Empowering consumers for the green transition

2022/0092(COD) - 30/03/2022 - Legislative proposal

PURPOSE: to update EU consumer protection rules to empower consumers to act in favour of the green transition.

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: the proposal was one of the initiatives set out in the New Consumer Agenda and Circular Economy Action Plan and is a follow-up to the European Green Deal. Empowering consumers and providing them with cost-saving opportunities is a key building block of the sustainable product policy framework. This is to be achieved through the **improved participation of consumers in the circular economy**, in particular by providing better information on the durability and reparability of certain products to consumers before concluding the contract and stepping up the protection of consumers against unfair commercial practices that prevent sustainable purchases, such as: (i) greenwashing practices (i.e. misleading environmental claims); (ii) early obsolescence practices (i.e. premature failures of goods), and (iii) the use of unreliable and non-transparent sustainability labels and information tools.

CONTENT: this proposal aims to **strengthen consumer rights** by amending two directives that protect consumer interests at EU level: <u>Directive 2005/29/EC</u> on unfair commercial practices and <u>Directive 2011/83/EU</u> on consumer rights.

(1) Amendments to the Consumer Rights Directive

The Commission proposes to oblige traders to provide consumers with pre-contractual information on the **durability and reparability of products**.

As regards the pre-contractual information to be provided to consumers when concluding contracts other than distance or off-premises contracts, six additional items are added to the list of information to be provided to the consumer in a clear and comprehensible manner, prior to purchase. These six additional items consist of:

- information on the existence and length, of a producer's commercial **guarantee of durability for all types of goods**, when this information is made available by the producer;
- information that no information has been provided by the producer about the existence of a producer's guarantee of durability for energy-using goods;
- the existence and length of the period during which the producer commits to providing **software updates** for goods with digital elements;
- the existence and length of the period during which the provider commits to providing software updates for digital content and digital services;
- the **reparability score** of the good as applicable under Union law;

- other repair information, should no reparability score be available at Union level – such as information on the availability of spare parts and a repair manual.

(2) Amendments to the Unfair Commercial Practices Directive (UCPD)

First, it is proposed to extend the list of product characteristics about which a trader cannot mislead consumers to cover the **environmental or social impact**, as well as the durability and reparability. New commercial practices are also included in the list of actions which are to be considered misleading if they cause or are likely to cause the average consumers to take a transactional decision that they would not have otherwise taken. In this regard, the proposal seeks to:

- making an environmental claim related to future environmental performance without clear, objective and verifiable commitments and targets, and without an independent monitoring system;
- ensure that a trader cannot advertise benefits for consumers that are considered as a common practice in the relevant market;
- ensure that a trader can only compare products, including through a sustainability information tool, if they provide information about the method of the comparison, the products and suppliers covered, and the measures to keep information up to date.

Lastly, the Commission proposes to amend the UCPD by adding new practices to the existing 'black list' of prohibited unfair commercial practice, such as:

- displaying a sustainability label which is not based on a certification scheme or not established by public authorities;
- making a generic environmental claim for which the trader is not able to demonstrate recognised excellent environmental performance relevant to the claim;
- making an environmental claim about the entire product when it actually concerns only a certain aspect of the product;
- presenting requirements imposed by law on all products in the relevant product category on the Union market as a distinctive feature of the trader's offer;
- omitting to inform the consumer that a software update will negatively impact the use of goods with digital elements or certain feature of those goods even if the software update improves the function of other features:
- omitting to inform the consumer about the existence of a feature of a good introduced to limit its durability;
- claiming that a good has a certain durability in terms of usage time or intensity when it does not;
- presenting products as allowing repair when they do not or omitting to inform the consumer that goods do not allow repair in accordance with legal requirements;
- inducing the consumer into replacing the consumables of a good earlier than for technical reasons is necessary;

- failing to inform that a good has limited functionality when using consumables, spare parts or accessories not provided by the original producer.

These amendments aim to ensure legal certainty for traders, but also to facilitate enforcement of cases related to greenwashing and early obsolescence of products.