

# Data Act Frequently Asked Questions





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- 1 What is the Data Act?
- 2 What does the Data Act apply to?
- 3 What are the key provisions introduced by the Data Act?
- 4 When do organizations need to be compliant with the Data Act?
- 5 How does the Data Act interact with GDPR?
- 6 How does the Data Act impact cloud service providers?
- 7 What exactly does "switching" mean in practice?
- 8 How is Salesforce approaching compliance with the Data Act?
- 9 What are the steps to request switching or deletion of data?
- 10 What are the steps if a customer doesn't have a dedicated account team?
- 11 What will the process be like in Salesforce?
- 12 What happens with my contract with Salesforce?
- 13 Is there a data retrieval period after termination?
- 14 Will there be any cost to the customer?
- 15 Will customers be informed of the risks to service continuity related to the switching?
- 16 International access and transfer information
- 17 I'm a Salesforce Reseller, how can I support my customer with this type of requests?
- 18 What if I have further questions?



#### 1. What is the Data Act?

The <u>Data Act</u> is a European regulation aimed at promoting the EU data economy by:

- 1. Unlocking data generated in the context of connected products and related services; and
- 2. Introducing requirements on data processing service providers around data accessibility and portability.

The Data Act is designed to enhance data access, sharing, and portability across the EU. It introduces new rules for businesses, consumers, and public authorities with specific obligations for cloud service providers, like Salesforce, to improve data portability, interoperability, and switching between services.

The purpose of the Data Act is to optimize accessibility and use of data and to promote a more competitive and reliable European cloud market. It aims to provide organizations with greater control over the data they generate whilst maintaining incentives for those investing in data technologies (e.g., safeguarding the confidentiality of trade secrets or other intellectual property rights).

#### 2. What does the Data Act apply to?

The Data Act applies to:

- 'Connected Products' and its users. A 'Connected Product' is a device that collects and communicates data through an electronic communications service (e.g., a connected car or smarthome device like a connected fridge). The user of a Connected Product is the organization or individual that owns, leases, or rents the product.
- 2. 'Related Services' and its users. A 'Related Service' is a digital service that is connected with the Connected Product at the time of purchase, rental, or lease (or added later) and is essential to the primary function of such Connected Product (e.g., an app used to adjust the brightness of lights or to regulate the temperature of a fridge based on sensors inside the machine).
- 3. 'Data Holders'. A 'Data Holder' is the natural or legal person who has the right or obligation to use and make data available (e.g., the person controlling access to the readily available data). The Data Holder will typically (but not always) be the manufacturer of a Connected Product or the provider of a Related Service. For example, if someone purchases a connected fridge and downloads an app to regulate its temperature, the Data Holders would be: (i) the manufacturer of the fridge (the Connected Product); and (ii) the organization offering the app (the Related Service).
- 4. 'Data Processing Services' and its users. A 'Data Processing Service' is a digital service that provides customers access to computing resources over the internet on demand. These resources can be scaled up or down as needed and quickly added or removed, without requiring the customer to interact directly with the service provider. These services include IaaS, PaaS, and SaaS (including cloud and edge services). This definition is particularly important as under the Data Act, Salesforce will likely be considered a Data Processing Service.

It is important to mention that the Data Act will apply to the above stakeholders regardless of where they are established, if they impact recipients and customers in the EU/EEA - for example by providing services or making data available to individuals in Europe.



## 3. What are the key provisions introduced by the Data Act?

In general terms, the Data Act regulates the following key areas:

- **1. Data Governance:** It gives users of Connected Products greater control over and access to the data they generate.
- 2. B2B (Business-to-Business) and B2G (Business-to-Government) Data Sharing: It establishes conditions under which an organization has the legal obligation to share data with other businesses and with EU/national public sector bodies. It also introduces safeguards to prevent the unlawful access and transfer of non-personal data to governments outside the EU.
- **3. Unfair contractual terms:** It regulates unfair terms related to data access and use in contracts between enterprises
- **4.** Removes obstacles to switching of Data Processing Services: It enables users of Data Processing Services to switch from one provider to another and requires Data Processing Service providers to remove barriers to switching
- 5. Interoperability of Data Processing Services: The Data Act defines requirements to ensure interoperability and seamless data flow across multi-vendor cloud environments.

It is important to note that **not all the above obligations are applicable to every stakeholder** (i.e. Connected Product manufacturer, Related Service provider, Data Processing Service Provider, etc.). **Different obligations will apply depending on the stakeholder's role.** 

4. When do organizations need to be compliant with the Data Act?

The Data Act was adopted at the end of 2023 and came into effect on January 11th, 2024. The transition period for the essential contents of the regulation ends on September 12, 2025.





#### 5. How does the Data Act interact with GDPR?

The Data Act applies to both personal data (information relating to an identified or identifiable natural person) and non-personal data (other data that is not personal data). The GDPR on the other hand only applies to personal data.

The Data Act does not override the GDPR, but complements it by establishing clear conditions for accessing and sharing non-personal data, as well as datasets that contain a mix of personal and non-personal data. Cloud providers must continue to comply with the GDPR when processing personal data and any other relevant security regulations

The protection of our customers' data is paramount. Our customers trust us to help them build meaningful relationships with their own customers, and Salesforce's top priority is the security and privacy of the data that we are entrusted to protect.

We have five privacy principles that highlight our commitment and focus on trust: customer control, security, transparency, compliance and partnership. Our <u>privacy website</u> includes global privacy information, resources and tools to help enable our customers' success, such as <u>Salesforce's DPA</u>, <u>International Data Transfers FAQ</u>, <u>Transfer Impact Assessment Whitepaper</u> and <u>Salesforce's Principles for Government Requests for Customer Data</u>.

