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MEP Christian Engström Parlement européen Bât. Altiero Spinelli 08G153 60, rue Wiertz B-1047 Bruxelles/Brussel

November 19<sup>th</sup>, 2012

Dear Mr. Engström,

Nokia is very interested in the draft Data Protection Regulation. The legislation will heavily impact on our ability to seek for optimal protection of our customer's data, our possibilities to successfully offer location-based services, and it will determine whether a globally competitive digital marketplace can develop in Europe.

As the political work on the proposed Data Protection Regulation advances, we understand that key issues are being singled out by the rapporteur, shadows and other interested Members of Parliament, for being made subject to amendments. On the basis of our solid and long-term data protection experience, we would like to recommend that the 'Accountability' principle receives high attention in the parliamentary work and be implemented in the Regulation.

The Accountability concept lays down essential elements of an effective privacy program that all data controllers need to implement, rather than being confronted with old-fashioned static and detailed compliance requirements. This allows controllers to operate according to the best suited up-to-date tools to deliver optimal data protection. It is through the implementation of the accountability concept that Nokia managed to undergo a real transformation towards embracing a true privacy culture. The company is now pro-actively integrating privacy solutions at early stages and in a horizontal fashion into all products and processes instead of perceiving data protection merely as a compliance-led ex-post audit activity.

The Regulation will have to strike a balance between the effective protection of private data and not over-burdening SMEs with obligations. And also in this respect, it would be better to opt for the flexible and size-adaptable Accountability approach rather than working with multiple exceptions for SMEs which complicate the legislation and ultimately reduce protection of data subjects.

Nokia supports the harmonization approach and a sufficient level of detail where this is appropriate (definitions, privacy principles, conditions for processing). But overprescriptive and inflexible requirements in other sections (art. 28 'documentation', art. 33 'data protection impact assessment' and 34 (prior authorization and consultation etc.) will lead to burdensome compliance-driven approaches within companies and turn the focus away from implementing optimal protection according to the Accountability principle. Mandating data protection impact assessments for

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instance for an arbitrarily selected 'rough' category of processing operations and obliging controllers to await reviews by DPAs of the considerable amounts of assessments that will be submitted every week will not be the best way to identify and mitigate risks.

Please find attached to this letter a one pager describing the Accountability concept in further detail and a set of draft amendments which would implement the concept in the draft Regulation. Please do not hesitate to contact us if you have questions or if you would like to discuss this issue in more detail.

Best regards,

Mikko Niva