

GENERAL DATA PROTECTION REGULATION

SIX MONTHS POST-IMPLEMENTATION

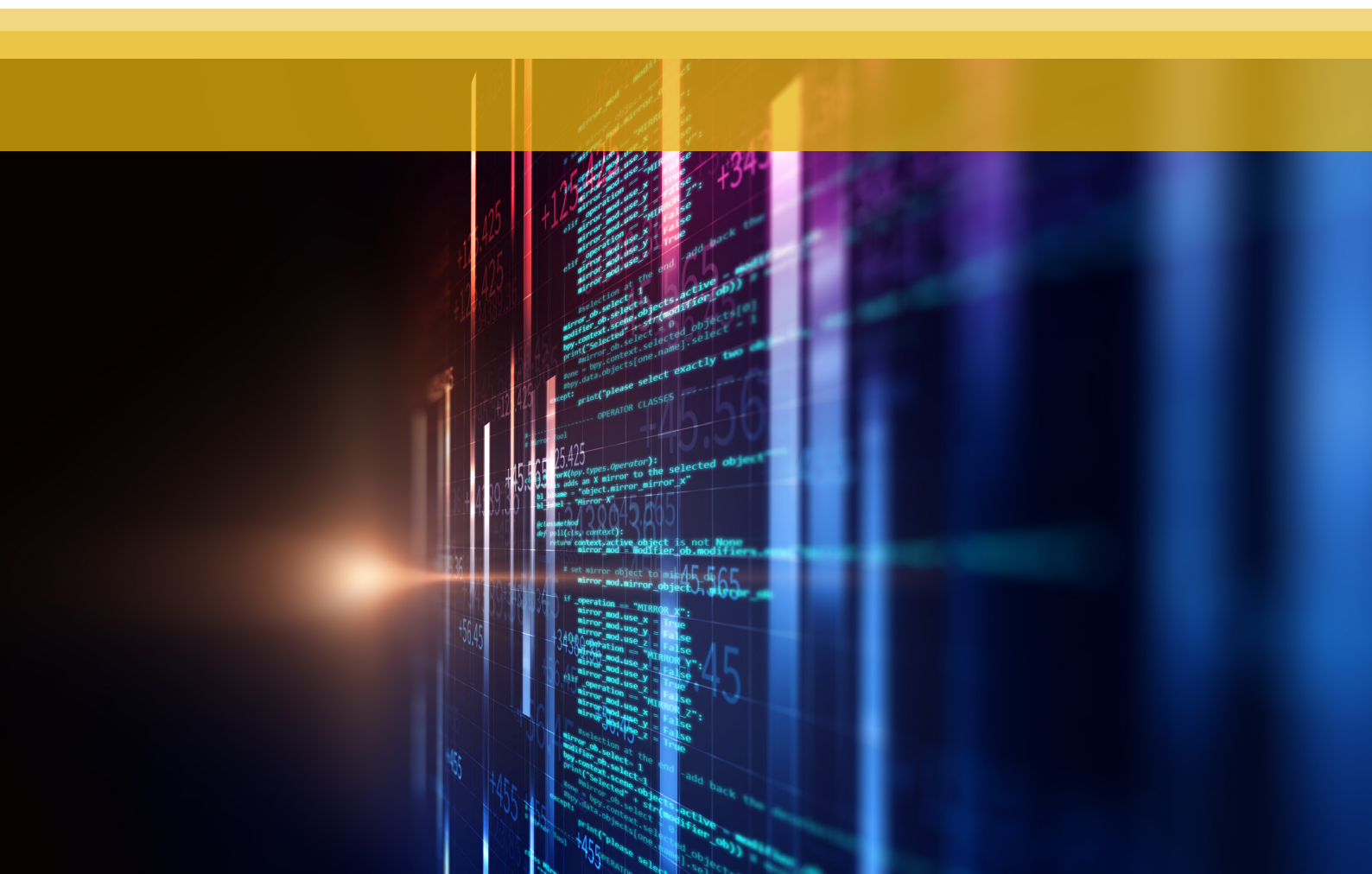
A SURVEY OF THE IMPACT OF GDPR AND ITS
EFFECT ON ORGANISATIONS IN IRELAND

November 2018



MAZARS

McCANN FITZGERALD



About McCann FitzGerald

With over 600 people, including almost 430 lawyers and professional staff, McCann FitzGerald is one of Ireland's premier law firms. We are consistently recognised as being the market leader in many practice areas and our pre-eminence is endorsed by clients and market commentators alike.

