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DATA PROTECTION AND CYBERSECURITY IN THE REALM OF FINANCIAL SERVICES UNDER EGYPTIAN LAW

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In today's digital age, the financial services sector is increasingly relying on technology to enhance efficiency and improve customer experience. However, with these advancements come significant risks, particularly in terms of data protection and cybersecurity. This brief will explore the importance of data protection and cybersecurity in the realm of financial services under Egyptian law, shedding light on the legal framework in place to safeguard sensitive information.

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THE LEGAL FRAMEWORK

In Egypt, data protection is primarily governed by the Personal Data Protection Law No. 151 of 2020. This legislation establishes the legal framework for the collection, processing, and storage of personal data, aiming to protect individuals' privacy rights. Financial institutions, including banks, insurance companies, and credit bureaus, must comply with this law to ensure the confidentiality and security of customer data.

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SAFEGUARDING SENSITIVE FINANCIAL INFORMATION

Financial institutions hold vast amounts of sensitive customer information, including financial records, transaction details, and personal identification data. To protect this data, banks and other financial service providers must implement robust cybersecurity measures. These measures can include encryption, firewalls, secure networks, and regular security audits to identify vulnerabilities and address them promptly.

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CYBERSECURITY INCIDENT RESPONSE

Despite preventive measures, cyberattacks and data breaches can still occur. In such cases, financial institutions must have a well-defined incident response plan in place. Under Egyptian law, organizations are required to report any data breaches or cyber incidents to the competent authorities within 72 hours. This prompt reporting allows for a swift investigation and minimizes the impact on affected individuals.

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CUSTOMER AWARENESS AND CONSENT

Transparency and informed consent are vital aspects of data protection under Egyptian law. Financial institutions must ensure that customers are aware of how their data is collected, processed, and shared. Consent should be obtained explicitly, and customers should have the right to revoke their consent at any time. Regular communication and education initiatives can help raise awareness among customers about the importance of data protection and their rights.

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CROSS-BORDER DATA TRANSFERS

In an increasingly globalized financial landscape, cross-border data transfers are common. However, Egyptian law imposes certain restrictions on such transfers to ensure that the data remains adequately protected. Financial institutions must ensure that the receiving country has an adequate level of data protection, or implement appropriate safeguards such as contractual clauses or binding corporate rules.

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