

The repairer fixes everything.

Why it's important to revive the repair sector

Policy recommendations underlying the 2021 [Right to Repair campaign in Belgium](#)

Background: Repair is fading away due to high costs and inconvenience

In 2020, Repair&Share undertook a survey¹ of professional repairers of small electrical household appliances - such as toasters, kettles and vacuum cleaners - with the aim to map out which **barriers and levers professional repairers currently experience** in Flanders. Repairers informed us that they see **the high price for repairs as well as the difficulty to fix items as the main barriers to their operations**. The wage costs are high, but so are the costs for logistics and spare parts. Repairers must often pass on these costs to the consumer, who too often finds that the repair price is too high compared to the price of a new appliance². At the same time, it is difficult for repairers to get spare parts and access repair information from manufacturers. All in all, repair seems to no longer be an economically viable profession.

At Repair&Share, we find this situation regrettable as repairing a product, instead of buying a new one, means less electronic and electrical waste, less CO2 emissions, but also lower consumption of raw materials and energy. It makes us less dependent on (foreign) producers, and makes our local economy more resilient³. Overall, repair fits into the EU and Belgian narrative of a transition towards a Circular Economy. In this paper, we therefore put forward **policy recommendations** that we believe could help turn the tide, rendering the **repair sector more attractive to all**.

Recommendations to render repair cheaper and easier

Belgium, following the steps of the EU, has in recent years largely focused on policy instruments coming from administrative (e.g. product norms and requirements) and informative (e.g. labels) interventions. Although those are a first step towards a comprehensive product policy framework, they will not be sufficient in achieving the Circular Economy we are aiming for, let alone systemic change. At Repair&Share, we call for **a broader policy that integrates a wide range of policy instruments**, including administrative and informative instruments, but also **economic interventions**. While there seems to be a broad consensus among researchers regarding the importance of fiscal policy as a tool to combat environmental challenges, taxes and subsidies are currently often not primarily considered in the policy mix for boosting repairs⁴. In this paper, Repair&Share puts forward several avenues for reflection to boost the repair sector, starting with economic interventions. Those proposals are based on other countries' and sectors' experiences, and fit in the general idea of an *environmental tax and subsidy shift*, where taxes would be moved from labor towards pollution and resource use, and subsidies are put to better use.

¹ In collaboration with De Transformisten, and conducted by the research agency Möbius. [Here](#) for more information

² High repair costs is one of the biggest obstacles to repair: if the price of a repair is higher than 30% of the price of a new equivalent product, consumers often decide to buy a new one instead. See [here](#) for example

³ For more information and figures, see our [campaign page](#)

⁴ Towards a Circular Economy Taxation Framework: Expectations and Challenges of Implementation, L. Milios (2021)

1. Economic interventions

Repair fund via eco-contribution

Get inspired by France- which is setting up a repair fund as of 2022 with the aim to reduce the price of repair directly on consumer bills⁵. This fund is financed via the French eco-contribution paid by producers. Concretely, every consumer who goes to a repairer certified by the eco-organisation is entitled to a reduction in the total price of the repair bill. The fund then reimburses repairers for the discounts. Beyond reducing the price, such a system also aims to structure the repair offer, and render repair more visible to consumers. This happens with a network of certified professionals fulfilling quality criteria, and investments in shared tools facilitating online diagnostics⁶.

→ Repair&Share recommends that Belgium adopts a similar repair fund in order to render repairs cheaper. Similarly, this fund could be financed by extending the Recupel eco-contribution to reuse/repair⁷. This would fit with a broader Circular Economy strategy highlighting the need to not only focus on recycling, but also on waste prevention, via e.g. repair.

Repair bonuses or vouchers

Get inspired by Austria and Germany - where repair bonus schemes for electrical appliances were introduced. The architecture of the system varies depending on the Austrian and German regions where it is applied⁸, but the bottom line is simple: through a voucher system, citizens are reimbursed for up to 50 per cent of the repair costs, usually capped to e.g. 100 euros per repair case or per year. Often the repair must be carried out by a company that is listed in a repair register in order to ensure the quality of the repair. The success was such - for both citizens and repairers⁹- that the Austrian federal government will extend¹⁰ the repair bonus nationwide from 2022 on, enabling all Austrians to receive up to 200 euros for the repair of electrical and electronic equipment.

→ Repair&Share calls on Belgian policy makers to look into the possibility of introducing a repair bonus scheme, to reduce the price of repair for citizens, therefore increasing repairers' activities¹¹. Authorities here must focus on the local repair ecosystem: the money needs to end up with local businesses, and should not subsidize manufacturers. This can be ensured via the setting up of a 'local repair guide' listing repair shops to whom this scheme would be applicable. Such a voucher system could be set up at different levels in Belgium, from local to federal, as the Austrian example illustrates.

⁵ This is valid for appliances needing a repair but falling outside of the legal guarantee

⁶ <https://www.halteobsolescence.org/fonds-pour-une-reparation-moins-chere/>

⁷ It is expected that the impact of such an eco-contribution/modulation will be particularly high for products in the low price segment of the market

⁸ <https://repair.eu/news/germany-and-austria-implement-repair-bonuses/>

⁹ For example, in Vienna, the demand from citizens was so high that the funding ran out really quickly. In total, 1.6 million euros were spent during the two campaign periods in autumn 2020 and spring 2021, which enabled [26,000 repairs equaling to 620 tons of CO2](#). Furthermore, a Viennese repair and service center communicated an increase of 30% in their activity (interview, 2021)

¹⁰ Thanks to the Covid-19 recovery fund

¹¹ We do note that Belgium already has the 'ecocheques' system. This extra legal benefits system is however only focusing on certain employees (versus all citizens) and is in the reality mainly used to buy new electronics with a good Energy label

VAT and labor cost reduction for repairs

Get inspired by Sweden - which introduced in 2017 not only a value added tax (VAT) reduction on repair from 25 to 12% for products such as textile¹², shoes, leather products and bicycles, lowering the price of repair for citizens directly at the point of sale, but also a deduction of 50% (RUT tax deduction¹³) on the labor costs for home repairs and maintenance of white goods. This tax deduction relieves the consumer of up to 50% of the total repair labor cost. Such a RUT tax deduction for repair and maintenance for IT devices was implemented already in 2007.

