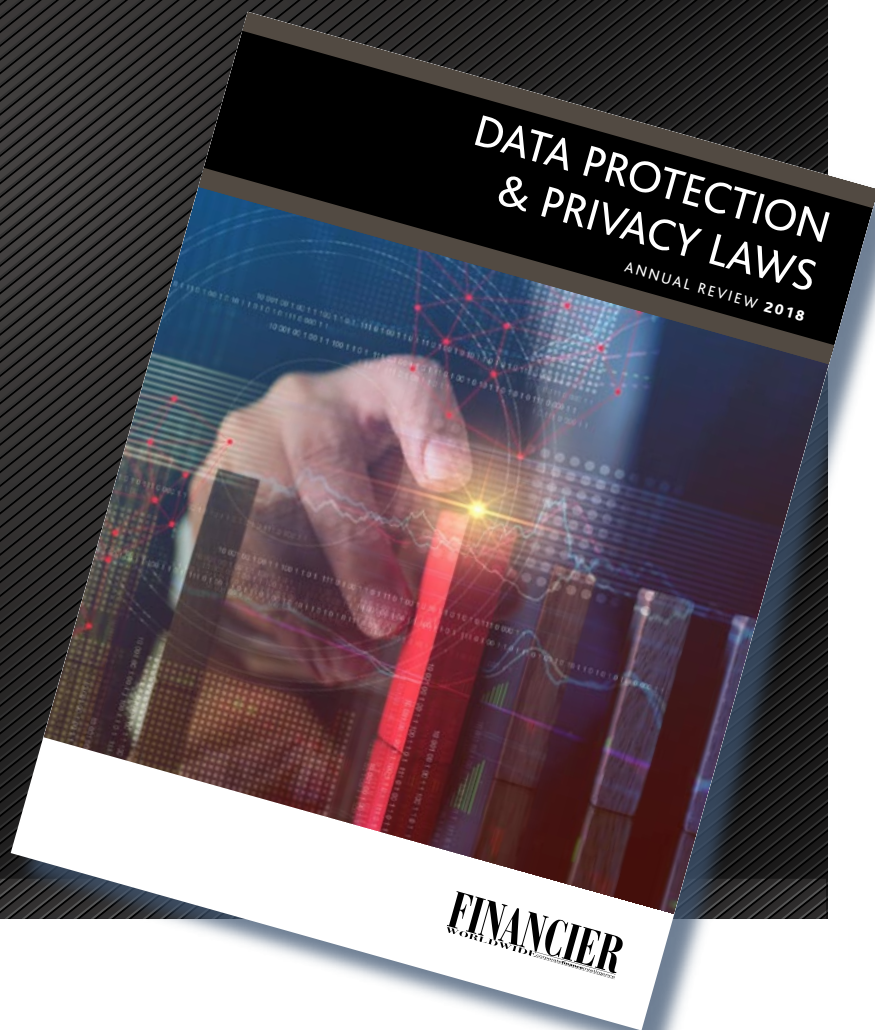


ANNUAL REVIEW

Data Protection & Privacy Laws

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Ljiljana Urzikic Stankovic is a partner at Stankovic & Partners. She has extensive experience providing advisory services to parties in Serbia on matters of data protection and intellectual property (IP) law. As an expert in this field, Ms Urzikic Stankovic focuses on all matters related to the processing of personal data and the protection of IP rights, including trademarks, design rights and patents, as well as handling cyber crime and anti-piracy issues. Her broader commercial expertise also includes labour and employment law, and banking and finance with a particular emphasis on project finance and securitisation.

■ **Q. In your experience, do companies in Serbia need to do more to fully understand their data privacy and protection duties in the digital age?**

URZIKIC STANKOVIC: In the last few years, companies in Serbia have become more aware and have a better understanding of the concept of privacy and personal data protection. Crucially, the new Law on Data Protection has recently been adopted. Prior to that, the previous law governing data protection was introduced in 2008, and for a long time, data privacy and protection were relatively new and unknown concepts for many Serbian companies. The most important changes in this field have been felt as a result of the enforcement of the European Union's (EU's) General Data Protection Regulation (GDPR). Though the GDPR applies only to those companies which process the data of EU citizens or have businesses within the EU, the implementation of the GDPR has led to a better understanding of the significance of data protection and privacy obligations of companies in Serbia.

