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The General Data Protection Regulation (GDPR)

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The General Data Protection Regulation (GDPR)

Practice: 6 MCQs



The hemicycle of the European Parliament in Strasbourg. Photo by jeffowenphotos, Wikimedia Commons, CC BY 2.0.

One EU law changed how the whole world handles personal data. Exams ask about its dates, its reach and its rights. This lesson covers all three, then compares India's own law.

- **Law:** Regulation (EU) 2016/679. Replaced the **1995** Directive.
- **Dates:** approved **14 April 2016**, in force **24 May 2016**, applies since **25 May 2018**.
- **Rights:** right to be forgotten, clear consent, data transfer, breach notice.

- **Fines:** top tier up to **€20 million or 4%** of worldwide annual turnover, whichever is higher.
- **Reach:** firms outside the EU are covered if they target people in the EU.
- **Exam:** UPSC CSP 2019 Q88 (answer c, the EU).

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1. When was the GDPR adopted, and when did it start?

The **General Data Protection Regulation** is **Regulation (EU) 2016/679**. The **European Parliament** gave its final approval on **14 April 2016**. That vote ended **more than four years** of work on a full overhaul of the EU’s data rules. The regulation itself is dated **27 April 2016**. It **replaced** the **1995 Data Protection Directive**.



Four dates to remember. Original explanatory diagram.

1.1 Why did the EU replace a 1995 law?

The old directive dated from **1995**, when the internet was still in its infancy. The new regulation was built for a world of **smartphones, social media, internet banking and global data transfers**. The Commission adds a second reason. One **single law** cuts the **fragmentation** between national systems and removes needless paperwork for firms.

Think of a firm that sells in ten EU countries. Under ten slightly different national laws, it needs ten sets of rules. Under one regulation, it needs one.

1.2 Is a regulation different from a directive?

Yes, and the difference is easy to test. The European Parliament's own release shows both in one package. The **regulation** is described as **directly applicable** in all member states, two years after it enters into force. The separate **directive** on policing data needs a different route. Member states had **two years** to turn its provisions into **national law**.

- A **regulation** is directly applicable in every member state.
- A **directive** must be turned into national law by each member state.

1.3 Why do two dates matter?

The regulation **entered into force** on **24 May 2016**. It has **applied** since **25 May 2018**. That gave organisations about **two years** to get ready. Exam questions often ask for the **enforcement** date, not the adoption date.

A common slip is to say "GDPR 2016". Parliament voted in 2016 and the law entered into force in 2016. The duties on firms began only in 2018. Match the question's wording to the right date.

1.4 Is the GDPR only for the EU?

The GDPR is part of the **EEA Agreement**. That makes it apply across the **European Economic Area**. The EU's data law also includes the **Law Enforcement Directive** (2016/680) and the **EUDPR** (Regulation 2018/1725) for EU bodies.

So "GDPR" is one law in a family of three. Each covers a different set of bodies.

Sources:

- European Parliament press release, 14 April 2016
- EDPB, Guidelines 3/2018 on territorial scope
- European Commission, EU data protection legislation

The GDPR has applied since 14 April 2016.
The GDPR replaced the EU's 1995 Data Protection Directive.
Explain it back: why does the start date matter more than the adoption date?

Parliament voted in April 2016, but the duties began only on 25 May 2018. Exams ask when the law took effect.

2. What rights does it give people?

The European Parliament said the new rules give citizens more **control** over their private data. The rapporteur put the idea simply. Citizens will decide for themselves which personal information they want to share. The rules include these rights.

- A **right to be forgotten**.
- **Clear and affirmative consent** to process personal data.
- A right to **transfer data** to another service provider.
- A right to know when data has been **hacked**.
- Privacy policies in **clear and plain language**.

2.1 What do these rights mean in daily life?

Take each right as a short story.

- **Right to be forgotten:** a person can ask for old data to be erased.
- **Clear and affirmative consent:** the person must clearly say yes before data is processed.

