layered notice approach in the province of British Columbia. The United States gave an update on its research into improved privacy notices. In particular, that the results of Phase I of their extensive research are anticipated to be released soon. The United States also provided details about the methodology of its research project, including with respect to the next phase (Phase II) of this project.

#### Application of the Individual Action Plan on Information Privacy

The Chair gave an update on the Information Privacy IAP, which will be tabled at SOM I for endorsement to the Ministers for their approval (Annex B4). There was agreement on the importance of APEC Economies completing the Information Privacy IAP as a step in the domestic implementation process. Korea noted that some Economies may need to approach the Information Privacy IAP from a limited perspective. The Chair clarified that the Information Privacy IAP is designed for e-commerce related frameworks, laws, policies, self-regulatory guidelines, regulations, and not those referencing e-government practices. However, an Economy can choose to include e-government related laws, so flexibility remains in the process. The Chair emphasized the need to accomplish the last portion on the network point of contact arrangements to facilitate exchange of information and enhance cooperation among Member Economies. Economies agreed to complete the Information Privacy IAP in 120 days and submit their findings to the APEC Secretariat who will in turn forward them to Mr. Jefri Rahaman of Brunei for integration.

#### Cooperative Development of Cross-Border Privacy Rules

The United States provided a historical review of the progress made on the concepts of cross-border privacy rules. The ICC agreed to provide practical examples to further explore and note the obstacles to the cross-border flow of information. Several Economies intervened to highlight the need for further work in creating a list of best practices and the role of trustmarks in promoting the cross-border flow of information. Mr. Crompton, consultant to the privacy symposium, noted the need to close the gap between trustmark providers and government regulators. The subgroup approved the creation of a "cross-border rules" study group consisting of Australia, Korea, Mexico, the United States, and the ICC to move the work from theoretical concepts to practical approaches. The ICC also remarked on the need to establish a small pilot project to bring together policymakers and regulators to advance the concept of cross-border rules within APEC.

## Information Sharing Among Jurisdictions and Cross-Border Cooperation in Investigation and Enforcement

Canada gave a presentation on various initiatives occurring outside of APEC. The presentation noted the work being performed at the OECD, WSIS, and the European Union. Specifically mentioned were the WSIS Declaration, the Montreux Declaration, and the "OECD Privacy Enforcement Questionnaire". The Chair noted that the OECD and APEC are at similar, but different, stages with regard to information sharing and cross-border cooperation in investigation and enforcement. The Chair recognized the need for APEC to form a study group to further examine information sharing. Canada proposed intercessional conference calls to explore possible next steps to further information sharing and cross-border cooperation among Member Economies. The following Economies expressed their interest to participate in these calls: Australia, Canada, Singapore, and the United States.

Australia noted the progress made by APEC, relative to OECD, and emphasized the leadership role that APEC has assumed. The Chair requested delegation members to submit their contact information to the APEC Secretariat for the purpose of making know to Member Economies those responsible for facilitating cross-border cooperation in connection with privacy protection. Furthermore, the Chair noted the need to refer back to the group's work on consumer protection guidelines.

# Presentation from the Republic of Korea on its Domestic Approach to Information Privacy Protection

Continuing the practice of individual economies presenting on its national privacy framework, the delegate from the Republic of Korea provided an overview of three pieces of privacy legislation and their potential impact on information privacy in Korea. This was the fifth in a series of national economy presentations. Previous presentations were made by the United States, Chile, Japan, and now twice for the Republic of Korea.

#### A Final Discussion and Assessment of the APEC Symposium on Information Privacy Protection in E-Government and E-Commerce

Dr. Nguyen Trong Dung and colleagues presented an in depth assessment of the APEC Symposium on Information Privacy Protection in E-Government and E-Commerce. Participants of the 2-½ day symposium included 54 individuals from foreign APEC Economies and 110 Vietnamese participants. The symposium helped to clarify and explain the principles contained within the APEC Privacy Framework. It also strengthened awareness of the importance of data privacy and created a forum to share experiences and lessons learned from APEC Economies. The Project Coordinator also stated his desire to utilize the results of the privacy symposium to create a series of privacy "tutorials" focused on the Vietnamese Economy.

#### **Conclusion: Possible Future Work**

The Chair to the subgroup concluded the meeting by summarizing and noting several issues for future consideration. The first issue was the concept of re-examining the terms of reference for the subgroup and the possibility of changing the name of the subgroup to more accurately describe the scope of work performed by the subgroup. Next, Australia noted its desire to coordinate a future APEC-funded project for 2007 and will be soliciting for volunteers to assist

with the project. It was also noted that Economies have expressed interest in privacy impact assessments (PIAs) and the potential of sharing PIAs among APEC Economies to further the understanding and uses of PIAs. All Economies should send materials to the APEC Secretariat noting whether it is for internal or external distribution. The APEC Secretariat noted the development of an "APEC Information Management Portal", which will be a useful tool for sharing information and collaboration among all Economies.

Finally, the Chair recommended the possibility of designing a "capacity building" workshop on the margins of SOM III meetings taking advantage of the expertise within the subgroup to assist Economies in various components of the APEC Privacy Framework and to build on the themes and outcomes of the APEC Symposium on Information Privacy Protection in E-Government and E-Commerce. Mr. Peter Ferguson was presented with a signed copy of the APEC Privacy Framework in appreciation of the leadership exhibited by Mr. Ferguson in the subgroup.

The next meeting of the APEC ECSG Data Privacy Subgroup will be held on the margins of SOM III and the ECSG 14 meeting in Vietnam.

## 13<sup>th</sup> APEC ELECTRONIC COMMERCE STEERING GROUP MEETING

#### **AGENDA for the Data Privacy Subgroup Meeting**

#### **22 February 2006**

09:00 – 12:30; 14:30 – 17:45 Location: Hanoi Melia Hotel *Ha Noi, Viet Nam* 

#### 9:00 am – 9:15 am Introductory Remarks

Ms. Patricia Sefcik will give introductory remarks.

Ms. Patricia Sefcik, Acting Chair for the ECSG Data Privacy Subgroup, U.S. Department of Commerce

## 9:15 am – 10:00 am Assessment of the APEC Symposium on Information Privacy Protection in E-Government and E-Commerce

Mr. Malcolm Crompton will give his initial thoughts on the outcomes of the "APEC Symposium on Information Privacy Protection in E-Government and E-Commerce".

 $Mr.\ Malcolm\ Crompton,\ Keynote\ Speaker\ for\ the\ Symposium\ and$ 

Managing Director, Information Integrity Solutions Pty Ltd

## 10:00 am – 10:30 am International Initiatives to Develop Improved Privacy Notices

Update by Messrs. Martin Abrams and David Loukidelis

Mr. Martin Abrams
Executive Director
Hunton and Williams Center for Information Policy Leadership
United States

Mr. David Loukidelis

Information and Privacy Commissioner for British Columbia

Office of the Information and Privacy Commissioner for British Columbia, Canada

10:30 am - 11:00 am Break

11:00 am – 11:30 am Application of the Information Privacy Individual Action Plan Template

Update by Mr. Jefri Rahaman. Member Economies will discuss the establishment of a timeline to complete the Information Privacy Individual Action Plan.

Mr. Jefri Rahaman, Deputy Senior Counsel, Attorney General's Chamber, Government of Brunei Darussalam. (Tentative)

11:30 am – 12:30 pm Cooperative Development of Cross-Border Privacy Rules

The U.S. Delegation will summarize the 2005 work activities on cross-border rules. Member Economies to explore implementation models and provide input for future work.

12:30 pm – 2:30 pm Lunch

2:30 pm – 3:45 pm Information Sharing Among Jurisdictions and Cross-Border Cooperation in Investigation and Enforcement

The Canadian Delegation will discuss current models and possible next steps. Topics will include an overview of the work by the OECD Working Party on Information Security and Privacy (WPISP) in this area. Member Economies will be encouraged to share related experiences on these topics.

3:45 pm – 4:15 pm Break

4:15 pm – 4:45 pm Briefing on the Privacy Approaches of an APEC Economy

The Korean Delegation will present a case study on their privacy approach and the domestic implementation of the APEC Privacy Framework.

4:45 pm – 5:15 pm

A Final Discussion and Assessment of the APEC Symposium on Information Privacy Protection in E-Government and E-Commerce

Dr. Nguyen Trong Dung, Mr. Malcolm Crompton, Dr. Pham Ngoc Khoi and Dr. Luong Chi Mai will lead a discussion to assess the outcomes of the "APEC Symposium on Information Privacy Protection in E-Government and E-Commerce".

