

# CONTENTS

<i>Foreword</i> .....	v
<i>Note to the Readers</i> .....	vii
<i>Acknowledgments</i> .....	ix
<i>Abstract</i> .....	xi

## PART I.

INTRODUCTION .....	1
--------------------	---

### Chapter 1.

Background .....	3
------------------	---

### Chapter 2.

Problem Statement .....	7
-------------------------	---

1. A broken “binary” .....
2. The threshold for (joint) control .....
3. The implications of “granular” control .....

### Chapter 3.

Research Questions .....	13
--------------------------	----

### Chapter 4.

Structure and Methodology .....	17
---------------------------------	----

1. State of the art .....
2. Historical-comparative analysis .....
3. Use cases .....
4. Recommendations .....

## PART II.

STATE OF THE ART .....	21
------------------------	----

### Chapter 1.

Introduction .....	23
--------------------	----

<b>Chapter 2.</b>	
<b>Scope of EU Data Protection Law</b> .....	25
1. Material scope .....	25
2. Territorial scope.....	28
<b>Chapter 3.</b>	
<b>Basic Protections</b> .....	33
1. Key principles.....	33
2. Transparency and data subject rights.....	37
3. Confidentiality and security .....	40
4. Supervisory authorities.....	42
5. Accountability .....	43
<b>Chapter 4.</b>	
<b>Allocation of Responsibility</b> .....	47
1. Key elements of the “controller” and “processor” concepts .....	47
1.1. Controller .....	48
1.2. Processor.....	52
2. The relationship between controllers and processors .....	53
2.1. Due diligence .....	53
2.2. Bound by instructions.....	55
2.3. Legal binding .....	57
2.4. Distinguishing between controllers and processors .....	62
A. Circumstances giving rise to “control”.....	63
B. “Purpose” over “means” .....	65
C. Additional criteria .....	67
D. Dynamic perspective.....	68
2.5. Importance of the distinction .....	70
3. The relationship between (joint) controllers .....	72
3.1. “Joint control” vs. “separate control” .....	72
A. Joint control.....	72
B. Separate control .....	74
C. Decisive factor.....	75
3.2. The typology of Olsen and Mahler.....	76
A. Single controller .....	77
B. Collaborating single controllers.....	77
C. Partly joint controllers.....	78
D. Full scope joint controllers .....	79
3.3. The arrangement between joint controllers.....	79

**Chapter 5.**

<b>Liability Exposure of Controllers and Processors</b> .....	83
1. Directive 95/46: “strict” liability for controllers .....	83
1.1. Controller liability .....	84
A. The nature of controller obligations .....	84
B. A non-delegable duty of care .....	85
C. Burden of proof .....	88
D. Defences .....	90
E. Eligible damages .....	94
1.2. Processor liability .....	95
A. Failure to implement controller instructions .....	96
B. Acting outside of processing mandate .....	97
1.3. Multiple controllers .....	97
A. Separate controllers .....	98
B. Joint controllers .....	100
2. The GDPR: “cumulative” liability for controllers and processors .....	103
2.1. Controller liability .....	103
A. The nature of controller obligations .....	103
B. Non-delegable duty of care .....	104
C. Burden of proof .....	104
D. Defences .....	105
E. Eligible damages .....	107
2.2. Processor liability .....	108
A. The nature of processor obligations .....	108
B. Proportional liability .....	109
C. Burden of proof .....	111
D. Defences .....	112
E. Sub-processing .....	112
F. Eligible damages .....	113
2.3. Multiple controllers .....	113
A. Separate controllers .....	113
B. Joint controllers .....	113
C. Apportioning liability .....	114
3. Conclusion .....	114

**Chapter 6.**

<b>Specific Issues</b> .....	117
1. Individuals within organisations .....	117
2. Branches, departments and subsidiaries .....	121
A. An (over)emphasis on legal personality? .....	122
B. Corporate concerns .....	126
C. Governmental bodies .....	128

