

## Forthcoming legislative proposals of the European Commission: Focus on digital and climate policies

Lighthouse Europe

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# Context

The European Commission published, on 19 July 2022, its latest agenda of Commission meetings. From 9 September to 21 December, the EU institution will present several tens of legislative proposals to the European Parliament and Council within the scope of its right of initiative. The following article gives an overview of the Commission's main legislative proposals regarding digital and environmental policies.

# Forthcoming digital legislative proposals

## European cyber resilience act (13/09/2022)

## Aim of the proposal

This **regulation** will complete the <u>Directive concerning measures for a high common level of security of</u> network and information systems across the Union, the <u>Cybersecurity Act</u> as well as the <u>delegated</u> regulation under the Radio Equipment Directive in the context of a growing number of high-profile cyberattacks. The European cyber resilience act will cover **hardware and software digital products** and their **ancillary services**, including tangible digital products (wireless and wired) and non-embedded software, during their **whole life cycle**. The objectives of the regulation are to:

- Ensure a high level of cybersecurity;
- Enable users to match the security properties of their products against their needs, including by enhancing the transparency of cybersecurity features;
- Improve the functioning of the internal market by levelling the playing field for vendors;
- Create obligations on economic operators.

## Sectors impacted

Information and communication technology sector, in particular hardware manufacturers, software developers, and Internet of Things (IoT)

Directorate-General (DG) in charge of the proposal

DG for Communications Networks, Content and Technology (CNECT); Direction H - Digital society, trust and cybersecurity; **Unit 2 - Cybersecurity and Digital Privacy Policy** 



## European media freedom act (13/09/2022)

## Aim of the proposal

The European Commission wishes to safeguard **media freedom and pluralism** in the EU internal market via this **regulation**. The proposal will fight current barriers to the harmonization of this sector:

- Diversity of **national rules** over media market operations as well as restrictions regarding market entry and operation;
- Insufficient level of transparency on media ownership and comparable audience measurement
  mechanisms;
- Insufficient structured **cooperation mechanisms** for media regulators;
- Insufficient incentives for European innovation and cooperation;
- Lack of media independence due to **public and private interferences**.

## Sectors impacted

Journalists, private and public service media

## DG in charge of the proposal

DG for Communications Networks, Content and Technology (CNECT); Direction I - Media policy; **Unit 1 -Audiovisual and Media Services Policy** 

## Artificial intelligence liability directive (28/09/2022)

## Aim of the proposal

The European Commission will present its **adapting liability rules** to the digital age and circular economy to improve the <u>Directive on the approximation of the laws, regulations and administrative provisions of the Member States concerning liability for defective products</u>, as well as national liability rules. Regarding artificial intelligence (AI), the Commission will aim to build an **ecosystem of trust** for this emerging technology relying on software updates, data flows and algorithms. The proposal will complete the <u>Artificial Intelligence Act</u>. The **directive** will establish new rules to make sure **consumers** get adapted **compensation for damage caused by products and services that use AI**. It will also define clear guidelines for **companies** regarding their **liability**. Several obstacles to getting compensation and obstacles in the internal market have been identified by the European Commission, due to the characteristics of AI: autonomous behaviour, continuous adaptation, limited predictability, and opacity. These characteristics increase the complexity:

- In identifying and proving the fault of a potentially liable person/a defect and the causal link between that fault/defect and the damage suffered;
- To know if unpredictable outcomes that lead to damage can be treated as defects as defined by the Directive concerning liability for defective products.

#### Sectors impacted

Manufacturers, software developers, service providers and operators of products and services using AI, including small and medium-sized enterprises (SMEs); insurers

DG in charge of the proposal



DG for Justice and Consumers (JUST); Direction A - Civil and commercial Justice; **Unit 2 - Contract law** <u>European Parliament's resolution</u>

The European Parliament <u>adopted</u> on 20 October 2020 a resolution with recommendations to the Commission on a civil liability regime for artificial intelligence. The Members of the European Parliament (MEPs) recommend that:

- **Operator of a high-risk AI-system** shall be **strictly liable** for any harm or damage that was caused by a physical or virtual activity, device or process driven by that AI-system;
  - A high-risk AI-system that has been held liable for harm or damage shall compensate:
    - Up to a maximum amount of EUR two million in the event of the death of, or in the event of harm caused to the health or physical integrity of, an affected person, resulting from an operation of a high-risk AI-system
    - Up to a maximum amount of EUR one million in the event of significant immaterial harm that results in a verifiable economic loss or of damage caused to property
- **Operator of an AI-system** that does not constitute a high-risk AI-system shall be subject to **fault-based liability** for any harm or damage that was caused by a physical or virtual activity, device or process driven by the AI-system.
  - The operator should not be liable if he or she can prove that the harm or damage was caused without his or her fault

