

Secretariat of the Committee on the Internal Market and Consumer Protection
The Secretariat

SD/AW

FINAL
Compromise amendments

on the Draft Report
**on the proposal for a directive of the European Parliament and of the Council on
amending Directives 2005/29/EC and 2011/83/EU as regards empowering consumers for
the green transition through better protection against unfair practices and better
information**

(2022/0092(COD))

Rapporteur: Biljana Borzan

Compromise amendment 1 on Article 1 (UCPD)

Replacing all relevant amendments, including AMs 21-27, 145-183, 185-193, ENVI 37-52

Article 1

Amendments to Directive 2005/29/EC

Directive 2005/29/EC is amended as follows:

(1) in Article 2, the following points (o) to (ya) are added:

(o) ‘environmental claim’ means any message or representation ~~in any form~~, which is not mandatory under Union law or national law, including text, pictorial, graphic or symbolic representation, in any form, including labels, brand names, company names or product names, in the context of a commercial communication, **and** which states or implies that a product, **product category** ~~product group or category of product~~, **brand** or trader has a positive or no impact on the environment or is less damaging to the environment than other products, **brands** or traders, respectively, or has improved their impact over time; **(ECR 146, Left 147)**

~~(oa) — ‘generic social claim’ means any message or representation, which is not mandatory under Union law or national law, or specific and based on a certification scheme, in the context of a commercial communication, which states or implies that a product has been produced in accordance with relevant social standards or that a trader made specific commitments towards such standards throughout the conception, the manufacturing process of the product and its components, and its distribution, compared to other products or traders; (Greens 148)~~

~~(p) — ‘explicit environmental claim’ means an environmental claim that is in textual form or contained in a sustainability label (RE 149, ECR 150, Greens 151, ENVI 37)~~

(q) ‘generic environmental claim’ means ~~any explicit~~ **an** environmental claim ~~in any form~~, not contained in a sustainability label, where the specification of the claim is not provided in clear and prominent terms on the same medium ~~or displayed digitally to the consumer at the point of purchase~~; **(EPP 153, Greens 154, Renew 155, ENVI 38)**

(r) ‘sustainability label’ means any voluntary trust mark, quality mark or equivalent, either public or private, that aims to set apart and promote a product, a process or a business with reference to its environmental or social aspects or both. This does not cover any mandatory label required in accordance with Union or national law;

~~(ra) ‘pre-approval of sustainability labels or sustainability information tools’ (SD 21, Greens 158, The Left 159, ENVI 41)~~

(s) ‘certification scheme’ means a third-party verification scheme:

(i) that is open under **publicly available**, transparent, fair and non-discriminatory terms **and at a reasonable cost** to all traders **and entities** willing and able to comply with the scheme’s requirements;

(ii) which certifies that a product, *a process or a business* complies with certain *publicly available and independently developed* ~~verified-developed~~ requirements ~~reflecting a significant improvement on the otherwise applicable product law~~

(iii) for which the monitoring of compliance *and the award of the certification are* objective, based on international, Union or national standards and procedures *taking into account the nature of the products, processes, or businesses concerned.*

(iv) *that ensures that the monitoring of compliance referred to in point (iii) is carried by a third party, whose competencies and independence, from both the scheme owner and the trader, have been verified by the Member States, carries out such monitoring of compliance referred to in point (iii)* and carried out by a party independent;

(v) *which includes a complaints system available for consumers and other external stakeholders that focuses on non-compliance and ensures the withdrawal of the sustainability label in case of non-compliance*

(SD 22, Greens 160, RE 161, EPP 162, EPP 163, RE 164, ENVI 42)

(t) ‘sustainability information tool *and comparison tool*’ means software, including a website, part of a website or an application, operated by or on behalf of a trader, which provides information to consumers about environmental or social aspects of products, or which compares products on those aspects.

(u) ‘recognised excellent environmental performance’ means environmental performance compliant with Regulation (EC) 66/2010 of the European Parliament and of the Council*, with national or regional EN ISO 14024 type I ecolabelling schemes officially recognised in accordance with Article 11 of Regulation (EC) 66/2010, or top environmental performance in accordance with other applicable Union law;

(v) ‘durability’ means durability as defined in Article 2, point (13), of Directive (EU) 2019/771 of the European Parliament and of the Council**;~~the ability of a product to maintain its required function and performance through normal use, maintenance and repair;~~ (Greens 168)

(w) ‘software update’ means a free update, including *either a security update or a functionality or feature* update, that is necessary to keep goods with digital elements, digital content and digital services in conformity in accordance with Directives (EU) 2019/770 and (EU) 2019/771 *or which improves or reduces their durability;* (SD 34, Renew 207)

(wa) ‘security update’ means an operating system update, including security patches, if relevant for a given device, whose main purpose is to provide enhanced security for the device ~~a security update as defined in point 35 of the Annex to Commission Regulation (EU) .../... (Ecodesign implementing Regulation for tablets and smartphones)~~ (SD 23, Greens 173)

[Point (35) from the Annex of the Implementing Act. It will be updated once IA is adopted.]

(wb) ‘functionality update’ means an operating system update whose main purpose is to

~~implement new functionalities a security update as defined in point 36 of the Annex to Commission Regulation (EU) .../... (Ecodesign implementing Regulation for tablets and smartphones) (SD 24, Greens 174)~~

~~[Point (36) from the Annex of the Implementing Act. It will be updated once IA is adopted.]~~

(x) 'consumable' means any component of a good that is used up recurrently and needs to be replaced **or replenished** for the good to function as intended; **(ECR 175)**

(y) 'functionality' means functionality as defined in point (9) of Article 2 of Directive (EU) 2019/771;

~~(ya) — "Dark pattern" means an interaction design a practice that materially distorts or impairs, either on purpose or in effect, the ability of consumers to make autonomous and informed choices or decisions, and persuades them to engage in unwanted behaviours or into undesired decisions which have negative consequences for them; (SD 176)~~

(yb) 'carbon offsetting' means the purchase of carbon credits or provision of financial support for environmental projects, with the aim to neutralise, reduce, compensate or inset for the purchaser's own environmental impact, or of their goods or services. **(SD 25, Greens 177)**

(2) Article 6 is amended as follows:

(a) in paragraph 1, point (b) is replaced by the following:

