

CALL FOR EVIDENCE FOR AN IMPACT ASSESSMENT

This document aims to inform the public and stakeholders on the Commission's future legislative work so they can provide feedback on the Commission's understanding of the problem and possible solutions, and give us any relevant information that they may have, including on possible impacts of the different options.

TITLE OF THE INITIATIVE	Product legislation – ensuring futureproof rules (revision of the New Legislative Framework - NLF)
LEAD DG (RESPONSIBLE UNIT)	GROW H4
LIKELY TYPE OF INITIATIVE	Legislative
INDICATIVE TIMETABLE	Q3 2026
ADDITIONAL INFORMATION	https://single-market-economy.ec.europa.eu/single-market/goods/new-legislative-framework_en

This document is for information purposes only. It does not prejudge the final decision of the Commission on whether this initiative will be pursued or on its final content. All elements of the initiative described, including its timing, are subject to change.

A. Political context, problem definition and subsidiarity check

Political context

The New Legislative Framework (NLF) is a key tool for harmonising EU product legislation. Established in 2008 through <u>Decision No 768/2008/EC</u> and <u>Regulation (EC) No 765/2008</u>, it provides a blueprint for product harmonisation legislation aligning 30 EU legal acts.

The <u>2022 evaluation of the NLF</u> documented the need for modernisation, prompting the <u>single market strategy</u> and the <u>IV Simplification Omnibus package</u> to propose a data-driven shift and revision of the NLF to reduce unnecessary bureaucracy and streamline procedures.

The NLF, which underpins product compliance through harmonised standards, is being revised together with the standardisation and market surveillance regulations, thus creating the potential for synergies and simplification in the overall product framework.

Problem the initiative aims to tackle

The 2022 Evaluation of the NLF found that it has improved consistency in EU product legislation but needs updating to address market developments, circularity and digital changes. This initiative tackles the NLF's shortcomings, which impact businesses and Member State authorities by creating unnecessary regulatory burdens, as well as market or regulatory failures, such as: i) lack of timely information on product compliance (regulatory gap/information failure); ii) untapped potential of circularity (regulatory gap/market failure); or iii) lack of consumer awareness about the meaning of the CE marking and misleading marking (information failure/behavioural issue).

Basis for EU action (legal basis and subsidiarity check)

Legal basis

The initiative is grounded in Article 114 TFEU, enabling EU action to harmonise laws affecting the single market's functioning.

Practical need for EU action

As a shared competence, the initiative respects subsidiarity by addressing issues beyond Member States' reach, preventing fragmentation and ensuring an EU-wide, future-proof framework.

B. Objectives and policy options

Objectives and policy options

The initiative aims to improve EU product legislation by increasing 'harmonisation, cutting regulatory burdens and using digital tools to boost compliance and safety.

Possible policy options could include:

- 1. A baseline scenario: recent pieces of EU product legislation already set out that the Digital Product Passport will contain product compliance information (e.g. Batteries Regulation, or the soon-to-be published toy safety regulation). Without updates to the NLF to fully integrate information on digital compliance, long-term disparities and inconsistencies may arise. In addition, without a cohesive framework, new legislation could introduce digital and circularity elements inconsistently, threatening the coherence and consistency of the EU product legislation system.
- **2. Non-legislative options**: guidelines and best practices regarding digital tools for small to medium-sized enterprises (SMEs), which could ease the transition for businesses and align with digital advances.
- 3. Legislative options: options range from targeted amendments to moderate or comprehensive revisions, including amendments to the NLF and product harmonisation legislation, like: i) increasing digital integration through the mandatory Digital Product Passport; ii) revising conformity assessment processes; iii) aligning the definitions with those set out in recent EU legislation, such as Regulation (EU) 2019/1020 on market surveillance; iv) improving clarity and efficiency in the way notified bodies function and strengthening their oversight; and v) ensuring timely and consistent responses to non-compliant and dangerous products across Member States.

Simplification and burden reduction

Simplification is one of the most salient objectives of this revision.

