

# Annual APEC CBPR and PRP Dispute Resolution Report

Reporting Period: March 1, 2021 through February 28, 2022



## EXECUTIVE SUMMARY

This annual report of TRUSTe LLC (TRUSTe), a subsidiary of TrustArc Inc, provides aggregated dispute resolution complaint statistics about the number and types of complaints received through TRUSTe’s Feedback and Resolution System against companies certified under TRUSTe’s APEC Cross Border Privacy Rules (CBPR) and APEC Privacy Recognition for Processors (PRP) Assurance Programs (program(s)) during the reporting period. Anonymized case notes about selected complaints resolved under TRUSTe’s APEC-CBPR program are also included in this report.

From March 1, 2021 through February 28, 2022, 43 companies participated in one or both of TRUSTe’s APEC certification programs, an increase from 37 that participated during the previous reporting period.

During the reporting period, March 1, 2021 through February 28, 2022, TRUSTe received a total 234 complaints broken down as follows:



**81 complaints against companies certified under both the TRUSTe APEC-CBPR and APEC-PRP programs, an increase from 52 complaints received during the previous reporting period;**



**115 complaints against companies certified under only the TRUSTe APEC-CBPR program, a decrease from 153 complaints received during the previous reporting period; and**



**38 complaints against companies certified under only the TRUSTe APEC-PRP program, a decrease from 39 complaints received during the previous reporting period.**

The total number of complaints received during this reporting period is a 5% decrease from the last reporting period, with 65% of the complaints coming from individuals located in an APEC economy. The APEC economies that complaints originated from include Australia, Canada, China, Indonesia, Malaysia, Mexico, New Zealand, Philippines, Republic of Korea, The Russian Federation, Singapore, and the United States. The remaining 35% of the complaints came from individuals that are located in countries outside of APEC.

The complaints TRUSTe received concerned a number of APEC Principles, however, TRUSTe noted the largest number of complaints, 47%, were regarding an individual’s ability to contact a participating company generally, or to exercise choice relating to the use of their personal information or individual rights. TRUSTe continues to see increasing privacy awareness as demonstrated by individuals wanting to exercise their privacy-related rights or reaching out to ask questions or raise concerns.



# REPORT OVERVIEW

This report includes information about:

- Compliant statistics for companies participating in both APEC-CBPR and APEC-PRP programs
- Complaint statistics for companies participating in only the APEC-CBPR program
- Complaint statistics for companies participating in only the APEC-PRP program
- Complaint process quality measures
- APEC-CBPR Case Notes

## I. Complaint Statistics: APEC-CBPR and APEC-PRP Certified Companies

From March 1, 2021 through February 28, 2022, TRUSTe handled 81 Dispute Resolution complaints against companies that have been certified under both the APEC-CBPR and APEC-PRP programs. Table 1 shows how the resolution of these complaints were classified and resolved by TRUSTe. No complaints were pending resolution as of the close of this reporting period.

Complaint Resolution Classification	Number of Complaints Resolved
Procedural grounds  <i>Procedural grounds may include:</i> <ul style="list-style-type: none"> <li>● <i>Complaints that fail to state a comprehensible issue or even a complete word (e.g. random typing such as “xyxyxy”);</i></li> <li>● <i>When the complaint did not give TRUSTe permission to pass identifying information to the company in question; or</i></li> <li>● <i>The complainant provided an invalid e-mail address, impeding investigation of that complaint.</i></li> <li>● <i>Complainant withdrew the complaint.</i></li> <li>● <i>Duplicate complaint.</i></li> <li>● <i>No response from the complainant</i></li> </ul>	<b>42</b>
Out of scope  <i>Out of scope are complaints that fall into categories that are outside the scope of TRUSTe’s authority under its Assurance Programs, (e.g., billing/transactional issues, requests for feature enhancements). TRUSTe typically suggests that the complainant contact the company directly in these instances.</i>	<b>13</b>
Consumer education by TRUSTe	<b>25</b>
Action taken without involvement from TRUSTe	<b>1</b>
<b>Total</b>	<b>81</b>

Table 1



Table 2 details the types of complaints TRUSTe received about companies it certified under both APEC-CBPR and APEC-PRP programs by the APEC Principle to which the complaint type aligns, country where the complainant is located, and by type of complaint. APEC economies are noted with an asterisk (“\*”).

Complaint Facts:

- 62 of the 81 complaints came from individuals located in APEC economies
- 75% of the complaints were regarding a company’s compliance with an APEC Principle
- 39 complaints highlighted challenges of contacting the company, or exercising choice, or access or deletion rights.

