

Contract Number 235542

## **RACE networkRFID**

ICT-PSP: a European concerted effort on RFID

### **D.1.2.3 – Annual Report on Policy Progress**

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<b>Dissemination Level</b>		
<b>PU</b>	Public	
<b>PP</b>	Restricted to other programme participants (including the Commission Services)	
<b>RE</b>	Restricted to a group specified by the consortium (including the Commission Services)	
<b>CO</b>	Confidential, only for members of the consortium (including the Commission Services)	<b>CO</b>

## High level Objectives

Working Package 1 high level objectives are twofold:

- **Identifying policy barriers to the adoption** of RFID technology and in particular for Small and Medium Enterprises in Europe and strive to overcome them through the support of **seamless policy implementation** measures.
- **Working towards avoidance of unjustified policy fragmentation** of the internal market that would result in barriers to implementation.

## Working Approach

Main targets of WPI working approach are to:

- focus on tools (from a policy perspective) for easy, operational and at the same time privacy friendly RFID adoption in Europe
- select policies areas where RFID can be an enabler: eg food safety, sustainability
- share experiences and regulatory views
- broaden policy dialogue and exchange to stakeholders within and outside the Network.

## Participation

- 10 members in the mailing list
- 9 Conference calls.

## Communication

WPI has taken specific efforts to share its findings to RACE Network at large (including theme presentations on the EU Recommendation, Draft Privacy Impact Assessment Framework as well as RFID use in Agriculture and for food traceability purposes).

## WPI activities 2009-2010

The first year of activities of WPI at RACE Network RFID centered around the adoption and publication of the European Commission Recommendation on Privacy and Data Protection Aspects of Radio Frequency Identification (RFID). The WP also explored new policy areas where RFID deployment could act as an enabler of selected EU priority policy objectives.

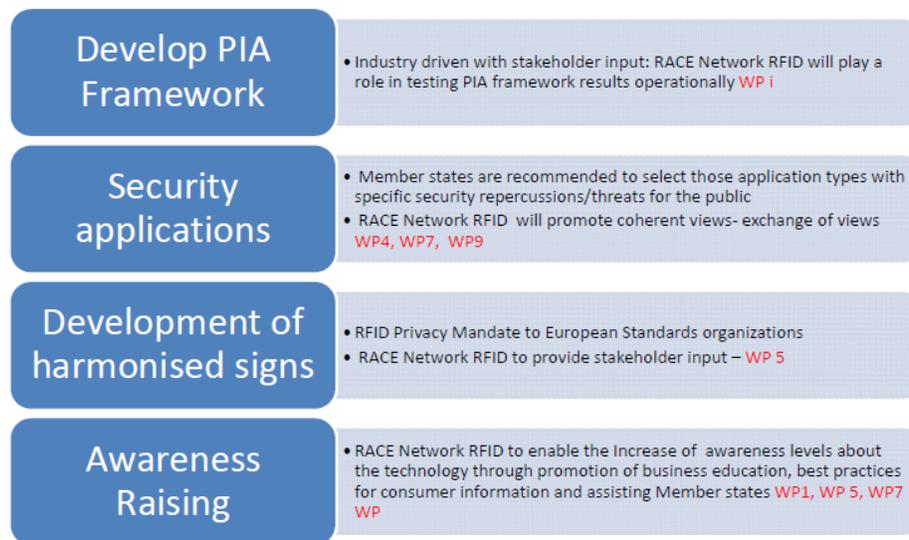
WPI has also acted as a voice for RACE Network RFID on certain policy related matters aiming at informing about current policy making, with a view to encourage internal debate and exchange of views within the network. In a nutshell:

- WPI led the drafting of the **first official statement of RACE Network RFID** after the release of the European Commission Recommendation on Privacy and Data Protection Aspects of RFID, outlining the role of RACE Network RFID contributing towards a seamless implementation of the EU Recommendation by RFID Operators.
- WPI lead the drafting and stakeholder outreach of **the first European wide Privacy Impact Assessment Framework** that aims at giving guidance to RFID operators on how to conduct Privacy Impact Assessments of their RFID Applications.

- WPI has provided **timely policy updates** with particular emphasis on linking policy with business deployment angles.
- WPI has completed a report on **Sustainability policies and RFID use**. This report identifies key European policy priorities in the area of sustainable growth where RFID deployment can serve as an enabler towards the achievement of the 2020 vision for a smarter greener economy.
- Finally, WPI has raised **awareness of RACE Network RFID externally** to policy makers both in and outside the EU.

## RACE Network RFID and the European Commission Recommendation on Privacy and Data Protection Aspects of RFID

### Towards Implementation: RACE Network RFID



**June 9 2009**

## **RACE Network RFID Statement**

RACE Network RFID has been established as a federating platform for all European stakeholders in the development and usage of RFID. RACE RFID Network is uniquely positioned to take active part in the development and dissemination of support measures to ensure that both businesses and consumers benefit from the take-up of RFID. RACE Network RFID places particular focus on the SME community; to that end, RACE Network RFID reiterates its intention to support this community towards an early, efficiency-driven, practical, and easy implementation of RFID. Another focus of RACE Network RFID is to raise the levels of consumer acceptance; in this context, transparency and awareness are key issues to address existing consumer concerns.

On May 12, the European Commission adopted its [RFID Privacy and Data Protection Recommendation](#) providing guidance to Member states and RFID deployers on the use of RFID technology in accordance with privacy and data protection principles enshrined in community law.

