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FATCA – Further evidence from the US about lack of data security

I write further to our [previous correspondence](#) in relation to the data protection and data security implications of FATCA and the CRS.

For years we have pointed out the data security risks faced by compliant EU citizens subject to FATCA, with worrying concerns raised not only [in the EU \(WP29\)](#), but also [in the US \(GAO\)](#) and [TIGTA](#). Now, concerns about lack of data security have reached Academia, with articles warning about the endemic lack of data security of data held by U.S. federal agencies.

This is directly relevant to the EU because of the requirement for safeguards under [Art. 46](#) GDPR.

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Keeping Federal Data Secure

Matthew Jensen

IN JUST THE PAST FEW YEARS, THE U.S. GOVERNMENT HAS SUFFERED DOZENS OF HIGH-profile data breaches of its civilian agencies. Leaks, hacks, and simple mistakes have exposed Americans' data, in some cases widely to the public, in others to malicious actors and enemies abroad.

Since 2020, notable losses of information have flowed from the Internal Revenue Service (IRS) and other offices of the Treasury Department.

(...)
America's administrative data are not safe: Information insecurity prevails. And it presents a major challenge for government activity now and for the foreseeable future.

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“America's administrative data are not safe: **Information insecurity** prevails”

“Notable losses of information have flowed from the **IRS**”

It's time for the Commission to start infringement proceedings and the EDPB to engage its [powers](#) to support the [Belgian DPA](#) and put an end to this scandal that affects thousands of EU citizens. In the event of a loss of data, EU institutions who failed to act on consistent warnings would have to bear direct responsibility.

Best regards,
Filippo Nosedà
Partner

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