APEC CBPR or PRP Principle		Complainant location		By Type	
Collection Limitation	1	Australia*	1	Abuse by Another User	5
Use	16	Bangladesh	1	Account Access / Creation	1
Security Safeguards	5	Germany	5	Account Hacked / Disabled / Suspended	14
Access	6	India	2	Can't Change / Remove Personal Info	6
Choice	4	Mali	1	Help with Features / Functionality	14
Accountability	29	Mexico*	1	Monetary / Billing / Transactional	4
Other	20	Nigeria	1	Received Unauthorized Email	1
		Singapore*	1	Shared Personal Info with Unauthorized Third Party	1
		South Africa	1	Targeted Advertising	1
		Spain	1	Unable to Contact Participating Site <sup>1</sup>	29
		Turkey	2	Unable to Unsubscribe	3

<sup>1</sup> TRUSTe requires complainants to first contact the APEC certified company to give the company a chance to resolve the issue before contacting TRUSTe. In many instances, the complainant will indicate on TRUSTe’s Feedback and Dispute Resolution submission form that they have not attempted to contact the company or contacted the company less than 24 hours prior to contacting TRUSTe. All APEC certified companies are required to include contact information in their privacy notice about how to contact them regarding privacy-related questions or issues.



		United Arab Emirates	1	Undefined e.g. Incomprehensible	2
		United Kingdom	3		
		United States*	59		
		Virgin Islands, US	1		
<b>Totals</b>	<b>81</b>	<b>Totals</b>	<b>81</b>	<b>Totals</b>	<b>81</b>

Table 2

## II. Complaint Statistics: APEC-CBPR Certified Companies

From March 1, 2021 through February 28 2022, TRUSTe handled 115 Dispute Resolution complaints against companies that have only been certified under the APEC-CBPR program. Table 3 shows how the resolution of these complaints were classified and resolved by TRUSTe. No complaints were pending resolution as of the close of this reporting period.

Complaint Resolution Classification	Number of Complaints Resolved
Procedural grounds  <i>Procedural grounds may include:</i> <ul style="list-style-type: none"> <li>Complaints that fail to state a comprehensible issue or even a complete word (e.g. random typing such as “xyxyxy”);</li> <li>When the complaint did not give TRUSTe permission to pass identifying information to the company in question; or</li> <li>The complainant provided an invalid e-mail address, impeding investigation of that complaint.</li> <li>Duplicate complaint</li> <li>No response from the consumer</li> </ul>	39
Out of scope  <i>Out of scope are complaints that fall into categories that are outside the scope of TRUSTe’s authority under its Assurance Programs, (e.g., billing/transactional issues, requests for feature enhancements). TRUSTe typically suggests that the complainant contact the company directly in these instances.</i>	31
Consumer education by TRUSTe	40
Action taken without involvement from TRUSTe	1
Personal information removed, account closed, or credentials validated	2



TRUSTe's assistance in facilitating resolution was required, but no changes were required from the participating company.	2
<b>Total</b>	<b>115</b>

Table 3

Table 4 details the types of complaints TRUSTe received about its APEC-CBPR certified companies by the APEC CBPR Principle to which the complaint type aligns, country where the complainant is located, and by type of complaint. APEC economies are noted with an asterisk (“\*”).

Complaint Facts:

- 66 of the 115 complaints came from individuals located in APEC economies
- 67% of the complaints were regarding a company’s compliance with an APEC Principle
- 56 complaints highlighted challenges of contacting the company, or exercising choice, or access or deletion rights.

APEC CBPR Principle		Complainant location		By Type	
Collection Limitation	2	Australia*	2	Abuse by Another User	3
Use	15	Cambodia	1	Account Access / Creation	2
Security Safeguards	4	Canada*	1	Account Hacked / Disabled / Suspended	14
Access	13	China*	5	Can't Change / Remove Personal Info	13
Choice	1	Denmark	1	Help with Features / Functionality	16
Accountability	42	Democratic Republic of the Congo	1	Monetary / Billing / Transactional	4
Other	38	Egypt	1	Shared Personal Info with Unauthorized Third Party	1
		France	6	Unable to Contact Participating Site <sup>2</sup>	42

<sup>2</sup> TRUSTe requires complainants to first contact the APEC certified company to give the company a chance to resolve the issue before contacting TRUSTe. In many instances, the complainant will indicate on TRUSTe’s Feedback and Dispute Resolution submission form that they have not attempted to contact the company or contacted the company less than 24 hours prior to contacting TRUSTe. All APEC certified companies are required to include contact information in their privacy notice about how to contact them regarding privacy-related questions or issues.



