



FACT SHEET (DATA PROTECTION)

INDONESIA'S PERSONAL DATA PROTECTION (PDP) LAW

Ensure Accuracy in Data Processing, Protect Data, and Demonstrate Compliance

Signed into law in 2022, Indonesia's new privacy regulation – [Law No. 27 of 2022 on Personal Data Protection](#) (PDP Law) – is currently in its two-year transitional period. Organizations need to bring their data processing activities into compliance when handling data belonging to individuals residing in Indonesia and even outside of Indonesia if their actions have legal consequences in the country.

Fortra can help organizations achieve best practices when it comes to personal data protection, including a desired outcome of the PDP Law: Protecting processed data against unauthorized or unlawful access, disclosure, alteration, misuse, loss or damage.

What Are the Requirements of the PDP Law?

Organizations must process personal data only pursuant to a legal basis: Organizations must process personal data according to an enumerated set of processing principles, including that organizations must notify data subjects of the purposes for which they process personal data.

Organizations must be able to determine the security level of the personal data and ensure there are adequate security and protection mechanisms in place. Data controllers are required to maintain the confidentiality of the personal data collected while supervising all parties involved in processing personal data under their command, such as data processors.

Organizations should take required measures to prevent unlawful access to personal data by using a security system for personal data processed and/or processing personal data using an electronic system in a reliable, safe, and responsible manner.

REGULATION OVERVIEW

What is the PDP Law?

The Indonesia Personal Data Protection Law or PDP Law is Indonesia's approach to governing personal data processing activities for all types of businesses and industries, regardless of whether they are private or public. Largely modeled on the European Union's General Data Protection Regulation ("GDPR") and set to go into effect in October 2024, the law (Law No. 27 of 2022) regulates the collection, use, disclosure, and processing of personal data.

Who Does the PDP Law Apply To?

The law is designed to govern the protection of personal data across all sectors. It applies to businesses based inside and outside of Indonesia; whenever an individual, business, entity, or international organization processes personal data or sensitive data belonging to an Indonesian citizen or if it could involve legal repercussions inside the territory of Indonesia, PDP Law will apply.

There are partial exemptions, including in national security and defense, law enforcement, and some financial services instances.

What are the Penalties of Failing To Comply with the PDP Law?

The PDP Law imposes strict penalties for non-compliance, emphasizing the importance of adhering to data protection standards. The penalties can be both administrative and criminal, depending on the severity of the violation:



Administrative Fines

Organizations that fail to comply with the provisions of the PDP Law can face administrative fines of up to 2% of their annual revenue. This fine can apply to a wide range of violations, including failure to obtain proper consent, not notifying data breaches, or mishandling personal data.

Criminal Penalties

Severe violations, such as illegal processing of personal data or intentional data breaches, can result in criminal penalties. Individuals found guilty of such offenses can face imprisonment for up to six years and fines of up to IDR 6 billion (approximately USD 400,000).

Unauthorized access to personal data or transferring data without proper consent can lead to imprisonment for up to five years and fines of up to IDR 5 billion (approximately USD 330,000).

Compensation for Damages

In addition to fines and penalties, organizations may also be required to compensate individuals who have suffered damages due to a data breach or misuse of their personal data.



WHAT ARE THE NEXT STEPS FOR ORGANIZATIONS?

If they haven't already, organizations that process personal data in Indonesia should begin preparing to comply with the PDP Law today.

Some steps organizations can take include:

- Reviewing what data flows are currently in place. Is data being classified as its being collected and processed?
- Reviewing processes around conducting data protection impact assessments. Does your business have a Data Protection Officer, or DPO? Does it need one? In some scenarios under the PDP Law, failure to appoint a DPO when required can lead to sanctions, potential fines, or written warnings, along with the suspension of data processing.
- Ensuring there are processes in place for responding to data subject requests and data breach notifications.
- Implementing appropriate organizational and technical security measures to ensure personal data is protected.
- Consider: Are you collecting, using, or selling personal data? Your organization needs to identify a lawful basis to process personal data and like GDPR, obtain consent from the data subject you're collecting data from.

HOW CAN FORTRA HELP?

Fortra's Data Protection solutions provide the support you need to meet your goals with PDP Law compliance by:

- Safeguarding personal data by identifying it and classifying it based on PDP Law or organizational classification standards.
- Applying both visual labels and labeling to a file's metadata to protect and control its use.
- Classifying data can better determine how it is handled in the future, stored, and eventually deleted. Classification adds streamlined functionality as well as enhanced data security and compliance.
- Enabling organizations to effectively discover, monitor and control personal data transmitted on the network, in use on workstations, or at rest in workstations, network servers, and cloud storage.
- Protecting data against unauthorized transmission, dissemination, use, and storage.
- Delivering intelligence, via Digital Guardian's analytics and reporting functionality, can provide key documentation to demonstrate PDP compliance.

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