The General Data Protection Regulation. With only four months to go, are you ready?

- ✓ New Regulation
- ✓ New Challenges
- ✓ New Business opportunities

Will the General Data Protection Regulation affect you?

- ✓ Are you a company dealing with data of European Union citizens?
- ✓ Do you carry out business transactions with European Union citizens?
- ✓ Do you store/process* personal data of European Union citizens?

If your answer is 'yes' to any of these questions, then the General Data Protection Regulation (GDPR) is of interest to you, even though you are outside EU.

What is GDPR?

The GDPR is a new law in the European Union (EU) providing for uniform data protection regulations throughout the EU. Effective as of 25 May 2018, it will represent one of the highest standards of data protection in the world, creating a consistent, global and unified legal basis for data protection usage.

The regulation applies to all companies worldwide who work, save or process personal data of EU citizens, independently from their country of establishment.

All Albanian entities that process EU citizens' personal data shall ensure compliance with GDPR.

* **Process of personal data** includes but is not limited to collection, recording, organization, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction.
[Source: Directive 95/46/EC]

What do you need to do?

- ✓ Mandatory Data Inventory and Record Keeping of all internal and third-party processing of personal data, with a clear focus on Personally Identifiable Information (PII) and other sensitive information.
- ✓ Comprehensive individual rights to data subjects to access, correct, erase, and object to the processing of their data.
- ✓ Mandatory data-breach notification to regulators and individuals whose information is compromised.
- ✓ Mandatory data protection officers and an overall rethinking of privacy strategy, governance and risk management;
- ✓ Embedding Privacy by design and by default methodology into business as usual practices.
- ✓ Set up an implementation programme of remedial activities to address identified compliance gaps with the GDPR.

What are the consequences of non-compliance?

- ✓ Financial Risk:
    - Fines up to € 20 million or up to 4% of total worldwide annual turnover, issued by the data commissioner for severe infringements including but not limited to: special categories of data, transfers of personal data to a recipient in a third country without appropriate consent etc.
    - Fines up to €10 million or up to 2% of total worldwide annual turnover, issued by the data commissioner for less severe infringements relating to (not an exhaustive list): data protection by design and by default, records of processing etc.
- ✓ Reputational risk:
    - Negative impact on brand image
    - Lawfulness of processing
    - Operational suspensions
- ✓ Compliance burden:
    - Legal proceeds compensation as a result of a GDPR infringement

What are the benefits of a proactive approach?

Preparing in advance is the best defence against potential negative consequences in case of data commissioner inspections. As a result, your company will benefit from:

- ✓ Minimised risk of any security incident as access is adequately controlled.
- ✓ Increased customer satisfaction and loyalty.
- ✓ Additional care on sensitive data.
- ✓ Consistency of rules applied in all EU member countries.

Let's talk

For a deeper discussion of how these issues might affect your business, please contact:

PricewaterhouseCoopers Audit Sh.p.k
Str. "Ibrahim Rugova", Sky Tower, 9/1

Telephone: *+355 4 22 90 700*
Email: *pwc.albania@al.pwc.com*
Web: *www.pwc.com/al*

Loreta Peçi
Country Managing Partner
Tax and Legal Services

loreta.peci@pwc.com