



ALERT

U.S. and EU Agree on “Privacy Shield:” New Agreement Regulates Data Transfers

Worldwide ERC® issued a Member Alert on February 5, 2016 to alert the member base that the U.S. and the EU had reached an agreement aimed at allowing U.S. companies to continue to transfer data from the EU to the U.S. The agreement is not final at this time.

DATE OF ALERT: February 2016

IMPACTED: All clients, relocation management companies, and suppliers of various types, all of whom seek to work together to transfer client employees around the world should be aware of this recent development and the implications for their organizations.

OVERVIEW: The “Privacy Shield” Agreement would replace the recently invalidated Safe Harbor agreement and offer U.S. companies regulatory protection if they abide by the agreement guidelines. Details are limited at this time, but it appears U.S. companies will have to publish commitments regarding personal data processing and individual data rights. Commitments are subject to U.S. law and would be enforced by the U.S. Federal Trade Commission. “Privacy Shield” is still under review by EU data privacy regulators, a process that could take several weeks or longer.

DETAILS: Following the recommendation of Worldwide ERC, Altair will continue on the course of implementing and adhering to Model Contract Clauses and Binding Corporate Rules. Additionally, Altair will not rely solely on “Privacy Shield;” we obtain the assignee’s consent to the sharing of data and are also privacy certified by TRUSTe. TRUSTe assesses, monitors, and certifies websites, mobile apps, cloud, and advertising channels to allow companies to safely collect and use customer data to power their business. The company incorporates regulatory requirements and industry best practices from the United States, North America, European Union, and Asia Pacific regions into its review of digital properties. As of 2012, TRUSTe has provided data privacy management services and certifications for more than 5,000 businesses. Altair’s internal legal counsel will continue monitoring this case for any forthcoming directives.