

Data Protection Law developments in Russia

CIS LONDON

Briefing note

February 2015

The Russian legislation on personal data protection is currently changing.

The Russian regulator is seeking to obtain more control over the information provided by individuals to Russian and foreign companies. For many companies, complying with these changes will have a substantial effect on how they collect, process, transfer and store personal data in Russia.

(1) Current Regulation of Personal Data Protection

The principal law regulating personal data is Federal Law No. 152-FZ on Personal Data as of 27 July 2006 (the "**Law**").

According to Article 3 of the Law, personal data is any information directly or indirectly related to an identified or to be identified individual.

Therefore, names, addresses and other data with respect to Russian citizens or foreign citizens based in Russia would be considered as personal data and would fall within the scope of the Law. Information on legal entities is not protected by the Law. However, data relating to employees and customers of a business would be covered by the Law.

Processing personal data is any action (operation) or sequence of actions (operations) with or without automatic facilities with respect to personal data including collection, recording, systematisation, accumulation, retention, renewal, extraction, use, transmission, distribution, granting access, deletion, blocking and destruction.

The definition of "processing" is very broad and virtually any activities in relation to personal data could fall within the scope of the Law.

(2) Recent Amendments to the Law

In July 2014 the amendments to the Law (the "**Amendments to the Law**") were introduced with the intention to make them effective from 01 September 2016.

On 31 December 2014 the new Federal Law was signed making the Amendments to the Law to come into force one year earlier than expected, from 01 September 2015.

The principal points of the Amendments are:

- Although the Amendments require that personal data of Russian citizens should be stored in Russia, the Amendments to the Law do not *expressly* prohibit storing/mirroring personal data outside Russia as well, i.e. there could be two or more data sets.
- Cross-border transfer of personal data is regulated by Article 12 of the Law. There are no *new* provisions on cross-border transfers of data in the Amendments. Therefore, a cross-border transfer of personal data outside Russia would still be permissible.

(3) *Steps to be Considered by Companies Working with Personal Data*

As the Amendments to the Law establish that the Law should be amended from 01 September 2015 it imposes heavy requirements on Russian and foreign companies working with personal data. The Amendments would require that companies organise the storage of personal data in Russia (however do not prohibit duplicating and storing personal data outside of Russia).

Companies with operations or doing business in Russia should carefully consider the proposed amendments as well as available legal and technical options allowing for storage of personal data on Russian and foreign servers.

If you consider that your business will be impacted by these changes, you will need to understand the complexities and the options available to you, in order to have sufficient time to reorganise. Our teams in London and Moscow are fully briefed on the proposed legislation and are ready to assist clients navigate their businesses through these changes.

To discuss how we can help please call either Svetlana London or Alexander Yurchik.

Contacts



Svetlana London
Managing Partner
T: +44 20 7242 0484
E: svetlana.london@cislondon.com



Alexander Yurchik
Associate
T: +7 495 790 7983
E: alexander.yurchik@cislondon.com

www.cislondon.com

This publication does not necessarily deal with every important topic or cover every aspect of the topics with which it deals. It is not designed to provide legal or other advice.

CIS LONDON & PARTNERS LLP is registered with the Solicitors Regulation Authority as a Foreign Law Firm (SRA ID: 613335) and is a limited liability partnership registered in England and Wales with registered number OC327132. The firm's registered office is at 4-6 Staple Inn Buildings, London WC1V 7QH. A full list of members' names and their professional qualifications may be inspected at our registered office. All members of CIS LONDON & PARTNERS LLP are lawyers or advocates qualified in the Russian Federation and/or the Republic of Kazakhstan.