DIGITALEUROPE

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‘Right to Repair’ Directive: a welcome framework to boost repair

Executive summary

The proposed ‘Right to Repair’ Directive creates a positive new framework to enable more European consumers to access high-quality, safe repairs.[1]

Our members perform millions of repairs annually. Their repair facilities across Europe help promote sustainable consumption, reduce ICT products’ environmental impact, deliver real consumer benefits, and create high-skilled jobs.

DIGITALEUROPE supports the proposal’s proportionate drive to encourage even more repairs. We specifically welcome the market-driven approach to repairs outside the legal guarantee, which the only sustainable way to create a flourishing repair economy in Europe. We also support the focus on consumer purchases, with commercial products covered instead by carefully negotiated business-to-business (B2B) repair agreements which reflect businesses’ critical operational needs.

To create the most effective framework, we support the greatest harmonisation across the EU of these requirements and suggest some small changes:

- Allowing for the replacement of defective products with refurbished ones. This would capture the sustainability benefits whilst also giving consumers a quicker solution;
- Creating a single repair information platform per Member State to avoid fragmentation. To ensure consumer safety is protected, only original equipment manufacturers and those repairers who meet the new quality standard should be able to register; and
- Committing to a clear timeframe for developing the voluntary European quality standard for repair services, and ensuring that consumer safety is at its heart.

[1] COM(2023) 155 final.

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Repairs within the legal guarantee

We recognise the need to encourage repairs wherever possible and cost-effective, and therefore support the proposal to make repair the default remedy for defective products within the legal guarantee period.

Allowing a role for replacement with refurbished products

There are instances where replacement with refurbished products offers a better solution than repair in terms of speed, logistics, cost, customer-friendliness and sustainability. In those cases, manufacturers and sellers should have the flexibility to replace defective products with refurbished ones. To achieve this, the definition of 'repair' could be amended to include replacement with refurbished products, for defective products within or outside the legal guarantee period.

Allowing replacement with refurbished products is key to achieving a viable circular economy. This solution allows for defective products to be collected, transported and repaired at the same time, ensuring greater efficiency. It also minimises disruption for consumers as they can have a quick solution rather than waiting for their product to be shipped to a repairer, repaired and returned individually.

The Commission's impact assessment highlights that the time taken for repairs is a major factor dissuading consumers from currently choosing repair over replacement.[2] The defective product or component is then repaired and redeployed as a refurbished product at a later date to another customer or sold on at a lower price point.

Length of legal guarantees

We welcome the Commission's decision not to extend the legal guarantee period.

The recently revised Sale of Goods Directive establishes a minimum two-year legal guarantee for products that covers defects that existed at the time of purchase.[3] The vast majority of consumer claims received due to product non-conformity happen in the first two months after the purchase: the Commission's impact assessment confirms that 96 per cent of defects are discovered during the first two years from purchase.[4] As such, a two-year minimum guarantee allows for sufficient time to cover these issues.

[2] SWD(2023) 59 final.

[3] Directive (EU) 2019/771.

[4] SWD(2017) 354 final.

An extension of the legal guarantee period would have no bearing on the expected lifetime of a product, would not change the number of defects identified and could drive up prices.

It is also important to recognise the commercial options already on the market, which provide consumers with additional protection, should they desire it. Our sector has seen the widespread introduction of commercial guarantees, extended service plans and services covering accidental damage, which provide consumers with the choice of purchasing extra levels of protection. These service plans are used competitively between manufacturers as well as third parties, to extend the period of coverage or the scope, e.g. accidental damage, theft or loss.

Repairs outside of the legal guarantee

We welcome the new repair obligations for manufacturers outside of the legal guarantee, particularly the link to existing product-specific repairability requirements. Ensuring consistency with existing and emerging EU policies is key. This includes a necessary alignment of the duration of obligations under the proposal with the existing and future ecodesign requirements and the periods set for the provision of spare parts.

Cost of repair

We strongly support the Commission's decision to apply a market-driven approach to the price of repairs outside the legal guarantee. The only sustainable way to create a flourishing and vibrant repair economy in Europe is if businesses can make a profit. As the Commission's impact assessment notes, 'if the price were to be regulated, all the repair demand would be channelled to the producer and the independent repairers would be foreclosed.'[5]

Some stakeholders have suggested that the price of repair should be restricted or subsidised. Restricting the price charged for repair outside the legal guarantee would undermine existing commercial practices, which have worked well for many decades in Europe and have created many highly skilled jobs. These are small, medium and large businesses that would not exist if repair services were free or cost neutral. There is a cost associated with repair, including manual labour for the repair, transport to and from the repairer, and buying replacement parts. In addition, there are costs for training, tools and specialised equipment, renting space and other related overhead costs.

