

**ADDRESS TO THE EUROPEAN PARLIAMENT BY MINISTER FOR
EUROPEAN AFFAIRS PAULA LEHTOMÄKI ON 13 DECEMBER 2006 –
DATA PROTECTION**

The issue of data protection has featured prominently during the Finnish Presidency. Some of the challenges the Presidency has faced on this matter were known about in advance, such as the promotion of the third-pillar Framework Decision on data protection. But some unforeseen situations have also arisen requiring a prompt and appropriate response from the Presidency. Two cases in point are the negotiations on a new agreement with the United States on passenger-list, or PNR, data and the issue of bank transfer data administered by the SWIFT company.

The Finnish Presidency is aware that the European Parliament has repeatedly expressed its position underlining the importance of the Framework Decision on data protection in the third pillar and calling for its speedy adoption. Accordingly, the Proposal for the Framework Decision has been one of the priorities within the framework of justice and home affairs during this Presidency. Our ambitious goal was to reach political consensus on the Framework Decision during the Finnish Presidency.

During the Finnish Presidency a considerable amount of time and effort has gone into making progress with the Framework Directive. The first reading of the Framework Decision was completed, followed by the second and third readings. In addition, the Article 36

Committee and Coreper were asked to examine specific issues on several occasions.

Despite these efforts, the timetable proved to be too tight. It is clear that no consensus will be reached during the Finnish Presidency. As a result, the responsibility for processing the Framework Decision will pass on to the German Presidency.

The Proposal for the Framework Decision is an extremely extensive and complex issue; its implications for police and judicial cooperation and the protection of the personal data of those registered require close attention and examination. One indication of the complexity of the issue is that a number of key points remain outstanding, though much progress has been made. For example, questions relating to the scope of application have not yet been fully resolved. The most important outstanding issue is whether the data protection principles of the Framework Decision will be applicable to domestic data processing as well or whether they should be restricted to what is called cross-border data.

Another major task for the Finnish Presidency this autumn was to renegotiate the agreement on the release of PNR data to US authorities. In terms of its main contents, the new agreement reached as a result of the negotiations is identical to the 2004 Agreement. Airline companies will be able to continue to operate as in the past and release PNR data to the United States. At the same time, the United States made a commitment to maintain an adequate standard of data protection.

The agreement signed in mid-October is of an interim nature and will remain in force until the end of July 2007. The plan is to have more permanent procedures for the release of PNR data in place by that time. Efforts are being made to start these presumably highly intricate talks as soon as possible. Preparations for a new mandate for talks are now being made.

The importance of the new PNR Agreement scheduled for 2007 is further underlined in the light of recent reports concerning the Automatic Targeting System, or “ATS”, maintained by the US Government. ATS collects information from a wide range of sources – including PNR data on airline passengers arriving in the United States – for the purpose of facilitating risk evaluations.

The Council and Commission have been aware of the existence of the ATS since the first joint review of the application of the PNR Agreement in September 2005. However, it was not until 2 November 2006 that the Homeland Security Secretary gave a description of the system, published in the US Official Gazette.

The compatibility of the current and future PNR agreements with the ATS system is now being clarified, particularly with regard to data-retention times, the release of data to third parties and purpose limitation.

The Presidency and the Commission have sent the US authorities an official enquiry concerning the matter. Parliament will be informed of the outcome.