(b) the main characteristics of the product, such as its availability, benefits, risks, execution, composition, environmental or social impact, ~~such as working conditions~~, accessories, durability, reparability, **reusability, recyclability**, after-sale customer assistance and complaint handling, method and date of manufacture or provision, delivery, fitness for purpose, usage, quantity, specification, geographical or commercial origin or the results to be expected from its use, or the results and material features of tests or checks carried out on the product.; **(SD 26, The Left 179, Greens 180, RE 182, EPP 183, ENVI 51)**

~~(aa) — in paragraph 2, point (c) is replaced by the following:~~

~~'(c) — any marketing of a good, in one Member State, with seemingly identical presentation to another good, which is marketed, in other Member States, under the same brand, trademark or designation, while that good presents differences in composition or characteristics, including its sensory profile;'~~ **(AM 184 MEPs from different political groups)**

(b) in paragraph 2, the following points (d) **to (ea)** are added:

(d) making an environmental claim related to future environmental performance **solely based on carbon offsetting schemes or** without clear, objective, **quantified**,

science-based and verifiable commitments, a detailed and realistic implementation plan with reference to budgetary and technological commitments—and, without feasible targets, and without an independent monitoring system that is based on publicly accessible relevant data, including by consumers. (SD 27, Greens 186, Renew 188, The Left 189, ENVI 52)

(e) advertising benefits for consumers that are considered as a common practice in the relevant market.’

~~(ea) —any designs or practices of dark pattern. (SD 193)~~

(ea) practices with the effect or likely effect of distorting or impairing the autonomy, decision-making or choice of the recipients of the service, on purpose or in effect, via the structure, design, or functionalities of an online interface or a part thereof

(3) In Article 7, the following paragraphs (7) is added:

7. Where a trader provides a service which compares products, including through a sustainability information tool, information about ~~whether that tool has been pre-approved in accordance with minimum requirements~~, the method of comparison, the products which are the object of comparison and the suppliers of those products, as well as the measures in place to keep that information up to date, shall be regarded as material. ~~(SD 28)~~

Compromise amendment 2 on Article 2 (CRD)

Replacing all relevant amendments, including AMs 33-45, 198-281, ENVI 59-71

Article 2

Amendments to Directive 2011/83/EU

Directive 2011/83/EU is amended as follows:

(1) Article 2 is amended as follows:

~~(a) —the following point (3a) is inserted:~~

~~‘(3a) ‘energy using good’ means any good that depends on energy input (electricity, fossil fuels and renewable energy sources) to work as intended;’;~~
(SD 33, Greens 198, The Left 199)

(b) the following points (14a) to (14e) are inserted:

‘(14a) ‘commercial guarantee of durability’ means a producer’s commercial guarantee of durability referred to in Article 17 of Directive (EU) 2019/771, under which the producer is directly liable to the consumer during the entire period of that guarantee for repair or replacement of the goods;

(14b) ‘durability’ means durability as defined in Article 2, point (13), of Directive (EU) 2019/771;

(14c) ‘producer’ means producer as defined in Article 2, point (4), of Directive (EU) 2019/771;

(14d) ‘reparability score’ means a score expressing the capacity of a good to be repaired, based on a *harmonised* method established ~~in accordance with~~ *at Union law level*; (ECR 206, ENVI 59)

(14e) ‘software update’ means a free update, including ~~either~~ a security *update* ~~or a functionality or feature~~ update, that is necessary to keep goods with digital elements, digital content and digital services in conformity in accordance with Directives (EU) 2019/770 and (EU) 2019/771 ~~or which improves or reduces their durability;~~; (SD 34, Renew 207)

~~(14ea) ‘security update’ means security update as defined in point 35 of the Annex to Commission Regulation (EU) .../... [ecodesign implementing Regulation for tablets and smartphones]; (SD 23)~~

~~(14eb) ‘functionality update’ means a security update as defined in point (36) of Annex to Commission Regulation (EU) .../... [ecodesign implementing Regulation for tablets and smartphones]; (SD 24)~~

(2) in Article 5, paragraph 1 is amended as follows:

~~(-a) point (e) is deleted;~~

(a) the following points (ea) to (ec) are inserted:

~~‘(ea) for all goods, where the producer makes it available, information that a label indicating the guaranteed lifespan of the goods, the digital content and the digital services, including the period which a good will be covered by a cost-free guarantee, as referred to as set out in Annex Z ; for the purposes of this point, the term ‘guaranteed lifespan’ covers the duration including indicating as a minimum the duration a reminder of the legal guarantee of conformity, as well as the duration of any and if relevant its voluntary extension in the form of a commercial guarantee of durability and of any other service that offers at least, an identical level of consumer protection, covering the entire good and without additional costs, as offered by the legal guarantee of durability of conformity. benefit from a commercial guarantee durability, and its duration in units of time, and, has a duration of more than two years;~~
(SD 36, The Left 211, Greens 217, ENVI 60)

“Clean version” : for all goods, a label as set out in Annex Z indicating as a minimum a reminder of the legal guarantee of conformity and if relevant, its voluntary extension in the form of a commercial guarantee of durability.

When traders offer products in several Member States, they may opt to refer in the label to the EU minimum period of two years of legal guarantee of conformity. Under this option, traders shall accompany the label with a statement that ‘a consumer

benefits from a minimum 2 year legal guarantee or longer guarantee according to the applicable national law’.

~~*Member States may opt in the label for the EU minimum period of two years of the legal guarantee of conformity whenever they do not have a specific duration of the legal guarantee of conformity under national law.*~~

~~(eb) for energy using goods, where the producer does not make available the information referred to in point (ea), information that the producer has not provided information on the existence of a commercial guarantee of durability of more than two years. This information shall be at least as prominent as any other information about the existence and the conditions of after sales services and commercial guarantees provided in accordance with point (e); (SD 37, The Left 219, Greens 220, EPP 221, Renew 222, ENVI 61)~~

~~(ebe) for goods with digital elements, where the producer makes such information available, the minimum period in units of time, **from the time of purchase after the date of placement on the market**, during which the producer provides software updates, **which covers, as a minimum, the mandatory period** unless the contract provides for a continuous supply of the digital content or digital service over a period **as provided for in Union law and its voluntary extension, where the producer makes such information available.** of time. Where information about the existence of a commercial guarantee of durability is provided in accordance with point (ea), the information on **for which** the updates shall be provided if those updates are supplied for a longer period than the commercial guarantee of; (SD 38, ECR 225, Greens 226, ENVI 62)~~

