For discussion on 26 April 2024

# Legislative Council Panel on Constitutional Affairs

# Briefing by the Privacy Commissioner for Personal Data on Protection of Personal Data Privacy in the Digital Age

This paper serves to brief Members on the major work of the Office of the Privacy Commissioner for Personal Data (PCPD) on the protection of personal data privacy in the digital age.

# Addressing the Challenges of the Digital Age

2. The rapid development of technologies in the digital age has brought about numerous challenges to the protection of personal data privacy. To assist the public and organisations in addressing the personal data privacy risks associated with cyber technologies, the PCPD has published review reports, guidelines or leaflets on technologies such as artificial intelligence (AI), online shopping platforms, social media and smartphones.

# AI

3. In view of the rising popularity of the use of AI chatbots powered by generative AI, in September 2023, the PCPD published a leaflet entitled "10 TIPS for Users of AI Chatbots", which aimed to help users protect their personal data privacy. Specifically, the 10 tips included matters that users should beware of before registering or using AI chatbots as well as the methods of using them

safely. In addition, the PCPD issued the "Guidance on the Ethical Development and Use of Artificial Intelligence" in August 2021 to help organisations understand and comply with the relevant requirements of the Personal Data (Privacy) Ordinance (PDPO) when they develop and use AI systems. The guidance, which draws upon internationally-recognised principles, recommends that organisations embrace Data Stewardship Values, namely, being respectful, beneficial and fair to stakeholders. Organisations are also recommended to adhere to seven ethical principles applicable to AI: accountability, human oversight, transparency and interpretability, data privacy, fairness, beneficial AI, and reliability, robustness and security. The guidance, which also provides a set of four-part practice guide tailored to the general business processes of organisations, offers practical advice on the entire lifecycle of AI systems to assist organisations in effectively managing them. The PCPD will also publish the "Artificial Intelligence: Model Personal Data Protection Framework" in the second quarter of 2024, which would offer a series of recommendations on governance and mitigation of privacy risks for organisations that handle personal data when procuring, implementing and using AI systems.

#### **Online Shopping Platforms**

4. In response to the emergence of online shopping platforms, in June 2023, the PCPD published a report on "Privacy Protection in the Digital Age: A Comparison of the Privacy Settings of 10 Online Shopping Platforms". The report reviewed the privacy settings of 10 online shopping platforms commonly used in Hong Kong to understand how the online shopping platforms collected and used personal data of users. The PCPD also provided 10 specific recommendations to the operators of the online shopping platforms to enhance the protection of personal data. Simultaneously, the PCPD also published a leaflet on "Tips for Users of Online Shopping Platforms" which provided recommendations to users of online shopping platforms on how to carry out online shopping safely.

# Social Media

5. As regards the privacy protection on social media, in April 2022, the PCPD published a report on "Comparison of Privacy Settings of Social Media", which covered a review and evaluation of the performance of the top 10 most commonly used social media platforms in Hong Kong regarding privacy functions, privacy policies and usability of privacy dashboards. The PCPD also provided specific advice to the social media platform operators on enhancing personal data protection and advised social media users how to better safeguard their personal data privacy.

#### **Smartphones**

6. The widespread use of smartphones has also brought challenges to the protection of personal data privacy. In March 2024, the PCPD published two leaflets entitled (1) "Protect Your Personal Data - Smart Use of Smartphones" and (2) "Protect Your Personal Data - Be Smart on Social Media" respectively to provide users with recommendations on the smart use of smartphones and social media to help them safeguard their personal data. Between November 2023 and January 2024, the PCPD paid visits to 60 restaurants that offered self-ordering through mobile applications or QR codes in order to carry out tests on the collection and use of customers' personal data by the restaurants concerned when providing electronic ordering services. The PCPD published the report on "Privacy Concerns on Electronic Food Ordering at Restaurants" and a leaflet on "Food Ordering Using Mobile Apps or QR Codes at Restaurants: Tips for Protecting Privacy" to provide specific recommendations on personal data privacy protection to the food and beverage industry and the public.

## **Compliance Checks and Inspections Relating to Cyber Technology**

7. To ensure data security, the PCPD handled 394 self-initiated compliance checks and 169 data breach notifications from April 2023 to March 2024, with a view to assisting the organisations concerned in handling the data breach incidents and taking remedial measures to comply with the requirements of the PDPO and minimising the chances of recurrence of similar incidents.

8. In addition, the PCPD also invoked its powers of handling complaints or investigations (section 38(a) of the PDPO) to deal with complaints relating to deficiencies in data security. From April 2023 to March 2024, the PCPD received 315 complaints relating to data security. As a preventive measure, the PCPD provides organisations with specific recommendations to enhance their protection of personal data privacy through on-site inspections of their personal data systems so as to help them to comply with the requirements of the PDPO.

9. In addition, taking into account the increasing popularity of the development and use of AI in Hong Kong, the PCPD carried out compliance checks on 28 local organisations from August 2023 to February 2024 to understand their practices in the collection, use and processing of personal data in the development or use of AI. The exercise covered various sectors, including telecommunications, finance and insurance, beauty services, retail, transportation and education sectors, and government departments. The PCPD found no contravention of the PDPO during the compliance check process, and released the findings of the compliance checks in February 2024.

