



# The Data Privacy Conundrum

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# The Conundrum

- One country has a law requiring that data be provided electronically
- Another country has a law that restricts or prohibits personal data transfer via electronic means
- The Conundrum: For airlines facing this situation – the proverbial “rock and a hard place” scenario

# Is this a common occurrence?

- Unfortunately, more than most realize
  - Nearly all countries have regulations that restrict release of personal data
  - Data Privacy Advocacy groups are continuously pushing for expanded privacy protection
  - Certainly, recent political revelations have not made matters easier

# Where is Data Privacy most strictly enforced?

- The European Union currently has the most stringent data privacy regulations in place
  - Directive 95-46-EC “The European Data Privacy Directive”
    - Controls how data collected in Europe is handled / shared
    - Prohibits sharing with 3<sup>rd</sup> Country governments without complex agreements – typically PNR data exchanges
    - Binding on airlines doing business in Europe
    - Potential framework solution – perhaps 2015-2016

## But the EU is not the only player

- Most states restrict release of personal data to authorities without a court order or other legal mandate
- Other states also require that states receiving personal data must have effective Data Protection legislation in place
- The US, Canada, Australia, Germany, France, the UK, Chile, and Japan are just a few that control data exchange

# The Impact on Airlines

- The industry will and does share data where it is allowed
- The industry works with States to try to get around difficulties
- However, airlines cannot violate the laws in place at one end of a journey in order to satisfy a law in place at the other.
- The lose-lose scenario: Fines or market withdrawal

# Steps to avoid this Conundrum

- API or PNR programs should limit the types of data required to avoid sensitive personal data
- States must adopt clearly defined regulations that details what data will be required, when it is to be provided and how it will be used and protected
- Be aware of restrictive regulations and seek appropriate solutions through Government to Government dialogue

# Steps to avoid this Conundrum

- Seek input from the industry at earliest opportunity in order to:
  - Identify potential data privacy roadblocks early on
  - Enlist industry aid in initiating political discussion well ahead of roll-out
  - Ensure airlines can comply with program requirements
  - Establish reasonable time-frames for implementation that take account of possible “political” delays

# In Conclusion

- Laws in place will continue to impact on how airlines are able to comply with API and/or PNR requirements
- In many cases, a balanced approach and dialogue between States can resolve the differences
- In some instances – carriers will simply not be able to comply
- A flexible approach that recognizes opposing laws is essential in seeking solutions



Thank You