




# Cybernews.

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This newsletter is an informative  
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# INTRODUCTION

In this edition of Cybernews, we highlight the main news that permeated the digital and data protection landscape in March 2024.

In February, we pointed out the challenges faced by companies and concerns about possible privacy violations when trying to reconcile the disclosure of salary information with the Brazilian Data Protection Law (LGPD) requirements. Now, the Brazilian Ministry of Labor and Employment has stated that it will not violate LGPD in its Equal Pay Report, emphasizing the care to only disclose percentage data without exposing individual job positions and salary information.

In another front, the City Hall of São Paulo has taken over the presidency of the Municipal Data Protection Forum during a meeting that convened representatives from 50 Brazilian cities, reinforcing the commitment to implementing LGPD regulations at the local level.

Meanwhile, the Public Prosecutor's Office has initiated an investigation into the use of the Brazilian national identification number to provide discounts at drugstores, underscoring the importance of transparency and protection consumers' personal data.



# GENERAL NEWS



## Ministry of Labor and Employment claims it does not violate LGPD in Equal Pay Report

The Ministry of Labor and Employment has refuted accusations of violating the General Data Protection Law (LGPD) in its report on equal pay for men and women. Luciana Nakamura, Program Director of the Executive Secretariat, clarified that the document will only disclose percentage data, without revealing individual information on positions and salaries. “The Ministry has been careful not to expose people and positions,” emphasized Nakamura during an event promoted by the Parliamentary Front for Entrepreneurship (FPE).

The report will not include absolute salary differences, but only averages and medians of the percentage differences between positions, such as managers and directors. Dercylete Lisboa, general coordinator of Inspection and Promotion of Decent Work,

also from the Ministry of Labor and Employment, stressed that the aim of the report is educational, so that companies can detect and correct possible wage inequalities. “The report is intended to promote education, not exposure. If we don’t visualize it, companies won’t say there’s inequality,” said Lisboa.

The deadline for organizations with 100 or more employees to submit the report is March 8. The Ministry of Labor intends to finalize its first report by March 18, the date by which companies must publish it on their social media or websites, as established by law. Failure to comply with the requirements can lead to a fine of 3% of payroll, but there is no provision for a fine in the event of lack of an action plan or confirmed wage inequality, according to the agency.

## São Paulo City Hall takes over the presidency of the Municipal Data Protection Forum

During the 4<sup>th</sup> Municipal Personal Data Protection Forum, held in Porto Alegre on March 4 and 5, the São Paulo City Hall took over the presidency of the event, previously led by the city of Porto Alegre. The meeting brought together representatives of 50 cities from all over Brazil, with the participation of the National Data Protection Authority (ANPD) and the Accounting Court of the state of Rio Grande do Sul (TCE/RS).

In addition to highlighting the joint work of city halls from different regions of the country since 2022 to understand the application of the General Data Protection Law (LGPD), the event also celebrated the commitment of cities to promote and respect citizens' rights related to privacy and protection of personal data.

Kelvin Peroli, representing São Paulo City Hall, expressed his expectations for the year 2024, including the effort to hold regional meetings to disseminate discussions on personal data protection in all regions of Brazil.

The forum's panels covered topics such as the application of the LGPD in city halls, the proposal for a draft bill to amend the text of the LGPD, the role of internal and external control bodies, information security in the face of incidents involving personal data, the

exchange of experiences between cities and the application of Artificial Intelligence (AI) in the public sector.

The importance of guaranteeing data subjects the right to review decisions resulting from the automated processing of their data, as provided for in the LGPD, was also highlighted. In addition, the results of working groups were presented, and statements on how to respond to requests for access to information involving the disclosure of third parties' personal data were discussed, in a dialog between the Access to Information Law (LAI) and the LGPD.



## Public Prosecutor's Office investigates drugstores for requiring CPF to offer discounts

The Public Prosecutor's Office of Rio de Janeiro (MPRJ) has launched an investigation into possible violations of privacy and personal data protection by three relevant drugstores. According to complaints received by the Public Prosecutor's Office, consumers are being asked to provide their personal data, especially their CPF number, in order to obtain discounts on purchases, without clarity about the purpose of this use.

In an interview with CBN Rio, public prosecutor Rodrigo Terra said that the drugstores will be heard and, if necessary, a Consent Decree will be drawn up. He emphasized the importance of clarifying the purpose of using the personal data provided.

One drugstore has clarified that at no time during the purchase is it mentioned that it is mandatory to provide the CPF, which is only used for participation in loyalty programs. The company states that the customer's wishes prevail over the provision of data for discounts and other advantages, and that its actions are guided by transparency in its processes. The second drugstore stated it has a privacy and personal data protection policy available on its websites, explaining the purpose of requesting CPF in specific situations.

The last drugstore assures that it strictly complies with the General Data Protection Law (LGPD) and adopts the best security and privacy mechanisms to protect customer data. The chain points out that its policy is published and available on its website. The company highlights that the investigation, which originated from information provided to the MPRJ Ombudsman's Office, is at an early stage and that it will provide all the necessary information as soon as it is notified.



# REGULATORY ADVANCES

## Brazilian Presidency calls for the development of an Artificial Intelligence National Plan by June

In early March 2024, the Brazilian Presidency took a new step towards regulating Artificial Intelligence (AI) in Brazil by requesting the National Council of Science and Technology to draft an Artificial Intelligence National Plan. With an expected completion scheduled for June 2024, the Plan aims to set forth clear goals for developing AI in the country while also seeking to encourage mechanisms that foster Brazilian industrialization in the sector on several fronts.