Dr. Nguyen Trong Dung, APEC Project Coordinator and Research Program Manager, Institute of Information Technology, Vietnamese Academy of science and Technology

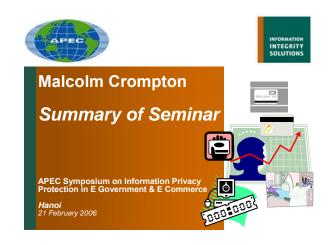
Mr. Malcolm Crompton, Keynote Speaker for the Symposium and Managing Director, Information Integrity Solutions Pty Ltd

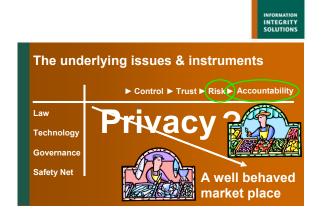
Dr. Pham Ngoc Khoi Symposium Planning Commission

Dr. Luong Chi Mai Symposium Planning Commission

5:15 pm - 5:45 pm

Next Steps: Summary of Future Work in the Data Privacy Subgroup for 2006 as well as goals for upcoming Ministerial and Leaders' meeting in November





INFORMATION INTEGRITY SOLUTIONS The underlying issues & instruments Privacy ► Control ► Trust ► Risk ► Accountability Law Technology Governance Safety Net A well behaved market place

INTEGRITY SOLUTIONS

#### **Themes**

- Integrate privacy with all initiatives: Privacy by Design
  - Security AND privacy; not Security OR privacy
     Privacy built in, not built on
     Privacy Impact Assessment

  - Most technology can support multiple needs in the organisation
  - Prove it! AUDIT
- Information Security + Information Privacy = Information Policy



#### Themes

- eGovernment and eCommerce have much to learn from
  - Much more in common than you think
- Integrate economy level policies & frameworks into the regional framework & from there into the global

  - Capacity building
  - VERY rapid growth in some Economies; includes cybercrime
- Respect culture this is the APEC way



#### **Themes**

- "Art of balance" control use of information
- -Need a framework and method that is also trustworthy
- Example: access to data for law enforcement
   Focus on harm BROADLY defined;
   APEC Privacy Principle 1
- Be strategic; plan; simplify regulation and frameworks; watch out for overlap
- Safeguards and governance structures





#### Themes

- Create an environment where information can be used to create value for society AND the individual
   We can all have confidence
   Accountability follows the data, ie no avoiding obligations APEC Privacy Principle 9
- Future is here today PITs or PETs?
   Data mining done well = we have both privacy & value
- No magic bullet People, Policy, Process AND Technology
   Build in communication & awareness too

## Building a "Secure & Favourable Business Environment" – APEC 2006 Sub-Theme 3

- Governance & safeguards best practice; remedy
- Privacy Impact Assessments eGov, eCommerce
   Do some!
   How?
- Regulator cooperationExchange of information

  - Support of corporate rulesInvestigation of cross border cases
- Economy partnerships

Revised Draft: February 14, 2006

# Ten steps to develop a multilayered privacy notice

Prepared by
leading lawyers and experts in privacy
with the
Center for Information Policy Leadership



#### **Foreword**

Experts agree that good privacy begins with effective transparency. Transparency requires privacy notices that are easy to understand, facilitate comparison, and are actionable. Privacy notices must also comply with legal requirements that may differ from country to country, and jurisdiction to jurisdiction. Research on how people learn has shown that for notices to be easy to read and understand, they must be short, use plain language, and be presented in a common format. Complete notices tend to be longer and more complex, so it is impossible to have both sets of requirements in one document. A multilayered notice is made up of a condensed notice that contains all the key factors in a way that is easy to understand and is actionable, and a complete notice with all the legal requirements. A growing number of privacy officials and experts agree that multilayered notices meet the transparency objective. Corporate and government sponsored research shows that multilayered notices build both trust and compliance. The work of the European Article 29 Working Party gives us confidence that layering a privacy notice is legally complaint.

The purpose of this ten step guide is to help privacy practitioners in organizations of all sizes to assess their privacy notices and build effective multilayered notices, if appropriate.

After several years of testing and development, the international privacy community has begun to adopt multilayered privacy notices that make it easy for consumers to understand how their information is used and protected, and to compare companies' privacy policies. These new notices also encourage compliance and make it possible for organizations to use the same privacy notices worldwide. While there are still differences of opinion on notice content, we are at a point where organizations may feel comfortable using the notices discussed in this ten step guide to develop an easy to read and compare privacy notice, compliant with the emerging standard.

The guide begins with background on multilayered notices and a discussion of why you might like to change or update your notice. It then provides the reader with ten steps that can be followed by organizations of all sizes when developing multilayered privacy notices. Finally, the guide provides the reader with resources available on the internet for reference when developing a multilayered notice.

## Background

With the growth of the internet in the 1990s, more and more organizations began publishing privacy notices. The complexity of the notices began to mirror the increasing complexity of information practices. Consumers found these notices confusing, and policymakers began to realize that the notices were failing to give the individual a clear picture of how their information would be used. Organizations had conflicting goals of creating notices that were easy to understand, complete, and compliant. By 2003, privacy leaders were beginning to discuss a concept called layered notices. A layered notice would be a short notice in a common template format, combined with a longer complete notice. This concept was endorsed by the 25th International Data Protection Conference, held in Sydney, Australia in 2003.

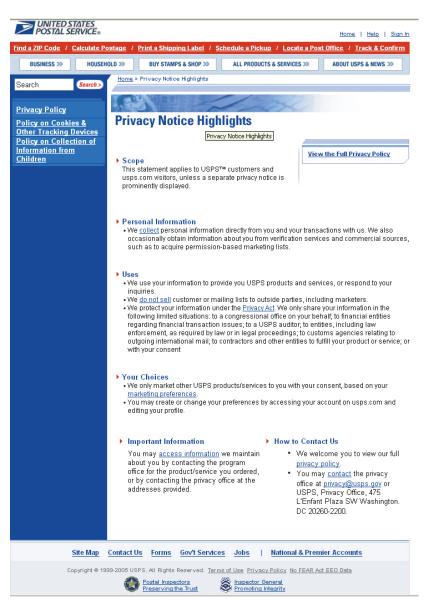
This basic concept was explored further at a workshop in Berlin in March 2004. The workshop, attended by data protection commissioners, other government officials, European consumer leaders and business, led to the Berlin Memorandum. The memorandum called

for multilayered notices to be made up of as many as three layers. The additional layer would be a very short notice designed for use on portable digital devices, coupons and other places where space would be very limited. The Berlin Memorandum was discussed by the European Union's Article 29 Working Party, which adopted a common position endorsing multilayered notices in December 2004.

The Australian Data Protection Commissioner recommended this evolving norm in a 2005 review of the Australian private sector privacy law. The Australian government subsequently adopted a layered notice on its website. The Ontario Information Commissioner, working with the Ontario Bar Association, used layered notices as the basis for their new health care privacy notices. The US Postal Service adopted a multilayered notice in July 2005. The Data Protection Commissioners of New Zealand and British Columbia became the first Data Protection Agencies to publish condensed notices in November 2005.

#### Example

#### **USPS** notice



The first layered notices began appearing on US business websites in 2003. Companies began publishing multilayered notices in different languages in 2005. There are now condensed notices in over forty languages, including Arabic, Chinese, French, German, Korean, Japanese, Polish, and Russian.

This guide follows the recommendations in the European Union (EU) Article 29 common position of December 2004, which has gained wide acceptance within and outside the EU. This structure is as follows.

- Layer 1 The short notice: the very minimum, for example, when space is very limited, providing only the identity of the data controller, contact details, and the purposes of processing.
- → Layer 2 The condensed notice: covering the basics in less than a page, ideally using subheadings, and covering Scope; Personal information collected; Uses and sharing; Choices (including any access options); Important information; How to contact us.
- → Layer 3 The full notice.

### Why create a multilayered notice?

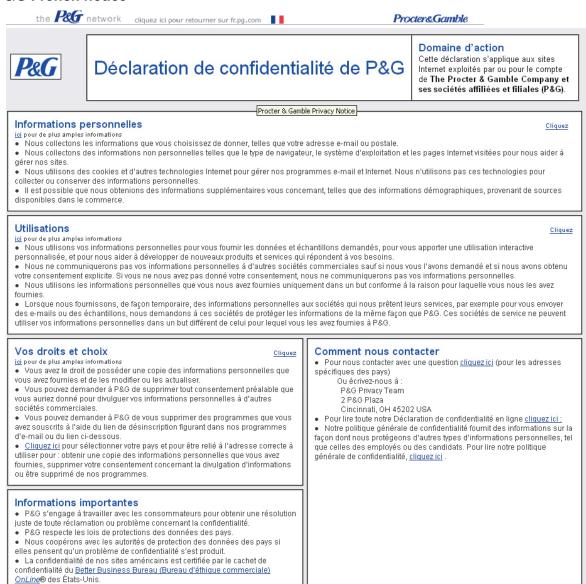
Privacy notices must be kept current. When updating the notice, organizations should strongly consider the multilayered approach. Multilayered notices are a big 'win' for organizations, consumers, and regulators.

Companies win because multilayered notices easily build consumer trust. Research conducted in Hong Kong, Germany, the United Kingdom, and the United States shows that consumers prefer the template-based condensed notice to longer text-based notices. The US Postal Service changed its notice when the template-based notice scored highest in a survey of public trust. Consumers like multilayered notices because they like information that is clear, graphically appealing, and easy to compare.

Companies also win because regulators in Europe and the Asia Pacific regions have agreed on the core concepts that need to be covered in short and condensed notices. This results in a single notice that can be translated into many languages, rather than a notice with different text for each country. This makes web notices much easier. P&G, MSN, and IBM have all published their web-based notices in more than 40 different languages.

#### Example

#### **P&G French notice**



Data protection authorities like multilayered notices because they increase public understanding of privacy and data protection — a clear goal for regulation. Many regulators also believe that multilayered notices will result in increased compliance with existing notice requirements.

The bottom line is that all parties win when privacy notices are easy to read and understand.

## Creating a multilayered notice

Creating a privacy notice should not be viewed as an intimidating process. Developing a multilayered notice is no more difficult than a full legally compliant notice. If an organization has already created a full legally compliant notice, they can skip the first 5 steps below

and move directly to creating a condensed notice in step 6. Good practice principles would suggest a legal review before publishing any notice.

#### The ten steps

#### Step 1 Determine what your company does with personal data

Catalogue the organization's collection, use, sharing, protection, and destruction of information that is about individuals. There are many means of doing this. You could start with the data and map its flows throughout the organization. You could also begin with the uses, and determine the data needed to fulfill those uses. An organization must understand its data flows before creating notices.

