

# Call for proposals: online platforms – what role and responsibility in ecodesign policy?

Deadline: 30th July 2022

The European Environmental Bureau (EEB) wishes to explore the potential role and responsibility of online market-places in the forthcoming Ecodesign for Sustainable Products Regulation proposed by the European Commission in March 2022. We are interested in the European legal context which defines the role of online markets places in the new proposal but also existing experiences other legislation (e.g. Product Safety Regulation; Digital Services Act; Waste Framework Directive; Market Surveillance Regulation). We are also interested in understanding better the reality of the sale of products through online platforms. For instance, the share of goods sold online compared to traditional shops, and their environmental footprint relative to brick & mortar sales. Overall, we are concerned that the current ecodesign proposal may not give sufficient responsibility to these increasingly important actors.

## **Background**

The growing economic power and influence of online marketplaces in the sale of products is undisputable. There is also increasing awareness about potential negative socioeconomic and environmental impact of these actors – for example conditions for workers or in driving consumerism. From a policy perspective there is also research on the issue of free riding with respect to extended producer responsibility schemes when it comes to goods sold on online platforms. In the case of product safety, there are also cases of products including toxic substances or non-compliant sold via online platforms. This evidence suggests non-compliance is already an issue in e-commerce.

In the existing ecodesign directive (only applying to energy using products) it is understood that although the legislation has been quite effective in improving the efficiency of products and resultingly delivering substantial energy savings, the legislation has a major drawback: the European Commission and national market surveillance authorities have limited human resources. This hinders the full potential for savings of of new product requirements and effective surveillance. Several studies have identified significant deficits in ensuring compliance including in online platforms. It is estimated that 10% of expected savings at least are not grasped because of insufficient compliance. Could this be aggravated or not through growing online sales?

On the 30<sup>th</sup> March 2022 the European Commission published their <u>proposal</u> for the Ecodesign For Sustainable Products Regulation (ESPR). The proposal included a package of measures including a new proposal for a <u>regulation</u> on ecodesign. The objective of this legislation is to provide a framework to improve the life cycle environmental performance of products on the EU market. The legislation is expected to work through delegated acts which will set requirements for specific products or groups of products.

The roles of different actors in the economy are defined in the proposal. Article 29 defines the obligations of online marketplaces and search engines. Other relevant articles include Article 27 for fulfilment service providers, and Articles 21-24 on the obligations of different types of actors.



Now that the Commission have made the proposal, the European Parliament and Council will prepare their positions and negotiate a common position in trilogues. This process is expected to take two years overall following the proposal.

Given the potential importance of the ESPR for future products sold on the European market, the growing share of products sold online and the existing experience in ensuring compliance in ecommerce we are interested in investigating these issues in greater detail.

# **Objectives of the study**

The objectives of this study should be to:

- Provide a literature review and resulting overview of the current importance of online marketplaces with respect to the sale of products and their environmental impact
- Clarify what the ESPR proposal says about the responsibility of online marketplaces and similar actors such as fulfilment service providers, notably in comparison to other economic actors also targeted by the draft policy
- Assess how other existing legislation (e.g. Digital Services & Markets Acts; Product Safety Regulation; Market Surveillance Regulation) tackles the role of online actors and sustainability issues and put this assessment in perspective of findings related to EC proposal on ecodesign
- Provide examples of existing good and bad practices in the e-commerce area, notably national experiences to address them with regards enhanced compliance
- Engage relevant stakeholders to get different perspectives on this topic (in a workshop or targeted interviews)
- Present the main risks and extrapolate as possible the main impacts of current responsibility regime of online sales
- Provide recommendations on how to mitigate risks and negative impacts and for targeted amendments to the ESPR
- Present the findings in a short briefing and possibly in a public event

The objective of the EEB in our advocacy in this area is to ensure that as much as possible the EU is successful in its political ambition to use the ESPR to "make sustainable product the default option". We are confident in the potential of the new policy framework to contribute to reducing the overall environmental footprint of products sold on the European market. However, we are also aware of potential limitations of the policy with respect to market surveillance and e-commerce. This project should support our advocacy during the co-decision process of the ESPR, ahead of the trilogues expected by end of 2023.

### **Deliverables**

The deliverables expected for this project are:

1) A report or briefing (10-15 pages excluding bibliography) targeted at EU policy makers. The language of this report will be English and it should be non-technical, focused on main findings and (innovative) policy recommendations, clear and understandable by both policy makers and concerned citizens. Use of case studies where relevant. We foresee that the briefing will be based on literature review and use insights from stakeholders.



We are open to proposals for the format and content of the briefing but suggest that at least the following contents are reflected in the brief:

- a) Context: status quo for online sales (literature review and main findings)
- b) ESPR what does it say about online marketplaces and how this compares with other economic actors
- c) Online marketplaces in other policy areas: how are they addressed?
- d) Examples of challenges in ensuring compliance in e-commerce
- e) Overview of input from stakeholder
- f) Analysis and Recommendations
- 2) Stakeholder engagement in the form of a workshop. This is to gather the ideas of relevant actors on this topic and improve the quality of the briefing. The EEB itself will organise and host the workshop, but the consultant should consider how this can support the development of the briefing. For example they may help us to decide which stakeholders to invite and when to organise the workshop so it can best support the study. The consultants would ideally also participate in the workshop.

# How to apply

Interested consultants should submit a proposal by no later than the 30<sup>th</sup> July 2022.

The proposal should consist of a two-page document demonstrating an understanding of the topic, showing a proposal for an approach, a presentation of the study team, and a simple budget.

CVs of the study team should also be submitted (not included in the 2 page limit).

Applications should be submitted by email to: jean-pierre.schweitzer@eeb.org

We will judge the proposals based on the quality of the offer and the experience and quality of the team.

#### **Timeline**

The timeline of this work should be able to support the negotiations of the ESPR. Thus, it is expected that the final deliverables for this work should be released by **mid December 2022**. If the consultants are able to finalise the deliverables beforehand this is preferred, though we are happy to discuss the timeline with consultants based on their availability.

## **Budget**

The total budget available for this work is **20,000.00 EUR (including VAT).**Please note that the layout for the report and the costs of a workshop will be covered separately by the EEB.

#### Contact

The contact for this project:

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