3.	The role of “third parties” and “recipients” .....	129
	A. Third party .....	129
	B. Recipient .....	132
	C. Importance of the distinction .....	134
	D. A “third group” among those processing personal data? .....	135
4.	Sub-processing .....	136
	A. Directive 95/46 .....	136
	B. GDPR .....	138

**Chapter 7.**

**Additional Functions of the Controller and Processor Concepts .....** 141

1.	Territorial scope .....	141
2.	Compliance with substantive provisions .....	143
	2.1. Transparency of processing .....	143
	2.2. Data subject rights .....	143
	2.3. Balance of interests .....	144
	2.4. Legal binding .....	144

**Chapter 8.**

**Conclusion .....** 145

**PART III.**

**HISTORICAL-COMPARATIVE ANALYSIS .....** 149

**Chapter 1.**

**Introduction .....** 151

**Chapter 2.**

**The Emergence of Data Protection Law .....** 155

1.	Historical context .....	155
2.	Rationale .....	156
3.	Goals of data protection regulation .....	157
4.	National and international development .....	160

**Chapter 3.**

**National Data Protection Laws before 1980 .....** 163

1.	The Hesse Data Protection Act (1970) .....	163
	1.1. Origin and development .....	163
	1.2. Scope .....	165
	1.3. Basic Protections .....	166
	A. Protection of data .....	166

B.	Rights for individuals .....	167
C.	Access to information by legislature .....	167
D.	Data Protection Commissioner .....	168
1.4.	Allocation of responsibility and liability .....	168
1.5.	Conclusion .....	173
2.	The Swedish Data Act (1973) .....	174
2.1.	Origin and development .....	174
2.2.	Scope .....	177
2.3.	Basic Protections .....	178
A.	Prior authorization .....	178
B.	Duties of a “responsible keeper” .....	180
C.	Data Inspection Board .....	182
2.4.	Allocation of responsibility and liability .....	183
2.5.	Conclusion .....	186
3.	The French Law on Informatics, Files and Liberties (1978) .....	188
3.1.	Origin and development .....	188
3.2.	Scope .....	190
3.3.	Basic protections .....	191
A.	Prior consultation or declaration .....	192
B.	Data processing requirements .....	194
C.	Data subject rights .....	198
D.	National Committee on Informatics and Liberties (CNIL) .....	199
3.4.	Allocation of responsibility and liability .....	200
3.5.	Conclusion .....	206
<b>Chapter 4.</b>		
<b>International Instruments .....</b>		
		<b>207</b>
1.	Introduction .....	207
2.	The OECD Guidelines (1980) .....	208
2.1.	Origin and development .....	208
2.2.	Scope .....	209
2.3.	Basic protections .....	210
A.	Basic principles of national application .....	210
B.	Basic principles of international application .....	213
C.	National implementation .....	213
D.	International co-operation .....	214
2.4.	Allocation of responsibility and liability .....	214
2.5.	Conclusion .....	219
3.	Convention 108 (1981) .....	220
3.1.	Origin and development .....	220
3.2.	Scope .....	222
3.3.	Basic protections .....	223

A.	Basic principles for data protection	223
B.	Transborder data flows	225
C.	Mutual assistance	226
3.4.	Allocation of responsibility and liability	226
3.5.	Conclusion	229

**Chapter 5.**

	<b>National Data Protection Laws after 1981</b>	231
1.	United Kingdom (1984)	231
1.1.	Origin and development	231
1.2.	Allocation of responsibility and liability	234
A.	The Younger Committee	234
B.	The Lindop Committee	236
C.	The 1984 Data Protection Act	240
i.	Data user	240
ii.	Computer bureau	243
iii.	Distinguishing "users" from "bureaux"	244
iv.	Allocation of responsibility and liability	247
1.3.	Conclusion	251
2.	Belgium (1992)	252
2.1.	Origin and development	252
2.2.	Allocation of responsibility and liability	254
A.	"Controller of the file"	254
B.	"Processor"	258
C.	Civil and criminal liability	259
2.3.	Conclusion	260

