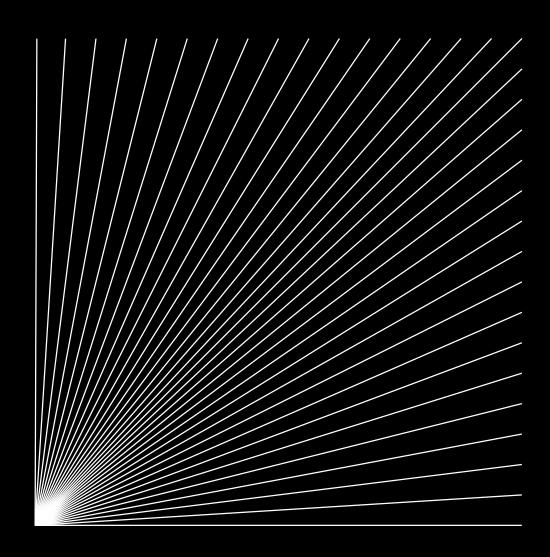


DIFC Data Protection Talks

Talk #9: Localization & Processing in the Cloud

Date: 7 Feb 2023

The future is here.







What is data localization and how does it impact my business?



What are the issues around government access to personal data in the cloud / the CLOUD Act?



What are your burning questions?

What is data localization and how does it impact my business?

Data localization is a broad topic, but essentially it means that personal data is to be processed inside the country it is collected, and under some regimes, it cannot be shared internationally without exceptions and in some cases, not at all.

As more businesses turn to cloud computing for operational support and even for security assurance, localization-driven laws make compliance more complex.

AED 62.6 Billion

According to Dubai Chamber of Commerce, this is how much SMEs and start-ups in the UAE may gain in <u>economic benefits</u> from hyperscale cloud computing between 2022 and 2030

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Country profiles included in the MENA Cloud Alliance Cloud Competitiveness Index for 2023.

Guidance

The DIFC Commissioner's Office has posted guidance about data export and sharing <u>here</u>.

What are the issues around government access to personal data in the cloud / the CLOUD Act?

Often, the reason given in favor of localization is that data, especially certain secret data, will be more secure this way.

In 2018 the US introduced the CLOUD Act. "CLOUD" stands for **Clarifying Lawful Overseas Use of Data**. One of the features is agreeing the legal ground rules between governments when making law enforcement or other government access requests for personal data.

According to the <u>US Department of Justice</u>, "The Act permits our foreign partners that have robust protections for privacy and civil liberties to enter into executive agreements with the United States to use their own legal authorities to access electronic evidence in order to fight serious crime and terrorism."

The CLOUD Act can be looked at as an attempt to liberate technology players while providing sound legal ground for legitimate access to specific types of data stored outside the US. However, the enactment of this legislation has caused concerns with respect to perceived overreach that governments might feel entitled to when accessing such data.

What else do I need to know about government access to data and compliance with applicable laws?

As a technology company, are there any benefits or protections under a CLOUD Agreement?



Will CLOUD Act agreements cover civil, administrative, or commercial inquiries? Can they be used for spying on another country?



What policies or directives exist to enhance cooperation with government authorities?



Is my company allowed to transfer data internationally from the DIFC?



Does compliance with Article 28 matter that much for a small company?



What should my company do if a Requesting Authority asks for personal data that we process?



How do CLOUD Act agreements enhance privacy?



Can I consult with the Commissioner's Office if I need help?

What are your burning questions?

Questions and Comments

What does the Commissioner's agenda look like for 2023?

This year, we many plans, but the top ones are to plan to further upgrades to our portal automations and to create new ones – happy to take suggestions! Updated regulations will be up for consultation and published as well. We are also working on further relationship building efforts and MOUs with other regulators, to hopefully establish more mutual recognition of the equivalence of our DP Law with others and thereby enabling less papering exercises. Finally, another key part of the plan is to further develop the EDMRI and due diligence survey.

Can you advise when can we expect the executive regulations for the Federal PDPL to be launched?

The short answer is no, we do not have this information. The UAE government are working on this and we share updates if or when we get them, with permission.



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