### **NIEDERER KRAFT & FREY**

Niederer Kraft & Frey Ltd Bahnhofstrasse 13 · CH-8001 Zurich Telephone +41 58 800 8000 · Telefax +41 58 800 8080 nkf@nkf.ch · www.nkf.ch



# Changing times in Data Privacy: what does this mean for your company?

ACC – Workshop 23 March 2017 Clara-Ann Gordon & Dr. András Gurovits



# Agenda and Roundtables

### Agenda

- Short Intro on data protection in general and revision of Swiss Data Protection Act
- 2 rounds of roundtable discussions
- Wrap-up
- Drinks & Networking

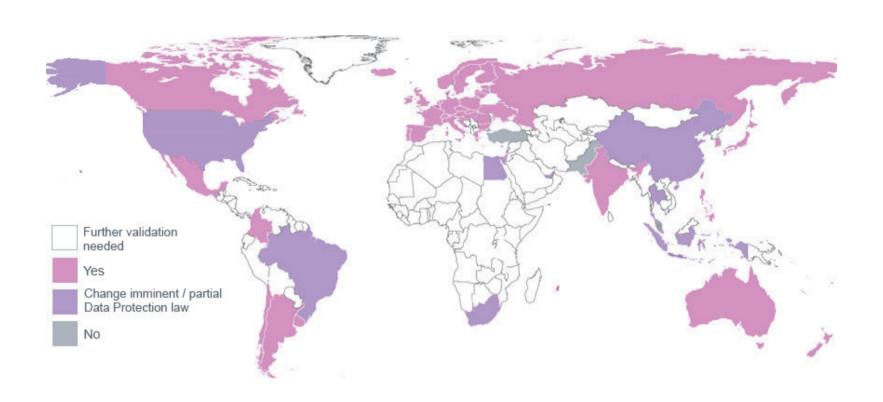
### How does the Roundtable concept work?

- Roundtables no. 1 and 3: "The DPO's role under the Revised Act and GDPR"
- Roundtables no. 2 and 4: "Revision of the Swiss Data Protection Act what is new and which measures are Companies taking"
- 1st round: table moderators will kick off with a case study
- Interactive: discussion among the table participants: their experience, questions, etc.
- After 30 minutes the moderators swap the tables participants stay seated 2<sup>nd</sup> round with the other topic



23 March 2017

# Which countries have Data Protection Laws?





# Different Data Protection Regimes World-Wide

Switzerland: Federal Data Protection Act and also cantonal laws Europe: EU Directive on Data Privacy and national (federal) Data Protection Acts in each EU country

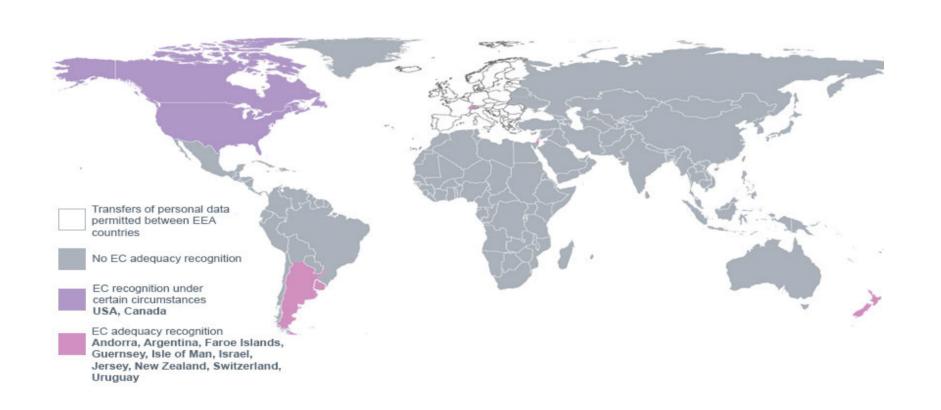
India: Information Technology Act

USA: no federal data protection law; patch work of laws: sectoral laws (e.g. FTC Act, HIPAA, Gram-Leach-Billey Act, etc.), guidelines and best practices

China: no federal data protection law; laws containing provisions (e.g. P.R.C. Constitution, Civil Code, etc.)

Hongkong: Data Protection Ordinance

# Countries with Appropriate Data Protection Level





# Revision of the Swiss Data Protection Act

#### Reasons for the revision of the Swiss Data Protection Act

- Ratification of convention 108 (ETS No. 108) by Switzerland
- Adaptions to the provisions of the GDPR to achieve recognition from European Union as country with adequate data protection level

#### ■ Time Table for revised Swiss Data Protection Act

- 21 December 2016: publication of preliminary draft
- 4 April 2017: expiry deadline of consultation process
- Summer 2017?: White Paper (Botschaft) to the Parliament
- Autumn session /Winter session 2017?: Discussion of draft act and ordinances
- Summer 2018? Passing of the revised act
- January 2019? Entry into force of revised act

#### GDPR

25 May 2018: Entry into force

### Other Developments:

- EU-US Privacy Shield: in place since 11 January 2017
- Swiss-US Privacy Shield: starting 12 April 2017



# The Key Changes I

#### General remarks

- No absolute change of paradigm
- Swiss Finish (rules surpassing the GDPR) should be avoided
- Various points of criticism

### Scope of application

- Protection of personal data from legal entities has been abolished
- No longer personality profiles but new profiling

#### Consent

Not only express – but new also unambiguous

#### Cross-border disclosure

- More complicated and cumbersome
- No longer only notification requirements, but approval requirements within deadline of 6 months for Binding Corporate Rules (BCR) and standard contractual clauses (SCC)
- Data processor also subject to approval requirements



# The Key Changes II

#### Increased duties of information and disclosure

- New duty to inform data subjects of controller/processor identity and contact details processed data and categories
- Right of access increased by retention period and free of charge
- Duty to inform and the right to have a say in automatized decisions

### Duty to pass on information

 New notification duty also to third parties in case of correction, deletion or destruction of personal data which was previously disclosed to such third parties

#### Technical measures to secure data protection

- data protection through technology (privacy by design)
- privacy-friendly default settings (privacy by default)
- impact assessment of data protection (privacy impact assessments)

#### Data breach notices

- obligation to report breaches of data protection provisions or loss of data
- severe penalties



# The Key Changes III

#### Extended controller duties

- Assure compliance of data processor with data security and new warranty to ensure protection of rights of data subjects
- Prior consent when involving sub-processors

#### Recommendations of good practice

- Approval of processing practice by Swiss DPA
- "Good Practice" guideline from the Swiss DPA

### Supervision and sanctions

- Introduction of administrative sanctions for Swiss DPA
- Severe penalties: CHF 500'000 in case of intent, CHF 250'000 in case of negligence
- Major criticism: sanctions aim only at directors and employees. Fine imposed on entity of only CHF 100'000, if liable director or employee cannot be determined

NKF

# What was not adopted from the GDPR?

### Not adopted from the GDPR:

- Regulations concerning internal data protection officer (DPO)
- Processing of data relating to children
- Right to be forgotten
- Right of data portability
- Obligation to consult with data protection authorities
- etc.

**N**KF

## **NIEDERER KRAFT & FREY**

#### Contact

Niederer Kraft & Frey Ltd Bahnhofstrasse 13 CH-8001 Zurich Switzerland

Phone +41 58 800 8000 Fax +41 58 800 8080 Web http://www.nkf.ch

Clara-Ann Gordon clara-ann.gordon@nkf.ch

Dr. András Gurovits andras.gurovits@nkf.ch





ACC Workshop 23 March 2017 Page 11