

FREE FLOW OF NON-PERSONAL DATA IN PORTUGAL

To implement Regulation (EU) 2018/1807 on the free flow of non-personal data within the EU, the Portuguese Government has appointed AMA, I.P. as the local single point of contact for interactions with other Member States and the European Commission. AMA, I.P. is also responsible for managing and updating the Portuguese single information point.

ASAE is responsible for the supervision and may cooperate with other entities, particularly the Portuguese Data Protection Authority when personal data is at stake.

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On November 4th, 2024, <u>Decree-Law 85/2024</u> was published, implementing <u>Regulation (EU)</u> <u>2018/1807</u> into Portuguese law to establish a framework for the free flow of non-personal data within the European Union (EU).

A <u>Regulation</u> that establishes the free flow of non-personal data across the EU. Non-personal data includes information that does not directly identify individuals, such as aggregated and anonymised datasets, commonly used in large-scale data analysis.

This data type is gaining importance with the rapid expansion of the Internet of Things, Artificial Intelligence, autonomous systems, and 5G networks. The Regulation generally prohibits EU Member States from enforcing mandatory data localisation requirements for non-personal data, effectively removing rules or practices that require data to be stored and processed in specific geographic locations. Exceptions are allowed only for reasons of public security or national defence.

While <u>Regulation (EU) 2018/1807</u> is mandatory and directly applicable within the Portuguese legal system, specific provisions require local implementing measures. These include appointing a competent authority as the local contact point, establishing mechanisms and procedures for notifications and communications with the European Commission, and defining the sanctioning framework.

The <u>Decree- Law 85/2024</u> appoints the Agency for Administrative Modernization, I.P. (AMA, I.P.) as the local contact point, liaising with the single contact points of other Member States and the European Commission. AMA, I.P. is also tasked with managing and updating the single national information point.

The powers of AMA, I.P. include:

- Providing and regularly updating detailed information on data localisation requirements applicable within the national territory and contributing data localisation information to a central information point.
- Assisting the competent authorities of other Member States in accessing data in line with the cooperation procedures outlined in the Internal Market Information System (IMI).
- Notifying the European Commission of any provisional data relocation measures implemented.
- Preparing an impact assessment report with support from competent national authorities, who must gather and provide relevant data.

Existing data localisation requirements must be communicated to the European Commission, along with a justification based on public security grounds, in line with the principle of proportionality. The national authorities responsible for enforcing the data localisation requirements will carry out this communication.

Supervision is carried out by the Portuguese Food and Economic Safety Authority (ASAE), which may, if necessary, cooperate with other entities, particularly the Portuguese Data Protection Authority when personal data is at stake.

Regarding penalties, failure to provide information or providing false information and failing to grant access to data when requested by the supervisory authority constitutes a severe economic offence, punishable by a fine ranging from €1,700 to €24,000, depending on whether the company is micro, small, medium, or large. In turn, providing inaccurate or incomplete information constitutes a minor economic offence, punishable by a fine ranging from €250 to €12,000, depending on whether the company is micro, small, medium or large. At the same time, ASAE can impose ancillary sanctions.

The Decree-Law 85/2024 will enter into force on January 3rd, 2025.

To find out more about <u>Regulation (EU) 2018/1807</u> on a framework for the free flow of non-personal data, learn more about <u>our insights</u>.

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