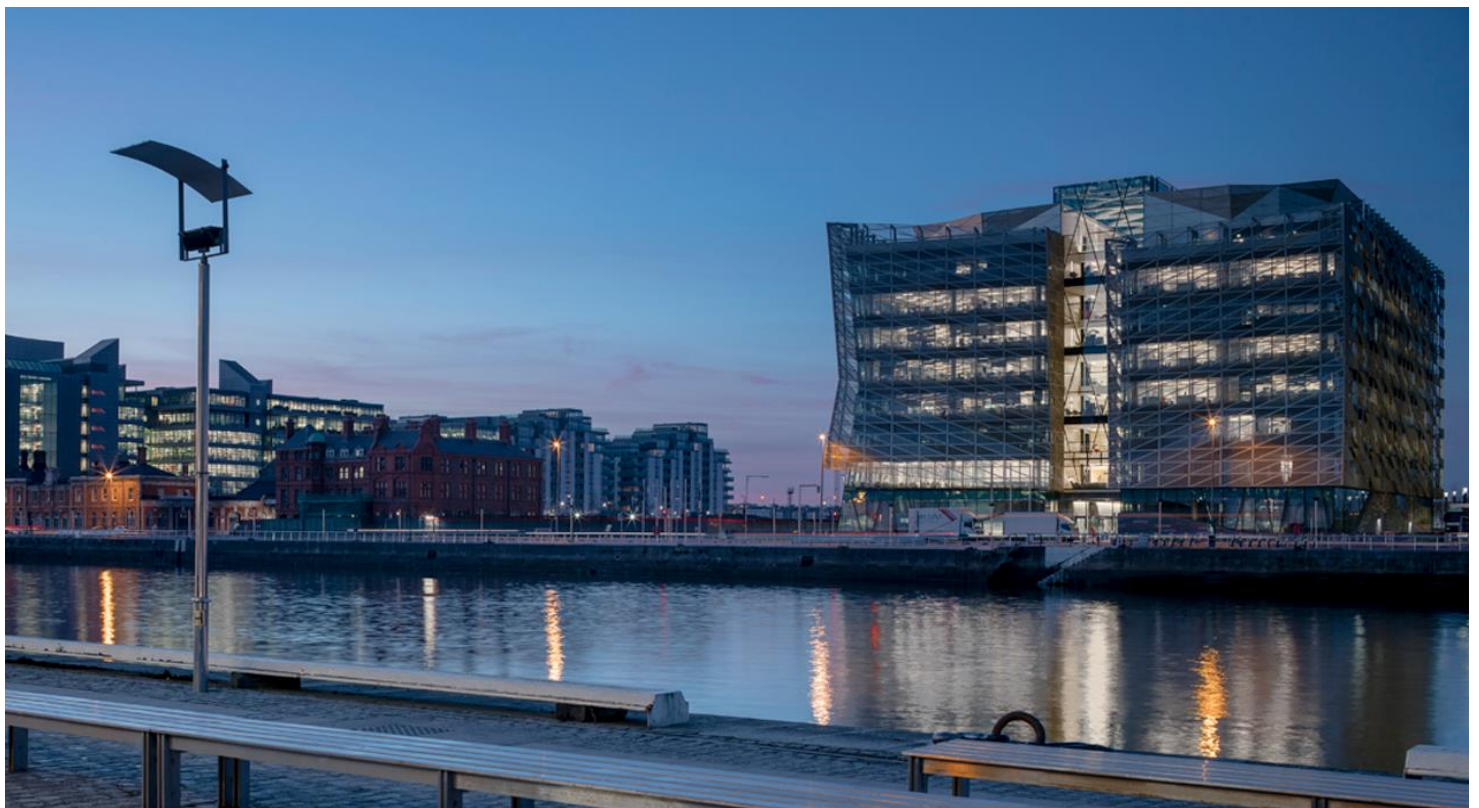


Summary Report: Data Protection Impact Assessment – Ireland Safe-Deposit Box, Bank and Payment Accounts Register (ISBAR)

September 2022

Version 1.0



Disclaimer: The information contained in this summary report is provided on an “as is” basis as at September 26th 2022. This summary report will not be updated after this date. The most up to date information relating to ISBAR will be available via the dedicated ISBAR pages on the Central Bank of Ireland Website.

