



**COMPREHENSIVE LEGAL, TAX,
ACCOUNTING AND AUDIT SERVICES**

1. General Data Protection Regulation (GDPR)
2. Changes in the regulation of data processing
3. Implementation of GDPR requirements

GENERAL DATA PROTECTION REGULATION (GDPR)

Effective from **25 May 2018**, the **General Data Protection Regulation (GDPR)*** will introduce a unified European regulation of **personal data protection**. The current Czech Act on Personal Data Protection will no longer include the basic rules for personal data processing as these rules will be included in the GDPR, which will be directly applicable in the Czech Republic. The GDPR will unify the regulation of personal data protection in all European Union member states (as well as in Norway, Lichtenstein and Iceland). Another important piece of legislation, which will further specify the basic principles included in the GDPR, will be the Regulation on Privacy and Electronic Communication („**ePrivacy Regulation**“), which is currently being prepared. The current Czech Act on Personal Data Protection will, after necessary amendments, include only implementation provisions anticipated

in the GDPR (e.g. rules regarding personal identification numbers, processing of criminal judgments etc.).

* Regulation of the European Parliament and of the Council (EU) 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/ES



CHANGES IN THE REGULATION OF PERSONAL DATA PROCESSING

Main changes in the current legislation introduced by the GDPR:

- Data controllers (i.e., all subjects gathering and processing personal data - most frequently of their employees or customers) will no longer have the notification obligation towards the Office for Personal Data Protection, but will instead maintain **records of personal data processing** (which will, among other things, contain grounds for processing, description of categories of data subjects and of their personal data). This obligation will apply to all data controllers who employ more than 250 employees as well as to data controllers whose personal data processing involves a high level or risk. The current notification obligation will no longer apply.
- **Any personal data breach will be communicated** to the data subjects concerned and to the supervisory authority.
- The current general requirements concerning data processing will be replaced by **specific technical means of protection**, e.g. pseudonymization, encryption and restoration of availability and regular testing and evaluation of the efficiency of the means employed.
- Certain data controllers defined in the GDPR will be obliged to appoint a data protection officer to monitor personal data processing and to serve as a contact person for the supervisory authority.
- GDPR will introduce the right of data subjects to **portability of their personal data**. GDPR also expressly provides data subjects with the right to **blocking and erasure of personal data** („right to be forgotten“) on their request.
- Where the circumstances of data processing are likely to result in a high risk to the rights and freedoms of data subjects, the controller will be obliged to carry out a **data protection impact assessment**.
- An important part of the GDPR contains rules to ensure better enforcement of the obligations concerning personal data processing in order to achieve **higher level of protection and awareness** of data subjects providing their data to data controllers. This aspect is emphasized by the new regulation of **liability** of data controllers and processors and the possibility to impose sanctions up to millions of euros or up to 4 % of the total annual turnover.

IMPLEMENTATION OF GDPR REQUIREMENTS

Due to the above, all data controllers and data processors should carry out a thorough review of their internal procedures concerning processing of personal data to assess their compliance with the new regulation and to adopt suitable measures. Implementation of GDPR requirements shall not concern only the legal or IT departments of the company. Compliance of the internal procedures with the GDPR may be efficiently achieved only by coordinated work of all departments dealing with personal data processing.

The implementation process will in most companies include the following phases:

Preparation phase

▷ Analysis

(identification and analysis of the scope of personal data processing in the company)

▷ Classification

(classification of the personal data processed and of the legal grounds for their processing)

▷ Implementation

(proposal and implementation of solutions to issues identified which might include amending contractual and internal documents)

▷ Verification

(verification of compliance and efficiency of the new procedures)

The above procedures should result in the introduction of an **efficient and transparent system** of personal data processing within your company, which will not only ensure compliance with the new regulation, but will also be able to react to individual requirements of data subjects, **mitigate risks** and efficiently deal with possible **security risks** concerning data processing

LTA team is ready to guide all your steps concerning the above implementation process so that by May 2018 you will be able to relax and enjoy watching your competitors' last moment efforts to comply with the new legislative requirements.

Just as we have helped you to manage the transfer to the new Civil Code and the Act on Commercial Corporations, we are now ready to help you manage the current legislative challenge presented by the **GDPR**. In case of need, please, do not hesitate to contact our GDPR experts.



Alice Mlýnková
attorney-at-law
alice.mlynkova@LTApartners.com



Andrea Drhová
attorney-at-law
andrea.drhova@LTApartners.com

LTA is a modern consultancy firm providing integrated legal, tax and auditing services.

The core principles of our business are professionalism, individual approach and transparent fee policy.

Through the international networks of which LTA is a member we are also able to provide you with qualified consulting abroad and during cross-border transactions.

LTA Legal s.r.o.
Anglická 140/20
120 00 Praha 2
Czech Republic
T. +420 246 089 010
F. +420 246 089 012
recepce@LTApartners.com
www.LTApartners.com



The aim of this newsletter is to provide concise and comprehensive information on the topic concerned. This newsletter shall not replace individual legal, tax or other professional consulting. Despite maximum attention paid to the contents of the newsletter, our company does not assume any liability with regard to the completeness, correctness or accuracy of the information provided. Should you need further information on the topics concerned, our firm will be happy to advise you directly. The newsletter contains intellectual property of LTA Legal s.r.o. and may not be changed, copied or publicly shared without its previous consent. Printing and typographical errors reserved.