

## ARTICLE 29 Data Protection Working Party



Mr Michael Chapman  
Senior Policy Expert, Financial Affairs Division, OECD France  
By email: [michael.chapman@oecd.org](mailto:michael.chapman@oecd.org)

Mr Michael Donohue  
Head of Unit on Information  
Security and Privacy, OECD, France  
By email: [michael.donohue@oecd.org](mailto:michael.donohue@oecd.org)

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**Subject:** OECD Draft Effective Approaches to support the Implementation of the Remaining G20/OECD High Level Principles on Financial Consumer Protection (14 May 2014)

Following informal requests received by some data protection authorities, the Article 29 Working Party took note of the ongoing work on the “Draft effective approaches to support the implementation of the remaining G20/OECD High Level Principles on Financial Consumer Protection” which were developed by the G20/OECD Task Force on Financial Consumer Protection and published on 14 May 2014.

The Working Party welcomes the inclusion within the High Level Principles of a specific principle (No. 8) committed to privacy and the protection of personal data. This is an essential component of the comprehensive protection to be provided to individuals in this sector. Processing of “personal data” - as defined by the main data protection instruments at both European and international level (Article 2 lett. a) of Directive 95/46; Article 2 lett. a) of Convention 108/1981; article 1, lett.b) of the OECD Guidelines on the Protection of Privacy and Transborder Flows of Personal Data) is a broad concept covering any operation performed on data which may identify or render identifiable a person including information of a financial nature. When processing personal data, financial institutions must comply not only with banking sector confidentiality obligations, but also, as for all other sectors, with their obligations on the protection of personal data under EU and national law.

The Working Party appreciates the approach of the Draft EA which now includes a number of provisions of the main European and international data protection instruments. In particular, in respect of the section on “Protection of personal data within the financial services providers” (5.1), the WP29 welcomes the attention paid to basic data protection principles (i.e. lawfulness and fairness of the processing; quality of data; principle of minimization; transparency). The WP29 also welcomes the importance given to effective sanctions and remedies in cases of non-compliance, the role of supervisory authorities, and the obligations given to controllers and processors, including security measures.

This Working Party was set up under Article 29 of Directive 95/46/EC. It is an independent European advisory body on data protection and privacy. Its tasks are described in Article 30 of Directive 95/46/EC and Article 15 of Directive 2002/58/EC.

The secretariat is provided by Directorate C (Fundamental Rights and Union Citizenship) of the European Commission, Directorate General Justice, B-1049 Brussels, Belgium, Office No MO-59 02/013.

Website: [http://ec.europa.eu/justice/data-protection/index\\_en.htm](http://ec.europa.eu/justice/data-protection/index_en.htm)

With regard to “Credit reporting systems data sharing” (5.2) the WP29 welcomes the emphasis on the data subject’s rights including the data subject’s right to be informed when the first credit reporting data provider discloses to credit reporting systems negative data concerning his/her consumer financial activity.

The Working Party, however, wishes to take the opportunity of this letter to highlight – in the annex below - some technical clarifications and suggestions in respect of the data protection issues contained in the Draft EA. This would complete the framework regarding the protection of personal data in the financial sector as envisaged by the EA and facilitate more effective implementation of G20/OECD High Level Principles.

The Working Party would appreciate to be kept informed and will where necessary engage with the relevant OECD experts and officials in order to ensure adequate data protection in the financial sector.

On behalf of the Article 29 Working Party,

Yours Sincerely,

Isabelle FALQUE-PIERROTIN  
Chairwoman