

Data Protection Authorities in the EU Focus on AI Models and Continue to Develop Guidance

Companies offering AI, in particular genAI models, in the EU continue to face regulatory scrutiny in relation to compliance with the General Data Protection Regulation (GDPR). In January and February 2025, several EU data protection authorities (DPAs) took steps towards investigating the AI chatbot, DeepSeek, and its Chinese providers. Most notably, the Italian DPA [urgently ordered](#) DeepSeek's providers to stop processing data of Italian users and started an investigation [focusing](#)

on the lawfulness and transparency of processing personal data by the AI chatbot. The order came after DeepSeek's providers argued that the GDPR does not apply to them. Several German DPAs also announced [coordinated investigations](#) into whether DeepSeek's providers have appointed representatives in the EU. In addition, on March 20, 2025, privacy activist group NOYB [filed](#) a complaint with the Norwegian DPA about alleged hallucinations made by another genAI application. On April 11, 2025, the Irish

DPA [announced](#) that it has started an inquiry into XIUC's processing of EU personal data contained in public posts on X to train its AI model, Grok Large Language Models. The inquiry focuses on topics such as lawfulness and transparency of processing.

Meanwhile, EU DPAs continue to develop their positions on AI and the GDPR. On March 27, 2025, the French DPA [announced](#) that it plans to publish new factsheets on AI and the GDPR in 2025. The factsheets will focus on the use of legitimate interest for developing AI models, the application of the GDPR to AI models as well as the conditions for deploying AI systems in education, workplaces, and local authorities. The European Data Protection Board (EDPB) has published a [report](#), "AI Privacy Risks & Mitigations for Large Language Models (LLMs)," which includes a comprehensive risk management methodology for LLM systems and a number of practical privacy risk mitigation measures. During its April plenary meeting, the EDPB [agreed](#) to closely cooperate with the AI Office to draft guidelines on the interplay between the AI Act and the GDPR.



UK's Flexible Regulatory Approach Evolves to Attract AI Companies into the UK

To date, the UK government has refrained from legislating to regulate AI, preferring a more flexible, "pro-innovation" approach. In July 2024, the UK government [indicated](#) that it will introduce AI legislation to regulate the most powerful AI models. However, a bill has not yet been introduced and it has been [reported](#) that no draft will be published before this summer

as legislators seek to align with the deregulatory agenda of the Trump administration. Meanwhile, on March 4, 2025, the Artificial Intelligence (Regulation) Bill was [re-introduced](#) to the upper chamber of the UK Parliament after it failed to become law before the general election in July 2024. This bill is not formally backed by the UK government.

In response to the UK government's focus on economic growth, the Information Commissioner's Office (ICO) [announced](#) that it will simplify guidance on how businesses developing and deploying AI can comply with UK data protection law. The ICO supports embedding this guidance into a statutory code of practice.