~~(ecd) for digital content and digital services, where their provider is different from the trader and makes such information available, the minimum period, **from the time of purchase after the date of placement on the market**, in units of time during which the provider provides software updates, **which covers, as a minimum, the mandatory period as provided for in Union law for which updates shall be provided in accordance with the applicable Union law**, unless the contract provides for a continuous supply of the digital content or digital service over a period of time;’ (SD 39, Greens 231, ENVI 63)~~

(b) the following points (i) and (j) are added:

‘(i) where applicable, the reparability score for the goods;

(j) when point (i) is not applicable, information ~~made available~~ **provided** by the producer about the availability ~~and affordability~~ **maximum price expected of the spare parts necessary to repair goods**, including **the minimum period, after the purchase of the good, during which spare parts and accessories are available**, the procedure of ordering them, and about the availability of a user and repair manual, **as well as of diagnosis and repair tools and services.**’; (SD 40, Greens 240, ENVI 65)

(b a) *the following paragraph 1 a is inserted:*

‘The Commission is empowered to adopt delegated acts in accordance with Article XXX in order to amend Annex Z ~~as a consequence of future amendments to labelling requirements~~ by introducing, modifying, adding or removing any details in relation to the information or textual elements, as set out in this Article.’

(b b) the following paragraph 1 b is inserted:

“The producer shall make all relevant information, including information listed in points ea, eb, ec, i and j, available to the trader, so as to ensure the trader is able to comply with the relevant information obligations set out in paragraph 1.” (ECR 233, EPP 234, EPP 268)

(3) in Article 6, paragraph 1 is amended as follows:

(-a) point (g) is replaced by the following:

*‘(g) the arrangements for payment, delivery, performance, the time by which the trader undertakes to deliver the goods or to perform the services, **and where applicable, the existence of less CO2 emitting delivery options, including an indication of estimated average CO2 emissions** and, where applicable, the trader’s complaint handling policy;’; (Greens 244)*

(-aa) points (l) and (m) are deleted;

(a) the following points (ma) to (md) are inserted:

*~~‘(ma) for all goods, where the producer makes it available, information that **a label indicating the guaranteed lifespan of the goods, the digital content and the digital services as referred to as set out in Annex Z; for the purposes of this point, the term "guaranteed lifespan" covers the duration of the legal guarantee and indicates, if commercial guarantees and other services offer an identical level of consumer protection as the legal guarantee, cover the entire good and are offered without additional costs, the sum of the duration of those other guarantees and services offered.**~~ benefit from a commercial guarantee durability, and its duration in units of time, and, has a duration of more than two years; (SD 41, The Left 245, Renew 246, Greens 251)*

‘(ma) for all goods, a label as set out in Annex Z indicating as a minimum a reminder of the legal guarantee of conformity and if relevant, its voluntary extension in the form of a commercial guarantee of durability;

(mb) for energy-using goods, where the producer does not make available information referred to in point (ma), information that the producer has not provided information on the existence of a commercial guarantee of durability of more than two years. This information shall be at least as prominent as any other information about the existence and the conditions of after-sales services and commercial guarantees provided in accordance with point (m); (SD 42, RE 255, The Left 256, Greens 257, ENVI 67)

(mbe) for goods with digital elements, ~~where the producer makes such information available~~, the minimum period in units of time, ~~from the time of purchase after the date of placement on the market~~, during which the producer provides software updates, ~~including, which covers as a minimum, the mandatory~~ unless the contract provides for a continuous supply of the digital content or digital service over a period ~~as provided for in Union law and its voluntary extension, where the producer makes such information available in accordance with the applicable Union law~~ of time. Where information about the existence of a commercial guarantee of durability is provided in accordance with point (ea), the information on ~~for which~~ the updates shall be provided if those updates are supplied for a longer period than the commercial guarantee of; (SD 43, ECR 259, Greens 260, ENVI 68)

(mcd) for digital content and digital services, where their provider is different from the trader ~~and makes such information available~~, the minimum period, ~~from the time of purchase after the date of placement on the market~~, in units of time during which the provider provides software updates, ~~including, which covers, as a minimum, the mandatory period in accordance with the applicable as provided for in Union law for which updates shall be provided in accordance with the applicable Union law~~, unless the contract provides for a continuous supply of the digital content or digital service over a period of time;’ (SD 44, Greens 264, ENVI 69)

(b) the following points (u) and (v) are added:

‘(u) where applicable, the reparability score for the goods;

(v) when point (u) is not applicable, information ~~made available~~ *provided* by the producer about the availability ~~and affordability~~ *maximum price expected of the spare parts necessary to repair goods*, including *the minimum period, after the purchase of the good, during which spare parts and accessories are available*, the procedure of ordering them, and about the availability of a user and repair manual, *as well as of diagnosis and repair tools and services.*’; (SD 45, Greens 275, The Left 277, ENVI 71)

(v a) the address of the available repair centres within the country of the customer where the goods shall, where applicable, be returned to by the customer consumer for the purpose of repair. (EPP 280)

b b) the following paragraph 1 b is inserted:

“The producer shall make all relevant information, including information listed in points ea, eb, ec, i and j, available to the trader, so as to ensure the trader is able to comply with the relevant information obligations set out in paragraph 1.”

(4) in Article 8(2), the first subparagraph is replaced by the following:

‘If a distance contract to be concluded by electronic means places the consumer under an obligation to pay, the trader shall make the consumer aware in a clear and prominent manner, and directly before the consumer places his order, of the information provided for in Article 6(1), points (a), (e), (ma), (mb), (o) and (p).’.

~~(4a) — The following Article 11 a is inserted:~~

~~‘Article 11 a~~

~~Withdrawal from distance contracts concluded by electronic means~~

~~(1) If a distance contract to be concluded by electronic means entails the obligation for the consumer to pay a price, the trader shall additionally ensure that the consumer can withdraw from the contract on that same website or via that mobile application by activating a button.~~

~~(2) The button shall be labelled in an easily legible manner only with the words "withdraw from contract here". The button shall lead the consumer directly to a confirmation page which~~

~~1. invites and enables the consumer to provide information which~~

~~a) enables his unambiguous identification~~

~~b) unambiguously identifies the contract to which the withdrawal applies~~

~~c) enables the confirmation of withdrawal to be sent to him swiftly by electronic means and~~

~~2. contains a confirmation button labelled in an easily legible manner only with the words "withdraw now" and which the consumer may activate in order to submit the declaration of withdrawal.~~

~~(3) The button and confirmation page shall be permanently available and directly and easily accessible.~~

~~(4) The consumer shall be able to store the declaration of withdrawal, including the date and time of its submission, on a durable medium.~~

~~(5) The trader shall immediately confirm to the consumer the content of the declaration of withdrawal, as well as the date and time of its receipt, on a durable medium.~~

~~(6) Where the buttons and confirmation page are not made available in accordance with paragraphs (1) to (3), the consumer may withdraw from the distance contract concluded by electronic means after the end of the withdrawal period in accordance with Article 9(2) or Article 16b(1)¹, respectively. The withdrawal period shall then expire [x days/months] after the end of the original withdrawal period in accordance with Article 9(2) or Article 16b(1), respectively. (SD 281)~~

~~Annex Z Content and format of the label~~

~~1. The label shall have the following format:~~

~~XX Years + YY Years~~

¹ To be introduced by Dir XXXX/XXXX [DMFSD].

