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European Union

Legislation	Summary of scope	Impact
CSAM Regulation (detection and reporting of child sexual abuse material) **Activation date:** The draft report was submitted on 19 April 2023. The over 1900 amendments tabled in committee were published on 30 May 2023. The Opinion of the Committee on the Internal Market and Consumer Protection was published on 3 July 2023. It is now in first reading at the Council of the European Union.	**COM(2022) 209** **2022/0155 (COD)** The CSAM Regulation is intended to protect children from sexual abuse on the internet. After a voluntary processing and reporting possibility for companies did not achieve the success desired by the EU, the EU is now trying to make it compulsory for companies to report sexual child abuse. Furthermore, the providers must recognize the content and remove it from their platform and carry out a risk assessment to reduce the risk in the future.	Providers of online services will have to implement appropriate measures according to the CSAM Regulation when the regulation comes into force.
Political Advertising Regulation **Activation date:** Proposed in November 2021. Currently undergoing the trialogue negotiation with the EU Commission and the EU Council.	**COM(2021) 731** **2012/0381 (COD)** The Political Advertising Regulation aims for a high level of transparency regarding political advertising and related services and thus wants to protect the free political will of the voters. Accordingly, paid political advertising must be specially labelled and other special targeting techniques, which uses personal data like the ethnic origin, religious beliefs or sexual orientation will be banned.	The Political Advertising Regulation will apply to providers of political advertising services. Online intermediary services according to the DSA, who distribute the content without consideration are not included.

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Legislation	Summary of scope	Impact
Political Advertising Regulation **Activation date:** Proposed in November 2021. On 11 March 2024 the European Council adopted the new regulation. It will now be signed and published and will enter into force 20 days later. Most provisions will apply in Autumn 2025.	**COM(2021) 731** **2012/0381 (COD)** The Political Advertising Regulation aims for a high level of transparency regarding political advertising and related services and thus wants to protect the free political will of the voters. Accordingly, paid political advertising must be specially labelled and other special targeting techniques, which uses personal data like the ethnic origin, religious beliefs or sexual orientation will be banned.	The Political Advertising Regulation will apply to providers of political advertising services. Online intermediary services according to the DSA, who distribute the content without consideration are not included.
AI Liability directive **Activation date:** Proposed in September 2022. In Council, preliminary discussions have been held in meetings of the Working Party on Civil Law Matters in January 2023.The proposed directive needs to be finalised and agreed between the Commission, the EU Parliament and the EU Council.	**COM(2022) 496** **2022/0303 (COD)** The EU Commission has published proposal to harmonize national liability rules for damage caused by AI systems, establish broader protection for victims of AI-related damages and foster the AI sector by increasing guarantees and reducing legal uncertainty.	The AI Liability Directive would change the legal landscape for companies developing and implementing AI in EU Member States by significantly lowering evidentiary hurdles for victims injured by AI-related products or services to bring civil liability claims. While the Directive does not create new legal obligations, it could impact many types of claims covered by national law in the European Union, including harms to life, health or property, privacy, equality and non-discrimination.

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Legislation	Summary of scope	Impact
EU AI Act **Activation date:** Adopted by the Council on 6 December 2022. On 8 December 2023 the EU member states, commission and parliament reached a political compromise on the content. On 13 March, the EP approved the EU AI Act. It will come into force 20 days after publication, with full application within 24 months, except for specific provisions: bans (6 months), codes of practice (9 months), general AI rules (12 months), and high-risk system obligations (36 months).	**COM(2021) 206** **2021/0106 (COD)** The Council of the European Union has adopted its position regarding the proposal for the comprehensive European Regulation on AI, also known as the "Artificial Intelligence Act" ("AI Act"). The legislation aims to protect fundamental rights, democracy, the rule of law and environmental sustainability from high-risk AI, while boosting innovation and establishing Europe as a leader in the field. The regulation establishes obligations for AI based on its potential risks and level of impact.	The AI Act will apply to providers of AI systems and persons who use AI systems in the course of business. The AI Act takes a risk based approach by classifying the use of certain AI systems as low, medium or high risk, with the higher risk AI systems imposing greater obligations. The use of AI systems in specific contexts are also prohibited altogether (i.e. social credit scoring). Providers of AI systems and businesses which use AI in the course of their business should start preparing themselves for any obligations which they may face under the AI Act.