Our principal office is located in Dublin and we have overseas offices in London, New York and Brussels. We provide a full range of legal services, primarily to commercial, industrial and financial services companies. Our clients include international corporations, major domestic businesses and emerging Irish companies. We also have many clients in the State and semi-State sector.

About Mazars

With over 30 years' experience, Mazars is one of the fastest growing professional services firms in Ireland. Services include audit, assurance, tax, consulting, payroll and financial outsourcing, insolvency, corporate finance. Mazars Ireland is part a single international integrated partnership with over 20,000 professionals in 86 countries.

About the Research

W5 carried out a quantitative online survey of senior figures with responsibility for the compliance and data protection functions in Irish business during October 2018. The representative sample comprised a cross section of businesses by size (measured by number of employees) and business sector and industry.

Total sample size : N=73 Fieldwork dates: 10-23 October 2018. We are very grateful to all the survey participants for their valuable time and insights.



INTRODUCTION

General Data Protection Regulation

A Survey of the Readiness of Irish Business – Part III Findings

Since the entry into full force of the General Data Protection Regulation (GDPR) and the associated new Law Enforcement Data Protection Directive on 25 May 2018, organisations have been busy putting compliance measures in place.

Now, six months post-implementation, we are pleased to publish the results of our recently commissioned survey into the impact of GDPR on organisations in Ireland.

In summary, Irish businesses are optimistic about compliance with the GDPR as 88% say they are confident that they have correctly interpreted their GDPR obligations while 84% of organisations are satisfied that they are materially compliant with GDPR.

Despite 68% of businesses finding it challenging to put the necessary GDPR compliance structures in place, there is also a shared belief that the introduction of GDPR has been a positive development for society with 82% of businesses agreeing or strongly agreeing that GDPR has been beneficial for individuals.

Nobody said the road to GDPR compliance would be easy but most organisations have found it to be a worthwhile, albeit at times painful, exercise in terms of information governance, something they may not have done otherwise. There are requirements that are continuing to be challenging to address and there is an awareness of areas where they are at risk of non-compliance.

Whilst we found that overall organisations are cautiously optimistic, this optimism is likely to be tested in the coming months as enforcement actions and data subject activism start to kick in.

Summary Findings

Specifically, of those surveyed:

- **82%** believe that GDPR is beneficial for individuals and **64%** think that compliance with GDPR will be beneficial for organisations' relations with their employees, customers and other stakeholders in the long term;
- **88%** are confident that they have correctly interpreted their GDPR obligations while **84%** are satisfied that they are materially compliant with GDPR;

- **68%** found it challenging for their organisation to create the structures necessary for data protection compliance;
- The top three most significant challenges faced by organisations in implementing GDPR are:
 - The creation and maintenance of records of processing activities (**33%**)
 - Documenting and evidencing compliance (**21%**)
 - Addressing security obligations (**15%**)
- The most popular bases for the processing of data are Contract and Legitimate Interest (**53% each**) followed by Legal Obligation / Compliance (**51%**) and Consent / Opt-In (**47%**);
- **56%** have noticed an increase in the volume of data subject requests since implementation of the GDPR with **27%** saying that they have increased a lot;
- **68%** of organisations have appointed a Data Protection Officer (DPO) with **62%** of indicating that their DPO will report to C-Level executives including the CEO (an increase of **15%** versus last year);
- **61%** of businesses said that costs to date for GDPR compliance were either a little or a lot more than expected with **58%** having calculated that internal and external GDPR-related costs were between €50,000 and €250,000. **15%** estimate the cost as in excess of €250k;
- Finally, when asked about future plans for GDPR in light of Brexit, companies are adopting a wait and see approach with **50%** saying that they are waiting for further developments before they make a post-Brexit plan.



