

Position Paper

The Digital Omnibus

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Background

The European Commission's Digital Omnibus proposal was issued on 19th November 2025. The Omnibus consists of two parts: a 'Digital Omnibus Regulation Proposal' focused on targeted amendments to the EU's data protection and privacy rules; and a 'Digital Omnibus on AI Regulation Proposal' which is more narrowly targeted at the EU AI Act.

The main aim of this omnibus is to simplify the EU's digital acquis by streamlining and modernising the EU's digital rulebook. Notably, the Omnibus, similar to other legislative proposals is still subject to the EU legislative procedure. At the time of writing, the EU institutions have started their work on this set of regulatory amendments.

An Initial Overview

The MBB welcomes the EU's effort at streamlining and simplifying its digital playbook as an initial move to boost the EU's economic competitiveness by making data easier to use. Instead of overhauling the GDPR and e-Privacy Directive, it introduces specific technical tweaks to modernise them. These updates aim to sharpen legal definitions (for example what constitutes "personal data"), simplify how companies report breaches, and set clearer boundaries for AI development. Additionally, it seeks to fix the annoyance of "cookie fatigue" by streamlining how we give digital consent. For a more detailed summary, please refer to the [MBB's Digital Omnibus Brief](#).

Part one: The Digital Omnibus Regulation Proposal

GDPR

The MBB generally welcomes the targeted amendments to the GDPR and the ePrivacy Directive. While the MBB supports the drive for legal certainty, the MBB expresses concern that the revised definition of personal data—specifically the assessment of "means reasonably likely to be used" (Article 4(1)) — could lead to business ambiguity without further guidance. What constitutes "means reasonably likely to be used" is not a fixed standard. Different organisations may reach different conclusions about whether a dataset is "personal" or "non-personal" based on their specific technical capabilities or internal data sets. This lack of a uniform threshold makes it difficult for businesses to ensure they are compliant. The MBB also notes that these changes might complicate Article 28 controller-processor arrangements, potentially allowing processors to minimise their legal responsibilities if certain information is no longer classified as personal data.

Regarding technological advancement, the MBB generally welcomes new allowances for AI development and the classification of scientific research as a legitimate interest for processing. However, the MBB emphasises that these must be accompanied by strict safeguards, such as transparency duties. The main concern is that the proposed exemptions

allowing controllers to refuse data access requests based on a subject's "motives" contradict Recital 63 of the GDPR and could weaken data protection.

ePrivacy

In the case of the proposals concerning ePrivacy, the MBB supports moving away from consent-heavy models for certain tracking technologies to reduce "consent fatigue" and allow businesses to better measure campaign efficiency. This should allow organisations to remain competitive by allowing them to secure their websites and measure the efficiency of their campaigns by relying on a legal basis rather than consent.

To streamline compliance, the MBB advocates for a unified EU-wide data breach notification platform to reduce the administrative burden of reporting across various regulations like NIS2, GDPR, and DORA. The MBB also supports harmonised guidance for Data Protection Impact Assessments (DPIAs) to ensure consistency across the EU. Finally, regarding non-personal data, the MBB agrees with providing safeguards that allow data holders to refuse sharing with high-risk third-country entities for security reasons, however there is a need for clear, non-arbitrary thresholds to define what constitutes a "high risk".

Part two: Digital Omnibus on AI Regulation Proposal

The "Digital Omnibus on AI" introduces a more flexible approach to the EU AI Act's implementation by linking the enforcement of high-risk AI requirements to the actual availability of harmonised standards and official guidelines. For "standalone" high-risk systems, such as those used for credit scoring, the rules will apply six months after these standards are confirmed, while systems governed by sectoral legislation (like medical devices) are granted a one-year transition period. To ensure regulatory certainty, the proposal establishes "backstop" deadlines in December 2027 and August 2028 for these categories if standards are not finalised sooner. Additionally, providers of generative AI systems have their content-marking obligations deferred until February 2027, allowing more time to adapt to forthcoming transparency codes.

The MBB notes that these proposed changes to the entry into application of the EU AI Act's requirements for high-risk AI introduce a degree of uncertainty, whilst at the same time giving the prospect of additional time.

The proposal also centralises AI oversight by significantly expanding the mandate of the AI Office, granting it exclusive authority over general-purpose AI (GPAI) models and AI embedded within very large online platforms. Beyond enforcement, the Omnibus seeks to lower the administrative burden on businesses by shifting the primary legal duty for AI literacy from individual operators to the European Commission and Member States, who will now promote training through non-binding initiatives. Furthermore, it streamlines technical

documentation and registration requirements for small and medium-sized enterprises (SMEs) and small-mid caps (SMCs), particularly for systems that providers have assessed as posing no significant risk to fundamental rights.

Concluding Remarks

The Digital Omnibus regulation is expected to be a major point of contention throughout 2026, as it has already sparked significantly different reactions from corporate entities, consumer protection groups, and social campaigners. Many stakeholders support the proposed revisions for their potential to drive innovation and economic competitiveness; however, others are voicing serious concerns regarding the preservation of individual privacy rights. Ultimately, this initiative is a core element of the EU's broader "digital package"—which also introduces a Data Union Strategy and a European Business Wallet—and serves as a critical move toward unifying and simplifying digital regulations for AI, data access, privacy, and cybersecurity.

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The Malta Business Bureau is the EU advisory organisation of;



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