Common rules promoting the repair of goods

2023/0083(COD) - 22/03/2023 - Legislative proposal

PURPOSE: to lay down uniform rules promoting the repair of goods, with a view to contributing to the proper functioning of the internal market, while providing for a high level of consumer and environmental protection.

PROPOSED ACT: Directive of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: when consumer products become defective, consumers often do not seek to repair them, but discard them prematurely, even though they could be repaired and used for longer. This happens under the legal guarantee of the Sale of Goods Directive (SGD) (<u>Directive (EU) 2019/77</u>1) when consumers choose replacement instead of repair, and outside the legal guarantee, when consumers are dissuaded from repair because of sub-optimal repair choices and conditions. In this context, the use of refurbished goods is also limited, leaving the potential for goods to be reused by different users untapped.

The premature disposal of reparable goods purchased by consumers leads to an increase in waste and generate greenhouse gas emissions and more demand for valuable resources in the production of new goods. The problem of premature disposal of repairable goods purchased by consumers exists across the EU for a wide range of these goods. More than two-thirds of respondents to the public consultation (65–74%) supported EU-level solutions.

The European Commission's European Green Deal focuses on the green transition, which comprises sustainable consumption. The outcome of the Conference on the Future of Europe (CoFoE) also included a call for a right to repair. This proposal seeks to deliver on both by increasing the repair and reuse of viable defective goods purchased by consumers within and beyond the legal guarantee.

The 'right to repair' initiative will promote sustainable consumption throughout a product's lifecycle, making it easier and cheaper for consumers to repair defective goods, reducing waste and boosting the repair sector.

CONTENT: the proposal aims to increase the repair and reuse of viable defective goods purchased by consumers within and beyond the legal guarantee, to promote sustainable consumption. The proposal will promote repair both within and beyond the legal guarantee:

Within the guarantee: the Sale of Goods Directive provides that for a period of two years, a consumer can request the seller to repair or replace a good free of charge in case of defects that are due to non-conformity of the goods with a sales contract. Under the new rules, when repair is cheaper or equal in cost, sellers will have to provide free repair as a remedy instead, within a reasonable time and without any inconvenience for the consumer.

Beyond the legal guarantee: producers of goods subject to repairability requirements under Union legal acts, such as TVs or dishwashers, will be obliged to repair a product for 5-10 years after purchase (depending on the type of product), unless this is impossible (for example, if products are damaged in a manner in which repair is technically impossible).

The proposal lays down several measures to facilitate and encourage repair and reuse of goods:

- *obligation to repair goods to which reparability requirements under Union legal acts apply*: the producers will be obliged to repair outside the legal guarantee. They can repair for a price or for free as part of a commercial guarantee. The proposal sets out examples of product groups currently covered: (i) household washing machines; (ii) household dishwashers; (iii) refrigerating appliances and vacuum cleaners. More products will be added in the coming years, starting with smartphones and tablets;

- *informing consumers about producers' repair obligation*: producers who are obliged to repair need to inform consumers of the obligation and provide information on the repair services;

- online national repair platform, matchmaking consumers with repairers and sellers of refurbished goods: the platform is intended to help consumers to find and compare different repair services, based on various repair conditions, including indicative prices. Consumers can also find sellers or refurbished goods and purchasers of used goods for refurbishment. The platform will also help consumers find attractive repair or reuse options as an alternative to buying new goods;

- *a European Repair Information Form*: the form provides standardised key information on the conditions and price of the repair service. Consumers will be able to request the form from any repairer, who may not alter the conditions for 30 days. Consumers will also have the possibility to compare repair services and find the one that suits them best;

- a voluntary European quality standard for repair services will help consumers identify repairers who commit to certain quality standards: the standard will boost consumer trust in repair services across the Union. The Commission will facilitate the development of this standard.

These measures will lead to an increase in the repair of goods in the Union. Consumers will benefit from significant saving by using their products longer. The EU economy will benefit overall: the repair sector will grow as a result of increased demand, while sellers and manufacturers will be encouraged to develop sustainable business models. The environment will benefit from less waste, demand for new resources and greenhouse gas production.

Amendment to the SGD

The proposal also adapts in a targeted manner the harmonised conditions under which the choice between the remedies of repair and replacement can be exercised according to the Sale of Goods Directive. The consumer may choose between repair and replacement, unless the remedy chosen would be impossible or, compared to the other remedy, would impose costs on the seller that would be disproportionate. While maintaining this principle, the proposal adds an additional sentence to promote repair over replacement, stating that the seller should always repair the goods where the costs for replacement are equal to or greater than the costs for repair. As a result, the consumer may only choose replacement as a remedy when it is cheaper than repair.