



## Data Act: Commission proposes measures for a fair and innovative data economy

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Today, the Commission proposes new rules on who can use and access data generated in the EU across all economic sectors. The Data Act will ensure fairness in the digital environment, stimulate a competitive data market, open opportunities for data-driven innovation and make data more accessible for all. It will lead to new, innovative services and more competitive prices for aftermarket services and repairs of connected objects. This last horizontal building block of the Commission's [data strategy](#) will play a key role in the digital transformation, in line with the 2030 digital objectives.

Margrethe **Vestager**, Executive Vice-President for a Europe fit for the Digital Age, said: *"We want to give consumers and companies even more control over what can be done with their data, clarifying who can access data and on what terms. This is a key Digital Principle that will contribute to creating a solid and fair data-driven economy and guide the Digital transformation by 2030."*

Thierry **Breton**, Commissioner for Internal Market, added: *"Today is an important step in unlocking a wealth of industrial data in Europe, benefiting businesses, consumers, public services and society as a whole. So far, only a small part of industrial data is used and the potential for growth and innovation is enormous. The Data Act will ensure that industrial data is shared, stored and processed in full respect of European rules. It will form the cornerstone of a strong, innovative and sovereign European digital economy."*

Data is a non-rival good, in the same way as streetlight or a scenic view: many people can access them at the same time, and they can be consumed over and over again without impacting their quality or running the risk that supply will be depleted. The volume of data is constantly growing, from 33 zettabytes generated in 2018 to 175 zettabytes expected in 2025. It is an untapped potential, 80% of industrial data is never used. The Data Act addresses the legal, economic and technical issues that lead to data being under-used. The new rules will make more data available for reuse and are expected to create €270 billion of additional GDP by 2028.

The proposal for the Data Act includes:

- Measures to allow users of connected devices to gain access to data generated by them, which is often exclusively harvested by manufacturers; and to share such data with third parties to provide aftermarket or other data-driven innovative services. It maintains incentives for manufacturers to continue investing in high-quality data generation, by covering their transfer-related costs and excluding use of shared data in direct competition with their product.
- Measures to **rebalance negotiation power for SMEs by preventing abuse of contractual imbalances** in data sharing contracts. The Data Act will shield them from unfair contractual terms imposed by a party with a significantly stronger bargaining position. The Commission will also develop model contractual terms in order to help such companies to draft and negotiate fair data-sharing contracts.
- Means for **public sector bodies to access and use data** held by the private sector that is necessary for exceptional circumstances, particularly in case of a public emergency, such as floods and wildfires, or to implement a legal mandate if data are not otherwise available. Data insights are needed to respond quickly and securely, while minimising the burden on businesses.
- New rules **allowing customers to effectively switch** between different cloud data-processing services providers and **putting in place safeguards against unlawful data transfer**.

In addition, the Data Act reviews certain aspects of the [Database Directive](#), which was created in the 1990s to protect investments in the structured presentation of data. Notably, it clarifies that databases containing data from Internet-of-Things (IoT) devices and objects should not be subject to separate legal protection. This will ensure they can be accessed and used.

**Consumers and businesses** will be able to access the data of their device and use it for aftermarket and value-added services, like predictive maintenance. By having more information, consumers and users such as farmers, airlines or construction companies will be in a position to take better decisions such as buying higher quality or more sustainable products and services, contributing to the Green Deal objectives.

**Business and industrial players** will have more data available and benefit from a competitive data market. Aftermarkets services providers will be able to offer more personalised services, and compete on an equal footing with comparable services offered by manufacturers, while data can be combined to develop entirely new digital services as well.

Today, in support of the European strategy for data, the Commission has also published an [overview of the common European data spaces](#) that are being developed in various sectors and domains.

## Background

Following the [Data Governance Act](#), today's proposal is the second main legislative initiative resulting from the February 2020 [European strategy for data](#), which aims to make the EU a leader in our data-driven society.

Together, these initiatives will unlock the economic and societal potential of data and technologies in line with EU rules and values. They will create a single market to allow data to flow freely within the EU and across sectors for the benefit of businesses, researchers, public administrations and society at large.

While the Data Governance Act, [presented in November 2020](#) and [agreed](#) by co-legislators in November 2021, creates the processes and structures to facilitate data sharing by companies, individuals and the public sector, the Data Act clarifies who can create value from data and under which conditions.

An open public consultation on the Data Act ran between 3 June and 3 September 2021 and gathered views on measures to create fairness in data sharing, value for consumers and businesses. The [results](#) were published on 6 December 2021.

## For More Information

[Data Act - Questions & Answers](#)

[Data Act - factsheet](#)

[Data Act - legal text](#)

[Factpage on the European Data strategy](#)

[Data Governance Act](#) proposal

[Expert Group](#) on [B2B data sharing and cloud contracts](#)

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