

## **United States Is First Country to Join APEC Privacy Recognition for Processors Program**

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The United States recently became the first country to participate in the new Asia-Pacific Economic Cooperation (“APEC”) Privacy Recognition for Processors (“PRP”) program. Finalized in 2016 and designed to certify privacy compliance for personal information processors within the Asia-Pacific region, the PRP program offers a trustmark certification to processors that demonstrate their capacity to assist data controllers in complying with relevant privacy obligations. According to APEC, the PRP program was created so that (1) data controllers are able to identify qualified data processors to implement data controllers’ data processing obligations, (2) data processors are able to demonstrate their ability to provide effective implementation of a controller’s privacy requirements, and (3) small and medium-sized institutions are able to gain exposure and visibility into a global data processing network.

The PRP program consists of four elements: (1) self-assessment, (2) compliance review, (3) recognition/acceptance, and (4) complaint processing and enforcement. Participants in the PRP program must implement data privacy policies and practices that are evaluated by an APEC-recognized Accountability Agent and consistent with the PRP System requirements for all personal information processed on behalf of controllers. APEC notes that the PRP program is not meant to displace or change a member economy’s domestic laws or regulations, but rather provide a minimum level of protection in instances where there are no applicable domestic privacy protection requirements at play.

APEC is the premier Asia-Pacific economic forum designed to “support sustainable economic growth and prosperity in the Asia-Pacific region.” APEC currently has 21 member economies, including Australia, Brunei Darussalam, Canada, Chile, People’s Republic of China, Hong Kong, Indonesia, Japan, Republic of Korea, Malaysia, Mexico, New Zealand, Papua New Guinea, Peru, The Philippines, Russia, Singapore, Chinese Taipei, Thailand, the United States, and Vietnam. The three pillar’s of APEC’s agenda focus on trade and investment liberalization, business facilitation, and economic and technical cooperation.

The PRP program focuses exclusively on processors, but it is intended to complement the existing APEC Cross Border Privacy Rules (CBPR) system and the APEC Privacy Framework (the “Framework”), both of which apply only to personal information controllers. APEC does not, however, require that a CBPR-certified controller engage only a PRP-recognized processor.

Developed in 2004, the Framework facilitates the flow of information between the 21 APEC member economies and their trading partners by promoting a common set of data privacy principles designed to strengthen consumer privacy protections, encourage digital commerce, and facilitate trade and economic growth. Endorsed by APEC Leaders in 2011, the CBPR is a voluntary, accountability-based system that implements the Framework by reducing barriers to information flows, enhancing consumer privacy, and promoting interoperability across regional data privacy regimes. There are currently five participating APEC CBPR system economies, including the United States, Mexico, Japan, Canada, and the Republic of Korea.

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