



THE NEW PRODUCT LIABILITY DIRECTIVE: A LANDMARK REFORM IN EU PRODUCT LIABILITY

On 18 November 18 2024, the new [Product Liability Directive 2024/2853](#) was officially published in the EU Official Journal , ushering in a historic reform of EU product liability law. This directive repeals and replaces the long-standing **1985 Product Liability Directive (Council Directive 85/374)**, fundamentally reshaping the regulatory framework for product liability across the European Union.

Modernizing EU Product Liability

The new directive introduces significant changes to align legal frameworks with 21st-century realities, particularly concerning complex, connected, and AI-driven products. It adopts a broader definition of “defect”, extending liability for products that may not meet evolving safety expectations in their design, production, or updates. Key updates include:

- **Expanded Scope:** The directive now explicitly includes intangible products like software, interconnected devices, and pharmaceuticals.
- **Redefined Damage:** Liability extends beyond physical harm to cover loss of data and property damage linked to defective products.
- **Reversal of Burden of Proof:** In certain cases, courts may reverse the burden of proof to ease challenges for consumers in proving defects and causality.

Impact on Market Participants

Under the new regulatory framework, producers, importers, and distributors are now subject to stricter obligations, ensuring that the entire supply chain is held accountable. In this context businesses are required to implement the following steps:

- 1. Enhance Market Supervision:** Adopt robust testing and compliance systems to mitigate risks during product lifecycle phases.
- 2. Implement Transparency Measures:** Disclose critical product safety information and potential risks proactively.
- 3. Adapt Long-Term Liability Policies:** Address hidden defects with an extended long-stop period of 25 years for latent damage.

These changes aim to create a fairer system where liability is shared equitably while fostering consumer trust in a unified market.

Key Deadlines

EU Member States must transpose the directive into national laws by **9 December 2026**. To this end, companies operating in the EU are encouraged to review their internal compliance frameworks promptly to align with these changes.

What This Means for Enterprises across EU

For businesses producing or selling across EU member-states, this directive represents a call to:

- Review and update product liability insurance policies.
- Ensure compliance in digital product offerings, including AI systems.
- Strengthen legal defenses by collaborating with legal experts on consumer protection and data-driven liability challenges.



Conclusion

This reform marks a pivotal step in modernizing EU product liability legislation to reflect the dynamic and interconnected nature of products in the digital age. By addressing the challenges posed by emerging technologies such as AI, IoT devices, and software-integrated systems, the directive strengthens consumer protection and ensures alignment with evolving market standards. With technology advancing at an unprecedented pace, this legislative update enhances legal certainty and provides a framework that not only protects those who suffer damages but also fosters innovation by balancing accountability with fairness for manufacturers. This forward-looking approach aims to build a resilient legal foundation that supports safety, transparency, and trust in the products of tomorrow.

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