■ **Q. Could you outline the latest legal and regulatory developments affecting corporate storage, handling and transfer of data in Serbia?**

URZIKIC STANKOVIC: Serbia is increasingly dedicated to digitalisation. The introduction of e-government, and the adoption of new regulations in this field, have reflected the new significance placed on data protection in Serbia and these measures have led to the replacement of traditional solutions for corporate storage, handling and transfer of data with new solutions. This primarily refers to the new Law on Personal Data Protection, the Law on Information Safety, the Law on Electronic Document, Electronic Identification and Trust Services in Electronic Transactions (E-Business Law) and other laws.

■ **Q. In what ways have the authorities increased their monitoring and enforcement activities with respect to data protection and privacy in recent years?**

URZIKIC STANKOVIC: In Serbia, the Commissioner for Information of Public Importance and Personal Data Protection, an independent state body, has been introduced

with the aims of protecting personal data. The scope of the Commissioner's work is defined by the law. So far, the legal framework governing personal data protection has not been completely or fully defined. The consequence of this is the violation of the right to personal data protection and the right to privacy. From the report of the Commissioner for Personal Data Protection, based on available records of a number of cases, there were numerous successful interventions in 2018, but there are still many criminal complaints submitted to the Commissioner regarding the unauthorised collection of personal data which remain unsolved. That is why this process should be more efficient, something which is expected after the implementation of the new Law on Personal Data Protection, which has been adopted recently and which envisages the following novelties: the chance to submit complaints to the Commissioner and the chance for individuals to directly address the court with a lawsuit.



■ **Q. What insights can we draw from recent high-profile data breaches? What impact have these situations had on the data protection landscape?**

URZIKIC STANKOVIC: Several incidents of data ‘leaking’ in big companies have certainly damaged the illusion of data safety and privacy in the cyber space, and have had a significant impact on the understanding of privacy and personal data protection. Internet users are now more interested in the protection of their privacy and are acting more responsibly toward their data. Many companies are also searching for solutions which would protect that data.

■ **Q. What steps can companies take to mitigate data risks arising from the use of third parties, such as consultants, agents and distributors?**

URZIKIC STANKOVIC: In the initial phase, before the collection of data, it is necessary for companies to correctly determine the scope and type of personal data to be collected, and then establish the rules for further use of that data. This will significantly reduce risks arising from the use of personal data by third parties. For legal entities, it is often more economically efficient to establish rules for the use of data, since the resources available to users are adapted

to the scope and type of data to be collected. Internal procedures for use of personal data may define which data is collected. These procedures must also consider the reasons for collection, defining which individuals have the right to access personal data, regulate the process for transfer of data to third parties, and so on.

■ **Q. What can companies do to manage internal data privacy risks and threats, such as liabilities arising from lost devices or the actions of rogue employees?**

URZIKIC STANKOVIC: With the increasing digitalisation of business, data is becoming a key resource in all industries. The equipment used to transfer personal data has become a key channel for company networks. While guaranteeing the physical safety of equipment can be difficult, there are still ways to protect the data stored on them, by encrypting computers and disks, as well as configuring equipment in order to control and protect passwords, manage remote deletion of personal data and locate lost equipment. In addition, employees should be informed about data management and maintenance through clearly defined rules on data management and storage. One of the most significant steps companies can take is to test whether they are ready for an incident. A test should be carried out at least once, and the reaction times and efficiency of all team members should be measured.

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Sometimes, such incidents can be prevented by educating employees, which is a step often overlooked by companies.

■ Q. What essential advice can you offer to companies in Serbia on managing data risk and maintaining regulatory compliance going forward?

URZIKIC STANKOVIC: Personal data protection requires practical knowledge of suitable legal mechanisms, as well as relevant experience, as this legal area is constantly changing and growing. In an era where companies are amassing personal data in greater volumes, one of the main ways in which firms can differentiate themselves is through their

ability to secure privacy for their employees and clients. Personal data processors and controllers should estimate the impact of processing personal data protection. Companies should publish their internal policies and procedures governing the management of personal data. They should also appoint individuals who will be responsible for personal data processing and who will control, suggest and undertake measures related to personal data protection. Finally, companies must understand their role in respect of the personal data they process, and must, consequently, determine their flow within the company and outside of it, and thus prevent or discover every possible abuse of personal data in a timely fashion. ■

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