

Newsletter

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Privacy Commissioner Launches Privacy Awareness Week

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Privacy Awareness Week (PAW) is an annual promotion event held by members of the Asia Pacific Privacy Authorities (APPA) forum, including Hong Kong's Office of the Privacy Commissioner for Personal Data (PCPD). This year, the event is celebrated in Australia, Canada, Hong Kong, Macau, Mexico, New Zealand, Singapore and United States from 7 to 13 May.

The theme of PAW 2018 in Hong Kong is "Privacy: From Principles to Practice". It is supported by about 400 members of the Data Protection Officers' Club (DPOC). Events include talks to the elderly and schools, TV and MTR advertisements, radio and TV interviews, dramas and discussions. The PCPD has designed <u>a set of four posters</u> to distribute to all local secondary schools with the slogans:

- Protect personal data properly to foster business growth
- Be thoughtful when sharing information online Don't take cyberbullying lightly
- Forget your "preferred networks" after using public Wi-Fi
- Stay smart and vigilant to protect your personal data

More Information

- Privacy Awareness Week (PAW 2018)
- PCPD launches privacy awareness campaign for SMEs
- Privacy Awareness Week (PAW 2018) Posters

HK Trade and Industry Department Updates Licensing Requirements for the Import and Export of Encryption Products

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The Hong Kong Trade and Industry Department (TID) has updated its advice on the licensing requirements for the import and export of encryption products. The advice was last updated on 12 May 2009.

Changes include:

- Removing a paragraph noting that import and export licences are required even if these products are merely in transit through Hong Kong.
- Updating the location of the <u>Cryptography Note</u> that contains details of exemptions.
- Changes to the arrangements for paper licensing forms and the supporting documents required.
- Changes to the arrangements for electronic applications.
- Acknowledgement of the changing nature of U.S. regulations and addition of a link to the relevant U.S. Government's website.
- Changes to the arrangements for issuing licenses.
- The addition of India to the list of states participating in the Wassenaar Arrangement. India joined in December 2017.

More Information

- Strategic Trade Controls Circular No. 6/2018 Import and Export of Encryption Products
- Cryptography Note
- U.S. Bureau of Industry and Security
- Wassenaar Arrangement Admits India as Its 42nd Member

Blockchain Hype in Hong Kong?

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Allan Dyer

<u>ComputerWorldHK reported on the opening of a blockchain store in Wanchai</u> so I decided to visit and see what the excitement was about.

The shop, called 31BLOCKCHAIN, is at G/F, Toi Shan Sheung Wui Building, 167-169 Hennessy Road and it features their Acute Angle PC (AAPC), with a small, stylish triangular case, 254mm x 210mm x 40mm. This can be used as a traditional desktop computer (when connected to a keyboard and monitor), and it also participates in the Acute Angle Cloud. Users can share their unused CPU, bandwidth and storage in return for Acute Angle Coins. The AAPC is priced at HK\$7880.

On further enquiry, I was told that the AAPC is their only product, it is first-generation, and it is sold out. So 31BLOCKCHAIN is not, currently, fulfilling the promise of providing a retail-level entry into the blockchain market.

The AAPC product can be evaluated in terms of its hardware and software:

Hardware

CPU	Intel Apollo Lake N3450,	14nm Quad-Core, up to 2.2 GHz
GPU	Intel HD Graphics 500	

RAM	LPDDR3 up to 1866 MT/s 8G
ROM Flash	EMMC64G
WiFi	802.11a/b/g/n/ac
Bluetooth	BT4.0
Ethernet	RJ45 Giga Lan
Storage	128GB SSD
Video	HDMI 2.0 supports 4K output
USB	USB3.0 X 3
Headset interface	3.5mm standard jack socket
Power	12V 2A mains adapter

The hardware is sufficient for general office tasks and playing HD video. It is notable that the CPU is a low-power (6W TDP) chip intended for notebook computers, indeed, a notebook with a similar specification such as the Lenovo Ideapad 120S-11IAP (less memory, 4G, but including screen and keyboard) can be bought for around HK\$2500, which makes HK\$7880 for the AAPC look very expensive.

