
Parliament backs plans for better access to, and use of, data

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- Innovation increasingly relies on data
 - New law clarifies who can access data and under what conditions
 - More private and public entities will be able to share data
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The "Data Act", already agreed between MEPs and member states, aims to stimulate innovation by eliminating barriers to data access.

The new legislation establishes rules on the sharing of data generated through the use of connected products or related services (e.g. the Internet of Things, industrial machinery) and allows users to access the data they generate. It will contribute to the development of new services, particularly in artificial intelligence, where vast amounts of data are required for algorithm training. It also aims to make after-sales services and repairs of connected devices cheaper. In exceptional circumstances or emergencies, such as floods and wildfires, public sector bodies will be able to access and use data held by the private sector, the new law stipulates.

Protection of trade secrets and prevention of unlawful data transfers

MEPs secured a clear definition of trade secrets and trade secret holders to prevent unlawful data transfers and data leaks to countries with weaker data protection regulations. They also want to avoid competitors in a particular field being able to exploit access to data to reverse-engineer services or devices of their rivals.

The new law facilitates the ability to switch between cloud service providers – companies that offer network services, infrastructure, or business applications in the cloud- and introduces safeguards against unlawful international data transfers by these companies. MEPs ensured that the Data Act means cloud service customers will have the power to negotiate contracts and

avoid being "locked in" with a particular provider.

Quote

Lead MEP [Pilar del Castillo Vera](#) (EPP, ES) said: "The Data Act is a game-changer. Having data on the functioning of industrial equipment will allow factories, farms and construction companies to optimise operational cycles, production lines and supply chain management. The Data Act will create a new data-agile system enabling easy access to an almost infinite amount of high-quality data. It will be instrumental in optimising existing business models and processes, boost the development of new ones and create new value. In other words, an opportunity for innovation and competitiveness".

Next steps

The legislation was adopted with 481 votes to 31, with 71 abstentions. It will now need formal approval by Council to become law.

Background

The volume of data generated by humans and machines is growing exponentially and becoming a critical factor for innovation by businesses and public authorities (e.g., shaping smart cities). The legislation will allow users access to the data they generate, as 80% of industrial data collected are never used, according to the European Commission.

Conference on the Future of Europe

The Data Act embodies the principles outlined in the Conference on the Future of Europe's (COFOE) recommendations, specifically proposals 31(7), 35(7), and 35(10), aimed at creating a robust and equitable digital economy. It echoes COFOE's vision by advocating for a resilient data infrastructure that upholds European values and principles. The 'Data Act' also supports the digital transformation of public services and the introduction of a European common digital identity, which will streamline cross-border digital transactions and services, all while being safeguarded by a comprehensive framework of European standards and guidelines.

Further information

[Adopted text \(09.11.2023\)](#)

[Committee on Industry, Research and Energy](#)

[Procedure file](#)

[EP research briefing](#)

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