This movement reflects the growing relevance of the discussion on AI regulation at both national and international levels, highlighting concerns with the governance and ethical use

of this technology. The European Union (EU), for example, only recently had its Parliament approving the Artificial Intelligence Act (AI Act), setting forth a regulatory framework that aims to ensure an ethical, safe AI ecosystem that complies with applicable local legislation.

It should be noted that the European AI Act is a direct result from years of debates and consultations with various market and academic players, thus reinforcing the complexity and need for caution when regulating this technology. Bearing this in mind, the question arising is the feasibility of a four month-period for Brazil to complete all the necessary studies for implementing a robust National Plan on AI.

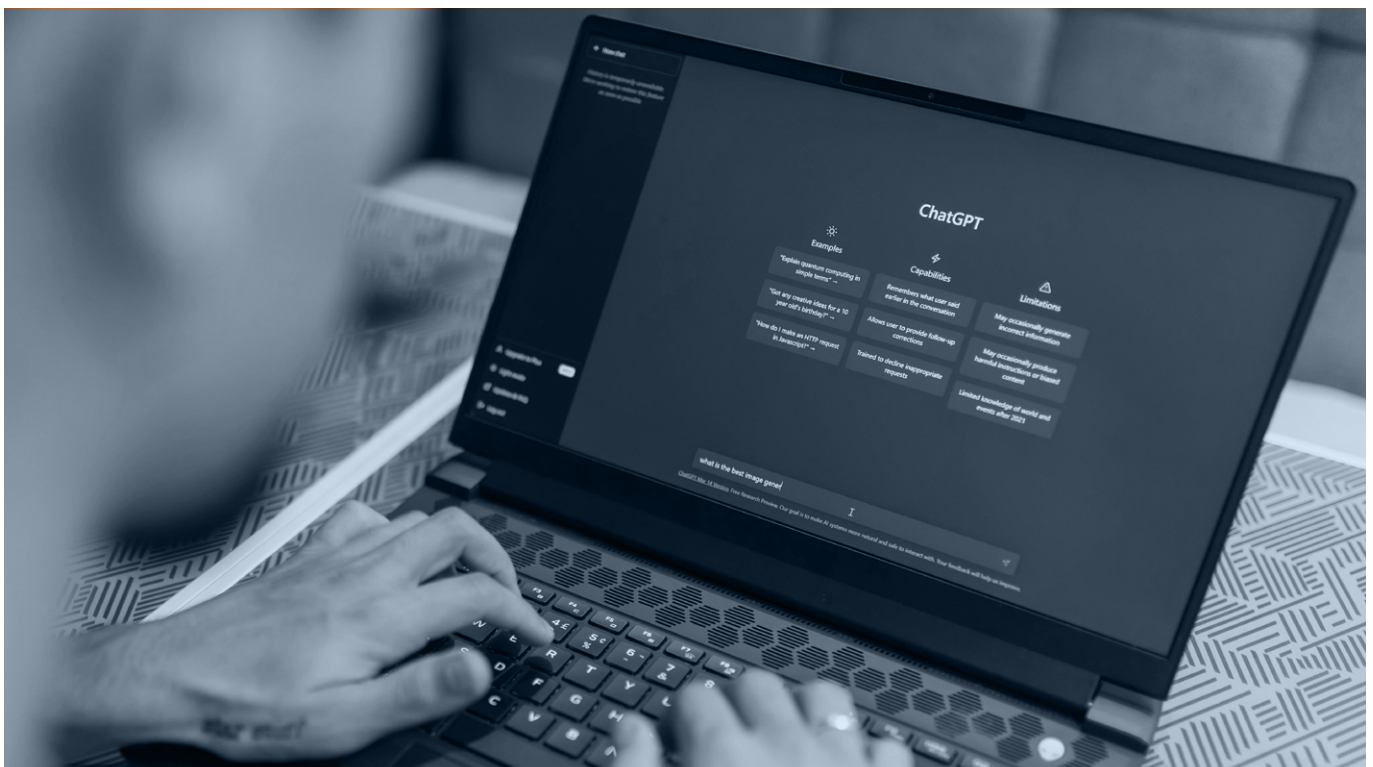


In any case, in parallel with the Plan's proposal, discussions on AI regulation in Brazil have also taken shape through a series of bills in the National Congress. In May 2023, the Senate presented Bill No. 2,338/2023, as a result of the efforts of the Commission of Jurists tasked with drafting a text that would consolidate the different proposals on AI presented so far.

Bill 2,338/2023 is currently being analyzed in the Senate, and it reflects the search for a regulation that, in addition to stimulating the development and adoption of AI in the country, also values social concerns inherent to the Brazilian reality. Even so, adapting and improving this Bill is fundamental to ensuring a regulation tuned in with international discussions and models without losing sight of the country's specificities, such as politics, legal culture, and social and economic context.

The path towards AI regulation in Brazil is, therefore, marked by opportunities and challenges. Building a National Plan on AI is an important milestone in this trajectory. In any case, it is important to consider the necessary time for a comprehensive and inclusive debate, listening to all parties that may be affected by such technology. Also, this discussion should cover not only the technical and ethical aspects of AI development in Brazil but also the means for this technology to be leveraged to generate sustainable economic development, qualified jobs, and innovation in various sectors of society.

With such approach, Brazil will not only keep up but also play a leading role in this new wave of innovation by offering a regulatory environment that enables the safe development of AI while maximizing its benefits for the society.







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