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Product Risk Radar

Proposed EU Ecodesign for Sustainable Products Regulation

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What is it?

Following its promise to deliver more environmental sustainability and circularity in its European Green Deal, on 30 March 2022 the European Commission published an expansive package of proposals aimed at making sustainable products the norm in the EU. A key element of the package is the proposal for the <u>Ecodesign for Sustainable Products Regulation</u> ("ESPR"). The ESPR significantly extends the scope of the existing EU Ecodesign Directive regime, which has to date focused on energy-using products, to cover the broadest possible range of products, meaning that product categories such as furniture, mattresses, tires, detergents, paints and lubricants, as well as intermediate products like iron, steel and aluminium, are in line to become subject to ecodesign requirements in the future. It was announced on 4 December 2023 that the proposal has reached the stage of provisional agreement between the EU institutions, but the agreed proposal has not yet been published.

What types of sustainability requirements will it impose on product manufacturers?

The ESPR will empower the Commission to establish ecodesign requirements for specific product categories with the aim of improving the 14 aspects listed below:

- durability;
- reliability;
- reusability;
- upgradability;
- reparability;
- possibility of maintenance and refurbishment;
- presence of substances of concern;
- energy use or energy efficiency;
- resource use or resource efficiency;
- recycled content;

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- possibility of remanufacturing and recycling;
- possibility of recovery of materials;
- environmental impacts, including carbon and environmental footprint; and
- the expected generation of waste materials.

This is in keeping with the recent trend of expanding ecodesign requirements to go further than simply ensuring products are using energy efficiently.

Further, digital product passports will be the norm for all products regulated under the ESPR, enabling products to be tagged, identified, and linked to data relevant to their circularity and sustainability. Digital product passports will need to provide information on:

- the performance of the product in relation to product parameters;
- how to install, use, maintain, and repair the product;
- how to return or dispose of the product at its end-of-life stage; and
- treatment facilities on disassembly, recycling, or disposal at its end-of-life stage.

What does it say about the destruction of unsold consumer goods?

Of particular significance, the ESPR contains multiple measures aimed at preventing the destruction of unsold consumer goods. Large businesses discarding unsold products will have to report on the quantities discarded and the reasons why, while the Commission will also have powers to ban the destruction of unsold consumer goods outright, where it proves to be particularly problematic for certain product categories.

Why is this important?

The ESPR is intended to have a transformative effect on the EU market, significantly curtailing the use of the "take, make, break and throw away" model across almost all product categories. Businesses need to start thinking now about how they will be able to adapt and modify their products to make them more sustainable.

Next Steps

As is the case under the current Ecodesign Directive, once the ESPR is adopted, the detailed requirements pertaining to each product group will be published in separate delegated acts.

The proposal has been subject to trialogue negotiations between the European Commission, Parliament and Council and a provisional agreement on the proposal was announced on 4 December 2023. This provisional agreement needs to be formally approved by the European Parliament and Council before it can be published in the Official Journal and enter into force. We expect this to happen in the first half of 2024.

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