

**European Furniture Industries Confederation (EFIC)
written input following the Ecodesign Forum meeting
of 19&20 February 2025**

Focus: reporting obligations for unsold consumer goods

19 March 2025

Following the first Ecodesign Forum meeting on 19-20 February 2025, the European Furniture Industries Confederation (EFIC) is pleased to submit written input on the reporting obligation for unsold consumer goods. This contribution comes in anticipation of the implementing act, expected by July 2025, which will define the details and format for disclosing unsold consumer goods under the Ecodesign for Sustainable Products Regulation (ESPR).

- In view of the implementing act to be adopted by 19 July 2025 setting out the details and format of the disclosure of unsold goods, we recommend that the Commission grants flexibility and the possibility to report estimates when data are unavailable. This flexibility must be enshrined in legally binding legislation rather than only acknowledged in a Q&A document or other non-binding guidance, as such an approach would leave room for differing interpretations by market surveillance authorities. Clarity on this matter should be explicitly provided in the implementing act to ensure consistency and legal certainty.
- There is a need for a longer phase-in time for the reporting of unsold consumer goods applying to large companies. Considering that the obligation applies as of the entry into application of the ESPR, companies have had insufficient time to establish the necessary systems for data collection and align reporting formats to the set requirements, especially for the first fiscal year after the entry into application of the ESPR. A minimum additional one-year transition period should be granted, though a longer phase-in would be preferable. For instance, the Corporate Sustainability Reporting Directive (CSRD) allows for a phased implementation over three years for similar metrics, which could serve as a basis in this context. During this transition period, companies should be allowed to report interim data and demonstrate progress towards compliance annually, similar to the approach adopted under the CSRD for various reporting metrics.
- To streamline compliance efforts, a single reporting mechanism should be deemed sufficient, ideally integrated within the CSRD framework. Avoiding redundant reporting obligations will reduce administrative burdens and enhance efficiency.
- The scope of obligations and the roles of economic operators (manufacturers, retailers, importers) must be clearly defined to prevent duplication in reporting. For instance, once a product is sold, it remains unclear whether the responsibility for reporting its management lies with the manufacturer or the retailer. For example: a manufacturer sells goods to a general distribution organization (GDO), where some furniture items become damaged and unsellable while in the warehouse. In such cases, is it the manufacturer or the GDO that must declare the end-of-life management of these products?



- Please consider the risk that medium sized or large manufacturers will refuse to take back products from smaller retailers due to administrative burdens related to the reporting. This could discourage ultimately remanufacturing and similar circular economy practices.
- More clarity is needed regarding the definition of unsold consumer goods. Specific guidance, including clear examples, should be provided to ensure a common understanding of the scope of reporting. Key questions include: Are goods in transit between suppliers and retailers subject to reporting? Should defective or damaged goods be included? Are products that have remained in stock for an extended period and no longer meet commercial requirements considered "unsold"?
- Products consisting of multiple components, such as furniture sets with several pieces, present additional challenges. It remains unclear whether such items should be reported as individual components or as a single product. When furniture is sold as an RTA (ready-to-assemble furniture), it is important to specify whether compliance applies to the entire packaged product or to each separate component (i.e. reporting should be based on individual packages, fully assembled furniture, or modular components?). Moreover, considering that in an RTA furniture product different components are possibly made from different materials (i.e. electric components, textiles, mechanical parts etc.), how should they be considered?
- We support the use of customs codes for reporting purposes, with the proposed four-digit classification being a practical solution. However, reporting at the product level may be more appropriate, as requiring companies to report an entire furniture item when only a small part is damaged - for instance during transport - could be disadvantageous.
- Regarding the draft disclosure format in Annex 1 circulated before the meeting, we strongly recommend not including Section 3 ('Waste Treatment Operations' section). This section requires data that would necessitate extensive modifications to internal processes and systems, as well as the establishment of a direct feedback mechanism with waste management companies. Such data is not currently tracked at the CN/HS level, making compliance unrealistic.
- We support the exclusion of packaging from the reporting requirements (e.g., in terms of weight). Including packaging would disproportionately penalize companies using paper-based materials, which are highly recyclable but heavier than plastic alternatives (i.e. the figure of "discarded" or "destroyed" products will be higher), because paper weights more than plastic packaging.
- We support the proposal for limited assurance requirements, consistent with the verification standards set under the CSRD. This would ensure that the disclosed information undergoes verification without imposing excessive burdens on companies.
- Please bear in mind that the reporting of information on products that are taken back for re-use, remanufacturing or refurbishment as a life-prolonging measure is irrelevant regarding the potential destruction of these products. Excessive reporting requirements on unsold goods risk deterring companies from engaging in circular economy practices, contradicting the overarching objectives of the Green Deal and the ESPR.



We look forward to a continuous dialogue with policymakers on the unsold consumer goods related requirements.

EFIC is the European Furniture Industries Confederation, representing over 70% of the total turnover of the European Furniture Industries, a sector employing 1 million people in about 120.000 enterprises across the EU and generating a turnover of over 100 billion Euros. The EFIC membership is composed of 18 national associations, one individual company member and several clusters. Further information can be found on our website: <https://www.efic.eu/>

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