Official Statement:
SAP Business Suite and SAP S/4HANA
GDPR

On May 25, 2018, the General Data Protection Regulation will come into effect, replacing the EU Data Protection Directive 95/46 laws for all EU countries. The former legislation has already impacted most companies with business in the European market, and many technical requirements for data protection compliance remain comparable.

WHAT SHOULD SAP BUSINESS SUITE AND SAP S/4HANA CUSTOMERS DO?

GDPR compliance requires organizations to understand and answer the following questions:

1) What personal data are we collecting?
2) Why are we collecting it?
3) How are we using it?
4) How are we storing and protecting it?
5) When and how are we deleting it?

It is critical to understand that addressing these questions will involve evaluating current policies, practices and processes, in order to determine what changes should be made. We recommend all data protection and privacy initiatives be handled in a comprehensive fashion, as this is not exclusively a technology challenge.

From a technology perspective:

If your system landscape already complies with the requirements of European data protection directive EC95/46, the actions necessary for you to adapt to the new GDPR standard should be reasonable in effort and expenditure. You should still check if the simplifications delivered in the latest releases from your technology partners help you to reduce Total Cost of Ownership of your Data Protection compliance processes.

If you have not fully implemented the legal requirements of the existing data protection legislation, this may impact your ability to be compliant with the new legislation. Again, there is no single way to approach GDPR compliance. As a best practice, the best place to start is with an assessment of current processes and organizational design. Changes should reflect the purpose of respective data processing activities, according to relevant legal requirements.

An effective way to determine the time and resources required for organizational and process adaptions is to analyze what needs to be done for blocking and deletion of personal data. Personal data that no longer has a legal purpose needs to be deleted. Such an analysis gives you the most comprehensive overview on your data, your processes and organizational structures, and applicable retention requirements.

In SAP Business Suite and SAP S/4HANA, any business object has a corresponding Information Lifecycle Management object. Once you have identified all business objects and all retention requirements, check that the process design matches the retention requirements. For example, if you need to separate sales orders according to different retention requirements, you may need to implement a second sales order process.

After you adapt your processes and your organizational set up accordingly, you can continue with implementing GDPR compliance features, such as blocking and deletion rules or the authorizations concept.

Be aware that a thorough analysis may take several months, and for some customers even years. In any event, SAP offers supporting solutions like SAP Hybris Consent (formerly known as Gigya Enterprise Preference Manager) and SAP governance, risk, and compliance solutions to ensure the required documentation and auditing, to name a few.

Following this analysis, SAP offers two options to advance ERP system readiness and support:

- **Option One:** Upgrade the business suite to the most current release BS7i2016 (ERP-EhP8, CRM/SRM/SCM-EhP4), which includes features to simplify your data protection operations.
- **Option Two:** Implement a clean system in SAP S/4HANA. For many customers, the process redesign to achieve GDPR compliance is likely to require significant effort. This usually also requires a data cleanup exercise. This is the best time to start the migration to SAP S/4HANA, given the investment in changes to processes, organizational structure, and data.

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