

Media Release

## **Number of organisations breaching the Personal Data Protection Act rise significantly in Singapore**

*Increased number of enforcement action due mostly to common mistakes in failing to protect personal data*

**Singapore, 17 September, 2019** - The Data Protection Excellence (DPEX) Centre, the autonomous research and education arm of Straits Interactive, today announced that the number of organisations breaching Singapore's Personal Data Protection Act (PDPA) has reached record levels and have already surpassed the total number of enforcement cases in 2018.

As of the end of August 2019, there were 26 organisations who were either fined or warned in enforcement cases as compared to 23 organisations recorded in the full year of 2018 (refer to Appendix, Image 1). This represents a 13% increase in enforcement action by the Personal Data Protection Commission (PDPC). A total of S\$1.28m in fines have been issued to date this year, the majority of which came from fines imposed because of the SingHealth-IHIS data breach. The accumulated fines this year dwarfs the total amount recorded from 2016 to 2018, which amounted to only \$339,000 (Appendix, Image 2).

Said Kevin Shepherdson, Head, DPEX Centre and CEO, Straits Interactive, "About 80% of all valid cases were due to the breach of the protection obligation where personal data was compromised and was leaked, mostly due to the organisation's employee error or negligence instead of malicious activity. In fact, only 15% of such enforcement cases were due to a cyber- attack. This amounts to about four enforcement cases a month. As such, organisations are advised to beef up their governance and data protection practices to proactively address common breach scenarios and demonstrate accountability, or they risk enforcement action."

### SUMMARY OF FINDINGS (2016 to present)

#### **Top 10 Common Causes of PDPA Breaches**

1. Untrained staff
2. No data protection policies
3. Inadequate security controls
4. Lack of appropriate SOPs
5. Weak passwords
6. Poor system/software design
7. Sending to wrong recipients
8. Failure to verify the accuracy of processed data
9. System security not audited regularly
10. Error in processing/printing

## Top 5 Sectors

1. Financial (14%)
2. Retail (14%)
3. Volunteer Welfare Organisations (10%)
4. Professional Service (9%)
5. Food & Beverage (9%)

## Top Breaches of PDPA Obligations

1. Protection - sec 24 (80%)
2. Policies - sec 12a (17%)
3. Consent - sec 13 (16%)
4. DPO compliance - sec 11 (9%)
5. Purpose Limitation - sec 18 (8%)

Under PDPC's active enforcement framework, the Commission may consider an expedited decision for organisations which suffer from common PDPA breaches and which make an upfront admission of liability for breaching relevant obligation(s) under the PDPA. Where deciding on the quantum of the financial penalties are involved, the organisation's admission of its role in the incident will be taken as a mitigating factor.

The increased enforcement action will likely prompt more organisations to go for the data protection trustmark (DPTM) certification, as having accountable practices is one of the conditions under PDPC's Active Enforcement Framework where organisations may request for an undertaking in the event of a common breach of a PDPA obligation. In addition, they are expected to have an effective remediation plan.

Organisations who would like a better understanding of common breaches can refer to the book, "99 Breaches to Beware of" written by DPEX Centre collaborators, Kevin Shepherdson, Lyn Boxall and William Hioe.

A web conference will be held on 19 September at 10.00am where the Centre will share more about the research results and what it means to organisations complying with the PDPA. Interested parties can sign up to the event at <http://bit.ly/DPEX1909>

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Notes:

<sup>1</sup> Appendix Image 3

## **About the Data Protection Excellence Centre, Singapore**

Founded in 2017, the Data Protection Excellence (DPEX) Centre is a digital platform where organisations and certification bodies have come together to help enhance data protection in the ASEAN region. DPEX aims to:

- assist organisations and individuals in the ASEAN region who are new to data protection laws with hands-on training and professional certification courses;
- promote the sharing of best practices, collaborations with local and international institutions on research in data protection and operational compliance;
- offer a reservoir of Data Protection Officer (DPO) expertise, advisory, solutions and technologies in data privacy/protection.