Liam McKenna
Partner
Consulting Services
Mazars

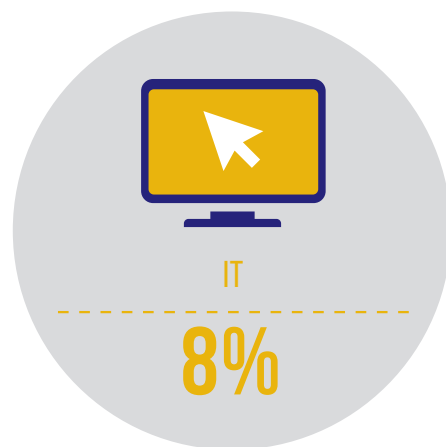


Paul Lavery
Partner
Head of Technology & Innovation
McCann FitzGerald



RESPONDENTS

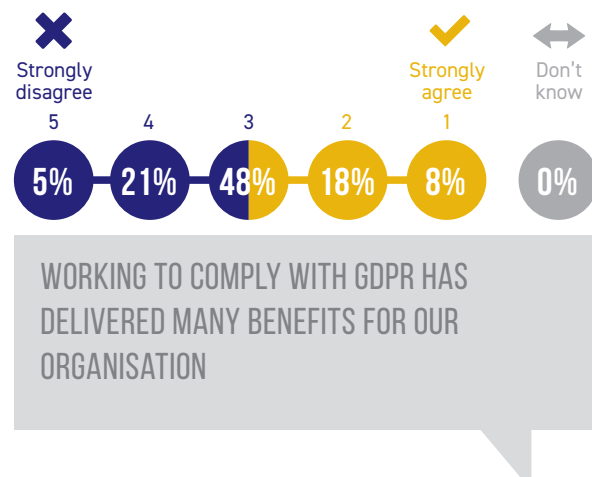
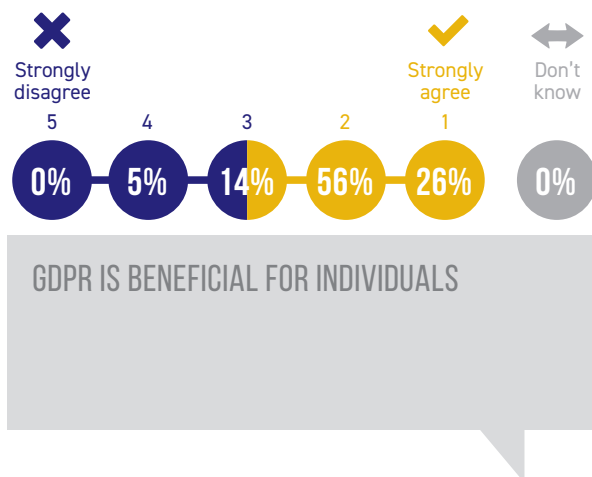
FUNCTION OF RESPONDENT





KEY FINDINGS

1. GDPR IN OVERVIEW



Base: 66

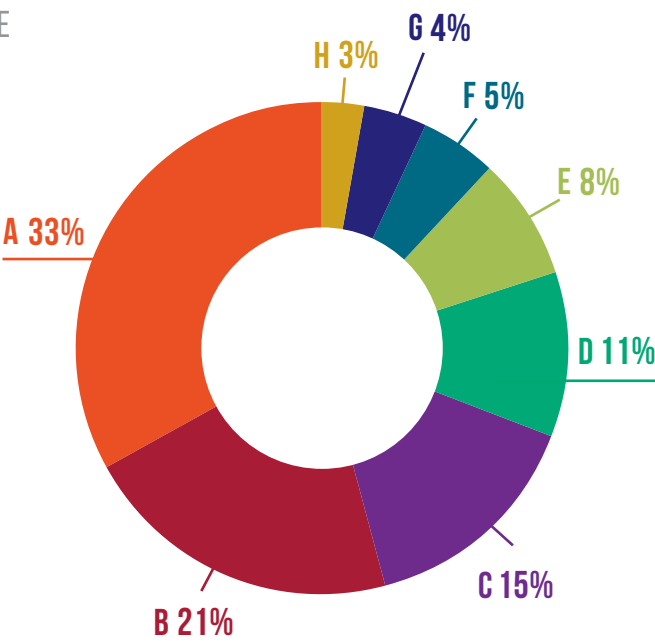


KEY FINDINGS

2. THE GREATEST CHALLENGE

WHICH ONE ASPECT OF THE GDPR (LISTED AT RIGHT) REMAINS THE GREATEST CHALLENGE FOR YOUR ORGANISATION?