RACE Network RFID will work with the European Commission, Member states and other stakeholders towards the development of an EU Roadmap for the implementation of the RFID Recommendation and calls for the following:

1. Ensure coherent application of the guidance provided in the Recommendation to avoid barriers to deployment and the fragmentation of the internal market.
2. Develop guidelines to allow for easy, practical, and effective implementation of the RFID Privacy and Data Protection Recommendation, including the support for the deployment of RFID applications that are privacy friendly and data protection compliant, following the provisions of the Recommendation.
3. Secure meaningful stakeholder input e.g. as regards the development of Privacy Impact Assessment (PIA) guidelines or a common European sign for RFID.
4. Recognise the SME community's needs and requirements.
5. Increase the awareness of RFID use to the benefit of the general public and consumers in particular.

## Draft Privacy Impact Assessment Framework (restricted)

- **In May 2009, the European Commission adopted a nonbinding Recommendation on the implementation of privacy and security principles for RFID applications.**

According to the Recommendation, each RFID application should undergo a privacy impact assessment (PIA). For retail applications, the PIA results will determine if tags need to be automatically deactivated after purchase.

- **A PIA is an analysis of information management processes to ensure that they conform to applicable legal, regulatory, and policy requirements regarding privacy.**

The PIA determines the risks and effects of collecting, maintaining and disseminating information. In addition, it examines and evaluates protections and alternative processes for handling information to mitigate potential privacy risks. The results of a PIA can be used by an RFID operator to show that a particular application does not raise any substantial privacy issues.

- **Presently, there are no guidelines for conducting a PIA for RFID applications in the European Union. The European Commission organized a work group (Informal Implementation Group) of relevant stakeholders (data protection authorities, consumer groups and industry associations) to address Recommendation implementation issues, including the creation of a PIA framework.**

The framework will provide guidance on what information should be in a PIA and what questions a PIA should answer. Once the PIA framework is determined, templates will be developed taking into account sectorial needs and specificities.

- **In the first meeting of the Commission's RFID Recommendation Informal Implementation Group, Industry participants agreed to take the initiative and produce the first draft of a European PIA framework.**

- The PIA Framework should include feedback of other stakeholders, not only RFID related industry.

- **The Final draft was the result of consultation to external industries, as well as input by all members of the Informal Group representing main stakeholders in the area of RFID (consumer groups, privacy advocates, trade unions, standards organizations and US tech industry).**

- **The draft framework provides clear guidance on what information should be in a thorough PIA. The complexity of a PIA will be determined by the privacy implications of a particular RFID application.**

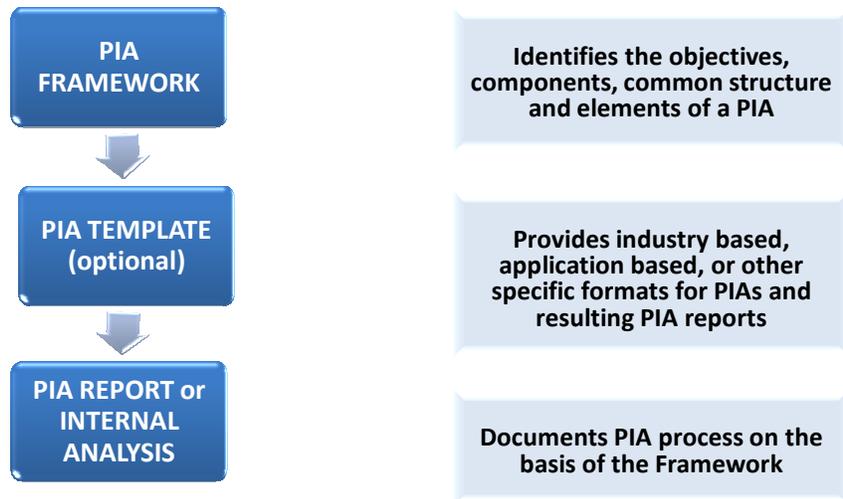
- **The PIA Framework allows for the development of sectoral or application specific templates to make the PIA process easy and implementable by organizations.**

Templates will contain targeted questions and checklists targeted at the sector or type of application concerned. They will also facilitate the completion of the PIA process by focussing on the points relevant for the application or sector.

- The PIA Framework will take effect, 6 months after its endorsement by the Art.29.

- The PIA Framework will only apply to new RFID implementations, or implementations that change substantially after the Framework has taken effect.

## Architecture envisioned



### **PIA Framework Status (February 10, 2010)**

- The draft PIA Framework was submitted by the EU Commission to the Art. 29 Working Party on January 20<sup>th</sup>
- Informal comments are expected by the end of February
- The Art 29 would in principle give an Opinion on the Draft PIA Framework by the end of May
- Once the Framework is adopted, operational templates can be developed.

### **Events**

The following information relates to participation of RACE network RFID relating to WP I actions and activities **beyond** mere updates.

<b>March 13 2009</b>	RACE Network RFID Kick off meeting
<b>October 8 2009</b>	Second RACE Network General Assembly meeting, London
<b>July 2 2009</b>	EU-Japan Cooperation Forum for Research Conference, Brussels
<b>July 3 2009</b>	EU Commission – METI meeting with Japanese industry and RACE, Brussels
<b>December 4 2009</b>	UK Government and stakeholders: UK BIS RFID Recommendation group, London
<b>February 3 2009</b>	Czech Republic Government, Data Protection Commissioners Office and stakeholders on RFID Recommendation
<b>February 22 2010</b>	UK Government and stakeholders: UK BIS RFID Recommendation group