# Publicity and Education Work Relating to the Digital Age

10. To raise awareness among the public and enterprises on data security and the protection of personal data privacy, the PCPD launched a thematic webpage

on data security, the "Data Security Scanner", as well as a data security hotline in November 2023, with a view to providing practical advice to organisations on the enhancement of information security. The PCPD organised various seminars and conferences for the public and different industries to explain the importance of cyber security and data security from time to time. The PCPD also jointly released the results of the "Hong Kong Enterprise Cyber Security Readiness Index and Privacy Awareness" survey report with the Hong Kong Productivity Council in November 2023, and published investigation reports on personal data incidents or recommended measures on safeguarding data security. In addition, the PCPD often arranged in-house seminars for different organisations. In 2023, the PCPD organised in-house seminars for a total of 117 organisations and had incorporated data security management in the content of these in-house seminars since November 2023, with a view to strengthening organisations' awareness of safeguarding data security.

11. With a view to addressing the personal data privacy risks brought by AI, the PCPD, together with the Faculty of Law and the AI & Humanity Lab of the University of Hong Kong co-organised an international conference entitled "Enhancing Personal Data Protection in the Age of Artificial Intelligence" in January 2024 to facilitate exchanges among international experts and stakeholders from different sectors, and promote personal data protection. The conference attracted over 330 participants. In addition, to enable youngsters understand the personal data privacy risks brought by AI, the PCPD has just launched the "Student Ambassador for Privacy Protection Programme -Partnering Schools Recognition Scheme 2024" cum "Future Leaders of AI and Privacy Protection Training Programme" for secondary school students. Various activities such as a topical seminar and an interactive workshop on AI will be organised, allowing participating students to acquaint themselves of the applicable standards in using AI in compliance with the provisions of the PDPO, as well as the operation of the personal data privacy programme. The Scheme is supported by the Education Bureau and organisations from the technology and education sectors.

## Facilitating the Development of Smart City

12. To support the development of smart city, the PCPD has been providing professional advice and recommendations to the Government and stakeholders from the perspective of protecting personal data privacy in a timely manner on various measures introduced to promote smart Hong Kong. This ensures that the relevant measures comply with the requirements of the PDPO. These measures included the "iAM Smart" application which would realise "single portal for online government services", the Consented Data Exchange Gateway which would facilitate data interchange within the Government, and the "Commercial Data Interchange" which aimed to enable more efficient financial intermediation in the banking system, etc.

13. Besides, the Privacy Commissioner for Personal Data, as a member of the Sub-group on Cross-boundary Data Collaboration of the Digital Economy Development Committee set up by the Financial Secretary and a member of the Hong Kong Expert Group on Cross-boundary Data Collaboration, has also been providing professional advice on matters relating to cross-boundary data flows.

#### Addressing the Challenges of the Digital Age at the International Level

14. The PCPD has been actively collaborating with privacy or data protection authorities around the world to address the challenges posed by technologies to personal data privacy. As regards cyber data scraping, in August 2023, the PCPD, as the co-chair of the International Enforcement Cooperation Working Group (IEWG) of the Global Privacy Assembly (GPA)<sup>1</sup>, joined hands with 11 privacy authorities worldwide, including data protection the Information or Commissioner's Office of the United Kingdom, the Office of the Australian Information Commissioner and the Office of the Privacy Commissioner of Canada, to issue a joint statement to social media online platforms and other websites. The signatories promulgated global expectations and principles on privacy protection and highlighted the privacy risks associated with mass data scraping activities. The joint statement also reminded social media platforms of their responsibilities to protect personal data from unlawful data scraping. A series of measures were also recommended to be implemented by the platforms to mitigate the privacy risks of data scraping.

15. Regarding privacy protection for online video teleconferencing, in July 2020, the PCPD collaborated with data protection authorities from the United Kingdom, Australia, Canada, Gibraltar and Switzerland by issuing an open letter to companies providing video teleconferencing service providers. It reminded them of their obligations to comply with the relevant requirements of data protection laws and handle users' personal data responsibly. The letter also outlined key areas of concerns, including data security, "Privacy by Design" and "Privacy by Default". Subsequently, in October 2021, the PCPD, together with these five privacy or data protection authorities, published a joint statement to the video teleconferencing companies. The joint statement is a concluding report on the relevant exchanges which identified the good practices implemented by the video teleconferencing companies in safeguarding personal data when providing services. It also highlighted the areas where they can further improve in protecting personal data.

<sup>&</sup>lt;sup>1</sup> The GPA is a global forum that brings together privacy and data protection authorities around the world. It is dedicated to providing leadership at international level in the field of data protection and privacy. The IEWG, as a working group under the GPA, advocates cross-jurisdictional cooperation among data protection authorities and helps promote cross-border enforcement collaboration. The PCPD has served as the co-chair of the IEWG since October 2021 in order to play a more important and strategic role in international enforcement initiatives and priorities.

16. The advancement of AI has not only garnered attention locally but also sparked extensive discussions among privacy regulators around the world. The PCPD, as a member of the Ethics and Data Protection in AI Working Group of the GPA, co-sponsored three resolutions in response to the privacy and ethical risks associated with the emergence of AI, namely the "Resolution on Accountability in the Development and Use of AI", the "Resolution on Generative AI Systems" and the "Resolution on AI and Employment". They were adopted by GPA members unanimously at the annual conferences of GPA in October 2020 and October 2023 respectively.

## Conclusion

17. The PCPD pays close attention to the personal data privacy risks arising from the digital age, and will continue to promote the above work to raise awareness of the protection of personal data among the public and organisations to ensure that personal data privacy is sufficiently safeguarded.

18. Members are invited to note the content of this paper.

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