Subsidising repair costs could have an inverse impact on sustainable consumption habits, as the true cost of repair would not be placed on the end-

[5] SWD(2023) 59 final.

user. This could encourage fraud or carelessness in the handling, maintenance and use of products.

Clarifying that B2B transactions are outside the scope

We welcome that the 'right to repair' under the proposal only applies to consumer purchases. This is appropriate as commercial products are covered by carefully negotiated B2B agreements.

B2B transactions should remain outside the Directive's scope. Business customers usually require tailored commercial arrangements for repair in light of their critical operational requirements. Maintenance and repair in the B2B sector are well established and work well. The services include take-back schemes, reverse logistics, leasing and servicing models specifically tailored to meet business needs.

For this reason, we question the necessity to include 'servers and data storage products' in the list (Annex II) as they are primarily purchased by business customers. Focusing on 'small data storage products' and 'small scale servers,'[6] which are more frequently purchased by consumers, would be more appropriate and would avoid the need for businesses to set up consumer repair arrangements which would be used extremely infrequently, if at all.

Information requirements

Consumer information on repair

Consumers should have clear and accurate information on manufacturers' repair obligations and services. We therefore support the new information requirements.

Online provision of information allows more data to be conveyed in a targeted and up-to-date manner. For this reason, the final Directive should clarify in the recitals that manufacturers and sellers can comply with the information requirements by making compulsory information available online, for instance, by using the EU's Digital Product Passport or via the manufacturer's website.

Member States should refrain from adding additional specifications to this provision (Art. 6). The proliferation of national sustainability information requirements across Europe has become a real issue for cross-border trade and adds significant compliance costs.[7] This proposal should be careful not to exacerbate this problem.

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[6] As defined in Art. 2(1)(15), Regulation (EU) 2019/424 and Art. 2(11), Regulation (EU) 2013/617, respectively.

[7] DIGIALEUROPE, *Single Market barriers continue limiting the EU's potential for the twin transition: examples in key sectors*, 2022, available at

Online repair information platform

Each Member State must create an online repair platform to connect consumers with repairers, sellers and purchasers of refurbished goods in their area.[8] We welcome this voluntary initiative to help consumers find attractive repair offers.

To avoid fragmentation, we recommend creating a single platform per Member State. The current text opens the possibility of multiple platforms per country. There is a danger that platforms would be made for specific regions or product categories, creating an administrative burden for companies wishing to register and confusion for consumers.

The launch of these national repair information platforms should be delayed until the Commission has developed its new European quality standard for repair services. To protect consumer trust and safety, these platforms should only allow original equipment manufacturers (OEMs) offering repair services and those independent repairers who meet the new quality standard to register.

Repair quality standard

We welcome the Commission's intention to develop a voluntary European quality standard for repair services to help consumers identify repairers who perform high-quality repairs that achieve safety and reliability objectives. The Commission should commit to a clear timeframe for developing this standard within the text of the proposal and ensure that consumer safety is its primary consideration.

Most electronics are highly complex and contain components that may pose an electrical shock or fire risk. Improper handling of such components may lead to severe injuries, such as burns or blindness, or property damage. This is recognised by the Joint Research Centre, which has noted that 'if a product is not properly repaired, consumer safety could be compromised.'[9]

Privacy, IP and cybersecurity concerns should also be considered alongside physical safety. With connected devices, unauthorised access can result in cybersecurity vulnerabilities, privacy and fraud risks, or loss of sensitive personal or financial data.

A repair carried out by a professionally trained and qualified technician using genuine parts is the most reliable and safest option. Sufficient safeguards must

https://cdn.digitaleurope.org/uploads/2022/03/Examples-of-Single-Market-barriers_DIGITALEUROPE-Industrial-Forum-TF1-contribution.pdf.

[8] Art. 7 of the proposal.

[9] P. 132, JRC technical report, *Analysis and development of a scoring system for repair and upgrade of products*, 2019, available at https://publications.jrc.ec.europa.eu/repository/bitstream/JRC114337/jrc114337_report_repair_scoring_system_final_report_v3.2_pubsy_clean.pdf.

be put in place, particularly where third-party independent repair facilities are concerned. If the technician is not employed or contracted by the manufacturer, they should be insured and demonstrate compliance with applicable standards for electrical equipment repairs.

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About DIGITALEUROPE

DIGITALEUROPE is the leading trade association representing digitally transforming industries in Europe. We stand for a regulatory environment that enables European businesses and citizens to prosper from digital technologies. We wish Europe to grow, attract, and sustain the world's best digital talents and technology companies. Together with our members, we shape the industry policy positions on all relevant legislative matters and contribute to the development and implementation of relevant EU policies, as well as international policies that have an impact on Europe's digital economy. Our membership represents over 45,000 businesses who operate and invest in Europe. It includes 102 corporations which are global leaders in their field of activity, as well as 41 national trade associations from across Europe.

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Finland: TIF
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Germany: bitkom, ZVEI
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