# Forthcoming environmental legislative proposals

# Development of post-Euro 6/VI emission standards for cars, vans, lorries and buses (12/10/2022)

## Aim of the proposal

The proposal for **regulation** will aim to improve the <u>Regulation establishing Euro 6/VI vehicle emission</u> <u>standards</u> in the context of the **Green Deal**, the <u>zero-pollution ambition</u> in Europe, and the protection of **human health**. **New emissions standards (Euro 7)** will be defined for **petrol and diesel cars, vans, lorries and buses**. The main objective of the European Commission are to:

- Improve air quality especially in urban areas, by reducing air pollutant emissions from road transport in line with the new emission reduction objectives of the European Union;
- Set harmonized rules for vehicles (cars, vans, lorries, and buses);
- **Reduce the complexity and compliance costs** of the Euro 6/VI vehicle emission standards.
  - Provide appropriate limits for all air pollutant emissions

Sectors impacted

Automotive industry

## DG in charge of the proposal

DG for Internal Market, Industry, Entrepreneurship and SMEs (GROW); Direction I - Ecosystems IV: Mobility & Energy intensive industries; **Unit 2 - Mobility** 



## Zero pollution package (26/10/2022)

The **European Commission** presented its <u>EU Action Plan: "Towards a Zero Pollution for Air, Water and</u> <u>Soil</u>" in May 2021 in order to reduce air, water and soil pollution to levels no longer harmful to health and natural ecosystems, creating a toxic-free environment.

## Integrated water management - revised lists of surface and groundwater pollutants

## Aim of the proposal

The **directive** will aim to review the current **lists of pollutants affecting surface and groundwaters** (priority substances, chemicals, pesticides and nitrates, emerging pollutants such as pharmaceuticals, (micro)plastics and per- and polyfluoroalkyl substances).

## Sectors impacted

Chemical industry, waste water treatment sector, agriculture

## DG in charge of the proposal

DG for Environment (ENV); Direction C - Zero pollution; **Unit 2 - Marine Environment & Clean Water Services** 

## Revision of EU ambient air quality legislation

## Aim of the proposal

This legislative proposal will **revise the** <u>Directive relating to arsenic, cadmium, mercury, nickel, and</u> polycyclic aromatic hydrocarbons in air as well as and the <u>Directive on ambient air quality and</u> <u>cleaner air for Europe</u> to make sure they are fully effective to improve air quality. The **directive** will try to solve several issues raised by the <u>European Commission's Fitness Check of the Ambient Air Quality</u> <u>Directives</u>:

- EU air quality standards allow higher air pollutant concentrations than is scientifically advisable according to the latest recommendations of the World Health Organisation;
- Delays to take effective measures to meet EU air quality standards (penalties and public information);
- Better support local authorities by strengthening air quality monitoring, modelling and plans.

## Sectors impacted

Transport, energy, agriculture, and industrial sectors

## DG in charge of the proposal

DG for Environment (ENV); Direction C - Zero pollution; Unit 3 - Clean Air & Urban Policy

## Review of the urban wastewater treatment directive

## Aim of the proposal

The proposal of the European Commission will **revise the <u>Directive concerning urban waste-water</u>** 

treatment to address remaining sources of pollution as well as emerging challenges:

• Storm water overflows and untreated surface runoff;



- Waste water in small agglomerations;
- Individual systems in large and small agglomerations;
- Contaminants of emerging concern (micro-pollutants including pharmaceuticals and micro-plastics);
- Eutrophication;
- Energy efficiency of the wastewater sector;
- Nutrient recovery;
- Waste water surveillance.

## Sectors impacted

Pharmaceutical, agro-food, and industrial sectors

### DG in charge of the proposal

DG for Environment (ENV); Direction C - Zero pollution; Unit 2 - Marine Environment & Clean Water

### Services

## Revision of the classification, labelling and packaging of chemicals regulation

### Aim of the proposal

The proposal of the European Commission will **revise the <u>Regulation on hazard classification, labelling</u> <u>and packaging of chemicals</u> (CLP) in order to:** 

- Provide complete information about hazards to human health and the environment;
- Ensure the free circulation of chemicals in the internal market and fight undue administrative burden;
- Improve public resources.

Sectors impacted

Chemical industry

## DG in charge of the proposal

DG for Environment (ENV); Direction B - Circular Economy; Unit 2 - Safe & Sustainable Chemicals DG for Internal Market, Industry, Entrepreneurship and SMEs (GROW); Direction F - Ecosystems I: Chemicals, Food, Retail; Unit 2 - Bioeconomy, Chemicals & Cosmetics

## Circular economy package II (30/11/2022)

## Proposal for a Regulation on substantiating environmental claims using the product/ organisation environmental footprint methods (green claims)

#### Aim of the proposal

The regulation will define **detailed and harmonized rules** on the substantiation of environmental claims to **fight the proliferation of labels and claims** related to environmental information and **give access to simplified and trustworthy information**.