- **Transfer your data:** a user can move to a rival service and take the data along.
- **Hack notice:** if a breach is likely to cause a high risk to the person, they must be told without undue delay. Effective protection of the data, or later measures that remove the high risk, can end this duty.
- **Plain language:** the privacy policy must be easy to read.

2.2 How big are the fines?

The same release says enforcement is stronger. There are two tiers. The upper tier reaches **€20 million or 4%** of a firm's **total worldwide annual turnover** for the previous year, whichever is higher. The lower tier is **€10 million or 2%**, whichever is higher. 4% is not the ceiling for every firm or every breach. This works as a deterrent.

Worked example for the upper tier. A firm earns **€10 billion** worldwide in a year. Four per cent of that is **€400 million**. That is higher than €20 million, so €400 million is the ceiling. It is a ceiling, not a fixed price. The words are "up to".

A hack notice has its own test. An individual must be told only when the breach is likely to cause a high risk to their rights and freedoms. This is separate from telling the regulator, which has its own deadline.

2.3 Does the GDPR also cover police data?

Not directly. The data protection package had **two parts**. The regulation is the general law. A separate **directive** covers data transfers for **policing and judicial** purposes. It sets minimum standards for data used to prevent, investigate and prosecute crime.

Exam trap: do not call the policing directive "the GDPR".

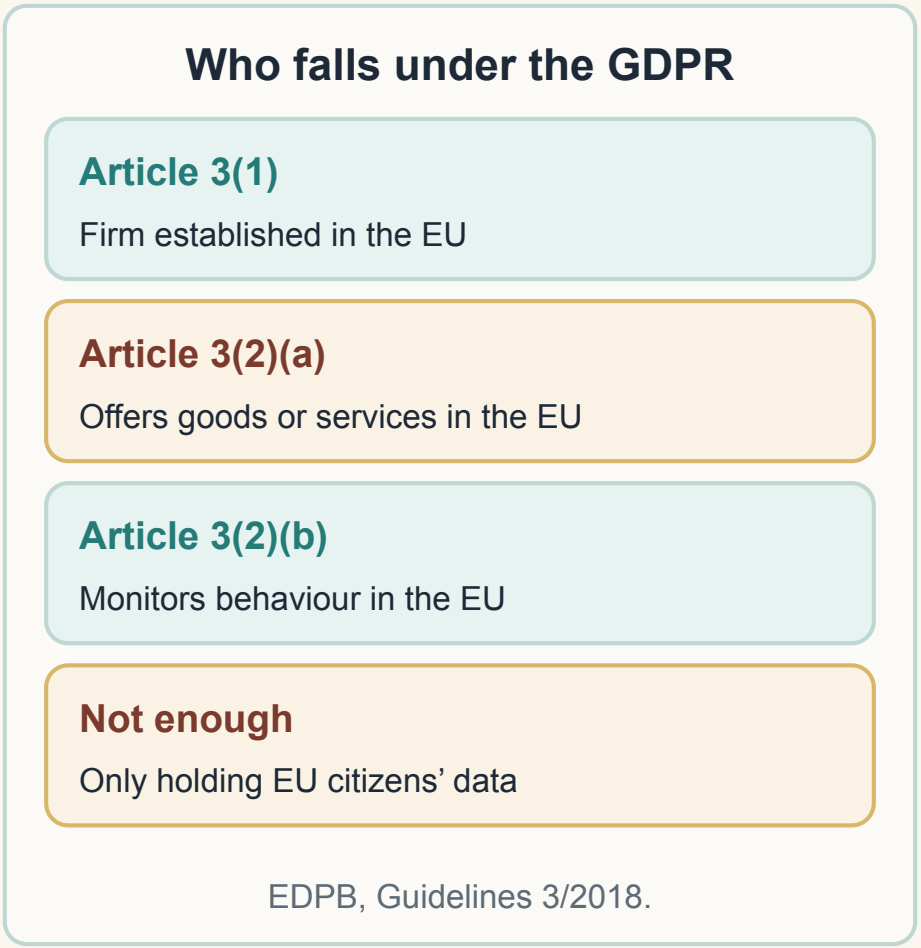
Sources:

- European Parliament press release, 14 April 2016 (section 2)

Under the GDPR, people have a right to be forgotten.
Under the GDPR, a fine is always exactly 4% of a firm's turnover.

