Digital Product Passport
The ticket to achieving
a climate neutral and circular
European economy?

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Materials & Products Taskforce

Purpose and structure of the report

The study was carried out by

- the **University of Cambridge Institute for Sustainability Leadership** (CISL)

     in collaboration with

- the **Wuppertal Institute for Climate, Environment and Energy**

Commissioned by the
CLG Europe Taskforce for climate neutral and circular materials and products.

Purpose and structure of the report

Key objectives:

- To provide **business perspectives** on DPPs and how they might operate.

- To **assess what steps need to be taken by policymakers** to implement DPPs.

- Contribute to the **wider discussion** on the **EU's digital and green 'twin' transition.**
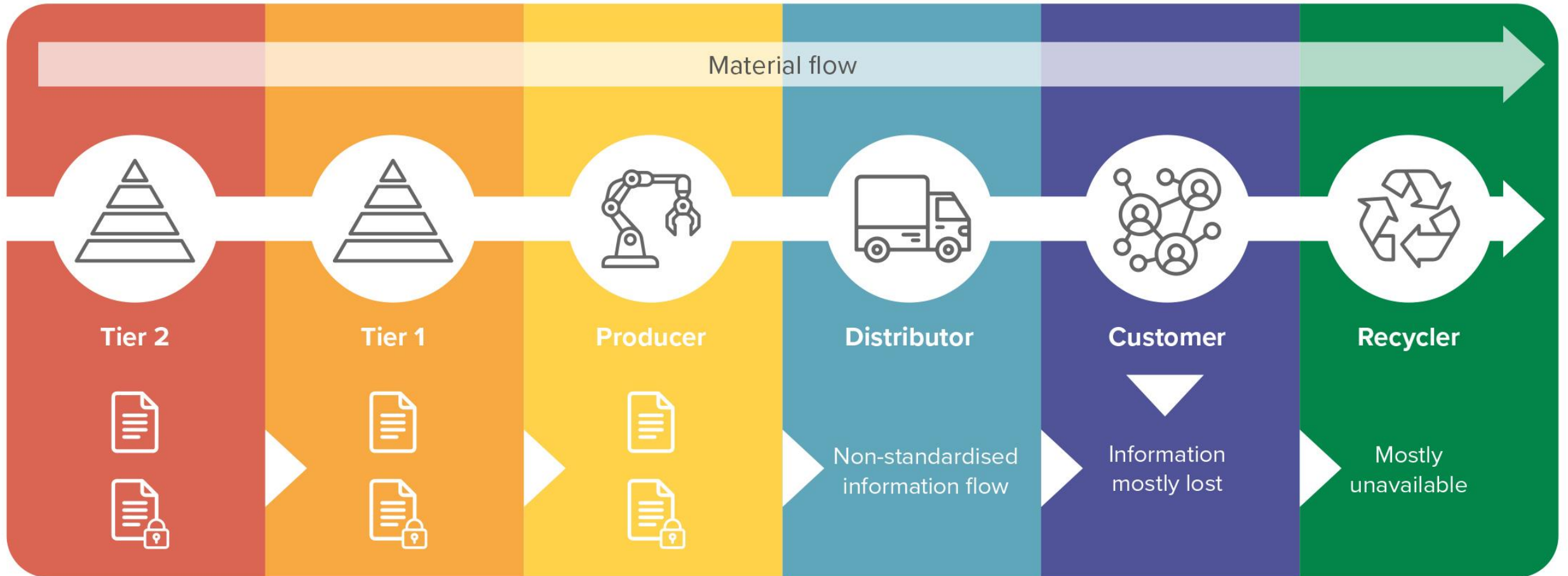
Overview of the report

- Extensive **literature review**

- Overview of relevant **policies and initiatives**

- Outcomes of the **discussion with business** representatives

- **Conclusions and recommendations** for the future implementation of DPPs by policymakers
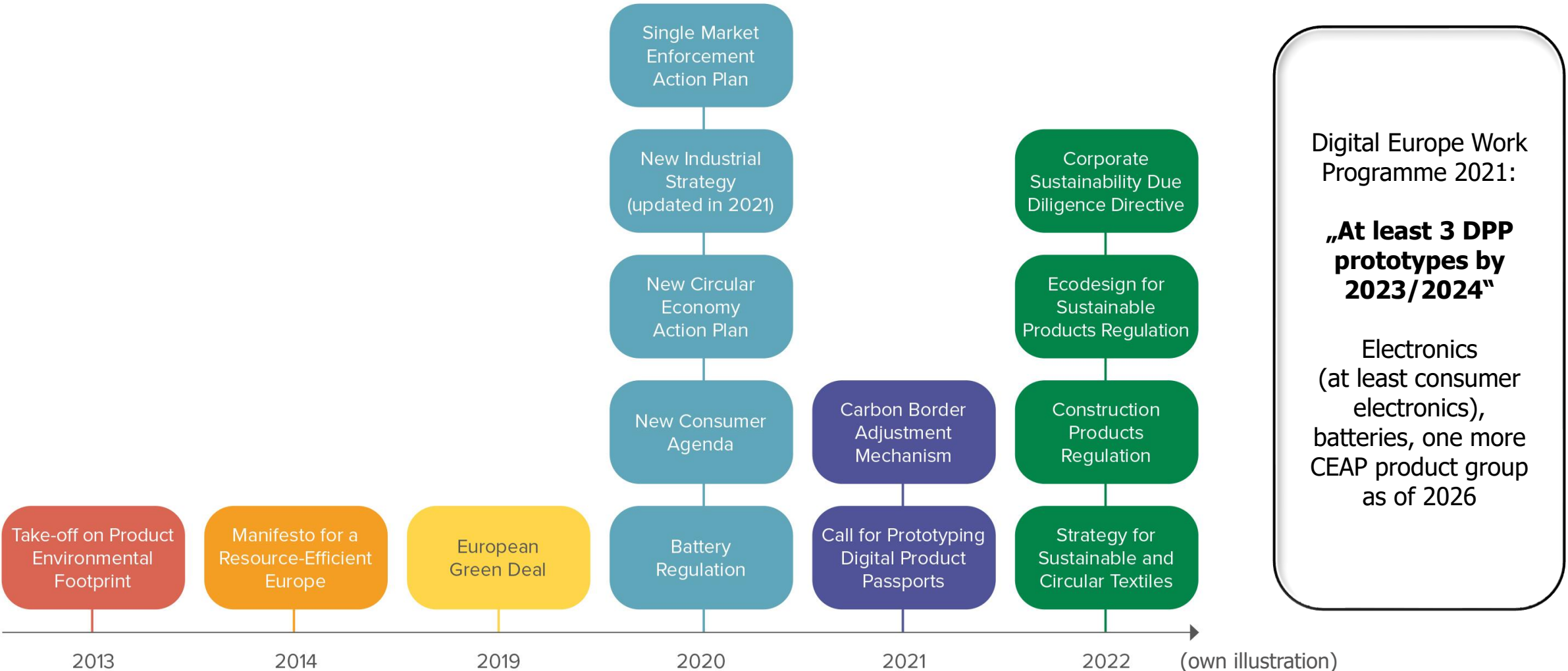
EC definition of the DPP

