dena
Deutsche Energie-Agentur

Comments of the German Energy Agency (dena):

"Working document on the revision of the Energy Labelling Directive 92/75/EEC of 22 September 1992 on the indication by labelling and standard product information of the consumption of energy and other resources by household appliances"

General comments

EU Framework Directive 92/75/EEC and the corresponding implementing Directives on the energy labelling of household appliances have been and still are of central importance in both European energy efficiency policies and national policies. These mechanisms are used to create market transparency as to the characteristics of energy consumption and as to the differences in the amount of energy used by different products in a particular product category. The introduction and implementation of the directives has successfully initiated a learning process, particularly in retail and the private consumer, and this has led to a considerable increase in the demand for energy-efficient products. At the same time, the manufacturing industry made significant attempts to develop and distribute products in the best energy consumption class when legal requirements were introduced throughout the EU as to energy labelling.

Against this background, the concept underlying the mechanism created with these EU Directives still offers lasting advantages in respect of the exploitation of current and future energy efficiency potential. **The EU requirements should definitely be retained and continue to be updated in the long term.**

At the same time, dena sees an **urgent need to update and continue updating the current regulations related to energy labelling throughout the EU in accordance with Framework Directive 92/75/EEC.** A revision of the Framework Directive would be sensible for the following reasons:

1. **Introduction of a mechanism which regularly assesses the market relevance** of the energy labelling requirements for a product. The indicators of market relevance here would be the economically exploitable product-specific energy efficiency potential and the share of the market held by the product within the highest class of energy efficiency. A procedure for the regular examination of the (market) relevance of the thresholds for each class of energy efficiency which applies to the whole product spectrum should be established once and for all in the EU Framework Directive. Once the conditions were fulfilled, the mechanism could be applied simply and quickly to the EU implementing regulations for the various product groups.
2. **Extension of the principles of EU Framework Directive 92/75/EEC beyond the product groups already covered to include energy-using products which are not specific to the household:** In addition to the typical energy-using products found in private households, a variety of products exist in industry and production, trade and services which have a fairly high, economically exploitable energy-efficiency potential. The decision makers are often not aware of this economic potential because of the lack of market transparency. It is therefore important that EU Framework Directive

92/75/EEC be extended, making it possible to apply the successfully tried and tested system of differentiated energy labelling to energy-using products outside of the home.

3. **Harmonization of the regulations required under EU Framework Directive 92/75/EEC** and the related EU Directives with the **requirements of EU Framework Directive 2005/32/EC** (Eco-Design Directive) including the corresponding EU legislative measures currently being prepared. An effective EU-wide regulatory framework can be achieved if energy labelling and minimum efficiency standards (eco-design requirements) are complementary and consistent with one another and if synergies exist between the two. For this, it is recommended that the technical concepts underlying standardized EU energy labelling be linked to those on which the eco-design requirements are based. At the same time, it is important to consider for each product group whether the use of a differentiating EU label would be better than an obligation to label best appliances. In this latter case it is recommended to assess whether those products with an energy consumption which is lower by a set percentage than the minimum energy efficiency levels stipulated in the Eco-Design Directive would have to be labelled.

dena welcomes the EU Commissions's stakeholder process which has been instigated to establish how this directive should be revised.

Answers to the EU Commission's questions under the stakeholder dialogue

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

Where coherent product policy is concerned, dena is in favour of the harmonized introduction and continuous updating of EU policies to guarantee minimum efficiency standards (eco-design) and to create market transparency with compulsory energy labelling, whereby both mechanisms should be based on the same technical principles (e.g. definitions, revision cycles etc.)

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?

dena considers it important **to update the regulations regarding energy labelling both now and in the future and to ensure that market implementation is speeded up.** An important contribution can be made towards achieving the European and national energy and climate mitigation goals with the EU-wide regulation of energy labelling.

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?

dena is of the opinion that the principle of energy labelling underlying the EU Label should definitely be kept to. A label showing energy consumption should be preferred to a label which gives information on a product's environmental characteristics during its life cycle. Compliance with minimum standards where

environment-related product features are concerned should be regulated in the form of market access requirements in the implementing regulations for the EU Eco-Design Framework Directive.

Providing data on the energy rating and energy consumption levels of a particular product is an easy way for manufacturer, retail and advisory office to inform the consumer of the monetary consequences (in a national context) of product-specific energy consumption. Any current national market research findings as to why the private consumer buys highly efficient energy-using products would point to the fact that the cost savings which can be achieved with efficient products is what prompts that decision.

The success of the label was and is determined in great measure by its simplicity and ease of understanding for both retail and the consumer. Incorporating more information in the label (to include data on further characteristics important in eco-design terms) is likely to detract from its comprehensibility and thus market relevance.

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

dena is not in favour of adding CO2 values to the standardized EU Energy Label. No meaningful information could be provided on such a label due to the very different energy mixes in the various EU Member States and the resulting variances in the CO2 factor for electricity and other energy sources. It is more important to explain to the consumer that higher energy consumption generally results in higher CO2 emissions. The EU label is not the right medium for this type of information. Instead, other more suitable instruments should be used as required at a national level.

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?

Adding information on the cost of running the product to the EU label is not advisable. The time and effort involved in showing the cost of energy consumption on the label would be too high because of the different energy prices in the various EU Member States. Information useful to the consumer on the differences in the cost of running for various products within a product group can only be provided through additional information provided at a national level. dena has been very successful with this approach in its national consumer information work.

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)?

EU Framework Directive 92/75/EEC should be extended to other energy-using products such as electric motors and commercial refrigerators which are not used in the home. As already discussed elsewhere, it is to ensure that there is harmony between the implementing measures currently being prepared in respect of the Eco-Design Framework Directive and the EU energy labelling regulations.

Extending the scope of the directive to include non-energy-using products (such as tyres) might also be sensible.

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 distortion?

dena is in favour of the introduction of a dynamic regulation of energy labelling which takes into account current technological developments and the market penetration of a product where energy efficiency is concerned and of updating the threshold values of the classes of energy efficiency accordingly. Regulations which make energy labelling dynamic can guarantee the effect of the mechanism in the long term and help energy-efficient products to attain ongoing market penetration. New regulations for dynamic labelling should require that the classification thresholds are controlled at least or at the latest every five years. This assessment should take into account the market share enjoyed by the highest class of energy efficiency and the energy savings potential available both technically and economically. In order to cause minimum distortion the product specific regulations for dynamic labelling should be given by the implementing directives and the transition periods should last a short in general. Further aspect should be discussed in the Commission's working group on dynamic labelling.

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

No. It should be noted here, however, that dena also considers there to be a need for action where the updating and introduction of standardized EU energy labelling regulations in the following product groups is concerned: cold appliances, washing machines, water heaters and TVs.

Additional comments on the considerations contained in the working document

Part 5, policy option no. 7 - tighter tolerances

dena is in favour of tightening the tolerances for the classification of energy efficiency. The current tolerance (15%) distorts the picture of the energy efficiency characteristics of a product. This measure could improve the consumer's trust in the quality of information given on the energy label and the potential to reduce energy consumption could be better exploited.

Part 5, policy option no. 9 - legal protection of the EU label

It is recommended that suitable precautions are taken to give legal protection to the label by the EU Commission.