## Sectors impacted

Large range of businesses



### DG in charge of the proposal

DG for Environment (ENV); Direction B - Circular Economy; Unit 1 - Circular Economy, Sustainable Production & Consumption

## Policy framework for bio-based, biodegradable and compostable plastics

## Aim of the proposal

The Commission will present its **communication** in order to clarify the **differences between biobased**, **biodegradable and compostable plastics**; and address the **sustainability challenges** these materials raise in line with the <u>new Circular Economy Action Plan For a cleaner and more competitive Europe</u>. <u>Sectors impacted</u>

Brand owners/retailers, recyclers, farmers, biomass producers/processors

## DG in charge of the proposal

DG for Environment (ENV); Direction B - Circular Economy; Unit 1 - Circular Economy, Sustainable

## **Production & Consumption**

# Review of the Packaging and packaging waste Directive to reinforce the essential requirements for packaging and establish EU level packaging waste prevention measures and targets

## Aim of the proposal

The European Commission intends to revise the <u>Directive on packaging and packaging waste</u> in order to **tackle the overall increase in packaging waste generated** (including overpackaging); and to **increase the demand for secondary materials from recycled packaging**, in line with the <u>new Circular Economy</u> <u>Action Plan For a cleaner and more competitive Europe</u>. All packaging in the EU market should be reusable or recyclable by 2030, in an economically viable way.

## Sectors impacted

Product designers, packaging producers and fillers, wholesalers and retailers, waste collectors, sorters and recyclers, and material suppliers

## DG in charge of the proposal

DG for Environment (ENV); Direction B - Circular Economy; Unit 3 - From Waste to Resources

## Sustainable consumption of goods - promoting repair and reuse (the right to repair)

## Aim of the proposal

The European Commission will improve the provisions of the <u>Directive on certain aspects concerning</u> <u>contracts for the sale of goods</u> to **extend the useful life of goods** by inciting consumers to **repair defective goods** and **purchase second-hand and refurbished goods**.

#### Sectors impacted

Product manufacturers, sellers, repair service providers and companies active in the refurbishment/second-hand markets

## DG in charge of the proposal

DG for Justice and Consumers (JUST); Direction A - Civil and commercial Justice; Unit 2 - Contract law



#### European Parliament's resolution

The European Parliament <u>adopted</u> on 25 November 2020 a **resolution "Towards a more sustainable single market for business and consumers"**. The Members of the European Parliament (MEPs) recommend, among other things, the following measures:

- Consumers should have more **information** on the estimated lifetime and reparability of a product, as well as the availability of software updates;
- The European Commission should introduce a **consumer right to repair** for systematic, cost-effective and attractive repairs;
- Consumers should be incentivised to **repair** products and use **second-hand**, **reconditioned and refurbished products**;

## Climate package (30/11/2022)

## Carbon removal certification

## Aim of the proposal

The objective of the future regulation is to develop EU standards and methodologies for the identification of activities removing carbon from the atmosphere in a sustainable way. The certification will set requirements for quality of measurement, monitoring, reporting and verification. Financial incentives could be available and controlled through this EU certification.

## Sectors impacted

Land managers, farmers, foresters, industrial companies operating the capture and storage of carbon, food processing sector and digital technology sector

## DG in charge of the proposal

DG for Climate Action (CLIMA); Direction C - Innovation for a low carbon, resilient economy; **Unit 3 - Low Carbon Solutions (III): Land Economy & Carbon Removals** 

## Review of the CO2 emission standards for heavy-duty vehicles

## Aim of the proposal

The **regulation** will complete the <u>communication</u>: 'Fit for 55' - delivering the EU's 2030 climate target on the way to climate neutrality and revise the <u>Regulation setting CO2 emission performance standards for</u> <u>new heavy-duty vehicles</u> to make sure the sector provide a **sufficient contribution to the climate objectives for 2030** (reducing net greenhouse gas emissions by at least 55% compared with 1990) and **2050** (climate neutrality) by:

- Reducing the emission of the sector;
- Bringing sufficient incentive for the investments in zero-emission vehicles.

#### Sectors impacted

Vehicle manufacturers, component suppliers, and fleet operators

## DG in charge of the proposal



DG for Climate Action (CLIMA); Direction B - Carbon markets and clean mobility; **Unit 3 - Mobility (I):** Road

## **Contact us**

Do you want to know to what extent the forthcoming legislative proposals of the European Commission will impact your business and how to participate in the legislative process? Please do not hesitate to contact us. As a public affairs firm based in Paris and Brussels, Lighthouse Europe supports its clients in the analysis of national and European political priorities, particularly in the digital and environmental sectors.