

To: Ministries of the Economy and the Environment of EU Member States

CC: Permanent Representations attachés on environment and competitiveness

Letter to support the consideration for social and due diligence aspects under the Ecodesign for Sustainable Products Regulation (ESPR)

Brussels, 25/10/2023

We, the signatories of this letter, call on EU Member States and the Council to support the provisions concerning social and due diligence dimensions within the ESPR, which were approved with a large majority by the European Parliament in July 2023.

Most specifically, we ask you to defend the formulations of article 69, paragraph 1:

'No later than [insert the date 4 years after the date of application of this Regulation], the Commission shall consider the inclusion of social sustainability and due diligence requirements within the scope of this Regulation.'

'The Commission shall present a report on the main findings to the European Parliament, the Council, the European Economic and Social Committee, and the Committee of the Regions, and make it publicly available. Member States shall provide the Commission with the information necessary for the preparation of that report.'

We firmly believe that true sustainability cannot be achieved without accounting for the social dimension, and that it is not possible to *make sustainable products the norm* without integrating social and due diligence aspects in the ESPR policy.

The inclusion of social sustainability and due diligence requirements within the scope of the eco-design regulation is a key step toward creating more holistic and responsible product design and production processes. By integrating these dimensions, the regulation will not only address environmental considerations, but also recognise the intricate interplay of environmental, social and ethical factors in modern product design and consumption.

The inclusion of social sustainability and due diligence requirements within the scope of the eco-design regulation will bring a range of socio-economic benefits:

1. **Better working conditions:** by mandating fair labour practices and ethical treatment of workers, the regulation will contribute to improving working conditions along supply chains, and protecting workers' rights and wellbeing.
2. **Local community empowerment:** social sustainability often involves supporting local communities through responsible engagement. This can stimulate economic growth in regions where products are manufactured, leading to expanded employment opportunities and overall economic development.
3. **Supply chain resilience:** due diligence requirements encourage businesses to assess and mitigate risks in their supply chains. This, in turn, enhances supply chain resilience, reducing the economic impact of disruptions caused by issues like resource scarcity, political instability or natural disasters.
4. **Enhanced reputation and consumer trust:** companies that adhere to social sustainability and due diligence standards often enjoy a better reputation and greater consumer trust. This can lead to increased sales and market competitiveness.
5. **Long-term cost savings:** implementing social sustainability and due diligence measures may involve upfront costs, but often results in long-term savings. By preventing costly legal issues,

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reputation damage and resource inefficiencies, businesses can improve their financial performance.

6. **Market access:** many international markets increasingly demand products that meet social and environmental standards. Compliance with eco-design regulations can grant businesses access to a broader range of markets, boosting exports and international trade.
7. **Regulatory compliance and risk mitigation:** incorporating social sustainability and due diligence into eco-design will align businesses with evolving regulatory landscapes. Businesses that practice due diligence are better equipped to identify and mitigate risks related to supply chain disruptions, resource scarcity and regulatory changes, thus safeguarding their economic stability.
8. **Innovation and competitiveness:** complying with ecodesign regulations can drive innovation in product development. Businesses are incentivised to create more sustainable and socially responsible products, potentially unlocking new markets and revenue streams.

In addition, as ecodesign requirements intend to create a level playing field for all products placed on the EU market, social criteria can enhance fairness and prevent distorted competition. Ensuring that products are produced in a manner that respects human rights, provides fair wages and supports local communities can contribute to a more equitable and just society.

Setting minimum social criteria for products placed on the EU single market may require identifying enforceable standards and/or certificates by market surveillance authorities, in careful consideration for the diverse social policies across EU Member States. However, it is important to remind that the Ecodesign policy's approach is first to investigate the markets and features of specific product groups before establishing meaningful and enforceable criteria.

While we should not underestimate the challenge of documenting social dimensions for the single market, it is key to recognise that disregarding them entirely would result in omitting their investigation during preparatory studies, thus depriving us of the opportunity to discuss if and how they could be potentially regulated.

We consequently urge you to support and enhance the sound provisions proposed by the European Parliament.

Yours faithfully,



Patrick ten Brink

Secretary General, European Environmental Bureau (EEB)

Signatories

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Danmarks Naturfredningsforening
Environmental Coalition on Standards (ECOS)
European Network for Social Integration
Enterprises (ENSIE)
Equinox
Fashion Revolution
Foundation for European Progressive Studies
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France Nature Environnement

Global 2000
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Polskie Stowarzyszenie Zero Waste
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