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## 6. How does the Data Act impact cloud service providers?

The Act imposes new portability and interoperability requirements on cloud service providers, including:

- Easier switching between cloud providers to prevent vendor lock-in.
- Interoperability standards to ensure data and application portability.
- Fair contractual terms to avoid unfair restrictions on data access.
- Data-sharing obligations affecting the transfer and access of non-personal data by third-country authorities.





## 7. What exactly does "switching" mean in practice?

The Data Act will allow customers to request a switching of their contracted data processing services at any point during the term of their contract. Customers can switch to a different third-party data processing service provider of the same service type or to its own on-premise infrastructure. Customers are also entitled to request a deletion of their data instead of switching. In this sense, data processing service providers must remove contractual, commercial, or technical barriers to enable the switching, while ensuring business continuity and data security of the service throughout the process.

Some exceptions to these rights apply, such as when services are used in non-production environments for testing and evaluation purposes, to protect intellectual property and trade secrets from the data service providers, or to preserve the integrity and security of services.

The Data Act also requires that these rights and obligations are incorporated into the contractual terms between the data service provider and the customer. These terms must cover the prior notification period, the exit plan, the termination, a data retrieval period, cost transparency, assistance obligations and security obligations among others.

Salesforce is actively integrating the relevant terms into our agreements to comply with the Data Act.

## 8. How is Salesforce approaching compliance with the Data Act?

Salesforce is ensuring customer rights are protected and the switching process is as seamless as possible.

You can review the Data Act Terms that will regulate a switching or deletion request from customers located in a member state of the European Union or European Economic Area in this link: <u>EU Data Act Addendum.</u>





# DATA ACT FREQUENTLY ASKED QUESTIONS

## 9. What are the steps to request switching or deletion of data?

If you want to submit a request to Salesforce to switch or delete your data as per the Data Act please, contact your Account Executive or your dedicated Account team to discuss your options. Your Account team will provide you with the necessary instructions to formally initiate this request. Your request will be evaluated by Salesforce and you will receive a notification of receipt.

### 10. What are the steps if a customer doesn't have a dedicated account team?

If a customer is planning to switch or delete data as per the Data Act and does not have a dedicated account team, please send an email to <a href="mailto:billing@emea.salesforce.com">billing@emea.salesforce.com</a>.

#### 11. What will the process be like in Salesforce?

Salesforce will provide instructions for the customer to export their data within a 30-calendar-day "Transition Period" after the 2-month notification period when customer has requested to switch. If the Transition Period is technically unfeasible, SFDC will inform the customer within 14 business days after receiving the request and offer an alternative Transition Period.

If the customer has requested to delete their data, Salesforce will process this request and delete the data after the 2-month notification period, in accordance with the procedures and timeframes outlined in the Security, Privacy, and Architecture Documentation of the relevant Service.

#### 12. What happens with my contract with Salesforce?

The relevant order form(s) automatically terminate when the customer notifies SFDC of the successful data export for a switching request and after the 2-months notification period for a deletion request.

#### 13. Is there a data retrieval period after termination?

Yes, after completing the switching request and in case it is needed, the customer has a data retrieval period post-termination of 30 days. This data retrieval process can be found in the "Return of Customer Data" section of the Security, Privacy, and Architecture Documentation applicable to the specific Services, and accessible via SFDC's Trust and Compliance webpage:

https://www.salesforce.com/company/legal/trust-and-compliance-documentation/





#### 14. Will there be any cost to the customer?

No, Salesforce will not charge any specific fee to customers who request these rights under the Data Act. However, it is important to note that if the fixed-term contract you have with Salesforce ends early as a result of your request to switch or delete your data, early termination fees may apply.

## 15. Will customers be informed of the risks to service continuity related to the switching?

Salesforce will inform customers if the switching of one service can affect the continuity of another after the evaluation of the customer's switching request.

#### 16. International access and transfer information

Salesforce maintains a list of the jurisdiction to which the infrastructure is deployed for each of its Services is subject to in the Infrastructure and Subprocessors Documentation (the "I&S" Documentation) available to Customer in the Trust and Compliance Portal at the following hyperlink (or any successor equivalent): <a href="https://www.salesforce.com/company/legal/trust-and-compliance-documentation/">https://www.salesforce.com/company/legal/trust-and-compliance-documentation/</a>

In addition, Salesforce's Principles for Government Requests for Customer Data are currently available here: <a href="https://www.salesforce.com/news/wp-content/uploads/sites/3/2020/08/salesforces-principles-for-government-requests-for-customer-data.pdf">https://www.salesforce.com/news/wp-content/uploads/sites/3/2020/08/salesforces-principles-for-government-requests-for-customer-data.pdf</a>

## 17. I'm a Salesforce Reseller, how can I support my customer with this type of requests?

If the end-Customer of a Reseller or OEM/VAR Partner has requested to switch or delete their data as per the EU Data Act, the Reseller or OEM/VAR Partner can submit a request on behalf of their end customers by providing written confirmation of the end customer's authorization to act on their behalf with respect to the Data Act Request. Resellers or OEM/VAR Partners need to contact their Partner Account Manager at Salesforce. Once Salesforce has received the Data Switch Request from the Reseller or OEM/VAR Partner, then Salesforce can start the switching or deletion process as per the Data Act Addendum for Resellers available <a href="here">here</a>.

#### 18. What if I have further questions?

Salesforce is actively preparing the Data Act and remains committed to supporting customers and partners throughout the compliance process. Your success is our top priority. If you have any questions, please contact your Account Executive or open a case with the Salesforce customer support team via the Help & Training success community <a href="https://example.com/here">here</a>.

