



Amazon position on the European Commission's proposal for a Right to Repair Directive

Amazon supports long-lived durable products. Together with the Ecodesign for Sustainable Product Regulation (ESPR) and proposal on Empowering Consumers for the Green Transition, the Right to Repair proposal brings us one step closer to a robust European framework on product sustainability and circularity.

Amazon is committed to ensuring that its customers can shop in a more sustainable manner. That is why we have launched several recycling, repair, reuse and refurbishment initiatives in the EU, such as **Amazon Second Chance**, a one-stop shop for Amazon customers to learn how to reduce their impact on the environment through reuse, refurbishing and recycling. By providing customers with a wide range of options, they can make informed decisions at the time of purchase, throughout the use phase and after its use. The project is currently active in Germany, France, Italy, Spain, and Sweden. From our expertise as a customer-centric company, we believe that we can provide valuable recommendations to help ensure that the introduction of a right to repair is both sustainable and economically viable from a customer perspective.

The below position outlines Amazon's position on the Commission proposal. It focuses on the provisions on repair within the guarantee period, the provisions on repair outside the guarantee period, the European Repair Information Form, the proposed online platform for the identification of repairers, and the new non-regulatory European Standard for Repair Services.

1. Repairs within the legal guarantee

Refurbished goods have a role to play on the road to a circular economy

Amazon welcomes the Commission's proposal to mandate repair when this is cheaper than replacement. However, we believe that refurbished products have a key role to play on the road to a circular economy. Refurbished products often have sustainability, logistical, and customer experience benefits. For example, they have the potential to further product lifetimes and can be instantly handed over to consumers, reducing waiting times, while also minimising transport and logistics emissions.

Working with refurbished products empowers sellers to bulk repair (i.e. to gather defective products, transport them to a repair site, triage and repair them according to the defect), which reduces the ecological impact and cost of repair. On the other hand, if repair is limited to the individual product, this requires considerable organizational and logistical effort from the seller, which will negatively impact the ecological footprint of this remedy and increase the cost of repair significantly. Eventually, this could make the repair option obsolete – vis-à-vis the then cheaper replacement option.

That's why we call for the definition of *repair* to be amended to give sellers the option to replace defective products with refurbished ones where this is an option and in instances where there are clear benefits. This is in line with the idea of repair, since the defective product will be repaired in order to be reused where this is possible – just not by the same end-user. This is also something that we have already championed with Amazon Second Chance.

The need for costs to be both inclusive and blended

Under the proposal, sellers would be required to repair a product if the costs for replacement are equal to or greater than the costs for repair. We call for costs to be fully inclusive (i.e. they should consider logistical costs (including transportation), spare parts, labour, overhead etc). Costs should also be looked at through the overall blended rate vs. single unit level as companies are deciding on a macro product or product type level whether it is cheaper or more expensive to offer repair or replacement on a product/category. These costs should be defined individually by market players given their own individual constraints, and should not be set at government level.

Certain exemptions to the repair requirement should be granted

The Sale of Goods Directive (SGD) has a very broad scope of application. For certain product categories covered by the Directive, repair is illogical. This is the case for consumables, stationary supplies, medical supplies/tests, and adhesives. These product categories should be exempt from the repair requirement.

2. Repairs outside the legal guarantee

We welcome the Commission's proposal to push repair beyond the legal guarantee. However, requiring a manufacturer to repair a product for up to 10 years (this is the case for washer-dryers) places a significant burden on Europe's manufacturers.

The repair requirement should be limited to 2 years after the end of the legal guarantee (in Member States where the legal guarantee is 3 years it should be 1 year). The benefit of a manufacturer offering repair is tied to the fact that they can maintain a production line and more easily undertake bulk repairs which are more cost competitive than replacement. Beyond 4 years, it becomes unfeasible to maintain a high-quality inventory of spare parts, and many of these spare parts end up in landfill if not used, increasing waste. Lastly, placing a repair burden of up to 10 years has the potential to negatively impact Europe's competitiveness, limit innovation, and reduce consumer choice.

Europe's manufacturers should not be liable to repair following consumer negligence

The requirement to repair should only apply after the end of the statutory warranty period. Where a defect is not covered by the provisions of the legal warranty and is the result of negligence on the behalf of the consumer, manufacturers should not be liable for repair during the warranty period. Manufacturers already face stringent requirements to supply spare parts and detailed information to independent repairers.

This is important from a perspective of legal certainty. In a situation where both regimes co-exist, it may be unclear whether a defect is related to a lack of conformity, which falls under the liability of the seller (who should remediate for free), or whether it is linked to accidental damage and is therefore under the liability of the manufacturer (who may repair for a fee). This will also lead to confusion among consumers.

