



Position Paper on the Right to Repair Proposal

I. Introduction

BUSINESSEUROPE is the leading advocate for growth and competitiveness at European level, standing up for companies across the continent and actively campaigning on the issues that most influence their performance. We speak for enterprises of all sizes in 35 European countries whose national business federations are our direct members.

The Business community is committed to the transition to a climate-neutral economy by mid-century. We therefore welcome the publication of the Right to Repair Directive proposal in March as one of the remaining deliverables from the 2020 European Consumer Agenda.

II. Main messages

- ⇒ European companies are **supportive of strengthening the role of consumer policy in the green transition**. Such policies should be developed in a proportionate, efficient, and balanced way to ensure workability on the ground and assist sustainable consumer behaviour.
- ⇒ **Incentives are necessary** to establish a circular economy. Both businesses and consumers should benefit from incentives, including financial, that make repair more affordable (e.g., VAT reductions, repair vouchers¹, reduced taxes on services and labour).
- ⇒ Ensuring that **products can be repaired in the long run increases their longevity** and promotes reduction of waste. It also allows for reuse and for returned products to be sold as refurbished, which is a growing business model.
- ⇒ We welcome a **European approach to repairability** which is not only based on obligations on companies. Fostering repairability will only be successful with a **smart mix of measures** (e.g., legislative, and non-legislative, product

¹ <https://www.reparaturbonus.at/>



or information related) including those that motivate consumers to choose repair and traders to offer repair during and beyond guarantee periods as well as those fostering skilled labour.

- ⇒ A right to repair during a legal guarantee period exists in EU law for more than 20 years. We welcome the fact that the right to repair proposal does not make repair an absolute. The **most effective and sustainably responsible remedy for defective products differs per situation (e.g., lifecycle) and from product to product**. There is no one size-fits-all solution.
- ⇒ **Promoting a level playing field in Europe** in consumer law is a long-standing pillar of EU consumer policy. In this context, it should be ensured that the right to repair also applies to goods from companies outside the EU, to prevent European companies from being put at a competitive disadvantage.
- ⇒ There is a **certain overlap and unclarity** on how different **ongoing directives** interact, e.g., around future EU reparability score/indexes. It is important that clarity and coherence of rules prevail.
- ⇒ **Overload of consumer information should be avoided**: different access rights shall be granted based on the need of the different players - B2C, B2B, B2Gov – and following a “**need to know**” principle. This shall **be applied across the multiple initiatives in parallel** (e.g., Empowering Consumers Directive, Green Claims Proposal, Eco-design and Sustainable Product Regulation, etc). Digital product passports can have an added value in consolidating key information.
- ⇒ **Harmonised and clear enforcement measures** are important to guarantee deterrence and respect for the rules, but this should primarily **rely on the intervention by public authorities** which is what happens in most Member states. When private enforcement appears as a secondary option, it should be made sure **those entitled to trigger actions need to comply** with minimum criteria consistent with the current **Representative Actions directive**.

III. A few specific messages

1. Nudging consumer to opt for repair and for an optimal use of products

The **promotion of repairability at EU level** implies making it **attractive** to both **businesses** that will explore new business models and **consumers** that will feel further motivated to opt for repair which is not always the case. Research conducted by the Swedish Retail Research Institution² during December 2021 and January 2022 about when consumer behaviour after a broken product says:

- Almost half buys a new one.
- Close to 1/3 used the legal guarantee.
- Only 16% repaired the product.
- Only 1 out of 5 wanted to repair the products themselves.
- More than 50% of consumers are not willing to pay more than 10% of the price of the products for the service of repair.

Furthermore, a study of the [German Environment Agency](#)³ revealed that **one third of products are discarded by consumers while still working**. Consumers would like manufacturers to be forced to facilitate repairs but not if this means having to pay more for products.⁴ These trends cannot be curbed with legislation alone which is why it is important to explore smart mix of measures also including non-legislative ones as well.