2. The letters 'XX' shall be replaced by the figure corresponding to the duration of legal guarantee. The letters YY shall be replaced by the figure corresponding to the equivalent commercial guarantee of durability.

3. The label shall be displayed prominently and in clearly legible way to the consumer.

Compromise amendment 3 on Annex

Replacing all relevant amendments, including AMs 46-60, 291-312, 314-348, ENVI 74-83, ENVI 84-96

ANNEX

Annex I to Directive 2005/29/EC is amended as follows:

(1) the following points 2a ~~and 2ab are~~ is inserted:

'2a. Displaying a sustainability label which is not based on a certification scheme or not established by public authorities.';

~~*2ab. — Displaying the environmental claim "biodegradable", "compostable" or equivalent with regards to plastic or bio-plastic where composting of biodegradable plastic is not possible in a large proportion of waste enterprises. (ENVI 76)*~~

(2) the following points 4a ~~and to 4b~~ *4ca* are inserted:

*'4a. Making a generic environmental claim ~~that refers to recognised excellent environmental performance and~~ for which the trader is not able to demonstrate *does not provide evidence of the* recognised excellent environmental performance relevant to the claim ~~or does not provide evidence in clear and prominent terms on the same medium.~~ (SD 298)*

~~*4aa. Making a generic social claim. (The Left 300, Greens 309)*~~

4b. Making an environmental claim about the entire product ~~or the trader's business~~ when it actually concerns only a certain aspect of the product ~~or of the trader's business.~~ (SD 47, Greens 302, ENVI 78)

~~*4ba. — Making an environmental claim on the content of the product based on an accounting method that allows for the free allocation of inputs to final outputs, without telling consumers that only a residual amount of the input in question was actually fed into the production process of the final product offered for sale. (ENVI 79)*~~

4bb. Claiming that ~~a good or a service~~ a product has a neutral, reduced, compensated or positive greenhouse gas emissions' impact on the environment based on carbon offsetting. (SD 49, The Left 304, Greens 305, ENVI 83)

~~*4bc. Making an environmental claim related to future environmental performance at the level of a product. (Greens 308)*~~

~~4bd. — Making a specific environmental claim which the trader is not able to substantiate using a relevant assessment method and communication rules recognised or established in accordance with national or Union law. (ENVI 80)~~

4c. Making an environmental claim which cannot be substantiated in accordance with legal requirements. (SD 48, ENVI 81)

~~4ca: Making an environmental claim that would lead to promotion of fossil fuel energy products or by highly polluting products or activities industries (Greens 306, ENVI 82)~~

~~(2a) — the following point 7a is inserted:~~

~~7a. — Falsely stating that a product will only be available in limited quantities, in order to elicit an immediate decision and deprive consumers of sufficient opportunity or time to make an informed choice. (SD 311)~~

(2a) The following points 7a (i) to (v) and (ii) are inserted:

~~7b. — Specifically, the use of any of the following practices of dark pattern:~~

~~(i) giving more visual prominence to any of the consent options certain choices when asking the recipient of an online service for a decision;~~

~~(ii) — installation wherein making a choice such as clicking a button or hyperlink that leads to a different result than normally expected by the consumer;~~

~~(iii) — using default options which the consumer is required to reject in order to avoid changing the status quo in their legal relationship with the trader installation — wherein selections have already been taken, especially with check marks set;~~

~~(iv) (ii) making the procedure of terminating a service significantly more cumbersome than signing up to it; or~~

~~(v) — direct display of fake reviews or the supposed behaviour of others. (SD 312)~~

(3) the following point 10a is inserted:

‘10a. Presenting requirements imposed by law on all products within the relevant product category on the Union market as a distinctive feature of the trader’s offer.’;

~~(3a) — the following point 13a is inserted: (will be voted separately)~~

~~13a. — Any marketing of a good as being identical or seemingly identical to the other good marketed in one or various Member State, while those goods have different composition or characteristics, which have not been clearly marked on the packaging, so as to be visible to the consumer. (AM 313, Members from different groups)~~

(4) the following points 23d to 23ib are inserted:

~~‘23d. Omitting to inform the consumer that~~ **Supplying** Omitting to inform the consumer that a software update will ~~that~~ will negatively impacts the use of goods with digital elements or certain features of those goods even if the software update improves the functioning of other features. (SD 51, Renew 316, The Left 317, Greens 318, ENVI 84)

~~23 da. Bundling security updates with other software updates. (SD 50, The Left 336, Renew 345, Greens 346, ENVI 95)~~

23 db. Omitting to inform the consumer in a clear and understandable manner that the functionality update is not necessary to keep the product in conformity. (SD 52, ENVI 85)

~~23e. Omitting to inform the consumer about the existence of~~ **Introducing** a feature of a good introduced to limit its ~~the~~ durability of a good. (SD 53, Renew 322, Greens 323, The Left 325)

~~23 ea. Engaging in practices that lead to shortening a product’s lifespan and stimulate the purchase of a new product. (SD 54, The Left 336, Greens 342)~~

23eb. Marketing a good without fixing within a reasonable time, a design issue that leads to an early failure of this good, within a reasonable time after it became known. (SD 55, Renew 343, Greens 344, the Left 336, ENVI 96)

23f. Claiming that a good has a certain durability in terms of usage time or intensity when it does not.

