

UNITED STATES NOTICE OF INTENT TO PARTICIPATE IN THE APEC PRIVACY RECOGNITION FOR PROCESSORS SYSTEM

TO: SHANNON COE, *CHAIR*, APEC Electronic Commerce Steering Group CC: COLIN MINIHAN, *CHAIR*, APEC Data Privacy Subgroup

CC: SHANNON COE, CHAIR, APEC Cross Border Privacy Rules and Privacy Recognition

for Processors Systems Joint Oversight Panel

LETTER OF INTENT TO PARTICIPATE IN THE APEC PRIVACY RECOGNITION FOR PROCESSORS (PRP) SYSTEM

I am writing this Letter of Intent to participate in the APEC PRP System pursuant to Paragraph 3.1 of the "Charter of the APEC Cross-Border Privacy Rules and Privacy Recognition for Processors Systems Joint Oversight Panel" (Charter) on behalf of The United States.

I confirm that the U.S. Federal Trade Commission, a Privacy Enforcement Authority in the United States, is a participant in the Cross Border Privacy Enforcement Arrangement (CPEA).

In addition, I confirm that the United States intends to make use of at least one APEC-recognized Accountability Agent subject to the procedures outlined in paragraph 7.2 of the Charter.

Please find the following information attached to this letter:

- A narrative description of the relevant domestic laws and regulations and administrative
 measures that may apply to any PRP certification-related activities of an Accountability
 Agent operating within the United States' jurisdiction and the enforcement authority
 associated with these laws and regulations (Annex A);
- A narrative explanation of oversight and enforcement mechanisms available to ensure
 the effective oversight of processors recognized under the PRP System in the United
 States (Annex B); and
- A completed APEC Privacy Recognition for Processors Enforcement Map (Annex C).

Any enquiries regarding this letter should be directed to Ms. Krysten Jenci, Director, Office of
Digital Services Industries, United States Department of Commerce at
krysten.jenci@trade.gov.

Sincerely,

Michael Rose

DOMESTIC LAWS AND REGULATIONS APPLICABLE TO ACCOUNTABILITY AGENT ACTIVITIES

To become an APEC-recognized Accountability Agent, an applicant must complete and sign the Accountability Agent APEC Recognition Application, which includes the following documents: (1) the Accountability Agent Recognition Criteria, which set forth the requirements for participation as a Privacy Recognition for Processors system Accountability Agent, including (i) prohibitions against conflicts of interest; (ii) processes for evaluating, certifying, and monitoring applicants seeking PRP certification; (iii) a dispute resolution process; and (iv) an enforcement mechanism; (2) the Accountability Agent Recognition Criteria Checklist, requiring an applicant to describe how it meets each of the Recognition Criteria; (3) an APEC PRP System Program Requirements Map, which requires an Accountability Agent to map its own program requirements to the PRP program requirements; and (4) an Accountability Agent Complaint Statistics document, attesting that the Accountability Agent has a process for releasing complaint statics as described in the document. By signing and submitting the Recognition Application, an applicant represents that the answers contained in the Recognized Accountability Agent further represents that the answers contained in the document are true.

In addition, any organization that publicly displays a seal, trustmark or other symbol indicating its participation in the PRP System, or causes its name to appear on a list of APEC-recognized Accountability Agents, is making an enforceable representation that it complies with the requirements applicable to an APEC-recognized Accountability Agent.

If an APEC-recognized Accountability Agent subject to Federal Trade Commission (FTC) jurisdiction fails to comply with any of these requirements, its representations of compliance may constitute unfair or deceptive acts or practices in violation of Section 5 of the FTC Act, 15 U.S.C. § 45. The FTC has broad authority to take action against unfair and deceptive acts and practices.

Furthermore, if an APEC-recognized Accountability Agent authorizes the use of its certification mark, 15 U.S.C. §1127, to convey compliance with the PRP program requirements, under Section 14(5) of the Lanham Act, 15 U.S.C. § 1064(5), the U.S. Patent and Trademark Office may cancel the certification mark if the Accountability Agent (a) does not control, or is not able legitimately to exercise control over, the use of such mark, including by failing to monitor the activities of those who use the mark, (b) engages in the production or marketing of any goods or services to which the certification mark is applied, (c) permits the use of the certification mark for purposes other than to certify, or (d) discriminately refuses to certify or to continue to certify the goods or services of any person who maintains the standards or conditions which such mark certifies.

¹ Annex A does not purport to provide a complete and comprehensive account of the FTC's privacy enforcement authority. It is not intended to be relied on as legal advice and should not be used as statements of law in the context of legal proceedings.

OVERSIGHT AND ENFORCEMENT MECHANISMS APPLICABLE TO PRP-CERTIFIED PROCESSORS

As set forth in the APEC Privacy Recognition for Processors Purpose and Background document, there are a number of oversight and enforcement mechanisms that may be available in a particular economy to ensure the effective oversight of processors recognized under the PRP. This Annex sets forth the potential legal bases for the enforcement authority of the Federal Trade Commission over PRP-certified processors and does not address other possible enforcement mechanisms, such as enforcement by contract between the Accountability Agent and the processor, or privacy rights of action.²

The FTC enforces Section 5 of the FTC Act, 15 U.S.C. § 45, which prohibits unfair or deceptive acts or practices in or affecting commerce. An act or practice is deceptive if it is likely to mislead a consumer acting reasonably under the circumstances and is likely to affect a consumer's conduct or decision regarding a product or service. An act or practice is unfair when it causes, or is likely to cause, substantial injury to consumers that (i) is not reasonably avoidable by consumers themselves; and (ii) is not outweighed by countervailing benefits to consumers or to competition.