The **way products are used, handled and maintained has a strong impact on their durability**. According to Special Eurobarometer 503⁵, “attitudes towards the impact of digitalisation on daily lives”, the most common reason for buying a new electronic device is damage to the old one by the consumer himself. It is important that **consumers follow the operational instructions of products provided by the trader to prevent damages and ensure longevity**.

An EU right to repair initiative needs to combine different types of measures, including non-legislative. Relying only on mandatory requirements would potentially lead to higher prices and inefficiencies without contributing to the actual goals of the sustainable green transition.

² <https://handelsnfsforskninginstitut.se/en/rapporter/>

³ [Lifetime of electrical appliances becoming shorter and shorter | Umweltbundesamt](#)

⁴ Eurobarometer 2228 / 503: <https://europa.eu/eurobarometer/surveys/detail/2228>

⁵ <https://europa.eu/eurobarometer/surveys/detail/2228>

2. Right to repair during legal guarantee (conformity) period

We support favouring repair over replacement during the conformity period.

3. Consistency of definitions

It should be checked whether the **definition of “repairer”** is consistent with other legal acts impacting reparability. Also, the proposed definition of “repairer” does **not include any reference to professional qualifications** to guarantee the quality of repair services.

4. Lack of clarity on reparability score

EU legislators need to be careful to **prevent potential overlap** and lack of clarity due to different progress in **various consumer rights files**. For example, the reparability score was introduced in the Empowering Consumer proposal without being mentioned in the Right to Repair proposal. Right now, there is **uncertainty** on **how the reparability score** is to be drafted and by whom. There is **no further elaboration** on the degree of reparability of a product and who is best placed to perform this in the **Right to Repair proposal**. Business needs to be involved in the drafting of the reparability score. Furthermore, there needs to be a reasonable timeframe to transpose the requirements.

5. Right to repair beyond the conformity period

For certain goods, repairs are not the most environmentally friendly option. In fact, **the most effective remedy for defective products differs per situation, per product and per consumer** (e.g., when repair is expected to take considerable time due to spare part shortages and other challenges). It is therefore important to give manufacturers and sellers flexibility to make first-hand and well-informed decisions to offer repairs or replacement as well as replacing defective products with refurbished ones if possible.

Sellers and consumers will consequently **benefit from more flexibility** in the repair or replacement decision which takes into consideration the wider economic perspective behind repairs.

We believe this is **relatively well reflected in the extended right provisions beyond the legal guarantee** (Article 5), however it would be important to include parameters beyond the criteria of impossible repair like disproportionately costly

repair (e.g., repairing would cost more than the price of the product as a legal ground to refuse repair).

We welcome the provisions on **Online Platform for Repair including information on sellers offering refurbished good. Selling refurbished products** is a new business model that is growing and has **many advantages from an environmental sustainability** point of view. Other measures to bring down the cost of repairs could be considered such as lower VAT rates, repair vouchers or reduced taxes on services and labour.

Furthermore, we welcome that the **European Repair Information Form** shall be only **presented upon request** (Article 4). This is in line with the need-to-know principle when it comes to EU law mandatory consumer information. However, the producer shall be able to correct obvious mistakes in the Repair Information Form within the 30 days after being provided to the consumer (e.g., cost of repair says 1 EUR instead of 100 EUR) (Article 4 (5)).

Although the draft directive shapes **the European Standard for Repair Services** as a voluntary commitment, **the EU should make sure there is consistency with other (adopted or under discussion) rules impacting repairability.**

6. Consumer awareness around self-repair and repairability by third party repairers

For certain products the trader should have a say on who can repair their products as this ensures continuous quality and safety. **Health and safety of consumers should not be put at risk.** Particularly for products that deal with heat, electricity, chemicals, mechanical stability or require water- or air tightness, it is important that repairs are conducted in the appropriate conditions by capable and qualified repairers.

