

## **Danish technical paper on “Digital Product Passports-by-default” – promoting seamless data sharing across the EU.**

Increased sharing of product information in the Digital Product Passport has the potential to: truly facilitate collaboration between companies on sustainable product design, create innovative and circular business models; replace paper-based declaration of conformity improving digitalization of compliance documentation for European companies, as suggested in the Toy Safety Regulation; and utilize new digital technologies and digital ways to disclose product information, which is key to reduce administrative burdens from new product information requirements.

With the new product legislations adopted by the EU and Member States, European companies have been set on a trajectory towards digitizing their product information and adopting new digital systems to facilitate this. The introduction of Digital Product Passports marks a paradigm shift from product data disclosure being stored in large central product registers towards keeping data decentralized in companies' own systems, while making it available to stakeholders on a need-to-know basis.

To fully harvest the potential, the Digital Product Passport must be further developed by EU lawmakers as the main tool for disclosing product information and to be applied coherently across new and revised product legislation by setting requirements to share or report product-related information through digital product passports (“DPP-by-default”). Furthermore, to reduce burdens, the required technical standards to be requested by the Eco-design for Sustainability Product Regulation (ESPR), must be based on principles that consider the needs of businesses, particularly SMEs, and ensure interoperability of product data and data management systems in the market.

By ensuring that horizontal provisions on digital product passports are coherently applied across legislations, and that the underlying digital infrastructure for sharing of product data is in place, **Digital Product Passports can be used as an effective tool towards reducing unnecessary administrative burdens for companies by 25 %** without compromising the protection of business-sensitive information or the EU's green ambitions.

We encourage the Commission to promote DPP-by-Default by:

- Introducing the Digital Product Passport as the main tool/concept applied to share and disclose product information across all new and revised product legislations
- Introducing ‘DPP-by-default’ as part of the New Legislative Framework
- Taking note of specific needs for product-level information flowing in value chains in digital product passports for companies' sustainability reporting under the CSRD
- Taking note of the potential to widen the scope of digital product passports in the future for sharing voluntary information and social standards in line with the CSRD
- Encouraging Member States to support companies in their implementation of DPPs

The Danish Business Authority is available to further discuss the elements proposed. For more information, please feel free to contact:

Jacob Frellesvig (jacfre@erst.dk)

Frederik Weiergang Larsen (frewla@erst.dk)