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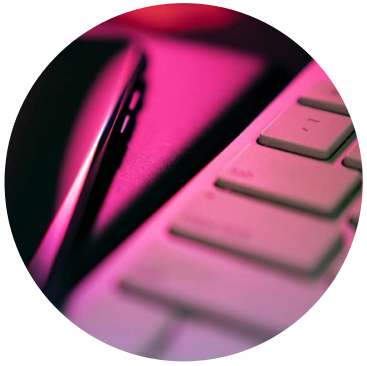
Legislation	Summary of scope	Impact
eIDAS 2.0 **Activation date:** The text was endorsed by the ITRE committee on 7 December 2023 and by the Committee of Permanent Representatives of EU Member States on 6 December 2023. The Parliament as a whole adopted it on 29 February 2024. It still needs to be adopted by the Council before it can be published and enter into force.	**COM(2021) 281** **2021/0136 (COD)** eIDAS 2.0 is intended to give EU citizens access to electronic identities and aims to establish a secure digital environment within the EU member states. This is to be implemented via an EU identity wallet, a product and service that allows the user to identify himself or herself online and offline and to create a qualified electronic signature. The regulation sets common safety requirements and standards to enhance the trust in electronic identification and reduce the risk of fraud.	The proposed regulation sets targets, including that at least 80% of EU citizens have a digital identification system by 2030. Both public and private bodies can rely on the validity of the electronic identity, for example, when using a required age verification process.



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Legislation	Summary of scope	Impact
Revised EU Product Liability Directive **Activation date:** Technical meetings for adopting the committee legislative report are still ongoing. The European Economic and Social Committee (EESC) adopted its opinion on 24 January 2023. The Council adopted its negotiating mandate for a new EU law on liability for defective products on 14 June 2023.	**COM(2022) 495** **2022/0302 (COD)** The Revised Product Liability Directive complements the AI Liability Directive and the EU AI Act, by revising product liability rules to take account of new technologies. The Revised Product Liability Directive addresses a producer's "no fault" or "strict" liability for defective products (including AI) and associated compensation for damages. Whereas, the AI Liability Directive is concerned with liability arising from "wrongful behaviour" by AI systems.	
EU ePrivacy Regulation **Activation date:** The so-called 'trilogue' started in May 2021. A representation of the Council negotiates the final text of the regulation with a representative of Parliament and the Commission.	**COM(2017) 10** **2017/0003 (COD)** The ePrivacy Regulation, which is to replace the existing ePrivacy Directive of 2002, aims to regulate the conditions under which service providers may process electronic communications data or have access to data stored on end users' devices.	The ePrivacy Regulation is primarily aimed at companies operating in the digital economy and specifies the additional requirements they need to meet in relation to the processing of personal data. It introduces rules on cookies, direct marketing, and business-to-business communications.

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Legislation	Summary of scope	Impact
EU Data Governance Act **Activation date:** In force June 23, 2022. Applicable from September 24, 2023.	**Regulation (EU) 2022/868** The Data Governance Act (DGA) sets out a legal framework to facilitate and enable the safe access to and sharing of certain categories of public sector data for commercial and non-commercial use, in situations other than the original purpose for which data were generated. While the Data Act deals with who can share data and what data they can share, the DGA deals with how data can be shared.	Businesses that are open to the opportunity of creating data pools (or managing data pools by way of data intermediation services) will need to start preparing their operational structures and policies now to be ready for the DGA's application from September 2023.
EU Data Act **Activation date:** The provisional agreement must now be endorsed by the Council and the European Parliament before entering into force. The ITRE committee approved the provisional agreement on 18 July 2023. On 11 January 2024, the EU Data Act entered into force. The Data Act will start to apply in the EU in the 20 months following, on 12 September 2025.	**COM/2022/68** **2022/0047 (COD)** The regulation sets common basic rules on who can use and access data across all economic sectors. It aims to create a single market for data in which this valuable resource is more accessible and can be shared without legal obstacles among European businesses and the public sector.	The Data Act imposes obligations and/or confers rights upon a broad range of stakeholders, including providers offering cloud services and other data processing services to the EU.

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Legislation	Summary of scope	Impact
EU Health Data Space Act **Activation date:** On 10 February 2023, the co-rapporteurs published their draft report. On 15 September 2023, the working party resumed the examination, on the basis of a new Presidency working document. On 6 December 2023, the Council adopted its mandate for negotiation with the European Parliament. Four trilogue meetings were organised and 15 March 2024 when a provisional political agreement was found among the co-legislators. The provisional agreement is now to be endorsed by the Parliament and the Council.	**COM(2022) 197** **2022/0140 (COD)** The EU Health Data Space Regulation aims to enable the creation of a health-specific ecosystem, comprised of rules, common standards and practices, and infrastructures as well as a governance framework. On the one hand, this should make it easier for research to access health data; on the other hand, it should better protect the rights of individuals and their control and access to their own health data.	The EU Health Data Space Regulation is thus mainly aimed at all businesses that handle health data. They must adapt their data protection precautions in accordance with the new rules.

