The General Data Protection Regulation (GDPR) came into effect for organizations active in the EU on May 25, 2018 and replaces the European Data Protection Directive in all EU member states. It is very broad – it does not exempt nonprofit organizations. Many nonprofits may collect & process a great deal of personal information and this means they will need to comply with the GDPR. The fines are very steep - 4% of annual turnover or 20 million euros, whichever is higher. Take time to review the key steps needed for compliance. Please note that this update does not replace legal advice—you should review the GDPR and its impact with your own legal counsel. If you have questions or need assistance, Senny Boone at SBoone@ana.net. The key points below were developed in conjunction with the Email Experience Council.

SCOPE

The GDPR applies to organizations established in Europe that process the personal data of individuals in Europe and to non-EU based organizations that offer goods and services to individuals in Europe.

PERSONAL DATA

Under the GDPR, the definition of personal data includes any information relating to an identified or identifiable natural person, such as an employee, donor, member, grantor. An “identifiable natural person” is also one who can be identified, directly or indirectly, by reference to an identifier, including IP address and device identifier. Sensitive data is subjected to heightened requirements.

AWARENESS

You should inform decision-makers and key people within your organization on the EU General Data Protection Regulation (GDPR). They should continually assess the impact it has and identify areas that could cause compliance problems under the GDPR. It would be useful to start by looking at your organization’s risk committee, if you have one.
Compliance will be difficult if you leave preparations until the last minute. Prepare, prepare and prepare!

**INFORMATION YOU HOLD**

You should document what personal data you are in possession of, where it came from and who you share it with. You may need to organize a full information audit, across the entire organization, or within a particular business area.

- The GDPR updates rights for a networked world. For example, if you have inaccurate personal data and have shared this with another organization, you will have to tell the other organization about the inaccuracy so it can correct its own records. You wouldn’t be able to do this unless you know what personal data you hold, where it came from and who you share it with. You should document this and keep it up to date. Doing this will also help you to comply with the GDPR’s accountability principle, which requires organizations to be able to show how they comply with the data protection principles.

**COMMUNICATING PRIVACY INFORMATION**

You should review your current privacy notices, statements and policies and begin to make any necessary changes in time for the GDPR implementation.

- Your privacy notice should disclose your information collection, use, sharing and protection practices. Under the GDPR, there are some additional requirements. For example, you will need to explain your legal basis for processing the data; your data retention periods and that individuals have a right to contact the Information Commissioner’s Office (ICO), or whichever Data Protection Authority (DPA) you fall under, if they believe their data privacy complaint was not resolved directly by your company. Note that the GDPR requires your privacy notice be concise, easy to read and understand.

**INDIVIDUAL RIGHTS UNDER GDPR**

You should check your procedures to ensure they cover all the rights individuals have, including how you would delete personal data or provide data electronically and in a commonly used format.

The main rights for individuals under the GDPR will be to:

- access data,
- have inaccuracies corrected,
- have information erased,
- prevent direct marketing,
- prevent automated decision-making and profiling, and
- have ability to data portability.
On the whole, the rights individuals will enjoy under the GDPR are the same as those under the DPA but with some significant enhancements. If you are geared up to give individuals their rights now, then the transition to the GDPR should be relatively easy. This is a good time to check your procedures and to develop a plan if someone asks to have their personal data deleted, for example. Would your systems be able to easily locate and delete the data? Who will make the decisions about deletion? Who needs to be involved? The policies and procedures around this need to be fine-tuned.

The right to data portability is new. This is an enhanced form of consumer access where you have to provide the data electronically and in a commonly used format. Many organizations will already provide the data in this way, but if you use paper print-outs or an unusual electronic format, now is a good time to revise your procedures and make any necessary changes.

**CONSUMER ACCESS REQUESTS**

You should update your procedures and plan how you will handle requests within the new timescales and provide any additional information.

