

The European Data Protection Board (EDPB) issued draft Guidelines in early 2025 on how pseudonymization should be interpreted under the GDPR – these Guidelines are currently under public consultation. This is important as pseudonymization is a foundational practice in digital advertising and data analytics. IAB Europe is pushing back against these Guidelines, warning that the following will result if implemented:

- A confusion of pseudonymization with anonymization
- Impractically high thresholds for compliance being set
- Cause a conflict with existing CJEU case law
- Risk of stifling innovation in AI and privacy-enhancing technologies (PETs)

IAB Europe expressed some key concerns, largely surrounding legal uncertainty, excessive scope, misapplication of GDPR Article 11, and an overall detriment to innovation and progress. The Guidelines may pre-empt a forthcoming Court of Justice of the European Union (CJEU) ruling on EDPB vs. SRB creating potential regulatory stability. They also demand that controllers account for any re-identification risk, even from actors like hackers or foreign agencies, going beyond what the GDPR requires. In addition, they imply rights and obligations around pseudonymized data that contradict the GDPR's intent. And the fact that they have overly restrictive definitions and assumptions may discourage companies from using pseudonymization or investing in privacy-forward solutions.

Therefore, IAB Europe recommends:

- Withdrawing or pausing the Guidelines until the CJEU issues its ruling
- Clarify distinctions between pseudonymization and anonymization into a single document
- Avoid introducing extra-legal burdens not grounded in the GDPR
- Recognize pseudonymization as a meaningful risk-mitigation and compliance measure.

### **What does this mean for Canada?**

While these developments are EU-specific, they highlight a critical regulatory debate that could influence global standards and affect cross-border data processing practices. Canadian organizations operating in the EU or engaging with EU partners should monitor how these Guidelines evolve.

IAB Canada remains vigilant in monitoring developments. Become a member to stay informed about regulations that could impact our industry.

[Read the full response.](#)

If you'd like to discuss this further, please contact us at [policy@iabcanada.com](mailto:policy@iabcanada.com).