Information about DPEX Centre can be found on [www.dpexcentre.com](http://www.dpexcentre.com)

## **About Straits Interactive**

Straits Interactive delivers end-to-end governance, risk and compliance solutions that enable trusted business and responsible marketing, especially in the area of data privacy and protection. Recently voted one of the Top 25 Compliance Solutions Providers in the Asia Pacific by Asia Pacific CIO Outlook magazine, we help businesses achieve operational compliance and manage risks through a combination of cloud technology and professional services. Our software-as-a-service solutions include the DPOinBox and Governance, Risk & Compliance System (GRACIAs), all of which are supported by professional services that include advisory services, audits, and training. More information about the company can be found on [www.straitsinteractive.com](http://www.straitsinteractive.com).

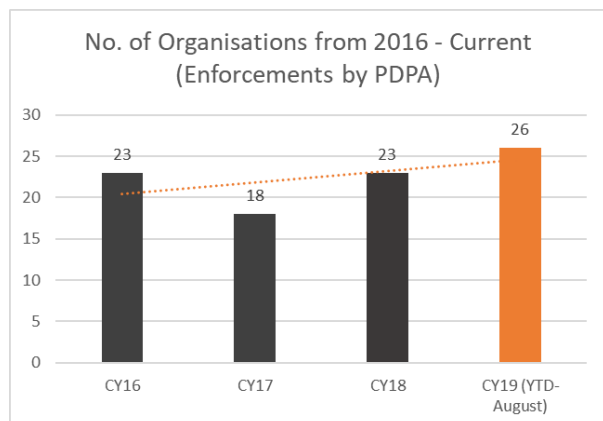
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# APPENDIX

## 1) NUMBER OF ORGANISATIONS FOUND IN BREACHES FROM 2016

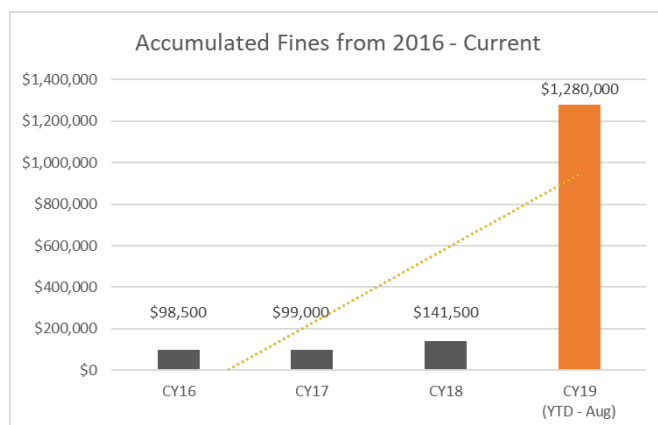


YEAR	No. of Organisations
CY16	23
CY17	18
CY18	23
CY19 (YTD – August)	26

Note: Only valid cases are included in this research. Each enforcement case may include more than one organisation.

As shown in the chart above, there is an upward trend in the number of organisations that were involved in enforcement cases by PDPC from 2016 to 2019. In fact, the number of organisations as of August 2019 has already exceeded the total number of organisations in the full year of 2018 by 13% and is expected to continue to rise.

## 2) ACCUMULATED FINES FROM 2016 - CURRENT



YEAR	\$
CY16	\$98,500
CY17	\$99,000
CY18	\$141,500
CY19 (YTD - Aug)	\$1,280,000
<b>Total</b>	<b>\$1,619,000</b>

A total of S\$1.28 million in fines have been issued to date this year (August 2019), the majority of which came from fines imposed because of the SingHealth data breach. The accumulated fines in 2019 dwarfs the total amount recorded from 2016 to 2018, which amounted to only \$339,000 in accumulated fines by almost three times.

Even after removing the anomaly of the Singhealth breach of one million fine, the accumulated fines in 2019 year till date (end Aug) which is S\$280,000 still doubles that of the previous year (S\$141,500).