- **Product-specific data set**, which can be electronically accessed through a data carrier.

- "electronically **register, process and share product-related information** amongst businesses, authorities and consumers".

- provide information on the **origin, composition, and repair and disassembly possibilities of a product**, including **recycling or disposal** at end of life.

Why a Digital Product Passport is needed

Tier 2	Tier 1	Producer	Distributor	Customer	Recycler
			Non-standardised information flow	Information mostly lost	Mostly unavailable

(own illustration, based on the Product Circularity Data Sheet / figure developed by PositiveImpaKT and the Ministry of the Economy of Luxembourg)

Policy evolution leading to a DPP

Timeline:

2013
- Take-off on Product Environmental Footprint

2014
- Manifesto for a Resource-Efficient Europe

2019
- European Green Deal

2020
- Single Market Enforcement Action Plan
- New Industrial Strategy (updated in 2021)
- New Circular Economy Action Plan
- New Consumer Agenda
- Battery Regulation

2021
- Carbon Border Adjustment Mechanism
- Call for Prototyping Digital Product Passports

2022
- Corporate Sustainability Due Diligence Directive
- Ecodesign for Sustainable Products Regulation
- Construction Products Regulation
- Strategy for Sustainable and Circular Textiles

Digital Europe Work Programme 2021:

"At least 3 DPP prototypes by 2023/2024"

Electronics (at least consumer electronics), batteries, one more CEAP product group as of 2026

(own illustration)

Business perspectives and views on a DPP (1/2)

Interactive **workshop and interviews** with company representatives:

- **CLG Europe Taskforce** for climate neutral and circular materials and products.

- **Other identified business stakeholders** across sectors and value chains.

- Covering **aluminium, steel, insulation, construction, consumer goods, lighting**
    as well as **retail, design and digital solutions**

Business perspectives and views on a DPP (2/2)

- considered as great **opportunity to modernise and digitalise product information.**

- **support industry transformation** towards carbon neutrality and circularity.

- strong belief that a DPP can **help consumers make better informed choices**.

- create **incentives for producers** to make products more sustainable.

Key business concerns

- **what product groups**
  and materials DPPs should cover,

- **what information** they should contain,

- **levels of transparency** and granularity,

- how the data could be managed and shared
  without compromising intellectual property rights (IPR).

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The introduction of the DPP would deliver a range of benefits (1/2)

- Access to **reliable and comparable** product data for businesses and policymakers,

- Increased **transparency, traceability and consistency** in the value chain,

- **Support** for companies **to report sustainability indicators** and green claims,

- A tool that can facilitate **innovative thinking on circularity** and new practices.

The introduction of the DPP would deliver a range of benefits (2/2)

- Potentially an enabler for **completely new business models & green markets,**

- New data source that can enable **sustainable investment decisions,**

- **Address product liability challenges** more broadly,

- Support **security of supply**, resilience against external geopolitical shocks.

Conclusions and recommendations (1/3): Coherence and consistency

- Aling forthcoming **EU regulations on DPPs with proposed ESPR approach.**

- IT infrastructure should be **interoperable and compatible** with existing systems.

- EU should **create enabling environment** (guidelines, common standards).

- **Include existing international initiatives**, avoid duplication of efforts.

- Enable **additional voluntary information sharing**.

Conclusions and recommendations (2/3): Flexibility and exploration

- **Start small and modestly but promptly** with DPP testing and pilots.

- **Phased approach** with continuous extension and iterative learning.

- Start with **clearly defined products** and sectors as pilots.

- All **detailed data** included in DPPs should be **product group specific.**

- **Reliable and comparable** approaches rather than one-size-fits-all.

- **Decentralised DPP approach** is favoured by most businesses.

Conclusions and recommendations (3/3): Transparency and accountability

- All information requirements for a DPP should **be relevant and fit for purpose.**

- **Clear scope and a concrete user benefit** along the product life cycle.

- Balance **different levels of data access and data protection** needs.

- **Transparency as default** without infringing legitimate IPR concerns.

- Operational implementation should be carried out via **trusted intermediaries.**

- Ensure **technical expertise and understanding of the wider policy aims** of DPPs.

Thank you for your attention!

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