A company that joins the APEC PRP System must publicly declare that it will comply with the PRP program requirements and must make these program requirements publicly accessible. If the company fails to comply with any of these program requirements, its public representation of compliance may constitute an unfair or deceptive act or practice subject to Section 5 enforcement.

Various practices may violate Section 5 of the FTC Act, 15 U.S.C. § 45, and subject a company to an enforcement action. Such practices include, but are not limited to:

- Making a public representation relating to PRP program requirements and failing to comply with the representation;
- displaying a seal, trustmark or other symbol on the company's website or on any other
 of its own publicly available documentation that indicates that it participates in the
 APEC PRP System and thus complies with the PRP program requirements and failing
 to comply; or
- c. causing the company's name to appear on a list of companies that are certified for participation in the APEC PRP System (e.g., lists on the websites of participating government authorities, privacy enforcement authorities, APEC recognized Accountability Agents, or on an APEC website specifically dedicated to the operation of APEC PRP System) thereby indicating that it complies with the PRP program requirements and failing to comply.

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² Annex B does not purport to provide a complete and comprehensive account of the FTC's privacy enforcement authority. It is not intended to be relied on as legal advice and should not be used as statements of law in the context of legal proceedings.

APEC PRIVACY RECOGNTION FOR PROCESSORS SYSTEM REQUIREMENTS: ENFORCEMENT MAP

As outlined in the Charter of the APEC Cross-Border Privacy Rules and Privacy Recognition for Processors Systems Joint Oversight Panel (JOP), an APEC Member Economy is considered a Participant in the PRP System after the Chair of the Electronic Commerce Steering Group (ECSG Chair) has notified the Economy that the following conditions have been met:

- (i) The Economy's ECSG delegation, or appropriate governmental representative, submits to the ECSG Chair a letter indicating its intention to participate in the PRP System and, in the event that the Economy has indicated that it would provide oversight and enforcement of compliance against the PRP program requirements through a domestic law or regulations enforced by a Privacy Enforcement Authority, confirming that at least one Privacy Enforcement Authority in that Economy is a participant in the APEC CPEA;
- (ii) The Economy indicates its intention to make use of at least one APECrecognized Accountability Agent subject to the procedures outlined in paragraph 7.2 of the Charter of the APEC Cross-Border Privacy Rules and Privacy Recognition for Processors Systems Joint Oversight Panel;
- (iii) The Economy's ECSG delegation, or appropriate governmental representative, after consulting with the JOP, submits to the Chair of the ECSG an explanation of oversight and enforcement mechanisms available to ensure the effective oversight of processors recognized under the PRP System in that Economy, even if direct government backstop enforcement is not applicable; and
- (iv) The JOP submits to the Chair of the ECSG a report as to how the conditions in (i)-(iii) above have been satisfied.

The purpose of Annex C is to assist Economies and the JOP in fulfilling the requirements of items (iii) and (iv) above:

- This document provides the baseline program requirements of the APEC PRP System in order to guide the Economy's explanation of how each requirement may be enforced in that Economy; and
- The information provided by the Economy will form the basis of the JOP's report.

Column 1 lists the questions in the intake questionnaire to be answered by an applicant organization when seeking PRP certification. Column 2 lists the assessment criteria to be used by an APEC-recognized Accountability Agent when verifying the answers provided in

Column 1. Column 3 is for use by the Economy's ECSG delegation or appropriate governmental representative when explaining the enforceability of an applicant organization's answers in Column 1.

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Security Safeguards

Question (to be answered by the Assessment Criteria (to be verified by the	Enforceability (to be answered by the
Applicant Organization) Accountability Agent)	Economy)
I. Has your organization implemented an information security policy that covers personal information processed on behalf of a controller? Where the Applicant answers YES, the Accountability Agent must verify the existence of this written policy. Where the Applicant answers NO, the Accountability Agent must inform the Applicant that the implementation of a written information security policy is required for compliance with this principle.	The FTC enforces Section 5 of the FTC Act, 15 U.S.C. § 45, which prohibits unfair or deceptive acts or practices in or affecting commerce. An act or practice is deceptive if it is likely to mislead a consumer acting reasonably under the circumstances and is likely to affect a consumer's conduct or decision regarding a product or service. An act or practice is unfair when it causes, or is likely to cause, substantial injury to consumers that (i) is not reasonably avoidable by consumers themselves; and (ii) is not outweighed by countervailing benefits to consumers or to competition. A company that joins the APEC PRP System must publicly declare that it will comply with the PRP program requirements and must make these program requirements publicly accessible. If the company fails to comply with any of these program requirements, its public representation of compliance may constitute an unfair or deceptive act or practice subject to Section 5 enforcement.