- → What personally identifiable data is collected directly from individuals, from transactions with individuals, or from third parties?
- → Where is that information collected?
- → How is the information used by the organization?
- → Is it shared with third parties? If so, with whom, and for what purposes?
- → How long is the information kept? How is it destroyed?
- → How is the information secured?
- What choices does the individual have related to that use, retention, and sharing of information?
- → Does the consumer have opportunities to access and make corrections related to the information, either because of requirements in law or policy in the organization?

The OECD, the US Direct Marketing Association, and many other organizations have websites, guides, and online tools that may help you develop your full notice.

#### Step 2 Determine whether your company's treatment of personal data is legally compliant

Review the laws, regulations, industry codes, contracts, and corporate promises that cover the collection and use of personally identifiable information to make sure the processes mapped meet legal expectations.

- → Is the data or use covered by law or industry codes of conduct?
- → Is there a contract in place to limit data use?
- → Is the data limited by consumers' choices exercised either directly with the organization or with third parties?
- Does the law require special notifications or disclosures to consumers? If so, how must those notifications or disclosures be addressed?

## Step 3 Develop and test an internal privacy policy that reflects how your company treats personal data

Write an internal information policy to describe the processes. Make sure that the employees covered by the policy understand it.

- → The internal policy should match the organization's culture. Write it in a way that matches the organization's identity standards, bearing in mind plain language.
- → Test the policy with the legal department and other senior stakeholders.
- → Test with line managers to make sure the internal policy actually reflects corporate behavior.
- → Finally, test with employees to make sure they understand the policies. This testing should be done in a way that actually tests current compliance.

## Step 4 Use that internal policy to create the organization's complete external privacy policy

Make sure the external policy is consistent with the practices in step 1. This is the long, complete policy that meets all compliance requirements.

- Have you included all the legal requirements in the complete notice? If you are using the complete notice in many countries, it might have special sections to address particular national requirements.
- → Have you included every significant use and sharing? Don't forget to mention if you use outside vendors, agents, and processors.
- → Have you discussed information security? While the condensed notice doesn't require a security section, almost all complete notices should.

#### Step 5 Test and revise the full privacy notice

Test the language and structure of the complete external policy to make sure it is understood by the target audience.

→ Is the long notice in language that most individuals would understand? Just because the notice is long doesn't mean it should be hard to read. You should not need a university education to understand the notice. Keep the sentences simple and easy to read. Consistently use the same words to mean the same thing. This will also help translation.

Test the notice directly with consumers. This testing need not be costly. You can test a notice on your organization's website. Once you have tested the notice you should revise it based on the research, and then retest.

#### Step 6 Create the condensed notice

Summarize the main elements of the complete policy in the six categories of the condensed notice. Use language that is easy to understand. If possible, take sentences directly from the full notice. This will help with consistency. You should compare the condensed and complete

notices to make sure that nothing has been left out of the condensed notice that is important or would be beyond the reasonable expectations of individuals.

#### → Scope

Who is covered by the notice? The organization collecting the information? A family of companies? An entire industry? The scope should be defined clearly in as few sentences as possible. You should avoid long lists of affiliates - that detail should be in the longer notice.

#### Example

#### Scope

This statement applies to XYZ company Web Sites Worldwide.

#### → Personal information collected

This section should describe the types of information collected from the individual, from transactions with the individual, and from third parties about the individual. You should mention information gained from third parties such as credit bureaus or credit referencing services used to make decisions about the individual. You should also mention if you use cookies, if they are linked to personally identifiable information.

#### Example

#### Personal information

- → We collect information you choose to provide during your registration.
- We use common internet technologies, such as cookies and beacons, on our websites and emails.
- → We sometimes obtain additional information about you from other sources, such as your demographics and lifestyle information.
- → For more information about our information collection practices, please <u>click here</u>.

#### → Uses and sharing

This section discusses how the organization uses the information it collects. The organization should describe its own uses, uses by affiliated parties not listed in the scope, and non-affiliated sharing. The organization should list its own uses first, followed by affiliates and then non-affiliated third parties.

There has been a great deal of discussion about whether to mention sharing with vendors and agents in the condensed notice. Discussions with consumer, business, and data protection agency privacy leaders have led to a consensus that, in most cases, sharing with vendors and agents should be covered in the long notice. Any use and sharing that would be beyond the reasonable expectations of individuals, however, should be highlighted in the condensed notice.

#### Example

#### Uses

- → We use personal information to provide you with information and samples you request, and to help us develop new products and services that meet your needs.
- We do not share your personal information with other marketers unless we have asked for and obtained your explicit consent. If you do not provide your consent, we will not share your information.
- → We will use personal information you provide only for purposes consistent with the reason you provided it.
- When we temporarily provide personal information to companies that perform services for us, such as to send you email or samples, we require those companies to protect the information in the same manner as XYZ. These service companies cannot use your personal information for any other purpose than the reason you provided it to XYZ.

#### → Choices

This section would include choices the individual has relating to the information collected and used. In some instances the choices are consents, while in other instances they are opt-outs. In many jurisdictions the consumer has the right to request access to information and request corrections or deletions. These choices should be in this section.

#### Example

#### Choices

- → You may access personal information that we hold about you. You can ask us to correct any errors or delete the information we have about you.
- You may opt-out of any further contact from us.
- → To protect your privacy and the privacy of others, we may have to verify that you are who you say you are before we can give you access to, or change, information about you.

#### → Important information

Every organization has factors unique to its management of personally identifiable information. Some organizations have seal programs, while other organizations have special protections for information. This section is where organizations would place seals and other important facts. You could also mention special legal requirements in a particular jurisdiction, or information about where a person can complain.

#### Example

#### Important information

<u>BBBOnline</u> reviews and enforces our compliance with this privacy notice. XYZ participates in the EU/Department of Commerce Safe Harbor Program.

#### → How to contact us

The last section gives the individual information on how to contact the organization for a complete notice, to ask questions, and to exercise choices. Many organizations give the individual more than one way to contact the organization.

#### Example

#### How to contact us

E-mail: privacy@xyz.com.

By post: XYC, Privacy Office, 475 Morningside Drive, Rochester, NY 12345.

To see our full privacy policy, click here.

#### Step 7 Harmonize the full and condensed notices together

Now that you have developed the condensed notice it is time to go back and look at the full notice to see if there are any format changes to make them consistent. In some countries, many consumers will want to see the full notice. The complete and condensed notice must work together whether the complete notice will be available from a click-through on-line, or on request off-line.

- Does the complete notice need to be reorganized so that topics are in the same order as the condensed notice?
- → On-line, do you want to hyperlink the complete and condensed notice?

- Are there words and phrases that need to be made consistent?
- → Do the two notices reflect the same organizational identity?

#### Step 8 Create the short notice

If the organization collects information over a hand-held computer, mobile phone, or with coupons, you should now develop the short notice for these applications.

The short notice must contain three items of information.

- → Who is collecting the information?
- What is the primary use for the information? You should also include non-primary uses that would be beyond the reasonable expectations of the consumer.
- → Can you contact the organization easily for the condensed or complete notice? For example, maybe through a phone number, e-mail address or a message saying 'text 123 for more information.'

#### Step 9 Review and test the multilayered notices

It is important to see whether the target audience understands how the three layers work together. This may be through consumer research on your website. Finally, you should read through the notices again to make sure that there is nothing in the complete notice that would be beyond the reasonable expectations of the consumer, that has been left out of the condensed notice. In some jurisdictions, this lack of consistency might be perceived as deliberate deception.

- → Do the layers work together?
- → Are there important facts that have been left out of the notice?
- → Are all the notices consistent? Would the reader be surprised reading the full notice after reading the condensed notice?

#### Step 10 Publish your new multilayered notice

Make sure the various layers are published in the correct locations. All employees with consumer contact must be aware of the notice layers and how to provide a complete notice when asked.

- → Have your consumer affairs staff been educated on the various notice layers?
- → Can they explain your policies to the intended audiences?
- → Have you placed the various layers where they legally must be placed, as well as where you want them placed to build trust?

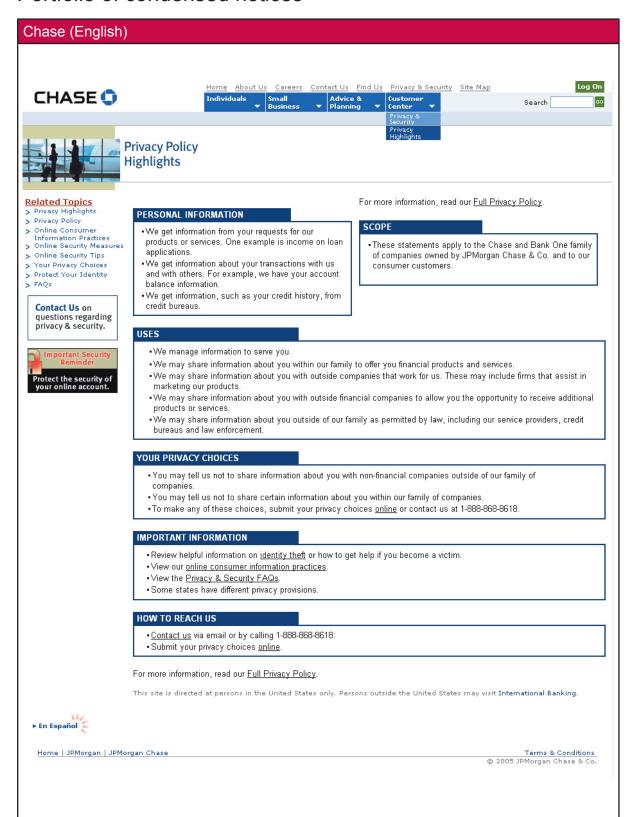
#### Resources

For more information and for the documents referenced in this paper, please visit the Center for Information Policy Leadership at <a href="https://www.informationpolicycenter.com">www.informationpolicycenter.com</a>. You will also find useful information at:

