

Intellectual Property and Information, Technology & Communications

Manila

Client Alert JUNE 2016

# The Philippine National Privacy Commission Releases Draft Rules and Regulations Implementing the Data Privacy Act

### **Recent Developments**

The National Privacy Commission ("NPC"), the agency tasked to implement and enforce the Data Privacy Act of 2012 (Republic Act No. 10173)[1], issued on 20 June 2016 the draft implementing rules and regulations ("IRR") of said law. The text of the draft IRR is currently available at the Philippine Government's Official Gazette.[2]

## What the law says

Modeled after several pieces of data privacy legislation of member states of the European Union, the draft IRR mirrors the general principles and requirements of the Data Privacy Act of 2012 with regard to the processing of personal information in the government and the public sector, and the penalties for violations thereof. The draft rules promote the objectives of the law by laying down specific guidelines on the organizational, physical, and technical security measures for data protection[3] which personal data controllers and processors are required to implement and maintain. Covered entities will be given one (1) year from the IRR's effectivity within which to comply with the rules' requirements.[4]

The draft rules likewise aim to strengthen the administrative and enforcement authority of the NPC by mandating several registration and compliance requirements[5] for all personal data controllers and processors covered by the Data Privacy Act, and by vesting upon the commission broad review and inspection powers over entities involved in personal information processing[6]. Compliance requirements include mandatory registration of the data processing systems located in the Philippines, notification to the NPC of automatic processing operations by personal data controllers and processors alike, review and approval by the NPC of data sharing agreements, and annual reporting to the commission of security incidents.

#### **Public Consultation**

The NPC invites the public to submit comments on the draft IRRs. A public consultation will also be held by the commission on 28 June 2016 in Makati City.[7] The general public, especially parties primarily affected by the draft IRR's compliance requirements, are encouraged to attend. Representatives of our firm are confirmed to attend the consultation hearing.

#### **Actions to Consider**

Clients are advised to evaluate the applicability and impact of the draft IRR to their respective organizations. Any objections to, and questions or comments on, the draft rules are also recommended to be presented by relevant stakeholders to the NPC as soon as possible and before the forthcoming promulgation of the final version of the IRR. The public consultation to be conducted by the NPC will be an opportune time for entities concerned with data privacy legislation in the Philippines to actively participate in the drafting of the rules with which they have to eventually comply.

[1] REPUBLIC ACT NO. 10173. AN ACT PROTECTING INDIVIDUAL PERSONAL INFORMATION IN INFORMATION AND COMMUNICATIONS SYSTEMS IN THE GOVERNMENT AND THE PRIVATE SECTOR, CREATING FOR THIS PURPOSE A NATIONAL PRIVACY COMMISSION, AND FOR OTHER PURPOSES.

- [2] Proposed IRR of Data Privacy Act of 2012, http://www.gov.ph/2016/06/20/irr-data-privacy-act-2012/.
- [3] Rule VI. Security Measures for Data Protection, Proposed IRR of Data Privacy Act of 2012.
- [4] Rule XIV, Section 68. Period for Compliance, Proposed IRR of Data Privacy Act of 2012.
- [5] Rule XI. Registration and Compliance Requirements, Proposed IRR of Data Privacy Act of 2012.
- [6] Rule XI, Section 50. Review by the Commission, Proposed IRR of Data Privacy Act of 2012.
- [7] Public consultation on Data Privacy Act draft IRR set for June 28, <a href="http://www.rappler.com/technology/news/137303-public-consultation-data-privacy-act-draft-irr">http://www.rappler.com/technology/news/137303-public-consultation-data-privacy-act-draft-irr</a>.

#### For more information



Bienvenido Marquez III
Partner and Head
Intellectual Property Practice Group
bienvenido.marquez@quisumbingtorres.com



**Divina Ilas-Panganiban**Partner
Intellectual Property Practice Group
Divina.llas-Panganiban@quisumbingtorres.com



Neonette Pascual
Associate
Intellectual Property Practice Group
neonette.pascual@quisumbingtorres.com

#### **About Quisumbing Torres**

Quisumbing Torres (QT) is the member firm of Baker & McKenzie International, a Swiss Verein with member law firms around the world.

For more than five decades, we have helped top multinational and domestic companies drive their growth in the country. We provide global reach with deep local roots, delivering exceptional and effective legal advice and assistance to clients across borders seamlessly.

With our team of more than 50 Philippine lawyers, we are a full-service firm, advising clients in the Banking & Finance, Corporate & Commercial, Dispute Resolution, Employment, Immigration, Intellectual Property, and Tax practice areas.

#### **Privacy Policy**

Before you send an e-mail to Quisumbing Torres, please be aware that your communications with us through this message will not create a lawyerclient relationship with us. Do not send us any information that you or anyone else considers to be confidential or secret unless we have first agreed to be your lawyers in that matter. Any information you send us before we agree to be your lawyers cannot be protected from disclosure.

If you wish to opt out of these communications, please click here