		•	Various practices may violate Section 5 of the FTC Act, 15 U.S.C. § 45, and subject a company to an enforcement action. Such practices include, but are not limited to: a. Making a public representation relating to the security safeguards requirements and failing to comply with the representation; b. displaying a seal, trustmark or other symbol on the company's website or on any other of its own publicly available documentation that indicates that it participates in the APEC PRP System and thus complies with the security safeguards requirements and failing to comply; or c. causing the company's name to appear on a list of companies that are certified for participation in the APEC PRP System (e.g., lists on the websites of participating government authorities, privacy enforcement authorities, APEC recognized Accountability Agents, or on an APEC website specifically dedicated to the operation of APEC PRP System) thereby indicating that it complies with the security safeguards requirements and failing to comply.
2. Describe the physical, technical and administrative safeguards that implement your organization's information security	Where the Applicant provides a description of the physical, technical and administrative safeguards used to protect personal information, the Accountability Agent must verify the	•	The FTC enforces Section 5 of the FTC Act, 15 U.S.C. § 45, which prohibits unfair or deceptive acts or practices in or affecting

policy.

existence of such safeguards, which may include:

- Authentication and access control (e.g. password protections)
- Encryption
- Boundary protection (e.g. firewalls, intrusion detection)
- Audit logging
- Monitoring (e.g. external and internal audits, vulnerability scans)
- Other (specify)

The Applicant must periodically review and reassess these measures to evaluate their relevance and effectiveness.

Where the Applicant indicates that it has **NO** physical, technical and administrative safeguards, or inadequate safeguards, to protect personal information, the Accountability Agent must inform the Applicant that the implementation of such safeguards is required for compliance with this principle.

commerce.

An act or practice is **deceptive** if it is likely to mislead a consumer acting reasonably under the circumstances and is likely to affect a consumer's conduct or decision regarding a product or service.

An act or practice is **unfair** when it causes, or is likely to cause, substantial injury to consumers that (i) is not reasonably avoidable by consumers themselves; and (ii) is not outweighed by countervailing benefits to consumers or to competition.

A company that joins the APEC PRP System must publicly declare that it will comply with the PRP program requirements and must make these program requirements publicly accessible. If the company fails to comply with any of these program requirements, its public representation of compliance may constitute an unfair or deceptive act or practice subject to Section 5 enforcement.

- Various practices may violate Section 5 of the FTC Act, 15 U.S.C. § 45, and subject a company to an enforcement action. Such practices include, but are not limited to:
 - a. Making a public representation relating to the security safeguards requirements and failing to comply with the representation;

		b. displaying a seal, trustmark or other symbol on the company's website or on any other of its own publicly available documentation that indicates that it participates in the APEC PRP System and thus complies with the security safeguards requirements and failing to comply; or
		c. causing the company's name to appear on a list of companies that are certified for participation in the APEC PRP System (e.g., lists on the websites of participating government authorities, privacy enforcement authorities, APEC recognized Accountability Agents, or on an APEC website specifically dedicated to the operation of APEC PRP System) thereby indicating that it complies with the security safeguards requirements and failing to comply.
3. Describe how your organization makes employees aware of the importance of maintaining the security of personal information .	The Accountability Agent must verify that the Applicant's employees are aware of the importance of, and obligations respecting, maintaining the security of personal information through regular training and oversight as demonstrated by procedures, which may include:	The FTC enforces Section 5 of the FTC Act, 15 U.S.C. § 45, which prohibits unfair or deceptive acts or practices in or affecting commerce. An act or practice is deceptive if it is likely to mislead a consumer acting reasonably under the circumstances and is likely to
	 Training program for employees Regular staff meetings or other communications Security policy signed by employees Other (specify) 	under the circumstances and is likely to affect a consumer's conduct or decision regarding a product or service. An act or practice is unfair when it causes, or is likely to cause, substantial injury to consumers that (i) is not reasonably Page 10

Where the Applicant answers that it does not make employees aware of the importance of, and obligations respecting, maintaining the security of personal information through regular training and oversight, the Accountability Agent has to inform the Applicant that the existence of such procedures are required for compliance with this principle.

avoidable by consumers themselves; and (ii) is not outweighed by countervailing benefits to consumers or to competition.

A company that joins the APEC PRP System must publicly declare that it will comply with the PRP program requirements and must make these program requirements publicly accessible. If the company fails to comply with any of these program requirements, its public representation of compliance may constitute an unfair or deceptive act or practice subject to Section 5 enforcement.

- Various practices may violate Section 5 of the FTC Act, 15 U.S.C. § 45, and subject a company to an enforcement action. Such practices include, but are not limited to:
 - a. Making a public representation relating to the security safeguards requirements and failing to comply with the representation;
 - b. displaying a seal, trustmark or other symbol on the company's website or on any other of its own publicly available documentation that indicates that it participates in the APEC PRP System and thus complies with the security safeguards requirements and failing to comply; or
 - c. causing the company's name to appear on a list of companies that are certified for

		participation in the APEC PRP System (e.g., lists on the websites of participating government authorities, privacy enforcement authorities, APEC recognized Accountability Agents, or on an APEC website specifically dedicated to the operation of APEC PRP System) thereby indicating that it complies with the security safeguards requirements and failing to comply.
4. Has your organization implemented measures to detect, prevent, and respond to attacks, intrusions, or other security failures related to personal information?	Where the Applicant answers YES, the Accountability Agent must verify the existence of measures to detect, prevent, and respond to attacks, intrusions, or other security failures related to personal information. Where the Applicant answers NO, the Accountability Agent must inform the Applicant that the existence of such measures is required for compliance with this principle.	The FTC enforces Section 5 of the FTC Act, 15 U.S.C. § 45, which prohibits unfair or deceptive acts or practices in or affecting commerce. An act or practice is deceptive if it is likely to mislead a consumer acting reasonably under the circumstances and is likely to affect a consumer's conduct or decision regarding a product or service. An act or practice is unfair when it causes, or is likely to cause, substantial injury to consumers that (i) is not reasonably avoidable by consumers themselves; and (ii) is not outweighed by countervailing benefits to consumers or to competition. A company that joins the APEC PRP System must publicly declare that it will comply with the PRP program requirements and must make these program requirements publicly accessible. If the company fails to comply with any of these program requirements, its public representation of

