

## **Circular**

Circular No. 08-02 (CR)

- **Management of estate agencies should take information security measures to protect data privacy**

### **Information Security for Privacy Protection**

Information security has become a major issue of concern following a series of incidents involving leakage of personal data on the Internet. As a general practice, service providers should ensure data security in the provision of service to their clients. Hence, the Estate Agents Authority urges estate agency practitioners to take necessary information security measures to protect data privacy.

In particular, management of estate agencies should put in place risk-based policies and procedures to reduce information security risks arising from their estate agency work. Information security must be addressed throughout the life cycle of each computer system.

Estate agencies may from time to time acquire external Information Technology (IT) services and/or IT-related consultancy services. It is important to safeguard against security incidents such as data corruption or data leaks arising from the outsourcing of these IT services. Estate agencies should put in place the necessary terms and conditions to safeguard the confidentiality of the computer system and data. They should also devise the necessary measures and controls for monitoring contractors' compliance during execution of the contract.

If a practitioner is found to have failed to put in place measures to safeguard information security and such failure results in a leak of his clients' personal data, he may be in breach of the Personal Data (Privacy) Ordinance (Cap. 486). In addition, pursuant to Section 15 of the Estate Agents Practice (General Duties and Hong Kong Residential Properties) Regulation, the management of an estate agency shall establish proper procedures or systems to supervise and manage its estate agency business. Failure to put in place proper security measures to safeguard information security may be seen as not having established a proper system to manage a business and may therefore amount to a breach of Section 15, giving rise to disciplinary action by the Authority.

February 2008