~~23g. Presenting goods as allowing repair when they do not or omitting to inform the consumer that goods do~~ **Marketing a good which does** not allow repair in accordance with legal requirements ~~or failing to inform that a good is not repairable. (SD 56, ENVI 89)~~

23 ga. Omitting to inform the consumer about the unavailability of spare parts and other repair restrictions. (SD 57, ENVI 90)

23gb. Omitting to inform the consumer that the seller trader will refuse to perform a repair on a product that has previously been repaired by an independent professional or non-professionals and users. (ENVI 87)

~~23h. Inducing the consumer into~~ **Marketing a good that requires** replacing the consumables of a good earlier than ~~necessary~~ for technical reasons ~~is necessary. (SD 58, the Left 333, Greens 334)~~

~~23i. Omitting to inform that a good~~ **Marketing a product that** is designed to limit its functionality when using consumables, spare parts or accessories that are not provided by the original producer. (SD 59, ENVI 92)

23ia. Offering by the same producer or trader of disadvantageous terms or of a shorter period of commercial guarantee for the same product in one or more Member States

resulting in a disadvantageous situation for consumers ~~when comparing the situations in different Member States.~~ (ECR 340)

23ib. Marketing a good which is not compliant with the requirements under Union product legislation.’ (SD 60, The Left 336, Renew 341 Greens 347, ENVI 94)

~~(4a) — the following point 31 a is added:~~

~~31a. — repeated (aggressive) request to perform a certain action ("nagging"). (SD 348)~~

Compromise amendment 4 on Recitals

Replacing all relevant amendments, including AMs 1-20, 61-144, ENVI 1-35

(1) In order to tackle unfair commercial practices which *deceive consumers (The Left 61) and prevent consumers them* from making sustainable consumption choices, such as practices associated with the early obsolescence of goods, misleading *or false (Greens 64)* environmental claims (“greenwashing”), non-transparent, *non-certified (Greens 64)* and non-credible sustainability labels or sustainability information tools, specific rules should be introduced in Union consumer law. This would enable national competent bodies to address those practices effectively. By ensuring that environmental claims are *reliable, clear, understandable and (Greens 64, Renew 65, ENVI 1)* fair, consumers will be able to choose products that are genuinely better for the environment than competing products. This will encourage competition towards more environmentally sustainable products, thus reducing negative impact on the environment. *Companies also have a role to play in promoting a green transition and greater sustainability of the products they produce and sell on the internal market. by respecting the environment and being transparent in their business practices all along their value chains. (The Left 62))*

(2) Those new rules should be introduced both through amending Articles 6 and 7 of Directive 2005/29/EC of the European Parliament and of the Council 21 relating to those commercial practices which are to be considered misleading, and therefore prohibited, on the basis of a case-by-case assessment, and through amending Annex I to Directive 2005/29/EC with the addition of specific misleading practices which are in all circumstances considered unfair, hence prohibited.

(3) In order to deter traders from deceiving consumers as regards the environmental or social impact, durability or reparability of their products, including through the overall presentation of the products, Article 6(1) of Directive 2005/29/EC should be amended by adding the environmental or social impact, durability, *reusability, recyclability (EPP 67, ENVI 3)* and reparability of the product to the list of the main characteristics of the product in respect of which the trader’s practices can be considered misleading, following a case-by-case assessment. Information provided by traders on the social sustainability of products,

such as working conditions, charity contributions or animal welfare, should not mislead consumers either.

(4) Environmental claims, in particular climate-related claims, increasingly relate to future performance in the form of a transition to carbon or climate neutrality, or a similar objective, by a certain date. Through such claims, traders create the impression that consumers contribute to a low-carbon economy by purchasing their products. To ensure the fairness and credibility of such claims, Article 6(2) of Directive 2005/29/EC should be amended to prohibit such claims, following a case-by-case assessment, when they are ***based solely on carbon offsetting schemes or are (SD 1, Greens 69)*** not supported by clear, objective, ***quantified, science-based (The Left 70)*** and verifiable commitments and targets given by the trader, ***including a detailed and realistic implementation plan to achieve this future environmental performance. That plan should include concrete and verifiable interim targets consistent with achieving the trader's long-term commitment, underpinned by a sufficient budget and based only on existing economically and technically viable technologies and allocation of sufficient resources. Such (SD 1, Greens 69, ENVI 6)*** Claims should also be supported by an independent monitoring system to monitor the progress of the trader with regard to the ***implementation plan, the trader's (SD 1, ENVI 6)*** commitments and targets.

(5) Another potentially misleading commercial practice which should be added to the specific practices targeted by Article 6(2) of Directive 2005/29/EC is advertising benefits for consumers that are actually a common practice in the relevant market. For example, if the absence of a chemical substance is a common practice in a specific product market, its promotion as a distinctive feature of the product could constitute an unfair commercial practice.

(6) Comparing products based on their environmental or social aspects, including through the use of sustainability information tools, is an increasingly common marketing technique ***that could be misleading to consumers, who are not always able to assess the reliability of these information (The Left 72)***. In order to ensure that such comparisons do not mislead consumers, Article 7 of Directive 2005/29/EC should be amended to require that the consumer is provided with information about the method of the comparison), the products which are the object of comparison and the suppliers of those products, and the measures to keep information up to date. This should ensure that consumers make better informed transactional decisions when using such services. The comparison should be objective by, in particular, comparing) products which serve the same function, using a common method and common assumptions, and comparing material and verifiable features of the products being compared.

(7) The displaying of sustainability labels ***or sustainability information tools (SD 2, ENVI 8)*** which are not based on a certification scheme or not established by public authorities should be prohibited by including such practices in the list in Annex I to Directive 2005/29/EC. The certification scheme should fulfil minimum transparency and credibility conditions. ***The monitoring of compliance of the certification scheme should be supported by methods that are proportionate and relevant to the nature of the products, processes and businesses that are subject to the scheme. It should be carried out by a third party whose competencies and independance, from both the scheme owner and the trader, have been verified by the Member States. Furthermore, certification schemes should include a complaints system available for consumers and other external stakeholders that focuses on non-compliance and ensures the withdrawal of the sustainability label in case of non-compliance.*** The displaying of

sustainability labels remains possible without a certification scheme where such labels are established by a public authority, or in case of additional forms of expression and presentation of food in accordance with Article 35 of Regulation (EU) No 1169/2011. This rule complements point 4 of Annex I to Directive 2005/29/EC which prohibits claiming that a trader, the commercial practices of a trader, or a product has been approved, endorsed or authorised by a public or private body when it has not, or making such a claim without complying with the terms of the approval, endorsement or authorisation. ***Sustainability labels established by public authorities should be accessible at a reasonable cost to all businesses regardless of their size and financial capability. Certification schemes and sustainability labels that foster the incremental uptake of sustainable practices by small and medium enterprises should be encouraged (EPP 144, RE 77).***

(8) In cases where the displaying of a sustainability label involves a commercial communication that suggests or creates the impression that a product has a positive or no impact on the environment, or is less damaging to the environment than competing products, that sustainability label also should be considered as constituting an environmental claim.

