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WP 60**

Working Document

**First orientations of the Article 29 Working Party concerning on-line
authentication services**

Adopted on 2 July 2002

The Working Party has been established by Article 29 of Directive 95/46/EC. It is the independent EU Advisory Body on Data Protection and Privacy. Its tasks are laid down in Article 30 of Directive 95/46/EC and in Article 14 of Directive 97/66/EC. The Secretariat is provided by:

The European Commission, Internal Market DG, Functioning and impact of the Internal Market. Coordination. Data Protection.

B-1049 Brussels - Belgium - Office: C100-6/136

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THE WORKING PARTY ON THE PROTECTION OF INDIVIDUALS WITH
REGARD TO THE PROCESSING OF PERSONAL DATA

set up by Directive 95/46/EC of the European Parliament and of the Council of 24
October 1995¹,

having regard to Articles 29 and 30 paragraphs 1 (a) and 3 of that Directive,

having regard to its Rules of Procedure and in particular to articles 12 and 14 thereof

has adopted the following WORKING DOCUMENT:

¹ Official Journal no. L 281 of 23/11/1995, p. 31, available at:
http://europa.eu.int/comm/internal_market/en/media/dataprot/index.htm

First orientations of the Article 29 Working Party concerning on-line authentication services

The Working Party is aware of the expansion of on-line authentication services and of the importance of secure authentication mechanisms to ensure the integrity of some electronic transactions, especially those involving on-line payments. It stresses that the development of these services needs to respect the core data protection principles. Being .NET Passport the most important initiative in this field at present, the Working Party has proceeded to an initial study of this system in the first place.

After a first analysis carried out by its Internet Task Force, the Working Party is of the opinion that, although Microsoft has put in place some measures to address data protection, a number of elements of the .NET Passport system raise legal issues and therefore require further consideration:

- The information given to the data subjects at the moment of collecting, further processing the data or transferring it to a third party, possibly located in a third country.
- The value and quality of the consent given by the data subjects to these operations.
- The data protection rules applied by the websites affiliated to .NET Passport.
- The necessity and conditions of use of a unique identifier.
- The proportionality and quality of data of the data collected and stored by .NET Passport and further transmitted to affiliated sites.
- The exercise of the rights of the data subjects.
- The security risks associated to these operations.

The Working Party therefore decides to undertake this further analysis, where necessary in dialogue with Microsoft and with other services and organisations, in order to assess where the European data protection principles are correctly complied with and, where appropriate, to identify elements of the systems that require changes. The Working Party will consider again this matter at its next plenary meeting.

Due to the evolving nature of the .NET Passport service and of the possible developments of its future architecture and of other similar authentication services, the Working Party will continue monitoring future developments in this field.

Done at Brussels, 2nd July 2002

For the Working Party

The Chairman

Stefano RODOTA

