

Prepared by DigitalTrade4.EU



Input to the European Commission on the Evaluation of the Cosmetic Products Regulation

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About Us

The **DigitalTrade4.EU consortium** envisions a **seamlessly interconnected Europe** and **neighbouring regions** powered by harmonized standards for the digitalisation of trade documents and processes. By fostering the digital transformation of trade, we aim to promote economic integration, enhance cooperation, and ensure long-term trade facilitation across borders.

Our consortium is made up of **experts in their field**, including **105 full partners**—trade associations, logistics providers, shipping lines, banks and insurances, technology innovators, etc.—**from 17 European Union countries** (*France, Belgium, Netherlands, Austria, Estonia, Finland, Italy, Latvia, Spain, Germany, Sweden, Poland, Luxembourg, Lithuania, Slovenia, Denmark, Bulgaria*) and **22 non-EU countries** (*United Kingdom, Switzerland, Montenegro, Japan, Singapore, Hong Kong, Australia, New Zealand, India, Nepal, Canada, United States of America, Cameroon, Morocco, Egypt, Kenya, Pakistan, Nigeria, Brazil, Uzbekistan, Turkey, Ukraine*).

Our consortium is already **aligned with the fundamentals of the EU Competitiveness Compass**. Learn more:

- How DigitalTrade4.EU Can Help Achieve the Objectives of the EU Competitiveness Compass (February 2025)

<https://www.digitaltrade4.eu/how-digitaltrade4-eu-can-help-achieve-the-objectives-of-the-eu-competitiveness-compass/>

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Executive Summary

This document provides feedback from **DigitalTrade4.EU** on the European Commission's evaluation of the **Cosmetic Products Regulation (CPR)**. We commend the Commission's initiative to assess the CPR's **effectiveness, efficiency, relevance, coherence, and EU added value**, particularly in light of the **green and digital transitions**. DigitalTrade4.EU advocates for the strategic integration of **digital trade solutions** to enhance **consumer safety**, ensure **market transparency**, support **Small and Medium-sized Enterprises (SMEs)**, and promote **sustainability** within the cosmetics sector.

Our key recommendations focus on leveraging **digitalisation**, particularly through the adoption of **Digital Product Passports (DPPs)**¹, to support the CPR's objectives. This includes enhancing the **traceability of ingredients**, verifying **sustainability claims**, and ensuring the **safety of cosmetic products** for both consumers and professionals. We emphasize the importance of **interoperability**, drawing on standards such as **eIDAS 2.0**² and the principles of the **UNCITRAL Model Law on Electronic Transferable Records (MLETR)**, to facilitate **seamless and secure data exchange**. Furthermore, we highlight the synergies between the CPR and other regulatory frameworks, such as the **Common Agricultural Policy (CAP)**, particularly concerning the **traceability and sustainability data** of natural ingredients used in cosmetics.

Note: In this document, the terms **Small and Medium-sized Enterprises (SMEs)** and **Micro, Small and Medium-sized Enterprises (MSMEs)** are used interchangeably and carry the same meaning and weight. This clarification is important because different sources and contexts may refer to these groups using either acronym, but both encompass the full range of smaller business categories critical for economic development.

¹ European Commission. EU's Digital Product Passport: Advancing transparency and sustainability <https://data.europa.eu/en/news-events/news/eus-digital-product-passport-advancing-transparency-and-sustainability>

² European Commission. Discover eIDAS <https://digital-strategy.ec.europa.eu/en/policies/discover-eidas>

Introduction

The **DigitalTrade4.EU consortium** envisions a **seamlessly interconnected Europe** and neighbouring regions powered by **harmonized standards** for the **digitalisation of trade documents and processes**. We aim to promote **economic integration**, enhance **cooperation**, and ensure **long-term trade facilitation** across borders by fostering the **digital transformation of trade**.

The European Commission's evaluation of the **Cosmetic Products Regulation (Regulation (EC) No 1223/2009)** is a timely initiative. The CPR's core objectives to **protect consumer health** and ensure the **functioning of the internal market** for cosmetic products are paramount. As the Commission examines the CPR's **fitness for purpose**, including its alignment with the **green and digital transitions** and the **competitiveness of EU businesses**, DigitalTrade4.EU believes that **digital trade solutions** offer significant untapped potential. The rise of **online sales**, the demand for greater **transparency in supply chains**, and the increasing importance of **sustainability** necessitate innovative approaches.