- 1 Direct Marketing Association Privacy Policy Generators www.the-dma.org/privacy/privacypolicygenerator.shtml
- 2 BBBOnLine www.bbbonline.org/reliability/privacy/
- 3 OECD Privacy Statement Generator www.oecd.org/sti/privacygenerator

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#### MSN (Japanese)

## msn.♥ MSN プライバシーに関する通知

ご意見ご感想

詳細情報

最終更新日:2005年3月



本通知は、MSN プライバシーに関する声明の全文に対するダイジェスト版です。本通知およびプライ パシーに関する声明の全文は、MSN の Web サイトおよびサービスに適用されます。

#### 個人情報の収集

#### 詳細情報

- オプション ● お客様と MSN の連絡方法を選択するには、「MSN プライバシー
- MSN では、お客様が MSN のサービスに登録する際、お客様に個 人情報をお尋ねしています。
- 収集した情報を、他の Microsoft Corporation のサービスおよび他 社から取得した情報と結合することもあります。
- MSN では、お客様と MSN のサイトおよびサービスのやりとりを 記録し、お客様ごとのサービスを提供するために、Cookie および その他の技術を使用しています。
- の紹介」にアクセスしてください。
- MSN ニュースレターの購読の申し込みや解除を行うには、Hotmail の「無料メールマガジン」の設定ページにアクセスしてください (英語版の MSN ニュースレターについては、<u>newsletters.msn.com</u> にアクセスします)。
- 個人情報の表示および編集方法については、「個人情報の管理」 を参照してください。

#### 個人情報の利用

#### 詳細情報

- MSN では、お客様の要求にお応えするサービスを配信するため に、情報を収集しています。MSN のサービスでは、お客様の興味 に合わせたコンテンツおよび広告が表示されることがあります。
- MSN では、お客様の個人情報を利用して、Microsoft Corporation およびその関連会社が提供するその他の製品を宣伝したり、MSN のサービスに関するアンケートのお願いを送信しています。
- MSN が顧客リストを第三者に販売したり貸し出したりすることは ありません。ただし、サービスの提供を促進するため、個人情報 の取扱いの全部又は一部を他社に委託することがあります。

#### 重要な情報

- 特定の MSN サービスに関する情報については、プライバシーに 関する声明 (全文) の「特定の MSN サイトおよびサービスに関す る補足情報」をよくお読みください。
- MSN の登録サービスおよびサインイン サービスには、Microsoft Passport Network を使用しています。Passport サービスの詳細に ついては、Microsoft Passport Network プライパシーに関する声明 をお読みください。
- お子様のプライバシーに関するその他の対策について確認するに は、プライバシーに関する声明(全文)の「お子様の個人情報の収 <u>集および使用</u>」を参照してください。
- お客様のコンピュータ、受信トレイ、個人情報、およびご家族と のオンライン コミュニケーションの保護に関する詳細について は、「<u>オンラインの安全</u>」にアクセスしてください。

#### お聞い合わせ先

プライバシー保護の実施内容に関する詳細については、「MSN Web サイトのプライバシーに関する声明」(全文)

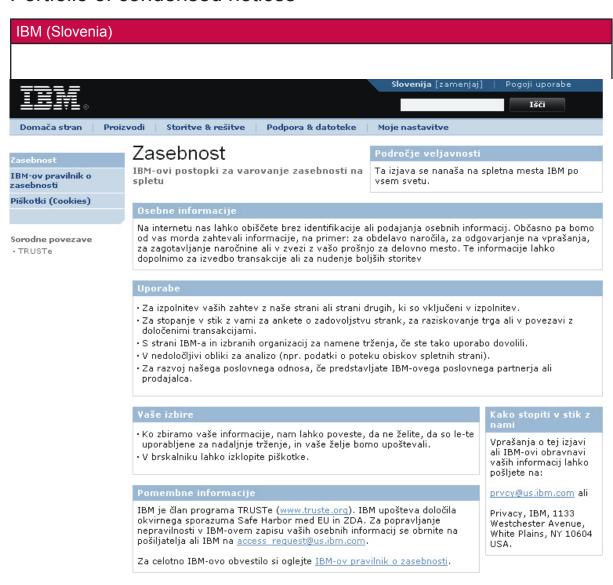
(http://privacy1.msn.com/jp/fullnotice.armx) にアクセスしてくださ い。 または、以下の宛先まで郵便でご連絡ください。

MSN Privacy Microsoft Corporation One Microsoft Way Redmond, WA 98052

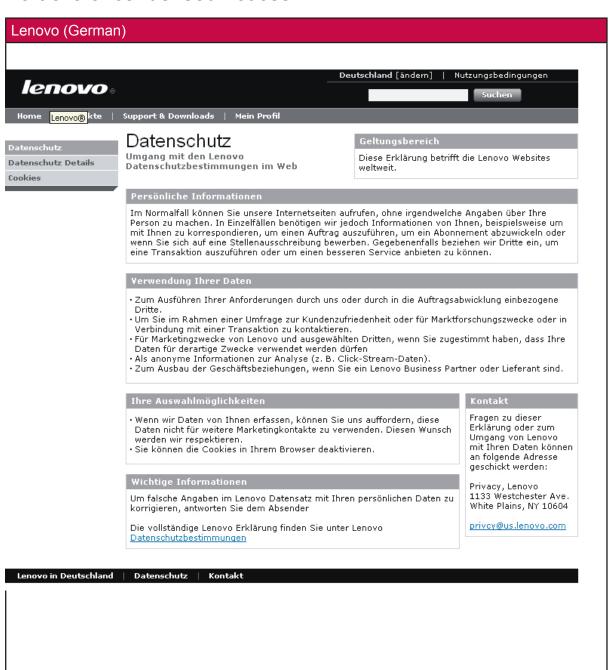
インターネットでのお問い合わせはこちらから受け付けておりま

家族のインターネット MSN プレミアムウェブサービス

ご意見ご感想



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#### **Information Privacy Individual Action Plan**

#### **Explanatory Notes**

- 1. At the 16<sup>th</sup> APEC Ministerial Meeting at Santiago, Chile in November 2004, the APEC Privacy Framework ("the Framework") was adopted.
- 2. Paragraph 39 within Part IV, Section A, VI, of the Framework describes a Mechanism for Reporting Domestic Implementation of the Framework as follows:
  - 39. Member economies should make known to APEC domestic implementation of the Framework through the completion of and periodic updates to the Individual Action Plan (IAP) on Information Privacy.
- 3. An IAP will improve transparency of the data protection framework of an economy, which in effect will enable other economies to be informed of the relevant stage that an economy has reached. This matches with the overall objective of the Framework, i.e. to encourage the development of common effective privacy protections and ensure the free flow of information in the region.
- 4. APEC Member Economies should endeavor to give effect to the Framework and secure privacy protections for individuals by methods that are considered most suitable to Member Economies, including legislative, administrative, industry self-regulatory or a combination of these methods.
- 5. As stated in paragraph 32 of the Framework, it may be appropriate for individual economies to determine that different APEC Privacy principles may call for different means of implementation. Whatever approach is adopted in a particular circumstance, the overall goal should be to develop compatible approaches in privacy protections in the APEC region that are respectful of the requirements of individual Member Economies.
- 6. As stated in paragraph 34 of the Framework, discussions with domestic law enforcement, security, public health, and other agencies are important to identify ways to strengthen privacy without creating obstacles to national security, public safety, and other public policy missions.
- 7. To further the objectives set out in paragraph 39 and Section B of Part IV of the Framework, the following template was designed to seek information on:
  - a. substantive laws and
  - b. procedural and policy frameworks/ regulatory guidelines.
- 8. Substantive laws are laws with respect to protection of the privacy of personal information and may include the creation of the office of a Data Privacy Commissioner, Regulatory or Enforcement Authorities, or similar office within the member economy.

- 9. Procedural, policy, and regulatory frameworks/ guidelines are those that identify and provide a framework to investigate and take action for any breaches of privacy protections (including, but not limited to protections established by laws with respect to the privacy of personal information or by self-regulatory rules).
- 10. The template is designed to obtain information on the above and recognizes that in some cases, Member Economies may adopt different approaches other than implementing legislative frameworks for protecting the privacy of personal information.

Please refer to the footnotes at the bottom of the page for information on completing each column. Please do not complete the shaded boxes.

|   | APEC Principle /Commentary   | Privacy Protection Scheme (legislation, rules, codes, frameworks, and other) 1 | Provision <sup>2</sup> | Sanction <sup>3</sup> | Results/<br>Status <sup>4</sup> |
|---|--|--|------------------------|-----------------------|---------------------------------|
| A | Is privacy a constitutionally protected right in your economy?   |  |                        |                       |                                 |
| В | If not, what other available legislation deals with privacy or confidentiality of personal information.  |  |                        |                       |                                 |
| 1 | I Preventing Harm<br>(Ref. Para. 14)   |  |                        |                       |                                 |
|   | Recognizing the interests of the individual to legitimate expectations of privacy, personal information protection should be designed to prevent the misuse of such information. Further, acknowledging the risk that harm may result from such misuse of personal information, specific |  |                        |                       |                                 |

\_

<sup>&</sup>lt;sup>1</sup> Note here the legislation, rule, code, framework or other privacy protection scheme. Where possible please provide the URL for the website where the legislation or arrangement is available.

