# AI, data and fintech regulation set the stage for legal transformation in 2025



As 2024 draws to a close, the convergence of technology and law is poised to reshape the global business landscape. The coming year will be defined by rapid innovation and evolving regulation, particularly around artificial intelligence, digital privacy and fintech.

AI remains central to this shift. With model performance improving every six months, tools like Deepseek are enabling autonomous agents to complete transactions with minimal human input. In the UK, the government's AI Opportunities Action Plan aims to leverage this momentum for economic growth and public service improvement. Yet the speed of development has outpaced legal frameworks, prompting calls for regulation that balances innovation with accountability and transparency.

That balance is proving difficult. The proposed EU AI Act has drawn criticism for being overly restrictive, potentially deterring tech scale-ups in the UK and elsewhere. As the UK reviews its approach to regulating generative AI, a collaborative model that aligns the goals of developers, users and regulators will be key.

Cybersecurity and data privacy will also come under heightened focus. With the EU’s Digital Operational Resilience Act (DORA) set to take effect in January 2025, financial institutions face new demands to strengthen their digital defences. In parallel, the UK’s Information Commissioner is expected to provide final guidance on the use of generative AI amid growing scrutiny over cross-border data transfers and consumer privacy.

The UK’s Data (Use and Access) Bill is another significant step. Designed to align cookie and digital marketing rules with GDPR, the legislation aims to streamline compliance and improve public trust in data handling.

In fintech, regulatory sandboxes are enabling innovation within controlled environments, allowing firms to test new solutions while meeting legal requirements. The regulatory treatment of cryptocurrencies is evolving too. With the US Securities and Exchange Commission treating most digital tokens as securities and the creation of a cryptocurrency working group within the National Economic Council, a more structured regulatory approach is taking shape.

Sustainability is also emerging as a legal priority. Governments are supporting climate tech through targeted regulation to help cut carbon emissions and promote renewable energy. ESG compliance is now central to corporate strategy, influencing investment decisions and driving change across sectors.

Health tech is another area seeing major AI-driven change. Tools that enable earlier diagnoses and personalised treatment plans are on the rise, but they bring significant legal questions around sensitive data use. Strong protections will be essential as health innovation accelerates.

Meanwhile, the UK’s new Digital Markets, Competition and Consumers Act will give the Competition and Markets Authority expanded powers. The legislation includes the potential to designate firms with strategic market status and apply tailored conduct rules to ensure fair competition.

Together, these developments place the UK in a strong position to lead in responsible tech governance. To do so, it must foster innovation while staying ahead of the regulatory curve. The challenge is clear: align rapid technological change with robust legal and ethical safeguards.

With the right strategy, 2025 could mark a turning point—where technology and law advance together to shape a fair, secure and forward-looking digital economy.

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## Bibliography

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2. <https://www.mondaq.com/unitedstates/privacy-protection/1566642/data-privacy-and-cybersecurity-developments-we-are-watching-in-2025> - This article discusses the upcoming implementation of PCI DSS 4.0, effective March 31, 2025, which introduces robust security obligations for companies handling credit card transactions. It highlights the challenges businesses may face in achieving compliance, including the need for new policies, processes, and technology solutions. The piece also addresses common misconceptions, such as the belief that outsourcing credit card functions exempts companies from PCI DSS obligations, emphasizing the importance of proactive compliance efforts.
3. <https://www.wipfli.com/insights/articles/te-7-regulatory-changes-reshaping-technology> - This article outlines seven regulatory changes reshaping the technology sector, including the establishment of a cryptocurrency working group within the National Economic Council to develop new digital asset regulations and explore creating a national cryptocurrency stockpile. It discusses the SEC's classification of most cryptocurrencies as securities and the administration's establishment of the Strategic Bitcoin Reserve, formalizing the government's role in cryptocurrency markets. The piece also covers the National Resilience Strategy, focusing on state and local governments' preparedness for cyberattacks and extreme weather.
4. <https://www.bloomberg.com/professional/insights/regulation/september-global-regulatory-brief-digital-finance/> - This brief highlights significant regulatory developments in digital finance, including California's passage of a bill requiring AI developers to disclose technical details of their training data, such as the inclusion of personal information or synthetic data. It also covers the Securities and Exchange Board of India's publication of the Cybersecurity and Cyber Resilience Framework, setting obligations for regulated entities regarding cybersecurity and cyber resilience, with adoption deadlines in 2025.
5. [https://medium.com/@sabine\_vdl/top-2025-technology-trends-you-need-to-know-shaping-the-future-of-insurance-and-finance-e8ae7b4aa80a](https://medium.com/%40sabine_vdl/top-2025-technology-trends-you-need-to-know-shaping-the-future-of-insurance-and-finance-e8ae7b4aa80a) - This article discusses the pressing concern of data privacy in the digital age, emphasizing the need for strong encryption methods to protect sensitive data. It highlights the implementation of regulations like GDPR to safeguard consumer rights and the importance of transparency and user control over personal data. The piece also mentions the European Digital Operational Resilience Act (DORA), effective January 17, 2025, aiming to increase the resilience of the financial sector to cyberattacks and operational disruptions.
6. <https://iapp.org/resources/article/global-legislative-predictions/> - This article provides global legislative predictions for 2025, including Chile's anticipated new legal framework for data protection, closely following the EU GDPR, and the approval of the Cybersecurity Framework Law, with regulations pending. It also covers the introduction of a bill to regulate AI and create a Technical Advisory Council for AI, referencing the EU AI Act and UNESCO's recommendations on AI ethics. The piece notes that the promulgation and publication of these laws are still pending, with implementation scheduled for 2026.
7. <https://www.miragenews.com/tech-law-2025-ai-privacy-social-media-rules-1386335/> - This article discusses the focus on data privacy in 2025, highlighting the proposed American Privacy Rights Act, introduced in 2024, aiming to create a comprehensive federal privacy framework. It also covers the enactment of state-level privacy laws, with 19 states having passed comprehensive privacy laws since California's Consumer Privacy Rights Act in 2019. The piece mentions the Biden administration's executive order authorizing the U.S. attorney general to restrict cross-border data transfers to protect national security, indicating ongoing efforts in data privacy regulation.