

How can we make repair the most attractive option for consumers and businesses?

Already in [last year's position paper](#) we called upon EU legislators and stakeholders to **make repair the most attractive option for consumers and businesses**, and establish a culture of repair and reuse in Europe. The Commission has made an encouraging first step but, in our view, a circular economy can only be established in combination with incentives, which are now missing in the legislative proposal. Please find below our contribution to the upcoming discussions on repair.

Retailers play an essential role as the link between consumers and producers. Legally we are the seller, trader and distributor. Many retailers also offer own brand products¹, in those cases they are considered the producer of the product. A number of retailers (and wholesalers) are already offering repair services to consumers and producers, and more may wish to follow. This will provide more competition and choice to the benefit of consumers and a circular economy. But for this, legislators need to allow our members to build a sustainable and profitable business case to serve their customers.

Allow businesses to develop a sustainable business model for repair

Consumers already have the right to free repair in case of a non-conformity during the legal guarantee period. However, on average, 64% of consumers demand replacement over repair.² In this sense, we believe more is needed to make repair the most attractive option for consumers and businesses. Therefore:

- We support that the Commission's proposal to **allow repair service providers to charge for repair and the assessment of the costs of repair**. A reasonable profit should be allowed to make repair an attractive business model;
- We believe that **it is up to the producer to decide whether it provides a repair on the consumer's request for free or not, after the legal guarantee**. Repair can also be part of a commercial guarantee or service package for which the consumer has already paid. Especially for low value products the repair assessment and administrative costs will be relatively high. It would also be unfair if a producer has to pay for repair of a defect caused by the consumer's negligence. This would safeguard against abuse. We suggest to amend Art. 5(1) accordingly;
- **We believe that cascading the obligation to repair to the distributor (Art. 5 (2)) should be deleted**. A distributor (retailers) may sell dozens or hundreds of different brands, it would be impossible to always know whether the producer still exists or is able to fulfil its obligations under Union Law. At the same time, when a distributor would become *legally* the producer it may not have access to relevant spare parts, repair-related information, the right competence and tools (Art. 5 (3)). The obligation to repair may also force distributors to stock spare parts which may need to be discarded again later, which would not contribute to a more sustainable and circular economy. In this case, it should be clearly recognised that it is practically and legally impossible for the distributor-producer to fulfil the obligation to repair, nor should it bear the costs of producers evading their legal obligations;
- Logically following from the point above is that a distributor who would become the producer under Art. 5(2) and as defined in Art. 2(4) would be unlikely to fulfil its obligation to inform consumers of their (cascaded) obligation to repair (Art. 6). Such an obligation can only be fulfilled by the producer or its authorised representative;
- We believe that both **businesses and consumers should get (financial) incentives that make repair cheaper and increase awareness** e.g. VAT reductions, repair vouchers,³ tax deductions for

¹ In most cases, a retailer would ask a producer to produce products labelled under the retailer's brand(s).

² Commission Impact Assessment Report - SWD(2023)59

³ <https://www.reparaturbonus.at/>

repair, related services, labour, awareness campaigns, education at schools and universities,⁴ etc. This will also help to repair more low-value products. So far, we understand most products offered for repair or eligible for repair are low value products. Currently, in most low-value cases it will always be more expensive to repair than to replace such a product for both the repairer and the consumer. Already, the time spent by a repairer may exceed the value of replacement.

- We also believe that **depending on the product category refurbished goods can play a key role on the path to a fully circular EU economy**. Refurbished goods may offer logistical, customer experience, and sustainability benefits. For example, they can be instantly handed over to a customer, minimizing the transport and logistical emissions linked with repair. We suggest that under certain conditions replacing the defect product by a refurbished product is considered equal to repair as well as replacement. EU guidelines would be helpful here.

Need of clarity EU reparability requirements

Consumers could benefit from more clarity regarding reparability. We support the Commission's efforts to do this via the Ecodesign Directive and the Ecodesign for Sustainable Product Regulation proposal. However, we believe that the work on such scoring is now scattered over too many different Commission services and it is unclear to our members and other stakeholders what the current status and trajectory is, and how this will replace existing national systems as foreseen in the Empowering Consumers for the Green Transition proposal.