Software

The AAPC is packaged with Windows 10 Home Edition and the Acute Angle Cloud Software. The Acute Angle Cloud Software is available on GitHub and offers Infrastructure as a Service (IaaS), distributed file storage system and Content Delivery Network (CDN). The blockchain uses Delegated Proof of Stake (DPOS) which is claimed to solve the problems of the proof-of-work (POW) and proof-of-stake (POS) mechanisms, offsetting the negative impact of centralization by implementing scientific and technological democracy. The registration procedure described in the shop, and some of the FAQ answers on the website indicate that the MAC address of the AAPC is required, so participation in the Acute Angle Cloud is, for the most part, restricted to owners of AAPCs. According to a leaflet from the shop, 30,000 AAPCs were sold in the first two online sales events since the start of 2018.

So the software allows sharing of resources with tens of thousands of other AAPC users. There could be some benefit for torrent-like services: nearby nodes streaming HD content to you when you want, and your AAPC doing the same service for others when it is idle. The benefits of participating in distributed file storage are more one-way: if you need less than your local storage, you will always be a net provider, and if you have more you will always be a net consumer. How this changes with the need for redundant copies, for when remote nodes are offline and disaster recovery scenarios, is unclear.

The leaflet suggests that there are other possibilities, "The applications are whatever you can enision." It follows up with an example that I find very worrying:

An example of a website or application could be an emergency response provider. With such an application, you could ask for an ambulance, have the network receive the request, and get a response from anyone in it without having to wait for a call-center.

Life saving.

Call me a traditionalist, but when I need an ambulance, I do not want a small desktop PC. It doesn't even have wheels! Seriously, there is a vast disconnect between the needs of the requester and the capabilities of the network. Until the sign-up procedure includes questions about paramedical qualifications, vehicle ownership and location, and until the device can reliably monitor the ongoing availability of the paramedic and vehicle, there is no way for "the network" to provide the real service required.

Conclusion

The AAPC is an over-priced computer with a pie-in-the-sky blockchain service built-in. Will the current hype over anything blockchain-related make it popular?

More Information

- First blockchain retail product brand launches in HK
- Acute Angle
- AcuteAngleCloud GitHub

Phishing Attack Aimed at Hong Kong Taxpayers

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Phishing emails claiming to be from Subject TAX INFORMATION UPDATE. Inland Kong's Department (IRD) have been received ATTENTION. by a number of people in Hong Kong.

taxnfo@ird.gov.hk referred to changes increasing allowances and introducing a personal disability allowances. in the 2018-2019 budget, and asked the Raising the deduction ceiling for elderly residential care expenses. recipient to update their tax information

Relaxing the requirement for election of Personal Assessment by married persons.

Rightly update your tax information with the inland revenue department from the attached pdf. using the attached pdf. The attached pdf, Regards, called UPDATE-TAX.pdf, uses the Inland Revenue De same design as the real IRD website, and has a "Log In" button which is a lattachr link to http://jaredheld.ml/IRSHK/ . The $^{\mbox{\scriptsize IRD phishing email}}$ web page also copies the IRD website, and a log in form asking for email address and password. If details are entered, the fake page redirects to the real IRD page.

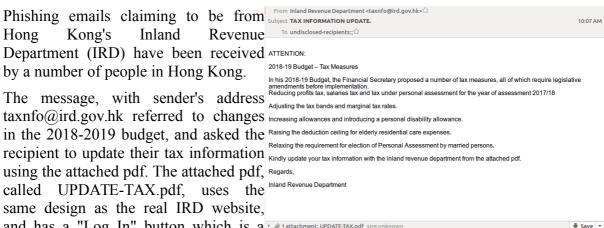
This is the second incident this year involving an IRD-branded phishing attack, the first, at the beginning of March, claimed to offer a tax refund. The fraudulent messages could have been prevented from reaching at least

some recipients if the Hong KongIRD phishing PDF attachment

Government had changed its SPF policy to '-all', a hard fail, as recommended in our previous article.

More Information

 Hong Kong Taxpayers Targeted with Fake Refund Phishing **Email**







Fake IRD webpage



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