compliance may constitute an unfair or deceptive act or practice subject to Section 5 enforcement. • Various practices may violate Section 5 of the FTC Act, 15 U.S.C. § 45, and subject a company to an enforcement action. Such practices include, but are not limited to: a. Making a public representation relating to the security safeguards requirements and failing to comply with the representation; b. displaying a seal, trustmark or other symbol on the company's website or on any other of its own publicly available documentation that indicates that it participates in the APEC PRP System and thus complies with the security safeguards requirements and failing to comply; or c. causing the company's name to appear on a list of companies that are certified for participation in the APEC PRP System (e.g., lists on the websites of participating government authorities, privacy enforcement authorities, APEC recognized Accountability Agents, or on an APEC website specifically dedicated to the operation of APEC PRP System) thereby indicating that it complies with the security safeguards requirements and failing to comply.

5. Does your organization have processes	The Acco
in place to test the effectiveness of the safeguards referred to in the question above? Please describe.	that the A

The Accountability Agent must verify that such tests are undertaken at appropriate intervals, and that the Applicant adjusts their security safeguards to reflect the results of these tests.

 The FTC enforces Section 5 of the FTC Act, 15 U.S.C. § 45, which prohibits unfair or deceptive acts or practices in or affecting commerce.

An act or practice is **deceptive** if it is likely to mislead a consumer acting reasonably under the circumstances and is likely to affect a consumer's conduct or decision regarding a product or service.

An act or practice is **unfair** when it causes, or is likely to cause, substantial injury to consumers that (i) is not reasonably avoidable by consumers themselves; and (ii) is not outweighed by countervailing benefits to consumers or to competition.

A company that joins the APEC PRP System must publicly declare that it will comply with the PRP program requirements and must make these program requirements publicly accessible. If the company fails to comply with any of these program requirements, its public representation of compliance may constitute an unfair or deceptive act or practice subject to Section 5 enforcement.

- Various practices may violate Section 5 of the FTC Act, 15 U.S.C. § 45, and subject a company to an enforcement action. Such practices include, but are not limited to:
 - a. Making a public representation relating to the security safeguards

		requirements and failing to comply with the representation;
		b. displaying a seal, trustmark or other symbol on the company's website or on any other of its own publicly available documentation that indicates that it participates in the APEC PRP System and thus complies with the security safeguards requirements and failing to comply; or
		c. causing the company's name to appear on a list of companies that are certified for participation in the APEC PRP System (e.g., lists on the websites of participating government authorities, privacy enforcement authorities, APEC recognized Accountability Agents, or on an APEC website specifically dedicated to the operation of APEC PRP System) thereby indicating that it complies with the security safeguards requirements and failing to comply.
6. Do you have a process in place to notify the controller of occurrences of a breach of the privacy or security of their organization's personal information?	The Accountability Agent must verify that the Applicant has in place appropriate processes to notify the controller of occurrences of a breach of the privacy or security of their organization's personal information.	The FTC enforces Section 5 of the FTC Act, 15 U.S.C. § 45, which prohibits unfair or deceptive acts or practices in or affecting commerce. An act or practice is deceptive if it is likely to mislead a consumer action reasonably.
		to mislead a consumer acting reasonably under the circumstances and is likely to affect a consumer's conduct or decision regarding a product or service.

An act or practice is **unfair** when it causes, or is likely to cause, substantial injury to consumers that (i) is not reasonably avoidable by consumers themselves; and (ii) is not outweighed by countervailing benefits to consumers or to competition.

A company that joins the APEC PRP System must publicly declare that it will comply with the PRP program requirements and must make these program requirements publicly accessible. If the company fails to comply with any of these program requirements, its public representation of compliance may constitute an unfair or deceptive act or practice subject to Section 5 enforcement.

- Various practices may violate Section 5 of the FTC Act, 15 U.S.C. § 45, and subject a company to an enforcement action. Such practices include, but are not limited to:
 - a. Making a public representation relating to the security safeguards requirements and failing to comply with the representation;
 - b. displaying a seal, trustmark or other symbol on the company's website or on any other of its own publicly available documentation that indicates that it participates in the APEC PRP System and thus complies with the security safeguards requirements and failing to

7. Has your organization implemented procedures for the secure disposal or return of personal information when instructed by the controller or upon termination of the relationship with the controller?	Where the Applicant answers YES , the Accountability Agent must verify the existence of procedures for the secure disposal or return of personal information. Where the Applicant answers NO , the Accountability Agent must inform the Applicant that the existence of such procedures is required for compliance with this principle.	c. causing the company's name to appear on a list of companies that are certified for participation in the APEC PRP System (e.g., lists on the websites of participating government authorities, privacy enforcement authorities, APEC recognized Accountability Agents, or on an APEC website specifically dedicated to the operation of APEC PRP System) thereby indicating that it complies with the security safeguards requirements and failing to comply. • The FTC enforces Section 5 of the FTC Act, 15 U.S.C. § 45, which prohibits unfair or deceptive acts or practices in or affecting commerce. An act or practice is deceptive if it is likely to mislead a consumer acting reasonably under the circumstances and is likely to affect a consumer's conduct or decision regarding a product or service. An act or practice is unfair when it causes, or is likely to cause, substantial injury to consumers that (i) is not reasonably avoidable by consumers themselves; and (ii) is not outweighed by countervailing benefits to consumers or to competition. A company that joins the APEC PRP System must publicly declare that it will
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and must make these program requirements publicly accessible. If the company fails to comply with any of these program requirements, its public representation of compliance may constitute an unfair or deceptive act or practice subject to Section 5 enforcement.