ISBAR – Data Protection Impact Assessment (DPIA) – Summary Report

Introduction

This Data Protection Impact Assessment summary report was prepared by the Central Bank of Ireland (“the Bank”) to communicate the data protection and privacy risks to data subjects arising from the proposed establishment and operation of Ireland Safe-Deposit Box, Bank and Payment Accounts Register (“ISBAR”).

Background

ISBAR Background

The fifth EU Anti-Money Laundering Directive ((EU) 2018/843) (5AMLD), and certain Articles in EU Anti-Money Laundering(AML)Directive ((EU) 2019/1153) (5AMLD additional) set out the requirement for member states to maintain a central register of beneficial ownership details of bank and payment accounts and safe deposit boxes held by designated Financial Institutions.

Statutory Instrument (S.I.) ¹46 of 2022 details the scope of obligations on these institutions and the responsibilities on the Bank in establishing and operating the register. The S.I. further sets out that the Bank will be the sole operator of the register in Ireland and the register will be accessible to the Financial Intelligence Unit (FIU) within An Garda Síochána. Future legislation will extend ISBAR access to other branches of An Garda Síochána and other competent authorities including designated individuals in the Criminal Assets Bureau (CAB) and in Revenue. There will be no public access to the register.

ISBAR will leverage Bank infrastructure and technology to receive data from in-scope institutions and to perform appropriate data validation checks before storing this data in a secure and standalone database. This will enable appropriately authorised users in designated competent authorities (i.e. per the legislation) to securely search and retrieve information from the register. The scope of ISBAR extends to personal and corporate Bank and Payment Accounts identified by Irish IBAN and also includes Safe Deposit boxes. ISBAR will require the collection and storage of a finite amount of personal ²data pertaining to data subjects.

¹ The DPIA concluded before the legislation was finalised and signed by the Minister for Finance

² Per S.I. 46 of 2022, ISBAR will store the Forename, Surname, Date of Birth and Address of persons, where such persons are recorded as the Customer Account Holder, and/or a Person Purporting to Act on behalf of the Customer Account Holder and/or the Beneficial Owner of the Customer Account Holder, as applicable.

What is a DPIA?

A Data Protection Impact Assessment (“DPIA”) describes a process designed to identify risks arising out of the processing of personal data and to minimise these risks as far and as early as possible. Under the GDPR, a DPIA is mandatory where data processing “is likely to result in a high risk to the rights and freedoms of natural persons”. This is particularly relevant when a new data processing technology is being introduced. In cases where it is not clear whether a DPIA is strictly mandatory, carrying out a DPIA is still good practice and a useful tool to help data controllers comply with data protection law.

Why is a DPIA important?

A DPIA helps organisations identify the data protection and privacy risks or potential risks that may result from new projects, the introduction of new technology, processes or processing activities. By completing a DPIA during a project it is possible to not only identify processing which is likely to result in a high risk to the rights and freedoms of natural persons, but also to address such issues during the project lifecycle. Given this early consideration of such risks and the ability to address such issues during the project stage, DPIA’s enable privacy by design.

