Amended (v2)

<u>Feedback on EDPB Guidelines 02/2025 on Blockchain and GDPR Compliance</u>

1. **Clarification of Blockchain as Neutral Infrastructure:** The guidelines currently impose GDPR obligations directly onto blockchain infrastructure, treating it like a data controller. Analogous to the internet protocols HTTP or TCP/IP, blockchain should be acknowledged explicitly as a neutral infrastructure layer, with GDPR compliance responsibilities allocated to applications operating with its help.

    TCP/IP or HTTP is not GDPR compliant, and shouldn't be. It is infrastructure, every country and continent maintains their own set of rules for the internet, yet everyone can work together because the underlying infrastructure is neutral and enables for applications to inter-operate.

    In Europe, applications running on top of TCP/IP or HTTP have to be GDPR compliant. Compliance differs for California, or NY, or Asia. TCP/IP HTTP and BLOCKCHAIN remains the same across.

    Permissionless blockchains are immutable by essence, this is the feature and the success of this infrastructure. It should not be tampered (or it is another product).

2. **Proposed Analogy for Clarification:** Just as GDPR compliance is implemented by web applications, not by the underlying internet protocols themselves, blockchain compliance should similarly be implemented at the application or data-controller level, using off-chain storage and cryptographic methods.

3. **Benefits of Adapting the Guidelines:** Adopting this clarification would enhance regulatory coherence, significantly reduce compliance complexity, foster innovation within the EU blockchain sector, and uphold privacy by clearly allocating responsibilities without unnecessary technological limitations.

4. **Risks of Not Adapting the Guidelines:** Failing to adapt the guidelines risks stifling blockchain innovation within Europe, causing technological and economic disadvantages and possibly leading to regulatory fragmentation, as blockchain operations could relocate outside EU jurisdiction.

5. **Conclusion – Recommended Adjustment:** Before Adjustment: Current guidelines inadvertently place GDPR obligations directly on blockchain infrastructure. After Adjustment: Clearly differentiate blockchain as neutral infrastructure, with GDPR compliance responsibilities explicitly and solely at the application or controller layer.

Thank you for considering this essential distinction to effectively balance technological innovation with robust data protection.

Original Paragraph (Section 4.2, paragraph 63)
Even though it is technically possible to modify a blockchain, such modifications are very hard to put in place as it requires that all nodes update their copy of the chain (or delete their copy) and agree upon the change. This undermines the principles of consistency and tamperproof processing, which are the core of most blockchains' design. In practice, such modification may not even impact all copies of the original block, meaning that the original data might still be available. **When deletion has not been taken into account by design, this may require deleting the whole blockchain**."

Amended Paragraph (recommended neutral revision)
"Permissionless blockchains are immutable by essence and design, inherently posing challenges to GDPR principles such as rectification and erasure. To strictly adhere to GDPR, applications built on blockchain should integrate, from the outset, solutions combining on-chain and off-chain data management, making use of advanced privacy-preserving technologies such as zero-knowledge proofs, encryption, cryptographic hashing, or other data minimization techniques. Proper integration of these measures enables compliance with GDPR without necessitating disproportionate actions such as the deletion of entire blockchain records."

Justification for the amendment:

- Removes the unrealistic and disproportionate suggestion of deleting entire blockchains.
- Emphasizes practical technical solutions (zero-knowledge proofs, off-chain management, encryption).
- Clearly differentiates between infrastructure (immutable blockchain) and application layer (where compliance should logically occur).

Thank you
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