AI-FLASH COMPACT

Transparency and Labeling Obligations under Art. 50 Artificial Intelligence Ordinance — and the View from Switzerland

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This short overview summarizes the key obligations and also classifies what applies from a Swiss legal perspective.

1. The Four Groups of Obligations under Art. 50 AI-O

Since August 2, 2026, the new transparency and labeling obligations of the EU AI Ordinance (the **"AI-O"**) has now begun to apply in the EU. Under Art. 50 of the AI-O, providers and deployers of AI systems must transparently disclose the use of AI, in particular where image, audio, or video content constituting a so-called "deepfake" has been artificially generated or manipulated. In the event of a violation, the European Commission may impose fines of up to EUR 15 million, or up to 3% of total worldwide annual turnover for the preceding financial year, whichever is higher. A commission of experts has drawn up guidelines for implementing these transparency obligations in a "Code of Practice"; however, this is not legally binding.

Art. 50 AI-O differentiates according to the role of an AI deployment — namely provider or deployer of AI — and according to different types of obligations. A dual role is possible where a company both develops and deploys an AI system itself. The four main groups of obligations under the AI labeling requirement are as follows:

Art. 50	Obligation	Addressee	Content
Para. 1	AI Interaction Disclosure Obligation	Provider	Recognizability that one is interacting with an AI system
Para. 2	AI Marking and Detection Obligation	Provider	Machine-readable labeling of synthetic AI content and detection solution
Para. 3	AI Information Obligation	Deployer	Disclosure in the case of AI-supported emotion recognition / biometric categorization
Para. 4	AI Deepfake / Text Labeling Obligation	Deployer	Clear, distinguishable labeling of deepfakes and certain AI-generated texts

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While the deepfake labeling obligation under Art. 50(4) AI-O has so far attracted a great deal of media attention, the labeling obligations under paras. 1 to 3 often affect a much broader range of companies than the deepfake topic, which is primarily relevant to content providers. The labeling obligations under paras. 1 to 3 cover not only content creators, but every use of AI within a company (chatbots, generative AI, or camera / emotion-recognition systems).

- **AI Interaction Disclosure (Para. 1):** Applies to providers of AI systems that interact directly with natural persons (chatbots, voice assistants, AI-supported customer service tools). The system must be designed so that a person recognizes upon first contact that they are speaking with an AI. No obligation applies where this is reasonably obvious, or where AI is lawfully used for the prevention or prosecution of criminal offenses. For most companies, a simple notice suffices (e.g., “You are chatting with our AI assistant”).
- **AI Marking and Detection Disclosure (Para. 2):** The technically most complex and least well-known obligation. AI-generated output must carry a marking that is imperceptible to humans but technically machine-readable (metadata, digital watermark) — the AI must be recognizable to machines, not on screen. In addition, a technical means is required by which third parties (fact-checkers, journalists, platforms, authorities) can verify whether content originates from an AI system (a verification tool or API). Purely assistive editing functions, e.g., AI-supported grammar correction, are exempt.
- **AI Information Obligation for Emotion Recognition (Para. 3):** Applies to deployers of systems for emotion recognition (sentiment analysis in call centers, cameras in job interviews) or biometric categorization (automated analysis of age or gender based on facial or voice recognition). Affected individuals must be informed about the operation of such systems; in addition, the requirements on automated individual decision-making apply (Art. 22 GDPR).

2. Deepfake Labeling Obligation in Detail (Para. 4)

The so-called deepfake labeling obligation is likely to generate particular discussion in the creative film, entertainment, marketing, and social-media sectors. Labeling is required for all realistic-looking image, audio, or video content that has been AI-generated or manipulated (deepfakes), unless it is obviously inauthentic. This latter category creates a reasonableness threshold for clearly inauthentic content (e.g., the late Elvis Presley conversing with Donald Trump, or an animal speaking in human language). The labeling obligation likewise does not apply to purely AI-supported editing of a video (final cut) — although it must be assessed on a case-by-case basis whether such editing itself in turn creates a deepfake.

The non-binding Code of Practice (finalized as of June 10, 2026) recommends the use of uniform EU icons or equivalent proprietary symbols bearing the acronym “AI.” The European Commission suggests labels such as “AI,” “AI Generated,” or “AI Modified.” There is no obligation to use these EU icons. A company may also use its own symbol, incorporating its corporate design and oriented, by analogy, to the EU icons (e.g., “Voices generated with AI”).

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[AI] · Example: Video / Advertising Content

Practical example: The symbol (EU icon or a proprietary **“AI”** mark) should be clearly visible, placed with sufficient contrast, immediately recognizable, and set apart from other overlays — at the latest from the point of first interaction with the content (e.g., top right of the image, repeated after each interruption in advertising spots where applicable).

Art. 50 AI-O further distinguishes between privileged content (artistic, satirical, fictional) and non-privileged content, and sets out the following special rules for these categories:

- **Privileged Content:** A brief label in the opening credits is generally sufficient. A label appearing only in the closing credits is not sufficient — what matters is the point of first interaction with the user.
- **Non-Privileged Content:** The labeling obligation applies without restriction. The label must be clear and unambiguous and must appear at the latest at the point of first interaction; given the word “without restriction,” it may also be required during playback or repeatedly after interruptions.
- **Pure Post-Production:** Lighting, sound, and background details do not trigger a labeling obligation — unless the content thereby itself turns into a deepfake.