Base: 73



DEFINITIONS

- A** **Record of Processing Activities/Data Inventory**
Recording categories of data, categories of processing activities, categories of recipients, data transfers, retention times and security measures
- B** **Documenting and Evidencing Compliance**
Enabling the organisations to accurately assess, evidence and report on compliance status as a business as usual activity
- C** **Security Obligations**
Implementing and maintaining appropriate security measures
- D** **Engaging Service Providers**
Detailed data processing provisions required to be included in contracts
- E** **Data Subject Requests**
Right of access, right to be forgotten, right to data portability, etc.
- F** **Other**
- G** **Personal Data Breach Notifications**
Mandatory notifications to supervisory authority and affected data subjects in certain circumstances
- H** **Data Protection Officers**
Appointment, resourcing and structuring role of DPO

WHAT ASPECTS ARE YOU MOST CONCERNED MIGHT LEAD TO A GDPR FINE OR OTHER ENFORCEMENT ACTION?

Base: 66

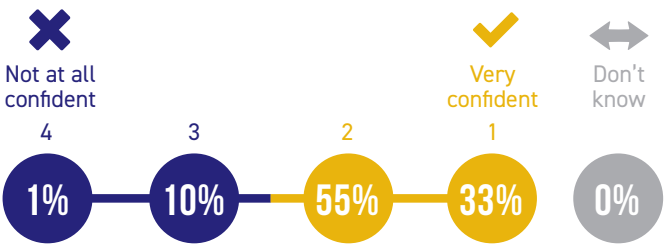




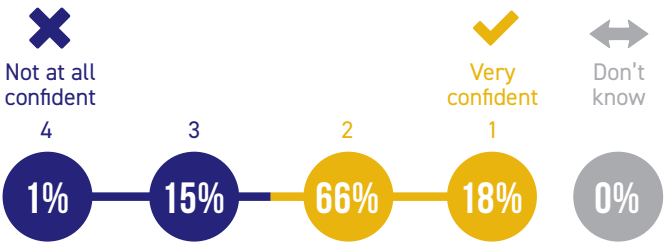
KEY FINDINGS

3. THINKING IN OVERVIEW

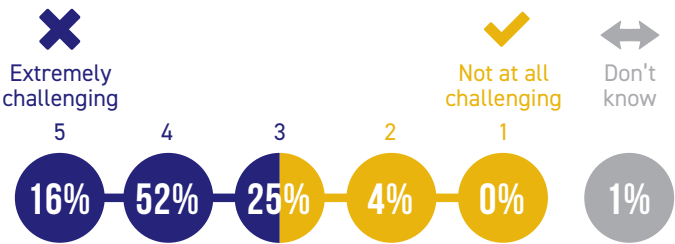
HOW CONFIDENT ARE YOU THAT YOUR ORGANISATION HAS INTERPRETED ITS OBLIGATIONS UNDER APPLICABLE DATA PROTECTION LAW APPROPRIATELY?



TO WHAT EXTENT ARE YOU CONFIDENT THAT YOUR ORGANISATION IS MATERIALLY COMPLIANT WITH ITS OBLIGATIONS UNDER APPLICABLE DATA PROTECTION LAW?



HOW CHALLENGING HAS IT BEEN FOR YOUR ORGANISATION TO CREATE THE STRUCTURES NECESSARY FOR DATA PROTECTION COMPLIANCE?



Base: 67



KEY FINDINGS

4. LEGAL BASES

WHICH OF THE FOLLOWING LEGAL BASES ARE YOU USING FOR THE PROCESSING OF DATA?