Ensure a level playing field in the case of direct imports

More and more EU-based consumers buy directly from third country traders or via third-country marketplaces (i.e. direct imports). This provides more choice for consumers but at the same time we regularly see that products bought from third countries are not always compliant with EU product safety and liability rules, and that consumer rights are not respected. This allows those products to be sold at lower prices than those offered by EU-based retailers and marketplaces, and leads to unfair competition and unsafe and unfair situations for consumers due to lacking enforcement.

It should be made clear how third-country producers and sellers will be held accountable for their legal repair obligations. **Non-EU producers should be obliged to ensure that their authorised representative is able to fulfil its obligations under this Directive.** This to ensure that all consumers based in the EU that buy products from outside the EU can exercise their rights and enjoy product safety protection like products bought in the EU.

Ensure proportionality of (costs of) repair

We support that the products covered by the obligation to repair are the ones covered by Commission Regulations on Ecodesign Requirement with reparability requirements. This makes sense, but at the same time, there is not necessarily a link between the availability of spare parts and the period of time a producer is obliged to repair a product. Especially where products become older, wear and tear becomes an important factor, and many other factors influence the condition of the product when it becomes older e.g. material composition, use and care of a product, etc.

It is also important to take into account that **repair may not always be the most sustainable option** e.g. due to the environmental impact of production and stocking of spare parts over a longer time, newer models might be more sustainable than older models (e.g. washing machines, refrigerators), packaging and shipping of the defect product to a repair facility and/or producer, etc. In these cases, producers should have the possibility to offer alternative arrangements e.g. discount on a newer more sustainable version, offer a refurbished product.

It is important that repair obligations are limited in time. This is now not the case in for instance the Vacuum Cleaners Regulation, this would allow for an unlimited right of repair which would be disproportionate. **A general limitation of the obligation to repair to 4 years from the moment of purchase, or depending on the product,** would be more appropriate. After four years, the seller or producer could together with the consumer still assess whether repair is sensible.

⁴ One of our members provides self-repair courses at schools and universities in Portugal

We also suggest **including ‘economically’ impossible as a legal ground to refuse repair**, it does not make sense that costs for repair are higher than the purchase value. In the case, a producer would not be allowed to charge the consumers for repair, it would force a producer to make more costs than the amount paid by the consumer for the product and is not economically viable. Some even consider that a price equal to replacement is too high. The obligations to repair should not undermine a business' competitiveness and financial health.

Repair under the legal guarantee

A repair under the legal guarantee has the aim to bring a defect product back in conformity. For many product categories and types of defects, the repair will not show. But **for certain product categories**, for example textiles or shoes, the aim of a **repair is to restore its functionality while trying to maintain the aesthetic quality** of a product. However, this may not always be possible.

Sellers should have the option, as stated above under the obligation to repair, to refuse a repair when replacement is more sustainable.

European Repair Information Form should be voluntary

The issuance of the European Repair Information Form should be voluntary. Repairers should only provide such a form where it makes sense. For certain products a repairer will have to make a repair assessment on site e.g. a washing machine. Normally a consumer would call a repair service to come and repair the washing machine. It would be difficult for the repairer to give upfront an assessment or make high costs to make the assessment and then leave again. This would not contribute to a more circular economy.

There are also numerous ways of how a seller can calculate the cost of repair. It is important to recognise this and allow flexibility e.g. by giving the consumer a price range instead of a fixed price, an average price instead of a specific price.

Independent repairers

We support the Commission proposal in Art. 5(3) to give independent repairers access to spare parts and repair-related information and tools, that enables them to repair products in a safe way and respecting the producer's safety standards. We would also suggest taking into account in future product regulation covered by the proposed Directive giving access to online accessible repair-related information, software updates and where appropriate the technical instructions to print 3D spare parts. The above should respect existing national and EU data protection and IP law.

Digital Product Passport

Digital Product Passports (DPPs) are a great opportunity to modernise and digitalise product information and a good tool for consumers to access information. DPPs should be founded on open and international standards and interoperable. Furthermore, DPPs should work for different types of stakeholders and be harmonised in scope, for B2G and B2B.

DPPs can provide essential information, also B2B e.g. giving independent repairers access to information about spare parts and other repair-related information. But first, it is important to build up experience with DPPs and not set overambitious goals. **We suggest to start by including already existing legal information requirements.** DPPs are an opportunity to streamline information via e-labelling. Based on the results with DPPs, further relevant information and data requirements could be added.

Definitions

The definition of repairer should be without prejudice to relevant national provisions.

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Transparency Register ID: 84973761187-60