

The latest digital developments in the EU

On 10 April 2024, Cirio's Digital Technology team held a seminar on the latest digital developments in the EU. The aim of the seminar was to provide the participants with an overview of recent legislation regarding digital developments in the EU. The seminar covered, among other things, the Swedish implementation of the NIS2 Directive, the Digital Services Act (DSA) & Digital Markets Act (DMA), the Data Act & Data Governance Act and the Artificial Intelligence Act (IA Act).

1.1 NIS2

On 5 March 2024, the interim report on the report on the implementation of the NIS2 and CER Directives was published. The report proposes a new Cybersecurity Act (to replace the "NIS Act") which is proposed to enter into force on 1 January 2025. The number of sectors proposed to be covered by the new legislation is expanded from the current seven to 18, including digital providers, manufacturers of medical devices and management of ICT services. The act is proposed to cover the legal person as a whole and not only the essential and digital services provided. The proposed obligations include notification obligations, notification of significant incidents, risk management measures such as incident management, business continuity management, authentication solutions, etc. Turnover-based sanctions similar to the GDPR and the new consumer protection laws are proposed for breaches.

1.2 Data Services Act (DSA) & Digital Markets Act (DMA)

The new rules in the DSA and DMA may offer valuable opportunities for businesses active in digital markets. The DSA regulates the responsibility of digital services that act as intermediaries and sets out certain obligations, such as requirements for content moderation aimed at creating a safer digital landscape. The DMA complements competition law and imposes certain obligations on digital platform companies with significant market power, such as prohibiting them from favoring their own services on their platform.

1.3 Data Act & Data Governance Act

The regulation on harmonised rules on fair access to and use of data, also known as Data Act, entered into force on 11 January 2024. The regulation aims to make it easier for different actors to access and create value from data and will strengthen the EU's data economy. Among other things, the regulation sets out requirements for making data from connected products and related services available and contains rules to simplify switching between data processing services such as cloud services. The regulation will apply from 12 September 2025.

The European data strategy also includes the regulation on European data governance, also known as the Data Governance Act, which has been applicable since September 2023. The Data Governance Act aims to establish processes and structures to facilitate data sharing between businesses, individuals, and the public sector. The Data Act on the other hand aims to clarify who can create value from data and under what conditions. However, the two regulations will work together to increase accessibility and transparency.

1.4 AI Act

A new EU regulation on artificial intelligence is in progress. The regulation will be the first of its kind in the world and aims to regulate AI to protect fundamental rights and promote development within the Union. The regulation is designed as a segmented model where AI systems are categorized based on risk level with corresponding requirements for each level. There will also be specific requirements for generative AI such as Chat-GPT. The regulation is expected to be formally adopted on 21 May 2024 and then gradually enter into force over a three-year period.

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The combined experience of Cirio's sector group Digital & Technology consists of decades worth of law practice at the highest level. The group is made up of lawyers with all kinds of legal expertise such as data privacy, commercial contracts, intellectual property, transactional services, insolvency and dispute resolution. Please do not hesitate to contact us.

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