→ At Repair&Share we believe that a VAT reduction from 21% to 6% for all repairs, or even more ambitiously a VAT exemption, can be instrumental in reducing the price of repair. The current Belgian reduced VAT for the maintenance and repair of bicycles, shoes, leather goods and clothing should be extended in scope, to cover a wider range of products including e.g. repair of all EEE. Research has shown however that this measure needs to be applied in combination with complementary policy tools, and should avoid to be applied in a too specific and relatively marginal manner, or it would otherwise lead to moderate results¹⁴.

More investment in (social) employment in a Circular economy

Get inspired by the Social Economy sector which, in Belgium, currently gets a premium for the employment and training of people who are currently far from the regular labor market. The recognised thrift shops, known as the 'Kringloopwinkels' or 'Kringwinkels' in Flanders, for example make use of this system thanks to which - among others - products are being repaired and sold again.

→ At Repair&Share we believe that more investment in social employment in the Circular Economy can positively influence the price of repairs.

* For repair within the recognised thrift shop, the Flemish government could remove the ceiling for social employment places, so that social and circular entrepreneurs can employ more people.¹⁵

* In general, we believe that Circular Economy jobs in both the social and the regular economy need to be recognised for their contribution in addressing resource scarcity and climate change. Repairers could then be eligible for labor tax reductions

* More investments in training people to become a repairer¹⁶, both in social economy enterprises and in other (in)formal contexts, can contribute to the growing demand of technological skills on the labor market.

¹² The Swedish government has proposed a reduction to 6 % VAT from July 2022.

¹³ A person who hires you to do RUT (Cleaning, Maintenance and Laundry) work may get a tax reduction for the labor cost

¹⁴ Towards a Circular Economy Taxation Framework: Expectations and Challenges of Implementation, L. Milios (2021)

¹⁵ <https://www.herwin.be/opinie-en-beleid/sociaal-circulair-ondernemen-de-oplossing-op-de-klimaatuitdagingen>

¹⁶ We believe that training should be proposed at different levels, from high school, to higher education, to adult education. In addition, the technical - or 'circular'- professions such as repairers should be promoted via e.g. a campaign for circular jobs. According to the project Repair zkt Hub, young people no longer choose the repair profession, due to lower wages, more working hours and lower awareness compared to other technical sectors.

2. Administrative and informative interventions: better design and easy access to spare parts and repair information

Repairers also informed us that repairing is often slow and complicated. But why is that? Products are often not designed to be repaired (e.g. no modular design), spare parts and repair information are not always available, and delivery times of spare parts can be long. This situation increases the price for repairs as the repair sector is intrinsically a labor intensive one. The fact that it increases prices is especially true in Belgium where taxes on labor are really high.

→ At Repair&Share, we believe that the above mentioned economic interventions should be complemented by other policy interventions to render repair easier and faster, but also cheaper.

Minimum product requirements and information at the point of sale

Products need to be designed in such a way that they are easy to disassemble and repair. There should also be easy access to spare parts and repair information for all products, but also for all types of repairers, i.e. not only those authorised by manufacturers. Therefore, minimum product requirements as well as maximum price for the spare parts - which prices are currently too high - should be investigated.

Get inspired by Spain, which has recently passed a law¹⁷ that requires manufacturers to keep spare parts of products available for a decade after the product ceased to be manufactured¹⁸. This measure has been put forward in the context of the transposition of EU consumer law¹⁹.

Get inspired by France, which is including the price of spare parts as one of the criteria in their [repair score](#). Asking manufacturers to display the prices they ask for their spare parts might encourage them to lower them, while at the same time providing transparency to repairers and consumers.

→ The Belgian federal government could put forward mandatory measures 1) to ensure the availability of spare parts 2) to provide more transparency on spare parts tariffs, drawing from best practices in Spain and France .

→ Regarding the reduction of the price of spare parts, we would however favor that the Federal government looks into the feasibility of limiting the price of spare parts to a 'reasonable' one, i.e. a price that does not discourage repairers to access these items²⁰.

→ Belgium could in the discussions at EU level push for ambitious Ecodesign mandatory design requirements on e.g. product design, availability of spare parts and information requirements. More information on our demands regarding EU Ecodesign can be found in our [previous paper](#).

¹⁷ 'Ley General para la Defensa de los Consumidores y Usuarios (General Law of Consumers and Users Defense)

¹⁸<https://www.osborneclarke.com/insights/implementation-spain-directives-digital-content-services-contracts-sale-goods/>

¹⁹ EU Directives 2019/770 and 2019/771 (respectively, on digital content and services contracts and on the sale of goods)

²⁰ The work done by Rdc Environnement could serve as inspiration, see [here](#)

Conclusion

At Repair&Share, not only do we get inspired from abroad, but we also see **concrete opportunities for Belgium**. Both the federal and regional governments are currently drawing up action plans and are allocating budgets for the economic recovery as well as for their circular economy strategy. Repair&Share would be happy to discuss how concrete policy options, as well as their implementation could be introduced in such plans. There is in our view a momentum we need to seize in order to give the repair sector a boost, and this way enable a true Right to Repair in Belgium.

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