<sup>&</sup>lt;sup>2</sup> Insert the full text or summary of the provisions of your privacy protection scheme(s) that correspond to the APEC Privacy Principles identified in the column titled "APEC Principle/ Commentary".

<sup>&</sup>lt;sup>3</sup> Sanctions should include the nature of the remedies available, the means by which they are obtained, and by whom (for example, government, local law enforcement, private right of action, etc.).

<sup>&</sup>lt;sup>4</sup> Identify areas where the practice and the intent of the principle need further consideration; and identify the status of the economies' practice, for example enacted, introduced, draft. If your legislation, rule, code, framework or other privacy protection scheme is at the drafting or proposal stage and has not yet been enacted or implemented, please indicate here and provide any other useful comments."

|   | obligations should take account of such risk, and remedial measures should be proportionate to the likelihood and severity of the harm threatened by the collection, use and transfer of personal information.   |  |  |
|---|--|--|--|
| 2 | II Notice (Ref. Para. 15-17)  Personal information controllers should provide clear and easily accessible statements about their practices and policies with respect to personal information that should include:  a) the fact that personal information is being collected;  b) the purposes for which personal information is collected;  c) the types of persons or organizations to whom personal information might be disclosed;  d) the identity and location of the personal information controller, including information on how to contact them about their practices and handling of personal information; |  |  |

|   |  |  | <br>, |
|---|--|--|-------|
|   | e) the choices and means the                                       |  |       |
|   | personal information controller                                    |  |       |
|   | offers individuals for limiting the                                |  |       |
|   | use and disclosure of, and for                                     |  |       |
|   | accessing and correcting, their                                    |  |       |
|   | personal information.  |  |       |
|   | r  |  |       |
|   | All reasonably practicable steps                                   |  |       |
|   | shall be taken to ensure that such                                 |  |       |
|   | notice is provided either before or                                |  |       |
|   | at the time of collection of personal                              |  |       |
|   | information. Otherwise, such                                       |  |       |
|   | notice should be provided as soon                                  |  |       |
|   | after as is practicable.   |  |       |
|   | arter as is practicable.   |  |       |
|   | It may not be appropriate for                                      |  |       |
|   | personal information controllers to                                |  |       |
|   | provide notice regarding the                                       |  |       |
|   |  |  |       |
|   | collection and use of publicly available information.              |  |       |
|   | avanable information.  |  |       |
| 3 | III Collection Limitation  |  |       |
| 3 | (Ref. Para. 18)  |  |       |
|   | (Net. 1 at a. 10)  |  |       |
|   | The collection of personal   |  |       |
|   | information should be limited to                                   |  |       |
|   | information that is relevant to the                                |  |       |
|   | purposes of collection and any such                                |  |       |
|   |  |  |       |
|   | information should be obtained by lawful and fair means, and where |  |       |
|   | <u> </u>   |  |       |
|   | appropriate, with notice to, or                                    |  |       |
|   | consent of, the individual   |  |       |
|   | concerned.   |  |       |
| 1 | IV Use of Done or all Information                                  |  |       |
| 4 | IV Use of Personal Information                                     |  |       |

|   | T (= 0 = 10)                          | T   | Г |   |
|---|---------------------------------------|-----|---|---|
|   | (Ref. Para. 19)                       |     |   |   |
|   | Personal information collected        |     |   |   |
|   | should be used only to fulfill the    |     |   |   |
|   | purposes of                           |     |   |   |
|   | collection and other compatible or    |     |   |   |
|   | related purposes except:              |     |   |   |
|   | a) with the consent of the individual |     |   |   |
|   | whose personal information is         |     |   |   |
|   | collected;                            |     |   |   |
|   | b) when necessary to provide a        |     |   |   |
|   | service or product requested by the   |     |   |   |
|   | individual; or,                       |     |   |   |
|   | c) by the authority of law and other  |     |   |   |
|   | legal instruments, proclamations      |     |   |   |
|   | and pronouncements of legal           |     |   |   |
|   | effect.                               |     |   |   |
|   | V.Cl.                                 |     |   |   |
| 5 | V Choice                              |     |   |   |
|   | (Ref. Para. 20)                       |     |   |   |
|   | Where appropriate, individuals        |     |   |   |
|   | should be provided with clear,        |     |   |   |
|   | prominent, easily understandable,     |     |   |   |
|   | accessible and affordable             |     |   |   |
|   | mechanisms to exercise choice in      |     |   |   |
|   | relation to the collection, use and   |     |   |   |
|   | disclosure of their personal          |     |   |   |
|   | information. It may not be            |     |   |   |
|   | appropriate for personal              |     |   |   |
|   | information controllers to provide    |     |   |   |
|   | these mechanisms when collecting      |     |   |   |
|   | publicly available information.       |     |   |   |
|   |                                       |     |   |   |
|   | 1                                     | l . |   | L |

| 6 | VI Integrity of Personal Information (Ref. Para. 21)  Personal information should be accurate, complete and kept up-to-date to the extent necessary for the purposes of use.  |  |  |
|---|---|--|--|
| 7 | VII Security Safeguards (Ref. Para. 22)  Personal information controllers should protect personal information that they hold with appropriate safeguards against risks, such as loss or unauthorized access to personal information, or unauthorized destruction, use, modification or disclosure of information or other misuses. Such safeguards should be proportional to the likelihood and severity of the harm threatened, the sensitivity of the information and the context in which it is held, and should be subject to periodic review and reassessment. |  |  |
| 8 | VIII Access and Correction (Ref. Para. 23-25) Individuals should be able to:  |  |  |
|   | a) obtain from the personal   |  |  |

| information controller confirmation  |  |  |
|--------------------------------------|--|--|
| of whether or not the personal       |  |  |
| information controller holds         |  |  |
| personal information about them;     |  |  |
| ,                                    |  |  |
| b) have communicated to them,        |  |  |
| after having provided sufficient     |  |  |
| proof of their identity, personal    |  |  |
| information about them;              |  |  |
| information about them,              |  |  |
| i. within a reasonable time;         |  |  |
| 1. Within a reasonable time,         |  |  |
| ii. at a charge, if any, that is not |  |  |
| excessive;                           |  |  |
| CACCSSIVE,                           |  |  |
| iii. in a reasonable manner;         |  |  |
| m. m a reasonable manner,            |  |  |
| iv. in a form that is generally      |  |  |
| understandable; and,                 |  |  |
| understandable, and,                 |  |  |
| c) challenge the accuracy of         |  |  |
| information relating to them and, if |  |  |
| possible and as appropriate, have    |  |  |
| the information rectified,           |  |  |
| completed, amended or deleted.       |  |  |
| completed, amended of defeted.       |  |  |
| Such access and opportunity for      |  |  |
| correction should be provided        |  |  |
| except where:                        |  |  |
| except where.                        |  |  |
| (i) the burden or expense of doing   |  |  |
| so would be unreasonable or          |  |  |
| disproportionate to the risks to the |  |  |
| individual's privacy in the case in  |  |  |
|                                      |  |  |
| question;                            |  |  |

|   |  |  | ı |
|---|--|--|---|
|   | (ii) the information should not be disclosed due to legal or security reasons or to protect confidential commercial information; or  (iii) the information privacy of persons other than the individual would be violated.  If a request under (a) or (b) or a challenge under (c) is denied, the individual should be provided with reasons why and be able to challenge such denial.   |  |   |
|   |  |  |   |
| 9 | IX Accountability  |  |   |
|   | (Ref. Para. 26)  |  |   |
|   | A personal information controller should be accountable for complying with measures that give effect to the Principles stated above. When personal information is to be transferred to another person or organization, whether domestically or internationally, the personal information controller should obtain the consent of the individual or exercise due diligence and take reasonable steps to ensure that the recipient person or organization will protect the information consistently with these Principles. |  |   |

| С | Network point of contact  |  |  |
|---|---------------------------|--|--|
|   | arrangements <sup>5</sup> |  |  |

<sup>&</sup>lt;sup>5</sup> Please provide contact details such as name and/or title, address, telephone and email contacts. This information will not be published but will be made available to economies.

# The 5<sup>th</sup> APEC Paperless Trading Subgroup Meeting Report

#### 22<sup>nd</sup> February 2006 Hanoi Viet Nam

A total of 9 economies and about 30 colleagues from Viet Nam, Thailand, Singapore, Mexico, Malaysia, Korea, China, Chinese Taipei and Canada participated in the 5<sup>th</sup> Paperless Trading Subgroup held on 22<sup>nd</sup> February in Ha Noi, Viet Nam. The Subgroup accepted and adopted the agenda (Annex C1)

The Subgroup began the day with a well prepared report from the PPP Dialogue held on Monday February 20, 2006 (Annex C2). There was a comment from Mexico on the preparation of the next PPP Dialogue. Korea replied to cooperate with the host of the next APEC meetings which is Australia to identify its intention to become the organizer of the Dialogue. Korea expressed its willingness to cooperate and assist Australia to hold the Dialogue.

There was a status report of electronic Certificate of Origin pathfinder project by Chinese Taipei. The Subgroup was informed of progress between Chinese Taipei, Korea and Singapore on the bilateral exchange of electronic Certificate of Origin. Chinese Taipei also mentioned of a governmental meeting between Chinese Taipei and Korea that was to take place after the sessions.

Issues ranging from methodology of recognizing different digital signature between economies and a possible expansion of the issue to other economies were presented as questions.

China contributed by presenting three agendas beginning with the progress report of 2<sup>nd</sup> APEC e-Commerce Business Alliance Forum and Exhibition to be held in Qindao from May 18<sup>th</sup> and 19<sup>th</sup>. China is planning to send out additional information and invitation to ECSG members soon.

