



EVALUATION of Directive 85/374/EEC

WORKSHOP

**LIABILITY IN THE AREA OF AUTONOMOUS SYSTEMS
AND ADVANCED ROBOTS / IOT-SYSTEMS**

13 JULY 2017, BRUSSELS

Liability for defective products

- ❖ The Directive lays down common rules for the **liability without fault of the producer** for damage caused by a defective product
- ❖ The aim is to **facilitate the free movement of goods while ensuring an equal level of protection for consumers**

Why an evaluation?

- ❖ Since its adoption in 1985, the Commission has **reported** to the Council and the Parliament on the application of the Directive four times . However, the Directive has not been subject to any formal evaluation
- ❖ In the context of the Digital Single Market, questions have been raised on the **adequacy of the Directive** to address damages caused by the new technological developments

Evaluation

The evaluation will assess:

- the **overall functioning and the performance** of the Directive
- whether it is effective, efficient, coherent and relevant
- EU added value in achieving its objectives

A particular focus lies on whether the Directive is fit-for-purpose **with regard to the new technological developments**, such as the Internet of Things (IoT) and autonomous systems

Evaluation

The evaluation will also assess:

- i) the ***definition of product*** (e.g. to ensure it covers components (tangibles and intangibles) of the IoT)
- ii) the ***allocation of liability*** (e.g. in case of connected objects via IoT)
- iii) the ***definition of defect*** (e.g. whether an unintended autonomous behaviour of an advanced robot could be considered as a defect)

Public consultation

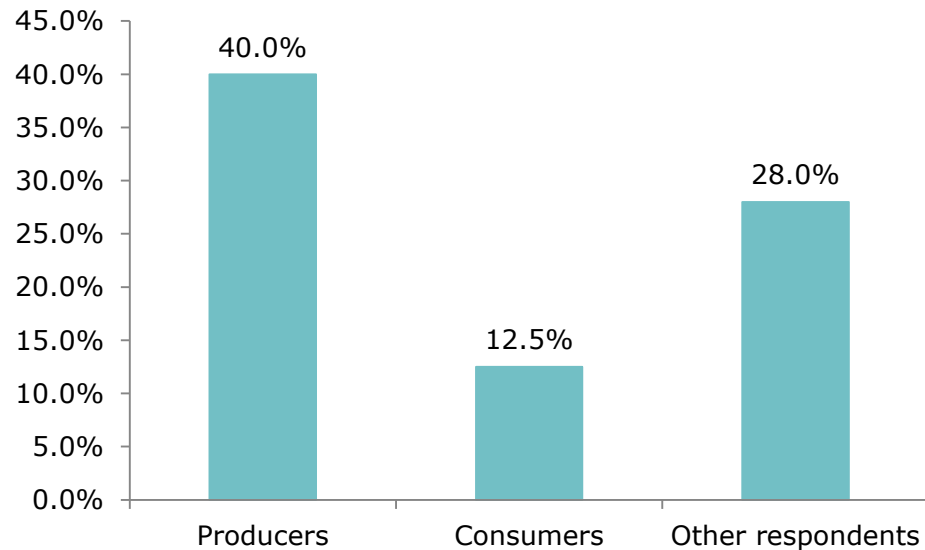
- ❖ An open public consultation run **from 10 January until 26 April 2017**, in parallel to the consultation on Building a European Data Economy
- ❖ **113 online responses** (40 producers, 48 consumers and 25 representatives of public authorities and civil society) **and 13 position papers**
- ❖ The largest number of responses came from Germany (35), Belgium (13), Bulgaria (10) and France (9)

Public consultation: Initial findings

- ❖ 68% of the respondents believe that the Directive strikes a fair balance between the interests of producers and those of consumers
- ❖ Just over half of producers and consumers state that the Directive is adequate to cover their own needs when dealing with new technological developments
- ❖ 45% of producers, 58% of consumers and 44% of the other respondents consider that for some products (e.g. products performing automated tasks based on algorithms) the application of the Directive might be uncertain

