

**NEWS – ECIPE PRESS RELEASE – NEW POLICY BRIEF**

# **Collective Action in the Netherlands: Why It Matters for the Transposition of the Product Liability Directive**

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**Brussels, 4 June 2025** - An ECIPE [Policy Brief](#) highlights the implications of the Netherlands' transposition of the new EU Product Liability Directive (PLD), particularly in relation to its collective action system. As a key destination for mass claims, this transposition reinforces the Netherlands' reputation as a litigation hotspot. By simplifying liability claims and broadening the definition of "product" to include software, digital files, and related services, the PLD – when combined with the collective redress regime – is expected to drive a rise in mass litigation.

The policy brief also examines the potential impact on Dutch firms as exposure to collective actions under the PLD grows, extending liability across the entire value chain. The affected sectors responsible for 27 percent of the Dutch market economy's value added, are key engines of economic growth. Rising litigation could undermine the Netherlands' appeal to multinational companies, putting foreign investment and employment at risk, both important to the country's economic performance.

The policy brief warns that rising mass litigation may stifle innovation by diverting resources away from R&D activities, a significant concern for the Netherlands, one of the EU's leading R&D investors. A decline in market capitalisation among Dutch companies could also affect household wealth and long-term savings. The brief cautions that the impact of collective actions extends beyond corporate balance sheets, with potential negative consequences for Dutch savers, pensioners and its broader innovation-driven economy.

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