Position Paper

The garden, outdoor power and power tools industries comments on the European Commission's Sustainable Products Initiative

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Representing the garden machinery and power tool industries, EGMF and EPTA are strong supporters of the green and digital objectives of the European Commission and make circular economy a reality in Europe.

Our industries produce equipment used by consumers and professionals for do it yourself (DIY) projects and large-scale undertakings alike. In addition, power tools are used by skilled tradesmen mainly in the construction industry, while outdoor power equipment is used by municipalities, landscapers, greenkeepers, gardeners, and farmers to maintain green areas.

The outdoor power equipment and power tool sectors are highly committed to the highest standards for safety, robustness, durability, reparability, recyclability, material quality, and energy efficiency. Our manufacturers are continuously striving to develop and adopt technological solutions, which have the maximum possible positive impact on the environment, whilst preserving our natural resources. The products in our portfolios are being already developed robust by design and we ensure that they are repaired when necessary and recycled at the end of their lifetime.

Our industries see the Sustainable Products Initiative as a key measure that can optimise resource use, unlocking sustainable and more circular technologies. Thus, we would like to contribute to the discussion on the proper design of this new legislative framework and make sure that it is fit for its purpose, while guaranteeing the industry's competitiveness and consumers' safety.

We would like to bring the attention of the European Commission to the following key aspects:

➢ We strongly support the discussion on sustainable products at the European level, as it will secure and strengthen the Internal Market. Regulating at the EU level or global level will avoid national legislation creating trade barriers.
➢ We also support the Commission's approach to set the sustainability requirements on a product-by-product basis.
➢ The Sustainable Products Initiative should be built on the existing legal framework and be fully consistent.
➢ If the European Commission goes forward with its plan to extend the Ecodesign Directive to non-energy related products, we strongly advise against the creation of a parallel legislation with the same product groups in its scope, since it can hamper the implementation and adoption of additional measures.

➢ Materials and substances restrictions should be regulated only through the existing instruments and policies in place such as the RoHS Directive or REACH Regulation.

➢ We support the use of labelling to motivate sustainable consumer behaviour, but we stress that the data should be easy to understand and of value to the targeted audiences.

➢ The requirements must be specific, measurable, enforceable, and relevant.

➢ The Digital Product Passport needs a clear definition, alignment with standardisation and specific legislation, and have a measured scope that takes into account our industries' dependency on complex global value chains.

With this paper we would like to help the development of the sustainable product policy framework by elaborating on the abovementioned key elements. In addition to our reply to the public consultation, we provide detailed comments on several aspects of the Sustainable Products Initiative mentioned in the consultation questionnaire.

Challenges to making products more sustainable

To the question on **economic actors' information on the sustainability of products**, we would like to stress that outdoor power equipment and power tools are complex products. Manufacturers have very deep and complex supply chains, which depend on a high diversity of suppliers. Therefore, obtaining reliable information throughout their different layers may be at times challenging, particularly when suppliers are located outside the EU. We also believe that there is a need to define what "information on sustainability" means, and what type of information is most relevant to request from our suppliers.

Our products are designed to have the maximum lifetime possible and must deliver a **reliable, safe** and **durable** service, oftentimes under rough conditions (vibration, dust, humidity). Our equipment is also not sensitive to evolving fashion trends that affect other products like textiles or electronics such as smartphones.

When it comes to product **repairability**, our industries strongly support further enabling provisions. However, we note that there are significant differences to the cost of repair between consumer and professional products in the garden machinery, and do it yourself (DIY) and professional equipment in the power tool industry. The cost and benefits from repair services have to be balanced and efficient.

While we can support extending products' lifetime through **second-life applications**, we would like to raise our concerns over the allocation of legal responsibility for ensuring the quality and safety of second-life products. We believe that it is important to differentiate between products that have been remanufactured/refurbished by the manufacturers themselves or their dealers, compared to the products that are sold directly as second-hand by consumers.

It needs to be clarified what product **standards** would apply in this context: the ones applicable when the product was first placed on the market or newer/updated standards? When discussing the importance of second-hand products, there needs to be a stronger emphasis on ensuring the **safety** of the machines.

Furthermore, when it comes to whole product remanufacturing, we stress that the diversity and number of products on the market limit remanufacturing possibilities. Such requirement would mean an

additional industrial process for remanufacturing, which must be provided by the OEM and require fulfilment of extra product standards.

Lastly, we would like to add that some measures, can have the negative externalities towards sustainability. We highlight the case of the **RoHS Directive**, which is discouraging the use of recycled materials in products because their precise substance content takes extremely high effort to be guaranteed.

Design for sustainability

Durability, reusability, upgradability, and reparability

In principle, we warmly welcome the idea of setting up binding **rules on durability, reusability, upgradability, and reparability**. However, we stress that such requirements must be determined at the product group and not the horizontal level, and consider variables like intensity of use and product type.

