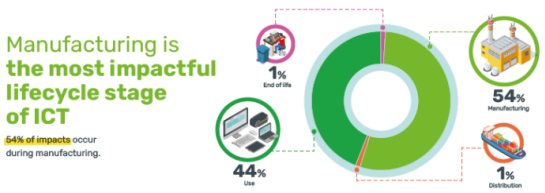
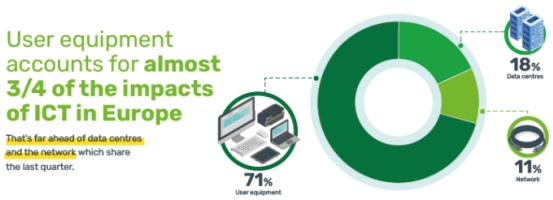
How will the EU ensure tech and fashion companies make long lasting, robust, and quality products that don't harm people and planet?

Green design: the way forward for a true circular economy

July 2023 (updated April 2024)

What's the story behind our clothes and tech devices?





Our current economic model is linear: we mine, use and dump the vast majority of our raw materials without reusing them. 40% of the environmental impacts of Information and Communication Technologies (ICT) are due to the depletion of metal resources and the use of fossil resources, mainly to manufacture the devices. This model depletes our resources, pollutes our environment, damages biodiversity, and stimulates climate change, as more than half of climate emissions are linked to our material use. It also makes Europe dependent on resources from elsewhere, often from countries with corrupt or unstable regimes. The tech industry needs to fundamentally change and turn to the circular economy.

The production and consumption of textile products also has an enormous impact on climate, water, and energy consumption. Global textiles production has almost doubled between 2000 and 2015. The consumption of clothing and footwear is expected to increase by 63% by 2030, from 62 million tonnes now to 102 million tonnes in 2030. In the case of t-shirts alone, it is estimated that between 11 and 32 million new t-shirts are destroyed in the EU each year. This results in up to 220,000 tonnes of CO2eq, 35 billion litres of water use, 12,300 tonnes of wasted cotton and 1.9 million litres of wasted oil. Across the whole textile sector, the carbon footprint of unsold destroyed textiles in the EU is between 1.2 and 3.3 Mt of CO2eq.

Key rules for circular and sustainable products

A new law will tackle these problems by setting circular design criteria on just about all consumer goods. This will be a gamechanger, because an estimated 80% of the environmental impact of a product is determined at the design stage.

The new rules build on the existing Ecodesign Directive. Where previously only energy-related products were covered by the law, the new Ecodesign Regulation will cover almost every product group on the EU market.

INTRODUCTION OF DIGITAL PRODUCT PASSPORT
Consumers & supply chain actors will easily access environmental sustainability information through the product passport.

→ This will greatly increase transparency, traceability, and reliability of information for both citizens and businesses in a product's value chain. This will also increase trust in recycled materials, which is another key issue for a stronger circular economy.

BAN ON THE DESTRUCTION OF UNSOLD GOODS

Within two years, companies will be banned from destroying unsold products such as textiles, electrical, and electronic products. Producers of other product groups will have to report on the fate of their unsold goods, which will lead to additional bans where necessary. Within 3 years, the same ban on destruction will be examined for unsold and returned electrical and electronic appliances. This proactive measure aims to reduce waste and promote responsible resource management, aligning with efforts to create a more sustainable and circular economy.

BAN ON PREMATURE OBSOLESCENCE

Manufacturers will be prohibited from making design choices that reduce the expected lifetime of a product. Spare parts and software should be readily available. Dismantling and repair should not be prevented.

A EUROPEAN-WIDE REPAIR SCORE

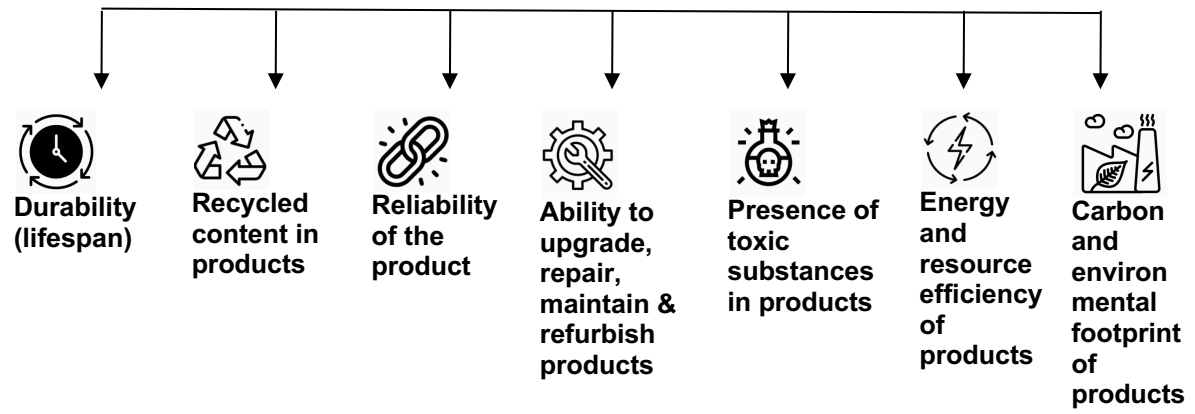
Information on the reparability of products will take the form of a repair score to enable consumers to easily compare the quality of similar products. Where information on repairability is required, this will take the form of a repair score, empowering consumers with the knowledge they need to make informed choices and promoting sustainable consumption patterns. This is a decisive step towards securing the right to repair and fostering a more environmentally conscious society.

MANDATORY ECODESIGN CRITERIA FOR PUBLIC PROCUREMENT

14% of all purchases are carried out by the public sector, giving them great market power. This will allow us to encourage companies to develop circular solutions.

NEW REQUIREMENT FOR SUSTAINABLE PRODUCTS

The law will make products circular and sustainable by creating minimum performance and information requirements on a large set of topics such as (but not limited to):



Benefits of sustainable products

Benefits for consumers

Ecodesign measures will allow energy and resource savings for consumers.
It will extend the lifespan of products and ensure that the responsibility for sustainable products is put on the shoulders of manufacturers, instead of burdening citizens with choosing the most sustainable option. This law will effectively democratize sustainable products for everyone. Consumers and companies can make considerable savings and create revenue for European companies: in 2021, it brought €120 billion in savings to consumers' bills. For instance, according to BEUC, a family saves between €650 and €1800 every year.

Benefits for the planet

The legislation will enable the ban of the most polluting products from the EU market, while reducing the environmental impacts along product value chains.

Benefits for businesses

Companies will be able to transition to sustainable business models and reduce unnecessary resource consumption (e.g. optimisation of production volumes)

More and better jobs in future oriented sectors

By allowing raw materials to circulate in Europe, the EU can combat the outsourcing of production to low-wage countries. The European manufacturing industry gets a new breath of fresh air through new and locally embedded investments, and the law allows for the creation of new economic opportunities and jobs.

What's next ?

The regulation was adopted in April 2024. As it operates as a framework law, the specific information requirements for each product category will be elucidated through delegated acts. This entails the European Commission defining the precise details of these requirements over the upcoming years. Examples illustrating potential frameworks can be found in a preliminary study[1] accessible on the Commission's website.

[1] https://susproc.jrc.ec.europa.eu/product-bureau/sites/default/files/2023-01/Preliminary%20ESPR%20WP%20Report_MERGED_CLEAN_.pdf