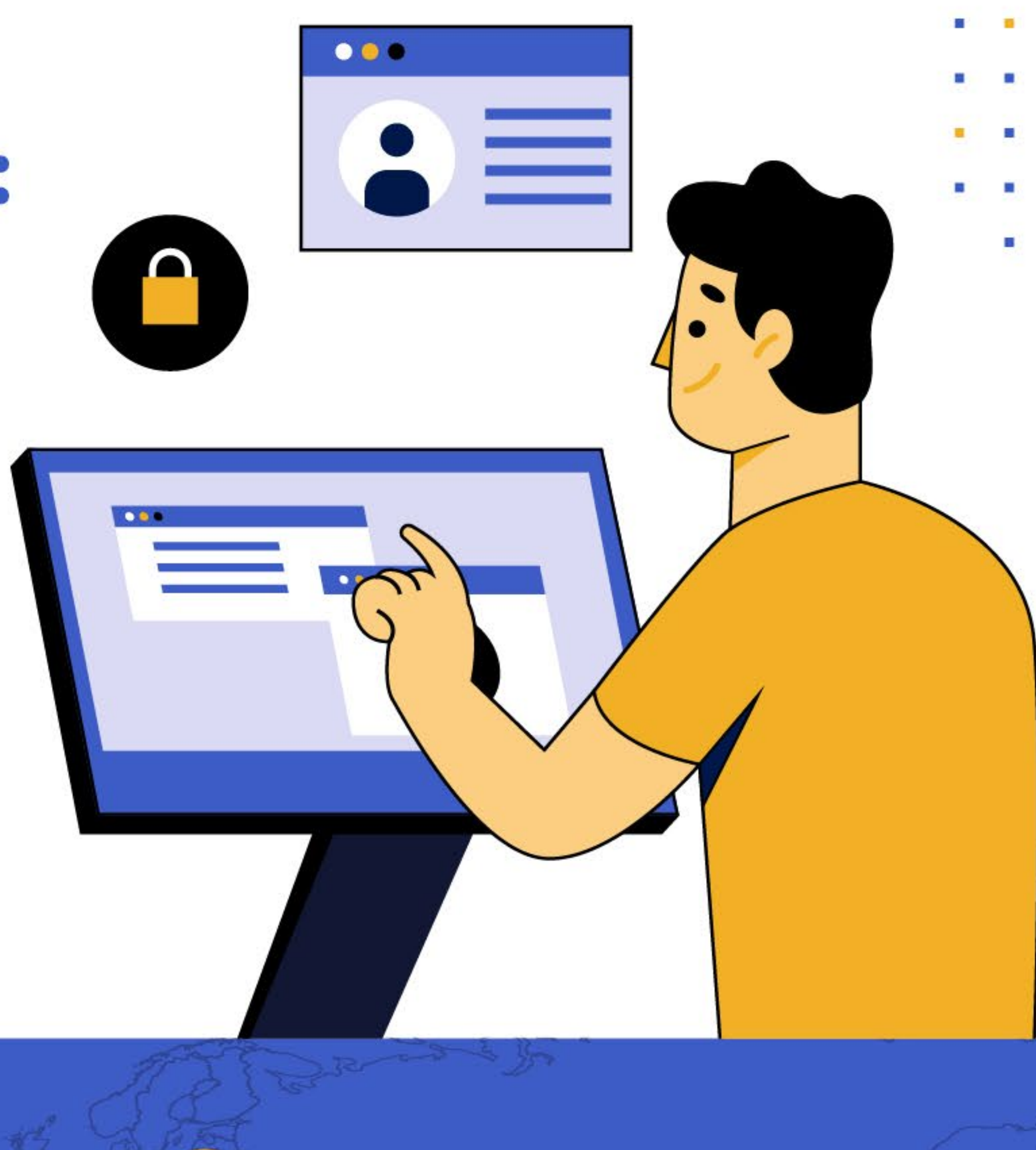


Understanding Data Sovereignty: Regulations, Security, and Compliance in 2023



What Is Data Sovereignty?

Data is governed by the laws of the country where it is stored. For specific data laws, consult respective countries' legislative documentation.

Examples include:

- GDPR**
General Data Protection Regulation for EU states
- CCPA**
California Consumer Privacy Act in California
- PIPEDA**
Personal Information Protection and Electronic Documents Act in Canada
- INDIA**
Personal Data Protection Bill in India
- CHINA**
Personal Information Protection Law in China



Data Explosion

By 2025, global data is predicted to reach **175 zettabytes (ZB)**¹



Why Track, Control, and Secure Data?

Nearly 18 million Americans experienced identity theft in 2022, resulting in **\$19 billion** in stolen data²

- 23%** of consumers receiving 2 to 5 breach notices
- Personal data tops the list of targets of cybercriminals³



Causes Behind Data Breaches

- 83%** of data breaches involve external actors—with the majority being financially motivated⁴
- 74%** of data breaches involve the human element, which includes social engineering attacks, errors, or misuse⁵
- 40%** of data stored in the cloud is sensitive but only 45% of it is encrypted⁶



Rise of Data Privacy Laws in the U.S.

13+ U.S. states have enacted data privacy laws. In addition to California, which enacted CCPA in 2020, Colorado, Virginia, Connecticut, and Utah have laws that go into effect this year.⁷



Data Sovereignty Challenges

- 75%** of all countries have implemented some level of data privacy laws⁸
- 96%** of organizations believe designating or changing location and jurisdiction of data are acceptable data sovereignty measures⁹



Checklist for Addressing Data Sovereignty Requirements

- Geographic Data Storage**
Send, receive, and store data in specific geographic locations, including geofencing
- Encryption**
Protects data both at rest and in transit in support of data sovereignty requirements
- Secure Data Transfer**
Secure file transfer and email data protection to manage and control cross-border data transfers
- Audit Logs**
Detailed audit logs that allow organizations to prove compliance with data sovereignty laws
- Access Control**
Ensure data is accessible by authorized personnel, including restrictions based on the location of the personnel

¹David Reinsel, John Gantz, and John Rydning, "The Digitization of the World From Edge to Core," IDC, November 2018. ²"2023 Consumer Impact Report," Experian, August 2023. ³"2023 Data Breach Investigations Report," Verizon, March 2023. ⁴Ibid. ⁵Ibid. ⁶"2023 Thales Cloud Security Study," Thales, accessed October 2023. ⁷"US State Privacy Legislation Tracker," Kiteworks, accessed October 2023. ⁸"Localization of data privacy regulations creates competitive opportunities," McKinsey & Company, June 30, 2022. ⁹"2023 Thales Data Threat Report," Thales, accessed October 2023.

Schedule a custom-tailored demo of Kiteworks to understand how you can unify, track, control, and secure file and email data communications while complying with data sovereignty requirements.