Moreover, the public consultation questionnaire does not properly address the issue of **maintenance that is of utmost importance for the durability of equipment**. For example, blades of lawnmowers are designed in such a way that they do not necessarily need to be replaced. Instead, such component requires some maintenance (e.g. they need to be sharpened). Manufacturers generally provide instructions and recommendations as to how to ensure the proper maintenance of the product so that its lifetime is as long as possible. It is the responsibility of consumers to ensure they implement these recommendations to maximise the lifetime of the products.

In this light, we are concerned that raising requirements to promote **product reparability** will disincentivise the development of durable products. Instead, our associations believe that a balance should be sought between producing long-lasting products versus less reliable but easy to repair products.

EGMF and EPTA can stand behind providing a harmonised general index/score on the repairability of products. We firmly believe that such initiatives should be discussed at European level. If implemented at national level, such index/score will hamper the functioning of the EU Internal Market as it creates new trade barriers.

However, due to safety reasons, not all products should be easily repairable by consumers. We strongly emphasise the need for some products to be repaired by professionals to ensure consumer safety. Our companies already provide such qualified specialists with the relevant repairability information for different products.

We also stress that the level of **information on repairability** that is shared should be limited. We strongly discourage the public release of information, such as computer-aided design (CAD) and 3D printing files, because this risks disclosing companies' intellectual property and trade secrets. Even more important, this may put the safety of users at stake, compromising the efforts of manufacturers to be compliant with ever more demanding EU legislation on safety. For example, it is not feasible to replace some parts by a 3D printed version, because they are specially moulded with materials that have particular structural and chemical characteristics, such as glass fibre reinforcement or mineral fillers. These materials make plastic parts more heat resistant and structurally stronger, which could be compromised if interfered with.

Labelling and information to consumers

When it comes to displaying a **label on the products or at the point of purchase**, such as a reparability score, we believe that labels can influence consumers' behaviour. However, they need to be logical, easy to understand and compare, and refer to transparent criteria. Otherwise, they risk leading to misinterpretation, false claims and confusion, especially if all data about sustainability aspects, like environmental characteristics, durability and reparability, are aggregated into one label with a single score.

To the question of **material sources information,** we support ethical sourcing of raw materials and better protection of workers at global level. However, measures suggested in the questionnaire are debatable considering the upcoming European horizontal legislation on due diligence. In addition, reporting on **due diligence** is generally performed at the group level on a voluntary basis, instead of the individual product level. Obtaining this information is very complex, requiring third party audits that come with economic and administrative costs. Addressing the same issue in different pieces of legislation is likely to result in confusion, additional costs, and potential duplication if not inconsistencies. Therefore, to be simple, efficient, and effective, due diligence requirements should be regulated in a clear and unique framework.

Furthermore, the public consultation questionnaire suggests requiring producers to disclose critical raw materials included in the product. Although we see a need to raise public awareness on scarcity of certain materials and ethical sourcing, we question the impact of such a requirement. It is hard to communicate this data in a meaningful and impactful way to the consumer that it would influence their purchase decision. Therefore, we question the value of providing such type of information for individual products in the light of social and environmental benefits.

Digital Product Passport

We agree that the **economic actors at the origin of information** should be listed in the Digital Product Passport (DPP). However, a key question that needs to be addressed in its development is the architecture of such a tool and the **allocation of roles and responsibilities over the data ownership, scope, storage, processing, and security**. Manufacturers do not have a way of predicting where their products will end up (recyclers, distributers, etc). Therefore, they should be liable only for the control over their data. If other actors down the supply chain need to modify the data on the passport, this needs to be clearly presented. The most notable example would be updating information for remanufactured/refurbished articles by third parties. Such data is important particularly in view of end-of-life treatment.

EGMF and EPTA would like to stress that when it comes to providing **information on materials, substances and recycled content in the products**, any data that is included needs to be relevant for the intended audiences (e.g. consumers, market authorities or end of life operators). There must be a balance in the level of granularity required in the information. For example, lead content in a microchip is very minimal compared to the material content in the final product, which is of no interest neither to the recycler, nor the consumer. We would also like to stress that if a part is changed due to repair, the whole content of the materials in a product could be altered, which will need to be documented in the passport because it becomes part of the products' whole lifecycle.

Also, in terms of **hazardous chemicals and their location,** we strongly urge the Digital Product Passport to avoid the duplication of information requirements with other existing EU tools. The **REACH Regulation** already sets communication requirements on the use of chemicals in the supply chain, notably for substances of very high concerns, and to end-users upon request. Manufacturers and importers should also notify their presence in the recently established **SCIP database**. The proposed requirement goes far beyond the existing chemicals legislation by requesting a declaration of all hazardous substances. Further material content declarations will risk disclosing intellectual property and trade secrets. Therefore, this proposal should be firstly justified and proven to have a significant environmental or consumer benefit.

We agree to the proposal to have a **list of legislation, standards, and technical specifications** that products comply with or fulfil. Standards especially play a crucial role for our industries and in this regard, we want to draw attention to the importance of alignment between standardisation and sector specific legislation.