Digital tools can enhance **regulatory oversight**, empower consumers with better information, and reduce **administrative burdens** for businesses, especially **SMEs**. Our input aligns with the EU's broader **digital trade policy** and the vision for a **sustainable and competitive digital economy**.

Expectations and Objectives

The Commission's evaluation of the CPR aims to assess its performance against several key criteria:

- **Effectiveness:** Evaluating the extent to which the Regulation has **protected human health** and enabled the **free circulation** of cosmetic products in the **single market**.
- **Efficiency:** Assessing the main **benefits** and **costs** associated with the CPR's implementation.
- **Relevance:** Determining if the Regulation meets current needs, especially concerning the **green and digital transitions**, the **competitiveness of the EU industry**, the **safety of products** in light of **online and bulk sales**, and its potential to cover **environmental effects**.
- **Coherence:** Examining the internal consistency of the CPR and its alignment with other relevant EU legislation, such as chemicals legislation (**CLP, REACH**), and **consumer protection rules**.
- **EU Added Value:** Assessing whether **EU-level legislation** remains necessary or if objectives could be addressed at the **national level**.

The evaluation will also consider **scientific and technological developments**, **international trade trends**, and areas for **simplification** and **burden reduction**.

Approach and Recommendations

1. Leveraging Digital Product Passports (DPPs) for Enhanced Transparency and Safety

- We advocate for the phased introduction of **DPPs** for cosmetic products. DPPs can provide **verifiable data** on a product's **origin, composition, ingredients** (including **nanomaterials** and substances with potential **higher risk**), **instructions for use**, **necessary precautions**, and **environmental impact**. This aligns with the CPR's **labelling requirements** and the need for clear **consumer information**.

Unlike traditional labels, **DPPs** are **dynamic digital interfaces** (e.g., **QR codes** linked to **cloud-based data**) that provide **real-time updates** on **ingredient changes**, **recalls**, or **sustainability certifications**. This ensures information remains **current** without physical **relabelling**.

- DPPs can support the "**generic risk approach**" by providing detailed and accessible information on ingredients, facilitating **safety assessments**.
- This approach is reinforced by **UNECE Recommendation No. 49 ("Transparency at Scale")**³, which promotes DPPs for carrying **sustainability** and **product information** throughout the **value chain**.

2. Ensuring Interoperability and Secure Data Exchange

- To maximize the benefits of DPPs and other digital tools, **interoperability** is crucial. We recommend aligning with **EU-wide digital standards** and frameworks, including **eIDAS 2.0** for **secure electronic identification** and **trust services**. The **European Digital Identity Wallet** can provide a secure means for businesses to manage **compliance data** and for consumers to access **product information**.

Data exchanged via DPPs must adhere to **GDPR principles of data minimization and purpose limitation**. For example, farmers sharing cultivation data for cosmetic DPPs should only disclose non-personal aggregated metrics (e.g., water usage per crop batch, not individual farm labor records).

³ United Nations Economic and Social Council. Recommendation No. 49: Transparency at Scale – Fostering Sustainable Value Chains (March 2025)

<https://unece.org/sites/default/files/2025-05/ECE-TRADE-C-CEFACT-2025-03E.pdf>

- The principles of the **MLETR** can facilitate the **legally recognized cross-border digital transfer** of trade-related documents for cosmetic ingredients and finished products, reducing **administrative burdens**.

3. Strengthening Market Surveillance in the Digital Age

- Digital tools can significantly enhance the capabilities of **Member State market surveillance authorities** and **customs authorities**.
- DPPs can provide a readily accessible source of information for authorities to verify **product compliance**, especially for products sold **online** or imported into the EU.
- **Real-time data sharing** and **automated checks** based on digital information can improve the **efficiency** and **effectiveness** of market surveillance.