- Various practices may violate Section 5 of the FTC Act, 15 U.S.C. § 45, and subject a company to an enforcement action. Such practices include, but are not limited to:
 - a. Making a public representation relating to the security safeguards requirements and failing to comply with the representation;
 - b. displaying a seal, trustmark or other symbol on the company's website or on any other of its own publicly available documentation that indicates that it participates in the APEC PRP System and thus complies with the security safeguards requirements and failing to comply; or
 - c. causing the company's name to appear on a list of companies that are certified for participation in the APEC PRP System (e.g., lists on the websites of participating government authorities, privacy enforcement authorities, APEC recognized Accountability Agents, or on an APEC website specifically dedicated to the operation of APEC PRP System)

	thereby indicating that it complies with
	the security safeguards requirements and
	failing to comply.

ACCOUNTABILITY MEASURES

Question (to be answered by the Applicant Organization)	Assessment Criteria (to be verified by the Accountability Agent)	Enforceability (to be answered by the Economy)
9. Does your organization limit its processing of personal information to the purposes specified by the controller?	The Accountability Agent must verify that the Applicant has policies in place to limit its processing to the purposes specified by the controller.	The FTC enforces Section 5 of the FTC Act, 15 U.S.C. § 45, which prohibits unfair or deceptive acts or practices in or affecting commerce.
		An act or practice is deceptive if it is likely to mislead a consumer acting reasonably under the circumstances and is likely to affect a consumer's conduct or decision regarding a product or service.
		An act or practice is unfair when it causes, or is likely to cause, substantial injury to consumers that (i) is not reasonably avoidable by consumers themselves; and (ii) is not outweighed by countervailing benefits to consumers or to competition.
		A company that joins the APEC PRP System must publicly declare that it will comply with the PRP program requirements and must make these program requirements publicly accessible. If the company fails to comply with any of these program requirements, its public representation of compliance may constitute an unfair or deceptive act or practice subject to Section 5 enforcement.
		Various practices may violate Section 5 of the FTC Act, 15 U.S.C. § 45, and subject a

Question (to be answered by the Applicant Organization)	Assessment Criteria (to be verified by the Accountability Agent)	Enforceability (to be answered by the Economy)
		company to an enforcement action. Such practices include, but are not limited to:
		a. Making a public representation relating to the accountability measure requirements and failing to comply with the representation;
		b. displaying a seal, trustmark or other symbol on the company's website or on any other of its own publicly available documentation that indicates that it participates in the APEC PRP System and thus complies with the accountability measures requirements and failing to comply; or
		c. causing the company's name to appear on a list of companies that are certified for participation in the APEC PRP System (e.g., lists on the websites of participating government authorities, privacy enforcement authorities, APEC recognized Accountability Agents, or on an APEC website specifically dedicated
		to the operation of APEC PRP System) thereby indicating that it complies with the accountability measures requirements and failing to comply.
10. Does your organization have	The Accountability Agent must verify that the	• The FTC enforces Section 5 of the FTC Act,

Question (to be answered by the Applicant Organization)	Assessment Criteria (to be verified by the Accountability Agent)	Enforceability (to be answered by the Economy)
procedures in place to delete, update, and correct information upon request from the controller?	Applicant has measures in place to delete, update, and correct information upon request from the controller where necessary and appropriate.	15 U.S.C. § 45, which prohibits unfair or deceptive acts or practices in or affecting commerce. An act or practice is deceptive if it is likely to mislead a consumer acting reasonably under the circumstances and is likely to affect a consumer's conduct or decision regarding a product or service. An act or practice is unfair when it causes, or is likely to cause, substantial injury to consumers that (i) is not reasonably avoidable by consumers themselves; and (ii) is not outweighed by countervailing benefits to consumers or to competition. A company that joins the APEC PRP System must publicly declare that it will comply with the PRP program requirements and must make these program requirements publicly accessible. If the company fails to comply with any of these program requirements, its public representation of compliance may constitute an unfair or deceptive act or practice subject to Section 5 enforcement. • Various practices may violate Section 5 of the FTC Act, 15 U.S.C. § 45, and subject a company to an enforcement action. Such practices include, but are

Question (to be answered by the Applicant Organization)	Assessment Criteria (to be verified by the Accountability Agent)	Enforceability (to be answered by the Economy)
		not limited to:
		a. Making a public representation relating to the accountability measures requirements and failing to comply with the representation;
		b. displaying a seal, trustmark or other symbol on the company's website or on any other of its own publicly available documentation that indicates that it participates in the APEC PRP System and thus complies with the accountability measures requirements and failing to comply; or
		c. causing the company's name to appear
		on a list of companies that are certified
		for participation in the APEC PRP System (e.g., lists on the websites of
		participating government authorities, privacy enforcement authorities, APEC
		recognized Accountability Agents, or on
		an APEC website specifically dedicated to the operation of APEC PRP System)
		thereby indicating that it complies with
		the accountability measures requirements and failing to comply.
11. What measures does your organization take to ensure compliance	The Accountability Agent must verify that the Applicant indicates the measures it takes to	The FTC enforces Section 5 of the FTC Act, 15 U.S.C. § 45, which prohibits unfair or

