



JOINT PAPER

EuroCommerce and GS1 in Europe for an open, inclusive and decentralised EU Digital product passport

February 2022

In the context of the EU 2050 climate goal, EU circularity requirements and new data acts, the EU is reviewing horizontal and vertical legislation which require a solid product data framework and strong industry engagement. Industry and all stakeholders involved along supply chains - from raw material harvesting to consumption/sales and product further lifecycles - will be required to contribute with adequate information to deploy safe and sustainable products.

EuroCommerce and GS1 support, under certain conditions, the Digital Product Passport (DPP) concept developed under the EU sustainable product initiative. With an appropriate data structure, the DPP can be an enabler to better achieve policy and industrial purposes, which also benefit consumers. As such, it can allow green product data management, efficient product data sharing along global supply chains and accessible and portable high quality product data.

To reach these goals, accurate identification rules to identify products, locations and entities are necessary to ensure EuroCommerce members can freely source and distribute sustainable products in the EU market and internationally. The GS1 open and global standards¹ for product identification, data capturing, and sharing have enabled 50 years of data portability and they have embraced the green data challenges.

For these reasons, we jointly recommend the EU digital product passport to be:

Driven by business needs and agile

The DPP should first and foremost be a way for companies to efficiently manage product data, enable circularity and share relevant and purposeful product information between industry actors, consumers, suppliers, logistics operators, recycling entities and many other operators. As such, the passport must start from a "need-to-know" basis, and be flexible enough to allow inclusion of both existing and upcoming data requirements based on identified needs

Interoperable, open and future proof

To enable data interoperability and portability, the digital product passport shall be based on international and open product identifiers, compliant with ISO standards². This will enable product identification and product data sharing among all stakeholders in the value chain in a balanced, cross-sectoral, and technologically- neutral way. Ease of application should be secured to facilitate interoperability.

Circularity does not stop at the EU border and, as such, setting product identification rules only for Europe would create a barrier to the free movement of goods and be a burden for companies most of which already apply global standards in their business operations and at the point of sale.

Furthermore, the DPP should not generate closed data systems only accessible by some operators using a specific and costly data infrastructure. Instead, the data sharing practices and technologies

¹ ISO 15459: Information technology — Automatic identification and data capture techniques — Unique identification

 $^{^{\}rm 2}$ standards for data templates for building modelling EN ISO 23386: 2020, EN ISO 23387: 2020





involved should be based on, or compatible with, international product identifiers so that the different digital solutions will be open and interoperable.

Lastly, it is crucial that the system for a DPP is "future proof", with an infrastructure that allows the system to work over a long period, with the possibility to add specific features if indicated.

Inclusive and relevant

To ensure the DPP is accessible to all stakeholders along the value chain, the governance of the product data that will be made available should be inclusive of all stakeholders. With the correct access rights, the product passport should be accessible by all, including public access to relevant data requirements. This should respect IPR rights to avoid that product data and specifications lead to an increase in piracy production and weakens competitiveness.

Green

The DPP should be flexible enough to include and make accessible complex data on environmental and social sustainable matters including to allow compliance with certain existing or upcoming EU legislation.

Furthermore, in the light of the aim of the SPI, the DPP should be based on green ICT values thereby avoiding high energy consuming and sophisticated centralised data systems that would have a bigger environmental impact compared to the green advantages it would generate.

Based on existing regulatory data

Both organisations are highly conscious of the investments by their members to share product data in compliance with EU law. Efforts should be made to ensure existing product data already included in EU databases should be included into the DPP data architecture. This would avoid asking companies to resubmit product data that is already available.

Decentralised

We underline that the DPP requirements should encourage a decentralised data sharing system. This will allow companies to make the product data available and updated at no additional cost. Since, in many cases, companies own the product data they need to share in the DPP, making those data requirements available through a dedicated webpage and accessible through open carriers including URLs will simplify data accessibility and portability issues.

Consistent

The Commission is planning to present a horizontal legislation on B2B data sharing. We emphasise the need for policy coherence and consistency in order to ensure that regulation is only considered where is it strictly necessary, justified, a clear legal gap is identified, and a cost assessment has been developed.

To conclude, we underline that the product passport has the potential to empower companies and consumers to make greener and more sustainable choices and investments but only if open and global product data standards already in use by companies will be referenced. The consumers should be able to access the DPP for free through open carriers or in store.

EuroCommerce and GS1 remain available to discuss about the DPP and for more information please contact:





About EuroCommerce

EuroCommerce is the principal European organisation representing the retail and wholesale sector. It embraces national associations in 28 countries and 5 million companies, both leading global players such as Carrefour, Ikea, Metro and Tesco, and many small businesses. Retail and wholesale is the link between producers and consumers. Over a billion times a day, retailers and wholesalers distribute goods and provide an essential service to millions of business and individual customers. The sector generates 1 in 7 jobs, offering a varied career to 26 million Europeans, many of them young people. It also supports millions of further jobs throughout the supply chain, from small local suppliers to international businesses. EuroCommerce is the recognised European social partner for the retail and wholesale sector.

Contact: Neil McMillan - mcmillan@eurocommerce.eu

About GS1 in Europe

GS1 in Europe is a neutral, not-for-profit organisation dedicated to the implementation of GS1 global standards, services and solutions to improve the efficiency and visibility of products and locations internationally and across sectors in Europe. We represent more than 500.000 companies and gather 49 national GS1 Member Organisations. We bring these companies around the table and foster collaboration in order to establish common rules and common standards. We strive to empower businesses to improve their efficiency, safety, security and sustainability.

Contact: Francesca Poggiali - francesca.poggiali@gs1.org