

EU Adoption of EU-US Data Privacy Framework

Background

On 10 July 2023, the European Commission formally adopted the new EU-US Data Privacy Framework (the "**Framework**"). The Framework acknowledges that personal data transferred from entities in the EU to entities in the US who are signatories to the Framework will receive adequate protection. This allows for the free flow of personal data from the EU to such US entities, without the need for additional data protection safeguards.

Previously, the EU-US Privacy Shield framework in place allowed the transatlantic flow of personal data without additional safeguards. However, in 2020, the Court of Justice of the European Union ("**CJEU**") ruled the Privacy Shield framework invalid, based on concerns that the framework failed to protect EU citizens' personal data from US surveillance practices. This decision had far-reaching implications for organisations relying on the Privacy Shield framework, requiring them to reassess their data transfer practices and implement alternative mechanisms to ensure the secure transfer of personal data to the US.

Key Points from the Framework

The Framework has been recognised as providing a level of protection similar to that offered by the EU's General Data Protection Regulation ("**EU GDPR**"). This comes after the US took steps to address the EU's concerns about the Privacy Shield framework and its adoption of these measures which include:

- Implementation of a verification system, requiring US companies to self-certify compliance with the Framework. Other measures have been implemented to detect and address false claims of participation;
- Establishment of a new Data Protection Review Court allowing individuals whose data has been transferred to the US to lodge complaints.
- Regular compliance reviews and assessments of the Framework; and
- Introduction of new rules governing US intelligence agencies' access to personal data transferred from the EU to the US, based on the principles of necessity and proportionality.

What does this mean for EU and US Companies?

Under the framework, EU and UK companies can now transfer EU personal data to US companies without the requirement of separate Standard Contractual Clauses or similar mechanisms. US companies seeking to become signatories to the new Framework must comply with the principles outlined within it. Such companies will need to submit applications through the US Department of Commerce before accepting any personal data from the EU. Additionally, they must update their data protection and compliance programs.

Next Steps

EU President Ursula von der Leyen stated that the Framework will guarantee secure data flows for Europeans and provide legal certainty for companies on both sides of the Atlantic.

Cleveland & Co can advise UK and EU companies on the changes the Framework will bring and we can provide useful insights into what this means for firms.

To read the full Framework document, please click [here](#). Please click [here](#) for the Press Release,

if you need any further assistance or information, please contact:

Leela Fair - Managing Director, General Counsel EMEA

+44 7412 502985

lfair@cleveland-co.com



<https://cleveland-co.com/>



<https://uk.linkedin.com/company/cleveland-co>

