

Current Activities on Smartphone Privacy

User information accumulated on smartphones are collected and handled in various ways through applications (apps), and are sometimes provided to third parties. Smartphone users are not necessarily aware of the handling of such user information.



Smartphone Privacy Initiative (August 2012)

Study Group on Consumer Issues with ICT Services, MIC, carried out a review concerning the necessary measures regarding the handling of user information in smartphone.

<Main Content of the Proposal>

- Presentation of the Basic Guideline for Handling Smartphone User Information
- Development and publication of privacy policies for each application, and establishment of voluntary guidelines by industry organizations



Smartphone Privacy Initiative II (September 2013)

Develop the system where a third party can check the applications from the operation and technical viewpoints, with the purpose of stepping up the effort to create and publish the Privacy Policy and also to secure the effectiveness of appropriate handling of user information on smartphones.

Smartphone Privacy Initiative (SPI)

- o It is considered that smartphone-related operators should have primary responsibility and play a major role in relieving the anxiety of users regarding the user information.
- o The guideline is presented so that various related operators including application providers that are not even members of any specific industry organization can make direct reference. It is also expected that each industry organization will make their own guideline by incorporating additional items based on the actual conditions of their industry.

Six Fundamental Principles

- 1) Ensuring Transparency
- 2) Securing Opportunities of User Participation
- 3) Ensuring Personal Data Collection by Proper Means
- 4) Ensuring Proper Security Management
- 5) Ensuring Properly Handling System of Complaints and Consultation
- 6) Privacy by Design

Measures taken by providers who acquire personal information
(Measures undertaken by Apps Providers, Information Collection Module Providers etc.)

(1) Creation of privacy policy

The provisions should be created in an easily recognizable way for each app and information collection module.
(A simplified version should also be created.)

1. Names of apps providers who acquire personal information
2. Details of the personal information to be acquired
3. How to acquire personal information
4. Specifying and explicitly explaining the purpose of information use
5. How to notify or disclose privacy policy, how to acquire user consent, and the way of user participation
6. Whether personal information is to be transmitted to the external third party and whether information collection modules are installed
7. Counter for contact
8. Procedure for changing privacy policy

- (2) Appropriate safety control measures
- (3) Special instruction on information-collection module providers
- (4) Special instruction on advertisement delivery businesses

Measures taken by other relevant operators

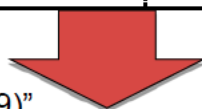
- (1) Mobile telecommunications carriers and mobile terminal providers
 - Explanation when selling smartphones
 - Explanations to be posted on websites on which mobile telecommunications carriers provide applications
- (2) Application Distribution and OS Providers
 - Explanations to be posted on websites on which applications are provided
- (3) Other relevant operators
 - Explanations to be posted on websites that provide recommendation on good applications

[The current situation of the initiative in the industry]

- o Establishment of the **Smartphone Privacy and Security Council** with the participation of more than 35 industrial associations (Telecommunications Carriers Association, Japan Smartphone Security Association etc.)
- o The creation of voluntary guidelines for the industrial associations is in progress in order to promote the preparation and publication of privacy policies for applications. (For example, recommended criterion, etc. for the application developers are being created by the mobile communication carriers who provide the market for applications.)
- o Meanwhile, there is a need to expedite further enhancement of the initiatives in view of the delayed progress on development publication of the privacy policies for applications.

Location	Japan (40 most popular apps)		U.S. (36 most popular apps)	
	Number of target apps	Ratio	Number of target apps	Ratio
In-app	14	35.0%	17	47.2%
App introduction page	10	25.0%	19	52.8%
Website of the developer	32	80.0%	25	69.4%

(Survey conducted in January 2013)



Content of the Initiative “Smart Phone Privacy Initiative II (25.9)”

- Need to promote the **development and publication** of “**privacy policies**” (includes the items of user information to be obtained, the usage purpose, existence or non-existence of the provision to third parties) **by the application providers.**
- Need to promote the improvement of the **verification system by third parties** in terms of the **description of the privacy policy and actual operational status of the applications** in order to increase the sense of security of the user.



Establishing **a third-party verification system** in cooperation with the private sector*.

* Security vendors, operators of application analysis websites, telecommunication carriers, etc.

1. Overview

- Based on Smartphone Privacy Initiative II (SPI II) published in September 2013, a task force was held in December of the same year.
- The main points were the promotion of the implementation and the third-party verification regarding smartphone application privacy policies.
- The report “Smart Phone Privacy Outlook” on the current status of the handling of user information related to smartphone applications, was compiled in March 2014.

Considerations

(1) Promoting the preparation of application privacy policies

- Periodical application surveys and follow-up
 - Implement periodical application surveys to promote the preparation of App privacy policies.
 - Grasp the activities by related organizations and industry groups
- Promotion of this activity in cooperation with related parties including industry groups
 - Grasp the status on the activities that related parties are implementing to spread “privacy policy”. (Example: Standardization of the format of privacy policy)

(2) Promoting the third-party institutions' verification of application privacy policies

- Detailed standard criteria of third-party verification
 - Point out the criteria in providing the “verification service”. This commonly requires the criteria described on SPI II
- Appropriate way of showing the result of third-party institutions' verification
 - Investigate the appropriate way of showing the verification result of smartphone application by the third parties.
- Utilization of the third-party institutions' verification results
 - Study the way of the utilization by users before installing apps (Through application for check etc..) Beforehand, summarization of the result as a database is needed by the third parties.
- Publication of the third party institutions providing Apps verification service and the ones providing information collection modules
 - As the information for public users, describe the service providers that verify the safety of smartphone apps and its overall service contents (purpose, criteria for verification, technique etc..) Also, list the information collection modules in cooperation with related parties.

Demonstrative Experiment for Third Party Verification Regarding Smartphone Applications

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1. Overview of measures and policies

- Establish a Demonstrative Experiment Council to discuss technical issues, etc. necessary when third parties other than the application developer verify the handling of the user information of each application. Concurrently study the mechanism where users can review verification results, and conduct demonstration experiments.
- As regards the results of the demonstrative experiments, compile and publicize the results as guidelines, and by establishing a typical verification standard and verification methodology, build and popularize a third party verification system which is easier to utilize for the users.
- During this fiscal year conduct demonstrative experiments focusing on the verifications preferred by the application developers. (Study the possibility on whether to verify applications made by the central government local governments.)

2. Other initiatives

- Implement research work on the status on the handling of application user information, such as creation and publication of privacy policies
- Study the third party verification of applications with the task force and utilize the result by corresponding and reflecting the result in the demonstrative experiments.