China also suggested e-Commerce expert resource network and e-Trade and Supply Chain Management Training Program. Details of the resource network and dates for the next training program are to be provided to the Paperless Trade Subgroup members for deeper consideration and feedbacks.

Member economy report from Korea was given on its paperless trade facilitation project and Thailand presented information about its new paperless trade facilitation blue print. Korea introduced the revision of its 'e-Trade Facilitation Law' which is known to be the first of its kind in APEC region to use the terminology 'paperless trading' as the title.

Canada mentioned a current project related to paperless trading, the development of a single window for data exchange in international trade process. Thailand also mentioned of its e-Logistics project to innovate trade procedure and enable paperless trading. Thailand mentioned about its recent presentations in Bangkok with the presence of many service providers from inland and abroad.

Next Chinese Taipei reported on the outcomes of the initial APEC paperless trading readiness assessment report. The chair suggested asking more economies to make contributions by answering their survey.

On the pending issue of collaboration between ECSG and UN/CEFACT, the group unanimously resolved to grant guest status to UN/CEFACT to find ways of collaboration. The subgroup decided to submit its resolution to ECSG Plenary for endorsement.

Regarding the IAP, Subgroup decided to voluntarily submit Individual Action Plan according to the revised template approved by Senior Officials and presented to APEC Ministers in November. The group agreed to submit the information with the revised template by ECSG14.. There is also a need to encourage ECSG member to submit the information.

Korea presented a proposal for paperless trade standards training program. With the advice of APEC secretariat, the group decided to review the proposal intersessionally and make a decision at the next PTSG meeting in September.

The group also had discussion on ways to find a coordination mechanism with the relevant APEC foras such as SCCP. However a consensus of method and mechanism to achieve this coordination was not reached and the group decided to ask APEC secretariat to identify the activities of other fora and provide the group with the agendas of other fora two ore three before the meeting begins.

The chair asked the group to express their intention to take the chairmanship. Viet Nam expressed its intention to assume the leadership of the remaining period, which is until the next February ECSG meeting.

Viet Nam proposed to host a Symposium on Paperless Business Transaction in Nha Trang during the SOM III meeting in September (Annex C3). Viet Nam requested the support of the Subgroup to support the proposal. The Subgroup decided to submit the proposal to the ECSG Plenary.

The acting chairman closed the meeting with gracious remarks to the members of Paperless Trading Subgroup.

# The 5<sup>th</sup> APEC Paperless Trading Subgroup Meeting

#### 22 February 2006 Hanoi, Viet Nam

09:00 - 12:30; 14:30 - 17:00

#### ANNOTATED AGENDA

#### 09:00 - 10:30

#### I. Introductory Remarks by Acting Chair and Adoption of Agenda

The Acting chair, Dr. Sang-Jin Lee of Korea, will open the meeting with introductory remarks, followed by the adoption of agenda.

# II. Report on the 2<sup>nd</sup> PPP(Public-Private Partnership on Paperless Trading) Dialogue

Viet Nam or Korea will report on the result of the 2<sup>nd</sup> PPP Dialogue.

#### III. Progress Report on Pathfinder Projects

#### a. Current Status on the Electronic SPS Pathfinder

Australia or New Zealand will report on the current status of the Electronic SPS Pathfinder project.

#### b. Current Status on the Electronic Certificate of Origin Pathfinder

Chinese Taipei, Singapore or Korea will report on the current status of the Electronic Certificate of Origin Pathfinder project.

# IV. Progress Report on the 2<sup>nd</sup> APEC E-Commerce Business Alliance Forum and Exhibition

China will update on the Initiative and introduce activity plan for 2006.

#### V. APEC E-Commerce Expert Resource Network

China will present on APEC E-Commerce Expert Resource Network.

#### VI. APEC E-Trade and Supply Chain Management Training Program

China will report on the progress of the Project.

#### 10:30 - 11:00 Break

#### 11:00 - 12:30

#### VII. Member Economy Report

Korea will report its progress on such topics as the 'E-Trade Facilitation Law' and Korea's efforts to expand e-trade

Other member economies are welcome to report on their progress.

### VIII. Report on Questionnaires for APEC Paperless Trading Readiness Assessment Survey

Chinese Taipei will report on main outcomes of the APEC Paperless Trading Readiness Assessment Survey.

#### IX. Collaboration between ECSG and UN/CEFACT

The Acting chair will lead a discussion on analyzing UN/CEFACT's proposal to ECSG on collaboration between two bodies. The Group will determine whether to encourage UN/CEFACT to request guest status to the ECSG as a first step of future collaboration.

#### 12:30 - 14:30 Lunch

#### 14:30 - 15:45

#### X. Discuss Future directions to fulfill the Paperless Trading

#### a. Paperless Trading IAP Update

The group will review on the status of the revised PT IAP template and discuss future action plan after the approval of the revised template.

# b. Preliminary report on cost-benefit analysis on APEC's paperless trading pathfinder to measure the benefits in quantitative terms

Chinese Taipei will report on the progress of the preliminary report(TBC).

#### c. Paperless trading training program focused on standards

Korea will present on the Paperless trading training program focused on standards

#### 15:45 - 16:00 Break

#### 16:00 - 17:00

d. Establishment of a coordination mechanism with relevant APEC fora (such as SCCP) to deal with common issues related to paperless trading in APEC

The group will discuss on concrete measure for establishing a coordination mechanism.

# XI. Discussion on the appointment of new leadership for Paperless Trading Subgroup

The Acting chair will lead a discussion on identifying and appointing new leadership for the Subgroup.

- XII. Any Other Business
- XIII. Conclusion and Closing of the Meeting

## **APEC PPP (Public-Private Partnership) Dialogue Report**

Monday, 20 Feb 2006 Thang Long Ballroom, Melia Hotel

The second APEC PPP Dialogue was successfully held in the Thang Long Ball room Monday the 20<sup>th</sup> of February with 42 participants from 9 economies: Viet Nam, Indonesia, Malaysia, Korea, China, Mexico, Thailand, Chinese Taipei and Singapore. Representatives from the private sector were also present: Microsoft (Hong Kong, China), Dagang Net Technologies (Malaysia), KTNET (Korea), CrimsoLogic (Singapore) and Trade Van Information Services Co. (Chinese Taipei).

The Dialogue was jointly chaired by the hosting economy Viet Nam and last year's organizer Korea.

A total of 8 informative presentations and reports were given before the participating economies for Dialogue sessions. Four of the agendas were government driven projects, and the other half were from the private sector.

Viet Nam made two presentations about its four-year e-Commerce strategy and e-Custom clearance project. Chinese Taipei introduced "Facile Trade Net" or FT Net project that aims to transmit and receive all the documents connected with customs declaration, permits, and inspection certifications in electronic format.

Singapore officially declared its initiation of TradeNet project and the public, private partnership to enable integrated and seamless trade facilitation. Singapore also introduced other projects in the past that proved to be successful when performed within the scope of public, private partnership.

This year's PPP Dialogue especially seemed to focus on the private sector's enthusiasm, synergy effects and possible cross-border cooperation within the economy. The private sectors proposed technical solutions and legal approach to successfully create and implement paperless trading environment.

PPP Dialogue introduced presentations from CrimsonLogic of Singapore, KTNET of Korea, DagangNet of Malaysia, TradeVan of Chinese Taipei and Microsoft based in Hong Kong.

KTNET used the term "Next Generation paperless trading" to explain its web-based portal site, Cyber Trade World and the ongoing e-Trade Platform project.

TradeVan introduced its vision and projects on global logistics visibility and other international trade facilitation activities based on Pan Asian e-Commerce Alliance platform.

DagangNet also revealed its successful years with current users reaching 3,400 and over 1.8 billion transactions made electronically.

The floor made number of questions and comments that were equally informative and challenging.

Participants made questions regarding the level of financial commitment and the progress of each economy's long term, short term plans for facilitating paperless trading.

Many participants requested suggestions concerning the methodology of public and private partnerships ranging from coordinating bodies, governmental organizations and funding.

Details and minutes of the agendas will be available in the archives of PPP Dialogue in the APEC's main webpage.

## **APEC PROJECT FORMAT**

#### **Facesheet**

## [ \( \sigma \)] Project seeking APEC funding

[ / ] TILF Special Account

| Project numbe   | ecretariat:  |   |  |  |  |
|---|--|---|--|--|--|
| Name of Com   | nmittee/Working Group:   |   |  |  |  |
| Title of Project: "Paperless Business Transactions – Matching benefits of public and private sectors" |  |   |  |  |  |
| Proposing APEC Economy: Vietnam   |  |   |  |  |  |
| Co-sponsoring   | Co-sponsoring APEC Economy (ies):                              |   |  |  |  |
| Project Overse  | eer: Name, Title and Organizatio                               | n   |  |  |  |
| Mrs NGUYE   | N Thi Thu Huong  |   |  |  |  |
| Senior Officia  | 1  |   |  |  |  |
| E-commerce l  | Department   |   |  |  |  |
| Ministry of Tı  | -  |   |  |  |  |
|   |  |   |  |  |  |
| Postal address  | :  |   |  |  |  |
|   |  |   | Tel.: +84-4-826 2552 /1040               |  |  |
| 21 Ngo Quyer  | 1 Street   |   | Fax: +84-4-826 4696                      |  |  |
| Trang Tien Di   | strict   |   | Email: thuhuong@mot.gov.vn               |  |  |
| Ha Noi  |  |   |  |  |  |
| VIETNAM   |  |   |  |  |  |
| T 1   | To the second second   | Amount bei  | ng sought from APEC Central              |  |  |
| Financial   | Total cost of proposal (US\$):                                 | Fund (US\$):  | 0 0                                      |  |  |
| Information   | \$108,900  | - 55 (5 5 7)  | ¥,—                                      |  |  |
| Type of Project and research  | et: [ \( \sigma \)] seminar/symposium [ [ ] database/website [ | ] short-term trainin<br>] others ( <i>Please sp</i> | ng course [ ] survey or analysis pecify) |  |  |
| Project start da  | ate:   | Project end d                                       | ate:                                     |  |  |
| Brief descript  | tion of Project: its purpose and                               | l the principal activ                               | vities (including when and where):       |  |  |
| This project r  | rovides a two-day symposium to                                 | fortify charing of t                                | echnical know-how and experiences        |  |  |
|   |  |   | ed on E-commerce. The symposium          |  |  |
| will contribute practical lessons and initiatives on the main topics:                                 |  |   |  |  |  |
|   |  |   |  |  |  |
| E-commerce & business data interchange  |  |   |  |  |  |
| • EDI or paperless business transactions: Suggested review of technology solutions                    |  |   |  |  |  |
|   |  |   | tribution role of other stakeholders in  |  |  |
| these   | issues: customs, standard and con                              | formance, businesse                                 | es, etc.                                 |  |  |
| • Case  | studies in adopting paperless trad                             | ing   |  |  |  |
|   |  |   |  |  |  |