**Chapter 6.**

	<b>Directive 95/46/EC</b>	261
1.	Origin and development	261
2.	Allocation of responsibility and liability	263
2.1.	Legislative development	263
A.	Commission proposal	263
B.	First reading European Parliament	266
C.	Amended EC proposal	269
D.	Council position	272
E.	Second reading and final text	275
2.2.	Conclusion	276

<b>Chapter 7.</b>	
<b>General Data Protection Regulation</b> .....	279
1. Origin and development .....	279
2. Allocation of responsibility and liability .....	282
2.1. Legislative development .....	282
A. Commission proposal .....	282
i. Definitions .....	283
ii. Obligations .....	283
iii. Liability and sanctions .....	287
iv. Assessment .....	288
B. First Reading European Parliament .....	292
i. Definitions .....	293
ii. Obligations .....	296
iii. Liability and sanctions .....	300
iv. Assessment .....	301
C. General approach of the Council .....	302
i. Definitions .....	303
ii. Obligations .....	303
iii. Liability and sanctions .....	305
iv. Assessment .....	307
D. Trilogue and final text .....	310
i. Definitions .....	311
ii. Obligations .....	311
iii. Liability and sanctions .....	314
iv. Assessment .....	316
2.2. Conclusion .....	317
A. Controller accountability .....	317
B. Enhanced obligations for processors .....	319
C. Relationship between joint controllers .....	321
D. Cumulative liability .....	321
<b>Chapter 8.</b>	
<b>Conclusion</b> .....	325
1. Introduction .....	325
2. Development of the controller concept .....	325
2.1. The meaning of “control” .....	325
2.2. National laws before 1980 .....	326
2.3. International instruments .....	328
2.4. National laws after 1981 .....	330
2.5. Directive 95/46 and the GDPR .....	331

3.	Development of the processor concept.....	334
3.1.	National laws before 1980.....	334
3.2.	International instruments .....	336
3.3.	National laws after 1981 .....	337
3.4.	Directive 95/46 and the GDPR.....	338
	A. Directive 95/46 .....	338
	B. GDPR.....	339
PART IV.		
	USE CASES.....	341
Chapter 1.		
	Introduction.....	343
Chapter 2.		
	E-Government Identity Management.....	347
1.	Introduction .....	347
2.	Actors.....	350
	2.1. Citizen .....	352
	2.2. Authoritative source .....	353
	2.3. Credential Service Provider .....	355
	2.4. Integrator.....	356
	2.5. Verifier.....	358
	2.6. Relying party .....	359
3.	Roles.....	359
	3.1. Citizen .....	360
	3.2. Authoritative source .....	361
	3.3. Credential Service Provider .....	362
	3.4. Integrator.....	364
	3.5. Verifier.....	366
	3.6. Relying party .....	366
4.	Allocation of responsibility and liability .....	367
5.	Practical examples.....	368
	5.1. Internal Market Information System (IMI).....	368
	A. Introduction .....	368
	B. Functionalities .....	370
	C. IMI actors .....	371
	D. Roles.....	372
	E. Responsibilities.....	375
	i. Confidentiality and security .....	375
	ii. Data quality .....	377
	iii. Retention of data .....	378

iv.	Transparency .....	379
v.	Data subject rights .....	381
5.2.	Cross-border identification and authentication (Stork and eIDAS) .....	382
A.	Introduction .....	382
B.	Functionalities .....	385
C.	Actors .....	386
D.	Roles .....	388
E.	Responsibilities .....	389
6.	Evaluation .....	391

