



The Retail, Wholesale and International Trade Representation to the EU

**Environment &
Logistics**

*EuroCommerce response to the Commission
consultation on the revision of the Energy Labelling
Directive 92/75/EEC*

February 2008

Introduction

EuroCommerce welcomes the consultation on the possible revision of the EU Energy Labelling Directive 92/75/EEC.

As a general remark, EuroCommerce would like to stress that the energy labelling directive is one of the most successful EU instruments. The concept is simple and the label well recognised and understood by a large majority of consumers. This must remain the underlying objective when revising the directive.

However due to swift technological progress, we have reached a situation whereby many products within a given product group are almost entirely concentrated in the top two efficiency categories. This prevents a clear distinction with regard to energy use being made between the products of a product group.

Any changes to the energy label to address the above problem must not entail any further administrative or financial burdens for retailers but also for the consumer and should not result in a shift of responsibility from the manufacturer to the retailer.

(1) How do you suggest the Commission could best ensure coherent product policy?

Numerous EU instruments – whether mandatory such as the eco-design or energy label directives, or voluntary such as the EU flower or energy star – already tackle energy issues. In some cases energy is the core element of the instrument: in others energy represents only one of the parameters addressed such as in the EU eco-label.

To date, the above instruments have successfully cohabited – each serving a clear purpose and well-defined scopes. This coherence must be maintained when revising the labelling directive and introducing new eco-design standards for energy-using products.

Furthermore, any new product to be covered by any of the mandatory instruments must be justified and based on scientific evidence.

(2) Do you agree to the general principle of reinforcing the use of energy labelling in order to more vigorously contribute to the Union's objectives on climate mitigation, competitiveness and sustainable product policy?

EuroCommerce agrees with the general principle of reinforcing the use of energy labelling to contribute to climate change mitigation, competitiveness and sustainable consumption and production.

The energy label – in its current form – is successful. Consumers know it, recognise it, understand it and find it useful. The label has contributed to a change in consumer behaviour for those products covered by the energy label.

Moreover, some manufacturers have started using the label for products not covered by the energy label e.g. lamps, cars, electronic products.

(3) For energy using products, would you favour the use of an energy label focusing on the energy consumption at use or of an “eco-design label”, (near to the Eco-label showing the “best”) giving the global environmental performance of the product throughout its life-cycle?

EuroCommerce is against the extension of the energy label to an “eco-design” label. As already stated, the EU policy as regards products is on the whole coherent.

The EUP directive focuses on the eco-design of products and more specifically their environmental performances. The EU flower identifies the “best” products while the energy star addresses office equipment. The energy label on the other hand looks at the energy consumption in use.

The success of the label lies in its simplicity. All the information contained on the label is of direct relevance to the consumer. The consumer is therefore in a position to assess the financial advantage – for himself – of choosing a more energy efficient appliance.

Should the consumer want more information, this is already readily available by other means: e.g. shop assistants, websites, leaflets etc.

Including other parameters to the energy label on which the consumer has no or very little influence is therefore superfluous. On the contrary, too much information kills the information and risks confusing the consumer leading to the opposite effect i.e. purchasing the least costly product.

An “eco-design label” could also be confusing for products for which an EU eco-label or national label already exists.

Therefore the scope of the energy label should be maintained as it currently stands and not be extended to an “eco-design label”. An approach that focuses on the energy consumption in use is more relevant for the end consumer considering that 70-80% of the total energy consumed is often used during this phase.

(4) Are you in favour of adding CO₂ on the energy label? How could reliable information be assured in the light of different energy mixes in the 27 Member States?

No, EuroCommerce is against including CO₂ on the energy label for both policy and practical reasons.

While CO₂ is relevant in the discussions as regards climate change it is only one of the components to be addressed in the broader context of sustainable development. Furthermore, research undertaken by the energy saving trust shows that most consumers do not understand carbon labelling and that it currently does not affect their decision-making. This is mostly because consumers are unable to compare CO₂ values.

In the light of the different energy mixes in the 27 Member States it would be extremely difficult and burdensome to calculate and label products especially for products sold in more than one country.

(5) Are you in favour of adding annual running costs on the energy label? How could reliable information be assured in the light of different energy prices in the 27 Member States?

EuroCommerce is against adding annual running costs on the energy label.

The price of energy is different in each Member State. It sometimes even differs from one region to another within a given country and depending on the energy provider. Furthermore prices fluctuate along the year.

The addition of running costs on the energy label would therefore require regular re-labelling of appliances, creating further administrative burdens and mistakes when re-labelling. EuroCommerce rejects proposals in the direction of including a quantified energy savings indicator in relation to the consumer purchase price. Such a provision would shift the burden of making the label (with all the calculation work involved) from producers to retailers, since it is the retailers who set the consumer purchase price.

(6) Would you like to add other products to the scope of the labelling Directive than those covered at present (household appliances only)? If yes, which products would you suggest (non-household or non energy-using products, "energy-relevant" product, services such as holiday packages or other)?

The immediate priority should be the revision of the efficiency categories for the products currently included under the scheme.

The EU energy label is not adapted to all appliances. There are however some products for which an energy label might have an added value. For example, smaller or micro-retailers could be interested in an energy label for commercial refrigerators or freezers that they use.

Moreover, some manufacturers have even taken up the label on a voluntary basis e.g. for lamps etc.

The possibility of extending the energy label to other product groups should also take into account the likely effect on consumer purchasing behaviour (i.e. will it change their behaviour significantly) as well as the resulting energy savings (i.e. little difference between appliances).

Nevertheless, in all cases, thorough impact assessments should be carried out before subjecting new products to the energy label.

(7) In view of dynamic labelling, which approach would you suggest for the transition from an existing labelling scheme to a new labelling classification in order to cause minimum distortions?

We have reached a situation whereby many products within a given product group are almost entirely concentrated in the top two efficiency categories. This prevents a clear distinction being made between the products of a product group.

Changes are therefore necessary. A dynamic labelling should not however entail any further administrative or financial burdens for retailers or for the consumer and should not result in a shift of responsibility from the manufacturer to the retailer.

Any changes to the label must also be properly communicated to consumers (and not require having to re-educate them) as well as to the other actors, such as the retailers. This task is for the authorities.

Besides training, the greatest challenge for retailers lies in the issue of stock. Retailers cannot be expected to re-label their stock. This is very costly and can lead to errors for which the retailer would be held responsible.

(8) Do you want to propose an alternative route beyond the considerations in this document?

EuroCommerce welcomes the decision to keep the issue of the label out of the revision of the directive and for this to be discussed separately.

As indicated at the stakeholder consultation meeting of 8 February, EuroCommerce is interested in participating in the working group to be set up and which will look into the possibility of a new energy label.

EuroCommerce represents the retail, wholesale and international trade sectors in Europe. Its membership includes commerce federations and companies in 29 European countries. Commerce is the closest link between industry and the 480 million consumers across Europe. It is a dynamic and labour-intensive sector, which plays a significant role in the European economy, generating 11% of the EU's GDP through 6 million companies. 95% of these are small enterprises. Over 30 million Europeans work in commerce and the sector supports millions of dependent jobs throughout the supply chain. www.eurocommerce.be