3. Who must follow the GDPR?

Any organisation **established in the EU** must follow it. **Article 3(2)** reaches firms **not established in the EU** in two cases. They must be **offering goods or services** to people in the EU, **even if free**. Or they must be **monitoring the behaviour** of people in the EU.



Reach of the GDPR. Original explanatory diagram.

3.1 Does holding EU citizens' data always trigger it?

No. The EDPB says processing EU citizens' data in a third country does not trigger the GDPR by itself. It must relate to an offer aimed at people in the EU, or to monitoring their behaviour there. Its example is a **bank in Taiwan** serving customers who hold **German citizenship**. That bank is not subject to the GDPR.

3.2 How does a regulator tell if a firm is “targeting” the EU?

Simply being reachable is not enough. A website that anyone can open from the EU does not make a firm a target. The EDPB lists clues that show real intent. They include these.

- A **language or currency** used in EU states, with a way to order in it.
- A **domain name** such as **.de** or **.eu**, rather than the firm’s home domain.
- **Phone numbers** meant for callers from EU countries.
- Mention of **customers in the EU**.

3.3 Which worked examples should I remember?

The EDPB gives examples. They show the line between covered and not covered.

Case	Covered?	Why
US city-guide app used by tourists in Paris and Rome	Yes	It offers services to people in the EU
US app built only for US tourists, priced only in US dollars	No	It is aimed only at the US market
Turkish photo-album site in four EU languages, paying in euros, delivering to EU states	Yes	Language, currency and delivery show an EU offer

Case	Covered?	Why
US firm tracking shoppers by Wi-Fi in a French shopping centre	Yes	It monitors behaviour that takes place in the EU
Stockholm drug firm running trials through its Singapore branch	Yes	The firm is established in the EU

3.4 What must such a firm do?

A firm outside the EU that falls under Article 3(2) must generally **designate a representative in the Union**. Article 27(2) has an exception for occasional processing. All its conditions must hold. The processing must be occasional. It must not involve large-scale use of special-category data or criminal-conviction data. It must also be unlikely to put people's rights and freedoms at risk. Being small, or processing only now and then, does not exempt a firm by itself.

Sources:

- EDPB, Guidelines 3/2018 on territorial scope (section 3)

A bank in Taiwan that only serves customers living in Taiwan must follow the GDPR if some customers hold German citizenship.

Think it through: why is the Taiwan bank outside the GDPR?

The bank does not offer services to people in the EU. It does not watch their behaviour there either. German citizenship alone does not bring it in.

4. Who enforces it?

The **European Data Protection Board** (EDPB) is an **independent European body**. It makes sure the GDPR is applied **consistently**. It can adopt **binding decisions** to settle disputes between national supervisory authorities.

4.1 Who does what?

Two levels share the work. The **national supervisory authorities** enforce the GDPR in their own countries. The **EDPB** sits above them for hard cases. Its binding decisions are addressed to the national authorities. They are used when the authorities cannot agree on a **cross-border** case.

Think of it as a referee. National teams play the match. The referee steps in when two teams disagree.

4.2 What else does the Board do?

Binding decisions are the rare tool. The everyday tools are softer.

- It issues **guidelines and best practices** so everyone reads the law the same way.
- It gives **opinions** to the European Commission and to national authorities.
- It supports **cooperation** between authorities, including on enforcement.

The territorial scope guidelines used in this lesson are one example.

4.3 What is new on enforcement?

In **May 2025** the Council and Parliament agreed new **procedural rules** for the GDPR. They aim at faster action in large **cross-border** cases. They set **fixed deadlines** for a draft decision and clearer rules for

complaints. The Commission says they do not change people's rights or firms' duties. When the Commission page was saved, the text was still going through formal adoption.

Sources:

- EDPB, Who we are
- EDPB, Tasks and duties
- European Commission, EU data protection legislation (section 4)

The European Data Protection Board can adopt binding decisions to settle disputes between national authorities.

