



Digital Product Passport (DPP)

Position paper

By providing relevant information about the life cycle of products and their components in digital form, the repair, reuse, repurposing and recycling of products instead of their disposal should be the standard - entirely in the sense of a sustainable circular economy.

Accordingly, the Digital Product Passport (DPP), which the European Commission has made part of its proposal for a regulation on ecodesign requirements for sustainable products (ESPR), is set as a key instrument for ecological and digital transformation.

For the digital economy in Germany and the EU, the Digital Product Passport is a challenge and an opportunity at the same time - as a new regulatory requirement on the one hand and a new business field on the other. Therefore, Bitkom and its members support the DPP in principle and will accompany its introduction constructively.

In this position paper, some aspects of the DPP are discussed and in part also critically questioned.

Consider sector specifics

The success of the DPP depends to a significant extent on regulatory coherence between various sectoral regulations. For this reason, Bitkom regards it as critical that many activities for implementing the DPP are currently running in parallel, without any apparent coordination of these activities. This inefficient approach poses a threat to the actual goal of the DPP. It is necessary to coordinate the various streams in order to ensure effective implementation of the DPP. For this reason, Bitkom recommends first defining common horizontal requirements that can be supplemented by sector-specific extensions. This allows an efficient and coordinated implementation of the DPP without unnecessary costs and efforts for the companies. Bitkom welcomes that the ESPR first defines the general requirements for the technical design and operation of the DPP based on harmonized standards. Product group-specific DPPs shall then be introduced in sectoral delegated acts to complement the specific requirements. Likewise, existing technical solutions and pilot projects at national and European level must be taken into account.

Synergies of DPP and NLF

Coherence to existing and recognized rules of the New Legislative Framework (NLF) should be sought. With regard to traceability and market surveillance, there are some synergies between the DPP and the NLF. For example, an entry into e-labeling can be made in this way.

A horizontal regulation of the DPP in the NLF would cover not only the products affected in the scope under the Delegated Acts adopted under the ESPR, but also many other product groups or product aspects such as product safety and electromagnetic compatibility (EMC). For this reason, Bitkom views it as too early to integrate the DPP into the NLF today. At present, it is not clear how the DPP will be designed and how individual parameters will be implemented. Once the DPP system is fully developed, it should be possible for economic operators to combine in a DPP all the information that is also required by other EU legal acts like the NLF.

Data sharing must be based on standardized formats

A wide variety of ESG standards already exist today. Easy transferability between different data standards and interoperability of these is crucial for comparability and hence for the success of the DPP.

Value networks today are usually organized globally, so regulations of the DPP will have an impact on the involved companies. Therefore, it is of great importance to include international standards to ensure that the DPP functions smoothly and can be applied on a global level. International standards will achieve global harmonization of technical requirements such as data formats. New regulations on the DPP can access these, preventing disruption of global cooperation. Therefore, it is necessary that the regulatory requirements of the DPP are considered together with international standards - such as the "ISO/IEC 15459" framework already mentioned in the ESPR - to promote global cooperation. Global competitive disadvantages must be explicitly avoided.

Data must be available, trustworthy and consistent

Furthermore, in order to avoid overburdening the industry, it should be clarified which information is really necessary at the beginning and how a multiple data collection can be avoided. Bitkom expressly recommends, for this reason, a stepwise implementation for the various product categories. Companies will find it challenging to implement the changed approach to data preparation and data availability, because they will have to transform from handling data independently to becoming comprehensive data suppliers. Established industry-wide data formats as well as data transfer and interface standards should be adopted in this process. A graduated approach is preferred because there are currently some data that are not available from the supplier. Data security and IP protection also have a critical impact in this context.

Bitkom opposes the introduction of a product registry in accordance with Art. 12. The manufacturer must enter the data, which must be made accessible via the DPP, into its own data processing system and update it throughout the product life cycle. Additional data maintenance in another IT system represents a considerable additional effort, which is not countered by an adequate benefit.

In the future, the DPP will also be the replacement for existing reporting obligations (e.g. REACH and CLP). Merging with the SCIP database should also be considered in this context in the future. A transfer of data between the DPP and the online platform for the information resulting from the right to repair should be integrated from the outset in the design of the databases. Reporting requirements will initially become much more complex with the revision and use of the DPP.

The timeliness of the DPP information varies with the granularity of the coverage level (product model, product batch, or item) and the intended coverage of operational phase data (such as EV batteries).

Granularity of the DPP

Companies are required to provide a large amount of data for the DPP to fully document each individual product. In this context, it must be questioned if a DPP always has to be product-related in the sense of product serialization, as in practice this is very time-consuming, especially for SMEs. From Bitkom's point of view, a necessary alternative would be to adapt the DPP to the granularity of the product. This would minimize administrative, implementation and cost efforts without losing important information. In addition, a product-based application of the DPP would have a negative impact on the European Union's climate and energy targets.

Clarification of access rights and confidentiality

From Bitkom's point of view, it is crucial to clearly define access rights to ensure who can access which information. In addition, clear regulations must be made about which data will be accessible to the public and which to market surveillance, customs and other third parties. Therefore, it makes sense to define clear and trustworthy access rights for different user groups. Additionally, protocols and security measures must be implemented to ensure data protection and confidentiality during data exchange as well as to ensure that data are verified. Bitkom therefore recommends the following access concepts for data from the DPP for horizontal information.

Data available to the public	Reasoned access on request	Highly sensitive data - not part of the DPP
<ul style="list-style-type: none"> • Environmental data such as environmental requirements, energy efficiency, etc. • Name and contact of the manufacturer • Certifications (declaration of conformity) • Name and type number of the product • Instructions for use and safety information • Restriction of use, instructions for use, etc. 	<ul style="list-style-type: none"> • Test certificates • Test reports • Used materials, quantities (esp. access for recyclers) 	<ul style="list-style-type: none"> • Technical documentation with high sensitivity for IP protection • Information on possible suppliers • Information on possible customers • Product quantities on the market • Operating data

Bitkom rejects the European Council's proposal to create a possibility of adaptation for various economic operators. This approach would result in an increased administrative burden and make the application of the DPP significantly more complicated.

Digitization as an enabler for sustainability

Despite all the challenges, the DPP also offers opportunities for companies and consumers. Uniform registration of products can increase transparency within value networks, resulting in better traceability of products. In this way, risks and liability issues can be better managed.

As a practical application, labels could be digitized (digital nameplate) and a simplification of compliance documentation could be achieved. Product

documentation such as manuals should be explicitly allowed only in digital form in the future. A more concrete EU-wide legal formulation that digital documents are sufficient would create clearer and uniform legal certainty.

Consumers benefit because they can be more aware when making purchasing decisions. Overall, the DPP offers opportunities for improved transparency, efficiency and security within value networks of products.

Bitkom represents more than 2,000 member companies from the digital economy. They generate annual sales of 190 billion euros with IT and telecommunications services alone, including exports of 50 billion euros. Bitkom members employ more than 2 million people in Germany. Members include more than 1,000 SMEs, over 500 startups and almost all global players. They offer software, IT services, telecommunications or Internet services, manufacture devices and components, are active in the field of digital media or are otherwise part of the digital economy. 80 percent of the companies are headquartered in Germany, 8 percent each come from Europe and the USA, and 4 percent from other regions. Bitkom promotes and drives the digital transformation of the German economy and advocates broad social participation in digital developments. The aim is to make Germany a leading global digital location.

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