(9) Annex I to Directive 2005/29/EC should also be amended to prohibit making generic environmental claims without ~~recognised~~ ***providing evidence of the (EPP 81, SD 298)*** excellent environmental performance which is relevant to the claim. Examples of such generic environmental claims are ‘environmentally friendly’, ‘eco-friendly’, ‘eco’, ‘green’, ‘nature’s friend’, ***‘natural’, ‘animal-friendly’, ‘cruelty-free’, ‘sustainable’, ‘ecological’, ‘environmentally correct’, ‘climate friendly’, ‘gentle on the environment’, ‘deforestation-free’, ‘carbon friendly’, ‘carbon neutral’, ‘carbon positive’, ‘climate neutral’, ‘energy efficient’, ‘biodegradable’, ‘plastic neutral’, ‘plastic-free’, (SD 3, Greens 78, ENVI 12)*** ‘biobased’ or similar statements, as well as broader statements such as ‘conscious’ or ‘responsible’ that suggest or create the impression of excellent environmental performance. Such generic environmental claims should be prohibited whenever ***they are based on offsetting of environmental impacts such as purchase of carbon credits, or whenever*** there is no excellent environmental performance demonstrated or ***scientific evidence to it (The Left 80), or*** whenever the specification of the claim is not provided in clear and prominent terms on the same medium, such as the same advertising spot, product’s packaging or online selling interface. For example, the claim ‘biodegradable’, referring to a product, would be a generic claim, whilst claiming that ‘the packaging is biodegradable through home composting in one month’ would be a specific claim, which does not fall under this prohibition.

It is particularly important to prohibit claims suggesting that a product or service has a neutral, reduced, compensated or positive carbon emissions’ impact on the environment based on carbon offsetting in the sense that they mislead consumers by making them believe that the product they buy or the trader’s business has no impact on the environment while this cannot be substantiated by scientific evidence. This should not prevent companies from advertising their investments in environmental initiatives as long as such advertising is not claiming that such investment or initiative compensate, neutralise, or render positive the impact of the product or the impact of the trader’s business on the environment.

(10) Excellent environmental performance can be demonstrated by compliance with Regulation (EC) No 66/2010 of the European Parliament and of the Council²², or officially recognised ecolabelling schemes in the Member States, or compliance with) environmental performance for a specific environmental aspect in accordance with other applicable Union

laws, such as a class A in accordance with Regulation (EU) 2017/1369 of the European Parliament and of the Council²³. The excellent environmental performance in question should be relevant to the claim. For example, a generic claim ‘energy efficient’ could be made based on excellent environmental performance in accordance with Regulation (EU) 2017/1369. By contrast, a generic claim ‘biodegradable’ could not be made based on excellent environmental performance in accordance with Regulation (EC) No 66/2010, insofar as there are no requirements for biodegradability in the specific EU Ecolabel criteria related to the product in question.

(11) Another misleading commercial practice which should be prohibited in all circumstances and thus added to the list in Annex I to Directive 2005/29/EC is making an environmental claim about the entire product when it actually concerns only a certain aspect of the product. This would be the case for example when a product is marketed as ‘made with recycled material’ giving the impression that the entire product is made of recycled material, when in fact it is only the packaging that is made of recycled material.

(12) The Circular Economy Action Plan²⁴ provides for the need to set the rules on environmental claims using Product and Organisation Environmental Footprint methods. Additional requirements on environmental claims will have to be set in specific Union legislation. Those new requirements will contribute to the Green Deal²⁵ objective of enabling buyers to make more sustainable decisions and reduce the risk of greenwashing through reliable, comparable and verifiable information.

(13) Presenting requirements imposed by law on all products within the relevant product category on the Union market, including imported products, as a distinctive feature of the trader’s offer, should also be prohibited in all circumstances and added to the list in Annex I to Directive 2005/29/EC. This prohibition could apply, for example, when a trader is advertising that a given product does not include a specific chemical substance while that substance is already forbidden by law for all products within that product category in the Union. Conversely, the prohibition should not cover commercial practices promoting traders’ or products’ compliance with legal requirements that only apply to some products but not to other competing products of the same category on the Union market, such as products of non-EU origin.

(14) In order to improve the welfare of consumers, the amendments to Annex I to Directive 2005/29/EC should also address several practices associated with early obsolescence, including planned obsolescence practices, understood as a commercial policy involving deliberately planning or designing a product with a limited useful life so that it prematurely becomes obsolete or non-functional after a certain period of time. ***Engaging in practices that lead to the shortening of a product’s lifespan or*** purchasing products that are expected to last longer than they actually do causes consumer detriment. Furthermore, early obsolescence practices have an overall negative impact on the environment in the form of increased material waste. Therefore, addressing those practices, are also likely to reduce the amount of waste, contributing to a more sustainable consumption.

(15) It should be prohibited to omit to inform the consumer that a software update, including a security update, will negatively impact the use of goods with digital elements or certain features of those goods, even if the update improves the functioning of other features. For example, when inviting consumers to update the operating system on their smartphone, the trader will have to inform the consumer if such an update will negatively impact the functioning of any of the features of the smartphone.

(16) It should also be prohibited to ~~omit to inform the consumer about the existence of~~ **introduce** a feature of the good ~~introduced to limit~~ **that limits (SD 6, The Left 95)** its durability. For example, such a feature could be software which stops or downgrades the functionality of the good after a particular period of time, or it could be a piece of hardware which is designed to fail after a particular period of time. The prohibition of ~~omitting to inform consumers of to~~ **introduce (SD 6, The Left 95, Greens 96)** such features of the goods ~~complements and (SD 6)~~ does not affect the remedies available to consumers when they constitute a lack of conformity under Directive (EU) 2019/771 of the European Parliament and of the Council²⁶. For such a commercial practice to be considered unfair, it should not be necessary to demonstrate that the purpose of the feature is to stimulate the replacement of the respective good. The use of features limiting the durability of the goods should be distinguished from manufacturing practices using materials or processes of general low quality resulting in limited durability of the goods. Lack of conformity of a good resulting from the use of low quality materials or processes should continue to be governed by the rules on the conformity of goods set out in Directive (EU) 2019/771.

