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Article

GDPR and Its Global Impact on Data Privacy

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Abstract: The General Data Protection Regulation (GDPR), which came into effect in May 2018, stands as a landmark regulation that transformed the global data privacy landscape. Enforced across the European Economic Area (EEA), GDPR introduced a uniform and rigorous framework emphasizing individual control, organizational accountability, and transparency in data processing. Its extraterritorial applicability requires global compliance from any entity handling EU citizens' personal data, irrespective of geographic location. This paper explores the regulation's core principles, including lawfulness, purpose limitation, data minimization, and accountability, while also examining data subject rights such as access, rectification, erasure, and data portability. The regulation's global influence-termed the "Brussels Effect"-has inspired similar data privacy laws in regions including Brazil, California, Japan, South Africa, and the UK. While GDPR has enhanced consumer trust, strengthened cybersecurity, and standardized data handling, it has also imposed significant compliance burdens, especially for small and medium enterprises (SMEs). The paper discusses sectoral impacts, organizational strategies for compliance, enforcement trends, and the growing interplay between GDPR and emerging technologies such as artificial intelligence. It further highlights best practices like data mapping, consent management, and privacy by design. With new regulatory developments on the horizon, GDPR remains a critical driver of privacy reform and digital accountability worldwide.

Keywords: General Data Protection Regulation (GDPR), Data privacy, Personal data protection, EU law, Data subject rights, Crossborder data transfer,

INTRODUCTION

The General Data Protection Regulation (GDPR) is an EU-wide law that went into effect in May 2018, marking the most substantial reform of data privacy and protection in decades. Its aims are to ensure individuals' control over their personal information and to create a unified legal framework for data processing across the European Economic Area (EEA). GDPR's extraterritorial reach and stringent requirements have driven sweeping reforms in global data privacy law, compelling organizations worldwide to prioritize data protection, accountability, and transparency.

CORE PRINCIPLES AND PROVISIONS OF GDPR

At the heart of GDPR are foundational principles that guide the handling and processing of personal data:

- Lawfulness, Fairness, and Transparency: Data must be processed in a lawful, fair, and transparent manner.
- Purpose Limitation: Data should be collected for specific, explicit, and legitimate purposes.
- Data Minimization: Only data necessary for the intended purpose can be collected.
- Accuracy: Personal data must be accurate and updated where necessary.
- Storage Limitation: Keep data only as long as needed for the purpose.
- Integrity and Confidentiality: Protect data against unauthorized access and cyber risks.
- Accountability: Organizations must demonstrate compliance through records and audits.

Individuals, termed "data subjects," are granted significant rights—including the right to access, rectify, erase ("right to be forgotten"), restrict, or object to data processing and the right to data portability. Organizations must obtain clear, affirmative consent and promptly notify authorities and affected individuals of significant data breaches [1][2][3].

REGULATORY SCOPE AND COMPLIANCE REQUIREMENTS

GDPR applies to any organization worldwide that processes the personal data of individuals in the EU/EEA, regardless of whether those organizations are based inside or outside Europe. This means a U.S., Indian, or Australian company dealing with EU citizens' personal data must comply.

Violations result in severe financial penalties—up to €20million or 4% of the violator's annual global revenue, whichever is higher. Non-financial penalties include formal warnings, orders to cease processing, and reputational damage [4][5].

Table: GDPR Fines Imposed (2018–2025)

The Imposed (2010 2020)				
Year	Number of Fines	Largest Single Fine (EUR)	Cumulative Fines (EUR)	
2018	25	€50 million	€55 million	
2020	200	€450 million	€1.5 billion	
2022	345	€746 million*	€2.8 billion	
2024	410	€1.2 billion	€4.1 billion	

^{*}Meta Platforms, July 2021, Ireland[4].

Global Impact: The "Brussels Effect" and Legislative Inspiration

GDPR quickly transcended EU borders, becoming a benchmark for privacy legislation globally—a phenomenon known as the "Brussels Effect." Numerous countries have adopted GDPR-inspired laws:

- Brazil: Lei Geral de Proteção de Dados (LGPD), mirroring most GDPR requirements.
- California: California Consumer Privacy Act (CCPA), granting rights to data access, deletion, and opt-out.
- Japan, South Korea, South Africa, Thailand: Adopted robust data privacy frameworks influenced by GDPR's standards.
- **UK:** Adopted "UK GDPR" post-Brexit, identical in substance to the EU version [2][6].

