European Commission - Press release





Data Act: Commission welcomes political agreement on rules for a fair and innovative data economy

Brussels, 28 June 2023

The Commission welcomes the political agreement reached today between the European Parliament and the Council of the EU, on the European Data Act, proposed by the Commission in February 2022.

Today, the Internet of Things (IoT) revolution fuels exponential growth with projected data volume set to skyrocket in the coming years. A significant amount of industrial data remains unused and brimming with unrealised possibilities.

The Data Act aims to boost the EU's data economy by unlocking industrial data, optimising its accessibility and use, and fostering a competitive and reliable European cloud market. It seeks to ensure that the benefits of the digital revolution are shared by everyone.

Concretely, the Data Act includes:

- Measures that enable users of connected devices to access the data generated by these devices and by services related to these devices. Users will be able to share such data with third parties, boosting aftermarket services and innovation. Simultaneously, manufacturers remain incentivised to invest in high-quality data generation while their trade secrets remain protected.
- Measures to provide protection from unfair contractual terms that are unilaterally imposed. These aim to safeguard EU companies from unjust agreements, fostering fair negotiations and enabling SMEs to participate more confidently in the digital marketplace.
- Mechanisms for public sector bodies to access and use data held by the private sector in cases of public emergencies such as floods and wildfires, or when implementing a legal mandate where the required data is not readily available through other means.
- New rules that grant customers the freedom to switch between various cloud dataprocessing service providers. These rules aim to promote competition and choice in the market while preventing vendor lock-in. Additionally, the Data Act includes safeguards against unlawful data transfers, ensuring a more reliable and secure data-processing environment.
- Measures to promote the development of interoperability standards for data-sharing and data processing, in line with the EU Standardisation Strategy.

Next Steps

The political agreement reached by the European Parliament and the Council is now subject to formal approval by the two co-legislators. Once adopted, the Data Act will enter into force on the 20th day following its publication in the Official Journal and will become applicable 20 months after the entry into force.

Background

The Data Act complements the <u>Data Governance Act</u> of November 2020 by clarifying who can create value from data and under which conditions. It stems from the <u>European strategy for data</u>, announced in February 2020, which aims to position the EU as a frontrunner in the era of our data-driven society.

Collectively, these initiatives will establish a unified market allowing for data to flow freely within the European Union and across sectors. This will benefit consumers, businesses, researchers, public administrations, and society. It will fuel collaboration and innovation, empowering European industries and citizens through data-driven solutions.

For More Information

Data Act - Questions & Answers

Data Act - Factsheet

Factpage on the European Data strategy

Data Governance Act

IP/23/3491

Quotes:

This is a significant milestone in the journey towards a single market for data. The Data act will optimise data use by improving data accessibility for individuals and businesses. This is very good news for our digital transformation.

Margrethe Vestager, Executive Vice-President for a Europe Fit for the Digital Age - 28/06/2023

Following the adoption of the Digital Services, Digital Markets and Data Governance Acts, today's agreement forms another milestone in our efforts to re-shape the digital space. The Data Act will ensure that industrial data is shared, stored and processed in full respect of European rules. It will create a thriving data economy that is innovative and open, but on our European conditions.

Thierry Breton, Commissioner for Internal Market - 28/06/2023

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