(17) Another practice which should be prohibited under Annex I to Directive 2005/29/EC is the practice of claiming that a good has a certain durability when it does not. That would be the case, for instance, when a trader informs consumers that a washing machine is expected to last a certain number of washing cycles **with normal expected use in accordance with instructions** while the actual use of washing machine shows this is not the case.

(18) Similarly, Annex I to Directive 2005/29/EC should also be amended to prohibit ~~presenting products as allowing repair when such~~ **marketing a good which does not allow (SD 7, The Left 99, Greens 100, ENVI 17)** repair is not possible, ~~as well as omitting to inform consumers that it is not possible to repair goods (SD 7, ENVI 17)~~ in accordance with legal requirements **or failing to inform that a good is not repairable. In addition, Annex I to Directive 2005/29/EC should also be amended to ensure that the consumer is always informed of repair restrictions such as the unavailability of repair services, the unavailability of spare parts or the refusal to repair in the event that the product has been repaired by an independent professional or non-professionals and users (SD 7, ENVI 17, ENVI 87).**

(19) The prohibition of those practices in relation to durability and reparability in Directive 2005/29/EC would provide the consumer protection authorities of Member States with an additional enforcement tool for better protection of consumers' interests in the cases where traders fail to comply with requirements on the durability and reparability of goods under Union product legislation.

(20) Another practice associated with early obsolescence which should be prohibited and added to the list in Annex I to Directive 2005/29/EC is ~~inducing the consumer into~~ **marketing goods**

that require (SD 8, The Left 102, Greens 104, ENVI 18) replacing the consumables of a product (SD 8) earlier than would otherwise be necessary for technical reasons. Such practices mislead the consumer into believing that the goods will no longer function unless their consumables are replaced, thus leading them consumers (Left 102, Greens 104) to purchase more consumables than necessary. For example, ~~the practice of urging the consumer, via the settings of the~~ **marketing a printer that requires consumers (SD 8, ENVI 18)** to replace the printer ink cartridges before they are actually empty in order to stimulate the purchase of additional ink cartridges would be prohibited.

(21) Annex I to Directive 2005/29/EC should also be amended to prohibit ~~omitting to inform the consumer that the good is~~ **marketing goods that are designed to limit its in a way that limits their (SD 9, Greens 105, The Left 107, ENVI 21)** functionality when using consumables, spare parts or accessories that are not provided by the original producer. For example, the marketing of printers that are designed to limit their functionality when using ink cartridges not provided by the original producer of the printer ~~without disclosing this information to the consumer (SD 9, The Left 107)~~ would be prohibited. This practice could mislead consumers into purchasing an alternative ink cartridge which cannot be used for that printer, thus leading to unnecessary repair costs, waste streams or additional costs due to the obligation to use the original producer's consumables which the consumer could not foresee at the time of purchase. Similarly, marketing smart devices designed to limit their functionality when using chargers or spare parts that are not provided by the original producer ~~without disclosing this information to the consumer (SD 9, Greens 105, The Left 107, ENVI 21)~~ would be prohibited as well.

(22) In order for consumers to take better informed decisions and stimulate the demand for, and the supply of, more durable goods, specific information about a product's durability and reparability should be provided for all types of goods before concluding the contract. Moreover, as regards goods with digital elements, digital content and digital services, consumers should be informed about the period of time during which free software updates are available **in accordance with requirements under Union or national law, which covers as a minimum, the period as requested by Union law and its voluntary extension, where the producer makes such information available.** Therefore, Directive 2011/83/EU of the European Parliament and of the Council²⁷ should be amended to provide consumers with pre-contractual information about durability, reparability and the availability of updates. Information should be provided to consumers, **including in an official language or in official languages of the Member State where the good is sold, (ECR 110)** in a clear and comprehensible manner and in line with the accessibility requirements of Directive 2019/882²⁸. The obligation to provide this information to consumers complements and does not affect the rights of consumers provided in Directives (EU) 2019/770²⁹ ~~and (ECR 110)~~ (EU) 2019/771³⁰ ~~and (EU) 2011/83 (ECR 110)~~ of the European Parliament and of the Council

(23) A good indicator of a good's durability is **the duration of the legal guarantee of conformity, as well as (SD 10) its voluntary extension in the form of the equivalent** producer's commercial guarantee of durability within the meaning of Article 17 of Directive (EU) 2019/771, **covering the entire good and provided without additional costs.** Therefore, Directive 2011/83/EU should be amended to specifically require traders ~~selling goods to inform consumers about the existence to provide, before the conclusion of the contract, a label indicating as a minimum, a reminder of the legal~~ **producer's commercial guarantee of**

durability for all types of goods, where the producer makes this information *conformity, and if relevant, its voluntary extension in the form of a commercial guarantee of durability. (SD 10).*

(23a) When the goods are made available to consumers and other end-users, the label should be displayed prominently and in clearly legible way.

~~(24) The problem of limited durability contrary to consumer expectations is most relevant for energy-using goods, which are goods that function from an external energy source. Consumers are also most interested in receiving information about the expected durability of this category of goods. For these reasons, only for this category of goods, consumers should be made aware that the information about the existence of a producer's commercial guarantee of durability of more than two years has not been provided by the producer (SD 11, ENVI 23)~~

~~(25) Goods containing energy using components, where those components are mere accessories and do not contribute to the main function of those goods, such as decorative lighting for clothing or footwear or electric light for a bicycle, should not be classified as energy-using goods (SD 12, ENVI 24).~~

~~(26) In view of the established minimum duration of two years of the seller's liability for lack of conformity in accordance with Directive (EU) 2019/771 and the fact that many product failures occur after two years, the trader's obligation to inform consumers about the existence and duration of the producer's commercial guarantee of durability should apply to guarantees that are of more than two years (SD 13, ENVI 26).~~

~~(27) In order to make it easier for consumers to take an informed transactional decision when comparing goods before concluding a contract, traders should inform consumers about the existence and duration, of the producer's commercial guarantee of durability for the entire good and not for specific components of the good.~~

~~(28) The producer and the seller should remain free to offer other types of commercial guarantees and after-sales services of any duration. However, the information provided to the consumer about such other commercial guarantees or services should not confuse the consumer with regard to the existence and duration of the producer's commercial guarantee of durability that covers the entire good and has a duration of more than two years.~~