**Chapter 3.**

	<b>Online Social Networks .....</b>	<b>395</b>
1.	Introduction .....	395
2.	Actors .....	395
2.1.	OSN user .....	397
2.2.	OSN Provider .....	398
2.3.	Page administrator .....	400
2.4.	(Third-party) application provider .....	401
2.5.	(Third-party) tracker .....	402
2.6.	(Third-party) data broker .....	405
2.7.	(Third-party) website operator .....	406
2.8.	Other observers .....	408
2.9.	Infrastructure (service) provider .....	409
3.	Roles .....	409
3.1.	OSN provider .....	409
3.2.	OSN users .....	413
3.3.	Page administrators .....	417
A.	Questions referred .....	417
B.	Opinion of the Advocate General .....	419
C.	Holding of the CJEU .....	422
3.4.	Application providers .....	426
3.5.	Third-party website operators .....	429
A.	Questions referred .....	429
B.	Opinion of Advocate General Bot .....	431
C.	Opinion of Advocate General Bobek .....	432
3.6.	Other actors .....	438
4.	Allocation of responsibility and liability .....	439
4.1.	Transparency .....	439
4.2.	Legitimacy .....	441
A.	OSN provider .....	441
B.	Application provider .....	443

C.	OSN user .....	444
D.	Assessment .....	444
4.3.	Data accuracy .....	445
4.4.	Confidentiality and security .....	446
A.	OSN provider .....	446
i.	Privacy-friendly default settings .....	446
ii.	Access by third-party apps .....	448
B.	Application provider .....	449
C.	OSN user .....	449
4.5.	Data subject rights .....	450
A.	OSN Provider .....	450
B.	Application provider .....	451
C.	User .....	452
5.	Evaluation .....	452
5.1.	Scope of the personal use exemption .....	452
5.2.	Control over user-generated content .....	455
5.3.	Responsibilities of platform providers .....	458
5.4.	Joint control, joint responsibilities? .....	460
<b>Chapter 4.</b>		
<b>Cloud Computing .....</b>		
		467
1.	Introduction .....	467
2.	Actors .....	472
2.1.	Cloud customer and end-user .....	474
2.2.	Cloud provider .....	474
A.	Application provider (SaaS) .....	474
B.	Platform provider (PaaS) .....	476
C.	Infrastructure provider (IaaS) .....	478
3.	Roles .....	479
3.1.	Cloud customers and end-user .....	479
3.2.	Cloud provider .....	482
A.	Application providers (SaaS) .....	484
B.	Platform provider (PaaS) .....	486
C.	Infrastructure provider (IaaS) .....	488
4.	Allocation of responsibility and liability .....	490
4.1.	Transparency .....	490
4.2.	Data quality .....	491
A.	Purpose specification and use limitation .....	491
B.	Retention of data .....	492
4.3.	Confidentiality and security .....	493
4.4.	Data subject rights .....	497
4.5.	International transfers .....	497

5.	Evaluation . . . . .	499
5.1.	Threshold for control. . . . .	499
5.2.	Design of cloud services . . . . .	503
5.3.	Networked data processes . . . . .	506
5.4.	Hosting services. . . . .	507
<b>Chapter 5.</b>		
<b>Internet Search Engines. . . . .</b>		
1.	Introduction . . . . .	511
2.	Actors. . . . .	513
2.1.	Search engine provider . . . . .	515
2.2.	Website publishers and content providers . . . . .	518
2.3.	End-users. . . . .	519
2.4.	Infrastructure (service) providers . . . . .	520
3.	Roles . . . . .	521
3.1.	Search engine provider . . . . .	521
A.	Question referred in Google Spain . . . . .	521
B.	Oral arguments. . . . .	521
C.	Opinion of the Article 29 Working Party. . . . .	523
D.	Opinion of the Advocate-General. . . . .	524
E.	Holding of the CJEU . . . . .	527
3.2.	Website publishers and content providers . . . . .	528
3.3.	End-user . . . . .	529
3.4.	Infrastructure (service) providers. . . . .	530
4.	Allocation of responsibility and liability . . . . .	530
4.1.	Lawfulness . . . . .	531
4.2.	Principles relating to the processing of personal data . . . . .	532
A.	Purpose specification and use limitation . . . . .	532
B.	Data minimisation . . . . .	533
C.	Accuracy . . . . .	535
4.3.	Transparency . . . . .	536
4.4.	Confidentiality and security . . . . .	537
4.5.	Right to object and to erasure . . . . .	538
5.	Evaluation . . . . .	539
5.1.	True to both letter and spirit . . . . .	539
5.2.	Absence of knowledge or intent. . . . .	542
5.3.	Shooting the messenger?. . . . .	544
5.4.	Scope of obligations of search engine providers . . . . .	546
5.5.	Impact on freedom of expression . . . . .	552