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Legislation	Summary of scope	Impact
Platform Workers Directive **Activation date:** Proposed in December 2021 and adopted by the Council on 12 June 2023. The agreed text will now have to be formally adopted by both Parliament and Council to enter into force.	**COM(2021) 762** **2012/0414 (COD)** The Platform Workers Directive seeks to simplify the access of people working though digital labor platforms to legal employment status. Labor law applies to platform workers if they are employees, but many platform workers are self-employed — at least in form. According to the new directive, platform workers are to be classified as employees if they fulfill certain conditions, such as the criteria of being dependent on the instructions of their employer/commissioner.	The Platform Workers Directive is aimed at providers of platform work, such as delivery services. The legally binding assessment as an employee creates new employer obligations for the platform providers toward their platform workers, provided that they fall under the definition of "employee" according to the new criteria.
DSA (Digital Services Act) **Activation date:** In force from 16 November 2022. Applies from 17 February 2024 (for 19 VLOP's and VLOSEs from 25 August 2023).	**Regulation (EU) 2022/2065** The DSA aims to foster and improve the safety of online digital worlds by imposing obligations on intermediary services. The DSA retains and supplements the original content liability provisions contained in the E-Commerce Directive. While intermediary services can still rely on the content liability exemption originally set out in the E-Commerce Directive, the DSA aims to impose supplementary obligations to protect users online.	The DSA applies to intermediary services, with heightened obligations applying to specific intermediary services such as very large online platforms (VLOPs) and very large online search engines (VLOSEs). The DSA will impose additional content moderation and transparency obligations on intermediary services, such as reporting requirements and end-user-facing requirements (i.e., requirements relating to terms and conditions, design interface requirements).

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Legislation	Summary of scope	Impact
EU-US adequacy decision (EU-US Data Privacy Framework) **Activation date:** Decision on July 10, 2023.	**C(2023) 4745** The "adequacy decision" is one way in which organizations subject to General Data Protection Regulation 2016/679 (EU GDPR) can transfer personal data out of the EU to a third country. The DPF adequacy decision is the culmination of months of discussions between the European Union and United States in an effort to facilitate EU-US data transfers, following the Court of Justice of the European Union's (CJEU) decision in "Schrems II," which invalidated the EU-US Privacy Shield.	Previous similar efforts to facilitate EU-US data transfers have proved short-lived, but the DPF adequacy decision is (for now) binding and therefore provides a legitimate and EU GDPR-compliant mechanism for those who choose to rely on it.
NIS 2 **Activation date:** In force January 16, 2023 Member States have until 17 October 2024 to implement into national legislation.	**Directive (EU) 2022/2555** The NIS 2 Directive aims to further increase the levels of cybersecurity across Europe. The provision of the NIS 2 applies to all entities that provide services or carry out activities in the EU matching the description of either an "essential" or an "important" entity in a defined list of sectors.	Organizations (including cloud computing service providers and data center service providers) will be required to provide certain information about themselves to the competent member state authority in order for the European Union Agency for Cybersecurity (ENISA) to establish a register of these entities. The new legislation is set to introduce stronger reporting requirements for in-the-scope companies, including on incident response, supply chain security, and encryption.

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Legislation	Summary of scope	Impact
Cyber Resilience Act (CRA) **Activation date:** At the Council, the Coreper confirmed the agreement in December 2023. ITRE committee approved the provisional agreement at its meeting in January 2024. The text was approved by Parliament as a whole on 12 March 2024 with 517 votes in favour, 12 against and 78 abstentions. The text still needs to be formally adopted by the Council before it can enter into force.	**COM(2022) 454** **2022/0272 (COD)** The CRA proposes to address the issues surrounding cybersecurity and the provision of information to users for products with digital elements. At present, the majority of both hardware and software products' cybersecurity is not directly regulated by any EU legislation. The CRA aims to improve security throughout the entire product life cycle, implement a comprehensive cybersecurity framework, and ensure transparency.	Manufacturers will have to undergo significant internal reviews and consider cybersecurity throughout all phases of production (i.e., design, development, and delivery). In addition, manufacturers will be subject to a range of requirements, such as documenting cybersecurity risks, actively reporting malware incidents, providing users with clear instructions, and ensuring products are protected through security updates for up to five years.