The scope of the repair requirement should be limited to customer orientated products

The Right to Repair Directive should be limited to business to consumer (B2C) products, and business to business (B2B) transactions should be exempt as repairability of these products is covered through strict contractual agreements. Servers and data storage products should therefore be exempted from the repair requirement as these are products that are primarily used in business settings (B2B scope).

More broadly, we believe the repair requirement should apply only to goods covered by existing repairability requirements under EU law and not to additional product categories, and that producers should have the ability to charge for these repairs. We believe those repairs should not be provided for free as this would have a significant impact on the product price, since manufacturers would have to calculate the potential repair cost into the product price. We would also oppose any proposal to extend the scope of products to products other than those with existing repairability requirements.

The liability of OMPs should be clarified

Under the proposal, where the producer required to repair is not established in the EU, the repair obligations fall on various other actors in the supply chain, such as (in this order of priority) on the producer's authorized representative, or on the importer, or on the distributor established in the EU. We call on the Commission to confirm the coherence of the proposal with the DSA and to further clarify the exact responsibilities of OMPs with regard to driving compliance among third-party sellers. OMP responsibilities should however be appropriate to their role as recognized in the DSA and incorporated into other compliance regimes subsequently. OMPs should be expected to take reasonable steps to promptly provide third-party sellers with clear and accessible information about right to repair policies and their obligations towards customers.

3. European Repair Information Form

Amazon welcomes the European Repair Information Form, so long as the provision of the Form to consumers is voluntary. Under the proposal, producers would be required to issue the form for repairs to products covered by reparability requirements under the Ecodesign framework, upon request by consumer.

We would recommend that the repair price be presented as a range, rather than a fixed price. Giving precise quotes upon initial inspection can be challenging and may result in under or overestimates.

4. Online platform for the identification of repairers.

Amazon welcomes the proposal to create a centralized online repair platform in each Member State, which will help consumers access repair services and compare different repair options. We welcome the fact that registration on the site would be voluntary for manufacturers and repairers, as well as for sellers of goods subject to refurbishment and for purchasers of defective goods for refurbishment.

The Commission should however facilitate the registration process across Member States through the establishment of a central database, as some repairers are present in multiple Member States. To minimise the administrative burden for Europe's repairers, we recommend for this process to be linked to the EPREL database. The Commission should also clarify how the database will work in practice, as not all repairers are able to repair every product.

Under the Ecodesign implementing regulation for smartphones and tablets, the manufacturer can condition spare parts availability and access to repair information to 3rd party repairers that can prove to have the technical competence to repair the product. This is an essential provision which protects the quality of the repair and the safety of the customer and must therefore be maintained irrespective of the online platform registration.

5. A European Standard for repair services

Amazon welcomes the non-regulatory initiative to set out a European Standard for repair services. The Commission should however further specify its timeline for the development of the standard, in order to provide stakeholders with further clarity.

The proposal highlights that the standard should consider parameters such as the time to complete repair, the availability of temporary replacement goods, quality assurances, and the availability of ancillary services such as removal, installation and transportation. We advocate for the standard to also consider product integrity, the preservation of intellectual property, and cybersecurity.

6. Industry-led business models should be supported

We call on policymakers to support and promote voluntary business initiatives, such as *Amazon Second Chance*, *Amazon Renew* or *Amazon Warehouse* that incentivise consumers to buy and use second-hand and/or refurbished goods. Where there is a lack of customer repair options/opportunities, private industry already is moving toward providing those solutions to satisfy customer demand. These private voluntary initiatives and investments, allow to tailor programs to specific products and customers and their needs, manage costs, and manage quality associated with repair activities. The Right to Repair framework should support and accelerate these business models, and further encourage small and medium enterprises (SMEs) to participate in the promotion of sustainable use of goods, as greater market offers will increase the uptake of more sustainable practices by consumers.

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Key Asks

- The legislation should recognise the logistical and sustainability benefits that refurbished products have to offer and recognize the provision of refurbished products as a form of repair.
- The Sale of Goods Directive (SGD) has a very broad scope of application, and certain product categories should be excluded.
- The requirement for manufacturers to repair goods covered by existing Ecodesign repairability requirements should be limited to 2 years after the end of the legal guarantee.
- Where a defect is not covered by the provisions of the legal warranty and is the result of consumer negligence, manufacturers should not be liable for repair during the warranty period.
- The legislation should only apply to business to consumer (B2C) products, and business to business (B2B) transactions should be exempt.
- The filling out of the European Repair Information Form should be voluntary.
- The Commission should facilitate registration on the online platform for the identification of repairers through the creation of a central EU database.
- Amazon welcomes the non-regulatory initiative to set out a European Standard for repair services. On top of the key parameters suggested by the Commission, the Standard should also consider product integrity, the preservation of intellectual property, and cybersecurity.