

PRESS RELEASE: Startups welcome the exemption of open source software from the scope of the revised Product Liability Directive

[Brussels, 15 December 2023, contact maxime@alliedforstartups.org] Allied for Startups welcomes the trilogue agreement on the revision of the Product Liability Directive (PLD). This revamped law will adapt the EU's liability framework to current market conditions and technological advancements while prioritising consumer safety. Importantly for startups, the agreed text clarifies that free and open source software (OSS) shall not be covered by updated liability rules, unless used for commercial purposes.

Speaking about the agreement, Allied for Startups' Policy Manager Maxime Ricard commented: **"We welcome EU policymakers' ambition to update the European Union's liability framework to align it with today's reality. The agreement is a step forward in providing more legal clarity to EU citizens and businesses in the digital age, which is particularly beneficial for smaller players like startups."**

By adjusting the EU's liability framework, the revised PLD also touches upon the case of open source software. Considering the substantial number of startups relying on such type of software, sometimes for vital internal operations, embracing the use of OSS is a key lifeline for startups in helping advance their product roadmap, especially at early stages. On this matter, Ricard added: **"Empowering startups and innovators to use free and open source software is the right way to go for startups, who often depend on it to stay competitive, scale, and even enhance their cyber resilience"**.

Allied for Startups will continue to engage constructively with policymakers and advocate for startups to be able to make the best out of open source tools given their significance for startup communities in the EU and beyond.

Allied for Startups is a worldwide network of over 40 advocacy organisations focused on improving the policy environment for startups. Our mission is to ensure that the voices of startups are heard in government. For more information on Allied for Startups including a full list of our network, visit the website at www.alliedforstartups.org