Data Protection Commissioner Billy Hawkes has warned organisations to examine their systems after the Bank of Ireland ('BoI') lost an unencrypted USB memory stick containing the personal data of 894 of its customers. The stick contained data that were collected during a survey of customers carried out as part of a market research exercise by the BoI. Amongst the data lost are the full names, account numbers, first line of addresses, and contact numbers of both organisations and individuals. No financial information in relation to the accounts were on the device.

The loss occurred when an employee of BoI copied the data onto the stick for the purpose of storing it ahead of using it for carrying out some unknown task. BoI has said that the storage of customer data on an unencrypted memory stick is in contravention of BoI's policies and procedures. A spokesperson from the Office of the Data Protection Commissioner told Data Protection Ireland:

"The Office advises all organisations that hold personal data to examine closely the danger of 'leakage' from their systems and to consider technical means of preventing this (such as eliminating or severely restricting the possibility of downloading of personal data onto portable devices such as USB keys).

"In relation to this current case, the Commissioner welcomes that BoI has taken this issue very seriously and immediately upon becoming aware of the loss informed his Office.

The Minister for Justice, Dermot Ahern, has established a review process to examine data protection legislation, to be led by former secretary general at the Department of Finance, Eddie Sullivan, and Data Protection Commissioner Billy Hawkes. The central focus of the review will be whether changes are required to deal with data security breaches. The group has been tasked with examining the issues surrounding mandatory reporting of breaches, extending to the possible introduction of penalties.

As part of that process, the group is required to undertake a review of EU and other international approaches in respect of mandatory breach reporting, and will make an assessment as to the regulatory and economic impact of any regulatory changes.

Earlier this year, Mr Ahern said that he was considering implementing a system of immediate compulsory reporting to the Commissioner, when electronic devices containing information on members of the public is lost or stolen. At that time, he said that legislation would apply to government departments and all other state agencies, in addition to banks and other entities. The public would also be informed in major cases.