Global Data and Cyber Handbook - Indonesia

Data privacy and cybersecurity in a transactional context

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# Has the data privacy authority issued any guidance on data privacy compliance in the context of transactional activity (including, but not limited to, share sales, asset sales, reorganizations or spinouts)?

*Last review date: 13 January 2025*

Yes

If yes, please provide a link

Under the [PDP Law](https://jdih.kominfo.go.id/produk_hukum/view/id/832/t/undangundang+nomor+27+tahun+2022), data controllers in the form of a legal entity that intend to conduct a merger, spin-off, acquisition, consolidation, or dissolution of a legal entity must notify the transfer of personal data to data subjects. The notification is done before and after the transaction. The notification can be done privately to each data subject or publicly through mass media (electronic and conventional).

# In the context of an asset sale (the sale of a separate business unit as a going concern), does the acquiring entity inherit liability for pre-acquisition data privacy or cybersecurity breaches (connected with the assets that are the subject of the asset sale)?

*Last review date: 13 January 2025*

☒  It depends (for example, on the way the asset sale is structured, and/or the assets being acquired)

☒  Unclear

From a regulatory perspective, there is no specific guidance. So this will depend on the contractual arrangement between the parties (e.g., the way the asset sale is structured, and/or the assets being acquired).

# If so, how would any regulatory fines be calculated?

*Last review date: 13 January 2025*

Based on turnover of the entity (or group) that owned the assets at the time of the breach

# In the context of a share sale (where the acquiring entity acquires 100% of the shares of a target company), does the acquiring entity inherit liability for pre-acquisition data privacy or cybersecurity breaches (connected with the target company)?

*Last review date: 13 January 2025*

☒  Yes.

Legally speaking yes because in a share sale, the buyer will acquire the target company, and hence absorb all assets and liabilities of the target company (as appropriate). That being said, in a share sale transaction, there will be due diligence and contractual arrangements that will limit the pre-acquisition liability of the target company towards the acquiring entity (e.g., through an indemnity arrangement).

☒  It depends (for example, on the way the share sale is structured)

# If so, how would any regulatory fines be calculated?

*Last review date: 13 January 2025*

Based on the turnover of the target company (or its group) at the time of the breach

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