ISBAR DPIA Scope

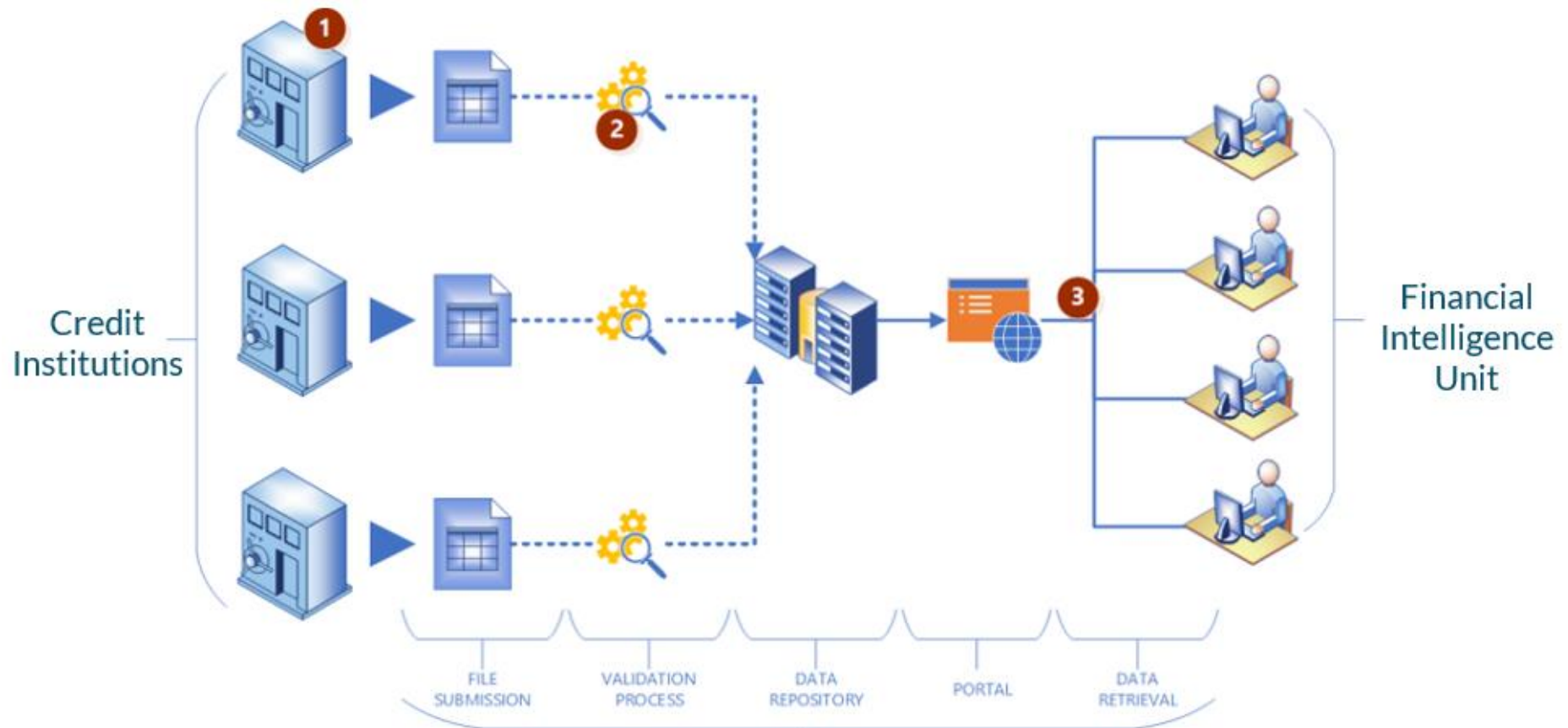
This DPIA was:

- Limited to the CBIs role as a controller in the process; and
- Limited to the requirements of the fifth EU Anti-Money Laundering Directive ((EU) 2018/843) (5AMLD), and certain Articles in EU Anti-Money Laundering (AML) Directive ((EU) 2019/1153) (5AMLD additional).

The following was deemed out of scope for the purposes of this DPIA:

- Risks associated with activities conducted by Financial Institutions (including Credit Institutions) and the Financial Intelligence Unit (FIU) where these entities are operating as independent data controllers; and
- An appraisal of future legislation that could result in additional uses and/or grant additional access to ISBAR outside the remit of Anti-Money Laundering and Countering Terrorist Financing.

High Level Data Flows



1. *Credit Institutions* submit data to the Bank
2. The data is subject to systematic data validation checks before it is uploaded to a secure data repository (i.e. the register)
3. Authorised users within the *Financial Intelligence Unit* (FIU) of An Garda Síochana may search and retrieve information from the register

Mazars DPIA

The Bank engaged the services of Mazars to undertake a DPIA in relation to ISBAR – this exercise concluded in December 2021. This report has been prepared by the Bank for the purpose of providing a summary of the DPIA. This summary does not disclose all details on the risks identified or remediation actions taken.

Mazars assumes no responsibility in respect of, or arising out of, or in connection with the contents of this document. If others choose to rely in any way on the contents of this report they do so entirely at their own risk.

What did the DPIA Conclude?

The DPIA identified 14 Data Protection risks. These risks were reported to the Central Bank of Ireland for consideration.