The rules for dealing with subject access requests will change under the GDPR. In most cases, you will not be able to charge for complying with a request and normally you will have just a month to comply, rather than the current 40 days. There will be different grounds for refusing to comply with subject access request – manifestly unfounded or excessive requests can be charged for or refused. If you want to refuse a request, you will need to have policies and procedures in place to demonstrate why the request meets these criteria.

You will also need to provide some additional information to people making requests, such as your data retention periods and the right to have inaccurate data corrected. If your organization handles a large number of access requests, the impact of the changes could be considerable so the logistical implications of having to deal with requests more quickly and provide additional information will need careful consideration. It could ultimately save your organization a great deal of administrative cost if you can develop systems that allow people to access their information easily online. Organizations should consider conducting a cost/benefit analysis of providing online access to do this.

**LAWFUL BASIS FOR PROCESSING PERSONAL DATA**

You should look at the various types of data processing you carry out, identify your lawful basis for carrying it out and document it. Personal data must be processed “lawfully” under the GDPR, pursuant to one of the grounds provided in the GDPR—this can be with an individual’s consent (as outlined below,) to perform a contract, to comply with a legal obligation, or if the processing is “necessary for the legitimate interests of the organization.”

Many organizations will not have thought about their legal basis for processing personal data. Under the current law, this does not have many practical implications. However, this will be different under the GDPR because some individuals’ rights will be modified depending on your legal basis for processing
their personal data. The most obvious example is that people will have a stronger right to have their data deleted where you use consent as your legal basis for processing.

You will also have to explain your legal basis for processing personal data in your privacy notice and when you answer a subject access request. The legal basis in the GDPR is broadly the same as those in the DPA so it should be possible to look at the various types of data processing you carry out and to identify your legal basis for doing so. Again, you should document this in order to help you comply with the GDPR’s ‘accountability’ requirements.

**INDIVIDUAL CONSENT**

You should review how you are seeking, obtaining and recording consent and whether you need to make any changes. Consent is a lawful basis for processing data.

Like the DPA, the GDPR has references to both ‘consent’ and ‘explicit consent’. The difference between the two is not clear given that both forms of consent have to be freely given, specific, informed and unambiguous. Consent also has to be a positive indication of agreement to personal data being processed – it cannot be inferred from silence, pre-ticked boxes or inactivity.

If you rely on individuals’ consent to have the lawful basis to process their data, make sure it will meet the standards required by the GDPR. If not, alter your consent mechanisms. Note that consent has to be verifiable and that individuals generally have stronger rights where you rely on consent to process their data. Data consent must be specific—consent for one specific occasion cannot be implied to future instances. Also, you should provide for consent revocation—it should be as easy to revoke consent as it is to provide consent.

The GDPR is clear that controllers must be able to demonstrate that consent was given. You should therefore review the systems you have for recording consent to ensure you have an effective audit trail.

**SPECIAL CATEGORY DATA**

This data is similar in concept to “sensitive data” since it needs more protection because misuse could harm an individual’s right to freedoms. Such data may include information about an individual’s race, ethnic origin, politics, religion, genetics, biometrics (used for ID purposes.) This type of data requires a much higher standard of explicit consent, unless the Union or Member State has prohibited the processing of such data and the restriction may not be lifted by the individual data subject. See Article (9)2 of the GDPR. This data may be especially important to nonprofit organizations and the extra steps must be reviewed to ensure compliance.

**CHILDREN’S DATA**

You should start thinking now about putting systems in place to verify individuals’ ages and to gather parental or guardian consent for the data processing activity.
For the first time, the GDPR will bring in special protection for children’s personal data, particularly in the context of commercial Internet services such as social networking. In short, if your organization collects information about children – in the UK this will probably be defined as anyone under 13 – then you will need a parent or guardian’s consent in order to process their personal data lawfully. This could have significant implications if your organization aims services at children and collects their personal data. Remember that consent has to be verifiable and that when collecting children’s data your privacy notice must be written in language that children will understand.

**DATA BREACHES**

You should make sure you have the right procedures in place to detect, report and investigate a personal data breach.