CONTRACT

53%

**LEGITIMATE
INTEREST**

53%

**LEGAL OBLIGATION/
COMPLIANCE**

51%

**OPT-IN/
CONSENT**

47%

**LEGISLATIVE
BASIS**

40%

**PUBLIC
INTEREST**

11%

**PROTECTION OF VITAL
INTEREST OF DATA SUBJECT**

10%

**DON'T
KNOW**

1%

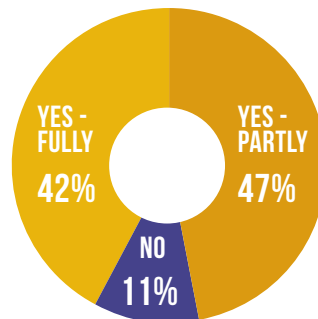
Base: 73



KEY FINDINGS

5. DOCUMENTATION OF USAGE OF LEGITIMATE INTEREST & COMPLIANCE CHALLENGES

HAVE YOU DOCUMENTED YOUR BASIS FOR USAGE OF LEGITIMATE INTEREST AS A BASIS FOR LEGAL PROCESSING?



HOW CHALLENGING IS YOUR ORGANISATION FINDING IMPLEMENTATION OF THE NECESSARY CHANGES FOR THIS BASIS FOR PROCESSING?

Extremely challenging



5

4

3

2

1

Not at all challenging



Don't know



CONTRACT



LEGITIMATE INTEREST



LEGAL OBLIGATION/ COMPLIANCE



CONSENT/OPT-IN



LEGISLATIVE BASIS



PUBLIC INTEREST



PROTECTION OF VITAL INTEREST OF DATA SUBJECT



OF NOTE, IS THE PERCENTAGE THAT IDENTIFIED CONSENT/ OPT-IN EXTREMELY OR VERY CHALLENGING.



KEY FINDINGS

6. CHANGE IN DATA SUBJECT REQUESTS & DATA BREACH

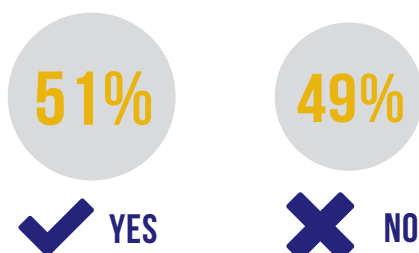
HAVE YOU NOTICED ANY CHANGE IN DATA SUBJECT REQUESTS SINCE 25 MAY 2018?

Base: 70



HAVE YOU REPORTED A PERSONAL DATA BREACH TO THE DATA PROTECTION COMMISSION OR ANY OTHER SUPERVISORY AUTHORITY?

