



**Response to the European Commission consultation – Revision of the
Energy Labelling Directive 92/75/EEC**

Kingfisher plc is pleased to respond to the European Commission consultation on the revision of the Energy Labelling Directive 92/75/EEC. Kingfisher has additionally consulted with Eurocommerce who represent the retail trade sector in Europe.

Kingfisher is an international home improvement business with over 755 stores in 9 markets, 6 of which are in Europe. We employ 72,000 people and over 6 million customers visit our stores every week.

Kingfisher is supportive of the energy labelling directive and believes it to be well recognised and understood by the large majority of our customers. We believe this should remain the fundamental objective when revising the directive, also that any changes should not entail further administrative burdens for retailers or consumers.

It is Kingfisher's view that the current A-G system should include other products. Customer research undertaken (Nov 06) by our UK operating company B&Q, indicated that out of 7,500 interviewed about energy efficiency issues, 93% said they look for the energy ratings and a further 86% said they would like to see them extended. An impact assessment should be undertaken to determine the benefits of extending the current scheme and the EUP directive could be a vehicle for this.

We also strongly believe that water usage should be made more relevant and put into context on the labelling to ensure comparisons are made between what is efficient and not so efficient. An example of this is a washing machine which is efficient in terms of energy but uses more than the average water.

It is Kingfisher's view that carbon should not at this stage be included within the labelling due to the fact that there are different carbon factors for different countries, the uncertainty of its calculations and the relevance of carbon as a measure to the consumer. This however, could be a factor to consider in the future.

Please see below Kingfisher's response to Question 1-8 outlined in the consultation:

Q1. How do you suggest the Commission could best ensure coherent product policy?

It is Kingfisher's belief that the A+ and A+++ rating are not necessary. If a product is an 'A' rating then it should be the best that there is. We would also add that the current voluntary scheme should be better regulated to ensure self declarations made by manufacturers are verified against a pre determined and consistent set of criteria.

Q2. 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?

Yes Kingfisher agrees with the general principle, however, we would have concerns as to how this would transpire in the internet and catalogue media. The document implies that mail order and internet medium will have to show the new generation of labels. We fail to see how this can be achieved. Given the size of the catalogues of our UK business Screwfix, any label display would be pointless, as it would be impossible to read the label detail. It would also have a serious effect on how we produce our catalogues, involving much extra cost. Generally we would be against displaying labels in catalogues as this would not only create larger catalogues and additional printing, but it would also have environmental and cost implications which would outweigh any retail benefit to the consumer. However, a simple way of stating the grade of a product might be something that could be achieved without showing the full label each time. It could be accomplished at an Internet level by attaching files to products, this something some of our businesses already do.

Q3. 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?

Kingfisher would favour the use of an energy label focusing on the energy consumption at use as this would have more meaning to the end consumer. As indicated previously, it is important to keep labelling simple and not confuse the consumer with new labelling. The current A-G rating label is well recognised and understood.

Q4. 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?

Kingfisher would not be in favour of adding CO2 on the energy label, unless this was an EU approved and EU wide CO2 interpretation table. Given the varying interpretations of what different people think CO2 means it could create more confusion than it solves. Current Energy Saving Trust (EST) research shows that most consumers do not understand carbon labeling and that it currently doesn't affect their decision making.

Q5. 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?

Kingfisher does not believe adding annual running costs on the energy label to be appropriate. This would be difficult to implement practically given that the price of energy is different in each member state.

Q6. 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)?

As indicated above, it is Kingfisher's view that the current system should include other products. An impact assessment should be undertaken to determine the benefits of extending the current scheme and the EUP directive could be a vehicle for this.

In principle Kingfisher sees Energy labelling as a good medium to rate products for now and the future. But we believe we should be "reasonable" in what we bring into scope. In general principle we would like to see all "large" appliances with a high running rate targeted first i.e. fridges run 24hrs a day whereas power tools run for a much shorter intermittent period. Rather than targeting non energy using products, it may be more appropriate to target electrical machinery used in Trade environments. Tradesmen tend to be higher users than consumers on such things as power tools, compressors and generators. It may be possible to consider energy rebates for businesses showing they are using energy efficient machinery. Whilst the idea of a common label for energy using and non energy using products is attractive, we would suspect that it would be difficult to have a common label for energy using and non energy using products. We would suggest different labels for each. However, a similar rating of 'A' for the best and 'G' for poor or worst would be easier for the consumer to use and understand.

Q7. 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?

As stated above Kingfisher believes the label should be kept to energy using products only. Defining the label content and for products already covered we believe gives adequate lead in time for industry. Extra to this, define the new product categories to be covered and again give adequate lead in time for industry to comply.

Q8. Do you want to propose an alternative route beyond the considerations in this document?

Kingfisher believes that the EST and ESR labelling scheme helps the consumer choose from the top 20% of the market and this should be strengthened within the review.