		Georgia	1	Unable to Unsubscribe	1
		Germany	6	Undefined e.g. Incomprehensible	18
		India	6	Website Security Vulnerability	1
		Israel	2		
		Kenya	1		
		Latvia	1		
		Malaysia*	8		
		Mexico*	2		
		Morocco	1		
		Nigeria	3		
		Philippines*	4		
		Poland	2		
		Portugal	1		
		Russian Federation*	2		
		South Africa	1		
		Spain	1		
		Sudan	1		
		Switzerland	1		
		Turkey	1		



		Ukraine	1		
		United Kingdom	9		
		United States*	42		
<b>Totals</b>	<b>115</b>	<b>Totals</b>	<b>115</b>	<b>Totals</b>	<b>115</b>

Table 4

### III. Complaint Statistics: APEC-PRP Certified Companies

From March 1, 2021 through February 28 2022, TRUSTe handled 38 Dispute Resolution complaints against companies that have only been certified under the APEC-PRP program. Table 5 shows how the resolution of these complaints were classified and resolved by TRUSTe. No complaints were pending resolution as of the close of this reporting period.

Complaint Resolution Classification	Number of Complaints Resolved
Procedural grounds  <i>Procedural grounds may include:</i> <ul style="list-style-type: none"> <li>• Complaints that fail to state a comprehensible issue or even a complete word (e.g. random typing such as “xyxyxy”);</li> <li>• When the complaint did not give TRUSTe permission to pass identifying information to the company in question; or</li> <li>• The complainant provided an invalid e-mail address, impeding investigation of that complaint.</li> <li>• Duplicate complaint</li> <li>• No response from the consumer</li> </ul>	18
Out of scope  <i>Out of scope are complaints that fall into categories that are outside the scope of TRUSTe’s authority under its Assurance Programs, (e.g., billing/transactional issues, requests for feature enhancements). TRUSTe typically suggests that the complainant contact the company directly in these instances.</i>	11
Consumer education by TRUSTe	9
<b>Total</b>	<b>38</b>

Table 5



Table 6 details the types of complaints TRUSTe received about companies it certified under the APEC-PRP program by the APEC-PRP Principle to which the complaint type aligns, country where the complainant is located, and by type of complaint. APEC economies are noted with an asterisk (“\*”).

Complaint Facts:

- 23 of the 38 complaints came from individuals located in APEC economies
- 45% of the complaints were regarding a company’s compliance with an APEC Principle
- 15 complaints highlighted challenges of contacting the company, or exercising choice, or access or deletion rights.

APEC CBPR or PRP Principle		Complainant location		By Type	
Security Safeguards	2	Brazil	4	Account Hacked / Disabled / Suspended	2
Accountability Mechanisms	15	Canada*	2	Can't Change / Remove Personal Info	5
Other	21	Estonia	1	Help with Features / Functionality	5
		India	1	Monetary / Billing / Transactional	6
		Indonesia*	1	Shared Personal Info with Unauthorized Third Party	2
		Israel	2	Unable to Contact Participating Site <sup>3</sup>	8
		Malaysia*	1	Undefined e.g. Incomprehensible	10
		New Zealand*	1		
		Pakistan	1		
		Republic of Korea*	1		

<sup>3</sup> TRUSTe requires complainants to first contact the APEC certified company to give the company a chance to resolve the issue before contacting TRUSTe. In many instances, the complainant will indicate on TRUSTe’s Feedback and Dispute Resolution submission form that they have not attempted to contact the company or contacted the company less than 24 hours prior to contacting TRUSTe. All APEC certified companies are required to include contact information in their privacy notice about how to contact them regarding privacy-related questions or issues.



		United Kingdom	2		
		United States*	17		
		Uruguay	1		
		Venezuela	1		
		Vanuatu	2		
<b>Totals</b>	<b>38</b>	<b>Totals</b>	<b>38</b>	<b>Totals</b>	<b>38</b>

Table 6

#### IV. Complaint Process Quality Measures

These statistics are drawn from TRUSTe’s internal Dispute Resolution program. This process begins with a complaint filed by an individual against an APEC-CBPR or APEC-PRP certified company (Participant) either with the company, or with TRUSTe. After TRUSTe receives a complaint, we initiate an investigation starting with a review of the complaint to determine if the complaint is relevant and falls under the scope of the APEC CBPR or APEC-PRP Program Requirements. This initial review can take up to 10 business days. The individual (complainant) receives an initial response from TRUSTe within 10 business days, our published time frame (available at <https://feedback-form.truste.com/watchdog/request>).