What did the Bank do about these Risks?

The Central Bank of Ireland and the ISBAR Project considered the recommendations of the DPIA. Remediation actions to address each of the risks identified (see table on next page) were implemented by the Central Bank of Ireland division responsible for implementing the ISBAR project.

At the time of writing this summary report (i.e. September 2022), the establishment of ISBAR is pending the completion of project activities. A finite number of remediation actions to address the risks set out in the DPIA are dependent on the completion of certain project activities. All such activities will be completed before the end of Q1 2023.

ISBAR DPIA – Mazars		
#	Data Protection Risk	Status (September 2022)
1.	The legislation to underpin ISBAR is currently in draft and subject to further clarification and changes, which could undermine the approach being taken.	Closed
2.	There is a risk that we do not meet the transparency obligations, privacy notices need be published by the Central Bank of Ireland (CBI), Financial Institutions (FIs) and the Financial Intelligence Unit (FIU) that reflect the ISBAR process.	CBI – Closed <i>FI's & FIU – Pending</i>
3.	This is a new source of data for CBI. CBI teams may identify benefits through using the data in conjunction with other CBI datasets, resulting in additional uses of the data which have not been considered and deemed compliant.	Closed
4.	There is a risk that more data is processed than necessary due to design of the system being reliant on a repository of data in ISBAR as opposed to a retrieval approach where data is extracted from the Financial Institution systems on a request by request basis. We note that delivering a system based on retrieval would be very technically challenging to some FIs and so may not be practical in the mandated time period.	Closed

5.	There is a risk that other public bodies may request access and/or be granted access to ISBAR through other legislation relating to their activities. At present access to ISBAR is under relevant AML legislation.	Closed
6.	There is a risk that the use of PPSN as a search criteria over other search criteria will not enhance the utility and effectiveness of the register without a critical mass of PPSN details for those persons recorded on the register.	<i>* Not Applicable</i>
7.	There is a risk that limited information search criteria does not adequately distinguish data subjects, leading to false positives. False positives could result in unnecessary investigations and potentially negative consequences for members of the public.	Closed
8.	The DPIA is taking place during the project lifecycle and is subject to the normal technology project risks such as data not populating correctly or inaccurate results being returned.	To be Closed (Pending Project Deliverable)
9.	There is a risk that information on ISBAR will not be up to date. There is currently no process in place to prompt or remind a Financial Institution to upload a delta file. There is potential that some FIs will not do regular updates, leading to inaccuracies for an individual who may have accounts across several FIs. There is also the potential this will lead to inaccurate search results due to the data not being up to date.	To be Closed (Pending Project Deliverable)
10.	While closed accounts will be removed from ISBAR after five years. The status of dormant accounts has not been confirmed.	Closed

11.	There is a risk that ISBAR backups result in closed account data being stored for more than five years.	**Under Active Consideration
12.	There is a risk that a technical vulnerability could result in an incident impacting the security, integrity or confidentiality of the data.	To be Closed (Pending Project Deliverable)
13.	In the absence of the final legislation the role of CBI, FIs and FIU in this process have not been confirmed.	Closed
14.	ISBAR will result in multiple data sharing relationships. These need to be clearly defined to ensure each party is aware of their responsibilities.	To be Closed (Pending Project Deliverable)

*Not Applicable – With regard to Data Protection Risk # 6 outlined in the table above, the legislation enabling the establishment and operation of ISBAR (i.e. S.I. 46 of 2022) does not prescribe either the collection or use of PPSN. Any proposed future collection or use of PPSN in the context of ISBAR would require prior consultation with the Department of Social Protection and the Data Protection Commission (DPC), as well as requiring separate legislation.

**Closed accounts reported to ISBAR will only date back to 03 Feb 2022, the issue of data pertaining to closed accounts more than 5 years old will not arise until February 2027 at the earliest. The Central Bank has initiated a project, which will deliver a solution to this issue well in advance of this date.

Remediation Actions Review

A desk-based review of actions taken by the Central Bank of Ireland to mitigate risks outlined in the table above was carried out in September 2022. A further review will take place in December 2022 in line with the tracking of related project deliverables. The review process will continue until all identified risk items are closed to the satisfaction of relevant stakeholders.