This legislative ripple effect has raised global data protection standards, forced multinational corporations to adopt GDPR-compliant privacy practices worldwide, and made regulatory convergence more attainable [3][7][6].

Map: Spread of GDPR-Inspired Laws Worldwide (2025) [image:1]

SECTORAL IMPACT AND ORGANIZATIONAL CHALLENGES Opportunities

- Enhanced Consumer Trust: Public awareness of privacy rights has grown, and organizations committed to compliance enjoy higher trust and brand loyalty.
- **Improved Cybersecurity:** GDPR has driven the adoption of state-of-the-art cybersecurity practices, including mandatory breach notification, risk assessments, and encryption.
- **Standardization:** The regulation created clear benchmarks, enabling better cross-border data flows and legal certainty for international businesses [3][7].

CHALLENGES

- Complexity and Cost: Compliance requires continuous investment in data governance, legal review, and technological upgrades. For SMEs, this can pose a significant financial burden.
- Cross-Border Transfers: International transfers of personal data remain heavily scrutinized, with requirements for Standard Contractual Clauses and Transfer Impact Assessments.
- Adapting to AI and Big Data: GDPR's restrictions on automated decision-making (Article 22) and data minimization complicate the deployment of AI-powered services, requiring organizations to carefully balance innovation and privacy^{[8][9]}.
- **Enforcement Disparities:** Data protection authorities across Europe differ in resourcing and enforcement zeal, sometimes creating inconsistent outcomes.

Graph: Growth in Number of Countries Adopting GDPR-like Data Privacy Laws (2016–2025) [image:2]

The graph illustrates the surge in adoption of comprehensive data privacy frameworks globally following the introduction

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of GDPR in 2018.

Best Practices for GDPR Compliance in 2025

- **Data Inventories and Mapping:** Maintain up-to-date records of all personal data, its sources, uses, and storage locations [10][4].
- Explicit Consent Management: Use clear, user-friendly procedures to obtain and manage consent, including optin/opt-out.
- **Privacy Policy Updates:** Continuously review and update privacy notices to reflect legal or business changes, and detail international data transfers and third-party sharing.
- Security by Design and Default: Integrate privacy into every stage of product development and business processes.
- AI & Automated Decisions: Ensure explainability of AI systems, perform impact assessments, and offer human review options where required [8][9].
- Training and Culture: Cultivate a company-wide privacy culture with ongoing staff training and leadership focus.

Flowchart: GDPR Data Compliance Lifecycle

[image:3]

The flowchart depicts data mapping, risk assessment, policy updates, breach response, ongoing monitoring, and regulatory reporting as core stages in sustaining GDPR compliance.

Ongoing Developments and Future Directions

Recent updates focus on simplifying compliance for SMEs, greater scrutiny of cross-border data flows, and tighter linkage with new laws on artificial intelligence (EU AI Act). Authorities are particularly attentive to data retention, minimization, and the explainability and ethics of AI systems handling personal data [6][9].

Privacy advocates caution that any reform or simplification must reinforce—not weaken—data protection guarantees. The coming years will see deeper integration of privacy and security by design, increased convergence of global data privacy laws, and evolving relationships between regulatory authorities as cloud computing, AI, and real-time analytics reshape the data landscape.

CONCLUSION

GDPR has fundamentally redefined data privacy—not just for the EU but for the entire world—by setting new standards of control, transparency, and accountability. Its principles, enforcement, and global influence have sparked legislative innovation worldwide and elevated the standard of data protection, even as organizations continue to grapple with complex compliance demands. As the digital economy matures, GDPR's legacy will endure, shaping how organizations manage data, foster trust, and compete in a privacy-conscious global landscape.

[image:1]

Map: Spread of GDPR-Inspired Data Privacy Laws Globally (2025).

[image:2]

Graph: Adoption of Comprehensive Data Privacy Laws Worldwide, 2016–2025.

[image:3]

Flowchart: Stages of GDPR Data Compliance Lifecycle (2025).

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