Some product groups require **authorized repairers** as well as **testing** after a **repair is performed** (e.g., electrical, and electronic products that fall under the Low Voltage Directive 2014/35/EU and the Electromagnetic Compatibility Directive 2014/30/EU). Therefore, it should be recognised that **not all repairs can be carried out safely and successfully by consumers themselves.** When this is the case, the right to repair should be tailored to match appropriate repairs with appropriate providers.

The **Online platform for Repair** could **play a role** in this regard. Because products consist of many parts that can be dangerous if handled incorrectly, posing a risk to both the repair professional and the consumer, it is important to ensure

that qualified and authorised professionals can repair products while maintaining their built-in safety features.

It is important that consumers are **informed of the risks associated with repairs** carried out by independent non-professional repairers who are not trained in repair. Not only physical safety, but also **privacy and cybersecurity** concerns should be considered. Particularly where third-party repairs are concerned, sufficient safeguard must be put in place. The same awareness should be made for **the risks of self-repair by consumers**.

7. Skills shortage threatens the expected boost to the repair sector

Given the **increasing skills shortage**, there are concerns that the boost to the repair sector may fail due to the lack of appropriately trained professionals. As a result, the goods would have to be sent to service providers outside the EU for repair, which would have a considerable negative impact on the sustainability aspect of a repair. This is why boosting repairability should rely on a **smart mix of measures** as mentioned before.

8. Commercially sensitive information and IP rights

It is important that the obligations under this proposal (e.g., Article 5) are consistent with the **need to protect commercially sensitive information and IP rights**. Access to information on repairability should only be granted if it does not infringe business secrets and other IP rights, which would put European companies at a disadvantage in relation to other competitors.

The current proposal makes no reference to the protection of such sensitive information such as trade secrets or intellectual property (IP), which is **crucial to safeguard and promote continued R&D by European companies**.

9. Potential inconsistencies triggered by lack of EU fully harmonised conformity periods

Because of the differentiated ways in which member states have implemented conformity/legal guarantee periods there is a **risk the obligations in this directive will be applied in an inconsistent way across the EU**. Most members states have 2 years, others have 3-5 years or even legal guarantees linked to lifespan of products (e.g., Netherlands, Finland). BusinessEurope has been very vocal for decades on the need for fully harmonised legal guarantee periods across the EU to precisely avoid fragmented approaches.

10. Interplay with Eco-Design and Sustainable Product regulation (ESPR)

We **support the interplay with the ESPR proposal** which aims to make products more sustainable, including more repairable and circular and putting more emphasis on refurbished products. However, there is not necessarily a link between the availability of spare parts and the period of time where a producer is obliged to repair a product. Especially where products become older, wear and tear becomes an important factor and also material composition and the use and care of the product.

An open-ended mandate requiring companies to manufacture and store significant quantities of spare parts could, in some instances, be contradictory to the goals of the green transformation because of, for example, more energy and material usage and bigger storage units.

11. B2B Repair Services (Art. 1 & Annex II)

While the proposed Directive limits its scope to products purchased by consumers, Annex II refers to products which would typically be used in business activities, such as large capacity data storage and server products, industrial refrigeration appliances with a direct sales function and welding equipment. **A clear distinction must be made between B2C and B2B relationships.** The latter are typically governed by dedicated agreements or service contracts between two commercial entities, which includes the repair and service needs that may differ significantly from consumer applications. In line with Art. 1, Annex II should be amended and B2B products should not fall under the scope of the Directive.

12. Obligation to Repair & Price Negotiation (Art. 5)

The explanatory memorandum of the proposed Directive argues that repair services could become an additional source of revenue for producers and that the latter would be incentivized to reach an agreement on price with consumers to perform repair services. This assumes a level of negotiation between the producer and consumer. However, **Art. 5 on the obligatory repair of certain**



goods does not consider situations where such an agreement on price is not found.

It is naturally the responsibility of producers offering the repair services to calculate the appropriate cost of repair given labour and spare-part costs, which consumers might not be willing to pay. It should be explicitly stated that should consumers not be willing to pay the repair price, it will be considered as a withdrawal of the request to repair, and not a failure of the producer to meet their obligations.