TRUSTe asks the complainant to provide consent before TRUSTe shares their personal information with the Participant about which the complainant is filing a dispute. All personal information collected during the request for assistance is collected in accordance with the TrustArc Inc, the parent company of TRUSTe LLC, group privacy notice (available at <https://www.trustarc.com/privacy-policy/>).

After the complaint has been investigated, the Participant ordinarily has 10 business days to provide a written response for the complainant. For more urgent issues, such as security vulnerabilities, TRUSTe will escalate this issue to the Participant via phone as well and generally expect responses much sooner, especially if we are able to verify the problem. Once the complaint is resolved, TRUSTe will send an email notice to both the complainant and, if participating in the process, the Participant, notifying them of closure of the complaint.

#### V. Case Notes

This section provides anonymized case notes for three complaints where the certified company may have been required to make a change in its data, policies or practices as part of resolving a complaint.

*For purposes of these case notes, "Complaint" refers to a complaint filed with TRUSTe via TRUSTe's Feedback and Resolution System against a company ("Participant") certified at that time by TRUSTe under its APEC-CBPR and/or APEC-PRP programs.*

**Case Note 1:** Company certified under APEC-CBPR program only

**Citation:**

Receiving robocalls - unsubscribe request, 2021, TRUSTe US, Case Note 1

**Facts:**

The complainant stated that they were receiving robocalls they believe are from the Participant and wants it to stop. TRUSTe replied the next business day asking for additional information including the phone number being called and the numbers the calls are from; The complainant replied two days later with their own phone number and said they do not have information about the numbers making the calls. TRUSTe forwarded the request the same day to the Participant. Two days later, TRUSTe informed the complainant that the Participant replied that they were not able to locate information matching the complainant's last name, email address or telephone number. TRUSTe allowed the complainant two weeks in case they wished to supply additional information but the complainant did not reply. Time to resolve: 8 days.

**Law (Excerpted from the United State's 2012 Application to Join the APEC CBPR System):**

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 CBPRs must publicly declare that it will comply with the CBPR 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. If a company engages in any of the following practices it may violate Section 5 of the FTC Act, 15 U.S.C. § 45 and be subject to an enforcement action: a. Making a public representation relating to the notice 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 CBPRs and thus complies with the notice 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 CBPRs (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 Cross-Border Privacy Rules) thereby indicating that it complies with the notice requirements and failing to comply.

**Discussion:** The issues raised in this instance involve the following CBPR program requirements:

*15. Subject to the qualifications described below, do you provide a mechanism for individuals to exercise choice in relation to the use of their personal information?*



20. What mechanisms are in place so that choices, where appropriate, can be honored in an effective and expeditious manner? Provide a description in the space below or in an attachment if necessary. Describe below.

In addition to the Participant’s legal obligation to comply with its stated privacy practices under the FTC’s Section 5 authority, TRUSTe has the authority to enforce its program requirements against Participants through our Assurance Services Addendum (“ASA”), which we require all clients to enter into before we begin the engagement (see Appendix F of TRUSTe’s 2022 APEC CBPR and PRP Application) unless we have negotiated with a particular Participant separate terms, which are comparable to those contained in the ASA. This is reflected in the Company’s ASA, which states in the relevant part in Section 4.2.1: “If participating in a TRUSTe Assurance Solution, Customer shall fully comply with the applicable Assurance Standards.” The Assurance Standards are defined in Section 2.1 of the ASA as: “the requirements, conditions, and other terms applicable to the Customer under an applicable TRUSTe Assurance Program or Assurance Solution.”

This case illustrates how TRUSTe Feedback and Resolution system facilitates an individual’s ability to exercise choice over the use of their personal information, ensure that the individual’s preference is honored in an effective and efficient manner, and to verify a Participant’s practices and procedures align with those required by the APEC-CBPR program requirements listed above. The site responded by addressing the information the complainant provided, and the complainant failed to provide additional information necessary for the Participant to further investigate the complaint.