Considerations for SMEs

By using a proportional approach, these policy options aim to target identified problems effectively without overextending EU influence, providing practical solutions adaptable to future digital developments and market changes. The initiative will take into account SMEs' concerns about digitalisation and, if needed, provide mitigating measures to ensure an efficient balance between maintaining regulatory integrity and fostering innovation, ultimately supporting a competitive and adaptable single market. Therefore, SMEs and their specific needs and capacities will form an integral part of this revision.

C. Likely impacts

The initiative is expected to yield positive impacts across economic, social and environmental dimensions.

In economic terms, further harmonisation and simplification of rules could reduce compliance costs for businesses, boosting competitiveness. The initiative could primarily benefit businesses, including SMEs, across the EU by streamlining cross-border trade and simplifying business processes through digital solutions. A fairer competitive environment would promote compliance and prevent market distortions, protecting the integrity of the single market.

In social terms, a better functioning legislative framework for products would improve legal certainty for consumers, offering them improved safety and protection, and boosting consumer trust in the single market, supporting fundamental rights. It would also continue promoting transparency and awareness, helping consumers make informed choices.

The initiative is particularly important for SMEs, as it seeks to build a modern, coherent product framework for the future. Because most products fall under more than one piece of legislation, streamlined and consistent rules are essential for small businesses. Although the Digital Product Passport will involve some initial adjustment costs, it is expected to reduce overall compliance expenses by simplifying product documentation and giving authorities faster, easier access to the information they need – ultimately easing the administrative burden on SMEs.

As regards the environment, integrating environmental sustainability aligns with the UN Sustainable Development Goal (SDG) targets, such as reducing waste (SDG 12). Incorporating product circularity objectives into EU product legislation involves laying down the responsibilities of economic operators engaged in circularity, such as refurbishers, remanufacturers, ensuring that waste reduction within the EU is observed, and guaranteeing that products resulting from circularity are compliant and safe. These are also important objectives of this initiative.

Negative impacts might include transitional costs for stakeholders adapting to new processes and tools.

Efforts will be made to avoid any unnecessary administrative burden or reporting requirements by carefully analysing the impact on businesses, particularly SMEs, and on other stakeholders.

The initiative aligns with the SDGs for responsible consumption and production (SDG 12), innovation (SDG 9), and economic growth (SDG 8), contributing to a more sustainable and equitable single market.

D. Better regulation instruments

Impact assessment

An impact assessment will help prepare this initiative, ensuring a comprehensive assessment of its potential economic, environmental and social impacts.

Consultation strategy

The consultation aims to gather insights and feedback from relevant stakeholders to inform the development of the initiative, ensuring it addresses its goals and challenges effectively. In addition to this Call for Evidence, available in all 24 official EU languages, a public consultation will be launched on the Commission's 'Have Your Say' portal for a minimum of 12 weeks.

The questionnaire for the public consultation will also be available in all 24 official EU languages, and responses can be submitted in any of these languages.

In addition, there will be targeted consultations involving individual businesses, SME and industry associations, Member State authorities, notified bodies and consumer organisations. We will specifically engage SMEs through targeted channels to ensure their perspectives are taken into account.

A factual summary report will be published eight weeks after the public consultation closes.

A synopsis report summarising all consultation results will be annexed to the impact assessment.

Why we are consulting?

The Commission is consulting on how to improve EU product legislation, specifically regarding the circular economy and the digital transition.

Target audience

- Relevant Member State authorities, including market surveillance authorities, notifying authorities, national accreditation bodies and customs authorities;
- Individual companies that are manufacturers, including SMEs and industry associations;
- Other economic operators including SMEs and industry associations (such as distributors, importers, economic
 operators established in the EU according to Article 4 of Regulation (EU) 2019/1020);
- Refurbishers and businesses involved in product circularity;
- Conformity assessment bodies, and notified bodies, whose notification can be either based or not based on accreditation;
- Consumers and consumer organisations;
- Professional end users who use products in their professional, commercial or industrial activities and who have an expertise relevant for the use of the product;
- Civil society;
- Academia.