The symposium is proposed to take place in Nha Trang, Viet Nam in the third quarter of 2006 (on the

| fringe of SOM III).   |
|---|
| Signature of Project Overseers:   |
|   |
|   |
|   |
|   |
|   |
| (Separate written confirmation acceptable for email submission) Date:                 |
| Signature of Committee Chair/WG Lead Shepherd: (Not applicable to Progress Report and |
| Evaluation Report)  |
|   |
|   |
|   |
|   |
|   |

#### A. Project Design

**Project Objectives** 

# 1) Describe briefly the objectives and how you will measure your results (in the short and longer term) to know if your project has been successful. (You must provide detailed assessment measures in paragraph 22)

The objectives of the symposium are to discuss and to share experiences among APEC economies on paperless trading transactions applied in E-commerce. Discussions at the proposed symposium will focus on the following topics:

- Paperless Trading Environment: What kind of standards (document format, communication protocol) should be adopted? How many electronic platforms including e-Trade and e-Logistics can IT help in economic operations and the government emergency operations management?
- How to make the most use of E-commerce to facilitate trade and investment flows in the Asia Pacific region as a useful tool to achieve the Bogor goals.
- Private sector engagement: How ensure the confidential information in doing business in ecommerce? How to make its input in building the paperless trading environment while trade
  administration will necessarily continue to be managed by governmental agencies, the
  objectives of APEC paperless trading and broader trade facilitation can be achieved only
  through a close partnership with the business community by seeking the public private
  cooperative partner organisation.
- Forum for discussing and sharing experiences: What mechanisms are needed to support for the Multilateral Trading System?

The symposium effort is to provide with technical of know-how and experiences sharing regarding the three key issues arise from the use of EDI or paperless business transactions: increased reliance on technology, decreased human involvement and increased risks associated with the elimination of voluminous paper trails in the information interchange process.

# 2) Describe briefly how this project directly responds to the priorities set by APEC Leaders and Ministers and/or the vision of the host economy.

According to the objectives and timelines of "APEC's strategies and Actions toward a Cross-Border Paperless Trading Environment" most member economies will establish a domestic paperless trading environment and implement pilots for the cross-border electronic transmission of customs clearance data by 2010. APEC will also establish a comprehensive paperless trading environment that enables the electronic transmission of trade related information across the region by 2020.

As to recognize as well the importance of the development of paperless trading environment, that eliminate paper, reduce costs, make business more efficient, to continued trade and economic growth in the APEC region towards a dynamic community for substainable development and prosperity, Ministers endorsed the APEC's Strategies and Actions toward a Cross-border Paperless Trading Environment". The objectives of this project are fit very well with the above instructions from APEC Ministers.

The project is furthermore prepared in response to the APEC Leaders' directives, stated in the APEC Blueprint for Action on Electronic Commerce, to enhance the development and use of

electronic commerce among APEC economies with a goal of achieving cross-border "Paperless Trading" where possible by 2005 for developed economies and 2010 by developing economies by providing a forum that promotes technical cooperation and allows APEC members economies to work closely and exchange experience towards eliminating the requirements for paper documents needed for customs and other cross-border trade administration documents relevant to international sea, air and land transport. Paperless Trading Individual Action Plans have also been submitted by APEC member economies on a voluntary basis since 2001.

The importance of this issue was stressed in the Shanghai Accord where APEC Leaders agreed to embrace the New Economy with an aim to achieve 5-percent reduction in transaction costs through an elimination of red tape across the APEC region by 2006; and to include specific actions to strengthen APEC commitment to meet the Bogor goals where the importance of trade facilitation is emphasized as a means to generate trade expansion and liberalization by 2010 for developed economies and 2020 for developing economies. In fact, an automation of trade-related procedures was endorsed by APEC Leaders at the APEC Ministerial Meeting held in Los Cabos in October 2002 to be one of concrete trade facilitation measures that would create efficiency and effectiveness in business conduct of all sectors and included in the APEC Trade Facilitation Action Plan since the APEC Ministers Responsible for Trade Meeting in Khon Kaen in June 2003.

3) <u>For applications under the TILF Special Account</u>: How briefly this project contributes to APEC Trade and Investment Liberalization and Facilitation (e.g. relevance to specific parts of the Osaka Action Agenda).

This project aims at fulfilling the APEC objectives on Trade and Investment Liberalization and Facilitation as declared in the Bogor goals by providing a good mechanism for dialogue that intensifies cooperation among the community of APEC economies in addressing strategy, guideline, cooperative solutions and recommendations to push forward concrete trade and investment facilitation. Security crucial to the development of electronic commerce in most economies especially for SMEs which form a large part of trading communities in many economies. Security assurance for e-transaction will promote e-commerce and enhance an environment conducive for trade and investment flows.

The enhancement of e-transaction will help reduce paper-based documents, and promote e-services interchange in cross-border trade to create efficiencies in the conduct of trade across the region. Traders will benefit from paperless trading through reduced cost of shipping goods across borders, lower communications charges, lower paper handling charges, fewer errors and faster receipt of payments, reduced trade finance charges and lower inventories. Considerable savings in administering cross-border transactions thus can be accumulated.

The project, while increasing reliance on technology, the safe use of internet transaction and ecommerce in the APEC region will surely help trade and investment flows flourish and to expand considerably. It therefore, contributes effectively to the implementation of the OAA as well as the achievement of the Bogor goals.

#### Linkages

4) Who are the intended beneficiaries in member economies of the project? Highlight the direct benefits to the institutions / the types of business in member economies that will benefit from the results of the project and what the direct benefits are.

All APEC member economies will be the beneficiaries of the project, especially developing ones.

The outcome of the project will benefit a significant number of strategic stakeholders in member economies including policy planners, business enterprises, trainers and practitioners as well as consumer groups. Government institutions ranging from ministries responsible for electronic commerce planning and management to educational and training institutions will benefit from the project. In addition, business in member economies including electronic commerce solution providers, Internet access service providers, equipment suppliers, financial service providers, content providers, as well as businesses in various sectors will benefit from the project.

5) Describe the deliverables of the project and demonstrate how they will meet the needs of the targeted beneficiaries.

Additionally to the lessons and experiences for monitoring the effectiveness of E-commerce, the output of the symposium includes guidelines on establishing the followings:

- National strategic framework of legal and regulatory measures for paperless trading transactions.
- Effective ways for organizing a paperless trading network within the country and in connection with outside.
- New technologies that provide tools and mechanisms for paperless trading transactions.
- 6) How the participation of the business/private sector and non-governmental institutions has been sought or will be sought. Illustrate how the business/private sector has been involved in the planning and delivery of the project and whether any other APEC fora have been consulted.

In this program, speakers will be sought from various non-governmental institutions and private sectors. Active participation by business/private sector and non-governmental institutions including industry experts' involvement and business showcases has been sought or will be sought throughout the project.

7) How this project will add "APEC value" (as to the potential benefits of implementing the projects) in the context of other work that might have been done elsewhere in the same field.

This project supports APEC existing electronic commerce work programs in expanding and drawing lessons from collection of case studies to facilitate the uptake of paperless trading and collaborative e-business by enterprises of any size, government and private/public sector partnerships.

With regard to APEC leadership, this project yields an approach to move the APEC agenda forward by strengthening work in all APEC for including ECSG, TEL WG and the e-APEC Task Force and increasing the participation of e-commerce-related stakeholders to contribute toward improving the quality of their policy-making related to an adoption of e-commerce in their economies.

8) An indication of how the project might contribute to related projects or activities in APEC or elsewhere.

Specifically, this project will contribute to the work programs as outlined in the 1998 APEC Blueprint for Action on Electronic Commerce, the e-APEC Strategy, and Trade Facilitation Action Plan taking into account that enhancing capability in electronic commerce among APEC economies through economic and technical cooperation will enable all APEC economies to reap the benefits of the New Economy in expanding business opportunities, reducing costs, increasing efficiency, improving the quality of life and facilitating the greater participation of small businesses in the global trading system.

#### Methodology

9) A concise description of the project's methodology by components, with its associated outputs clearly specified. (For a research project this may include the means and timescale for the collection and analysis of data and how this analysis will be disseminated; for a capacity building project it may include the preparation of the teaching materials and the dates of holding the courses and any provision for the compilation of a report; etc).

