



**ETHOS
PRIVACY**

Schrems II: Expert Vendor Contract Update Services

The clock is ticking on the new SCCs

Strategic approach to manage vendor contract updates

In June of 2021, the European Commission released new standard contractual clauses (SCCs) for cross-border transfers of personal data. Our end-to-end solution manages the process to update existing contracts to meet this new standard. Importantly, we partner with leading international law firms to advise you on the legal implications.



Standard Contractual Clauses

Under the GDPR, a common way of legally transferring personal data out of the EU/EEA is to sign SCCs between data exporters in the EU/EEA and data importers in third countries outside the EU/EEA that have not been deemed adequate.



Key takeaways

The new SCCs published by the European Commission take a different approach from the current clauses and include a range of new features that organizations must manage such as:

- **New transfers/contracts:** The new SCCs must have been in place by August 27, 2021, on any new transfers / contracts.
- **Existing transfers / contracts:** Businesses have an **18-month period** from the date of publication to update all existing contracts SCCs (Dec. 27, 2022).
- A mandatory **“Transfer Impact Assessment (TIA)”** needs to be done by the Parties to each data transfer, in which the level of data protection in the country of the data importer is assessed. These TIAs must be documented and provided to supervisory authorities at their request.
- **New modules** “processor-to-processor” and “processor-to-controller” are introduced. While these make the SCCs more flexible, they also raise complexity.
- Stricter hierarchy and **liability** requirements for data importers are stipulated. This means it will be difficult for data importers to limit their liability.
- The new SCC include several **Schrems II** obligations and additional safeguards will need to be implemented.



UK post-Brexit

- The UK data protection regulator, the Information Commissioners Office (ICO) has stated that once the EU SCCs are finalized, UK authorities will publish a UK version of the SCC's for consultation. Ethos Privacy will remain current on this issue and provide a strategic approach to address both regulators' requirements.



How we help

- Aligning Master Service Agreements and other contractual vehicles with the new SCCs
- Assisting in preparing Transfer Impact Assessments
- Assisting in negotiating the new SCCs with your contract partners and transitioning existing contracts to the new SCCs
- Management of the end-to-end contract update process

Assistance with responding to immediate needs and building a sustainable maintenance process

We help clients rapidly respond to the near-term problem of assessing international data transfers and transfer mechanisms, identifying and reviewing existing vendor contracts, and project managing the complex process of updating vendor contracts. Our approach also helps organizations future-proof their vendor management process and applicable systems in anticipation of additional changes to privacy requirements. Clients will see the immediate impact of this methodology and our reliable project accelerators, freeing up internal teams to deliver on their core competencies.



Operational guidance

Understand where personal data is transferred and assess appropriate information security controls are in place wherever it is processed.

Reviewing the controls afforded to data transferred to third countries at appropriate intervals, monitoring developments, and reinforcing accountability.

Implement supplementary measures and tools to confirm data transfers are permissible in the absence of an EEA/EU adequacy decision.

Utilize templates and procedures to facilitate internal and external communications so that stakeholders are engaged throughout the process.

Leverage tracking and project management systems enabling clients to capture, organize, and report the key project metrics, updated vendor data, and project progress.



Project accelerators

We have established several accelerators such as:

- Reliable knowledge of the contractual data required
- Efficient vendor outreach process
- Optimised tracking system
- Well-developed and tested standard operating procedures
- Executive reporting dashboards
- Effective contract templates



Phased approach

Our phased approach is aligned with EDPB guidance, providing peace of mind for internal stakeholders and regulators:

- **Step 1:** Identify international data transfers – vendor contract identification and categorization.
- **Step 2:** Identify data transfer mechanisms for regular and repetitive transfers.
- **Step 3:** Asses the data transfer and law in 3rd countries and perform data protection impact assessments.
- **Step 4:** Adopt supplementary measures including new SCCs, updated data protection addendums and appropriate information security controls.
- **Step 5:** Implement ongoing remediation processes including vendor contracting documentation, vendor management assessment, internal training, and routine data transfer re-evaluation procedures.

Contact us

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Schrems II Checklist

Answering “no” to any of the following means TIA and 3rd party contract update processes may take longer than planned and preparations should be made now.

- Have you determined who will make the call about ceasing a transfer if a TIA indicates unacceptable levels of risk?
- Have you confirmed that your vendor management system has all the data necessary to contact 3rd parties?
- Have you planned for all the steps necessary to conduct the transfer impact assessment and 3rd party assessment process?
- Do you have the required internal resources necessary to complete the transfer impact assessment and contract update process?
- Are you able to identify the business units and/or relationship owners for all your 3rd parties who may be in scope for the TIA process?
- Can you determine which vendors have data transfers from your TPRM process?
- Have you budgeted for, or set aside budget for, conducting the transfer impact assessments and subsequent 3rd party contract updates?

About Ethos Privacy

Trusted Privacy Advisors, Privacy Research-fueled Technology

Ethos Privacy partners with clients on their privacy programs, striking the right balance between privacy needs and business goals. We expertly bridge the gap between current state and optimal state, given the pace and complexity of privacy legislation around the globe. In addition to consulting, the company provides a software platform for organizations to move beyond basic compliance to utilizing data privacy as a strategic differentiator. Information presented does not represent legal advice.

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The logo for Ethos Privacy, featuring the words "ETHOS" and "PRIVACY" in a bold, sans-serif font, stacked vertically. A solid blue horizontal bar is positioned below the word "PRIVACY".