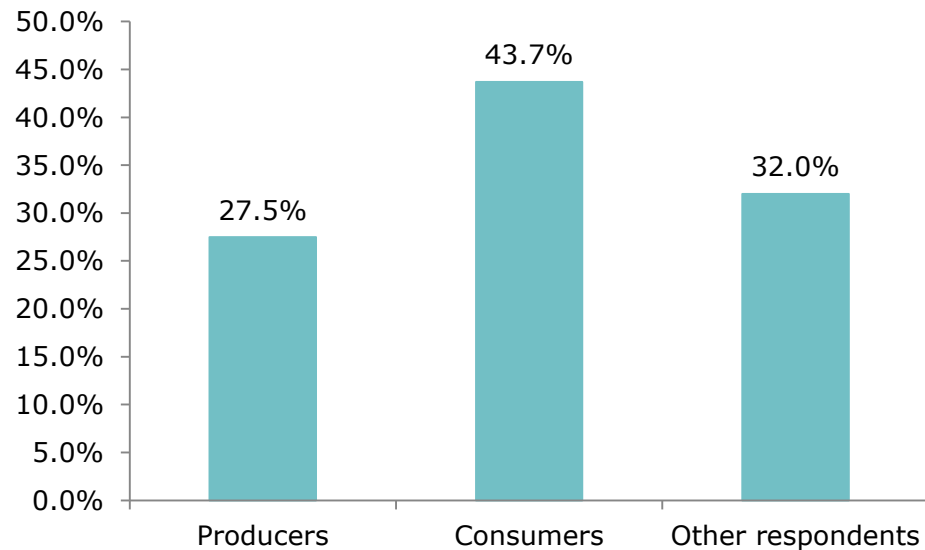
Are the current rules future-proof?

40% of the producers, **12.5%** of the consumers and **28%** of the other respondents were in favour of **guidelines for clarifying** the rules of the Directive



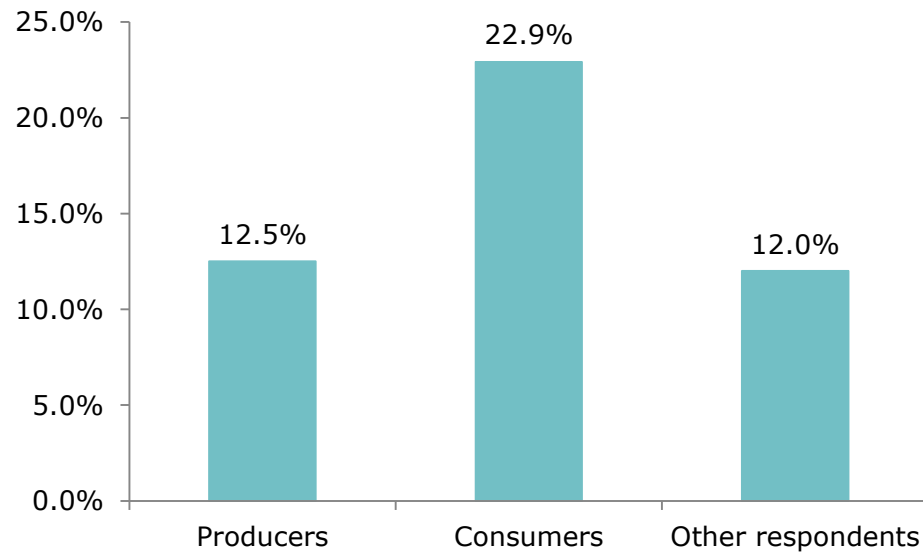
Are the current rules future-proof?

27.5% of the producers, **43.7%** of the consumers and **32%** of the other respondents were in favour of a **revision of the Directive**



Are the current rules future-proof?

12.5% of the
producers, **22.92%**
of the consumers and
12% of the other
respondents were in
favour of **new**
legislation
specifically for
technological
developments



Other stakeholder consultation

Public consultation on Building a European Data Economy: Initial findings

The vast majority of respondents do not see a need to change the current liability framework as a result of IoT and robotics

42 of 50 position papers state that the current liability framework is adequate to deal with the challenges resulting from new technologies

Other stakeholders consultation (Structured Dialogue)

Workshop with Member States on emerging issues,
Brussels, 31 May 2017

Main messages on liability:

- i. Need to further collect evidence
- ii. Ensure coherence within the European Union legislation
- iii. Premature to decide what to do

Other stakeholders consultation (Structured Dialogue)

Sectorial stakeholder dialogue (*automotive sector, business services, medical devices and pharmacies, mechanical engineering, food , drink and the supply chain*)

Majority of businesses and trade associations consider the current liability framework adequate to address the issues raised by new technological developments

Next steps for the evaluation

- ❖ A Workshop on product liability might be held in November 2017 to discuss some findings
- ❖ The evaluation will be finalised by the end of 2017



European
Commission

Thank you very much