### 3) PDPA BREACHES FROM 2016 - CURRENT

PDPA	AVERAGE
11 Appointment of DPO	9%
12(a) Policies	17%
13 Consent	16%
18 Purpose Limitation	8%
20 Notification	6%
21 Access	0%
24 Accuracy	0%
24 Protection	80%
25 Retention	1%
26 Transfer	2%

No. of Organisations from 2016 - Current  
(Cyber-attack vs Negligence)

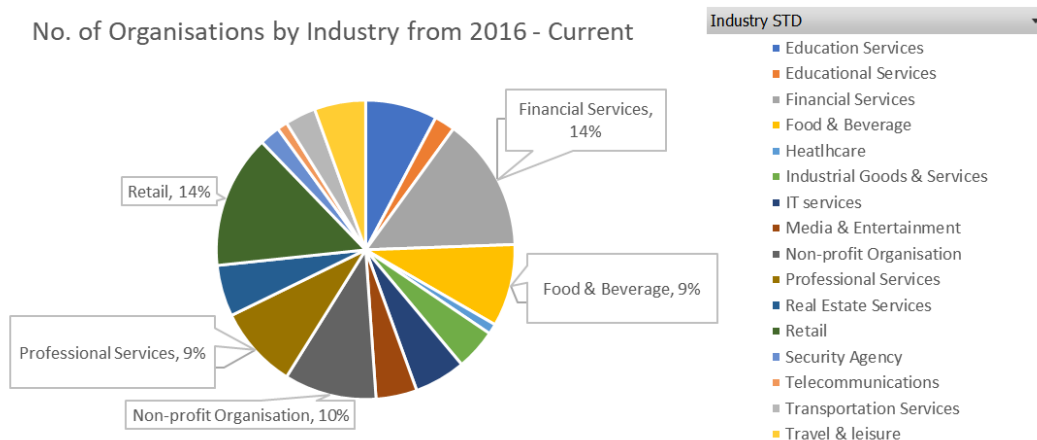


Note: There could be breach of more than one obligation per enforcement

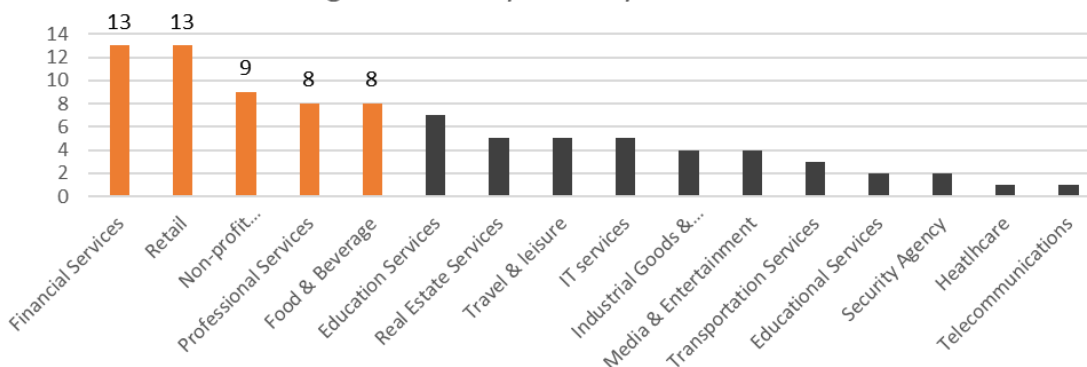
80% of all organisations that were enforced from 2016 to 2019 were due to the breach of the protection obligation where personal data was compromised and was leaked, mostly due to negligence instead of malicious activity. In fact, only 15% of such enforcement cases were due to a cyber-attack. The lack of policies (17%) and no consent (16%) were the other two common PDPC obligations that are breached in the enforcements. This amounts to about four enforcement cases a month.

### 4) ORGANISATIONS BY INDUSTRY FROM 2016 - CURRENT

No. of Organisations by Industry from 2016 - Current



No. of Organisations by Industry from 2016 - Current



The Retail sector (14%), Finance Sector (14%) and Non-profit organisations contributed to more than one-third (38%) of all enforcement cases from 2016 to 2019.