

## **DIGITAL TRANSFORMATION**

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The seminar paper discusses several critical aspects of artificial intelligence (AI) and personal data protection, particularly in the context of the General Data Protection Regulation (GDPR) and emerging legal challenges.

### Key Points:

#### Understanding AI:

AI is seen as an evolving field within information and communication technology. It has the potential to function autonomously, mimicking human decision-making processes. This raises questions about accountability and transparency, mainly when AI systems operate without explicit human commands.

#### Data Protection Evolution:

The GDPR was established to safeguard personal data, particularly electronic transactions. Its principles aim to protect individuals' rights and promote transparency and accountability among data collectors.

#### Seven Principles of GDPR:

The GDPR outlines seven fundamental principles that data collectors must adhere to when processing personal data: legality, fairness, transparency, purpose limitation, data minimization, accuracy, and storage limitation.

#### Global Impact:

Following the GDPR, many countries have enacted data protection laws, such as Sri Lanka's Personal Data Protection Act of 2022, reflecting a global trend toward enhanced data privacy.

#### Cross-Border Data Transfer Challenges:

One significant issue in the legal profession is the cross-border transfer of personal data for AI processing. The GDPR emphasizes transparency, but AI algorithms, often protected by trade secrets, complicate this requirement. Data collectors may struggle to reconcile their obligations under GDPR with the need to protect their proprietary technology.

#### Intellectual Property Concerns:

The intersection of data protection and intellectual property rights creates challenges. Disclosing how AI algorithms operate could violate trade secret protections, raising legal dilemmas for organizations relying on AI to process personal data.

Need for New Principles:

As AI technology evolves, there is a pressing need to develop new legal principles that specifically address the complexities of AI in the context of personal data protection. This includes considerations for transparency, accountability, and the rights of data subjects.

The interplay between AI and personal data protection is complex and rapidly evolving. Current legal frameworks, including the GDPR, must adapt to address these challenges effectively. Introducing new principles considering AI's unique characteristics could help ensure that personal data is handled responsibly while fostering technological innovation. This dialogue is crucial for legal professionals, regulators, and technologists as they navigate the future of data privacy in an AI-driven world.