~~(29) To promote competition between producers as regards the durability of goods with digital elements the traders selling those goods should inform consumers about the minimum period of time during which the producer commits to will (SD 16) provide software updates for such goods *including, as a minimum, the period provided for in Union law and its voluntary extension where the producer makes such information available.* However, to avoid overloading consumers with information, such information should only be provided when this period is longer than the period of the producer's commercial guarantee of durability, as that guarantee entails the provision of updates, including security updates, that are necessary to maintain the required functions and performance of goods with digital elements. Furthermore, information about the producer's commitment to provide software updates is relevant only~~

~~where the sales contract regarding goods with digital elements provides for a single act of supply of the digital content or digital service in respect of which Article 7(3), point (a), of Directive (EU) 2019/771 applies. In contrast, there should be no new obligation to provide that information where the sales contract provides for a continuous supply of the digital content or digital service over a period of time, since for those contracts Article 7(3), point (b), of Directive (EU) 2019/771 specifies, by reference to Article 10 (2) or (5), the period of time during which the seller is to ensure that the consumer is informed of and supplied with updates.~~
(SD 16, ENVI 28)

(30) Likewise, traders offering digital content and digital services should also inform consumers about the minimum period, ***after the date of placement on the market***, during which the provider of the digital content or digital service, where the provider is different from the trader, ***commits to will*** provide software updates, including security updates, necessary to keep the digital content and digital services in conformity. ***This information about the provider's commitment to provide software should include, as a minimum, the period for which the updates is relevant only where the contract provides for a single act of supply or a series of individual acts of supply in respect of which Article 8(2), point (b), of Directive 2019/770 applies. In contrast, there should be no new obligation to provided for in Union law. The provider will*** provide that ***this information to*** where the contract provides for a continuous supply over a period of time, since for these contracts Article 8(2), point (a) of Directive (EU) 2019/770 specifies the period of time during which the trader ***in all cases*** is to ensure that the consumer is informed of and supplied with updates. **(SD 17, ENVI 29)**

(31) To allow consumers to make an informed transactional decision and choose goods that are easier to repair, traders should provide, before the conclusion of the contract, for all types of goods, where applicable, the reparability score of the good as provided by the producer in accordance with Union law ***or national law (Renew 130, The Left 131, Greens 132, ENVI 30). Until such a reparability score is established under Union law, national law providing for reparability scores applies (SD 18).***

(32) Pursuant to Article 5(1), point (e), and Article 6(1), point (m), of Directive 2011/83/EU traders are obliged to provide the consumer before the consumer is bound by the contract with information on the existence and the conditions of after-sales services, including repair services, ~~where such services are provided~~. In addition, in order to ensure that consumers are well informed about the reparability of the goods they purchase, where a reparability score is not established ~~in accordance with Union law~~, traders should provide, for all types of goods, other relevant repair information that is made available by the producer, such as information about the availability ***and maximum price expected of the spare parts necessary to repair a good, including the minimum period after the purchase of the good during which spare parts and accessories are available, the procedure for ordering them, the availability of,*** and a user and repair manual ***as well as diagnosis and repair tools and services. This information should be provided to the respective traders by the producers of the goods (SD 19, ENVI 31).***

(33) Traders should provide consumers with information about the existence ~~and duration of the producer's commercial guarantee of durability of the label~~, the minimum period for updates and the repair information other than the reparability score ~~where the producer or provider of the digital content or digital service, when different from the trader, makes the~~

~~relevant information available.~~ In particular, as regards goods, the trader should convey to consumers the information that the producer has provided to the trader or has otherwise intended to make readily available to the consumer before the conclusion of the contract, by indicating it on the product itself, its packaging or tags and labels that the consumer would normally consult before concluding the contract. The trader should not be required to actively search for such information from the producer, for example, on the product-specific websites. ***Where traders are not producers of goods, their influence on the design of the products and their input regarding any information accompanying the products might be limited. In that case, the producers should provide the relevant information to traders interacting with consumers. Furthermore, traders should be responsible for further passing on the information to consumers. (Renew 88)***

(34) Directives 2005/29/EC and 2011/83/EU should continue to work as a ‘safety net’ ensuring that a high level of consumer protection can be maintained in all sectors, by complementing sector and product-specific Union law that prevail in case of conflict.

(35) Since the objectives of this Directive, namely, enabling better informed transactional decisions by consumers to promote sustainable consumption, eliminating practices that cause damage to the sustainable economy and mislead consumers away from sustainable consumption choices, and ensuring a better and consistent application of the Union consumer legal framework, cannot be sufficiently achieved by the Member States individually but can rather, by reason of the Union-wide character of the problem, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Directive does not go beyond what is necessary to achieve those objectives.

(36) In accordance with the Joint Political Declaration of 28 September 2011 of Member States and the Commission on explanatory documents 31, Member States have undertaken to accompany, in justified cases, the notification of their transposition measures with one or more documents explaining the relationship between the components of a directive and the corresponding parts of national transposition instruments. With regard to this Directive, the legislator considers the transmission of such documents to be justified,

(36a) The Commission should present easy-to-understand guidelines for businesses with the requirements of this Regulation. When developing such guidelines, the Commission should take into consideration needs of SMEs so as to keep administrative and financial burdens to a minimum while facilitating their compliance with this Regulation. The Commission should consult relevant stakeholders, with expertise in the field of marketing (EPP 142, ENVI 33).

Compromise amendment 5 on Articles 3, 4, 5 (final provisions)

Replacing all relevant amendments, including AMs 282-290, ENVI 72, 73

Article 3

Reporting by the Commission and review

By *[5 years from adoption]*, the Commission shall submit a report on the application of this Directive ***and on the level of progress achieved (ENVI 72)*** to the European Parliament and to the Council.

That report shall contain an assessment if the Directive contributed to enhancing the protection of consumers against unfair commercial practices and misleading advertising of products advertised as sustainable as well as a summary of positive and negative effects on businesses, and in particular on small and medium-sized enterprises (ECR 282).

That report shall be accompanied, where appropriate, by relevant legislative proposals.

Article 4

Transposition

1. Member States shall adopt and publish by *[18 months from adoption]* at the latest, the laws, regulations and administrative provisions necessary to comply with this Directive. They shall forthwith communicate to the Commission the text of those provisions.

They shall apply those provisions from *[24 months from adoption]*.

When Member States adopt those provisions, they shall contain a reference to this Directive or be accompanied by such a reference on the occasion of their official publication. Member States shall determine how such reference is to be made.

2. Member States shall communicate to the Commission the text of the main provisions in national law which they adopt in the field covered by this Directive.

Article 5

Entry into force

This Directive shall enter into force on the twentieth day following its publication in the *Official Journal of the European Union*.