

Safe Harbor Privacy Primer

Advances in information technology have enabled companies to collect, compile, analyze and deliver data around the world much more quickly and cheaply than ever before. But these technological advances have also brought new challenges to protecting "information privacy." In fact, some experts believe that privacy concerns will slow the growth of the Internet generally and electronic commerce in particular.

Different countries view privacy issues differently. In the U.S., for example, companies have largely been allowed to "self-regulate." In Europe, by contrast, protection of consumer privacy is the subject of extensive legislation, including a comprehensive Data Protection Directive that took effect in 1998. Foreign companies wishing to receive personal information about European citizens from companies in the European Union (EU) must have policies in place that ensure an adequate level of privacy protection.

In November 2000, the Commerce Department (in consultation with the European Commission) created a "Safe Harbor" program for U.S. companies. A fundamental requirement of the safe harbor program is that companies have a Privacy Policy that addresses seven specific privacy/security principles. Companies that choose to participate in the Safe Harbor program must provide training on their Privacy Policy to employees who handle personal information of consumers. Once certified as a participant in the Safe Harbor program, a U.S. company can receive personal information from EU countries, Switzerland and Canada.

Course Summary

This 25-minute course explains the Safe Harbor program and its seven privacy/security principles in simple, understandable terms. It includes pop-quizzes, news clippings and a final quiz highlighting real-world compliance issues that employees should learn to recognize and deal with appropriately. The topics covered in this course include —

- "Safe Harbor" overview
- Safe Harbor principles
- Notice
- Choice
- Transfers to third parties
- Access
- Security
- Data integrity
- Enforcement