Base: 69

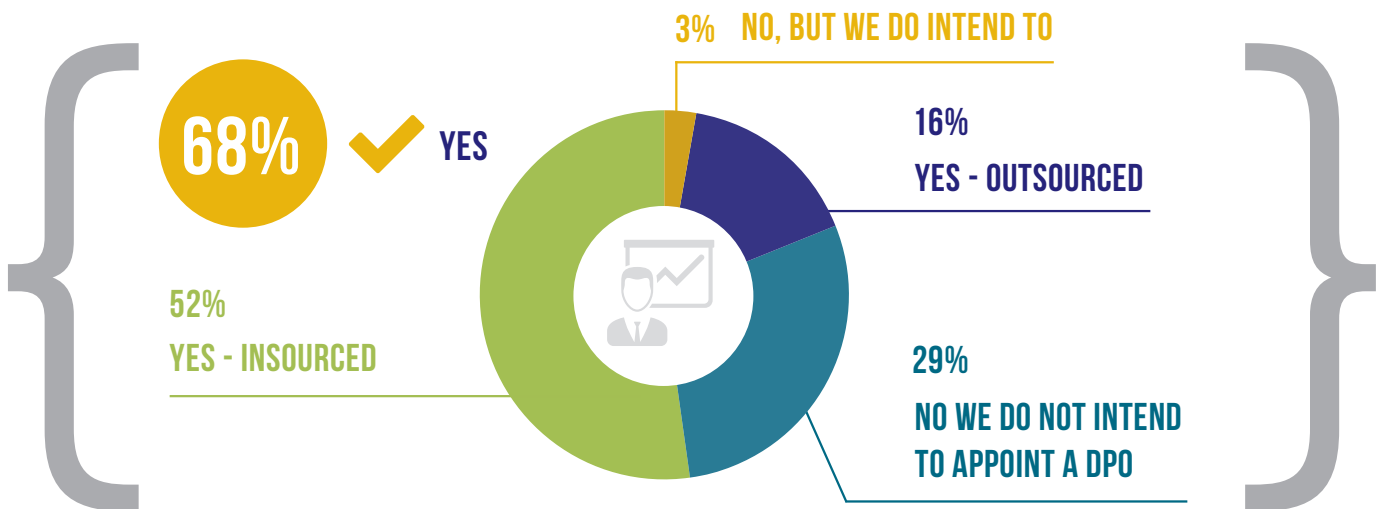




KEY FINDINGS

7. DATA PROTECTION OFFICER

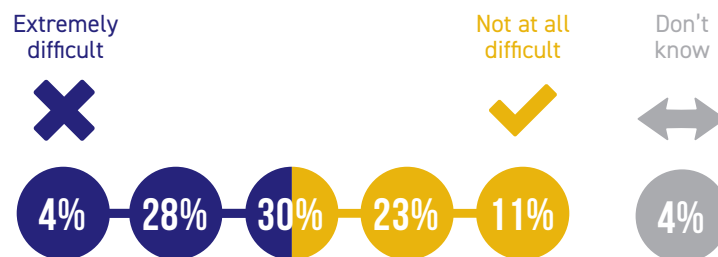
HAVE YOU APPOINTED A DPO?



Base: 69

IF 'YES'

HOW DIFFICULT DID YOUR ORGANISATION FIND THE PROCESS TO SOURCE AND APPOINT A DPO?



TO WHOM DOES THE DPO REPORT?



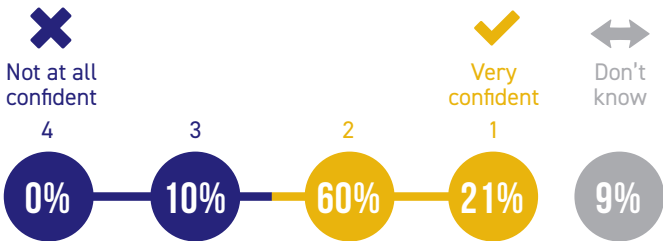
Base: 47



KEY FINDINGS

8. INTERNATIONAL TRANSFERS

HOW CONFIDENT ARE YOU THAT YOU ARE COMPLIANT WITH GDPR REQUIREMENTS REGARDING INTERNATIONAL TRANSFERS?



Base: 67

THINKING ABOUT THE DATA PROCESSORS THAT YOU USE HOW CONFIDENT ARE YOU THAT THEY ARE KNOWLEDGEABLE ABOUT, CAPABLE AND COMMITTED TO IMPLEMENTING THEIR DATA PROTECTION OBLIGATIONS?



Base: 69

WHERE ARE DATA PROCESSORS THAT YOU USE LOCATED?

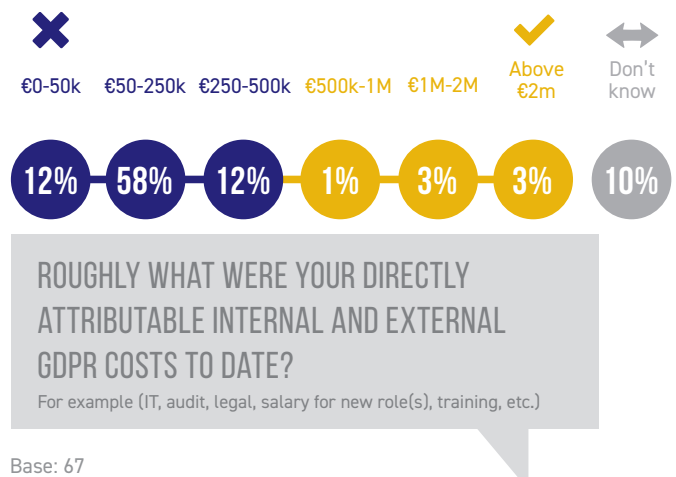


Base: 65 (all data processors)