Question (to be answered by the Applicant Organization)	Assessment Criteria (to be verified by the Accountability Agent)	Enforceability (to be answered by the Economy)
with the controller's instructions related to the activities of personal information processing? Please describe.	ensure compliance with the controller's instructions.	deceptive acts or practices in or affecting commerce. An act or practice is deceptive if it is likely to mislead a consumer acting reasonably under the circumstances and is likely to affect a consumer's conduct or decision regarding a product or service. An act or practice is unfair when it causes, or is likely to cause, substantial injury to consumers that (i) is not reasonably avoidable by consumers themselves; and (ii) is not outweighed by countervailing benefits to consumers or to competition. A company that joins the APEC PRP System must publicly declare that it will comply with the PRP program requirements and must make these program requirements publicly accessible. If the company fails to comply with any of these program requirements, its public representation of compliance may constitute an unfair or deceptive act or practice subject to Section 5 enforcement. • Various practices may violate Section 5 of the FTC Act, 15 U.S.C. § 45, and subject a company to an enforcement action. Such practices include, but are not limited to: a. Making a public representation
		a. Making a public representation

Question (to be answered by the	Assessment Criteria (to be verified by the	Enforceability (to be answered by the
Applicant Organization)	Accountability Agent)	Economy)
		relating to the accountability measures requirements and failing to comply with the representation;
		b. displaying a seal, trustmark or other symbol on the company's website or on any other of its own publicly available documentation that indicates that it participates in the APEC PRP System and thus complies with the accountability measures requirements and failing to comply; or
		c. causing the company's name to appear on a list of companies that are certified
		for participation in the APEC PRP System (e.g., lists on the websites of
		participating government authorities, privacy enforcement authorities, APEC
		recognized Accountability Agents, or on an APEC website specifically dedicated
		to the operation of APEC PRP System) thereby indicating that it complies with
		the accountability measures requirements and failing to comply.
12. Have you appointed an individual(s) to be responsible for your overall compliance with the requirements of the	Where the Applicant answers YES , the Accountability Agent must verify that the Applicant has designated an employee(s) who is responsible for the Applicant's overall compliance with the PRP.	The FTC enforces Section 5 of the FTC Act, 15 U.S.C. § 45, which prohibits unfair or deceptive acts or practices in or affecting commerce.

Question (to be answered by the	Assessment Criteria (to be verified by the	Enforceability (to be answered by the
Applicant Organization)	Accountability Agent)	Economy)
Applicant Organization) PRP?	Accountability Agent Where the Applicant answers NO, the Accountability Agent must inform the Applicant that designation of such an employee(s) is required for compliance with the PRP program.	An act or practice is deceptive if it is likely to mislead a consumer acting reasonably under the circumstances and is likely to affect a consumer's conduct or decision regarding a product or service. An act or practice is unfair when it causes, or is likely to cause, substantial injury to consumers that (i) is not reasonably avoidable by consumers themselves; and (ii) is not outweighed by countervailing benefits to consumers or to competition. A company that joins the APEC PRP System must publicly declare that it will comply with the PRP program requirements and must make these program requirements publicly accessible. If the company fails to comply with any of these program requirements, its public representation of compliance may constitute an unfair or deceptive act or practice subject to Section 5 enforcement.
		the FTC Act, 15 U.S.C. § 45, and subject a company to an enforcement action. Such practices include, but are not limited to:
		Making a public representation relating to the accountability measures requirements and failing to comply with

Question (to be answered by the	Assessment Criteria (to be verified by the	Enforceability (to be answered by the
Applicant Organization)	Accountability Agent)	Economy)
		the representation;
		b. displaying a seal, trustmark or other symbol on the company's website or on any other of its own publicly available documentation that indicates that it participates in the APEC PRP System and thus complies with the accountability measures requirements and failing to comply; or
		c. causing the company's name to appear on a list of companies that are certified for participation in the APEC PRP System (e.g., lists on the websites of participating government authorities, privacy enforcement authorities, APEC recognized Accountability Agents, or on an APEC website specifically dedicated to the operation of APEC PRP System) thereby indicating that it complies with the accountability measures requirements and failing to comply.
13. Does your organization have procedures in place to forward privacy-related individual requests or complaints to the controller or to handle them when	Where the Applicant answers YES , the Accountability Agent must verify that the Applicant has procedures in place to handle, or forward to the controller as appropriate, privacy-	The FTC enforces Section 5 of the FTC Act, 15 U.S.C. § 45, which prohibits unfair or deceptive acts or practices in or affecting commerce.
instructed by the controller?	related complaints or requests.	An act or practice is deceptive if it is likely to mislead a consumer acting reasonably

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	Where the Applicant answers NO, the Accountability Agent must inform the Applicant that implementation of such procedures is required for compliance with this principle.	under the circumstances and is likely to affect a consumer's conduct or decision regarding a product or service. An act or practice is unfair when it causes, or is likely to cause, substantial injury to consumers that (i) is not reasonably avoidable by consumers themselves; and (ii) is not outweighed by countervailing benefits to consumers or to competition. A company that joins the APEC PRP System must publicly declare that it will comply with the PRP program requirements and must make these program requirements publicly accessible. If the company fails to comply with any of these program requirements, its public representation of compliance may constitute an unfair or deceptive act or practice subject to Section 5 enforcement. • Various practices may violate Section 5 of the FTC Act, 15 U.S.C. § 45, and subject a company to an enforcement action. Such practices include, but are not limited to: a. Making a public representation relating to the accountability measures requirements and failing to comply with the representation;