PART V.  
RECOMMENDATIONS ..... 553

**Chapter 1.**  
**Introduction.** ..... 555

**Chapter 2.**  
**Typology of Issues.** ..... 557

1. Introduction ..... 557

2. Grammatical ..... 558

    2.1. “Determines” ..... 558

    2.2. “Purpose” ..... 560

    2.3. “And” ..... 561

    2.4. “Means” ..... 563

    2.5. “Alone or jointly with others” ..... 566

    2.6. “The processing” ..... 567

    2.7. “Of personal data” ..... 569

    2.8. “On behalf of” ..... 570

3. Teleological ..... 572

    3.1. Continuous level of protection ..... 573

    3.2. Legal certainty ..... 576

    3.3. Effective and complete protection ..... 577

4. Systemic ..... 578

    4.1. Transparency and data subject rights ..... 579

    4.2. Scope of obligations ..... 580

    4.3. Implications of joint control ..... 581

    4.4. Legal binding ..... 582

5. Historical ..... 584

    5.1. The democratisation of “control” ..... 585

    5.2. Control over user-generated content ..... 588

**Chapter 3.**  
**Typology of Solutions.** ..... 589

1. Introduction ..... 589

2. Grammatical ..... 590

    2.1. Deletion of “means” ..... 590

    2.2. Adding “conditions” ..... 592

    2.3. “Benefit-based” approach ..... 593

    2.4. Assessment ..... 594

3. Teleological ..... 597

    3.1. Abolition of the distinction ..... 597

3.2. Obligations for processors .....	600
3.3. Assessment .....	603
A. Abolition of the distinction .....	603
i. Equal distribution (joint and several liability) .....	604
ii. Role-based accountability (proportional liability).....	606
iii. Combined approach (general and proportional liability) .....	607
iv. Interdependencies .....	609
B. Obligations for processors.....	609
C. Internal comparison.....	610
i. Standards vs. rules.....	611
ii. Optimal specificity of legal rules.....	612
iii. Implications for data protection law.....	615
iv. Implications for the controller-processor model .....	616
D. Final text GDPR .....	619
4. Systemic.....	622
4.1. Partial assimilation .....	622
4.2. Greater recognition of joint control .....	624
4.3. “No wrong door” and “Single point of contact” .....	625
4.4. Tailoring obligations .....	626
4.5. Contractual flexibility.....	629
4.6. Assessment .....	630
5. Historical.....	632
5.1. Personal use exemption .....	632
5.2. Liability exemptions of the E-Commerce Directive.....	635
5.3. Assessment .....	636

**Chapter 4.**

<b>Recommendations .....</b>	<b>639</b>
------------------------------	------------

1. Abolish the concepts or revise the definitions .....	639
1.1. Abolishing the concepts .....	640
1.2. Revising the definitions .....	641
2. Use of standards and exemptions .....	642
3. Require data protection by design from “processors” .....	642
4. Enhance contractual flexibility.....	644
5. Expand the scope of the personal use exemption.....	647

**Chapter 5.**

<b>Conclusion .....</b>	<b>651</b>
-------------------------	------------

<i>Bibliography .....</i>	<i>655</i>
---------------------------	------------