5. How does India's law compare?

India's **Digital Personal Data Protection Act, 2023** was enacted by Parliament on **11 August 2023**. The **DPDP Rules, 2025** were notified on **14 November 2025**. The Rules give a phased **eighteen-month** compliance period.

5.1 What words does India use?

India calls the organisation a **Data Fiduciary**. It is the entity that decides why and how personal data is processed. The person whose data it is, is the **Data Principal**. For a child, this includes a parent or lawful guardian. A **Data Protection Board of India** oversees compliance. Appeals go to **TDSAT**. The highest penalty is up to **₹250 crore**.

5.2 What does the DPDP Act ask of a firm?

The Act rests on **seven principles**: consent and transparency, purpose limitation, data minimisation, accuracy, storage limitation, security safeguards and accountability. Three rules from the Rules stand out.

- Each firm must give a **separate, clear consent notice** that states the purpose.

- Requests to access, correct or erase data must be answered within **ninety days**.
- For a **child**, a parent or guardian must give **verifiable consent**. Essential services such as healthcare, education and real-time safety are exempt.

5.3 How do the penalties compare?

India sets its penalty ceilings as fixed rupee amounts. The EU sets each ceiling as a euro amount or a share of turnover, whichever is higher.

- Up to **₹250 crore**: failing to keep reasonable security safeguards.
- Up to **₹200 crore**: not reporting a breach, or breaking the rules on children.
- Up to **₹50 crore**: any other violation.

5.4 Which side-by-side facts should I remember?

Point	GDPR (EU)	DPDP Act (India)
Name for the organisation	Firm or public body	Data Fiduciary
Top penalty	Up to €20 million or 4% of worldwide annual turnover, whichever is higher	Up to ₹250 crore
Supervision	National authorities, with the EDPB for disputes	Data Protection Board of India, appeals to TDSAT

Do not mix the labels. The word “fiduciary” belongs to India’s Act.

Sources:

- PIB, DPDP Rules 2025 backgrounder, 17 Nov 2025

- European Parliament press release, 14 April 2016 (section 5)
- EDPB, Tasks and duties (section 5)

In India's DPDP Act, 2023, the person whose data it is, is called the Data Fiduciary.
Compare: which words belong to India's law, and which to the EU's?

Data Fiduciary and Data Principal are India's words. The EU uses the EDPB and national authorities. In the EU the top tier is up to €20 million or 4% of turnover, whichever is higher. In India the top penalty is up to Rs 250 crore.

6. How did UPSC test it?

UPSC asked about the GDPR in the **Civil Services Preliminary Examination 2019**. The stem names the law, **April 2016** and **25 May 2018**. The answer is **the European Union**.

UPSC Civil Services (Preliminary) Examination 2019, General Studies Paper I, Series A, Q88.
Which of the following adopted a law on data protection and privacy for its citizens known as ‘General Data Protection Regulation’ in April 2016 and started implementation of it from 25th May, 2018?
(a) Australia
(b) Canada
(c) The European Union
(d) The United States of America

Read the UPSC question paper (Series A, printed page 39) and the UPSC answer key. The key gives (c). The stem gives the two dates a student must know: the April 2016 adoption and the 25 May 2018 start.

6.1 How do the two dates in the stem fit?

The stem gives two dates. **April 2016** matches Parliament's final approval on **14 April 2016**. **25 May 2018** matches the day the regulation began to apply. Once the dates match this lesson, the answer follows.

6.2 What would a clever examiner change next?

A harder question could swap the dates, or ask about reach or rights. Use this checklist.

- **Adopted** means 14 April 2016. **In force** means 24 May 2016. **Applies** means 25 May 2018.
- Firms outside the EU are covered only if they target people in the EU.
- Top-tier fines are "up to" €20 million or 4% of worldwide turnover, whichever is higher.
- The EDPB settles disputes. National authorities enforce.
- India's terms are Data Fiduciary and Data Principal.

