



*Government of Bermuda*  
Ministry of Economic Development

**Ministerial Statement**  
To the House of Assembly  
By  
**Dr. the Hon. E Grant Gibbons, JP, MP**  
Minister of Economic Development

**Personal Information Protection Act (PIPA) Draft Model**  
Date: Friday, July 10<sup>th</sup> 2015

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**Mr. Speaker,** the tabling earlier today of the Personal Information Protection Act or PIPA Draft Model is a milestone in the protection of the rights of the residents of Bermuda.

**Mr. Speaker,** it is difficult to conceive today of life without the Internet and technology. We take for granted the ability to communicate instantaneously with the office or home, watch global events unfolding and even participate in, or comment on, activities as they are happening here or elsewhere. Tools such as social media have provided untold benefits; supporting e-democracy initiatives and highlighting human rights and other injustices, and on a personal level, enabling families and friends around the world to connect in richer ways. Many people would agree that these technology applications and developments have improved our lives, but they are also concerned about the potential abuses of their privacy and security, as data breaches and other misuses increase. In fact, the latest ICT survey undertaken by the Department of E-Commerce, indicated that ninety-seven percent (97%) of Bermuda residents believed that it is important to protect their personal information.

**Mr. Speaker,** It is now also widely recognized that the development of the global economy is largely dependent on the growth of Information and Communication Technologies, or the ICT sector. However the true success and meaningful growth of this sector will depend on the confidence that the public has in its use. Global ICT organisations such as the International Telecommunication Union or ITU, the OECD and trading blocks such as the EU, all clearly state that cyber security is key to the building of confidence and that information privacy laws are a critical element of such security.

**Mr. Speaker,** Honourable Members will be aware that in the Speech from the Throne on November 7, 2014, the Government committed to introducing legislation to protect the rights of individuals with respect to the use of their personal information. This is known as the right to “informational privacy”, which is privacy applied to personal information held by organisations. It is therefore the Government’s intention to provide every Bermuda resident with this important right.

**Mr. Speaker,** The Department of E-Commerce has been working on creating a bespoke privacy framework, which meets the objectives of providing comprehensive privacy rights for individuals. This framework will reflect accepted international standards and will take into account Bermuda’s economic interests and regulatory environment. This has been a difficult task as the international privacy landscape keeps evolving and technology developments create new challenges in this area.

**Mr. Speaker,** The Department’s privacy team has undertaken significant research, consulted with privacy and legal experts, regulators and stakeholders over the course of this initiative. The result has been the development of a draft privacy model designed to meet Bermuda’s unique requirements. This framework is known as the Personal Information Protection Act, or (“PIPA”), Draft Model.

**Mr. Speaker,** The PIPA Draft Model sets out how organisations, businesses and the government may use personal information. It details a set of internationally accepted privacy principles, that reflect accepted standards of good business practices for the use of personal information. It is done in a manner that recognizes the need to protect the rights of individuals in relation to their personal information, and for organisations to use that data to provide services for legitimate purposes. In many cases companies have already adopted some of these practices such as asking a client’s permission prior to putting them on a mailing list. These efforts go a long way in generating trust between customers and service providers.

**Mr. Speaker,** The PIPA Draft Model covers personal information in both the online and offline environments. Highlights of the Model include provisions for the protection of children’s personal information, as well as prohibiting the use of personal “sensitive” information. Sensitive information is a special category and includes such details as race, religion, sexual orientation, etc., which could be used to discriminate against someone.

**Mr. Speaker,** As I mentioned previously, the international privacy landscape is complex, and poses challenges in particular for international companies operating across jurisdictions with differing privacy regimes. For this reason many countries now operate a test of adequacy, especially the European Union (EU), so that organisations based in countries deemed as “adequate”, may when necessary, freely transfer personal information between them. As more countries adopt privacy legislation this network of ‘trusted countries’ becomes larger and those outside it are at a commercial disadvantage. The PIPA Draft Model has been prepared so that an application for “adequacy” can be made so that Bermuda would also be viewed as being “adequate”.

**Mr. Speaker,** The adoption of privacy legislation will help in maintaining Bermuda’s competitive advantage, by promoting Bermuda as a jurisdiction that may be trusted to protect personal information and will bring the country into line with many of our competitor jurisdictions and potential markets.

**Mr. Speaker,** The PIPA Draft Model has been designed to meet the many important and varied objectives previously outlined. However before proceeding with the drafting of the legislation, we feel it is important at this stage to identify any unintended consequences or implications that may result from its implementation. Therefore, with the publication of the PIPA Draft Model, we are also formally launching a period of public consultation, which will take place from July 10<sup>th</sup>, 2015 until August 17<sup>th</sup>, 2015. The public is invited to comment on the PIPA Draft Model and can find copies of the model and related documentation on the Privacy website at [www.privacy.bm](http://www.privacy.bm). Information can also be obtained directly from the Department of E-Commerce. The website will also contain information on how to submit comments, which will all be posted. The consultation period will also include two public information sessions, which will be held to explain the PIPA Draft Model in more detail and to answer questions.

**Mr. Speaker,** The public consultation exercise will assist us in moving forward with developing the legislation that will meet our many requirements and allow the residents of Bermuda to finally say that, “Privacy is my right.”

**Mr. Speaker,** in closing, I would like to acknowledge the early work done by the former Government on this initiative and to express my gratitude to the members of the Privacy team, in particular the Attorney-General’s office through the Chief Parliamentary Counsel, Ms. Cathryn Balfour Swain, our privacy legal experts, Mr. Eduardo Ustaran and Ms. Victoria Holdern from the firm of Hogan Lovell and Mr. Graham Wood. I would particularly like to thank our Ministry Consultant, Nancy Volesky, who has piloted this work from the beginning. And finally, I would also like to thank those stakeholders who have participated in the process to date.

**Thank you, Mr. Speaker.**