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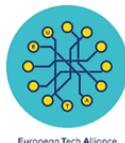
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ZPP
UNION OF ENTREPRENEURS
AND EMPLOYERS

Brussels, 11 April 2022

Dear Members of the European Parliament,
Dear Members of the Council's Working Party on Consumer Protection and Information,
Dear Ms Pinuccia Contino, Head of Unit, Directorate-General for Justice and Consumers,
European Commission

Re: Recommendations on the proposed EU General Product Safety Regulation (GPSR)

Our associations represent a broad coalition of leading startups, SMEs, technology, and e-commerce companies of different sizes.

We are writing to you in the context of the discussions on the proposed EU General Product Safety Regulation. We support the objective of ensuring a high level of consumer protection through the reduction of unsafe products offline and online and contributing to the functioning of the Internal Market. We acknowledge the European Commission's efforts in proposing a balanced solution. We encourage you to make the GPSR an efficient framework for the safety of European consumers and supportive of SMEs and other businesses involved.

We urge you to consider the following recommendations to assure that this legislation reaches its goals.

1. Integrate a risk-based approach

The proposed GPSR seeks to ensure coherence between harmonised and non-harmonised product legislation while reinforcing its role as a safety net for products placed on the market. The GPSR should maintain the necessary differentiation between the requirements for these two types of products to ensure certainty and clarity for manufacturers. We appreciate the need for the precautionary principle when it comes to product safety. We would like to ensure the effectiveness of the GPSR by complementing it with a risk-based approach (Article 2). As an infinite number of products are in the scope of the proposed regulation, we recommend allowing

prioritisation of the products with the highest risk. In particular, several provisions would gain clarity and efficiency thanks to the risk-based approach:

- In line with the 2019 Market Surveillance Regulation (MSR), the appointment of a responsible person (Article 15) should only be required for the products which are the most likely to harm consumers. In the same vein, the responsible person's obligations (Article 15) such as testing samples of randomly chosen products and the manufacturer's obligations (Article 8) such as drawing up technical documentation are burdensome, especially for SMEs and microbusinesses.
- Distributors have to verify that manufacturers or importers have complied with certain requirements (Article 11). In the case of repaired or reconditioned products, we believe that this would create a disproportionate obstacle and therefore discourage the development of circular business models.

2. Provide financial and educational resources tailored to SMEs

Enabling small manufacturers to comply with EU legislation will help them grow, support their local economies, and offer greater choice to EU consumers. SMEs and microbusinesses often struggle to manage complex compliance obligations across multiple jurisdictions, let alone invest the resources necessary for compliance. Online marketplaces can help educate their sellers about such compliance obligations, in particular around high-risk products, but further institutional support is needed. The Commission and regulatory authorities should provide SMEs with resources and guidance tailored to their needs, as well as direct channels to connect with institutional experts who can answer specific questions.

We also encourage the legislators to support the use of modern tools, including e-labelling and digital documentation, to facilitate demonstrating compliance and information obligations. Next to cost-savings and efficiencies for SMEs and larger firms alike, such an approach would be more in the spirit of the overarching goals of the digital and green transitions.

3. Maintain the allocation of responsibilities according to the role in the supply chain

The balance of the GPSR proposed by the European Commission should be maintained. It is crucial that the GPSR allocates responsibilities according to the role and capabilities of each actor in the supply chain. The operators that first make a product available on the market have the best ability to control and inspect the product. Economic operators and marketplaces that handle products later in the supply chain do not always have this possibility.

Finally, we would like to point out that a business can have a hybrid business model, combining several activities and therefore, obligations. In practice, a company can be considered both an economic operator and a marketplace.

4. Maintain focus on physical products

Expanding the scope of the GPSR to standalone software or digital products would not achieve the desired outcome. Covering the new technological aspects of physical products that can

harm consumers is understandable (Articles 7 and 12), and should be done in line with the current legislation such as the 2016 NIS Directive. However, going beyond physical products would only create confusion and inconsistencies. The GPSR should not create legal uncertainty and focus on achievable ways of being future-proof.

5. Ensure consistency with the EU's legal framework

Negotiations on other initiatives impacting digital services, such as the EU Digital Services Act, the Artificial Intelligence Act and the Sustainable Product Initiative are currently ongoing. We would recommend being particularly mindful of overlapping provisions and concepts to ensure a coherent legal framework in the future.

6. Provide enough time for implementation

Economic operators and marketplaces, including SMEs, are committed to always working towards more product safety for consumers. We, therefore, believe that to be realistic, the implementation period of the GPSR should be extended to 24 months, in line with the MSR.

We remain supportive of the GPSR and committed to ensuring that it meets the goal of increasing consumer protection while enabling the digitalisation of the European economy and the growth of the e-commerce sector across the EU Single Market. We thank you for your consideration and remain at your disposal to provide additional information and to meet.

Signatories (in alphabetical order):

ACT - The App Association

Bundesverband E-Commerce und Versandhandel Deutschland e.V. (bevh)

Chamber of Digital Economy

Computer & Communications Industry Association (CCIA Europe)

Confederation of Industry of the Czech Republic

Developers Alliance

DIGITALEUROPE

DOT Europe

Ecommerce Europe

European Tech Alliance (ETA)

Infobalt

Information Technology Industry Council (ITI)

Związek Przedsiębiorców i Pracodawców / Union of Entrepreneurs and Employers (ZPP)