

The Data Act in action: Implementing information obligations on the company level

The effective date for the activation of the European Data Act has come: From September 12, 2025, the Data Act largely applies across the European Union. Only certain obligations, such as access by design, will take effect at a later stage. One of the most urgent obligations that companies should address promptly and proactively is the provision of specific information about connected products and related services. The following provides a closer look at the practical implementation of these information obligations.

1. Addressees of the information obligations

The Data Act distinguishes between information obligations arising in connection with the sale, rental, or leasing of a connected product, and those arising in connection with the provision of a related service.

In the first case, the obligations apply to the seller, lessor, or leasing provider, who may also be the manufacturer of the connected product. In the second case, the obligations are directed at the provider of the related service. The information must be provided to the user of the connected product or service.

Connected products are items that obtain, generate, or collect data concerning their use or environment and that are able to communicate the data via an electronic communications service, a physical connection or on-device access (e.g. smartphones, wearables such as smartwatches and fitness trackers, smart home devices – thermostats, lamps, cameras – as well as connected vehicles or industrial machines and sensors).

Related services are digital services that are connected with the connected product at the time of purchase, rental, or leasing in such a way that its absence would prevent the connected product from performing one or more of its functions (e.g. the control app for smartphones, wearables or industrial machines).

2. Content of the information obligations

The information obligations are designed to ensure that users are informed early, transparently, and clearly about their rights and the conditions for data use. The requirements represent a minimum standard – companies are free to provide additional details.

For both connected products and related services, the company must inform users about the **type, data format, and estimated volume** (amount of data) of the generated product data. It must also specify **whether the data is stored** (e.g., on an external hard drive, a remote server, a cloud service, on a memory card, etc.) and, if so, the **duration of the data retention**. Furthermore, users must be informed **how they can access, retrieve, and, if applicable, delete** the data (e.g. via a QR code, web link, or upon request).

Overall, the information obligations are considerably more extensive for the provision of a related service than for connected product data. In addition to details about the product data generated in connection with the related service, the company must also explain **whether they intend to use the data themselves** and, if so, **for what purpose** (e.g. for product development or quality improvement, etc.).

Furthermore, companies must inform users **whether they intend to allow one or more third parties** to use the data for the purpose agreed upon with the user. At the same time, users must be informed **whether and how they can request** that their data will be shared with third parties (e.g., through a dedicated online portal) and **how they can terminate** such data sharing with third parties.

Finally, additional information obligations concern information about **communication with the company, the user's right to lodge complaints, and the possibilities for early termination** (e.g. through termination or withdrawal).

It should be emphasized that this information does not replace a contractual basis for the use of the data for the company's own purposes. A **data license agreement** and the user's consent to the use of generated data for the company's own purposes are separate requirements explicitly stipulated by the Data Act that cannot be substituted by merely providing the aforesaid information.

3. Practical implementation of the information obligations

Implementing the information obligations effectively and thoughtfully goes beyond mere legal compliance. It builds user trust, provides legal certainty and can offer a competitive advantage in the long run. Therefore, careful planning and preparation are essential. There is no established best practice on the practical implementation of the information disclosure yet. However, certain points should be taken into account right from the start.

a) Form of providing information

The information must be provided in such a way that **the user can store it and access it later**. In this regard, the Data Act suggests maintaining an **internet URL** that can be shared as a **weblink or QR code**, leading to the relevant information.

By contrast, purely verbal information, displaying information in an online form or on a website without a download option, as well as pop-ups or tooltips that cannot be saved, do not meet the legal requirements and should therefore be avoided.

b) Presentation format

The Data Act remains largely silent on how the information should be presented. In practice, possible formats for the disclosure of information include a tabular presentation, a narrative presentation (continuous text), a visual presentation (infographic), or a modular presentation of the information. There are strong arguments in favor of aligning the presentation with established formats used for privacy notices in the data protection context.

c) Clarity and comprehensibility

The Data Act requires that information must be provided **clearly and comprehensibly**. The company should therefore ensure that the amount of information does not become so extensive that it can no longer be reasonably processed by the user. At the same

time, the information must be **complete**. In this respect, a **careful balance** must be applied.

Furthermore, companies should already consider whether certain details of information **qualify as trade secrets or know-how**. In such cases, the Data Act expressly allows for their protection.

d) Timing

The information must be made available to the user **before the conclusion of the contract**. Thus, in the context of **online shops**, it would be advisable to provide a **link to the information** already in the product description and again during the checkout process.

4. Conclusion and outlook

The practical implementation of the information obligations under the Data Act requires careful planning and the development of suitable formats to make information available to users as transparently and systematically as possible.

In practice, this means that companies should:

- establish internal processes at an early stage,
- define clear responsibilities, and
- create standardized templates and processes for fulfilling their obligations under the Data Act.

Close cooperation between the relevant business departments, IT, the legal department, and, where appropriate, external legal advisors is recommended.

The Data Act represents only an intermediate step toward a European single market for data. Companies that now invest in a robust and efficient implementation of the information obligations will gain strategic advantages, not only regarding compliance but also in the competition for data-driven innovation.

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