In our view, **results from compliance tests regarding legislations, standards or technical specifications** should not be included in the Digital Product Passport. Instead, they should be provided to **market surveillance authorities** only upon justified request. Otherwise, this will pose huge cost and administrative burden. Instead of this, we can suggest the possibility of uploading such information on a case-by-case basis or to include the possibility of adding self-declarations of conformity.

When it comes to setting an **expected lifespan of the product**, we believe that it is very hard to determine, especially because of the variance of usage patterns. However, if it is included, the lifespan should be calculated based on specific product standards. Depending on the product type, it is important to have some flexibility on how the product's lifetime is expressed: operating hours, number of cycles, years, etc.

As mentioned earlier in this paper, we have our reservations to including **testing, re-assembly, and repair** information due to safety, liability, and company secrets risks. We further stress the importance to differentiate between maintenance and repair, and if included, should be expressed separately. On the other hand, we believe that information on **maintenance**, and **disassembly for the purposes of end-of-life and waste disposal** have their place in the Digital Product Passport.

Regards information on **and spare parts**, we want to point out that our companies already provide such on the necessary spare parts for the reparability and maintenance of products. However, we believe that information for each individual product group could be quite detailed (such as screws and bolts) and lead to a huge excess of data and administrative burden. As a more cost-effective measure, we suggest instead including information on the consumables of the products.

When it comes to the **Product Environmental Footprint (PEF)** and other sustainability characteristics, we need further information on how this would be applied in practice. We recommend that any data, which is to be disclosed on the PEF of a product, to be based on product specific standards and reflect parameters that are within the control of the manufacturers. Furthermore, to ensure the compatibility of the PEF between different market actors, it must be based on the same validated data, which is calculated with a common validated method.

We stress again the fact that information on **social conditions along the value chain** is already provided by our sectors on the company level, questioning the value of having this on the product level, and highlighting the risk of fragmentation across legislation. On this note, we would also like to call the EU to

carry out cohesive and complementary **'green diplomacy'**. Most of our companies are already following general global ethical and sustainability principles and code of conducts (e.g. the UN Sustainable Development Goals). However, they need better promotion through our foreign policy, which can be done by the EU using its political influence on **enhancing the working and social conditions in African or Asian countries**. Companies and other stakeholders are willing to support this, however they cannot act by themselves and need the political voice of the EU to achieve sustainable supply and production chains.

Our industries support the proposal of having **all product labels centralised and accessible through QR codes or similar technologies**, on the condition that there are insurances that the manufacturers' data cannot be manipulated or that the security is in their hands. However, we also believe that it should be possible to have this information available in the packaging or point of sale if so desired. For example, information on the energy label, noise, and other national labels can be used to differentiate products and can be used as a marketing tool.

One more question that needs to be clarified on the presence of labels in the Digital Product Passport is whether there will be a differentiation between consumer and professional products, as the legal obligations differ?

Lastly, we would welcome the opportunity of linking information on end of life treatment to existing voluntary platforms, such as I4R containing information on end of life treatment for certain product groups.

Circular business models

In principle, we support the development of new circular business models. However, many questions on the outlined models can hardly apply to our products, given their seasonality and specificities.

Particularly when it comes to the **'on-demand production'** business model, since our products are seasonal, often mass-produced and based on forecasts, the economies of scale would be lost. The implementation of on-demand production could only benefit our industries in the manufacturing of spare parts.

Incentives for circularity

Our sectors strongly welcome the development of incentives for the promotion of more sustainable products. The **modulation of producer fees** and **their extension to reusable product parts** can be an effective tool to drive the design for more circular goods.

We believe that sustainable design is driven by market competition and therefore strongly support the development of **voluntary initiatives** to drive sustainable design.

However, we would like to alert that **'sustainability performance'** as a measure for product sustainability is too **vague** and needs to be further defined. There must be a clear common understanding on what is a 'sustainable product', and what are the parameters that need to be analysed for making an assessment.

EGMF

The European Garden Machinery Industry Federation – EGMF – has been the voice of the garden machinery industry in Europe since 1977. With 30 European corporate members and 7 national associations representing manufacturers for garden, landscaping, forestry and turf maintenance equipment, we are the most powerful network in this sector in Europe. Our members are responsible for employing 120,000 people in the EU, and in 2020 sold over 19 million units on the European Market.

For further information please visit www.egmf.org or contact us at secretariat@egmf.org.

EPTA

EPTA represents European power tool manufacturers. Our 25 member companies represent approximately 70.000 employees in Europe (170 000 worldwide) and 90% of all corded and cordless power tools sold. Power tools are used by professionals, skilled trades men and DIY consumers. The industry's annual turnover is about 7 billion Euro. EPTA members are committed to the highest possible standards of quality and safety of their tools. Innovation and advanced technologies as well as customer-friendly applications are key to our companies' economic growth, competitiveness and the creation of jobs.

Further details can be found at www.epta.eu.