Question (to be answered by the	Assessment Criteria (to be verified by the	Enforceability (to be answered by the
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		symbol on the company's website or on any other of its own publicly available documentation that indicates that it participates in the APEC PRP System and thus complies with the accountability measures requirements and failing to comply; or c. causing the company's name to appear on a list of companies that are certified for participation in the APEC PRP System (e.g., lists on the websites of participating government authorities, privacy enforcement authorities, APEC recognized Accountability Agents, or on an APEC website specifically dedicated to the operation of APEC PRP System) thereby indicating that it complies with the accountability measures requirements and failing to comply.
14. Does your organization notify controllers, except where prohibited by law, of judicial or other government subpoenas, warrants or orders that require the disclosure of personal information?	Where the Applicant answers YES , the Accountability Agent must verify that the Applicant has procedures in place for notifying the controller, except where prohibited by law, of judicial or other government subpoenas, warrants or orders that require the disclosure of personal information, as well as provide the necessary training to employees regarding this subject.	The FTC enforces Section 5 of the FTC Act, 15 U.S.C. § 45, which prohibits unfair or deceptive acts or practices in or affecting commerce. An act or practice is deceptive if it is likely to mislead a consumer acting reasonably under the circumstances and is likely to affect a consumer's conduct or decision

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	Where the Applicant answers NO, the Accountability Agent must inform the Applicant that such procedures are required for compliance with this principle.	regarding a product or service. An act or practice is unfair when it causes, or is likely to cause, substantial injury to consumers that (i) is not reasonably avoidable by consumers themselves; and (ii) is not outweighed by countervailing benefits to consumers or to competition. A company that joins the APEC PRP System must publicly declare that it will comply with the PRP program requirements and must make these program requirements publicly accessible. If the company fails to comply with any of these program requirements, its public representation of compliance may constitute an unfair or deceptive act or practice subject to Section 5 enforcement.
		the FTC Act, 15 U.S.C. § 45, and subject a company to an enforcement action. Such practices include, but are not limited to: a. Making a public representation relating to the accountability measures requirements and failing to comply with the representation; b. displaying a seal, trustmark or other symbol on the company's website or on any other of its own publicly available

Question (to be answered by the Applicant Organization)	Assessment Criteria (to be verified by the Accountability Agent)	Enforceability (to be answered by the Economy)
		documentation that indicates that it participates in the APEC PRP System and thus complies with the accountability measures requirements and failing to comply; or
		c. causing the company's name to appear on a list of companies that are certified for participation in the APEC PRP System (e.g., lists on the websites of participating government authorities, privacy enforcement authorities, APEC recognized Accountability Agents, or on an APEC website specifically dedicated to the operation of APEC PRP System) thereby indicating that it complies with the accountability measures requirements and failing to comply.
15. Does your organization have a procedure in place to notify the controller of your engagement of subprocessors?	The Accountability Agent must verify that the Applicant has in place a procedure to notify controllers that the Applicant is engaging subprocessors.	The FTC enforces Section 5 of the FTC Act, 15 U.S.C. § 45, which prohibits unfair or deceptive acts or practices in or affecting commerce. An act or practice is deceptive if it is likely to mislead a consumer acting reasonably under the circumstances and is likely to affect a consumer's conduct or decision regarding a product or service.
		An act or practice is unfair when it causes,

Question (to be answered by the Applicant Organization)	Assessment Criteria (to be verified by the Accountability Agent)	Enforceability (to be answered by the Economy)
		or is likely to cause, substantial injury to consumers that (i) is not reasonably avoidable by consumers themselves; and (ii) is not outweighed by countervailing benefits to consumers or to competition.
		A company that joins the APEC PRP System must publicly declare that it will comply with the PRP program requirements and must make these program requirements publicly accessible. If the company fails to comply with any of these program requirements, its public representation of compliance may constitute an unfair or deceptive act or practice subject to Section 5 enforcement.
		 Various practices may violate Section 5 of the FTC Act, 15 U.S.C. § 45, and subject a company to an enforcement action. Such practices include, but are not limited to:
		a. Making a public representation relating to the accountability measures requirements and failing to comply with the representation;
		b. displaying a seal, trustmark or other symbol on the company's website or on any other of its own publicly available documentation that indicates that it participates in the APEC PRP System and thus complies with the accountability

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		measures requirements and failing to comply; or c. causing the company's name to appear on a list of companies that are certified for participation in the APEC PRP System (e.g., lists on the websites of participating government authorities, privacy enforcement authorities, APEC recognized Accountability Agents, or on an APEC website specifically dedicated to the operation of APEC PRP System) thereby indicating that it complies with the accountability measures requirements and failing to comply.
16. Does your organization have mechanisms in place with subprocessors to ensure that personal information is processed in accordance with your obligations under the PRP? Please describe.	Where the Applicant answers YES, the Accountability Agent must verify the existence of each type of mechanism described. Where the Applicant answers NO, the Accountability Agent must inform the Applicant that implementation of such mechanisms is required for compliance with this principle.	The FTC enforces Section 5 of the FTC Act, 15 U.S.C. § 45, which prohibits unfair or deceptive acts or practices in or affecting commerce. An act or practice is deceptive if it is likely to mislead a consumer acting reasonably under the circumstances and is likely to affect a consumer's conduct or decision regarding a product or service. An act or practice is unfair when it causes, or is likely to cause, substantial injury to consumers that (i) is not reasonably avoidable by consumers themselves; and (ii)