3. Deadlines and Sanctions Framework at a Glance

Art. 50	Obligation
Jul 27, 2026	Digital Omnibus Regulation (EU) 2026/1744 enters into force
Aug 2, 2026	Art. 50 AI-O fully applicable (paras. 1, 3, and 4, without transition period)
Aug 2, 2026	New AI systems: marking and detection obligation (para. 2) applies immediately
Dec 2, 2026	Legacy systems (predating Aug 2, 2026): deadline for marking/detection (para. 2) expires

EU Sanctions Framework: up to EUR 15 million or 3% of worldwide annual turnover — whichever amount is higher.

4. The View from Switzerland

Switzerland has no AI Act of its own. On February 12, 2025, the Federal Council decided to ratify the Council of Europe's AI Convention and to make selective sectoral adjustments; however, a consultation draft on transparency, data protection, non-discrimination, and

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oversight is not expected before the end of 2026 at the earliest. A direct parallel norm to Art. 50 AI-O therefore does not (yet) exist.

Transparency-related obligations can currently only be derived indirectly from the general legal order in Switzerland:

- **UCA (Swiss Unfair Competition Act):** If AI-generated content is presented as genuine or of human origin, this may constitute deception as to the nature or manner of production (Art. 3(1)(b) in conjunction with the general clause of Art. 2 UCA). These provisions are likely applicable by analogy to the situations covered by the AI interaction disclosure and deepfake labeling obligations.
- **CopA (Swiss Copyright Act):** Purely AI-generated works generally enjoy no copyright protection for lack of human creation; however, misleading authorship or provenance claims regarding works purportedly created by humans may become relevant. A lack of transparency is likely to facilitate copyright infringement — an AI notice is therefore in the interest of a functioning copyright system.
- **FADP (Swiss Federal Act on Data Protection):** The revised FADP establishes a far-reaching transparency obligation for the processing of personal data (Art. 6 and 19 FADP) and, in Art. 21 FADP, provides for an information obligation in the case of automated individual decisions. The Federal Data Protection and Information Commissioner (FDPIC) has stated that the use of AI programs that alter the faces, images, or voice messages of identifiable persons must always be "clearly recognizable" — limited to identifiable persons; no general AI labeling obligation follows from this.

The Swiss Fairness Commission (**"SFC"**) has already dealt with AI-related issues in advertising and reported for 2025 that it addressed transparency and labeling questions relating to AI-generated content; it will continue to deal with the topic in 2026. A dedicated SFC principle specifically on AI labeling does not yet exist (unlike Principle B.15 on the recognizability of influencer advertising). Instead, the SFC applies its general principles on the recognizability of commercial communication.

Switzerland also does not (yet) have specific icons for labeling AI. That said, the EU icons are reminiscent of the 19 pictograms created in 2020 by the Privacy Icons association, which visually depict the type of data processing involved. Both approaches follow the same underlying idea, are legally non-binding, and are based on voluntary self-regulation rather than a statutory requirement.

Since the AI-O also applies under the market-location principle as soon as content is accessible within the EU or intended for the EU market, it remains, as a practical matter, decisive for Swiss companies publishing across borders. The sanction risks, however, differ considerably: while the AI-O provides for fines of up to EUR 15 million or 3% of worldwide annual turnover, the UCA "only" threatens civil claims, as well as, in the case of intentional conduct, penalties of up to three years' imprisonment (Art. 23 UCA). Data protection violations can be punished with fines of up to CHF 250,000 — although the penalty is imposed on the responsible natural person, not the company.

Aspect	EU (AI-O, Art. 50)	Switzerland
Special	AI-O (Regulation (EU)	No AI act. Federal Council (Feb

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Legislation	2024/1689), directly applicable since Aug 2, 2026.	12, 2025): ratification of the Council of Europe AI Convention, sectoral adjustments.
Transparency Obligation	Explicit labeling obligation for deepfakes / AI texts (para. 4), icons as implementation aid.	No express AI labeling obligation; transparency only indirect, via existing statutes.
Legal Basis	AI-O directly.	UCA (Art. 2, 3(1)(b)), CopA, FADP (Art. 6, 19, 21) — indirect.
Sanctions	Fines up to EUR 15 million or 3% of worldwide annual turnover.	Civil law: injunction, removal, damages; criminal law: fine / imprisonment.
Extraterritorial Effect	Market-location principle: also covers Swiss companies as soon as content is made available within the EU.	Swiss law remains applicable alongside; for EU audiences, both regimes effectively apply in parallel.

> **Practical Recommendation:** Swiss companies with an international reach should already align themselves with the EU requirements now, regardless of the absence of a domestic labeling obligation — both to safeguard their EU business and because a de facto market standard is emerging that is also likely to shape UCA assessments. Those who meet the EU requirements meet the gold standard and reduce the risk of cross-border regulatory conflicts.

This short publication serves general information purposes only and does not replace legal advice in an individual case.

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