4. Supporting SMEs in the Digital Transition

- SMEs form a significant part of the cosmetics sector. We emphasize the need for robust **training, advisory services**, and **digital capacity building** to help SMEs adopt digital tools effectively and comply with evolving CPR requirements in a digital environment.
- Initiatives like the proposed "**Green-Digital Trade Academy**" could equip SMEs with the skills needed for **DPP compliance, digital labelling**, and understanding new digital requirements. The Green-Digital Trade Academy should include:
 - **Modular e-learning platforms** for DPP compliance,
 - **Subsidized access** to standardized DPP templates,
 - **Cross-border SME digital hubs** for sharing best practices.

5. Promoting Sustainability and Green Claims Verification

- The CPR evaluation considers whether its scope should extend to the **environmental effects of chemicals** in cosmetics. Digital tools like DPPs can play a vital role in tracking and verifying **environmental data**, including **carbon footprint, water usage, and lifecycle information**.

Example: A brand using **shea butter** from **Ghana** can embed **verified data** about **fair-trade certification, carbon emissions** during transport, and **land-use practices** directly

into the product's **DPP**. Consumers scanning the **QR code** gain access to **auditable sustainability metrics**.

- This aligns with the EU's **Green Deal objectives** and consumer demand for **sustainable products**. DPPs can help substantiate **green claims**, combating **greenwashing** and fostering **consumer trust**.

6. Enhancing International Cooperation and Convergence

- The evaluation will examine trends in **international trade** and the external **competitiveness of the EU industry**, as well as the CPR's potential to support **international convergence**.
- **Harmonized digital standards** and the **mutual recognition of digital documents** and DPPs can facilitate international trade in cosmetic products while upholding EU **safety** and **sustainability standards**. Deepening digital trade partnerships, especially in Asia through **DEPA**, and championing **global interoperability** are crucial.
Harmonized digital standards—especially under **DEPA** and **DFFT**, which promote **global interoperability** —are critical for EU brands exporting to Asia, where inconsistent e-label rules delay customs clearance by up to 30% (OECD, 2024).
- To reduce regulatory differences, the EU should seek **mutual recognition agreements (MRAs)**⁴ with other countries. This would mean systems for **Digital Product Passports (DPPs)** approved in one country are accepted in others. This supports the **Digital Economy Partnership Agreement (DEPA)**⁵ and the **Data Free Flow with Trust (DFFT)**⁶ by allowing safe and smooth cross-border data sharing while respecting privacy rules. It also aligns with **General Data Protection Directive (GDPR)** by protecting personal data rights. MRAs help avoid repeated compliance efforts and promote the Cosmetic Products Regulation's (CPR) goal of **global alignment**.

⁴ European Commission. Mutual Recognition Agreements

https://single-market-economy.ec.europa.eu/single-market/goods/international-aspects/mutual-recognition-agreements_en

⁵ Digital Economy Partnership Agreement (DEPA)

<https://www.mti.gov.sg/Trade/Digital-Economy-Agreements/The-Digital-Economy-Partnership-Agreement>

⁶ OECD. Data free flow with trust

<https://www.oecd.org/en/about/programmes/data-free-flow-with-trust.html>

In summary, this directly supports the CPR's core objective of **consumer health protection** and fulfills its **clear labelling requirements** for ingredients, instructions, and precautions, which has been vital throughout the evaluation period from 2013 to 2024. The benefits are widespread:

- **Consumers** gain access to comprehensive and reliable information, fostering **trust**.
- **Regulators**, including Market Surveillance Authorities and Customs, experience streamlined **compliance checks** and more **efficient market surveillance**, with easier identification of non-compliant products, potentially integrating with the Cosmetic Product Notification Portal (CPNP)⁷.
- The **industry** benefits from **simplified reporting**, **reduced administrative burden**, and a robust mechanism to demonstrate product safety and sustainability, thereby enhancing **competitiveness**.

⁷ European Commission. Cosmetic product notification portal
https://single-market-economy.ec.europa.eu/sectors/cosmetics/cosmetic-product-notification-portal_en

Bridging Agriculture and Cosmetics: From Farm to Final Product

The **cosmetics industry**, which relies heavily on **agriculture** and **farming** for key raw materials—such as **botanical extracts, essential oils, and natural waxes**—stands to gain significantly from the concurrent **digital** and **green transitions** promoted by both the **Cosmetic Products Regulation (CPR)** and the **Common Agricultural Policy (CAP)**.