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Applicant Organization)	Accountability Agent)	is not outweighed by countervailing benefits to consumers or to competition. A company that joins the APEC PRP System must publicly declare that it will comply with the PRP program requirements and must make these program requirements publicly accessible. If the company fails to comply with any of these program requirements, its public representation of compliance may constitute an unfair or deceptive act or practice subject to Section 5 enforcement. Various practices may violate Section 5 of the FTC Act, 15 U.S.C. § 45, and subject a company to an enforcement action. Such practices include, but are not limited to: a. Making a public representation relating to the accountability measures requirements and failing to comply with the representation; b. displaying a seal, trustmark or other symbol on the company's website or on any other of its own publicly available documentation that indicates that it participates in the APEC PRP System and thus complies with the accountability

Question (to be answered by the Applicant Organization)	Assessment Criteria (to be verified by the Accountability Agent)	Enforceability (to be answered by the Economy)
		c. causing the company's name to appear on a list of companies that are certified for participation in the APEC PRP System (e.g., lists on the websites of participating government authorities, privacy enforcement authorities, APEC recognized Accountability Agents, or on an APEC website specifically dedicated to the operation of APEC PRP System) thereby indicating that it complies with the accountability measures requirements and failing to comply.
 17. Do the mechanisms referred to above generally require that subprocessors: a) Follow-instructions provided by your organization relating to the manner in which personal information must be handled? b) Impose restrictions on further subprocessing c) Have their PRP program recognized by an APEC Accountability Agent in their jurisdiction? d) Provide your organization with self-assessments or other evidence of 	The Accountability Agent must verify that the Applicant makes use of appropriate methods to ensure their obligations are met.	The FTC enforces Section 5 of the FTC Act, 15 U.S.C. § 45, which prohibits unfair or deceptive acts or practices in or affecting commerce. An act or practice is deceptive if it is likely to mislead a consumer acting reasonably under the circumstances and is likely to affect a consumer's conduct or decision regarding a product or service. An act or practice is unfair when it causes, or is likely to cause, substantial injury to consumers that (i) is not reasonably avoidable by consumers themselves; and (ii) is not outweighed by countervailing benefits to consumers or to competition.

Question (to be answered by the Applicant Organization)	Assessment Criteria (to be verified by the Accountability Agent)	Enforceability (to be answered by the Economy)
compliance with your instructions and/or agreements/contracts? If YES describe. e) Allow your organization to carry out regular spot checking or other monitoring activities? If YES, describe. f) Other (describe)		A company that joins the APEC PRP System must publicly declare that it will comply with the PRP program requirements and must make these program requirements publicly accessible. If the company fails to comply with any of these program requirements, its public representation of compliance may constitute an unfair or deceptive act or practice subject to Section 5 enforcement. • Various practices may violate Section 5 of the FTC Act, 15 U.S.C. § 45, and subject a company to an enforcement action. Such practices include, but are not limited to: a. Making a public representation relating to the accountability measures requirements and failing to comply with the representation; b. displaying a seal, trustmark or other symbol on the company's website or on any other of its own publicly available documentation that indicates that it participates in the APEC PRP System and thus complies with the accountability measures requirements and failing to comply; or c. causing the company's name to appear
		on a list of companies that are certified

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		for participation in the APEC PRP System (e.g., lists on the websites of participating government authorities, privacy enforcement authorities, APEC recognized Accountability Agents, or on an APEC website specifically dedicated to the operation of APEC PRP System) thereby indicating that it complies with the accountability measures requirements and failing to comply.
18. Do you have procedures in place for training employees pertaining to your privacy policies and procedures and related client instructions? Please describe.	Where the Applicant answers YES, the Accountability Agent must verify that the Applicant has procedures in place for training employees relating to personal information management and the controller's instructions. Where the Applicant answers NO, the Accountability Agent must inform the Applicant that the existence of such procedures is required for compliance with this requirement.	The FTC enforces Section 5 of the FTC Act, 15 U.S.C. § 45, which prohibits unfair or deceptive acts or practices in or affecting commerce. An act or practice is deceptive if it is likely to mislead a consumer acting reasonably under the circumstances and is likely to affect a consumer's conduct or decision regarding a product or service. An act or practice is unfair when it causes, or is likely to cause, substantial injury to consumers that (i) is not reasonably avoidable by consumers themselves; and (ii) is not outweighed by countervailing benefits to consumers or to competition. A company that joins the APEC PRP System must publicly declare that it will comply

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		with the PRP program requirements and must make these program requirements publicly accessible. If the company fails to comply with any of these program requirements, its public representation of compliance may constitute an unfair or deceptive act or practice subject to Section 5 enforcement.
		 Various practices may violate Section 5 of the FTC Act, 15 U.S.C. § 45, and subject a company to an enforcement action. Such practices include, but are not limited to:
		a. Making a public representation relating to the accountability measures requirements and failing to comply with the representation;
		b. displaying a seal, trustmark or other symbol on the company's website or on any other of its own publicly available documentation that indicates that it participates in the APEC PRP System and thus complies with the accountability measures requirements and failing to comply; or
		c. causing the company's name to appear on a list of companies that are certified for participation in the APEC PRP System (e.g., lists on the websites of

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		participating government authorities, privacy enforcement authorities, APEC recognized Accountability Agents, or on an APEC website specifically dedicated to the operation of APEC PRP System) thereby indicating that it complies with the accountability measures requirements and failing to comply.