

CCIA Europe's Recommendations

Strengthening the New Legislative Framework for a Greener and Smarter EU Market

The Computer & Communications Industry Association (CCIA Europe) supports a strong EU Single Market that drives both economic growth and sustainability. The New Legislative Framework (NLF) has been key to its success, providing a solid and stable foundation for product regulations that allow the free movement of goods in the EU.

While the core principles of the NLF remain fit for purpose, targeted updates could potentially enhance the circular-economy business model in the EU by ensuring regulations remain clear, proportionate, and future-proof. As the Internal Market and Consumer Committee (IMCO) of the European Parliament prepares to adopt its own initiative report on the NLF, CCIA Europe puts forward three key recommendations:

- I. Embrace digital solutions for product information
- II. Support sustainable business models without sacrificing product safety or customer protection
- III. Strengthen product safety and enforcement

I. Embrace digital solutions for product information

As the European Commission seeks to reduce regulatory and administrative burdens, particularly for SMEs, while advancing its climate objectives in parallel, digitalisation offers many practical solutions with clear benefits for both businesses and citizens.

Under the current New Legislative Framework (NLF), manufacturers are mandated to physically include compliance marks, safety labels, and regulatory information on packaging and in-box, often in multiple languages. This information is frequently discarded by consumers, generating unnecessary paper waste and added transport emissions. Notably, this obligation was identified as a shortcoming in the Commission's 2022 evaluation of the current legal framework.

To address this, CCIA Europe recommends making digital means of retrieving and delivering product information the default and enabling the use of all digital formats such as QR codes, barcodes, radio frequency identification (RFID), and smart labels.

Enabling digital delivery of this regulatory information as an alternative to printed formats could significantly reduce waste, lower carbon emissions, and improve information accessibility. A simple amendment to the NLF could unlock these immediate benefits. In the longer term, integration with the Digital Product Passport (DPP) - once implemented would offer a harmonised, future-proof solution for delivering compliance information, supporting both the EU's sustainability and competitiveness agendas.

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II. Support sustainable business models without sacrificing product safety or customer protection

Another shortcoming of the NLF is the lack of clarity regarding product circularity. Specifically, the NLF does not currently define key economic operators in the context of the circular economy, such as 'refurbisher,' 'repairer,' and other roles essential to extending product life cycles. Extending current definitions of economic operators (e.g. distributor, trader) to the circular economy would impose certain obligations that are difficult to fulfil, given the specific nature and operational realities of circular economy actors.

Therefore, CCIA argues that clearly defining these roles would significantly reduce legal uncertainty for businesses operating within the circular economy, enabling them to better navigate existing regulations and make long-term investments in circular practices. This could first be achieved through a revision of the Blue Guide, with potential amendments to the NLF to be considered if, where, and when needed.

In addition, the current definition of "placing on the market" under the NLF treats second-hand products as new when first imported into the EU. This can lead to inadvertent non-compliance with EU rules, such as missing CE marking, a common charger, or other product safety requirements. To address this problem, CCIA Europe encourages policymakers to introduce a distinction between second-hand and new products within the definition of "placing on the market". This could involve a simplified compliance process for goods from markets with comparable safety standards or a requirement to indicate their region of origin, potentially via the Digital Product Passport once finalised.

Clarifying definitions relevant to the circular economy would also support a more transparent and efficient internal market, thus encouraging greater business participation in circular models, while maintaining high levels of product safety and consumer protection. Clearer definitions would strengthen the second-hand market and contribute to the objectives of the forthcoming Circular Economy Act.

III. Strengthen product safety and enforcement

Addressing inconsistencies within the EU's existing product safety and market surveillance frameworks is crucial for fostering a fair and competitive market. A notable discrepancy exists between the Market Surveillance Regulation (MSR) – one of the components of the NLF — and the General Product Safety Regulation (GPSR) regarding economic operators' responsibilities.

The MSR establishes a cascading responsibility model, holding EU-based producers fully accountable for compliance and shifting liability to importers for non-EU manufacturers. By

¹ For example, product information might be missing, as traders of a circular product may not have direct contact with the original manufacturer. In addition, the obligation for distributors to take necessary corrective action to bring a product into conformity, when there is reason to believe it does not comply with applicable legislation, is often impossible to fulfil. This may be due to unavailable spare parts or the adoption of new performance requirements after the product was first placed on the market.



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contrast, the GPSR mandates non-EU producers to appoint a "responsible person," which can be an authorised representative rather than the importer. This risks creating compliance gaps.

As the backbone of EU product legislation, the Market Surveillance Regulation (MSR) should resolve these inconsistencies by aligning economic operators' responsibilities across both regulations without adding undue liability on compliant businesses. This alignment would ensure a level playing field, clarifying obligations for all market participants. A full alignment of the MSR liability cascade to the GPSR's would be desirable since it was also reproduced in the recently revised Product Liability Directive (PLD). This alignment would ensure consistency across all European product-related legislation.

Additionally, the NLF was primarily designed with the distribution of tangible goods in mind. However, as digital products (e.g. software) increasingly fall within the scope of the framework, it needs to not only recognise their unique characteristics but also better reflect how they are distributed and accessed across the European market. Effective enforcement is equally vital. Current resources are insufficient to monitor the vast array of products entering the EU market.

To deter non-compliance, CCIA Europe suggests that the Rapporteur calls upon the Commission to expedite the revision of the Consumer Protection Cooperation (CPC) Regulation and increase the resources for the CPC Network. This would bolster collaborative enforcement efforts, ensuring that consumer protection laws are uniformly applied and enforced, especially for products from third-country online platforms that bypass EU rules. In this regard, CCIA Europe's Member companies already lead by example by simplifying their sellers' compliance with EU legislation².

Conclusion

The NLF has been instrumental in supporting a strong EU Single Market, but the framework now has to evolve to reflect the realities of a circular economy and digital innovation. Ensuring legal clarity, harmonising responsibilities across regulations, and embedding digital tools will reduce compliance burdens and foster sustainability while maintaining the current high level of consumer safety that it creates.

Any potential review should prioritise simplification and avoid introducing conflicting liability provisions. It should also address conflicting requirements between safety, security, and sustainability. Aligning regulatory frameworks, enhancing enforcement, and clarifying economic operators' roles should be the priority due to their contribution to a more efficient, fair, and transparent EU market – benefiting businesses and consumers alike.

About CCIA Europe

The Computer & Communications Industry Association (CCIA) is an international, not-for-profit association representing a broad cross-section of computer, communications, and internet industry firms.

² For example, eBay partners with third-party providers who offer GPSR-compliance services for sellers, including the appointment of an EU-based responsible person. More information here.



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As an advocate for a thriving European digital economy, CCIA Europe has been actively contributing to EU policy making since 2009. CCIA's Brussels-based team seeks to improve understanding of our industry and share the tech sector's collective expertise, with a view to fostering balanced and well-informed policy making in Europe.

Visit ccianet.eu, x.com/CCIAeurope, or linkedin.com/showcase/cciaeurope to learn more.

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