

## EU Regulation for hardware in data centres

### Sustainability and cost-effectiveness go hand in hand

**Where sustainability in data centres is concerned there is plenty of hidden potential in a comprehensive recycling economy for servers. This point is addressed by an EU Regulation that has been in force since March 2021, which intends to ensure hardware is operated securely for a long time. Not only does it create benefits for the environment, but also for companies. IT departments have gained greater freedom with maintenance and more scope in the budget.**

Sustainability is an important issue for many companies and IT departments. At the same time, cost-effectiveness plays a central role. The economic effects of the coronavirus pandemic are forcing many companies to review their budgets. EU Regulation 2019/424 has offered new possibilities for this since March. Because its aim is to extend the operating time of servers – thus combining sustainability with cost-effectiveness.

It had already required hardware manufacturers to make it easier to repair and upgrade their new server models according to defined standards since 2020. In the current second stage, which has been in force since March of this year, the regulation addresses another point in order to extend useful life: with immediate effect manufacturers of servers are obliged to provide their devices with security updates and updated firmware for longer. What this means in concrete terms is that

*“[...] the latest available version of the firmware [...] must be provided for a period of at least eight years after the last product of a certain product model was placed on the market, free of charge or at fair, transparent and non-discriminatory costs [...]”.*

OEMs (Original Equipment Manufacturers) should even offer the last available security update of the firmware free of charge. The regulation allows for some exceptions, but it should apply to about 80 to 90 per cent of the devices used in data centres.

The new EU requirements apply with effect for the period “two years after the first product of a certain product model was placed on the market”. Therefore, during the first two years after an OEM has launched a model series, it can freely decide how it provides the updated firmware versions. After that, the regulation takes effect. Despite the time delay the EU Regulation is already important to IT departments now. They know they can use future server models for many years without compromising security. Security doubts are thus

negated as an argument for prematurely replacing technically flawless and performant hardware.

The Regulation also plays a role now when IT departments are considering renewing or expanding the hardware in their data centres. Because every manufacturer usually wants to conclude maintenance agreements for as long as possible when selling their devices. Previously, manufacturer maintenance was a widespread condition for OEMs providing their firmware. As a result, the concept of cross-manufacturer maintenance seems difficult to implement for many companies and they administer numerous parallel OEM agreements. Which was not the optimal solution for many of them. In a study from 2019, Technogroup IT-Service GmbH found out that just 17 per cent of the IT experts, purchasers and decision-makers surveyed were satisfied with the maintenance offered by manufacturers. Over 60 per cent were less satisfied or dissatisfied and zero per cent were very satisfied.

Thanks to the new EU Regulation firmware updates will also be available without manufacturer involvement in the future. So if a company does not want to be tied by OEM contracts, they can count on third-party maintenance (TPM) independent of manufacturers instead. This gives companies and IT departments more freedom of action with regard to the important maintenance question – with positive effects on the budget. Analysts from Gartner estimate potential savings when changing from manufacturer maintenance to maintenance independent of them of up to 70 per cent. Meaning the possibilities of acting both sustainably and cost-effectively go hand in hand here.

*Scope: approx. 4,000 characters*

The complete EU Regulation 2019/424 can be found on the EUR Lex servers: <https://eur-lex.europa.eu/legal-content/DE/TXT/?uri=CELEX:02019R0424-20210301>

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