

**Report on the R&D and the legal system of privacy protection in
Europe (Summary)**

March 2016

NICT Europe Center

EU basic policy on the funding for the R&D of privacy protection technologies and examples of EU research project

- Since 2016, Horizon 2020 has called for the proposals on digital security in its Security section (until 2015 in its ICT section).
- The 2016-2017 work Programme of the Security section in Horizon 2020 proposes 8 topics concerning digital security. This programme does not only assist the technological innovation, but also sociological and economic research as well as the activities promoting international dialogue. It will allocate a total of €118 million.
- In the “EU Cooperation and International Dialogues in Cybersecurity and Privacy Research and Innovation” topic, concerning the activities promoting the international dialogue, Japan and USA are considered as the partners of this international cooperation. So, the European organizations might work on the Japanese organizations actively for exchange and cooperation.
- The PRIPARE project consists of 11 organizations and its total budget amounts to €1,31 million (the project duration: from October 2013 to September 2015). This project prepares the future application of the Privacy and security by design in industry. To this end, it developed the Privacy by design methodology, organized training workshops, provided educational material and made recommendations to the European Commission.
- The PARIS project consists of 8 organizations and its project cost amounts to €4,77 million (the project duration: from January 2013 to December 2015). It developed the Privacy by design methodology for the R&D on the surveillance and biometric system.
- The PRACTICE project consists of 18 organizations and its project cost amounts to €10,46 million (the project duration: from November 2013 to October 2015). The PRACTICE project develops a flexible architecture and tools which realize the computation on encrypted data for data confidentiality in cloud computing.

EU Data protection reform

- The European Parliament and the Council of the European Union have repeatedly deliberated and amended the EU Data Protection rules reform Proposal proposed in 2012 by the European Commission. In December 2016, the European Parliament and the Council of the European Union reached the agreement on the new data protection rules, after 6 months of the “trilogue negotiations” between three institutions namely, the European Parliament, the Council of the European Union and the European Commission. The new rules will be adopted within the year 2016 and implemented in EU member states two years thereafter.
- The Data Protection Reform package consists of two legislative instruments: a General Data Protection Regulation and a Data Protection Directive. The Regulation covers the protection and free movement of data in the European Union more broadly. The Directive deals with the processing of personal data by law enforcement authorities.
- The General Data Protection Regulation strengthens the right for citizens to better control their personal data (easier access to their own data, the right to data portability, the right to be forgotten, the right to know when their data has been hacked, raise of the penalty), and stimulates the EU’s economic growth (unification of the European rules, adoption of “one-stop-shop” approach, benefits

for SMEs). It also specifies the obligation to adopt Data Protection by design. The Data Protection Reform certainly achieves the fundamental right consolidation. However, it is criticized for disturbing the development of business model which uses data as well as for not stimulating the EU economic growth.

- The EU Data Protection rules Reform will have an impact on Japanese organizations. Especially, the new regulation specifies that the EU Data Protection rules are applied outside of Europe. The regulation will apply to companies based outside of Europe if they offer their services to the EU residents or if they monitor the behaviours of EU residents. So, the Japanese organizations will have to recognize the new Data Protection Regulation for not violating it.