

BANQUE DU LIBAN

Basic Decision No 146

**Addressed to Banks, Financial Institutions and all other Institutions
regulated by Banque du Liban**

Attached is a copy of Basic Decision No 12872 of 13 September 2018, on the General Data Protection Regulation (GDPR) promulgated by the European Parliament and the Council of the European Union on 27 April 2016.

Beirut, 13 September 2018

The Governor of Banque du Liban

Riad Toufic Salamé

Basic Decision No 12872

General Data Protection Regulation (GDPR)

The Governor of Banque du Liban,

Pursuant to the Code of Money and Credit, in particular Articles 70, 174, 182, and 184 thereof,

Pursuant to Basic Decision No. 10965 of 5 April 2012 (the Relationship between Banks and Financial Institutions with their Correspondents),

Pursuant to Basic Decision No 11323 of 12 January 2013 (Requirement to establish a Compliance Department),

Pursuant to Basic Decision No 11947 of 12 February 2015 and its amendments (the Principles governing the Banking and Financial Operations with Customers),

Whereas the General Data Protection Regulation (GDPR) promulgated by the European Parliament and the Council of the European Union on 27 April 2016, which came into effect as of 25 May 2018, is a set of rules issued by the European Union to protect the personal data of individuals within the European Union,

Pursuant to Article 3 of the General Data Protection Regulation that defines the territorial scope of the GDPR with respect to institutions located inside and outside the European Union,

Whereas it is in the interest of banks, financial institutions, and all other institutions regulated by Banque du Liban to take, as far as each is concerned, the measures required to avoid any reputational and/or financial risks they may be exposed to in case of non-compliance with the GDPR; and

Pursuant to the Decision of the Central Council of Banque du Liban, taken in its meeting of 5 September 2018,

Decides the following:

Article 1:

Without prejudice to the mandatory laws and regulations applicable in Lebanon, banks and financial institutions operating in Lebanon and all other institutions regulated by Banque du Liban are, as far as each is concerned, required to:

- 1- Take the appropriate measures in line with the provisions of the General Data Protection Regulation (GDPR) promulgated by the European Parliament and the Council of the European Union on 27 April 2016.
- 2- Notify the Compliance Unit at Banque du Liban and the Banking Control Commission, by 31 December 2018, of the procedures and measures, where applicable, they take in line with the GDPR, specifically with regards to:
 - The appointment of a Data Protection Officer from within the Compliance Unit, and of a Representative to the European Union.
 - The amendment of the Compliance Program provided for in Article 10, Paragraph (d-5) of Basic Decision No 11323 of 12 January 2013 relating to the Establishment of a Compliance Department, in line with the relevant procedures taken in this regard.

Article 2:

External auditors shall verify the compliance of banks, financial institutions and all other above-mentioned institutions with the provisions of this Decision. They shall insert in their annual reports information detailing the verification process of the measures adopted, along with their audit results and relevant observations.

Article 3:

This Decision shall come into force upon its issuance.

Article 4:

This Decision shall be published in the Official Gazette.

Beirut, 13 September 2018

The Governor of Banque du Liban

Riad Toufic Salamé