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JBCE AND JP4EE'S POSITION ON THE CALL FOR EVIDENCE ABOUT THE DIGITAL PRODUCT PASSPORT – RULES FOR SERVICE PROVIDERS¹

INTRODUCTION

The Japan Business Council in Europe (JBCE) and Japanese 4EE industrial associations' (JP4EE) support the idea that proving and transparently demonstrating the sustainability of an entire product lifecycle using a Digital Product Passport (DPP) would benefit both consumers and users. At the same time, we are keen to understand how the European Commission plans to promote the DPP service providers' business model. We also see value in leveraging the EU-Japan Digital Partnership to deepen discussions around the DPP and enhance its cross-border functionality. Below, we outline shared concerns commonly raised by both economic operators registering their own DPPs and service providers supporting these registrations.

KEY MESSAGES

1. We support the creation of a **mandatory certification scheme for DPP service providers**. However, the certification scheme should apply only to DPP service providers, meaning that **operators who choose to build the DPP internally should not be subject to this verification process**.
2. We kindly request the European Commission to provide a **clear definition of the essential scope for DPP service providers**, as unified standards are key to simplifying compliance, avoiding vendor complexity, and ensuring alignment with other regions to support effective data collection and prevent consumer confusion.
3. To ensure **effective DPP implementation, minimal requirements** should be set to prevent excessive burdens on SMEs, with reasonable fees and streamlined processes. **Clarifying optional data use and enabling cost-efficient data exchange** will support fairness, efficiency, and adoption.
4. Ensuring **information security is critical for DPPs**. A **clear governance framework** is required, including guidelines for handling confidential information, protections against reverse engineering, and universal security standards with common guarantees and access protocols to establish trust between entities.

¹ https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/14382-Digital-product-passport-rules-for-service-providers_en

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5. The DPP must ensure **compatibility with existing systems** and support the **interoperability of databases across countries and sectors**. We would kindly request that the European Commission clarifies how it will enable seamless application for imported goods, ensure non-EU provider availability, and guarantee data continuity.
6. **A sufficient implementation period of at least 24 months** is essential for the adoption of structured, machine-readable data under ESPR. The process involves lengthy adjustments, complex labelling updates, and challenges such as limited space, ununified standards, and overlapping ecolabel requirements.

1. Certification scheme

- We support the creation of a mandatory certification scheme for DPP service providers, as we believe that this would help build trust and foster cooperation between operators and DPP service providers. DPP service providers will be entrusted by operators with the very sensitive task of storing and processing DPP data on their behalf, and therefore operators should have some form of guarantee that providers meet the requirements set up in the legislation and in the relevant standards. Additionally, a certification scheme would ensure a level-playing field from an economic point of view, preventing a situation where DPP service providers compete on the essential requirements of the DPP such as data security, persistency, reliability and integrity.
- The certification scheme should apply only to DPP service providers, meaning that operators who choose to build the DPP internally should not be subject to this verification process. This distinction is important because operators building the DPP in-house would not be offering it as a commercial service to other parties and therefore should not be bound by the same certification scheme.
- We also support the creation of a single verification scheme at European level. An EU-wide certification scheme would prevent fragmentation and would create a more streamlined process, reducing administrative and compliance burdens on providers and ensuring consistency across the European Union.

2. Clear definitions

Regarding the functions of DPP service providers, we would like to ask the European Commission to provide clear definitions of the essential scope, including:

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- (i) Creation of DPP data,
- (ii) Creation of data carriers,
- (iii) DPP registration,
- (iv) Hosting (storage) of DPP query services,
- (v) Updating DPP information,
- (vi) DPP reporting,
- (vii) Provision of backup tools and services.

Potential service providers need unified standards and clear definitions to streamline compliance and avoid the complexity of dealing with multiple vendors. Aligning with DPPs from other regions is also crucial to ensure effective data collection across complex supply chains and to prevent consumer confusion.

3. Implementation from minimal requirements

- Extensive requirements may delay the assurance of data integrity and accuracy. When distinguishing between mandatory and optional data, it is preferable that data collection spanning extensive supply chains remains optional.
- We would like to ask the European Commission to clarify how it will promote the use of non-mandatory data collected by DPPs. For instance, the carbon footprint of products (CFPs) is linked to product performance data, but these figures are not absolute and cannot be mutually compared. Proper notification and education on handling such data are essential, not only for DPP service providers but also for management and consumers.
- Ecolabels such as the Environmental Product Declaration (EPD) are already widely used to assess the environmental impact of building and construction products. The European Commission should collaborate with established systems like EPD and its service providers, which offer not only LCA calculations but also third-party certification.
- The registration process for DPPs should not place an excessive burden on responsible economic operators, including SMEs. Reasonable fees should account for the registration costs of DPP service providers and expenses for storing backup copies.

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- Producers should be assured of a simplified, cost-efficient way to prepare and exchange data with various stakeholders and IT platforms. Without such measures, the European industry will struggle to manage data requirements with different value chain partners in a cost-effective manner.

4. **Ensuring information security**

- A clear governance framework for DPPs is needed, including guidelines for handling confidential information, equivalent requirements for protecting product performance data to prevent reverse engineering, and the establishment of universal security standards with common guarantees and access protocols to build trust between entities. The handling of confidential information should be clarified: what is allowed, how it is handled, and how it is communicated.
- Harmonising APIs to enable dynamic data updates and management is crucial, as the figures and information in the dynamic DPP represent performance data for the product itself and must be handled with care.

5. **Ensuring the interoperability of databases supported by each country and sector**

- The DPP should ensure compatibility with existing systems like EPREL (European Product Registry for Energy Labelling), SCIP Database, CBAM, and EUDR to minimise the transition burden. It must align data requirements with existing regulations, such as recycled content and design for reliability (DfR) criteria under PPWR and avoid redundant registrations across different regulations.
- We would like to ask the European Commission to clarify how it will ensure availability and awareness for non-EU DPP service providers, enable seamless application for imported goods, and guarantee interconnectivity with other regional DPP systems. Additionally, a competitive DPP service provider market should allow data transfer between providers to ensure continuity in case of service outages or shutdowns.

6. **Sufficient time for implementation**

The implementation of structured, machine-readable data under ESPR (Article 10, Regulation (EU) 2024/1781), including the use of data carriers on product packaging or labelling, requires adequate transition time. Inventory adjustments typically take over

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24 months, while updating labelling involves complex and costly processes, such as redesigning digital data, creating printing blocks, sourcing materials, and reconfiguring manufacturing lines. Additionally, transportation from non-European manufacturing sites adds delays. These challenges are compounded by limited labelling space, smaller text sizes, ununified regional standards, and overlapping requirements, such as regional ecolabels, making compliance a significant burden for SMEs and the broader industry.

In conclusion, JBCE and JP4EE remain committed to working closely with the European Commission and other stakeholders to ensure the successful implementation of the DPP while addressing the challenges outlined above.

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ABOUT JBCE

Founded in 1999, JBCE is a leading European organisation based in Brussels, representing the interests of 108 multinational companies of Japanese parentage active in Europe. JBCE's members span a wide range of sectors, including EEE, ICT, HVACR, automotive, tire, machinery, precision instruments, ceramics, glass, steel, and non-ferrous metals, chemicals, plastics, lubricants, textiles, pharmaceuticals, food and wholesale trade.

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EU Transparency Register: [68368571120-55](https://ec.europa.eu/transparency/regexp1/index.cfm?do=entity.entity_details&entity_id=68368571120-55)

ABOUT JP4EE

JEMA (The Japan Electrical Manufacturers' Association)

The Japan Electrical Manufacturers' Association (JEMA) consists of major Japanese companies in the electrical industry including: power & industrial systems, home appliances and related industries. JEMA will contribute to sustainable global development through improvement and enhancement of social and living infrastructures by strengthening international competitiveness of Japanese electrical machinery equipment industry.

<https://www.jema-net.or.jp/>

<http://www.jema-net.or.jp/English/>

JEITA (Japan Electronics & Information Technology Industries Association)

The objective of the Japan Electronics and Information Technology Industries Association (JEITA) is to promote the healthy manufacturing, international trade and consumption of electronics products and components in order to contribute to the overall development of the electronics and information technology (IT) industries, and thereby further Japan's economic development and cultural prosperity.

<https://www.jeita.or.jp/japanese/>

<https://www.jeita.or.jp/english/>

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JBMIA (Japan Business Machine and Information System Industries Association)

Japan Business Machine and Information System Industries Association (JBMIA) is the industry organization which aims to contribute the development of the Japanese economy and the improvement of the office environment through the comprehensive development of the Japanese business machine and information system industries and rationalization thereof.

<https://www.jbmia.or.jp/index.php>

<https://www.jbmia.or.jp/english/index.php>

CIAJ (Communications and Information Network Association of Japan)

Mission of Communications and Information network Association of Japan (CIAJ). With the cooperation of member companies, CIAJ is committed to the healthy development of information communication network industries through the promotion of information communication technologies (ICT), and contributes to the realization of more enriched lives in Japan as well as the global community by supporting widespread and advanced uses of information in socio-economic and cultural activities.

<https://www.ciaj.or.jp/>

<https://www.ciaj.or.jp/en/>