Recent trends in Data Protection

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- Many social and cultural norms around the world include a respect for privacy; for some it is a fundamental right.
- In the information economy, large quantities of digitized information and data move across national borders
 - International flow of goods, services, and finance has increased global GDP by approximately 10 percent, or \$7.8 trillion in 2014.
 - Data flows represent an estimated \$2.8 trillion of this added value.
 - New UNCTAD estimates show global e-commerce at \$25 trillion in 2015.

Source: UNCTAD and McKinsey Global Institute, 2016



Why Talk About it Now?

- New technological developments add urgency
 - Internet of Things: Value-added services will grow from around \$50 billion in 2012 to approximately \$120 billion in 2018
 - Cloud computing: Estimated global market value of the industry by 2017, from \$107 to \$127 billion.
 - Big Data and Data Analytics
 - 5G Networks
- Many opportunities (eg. BPO, ITeS), but also potential drawbacks and concerns

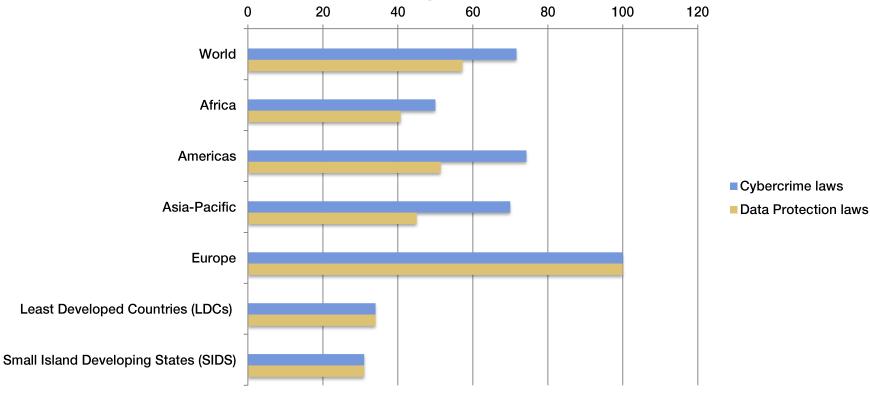
Implications for International Trade

- Data protection is directly related to trade in goods and services in the digital economy
 - Too little protection can create negative market effects through affecting consumer confidence
 - Too much can overly restrict business activities and trade
- Ensuring that laws consider the global nature and scope of their application, and foster compatibility with other frameworks, is of importance for global trade

"Getting the balance wrong between data protection and data flows can have serious consequences for either the protection of fundamental rights or for international trade and development."

Global map of data protection and cybercrime laws 2017



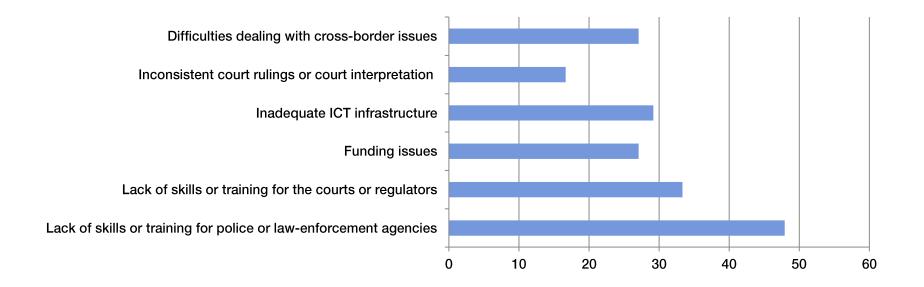


Source: UNCTAD Global Cyberlaw Tracker, 2017

UNCTAD

Challenges to the enactment and enforcement of Data Protection Legislation

(48 developing countries, 2013-2016, percentage of respondents)



Source: UNCTAD

Issues Concerning Global Compatibility

- Gaps in coverage
- Impact of new technologies
- Cross-border data transfers
- Balancing surveillance and data protection
- Enforcement of data protection laws
- Determining jurisdiction
- Compliance burdens
 - "Domestic and emerging international compliance burdens put SMEs at a disadvantage and increase potential monopolization, to the benefit of larger companies."



Current ladscape

- Core principles present in many frameworks
 - Openness, collection limitation, purpose specification, use limitation, security, data quality, access and correction, accountability
- Global compatibility is a common goal
 - Reflecting the global nature of data flows and the Internet
- More countries have recently adopted data protection laws, and others are amending previously enacted laws
 - "Adopting a core set of principles could be a way to enhance international interoperability, while still allowing some flexibility in domestic implementation."



Selected Policy Options

- Adopt baseline legislation based on common principles
- Address gaps in global coverage and avoid fragmentation
- Seek to adopt protection that does not unnecessarily hamper trade and innovation
- Give special attention to cross-border transfers
- Consider compliance burdens
- Establish a regulatory structure that ensures adequate enforcement
- Improve capacity building
- Multi-stakeholder involvement



Thank you!

The full study can be accessed here http://unctad.org/en/PublicationsLi brary/dtlstict2016d1_en.pdf