By aligning **digital** and **sustainability initiatives** within the **CAP** with the objectives of the **CPR**, the **EU** has a unique opportunity to establish a fully **transparent, traceable, and sustainable** "farm-to-face" value chain.

Traceability Flow: Farm to Final Cosmetic Product

1. Farmer logs cultivation data into agricultural DPP (CAP-compliant).
2. Ingredient supplier verifies data and transfers it to the cosmetic DPP.
3. Manufacturer integrates additional safety and sustainability info.
4. Retailer displays product with QR code linking to full DPP.
5. Consumer accesses full product history, regulators trace back for compliance checks.

- **Traceability of Natural Ingredients:** DPPs for agricultural products, as proposed in our feedback "*Digital Trade Solutions for CAP Simplification and Digitalisation*"⁸, can provide a foundational layer of data for cosmetic DPPs. This includes:
 - **Geographical origin:** Precise farm location to validate the provenance of natural ingredients.
 - **Farm identification:** Unique farm or producer ID for accountability.
 - **Farming methods:** Documentation of agricultural practices (e.g., organic, conventional).

⁸ https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/14704-Simplification-of-the-implementation-of-CAP-Strategic-Plans/F3563472_en

- **Input usage:** Records of fertilizers, pesticides, and water consumption at the farm level, which can be relevant for assessing the purity and potential residues in cosmetic ingredients.
- **Sustainability Data from Farm to Cosmetic Product:** Comprehensive **Environmental, Social, and Economic (ESE) data** captured for agricultural products through DPPs can feed into the sustainability assessment of the final cosmetic product. This includes data on **carbon footprint, water usage, and biodiversity impacts** associated with the cultivation of natural ingredients.
- **Policy Coherence:** Aligning the digital initiatives under CAP with those supporting the CPR will ensure a consistent approach to **data management** and **sustainability verification** across the value chain. For example, ensuring that data is collected once and reused multiple times can reduce **administrative burdens** for farmers and cosmetic manufacturers alike. The integration of **eIDAS 2.0** and **digital wallets** can offer farmers and cosmetic ingredient suppliers an efficient way to manage and digitalise farm and production data while ensuring **GDPR compliance**.

*Example: A French lavender oil farmer's CAP DPP showing **organic certification** and **low-water cultivation** automatically populates a cosmetic brand's DPP. Consumers scan the product QR code to verify eco-claims, while regulators trace contamination risks to specific farms in minutes.*

By linking the digital frameworks for agriculture and cosmetics, the EU can create a more **holistic and efficient system** for tracking, verifying, and communicating product information, benefiting consumers, businesses, and the environment.

Conclusion and Next Steps

DigitalTrade4.EU supports the European Commission's comprehensive evaluation of the Cosmetic Products Regulation. We believe that the strategic integration of **digital trade solutions**, particularly **Digital Product Passports**, offers a significant opportunity to enhance the CPR's effectiveness in **protecting consumer health**, ensuring a well-functioning **internal market**, and promoting **sustainability**.

Our recommendations emphasize the importance of **interoperability**, **SME support**, robust **market surveillance** in the digital age, and coherence with other EU policies like the **CAP** and the **Green Deal**. The digitalisation of trade documents and processes, underpinned by standards like **eIDAS 2.0** and **MLETR** principles, can streamline **compliance**, reduce **administrative burdens**, and foster **innovation** within the EU cosmetics industry.

DigitalTrade4.EU stands ready to contribute our expertise to the ongoing evaluation process and to participate in follow-up consultations. We are committed to working with the Commission and stakeholders to harness the power of **digital transformation** for a **safe, sustainable, and competitive European cosmetics sector**. A clear roadmap for embracing digital solutions within the CPR, aligned with overarching **EU digital trade ambitions**, will be essential for achieving these goals.

We encourage the Commission to initiate **cross-sectoral pilot programs** involving **SMEs**, **regulatory bodies**, and **digital solution providers** to test the integration of **DPPs** into the **CPR framework** before **2027**.