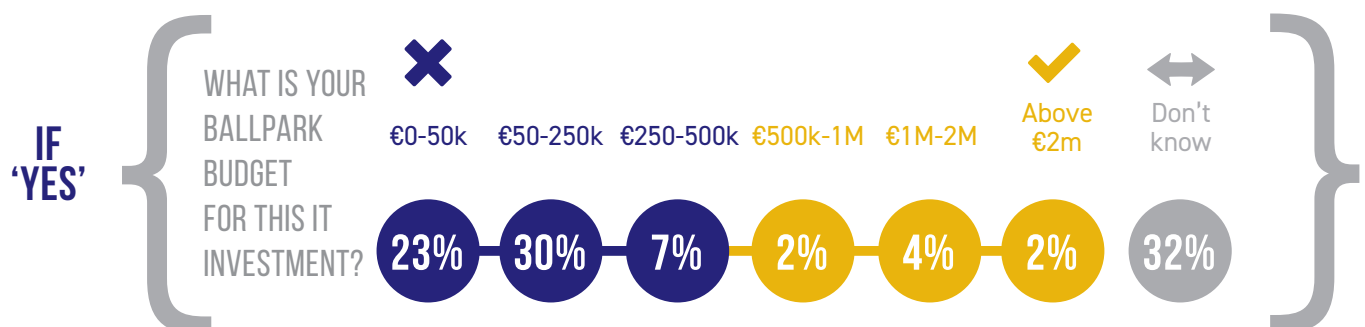
KEY FINDINGS

9. GDPR COST



HAVE YOU IMPLEMENTED, OR DO YOU INTEND OVER THE NEXT 12 MONTHS TO IMPLEMENT, IT SOLUTIONS TO SUPPORT DELIVERING AND DEMONSTRATING COMPLIANCE WITH GDPR?