**Case Note 2:** Company certified under both APEC-CBPR and APEC-PRP programs

**Citation:**

Update Personal Information Request, 2021, TRUSTe US, Case Note 2

**Facts:**

The complainant has 2-factor authentication enabled and wants to change the phone number used. TRUSTe replied on the next business day asking for additional information. The complainant replied 10 days later. On the following business day, TRUSTe informed the complainant that we notified the Participant involved to request a response. The next day, the complainant replied informing TRUSTe that the issue had been resolved outside of TRUSTe's system. Time to resolve: 17 days.

**Law (Excerpted from the United State’s 2012 Application to Join the APEC CBPR System):**

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 CBPRs must publicly declare that it will comply with the CBPR 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. If a company engages in any of the following practices it may violate Section 5 of the FTC Act, 15 U.S.C. § 45 and be subject to an enforcement action: a. Making a public representation relating to the notice 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 CBPRs and thus complies with the notice 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 CBPRs (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 Cross-Border Privacy Rules) thereby indicating that it complies with the notice requirements and failing to comply.

**Discussion:** The issues raised in this instance involve the following CBPR program requirement:

*38. Do you permit individuals to challenge the accuracy of their information, and to have it rectified, completed, amended and/or deleted?*

In addition to the Participant’s legal obligation to comply with its stated privacy practices under the FTC’s Section 5 authority, TRUSTe has the authority to enforce its program requirements against Participants through our Assurance Services Addendum (“ASA”), which we require all clients to enter into before we begin the engagement (see Appendix F of TRUSTe’s 2022 APEC CBPR and PRP Application) unless we have negotiated with a particular Participant separate terms, which are comparable to those contained in the ASA. This is reflected in the Company’s ASA, which states in the relevant part in Section 4.2.1: “If participating in a TRUSTe Assurance Solution, Customer shall fully comply with the applicable Assurance Standards.” The Assurance Standards are defined in Section 2.1 of the ASA as: “the requirements, conditions, and other terms applicable to the Customer under an applicable TRUSTe Assurance Program or Assurance Solution.”

This case illustrates how the TRUSTe Feedback and Resolution system facilitates an individual’s ability to update their personal information, and to verify a Participant’s practices and procedures align with those required by the APEC-CBPR program requirements listed above. Ultimately, the Complainant’s request was successfully resolved outside of this process and no further action was required.

**Case Note 3:** Company certified under both APEC-CBPR and APEC-PRP programs

**Citation:**

Deletion request, 2021, TRUSTe US, Case Note 3

**Facts:**

The complainant requests that the Participant delete personal information about them. The complainant selected the option indicating that they contacted the Participant less than 24 hours before filing the request with TRUSTe. TRUSTe wrote back 5 days later asking for a copy of the complainant's correspondence with the Participant. The complainant did not respond within two weeks as requested and TRUSTe closed the complaint. Time to resolve: 17 days.

**Law (Excerpted from the United State’s 2012 Application to Join the APEC CBPR System):**

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 CBPRs must publicly declare that it will comply with the CBPR 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. If a company engages in any of the following practices it may violate Section 5 of the FTC Act, 15 U.S.C. § 45 and be subject to an enforcement action: a. Making a public representation relating to the notice 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 CBPRs and thus complies with the notice 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 CBPRs (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 Cross-Border Privacy Rules) thereby indicating that it complies with the notice requirements and failing to comply.

**Discussion:** The issues raised in this instance involve the following CBPR program requirements:

*38. Do you permit individuals to challenge the accuracy of their information, and to have it rectified, completed, amended and/or deleted?*

In addition to the Participant’s legal obligation to comply with its stated privacy practices under the FTC’s Section 5 authority, TRUSTe has the authority to enforce its program requirements against Participants through our Assurance Services Addendum (“ASA”), which we require all clients to enter into before we begin the engagement (see Appendix F of TRUSTe’s 2022 APEC CBPR and PRP Application) unless we have negotiated with a particular Participant separate terms, which are comparable to those contained in the ASA. This is reflected in the Company’s ASA, which states in the relevant part in Section 4.2.1: “If participating in a TRUSTe Assurance Solution, Customer shall fully comply with the applicable Assurance Standards.” The Assurance Standards are defined in Section 2.1 of the ASA as: “the requirements, conditions, and other terms applicable to the Customer under an applicable TRUSTe Assurance Program or Assurance Solution.”

This case illustrates how the TRUSTe Feedback and Resolution system facilitates an individual’s ability to have their personal information deleted, and to verify a Participant’s practices and procedures align with those required by the APEC-CBPR program requirement listed above. The complaint was closed because the complainant failed to provide TRUSTe the necessary information needed to investigate the complaint.