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AI & GDPR MONTHLY UPDATE

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Welcome to another edition of the AI & GDPR MONTHLY UPDATE, bringing you the latest insights into artificial intelligence and data protection. We'll cover new AI regulations, opinions, court and authority decisions across the EU, and the latest use cases in AI implementation. Our AI & GDPR MONTHLY UPDATE lands in your inbox every month.

AI Act

The European Commission published the third draft of the General-Purpose Al Code of Practice. The Code of Practice intends to aid providers of general-purpose Al models (GPAI) in demonstrating Al Act compliance by providing a list of commitments and detailed measures to implement each commitment. The final version is expected to be published in May 2025. <u>Read more</u>

The European Commission published updated model contractual clauses for public procurement of artificial intelligence. The non-binding model clauses recommend standardized contract terms for procuring AI systems, ensuring that public sector contracts reflect the legal requirements of the AI Act. The update features a full version for high-risk systems and a simplified version for low-risk application, both are accompanied by a practical commentary. <u>Read more</u>

The European Commission set up a scientific panel of independent experts in the field of artificial intelligence to support AI Act enforcement. Up to 60 independent experts will provide technical advice and flag risks, ensuring fair representation and independence from AI providers. The panel has specific competencies under the AI Act, including the right to alert the Commission if it identifies general-purpose AI (GPAI) with systemic risks. Read more

The Czech Ministry of Industry and Trade is reportedly preparing an artificial intelligence law to complement the EU AI Act. According to Karel Trpkoš from the Ministry of Labor and Social Affairs, regulation should be as minimal as possible to support innovation and business. The key goal is to avoid adding excessive regulatory requirements and to keep AI usage practical and straightforward. <u>Read more (in Czech)</u>

New guidance and enforcement actions

The EDPB issued guidance for GDPR-compliant age verification methods. The EDPB's statement sets out 10 principles for the responsible processing of personal data when determining an individual's age or age range. The initiative seeks to harmonize age verification practices across the EU, balancing child protection with privacy rights. <u>Read more</u>

German data protection authorities launched a coordinated investigation into DeepSeek. Several German state regulators are currently jointly examining DeepSeek's potential GDPR violations, including failure to appoint an EU representative. <u>Read more</u> *(in German)*

The Czech DPA published its inspection plan for 2025. Key areas of inspection include retail chains' practice of making discounts conditional upon the customer's consent to data processing, use of camera systems in public transport and the sending of unsolicited commercial communications. <u>Read more</u> (*in Czech*)

In 2025, the EDPB will focus on the right to erasure (right to be forgotten) under Article 17 GDPR, as it is one of the most frequently exercised data protection rights. A total of 32 European Data Protection Authorities will assess how controllers handle requests for erasure and apply related exceptions. Findings from these checks will be analyzed at the EU level to propose targeted actions for improved compliance. Read more

The Swedish Data Protection Authority (IMY) issued guidelines on the use of generative AI in public administration. The guidelines highlight key issues related to data protection but do not provide specific solutions for more complex questions, such as reusing data for AI model training. While primarily intended for public administration, they may also be useful for the private sector. Read more *(in Swedish)*

The UK data protection authority (ICO) published its latest Tech Horizons report, highlighting key technologies to impact society over the next years. The report identifies key privacy risks in four emerging areas—connected transport, quantum sensing and imaging in healthcare, digital diagnostics and synthetic media—and suggests high-level solutions. <u>Read more</u>

GDPR updates

The European Commission is considering a targeted revision of the GDPR, Commissioner McGrath <u>confirmed</u>. The changes could focus on reducing the administrative burden for small and medium-sized enterprises, particularly regarding record-keeping. MEP Axel Voss and activist Max Schrems proposed a three-tier approach to adjust obligations based on the size and focus of an organization. <u>Read more</u>

The CJEU ruled that individuals are entitled to a clear explanation of credit scoring decisions, even when trade secrets are involved. In Case C-203/22, Dun & Bradstreet Austria, the CJEU assessed the case of an individual who was refused a mobile operator contract due to a failed automated creditworthiness check. The court explained that the GDPR's reference to "meaningful information about the logic involved" confers on data subjects a genuine right to an explanation about the functioning of automated decision-making. Therefore, merely disclosing a complex mathematical algorithm is not sufficiently clear or transparent. According to the court, controllers must provide an understandable explanation of the procedure and principles applied and how variations in input could have affected the final decision. Additionally, the court has taken a rather restrictive approach as regards conflict between the GDPR and trade secrets. If a potential conflict between GDPR compliance and trade secrets arises, the final decision whether to disclose or refuse the contested information should instead be referred to the competent authority. Read more

IP & AI news

US federal court ruled out Al authorship, joining the prevailing worldwide practice. The Court of Appeals for the District of Columbia Circuit has upheld the US Copyright Office's rejection of an attempt to register an Al-generated image. The court has confirmed that a work created by artificial intelligence without a human author cannot be protected by copyright. <u>Read</u> more

A US court issued a landmark ruling on the training of AI on copyrighted content, raising concerns for AI developers. In Thomson Reuters v. ROSS Intelligence, a Delaware federal judge found that ROSS infringed copyrights by using Westlaw's headnotes—summaries of legal rulings to train an AI research tool. The ruling rejects the defense of "fair use" under US law, signaling stricter enforcement of copyright in AI training. Read more

Market updates

US State of Virginia passed a law focused on accountability and transparency in artificial intelligence. It applies to developers and deployers of high-risk AI systems that autonomously influence crucial decisions, such as in employment, healthcare and finance. <u>Read more</u>

Japan passed its first Al law, establishing a framework for research and development but introducing no binding regulations or sanctions. Instead of obligations, the law emphasizes transparency and voluntary cooperation with the government. <u>Read more</u>

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