84% **✓ YES**

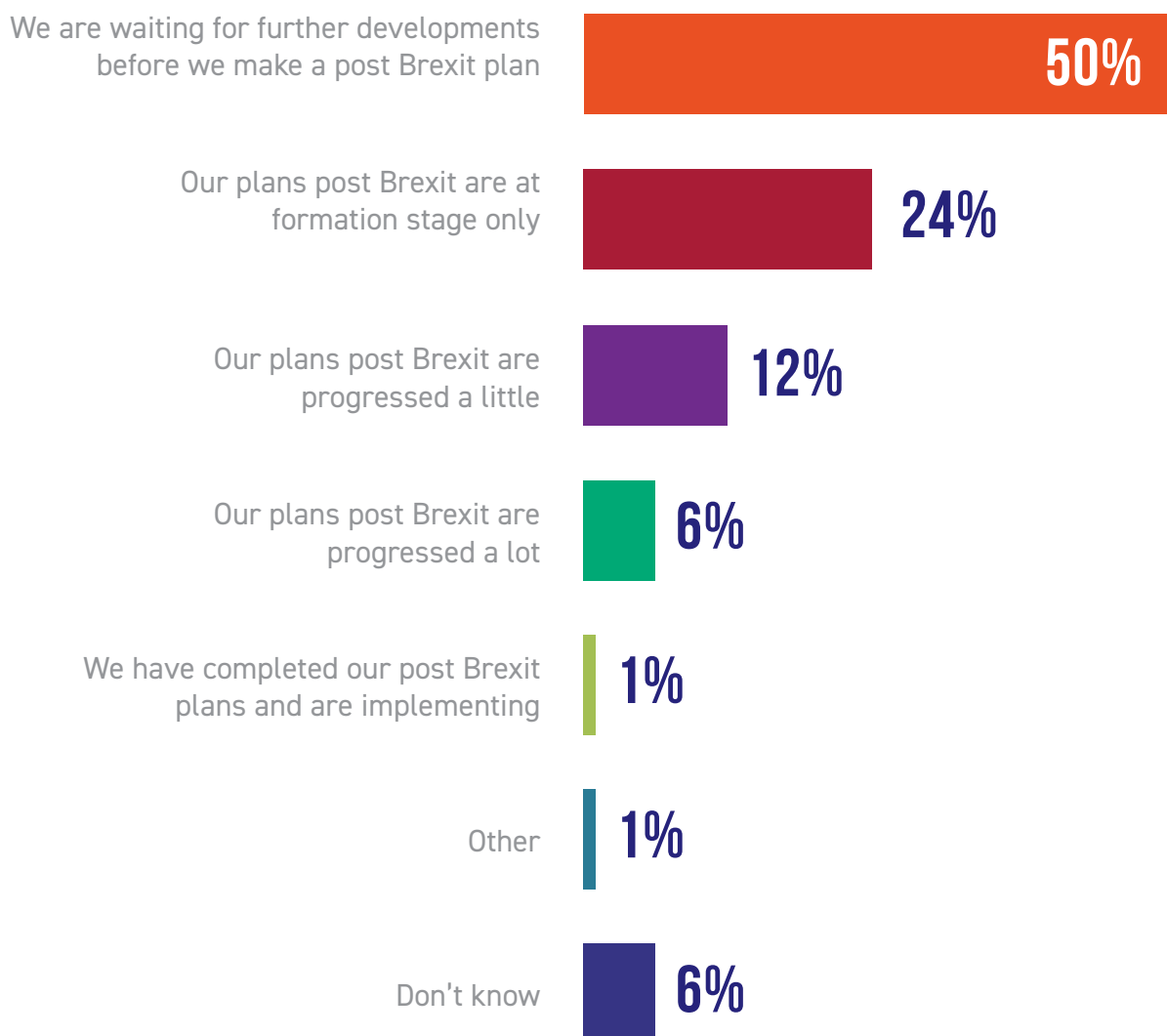




KEY FINDINGS

10. BREXIT PLANS

Which of the following best describes your plans for GDPR post Brexit?



Base: 68



CONTACT

IF YOU WOULD LIKE FURTHER INFORMATION ON THE
GENERAL DATA PROTECTION REGULATION PLEASE CONTACT:



Liam McKenna

Partner, Consulting Services, Mazars
Phone: +353 1 449 6454
Email: lmckenna@mazars.ie



Sarah Hipkin

Director, Privacy & Data Protection, Mazars
Phone: +353 1 449 4419
Email: shipkin@mazars.ie



Paul Lavery

Partner, Head of Technology & Innovation,
McCann FitzGerald
Phone: +353 1 607 1330
Email: paul.lavery@mccannfitzgerald.com



Adam Finlay

Partner, Technology & Innovation,
McCann FitzGerald
Phone: +353 1 607 1795
Email: adam.finlay@mccannfitzgerald.com



Annette Hogan

Consultant, Technology and Innovation
McCann FitzGerald
Phone: +353 1 607 1207
Email: annette.hogan@mccannfitzgerald.com

This publication is for general guidance only. It should not be regarded as a substitute for professional advice. Such advice should always be taken before acting on any of the matters discussed.

2018 © Mazars and McCann FitzGerald.

All rights reserved.

Mazars Dublin, Block 3, Harcourt Centre, Harcourt Road, Dublin 2, Ireland
Tel: +353-1-449 4400

Mazars Galway, Mayoralty House, Flood Street, Galway, Ireland
Tel: +353-91-570100

Mazars Limerick, 98 Henry Street, Limerick, Ireland
Tel: +353-61-319955

also in 86 countries in Europe, Africa, the Middle East, Asia Pacific, North America, Latin America and the Caribbean
www.mazars.ie

McCann FitzGerald, Riverside One, Sir John Rogerson's Quay, Dublin 2, D02 X576
Tel: +353-1-829 0000 | Fax: +353-1-829 0010

also at London, New York and Brussels
www.mccannfitzgerald.com