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Legislation	Summary of scope	Impact
Digital Markets Act (DMA) **Activation date:** In force November 1, 2022. Applies from May 2, 2023.	**Regulation (EU) 2022/1925** The DMA aims to improve the contestability and fairness of digital markets by targeting large undertakings that are seen as having a significant impact on digital markets. By targeting these large undertakings, the DMA seeks to enhance competition for businesses and consumers that use the digital services provided by the undertakings.	The DMA applies to "Gatekeepers," which are entities designated by the EU Commission. Gatekeepers will need to comply with the new obligations when it comes to the digital services they provide to businesses and consumers. These new obligations and restrictions all largely relate to promoting competition, such as promoting inter-operability and removing restrictions on business users that compete with the Gatekeepers.
European Media Freedom Act (EMFA) **Activation date:** In December 2023 a political agreement was reached. The text was endorsed by the COREPER on 19 January 2024, and confirmed by vote in the CULT committee on 24 January. The vote in EP plenary took place in March 2024.	**COM(2022) 457** **2022/0277 (COD)** The European Media Freedom Act aims to strengthen the editorial freedom of media companies. It should amend the Audiovisual Media Services Directive. On the one hand, strengthening editorial freedom is to be brought about through more transparency of the media company's ownership position, to prevent political interference. On the other hand, the Media Freedom Act aims to strengthen the rights of journalists (including protection from spyware and protection from having to disclose their sources).	The EMFA seeks to legally harmonize the fragmented European media landscape. Media service providers must, for example, comply with their new transparency obligations regarding their company ownership and must establish measures to ensure individual editorial decisions.

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Legislation	Summary of scope	Impact
Critical Entities Resilience Directive (CER) **Activation date:** Entered into force on 16 January 2023. Member States have until 17 October 2024 to adopt national legislation to transpose the Directive.	The Directive aims to strengthen critical entities' resilience against various threats, such as natural disasters, terrorist attacks, and public health emergencies.	It requires Member States to develop national strategies and conduct risk assessments to identify these critical entities. The Directive covers eleven sectors and mandates that critical entities perform their own risk assessments and implement measures to improve resilience. Critical entities operating in multiple Member States will receive additional guidance. The Directive also mandates support from Member States and the Commission to enhance resilience, facilitated by the Critical Entities Resilience Group (CERG), which fosters cooperation among Member States and the Commission.
DORA **(EU Digital Operational Resilience Act)** **Activation date:** In force 16 January 2023 and will apply as of 17 January 2025.	**Regulation EU 2022/2554** DORA aims to harmonize the financial sector's approach to cybersecurity. DORA creates a regulatory framework on digital operational resilience whereby all in-scope financial entities need to ensure that they can withstand, respond to, and recover from all types of cyber-related disruptions. Contracts between financial entities and IT suppliers must contain default provisions, and financial entities must undertake assessments at a pre-contractual stage and internally consider contractual risk as a key component in the overall risk management strategy. IT third-party service providers can be designated as "critical" and subject to regulatory scrutiny.	DORA applies starting from January 17, 2025 and in the interim will require substantial analysis and a re-evaluation of current business practices as financial entities will need to review their IT supplier contracts, update their internal policies and procedures, and commit both financial and labor resources to fulfill the new set of regulatory rules.

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Legislation	Summary of scope	Impact
European Accessibility Act *Directive (EU) 2019/882 of the European Parliament and of the Council on the accessibility requirements for products and services.* **Activation date:** Member states had until 28 June 2022 to adopt and publish the laws, regulations and administrative provisions necessary to comply with the Directive. The rules will apply from 28 June 2025.	The European Accessibility Act (**EAA**) was initially conceived to uphold the commitments made under the United Nations Convention on the Rights of Persons with Disabilities. The Act was drafted to address the challenges faced by app. 135 million people living with disabilities in the EU. It aims to eliminate and prevent barriers to the free movement of certain products and services arising from divergent accessibility requirements in the EU, and in doing so increase the accessibility of information in the internal market. The EAA also reinforces and supplements Member States' pre-existing accessibility obligations contained in other laws (including the Web Accessibility Directive (EU) 2016/2102). The EAA covers products and services identified as being most important for persons with disabilities while being most likely to have diverging accessibility requirements across EU member states. These include a number of products and services across the TMT sector, such as certain e-commerce services, consumer banking services, computers and operating systems, payment terminals, self-service terminals, smartphones, TV equipment and e-readers (among others).	Impacted organizations should be preparing ahead of the compliance deadline of 28 June 2025. Our team of consumer law specialists at Eversheds Sutherland are able to help. The EAA specifies that in-scope products and services (such as e-commerce, e-banking, e-books, ticketing systems etc..) must comply with a number of requirements provided they do not alter their basic nature or impose a disproportionate burden on operators. Requirements relate to, for example, design, provision of information, packaging, functionality and support services. There are also specific obligations for manufacturers, importers, distributers and authorized representatives. Penalties for non-compliance are to be determined at member state level. They should be effective, proportionate and dissuasive while taking account of the seriousness of the non-compliance, the number of units of non-complying products or services, as well as the number of persons affected. The European Commission's transposition tracker webpage lists the laws passed by Member States to implement the EAA. Affected organizations should also take care to check other relevant national accessibility laws or requirements that may apply to their products and services.

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