Sources:

- UPSC CSP 2019 General Studies Paper I, Series A, Q88
- UPSC CSP 2019 GS Paper I answer key
- European Parliament press release, 14 April 2016 (section 6)
- European Commission, EU data protection legislation (section 6)
- EDPB, Guidelines 3/2018 on territorial scope (section 6)

Your understanding checks

Your 7 quick checks Answered 0 of 7 · Correct 0
This score resets when the page reloads.

Practice: 6 MCQs

Practice MCQs

1. Which of the following adopted a law on data protection and privacy for its citizens known as 'General Data Protection Regulation' in April 2016 and started implementation of it from 25th May, 2018?

A. Canada

B. Australia

C. The European Union

D. The United States of America

See answer ↓

2. Which EU law did the GDPR replace?

A. The EEA Agreement

B. Regulation 2018/1725 on EU bodies

C. The 1995 Data Protection Directive

D. The Law Enforcement Directive of 2016

See answer ↓

3. From which date has the GDPR applied?

A. 14 April 2016

B. 11 August 2023

C. 25 May 2018

D. 24 May 2016

See answer ↓

4. Under Article 3(2), when does the GDPR cover a firm that is not established in the EU?

A. When it offers goods or services to people in the EU

B. When it stores any data about an EU citizen abroad

C. When its owner holds EU citizenship

D. When it has one EU citizen as a customer in a third country

See answer ↓

5. Which body makes sure the GDPR is applied consistently and can settle disputes between national authorities with binding decisions?

A. Council of Europe

B. European Data Protection Board

C. European Court of Auditors

D. European Commission

See answer ↓

6. Under India's DPDP Act, 2023, what is the person to whom the personal data relates called?

A. Data Principal

B. Data Fiduciary

C. Data Processor

D. Data Controller

See answer ↓

Answer Key

1. **C.**
   The correct answer is **The European Union**. The EU adopted the GDPR in April 2016. The European Parliament gave final approval on 14 April 2016. The regulation has applied since 25 May 2018.
   Australia, Canada and the United States have no law with this name.
   Memory hook: the GDPR is an EU law. Vote in 2016, start in 2018.
   ↑ Q1

2. **C.**
   The correct answer is **the 1995 Data Protection Directive**. The GDPR replaced this older directive. The 1995 law dated from the early internet era.
   The Law Enforcement Directive is a separate 2016 law for policing data. Regulation 2018/1725 is a separate law for EU bodies. The EEA Agreement is the deal that extends the GDPR beyond the EU.
   Memory hook: 1995 directive out, 2016 regulation in.
   ↑ Q2

3. **C.**
   The correct answer is **25 May 2018**. The GDPR began to apply on that day. Firms had about two years to get ready after it entered into force.
   14 April 2016 is the day Parliament gave final approval. 24 May 2016 is the day it entered into force. 11 August 2023 is the day India enacted its DPDP Act.
   Memory hook: Vote 2016, start 2018. Ask which of the two the question wants.
   ↑ Q3

4. **A.**
   The correct answer is **when it offers goods or services to people in the EU**. Article 3(2) has two triggers. A firm must offer goods or services to people in the EU, even for free. Or it must monitor their behaviour there.
   Storing an EU citizen's data abroad is not a trigger. The owner's citizenship does not matter. One EU-citizen customer in a third country is not enough, as the Taiwan bank example shows.
   Memory hook: Target or track.
   ↑ Q4

5. **B.**

   The correct answer is **the European Data Protection Board**. The EDPB is an independent European body. It adopts binding decisions to settle disputes between national supervisory authorities.

   The European Commission, the Council of Europe and the European Court of Auditors do not hold this role under the GDPR.

   Memory hook: National authorities enforce. The EDPB is the referee.

   ↑ Q5

6. **A.**

   The correct answer is **Data Principal**. The Data Principal is the individual to whom the personal data relates. For a child, this includes a parent or lawful guardian.

   A Data Fiduciary is the organisation that decides why and how the data is processed. A Data Processor handles data on behalf of a Data Fiduciary. Data Controller is not the Act's term.

   Memory hook: Fiduciary holds the data. Principal owns it.

   ↑ Q6

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