Some organizations are already required to notify the Information Commissioner’s Office (ICO) and possibly some other bodies when they suffer a personal data breach. However, the GDPR will bring in a breach notification duty across the board. This will be new to many organizations. Not all breaches will have to be notified to the ICO – only ones where the individual is likely to suffer some form of damage, such as through identity theft or a confidentiality breach.

You should start now to make sure you have the right procedures in place to detect, report and investigate a personal data breach. This could involve assessing the types of data you hold and documenting which ones would fall within the notification requirement if there was a breach. In some cases, you will have to notify the individuals whose data has been subject to the breach directly, for example where the breach might leave them open to financial loss. Larger organizations will need to develop policies and procedures for managing data breaches – whether at a central or local level. Note that a failure to report a breach when required to do so could result in a fine, as well as a fine for the breach itself.

**DATA PROTECTION BY DESIGN AND DATA PROTECTION IMPACT ASSESSMENTS**

You should familiarize yourself now with Privacy Impact Assessments (PIAs) and work out how to implement them in your organization (if you need to). There is plenty of guidance on this and it shows how PIAs can link to other organizational processes such as risk management and project management. You should start to assess the situations where it will be necessary to conduct a DPIA. Who will do it? Who else needs to be involved? Will the process be run centrally or locally?

It has always been good practice to adopt a privacy by design approach and to carry out a privacy impact assessment as part of this. A privacy by design and data minimization approach has always been an implicit requirement of the data protection principles. However, the GDPR will make this an express legal requirement.

Note that you do not always have to carry out a PIA – a PIA is required in high-risk situations, for example where a new technology is being deployed or where a profiling operation is likely to significantly affect individuals. Note that where a PIA (or DPIA as the GDPR terms it) indicates high risk
data processing, you will be required to consult the ICO to seek its opinion as to whether the processing operation complies with the GDPR.

**DATA PROTECTION OFFICERS**

You should designate a Data Protection Officer, if required, or someone to take responsibility for data protection compliance and assess where this role will sit within your organization’s structure and governance arrangements.

The GDPR will require some organizations to designate a Data Protection Officer (DPO), for example public authorities or ones whose activities involve the regular and systematic monitoring of data subjects on a large scale. The important thing is to make sure that someone in your organization, or an external data protection advisor, takes proper responsibility for your data protection compliance and has the knowledge, support and authority to do so effectively. Therefore, you should consider now whether you will be required to designate a DPO and, if so, to assess whether your current approach to data protection compliance will meet the GDPR’s requirements.

**INTERNATIONAL CONSIDERATIONS & VALID DATA TRANSFER TO U.S.**

If your organization operates internationally, you should determine which data protection supervisory authority you come under.

The GDPR contains quite complex arrangements for working out which data protection supervisory authority takes the lead when investigating a complaint with an international aspect, for example where a data processing operation affects people in a number of Member States. Put simply, the lead authority is determined according to where your organization has its main administration or where decisions about data processing are made. In a traditional headquarters (branches model), this is easy to determine. It is more difficult for complex, multi-site companies where decisions about different processing activities are taken in different places. In case of uncertainty over which supervisory authority is the lead for your organization, it would be helpful for you to map out where your organization makes its most significant decisions about data processing. This will help to determine your ‘main establishment’ and therefore your lead supervisory authority.

If you are U.S. based and you seek to transfer EU data to the US for data processing, please be aware that you must have a legal basis, EU specifies that protected data can only be exported if “adequate protection” is provided. Since the US does not have such adequacy (no national privacy law), US companies and organizations may only receive personal data from the EU if they join the EU-U.S. Privacy Shield program or provide appropriate safeguards (contract clauses, binding corporate rules.) The ANA provides members with the Privacy Shield program as a part of member dues or for a small fee depending on the member organization’s dues level.
ADDITIONAL INFORMATION LINKS

- For the full GDPR, please view this site:
  https://gdpr-info.eu/

- For specific guidance & checklists on GDPR provisions such as Consent & Special Category data, see these links: