Regulatory Trends in Product Compliance & What to Expect in 2024

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Compliance & Risks



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Q&A Session

Slides & Webinar Recording



Webinar Platform Tips



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About Compliance & Risks





Mission Statement

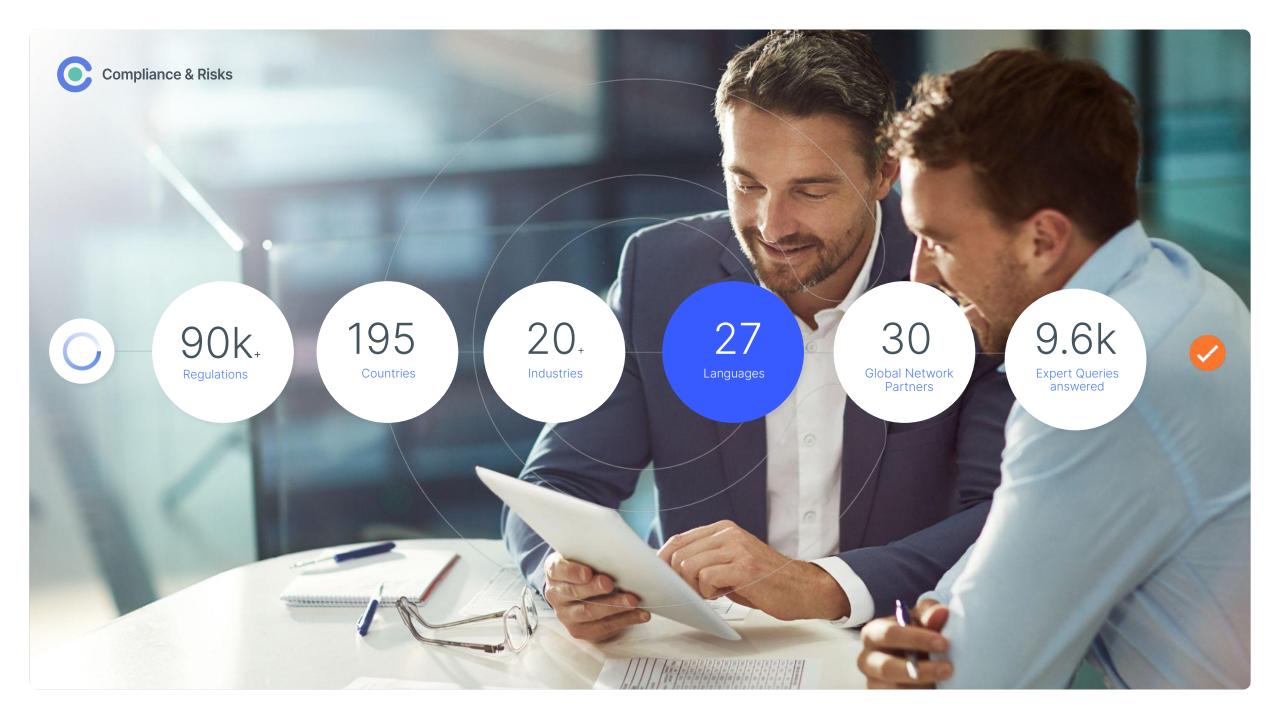


Ensure global companies have the tools & information to build safe, sustainable, products in a world full change

Trusted by the World's Leading Brands







WHAT WE DO

Unlocking Market Access

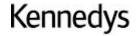
Keep on top of regulatory changes and their impact worldwide. Early warning alerts, impact probability, productivity workflow tools and so much more.





Regulatory Trends in Product Compliance & What to Expect in 2024

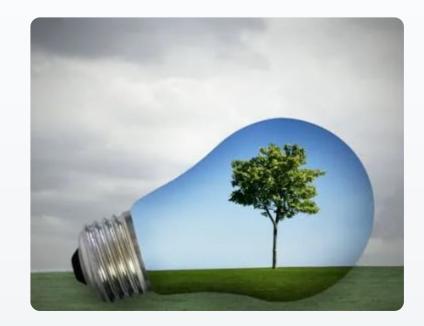




Topics

1. Safety

- EU General Product Safety Regulation
- UK Product Safety Reform
- EU Product Liability Directive
- 2. Sustainability
 - EU Ecodesign Proposal
 - EU Right to Repair Proposal
 - EU Green Claims Proposal
 - EU Deforestation Free Products Regulation
- 3. Cybersecurity and Artificial Intelligence
 - UK Product Security & Telecommunications Infrastructure Act
 - UK & EU approaches to Al



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01

Safety





EU General Product Safety Regulation

The General Product Safety Regulation replaces the current regime from 13 December 2024. Key changes:

Area	Change
Market surveillance	Align market surveillance rules to clarify obligations for economic operators to enhance market surveillance of dangerous products and facilitate more effective recalls.
Product recalls	Impose new obligations on economic operators to notify safety agencies of 'accidents' caused by unsafe products and additional obligations to facilitate successful recalls.
Connected products	Change the definition of 'product' to incorporate interconnected items and new aspects for assessing product safety, including possible risks related new technology products.
Cybersecurity	Clarifies that cybersecurity risks impacting consumer safety are covered under the regime.
Artificial intelligence	Cohesive rules for placing AI products on the market and putting them into use in the EU.
Online selling	Seek to regulate the conduct of online marketplaces and lay down specific obligations for companies operating the same.





UK Product Safety Reform



Increased targeted obligations on economic operators



Most to

Least to EU

Similar to

Position

Amended function of regulators



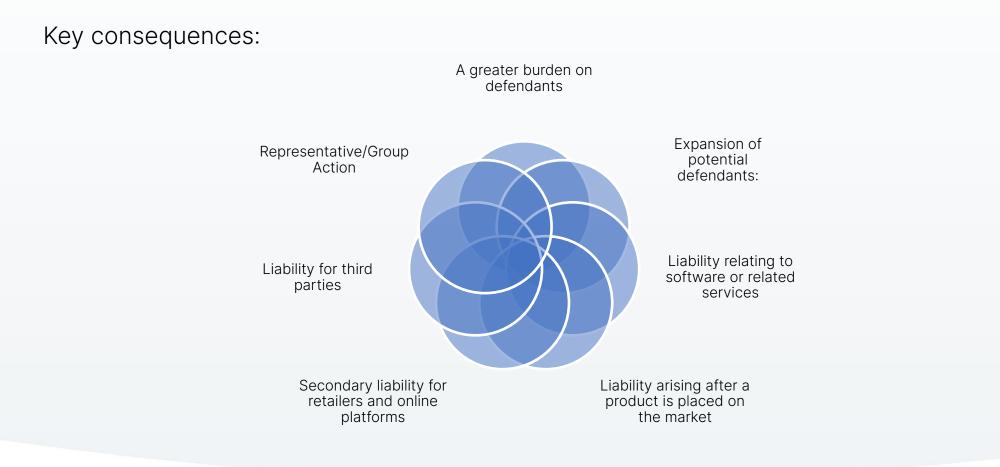
Reduced obligations on economic operators





EU Product Liability Directive

Proposed on 28 September 2022 to reform the existing PLD introduced in 1985, further trialogue discussions due 14 December 2023



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Sustainability





Sustainable Products

Circular Economy Action Plan :

"The new action plan announces initiatives along the entire life cycle of products. It targets how products are designed, promotes circular economy processes, encourages sustainable consumption, and aims to ensure that waste is prevented and the resources used are kept in the EU economy for as long as possible."





Ecodesign for Sustainable Products (ESPR)

- Regulation proposed 30 March 2022 with aim to ensure 'sustainable products' are the norm.
- Establishes a framework to set ecodesign requirements for specific product groups.
- Expands products in scope and ecodesign requirements.
- Not limited to energy-related products, but all physical products placed on the market or put into service, including components and intermediate products.
- Small number of sectors are exempt, notably medicinal products, food and animal feed.
- On December 4 European Parliament and Council reached provisional agreement on the draft.





Right to Repair Directive (R2R)

- Proposed on 22 March 2022
- Encourage consumers to look to repair a product if it becomes defective rather than replace it, by making repair easier and more cost-effective
 - Right to repair both within and beyond the legal guarantee timeframe.
 - A European repair information form
 - An online repair platform to connect consumers with repairers in the area
- 22 November Council adopted its position. As co-legislators the Council and Parliament will negotiate the final text

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Green Claims

- Proposed on 22 March 2023 A Directive on the substantiation and communication of explicit environmental claims. Proposal includes:
 - Clear criteria on how companies should prove their environmental claims and labels.
 - Requirements for these claims and labels to be checked by an independent and accredited verifier.
 - New rules on the governance of environmental labelling schemes to ensure that they are solid, transparent and reliable.



Green Claims

- The proposal targets explicit advertising claims that:
 - Are made on a voluntary basis by businesses towards consumers.
 - Cover the environmental impacts, aspects or performance of a product or the trader itself.
 - Are not currently covered by other EU rules.
- Information about substantiation must be provided to consumers either physically or through a weblink or QR code.

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• Feedback period closed on 21 July 2023



Deforestation Free Products

• Regulation on making available on the EU market and export from the EU certain commodities and products associated with deforestation and forest degradation (*2023/1115/EU*)

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- Main aim is to guarantee that the products that EU citizens use do not contribute to deforestation or forest degradation worldwide.
- Businesses will have to conduct mandatory due diligence
- The Deforestation Regulation entered into force in June 2023.



03

Cybersecurity and Artificial Intelligence





Al In Product Law - Overview

- Except for the EU and China, there is significant uncertainty as what, if any, new AI-specific laws will emerge.
- The broad trend appears to be towards an acceptance by the world's largest economies that regulation is needed.
- Timing will be key and recent indications from the legislators of the largest economies is that there is preference towards a "wait and see" approach.





AI in UK Law

- Al is currently and will likely remain subject to the existing product safety and compliance regulations for the foreseeable future (so sector specific regulations, GPSR 2005 and CPA 1987).
- "Scrambling to regulate AI would limit the technology", Viscount Camrose, UK Minister for AI and Intellectual Property.
- What is likely to emerge?
- Comprehensive regulations vs lighter-touch regulation augmented by voluntary codes of conduct.

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Al in EU Law

- Wording for AI Act now agreed by EU Parliament. When will it enter into force?
- Al Liability Directive taking a back seat with focus on the Al Act.
- Early to mid-2025 appears the likely earliest date for businesses to start complying with substantive AI Act obligations (except for specific banned uses).
- Al Act introduces a risk-based approach to use where level of requirements correspond to assessed risk.
- Last minute negotiations including on Foundation Models and certain exemptions mean the Al Act as now agreed is substantively different to that which was originally published in 2021.

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Product Security and Telecommunications

- Deals with specific vulnerabilities of "IoT" consumer products, but with notable exceptions.
- Specific obligations for economic operators, though relatively limited in scope, include:
 - prohibiting the use of default passwords;
 - time-periods for security updates after sale;
 - clear point of contact.
- Strong focus on enforcement, with several specific penalties outlined in the Act and Commencement Regulations.

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• Intention for PSTA to expand its scope over time.



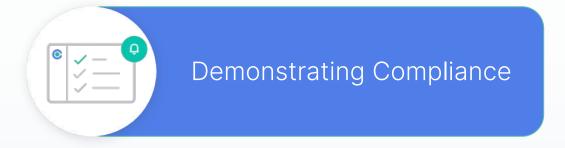
Trying to keep on top of it all...





Industry Leading Product Compliance Solutions...





Unlock Market Access, by ...



For what is required



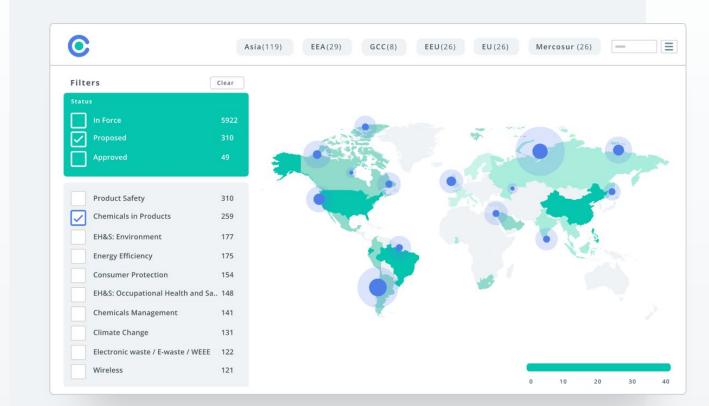
Driven by Global Regulations & Standards



TECHNOLOGY - C2P

C2P The Key to Unlocking Market Access

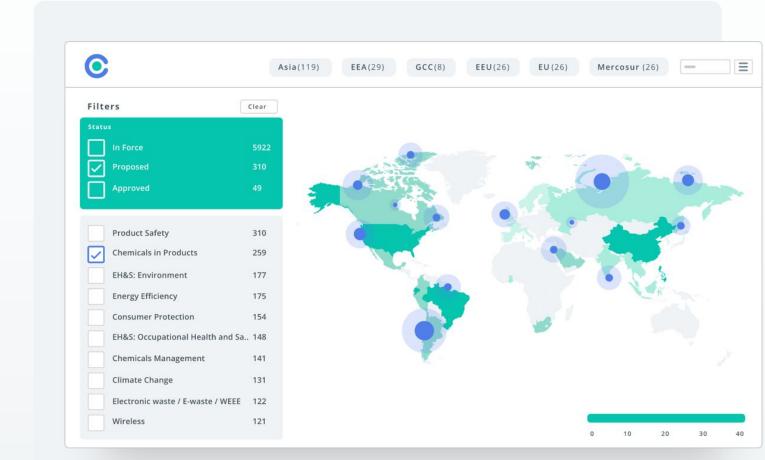
- Enterprise grade technology
- Cloud based platform
- Access to regulatory coverage in 195 countries
- Heatmaps with what's hot & where
- Intelligent search
- Al powered probability analysis
- Productivity tools to improve team collaboration



TECHNOLOGY - C2P

Your Single Source of Product Compliance Truth

- Design, build, and collaborate on new products with confidence
- Keep all compliance evidence up to date & live linked back to their Regulations, Standards & Requirements
- Continually monitor regulatory changes & keep ahead of proposed changes before they happen
- Integrate with other systems to enable streamlined business processes



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Product Compliance

Supporting your Market Access Journey...





Source - Your M

THE ALL ANDA - LANGING WASH

REGULATORY CONTENT

The A-Z of Regulatory Topics →

A Automotive Artificial Intelligence (AI)

В

Batteries Brexit

С

California Proposition 65 Carbon Footprint Chemicals and EH&S: Occupational Health & Safety Chemicals & EH&S: Environment Chemicals In Products Chemicals Management Circular Economy Climate Change Conflict Minerals Consumer Protection Corporate Social Responsibility COVID-19 Cybersecurity

D

Data Protection Drinking Water Directive

E

EH&S: Environment EH&S: Occupational Health & Safety Ecodesign Ecolabelling Electronic Waste / E-Waste / WEEE Electromagnetic Compatibility (EMC) Energy Efficiency EU REACH ESG Reporting Explosive Atmospheres / ATEX **F** Food Contact Materials & Articles

G Globally Harmonized System (GHS)

H Human Trafficking and Slavery (HTS)

Illegal Logging

M Medical Devices

N Nanotechnology P Packaging Product Safety

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REUSE / REG

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RAW MATERIALS

END OF LIFEW WASTE

S Single-use Plastics

Textiles Transboundary Movement of Hazardous Waste Transport of Dangerous Goods

9

C₂P

AAAAAAA C NOITUBIA

W Water Efficiency Wireless







Thank You!



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