A two-day international symposium is expected to be held in Viet Nam in the third quarter of 2006 to serve as a forum for lecturers and participants coming from international institutions as well as the APEC economies to share experiences as well as contribute pratical lessons and initiatives on Paperless Trading measures. The symposium also helps Public and Private sector find ways and measures to build up capacity for sustainable developing member economies in this regard.

Experts from both private and public sectors will be invited to give talks at the symposium. Participants are coming from government agencies of all APEC member economies.

The symposium will also be a great opportunity for matching benefits of public and private sectors.

10) The number of APEC member economies that will participate in this project. Please indicate the names of member economies participating in each component of the project as set out in (9).

All APEC member economies are encouraged to actively participate in the symposium work agenda. They are invited to participate as speakers, experts, consultants, and participants. The project will provide funding for 2 representatives from each travel eligible economy.

#### Dissemination of Project Output

#### 11) A plan for the publication and dissemination of the results of the project, including:

- a. The nature of the target audience;
   The targeted audiences of the project are government agencies, business sectors, and non-governmental organizations of APEC members as all as academic representatives.
- The form and content;
   Presentation notes, demonstration materials, presentation materials and related documents.

- Format (e.g. hard copies, floppy discs, internet uploading);
   The project output will be provided in a CD-ROM format, hard copy and will be made available on the Internet.
- d. A publicity plan for:
  - Briefing the general or specialist media about key components of the project;
     It is recommended that organizations in the member economies of which staff to be
     participants to this workshop be the contact point for the media in the respective
     economy.

Further more, brief information of the results of this project can be read on the APEC Web site and all details can be seen on the publication book.

- ii) The promotion of sales or other dissemination of the final product; and The final copy of project results will be sent to all APEC members as well as participants.
- e. A budget for publication and dissemination, to form part of the itemized budget. See Annex 2

#### **Gender Concerns**

12) Show how the objectives of the project provide benefits for women, where appropriate. APEC Ministers have indicated (Framework for the Integration of Women in APEC) that benefits might include: increased involvement of women; taking account of the differences in women's and men's lives (gender analysis); and collection/use of sex-disaggregated data.

The project by strengthening the positive impacts of trade and investment liberalization and facilitation on APEC economies, this project is expected to benefit a wide cross-section of APEC economic agents, including women. The project will increase women participation in APEC activities by invite them as speakers and participants as well as consultants of the symposium.

13) Show how the participation of women has been/will be sought. Show how women are involved in the planning, management, allocation of resources, and implementation of the project.

Women are involved in the planning and implementation of the project. The participation of women in the symposium is encouraged through ECSG and participating member economies.

14) Provide a brief description of the way women will be able to participate equitably in the development and implementation of the project.

The project overseers ensure that the development and implementation of the project will count with the participation of women in every stage. Women staff and experts will participate in coordination work, preparing the program, organizing the venue, participating in the expert panels, and disseminating the summary of the project among APEC economies.

Furthermore, in order for women to participate in this project, we would like to encourage each member economy to send one female participant either from policy makers or business people to the symposium.

15) Provide a brief description to show that the project will collect and use sex-disaggregated data (if available) to measure the project's effects on women.

Sex-disaggregated data will be available regarding the participation of women in the symposium as speakers and participants.

16) Does the plan for the publication and dissemination of the project's results include communication methods that are appropriate for women? Questions that may be relevant include: Are women one of the target audiences? Does the plan take account of women with low literacy and women with low access to electronic media? Will the results be disseminated to women's organizations?

The published reports of projects will be circulated in the form of hard copies, CD-ROM and Internet uploading and will be equitably accessible to women.

17) Where appropriate, provide details of the project's budget that are allocated to activities that address the specific needs of women.

N/A

18) Provide details of how the project proponent will assess whether he/she has met the gender criteria for APEC projects and how he/she will measure the impact of the project on women.

N/A

#### Budget

19) An itemized budget for the project in the prescribed format. Applications under the Operational Account should use the format at *Annex A1*. Applications under the TILF Special Account should use the format at *Annex A2*. The budget should illustrate the assumptions adopted (e.g. unit costs) for the computations.

Annex A2

20) A timetable for the drawdown of APEC funding requested for the project, including details of any advance payment or installment payment requested and justifications for such requests.

| Date                  | Amount | Justification   |
|-----------------------|--------|---|
| 03-04/09/2006         | 16,400 | Communications, printing and distribution of teaching |
|                       |        | materials, photocopying, training room rental, and    |
|                       |        | equipment rental                                      |
| 01/09/2006            | 58,800 | Airfares, accommodation and per diem of participants, |
|                       |        | consultant and secretary's fee                        |
| Immediately after the | 12,000 | Speaker's Honorarium, Printing and distribution of    |
| Program               |        | final reports   |

21) Details of any request for waiver or exception from the normal APEC financial rules with justifications. (Examples are from tendering requirements; for advance payment; for early

disbursement (for TILF projects to begin before the receipt of the TILF contribution, normally in June); for government officials to receive funding; for active participants from travel-eligible economies to receive per diems)

**Advance payment** for organizer: The organizer, as they lack ability to pay temporary, will need installment payment to open an account to charge communication expenses, such as telephone calls, faxes and mails, incurred when planning and organizing the symposium, as well as expenses for teaching materials, which will be sent to participants in advance, who registered for the symposium. Advance payment for symposium room rental and equipment rental is also needed, as the organizers lack ability to pay temporary.

**Advance payment for participants**: Airfares, accommodation and per diem of participants, who are mostly from developing economies.

**Funding for speakers and participants who are government officials:** The project aims at facilitating Paperless Trading applied in e-commerce. Therefore the participation from government is very important and contributes to the fruitful outcomes of the project. In addition, governments of developing economies are lack of money to fund their nominees. The project is seeking waiver to fund government officials.

#### Assessment of Project

22) With reference to your objectives stated in paragraph 1, provide detailed criteria (quantitative and qualitative) for how you will measure your results in the short and long term to know if your project has been successful. State your current benchmarks for measurement, your target results from the project for each measurement criterion and the range of acceptable results both in numerical and percentage terms, where possible.

This project will have direct impact on participants from APEC member economies mentioned in Paragraph 10. The results will be measured by a questionaire that would seek the direct and frank response from all participants to the symposium on the useness of each module and also the overall symposium. Immediately following the symposium, participants will be requested to fill in an assessment form to get an indication as to whether the program met expectations or not.

Further, the project success will be measured qualitatively by the extent to which the input from participants can meaningfully serve as a significant basis for future works on the establishment of comprehensive cross-border paperless trading and collaborative e-business environment; and quantitatively by numbers of cooperative work programs and pilot projects that are initiated as a consequence of the symposium.

# Annex A2

# APEC TILF Special Account

# **Itemized Budget for Financial Year 2005**

| (Please tick ✓.) This project is: |   |
|-----------------------------------|---|
| Tills project is.                 | a saminar symposium or short term training course         |
| 범                                 | a seminar, symposium or short-term training course        |
| ᆜ                                 | a survey or analysis and research project                 |
| Ц                                 | neither the above but involves the provision of equipment |

| Items   |  |                     | APEC Funding<br>(USD) | Self Financing<br>(USD) |
|---|--|---------------------|-----------------------|-------------------------|
| Direct Labour   | No. of Hours   | Rate                |                       |                         |
| - Speaker's Honorarium  | 10 speakers  | \$1300              | \$9000                | \$4000                  |
| - Translator's Fees   | 600 pages  | \$8 per page        |                       | \$4800                  |
| - Simultaneous  | 2p x 2 days  | \$500               |                       | \$2000                  |
| - Short-term clerical and secretarial staff remuneration        | 2days × 2 (one day before the symposium)   | \$200               | \$400                 | \$400                   |
| - Consultant (including Researcher) Fees                        | 80 hours   | \$80                | \$6400                |                         |
| - Consultant's Secretary<br>Cost                                | 50 hours   | \$20                | \$1000                |                         |
| Travel  |  |                     |                       |                         |
| - Per Diem (incl.<br>Accommodation and<br>"additional payment") | 10 speakers × 3 days   | \$150               | \$6000                |                         |
| - Airfares  | 30 (10 international speakers and 20 participants from 10 travel-eligible economies) | \$1500<br>(average) | \$45000               |                         |

| Items   |   |                        | APEC<br>Funding<br>(USD) | Self Financing<br>(USD) |
|---|---|------------------------|--------------------------|-------------------------|
|   | No. of Copies   | Unit cost              |                          |                         |
| Publication of report (including distribution)                        | 100   | \$50                   | \$3000                   | \$2000                  |
| Equipment / Materials (pl. describe briefly what is required and why) | Teaching materials(60)  | \$80                   | \$4800                   |                         |
|   | PC rental(10)   | \$50<br>\$500<br>\$300 | \$500                    |                         |
|   | Photocopier rental(1)   |                        | \$500                    |                         |
|   | LDC projector rental(2)   |                        | \$600                    |                         |
|   | Office supplies (for secretariat and participants, including secretariat room)              | \$3000                 | \$3000                   |                         |
| Photocopying  |   | \$1500                 | \$1500                   |                         |
| Communications (Phone/<br>Fax/ Mail/ Courier)                         |   | \$1500                 | \$1500                   |                         |
| Hosting (pl. briefly describe, e.g., conference room rental)          | Conference room<br>with basic audio<br>video facilities (2<br>days for 150<br>participants) | \$4000                 | \$4000                   |                         |
| Gift for speakers   | \$150 x 10  |                        |                          | \$1500                  |
| Local Transportation  |   |                        |                          | \$2000                  |
| Other activities (welcome party, sight-seeing)                        |   |                        |                          | \$5000                  |
|   |   |                        | \$87,200                 | \$21,700                |
| Total   |   |                        | \$108,900                |                         |