



This project is funded by
the European Union



European Bank
for Reconstruction and Development

REEP Plus support for implementation of ecodesign and energy labelling requirements in the Energy Community:

How Market Surveillance Delivers the Benefits of Ecodesign and Energy Labelling (the 'Midwife'!)

15 November 2018

Energy Efficiency Workshop – Implementation of Energy Labelling and Ecodesign Requirements

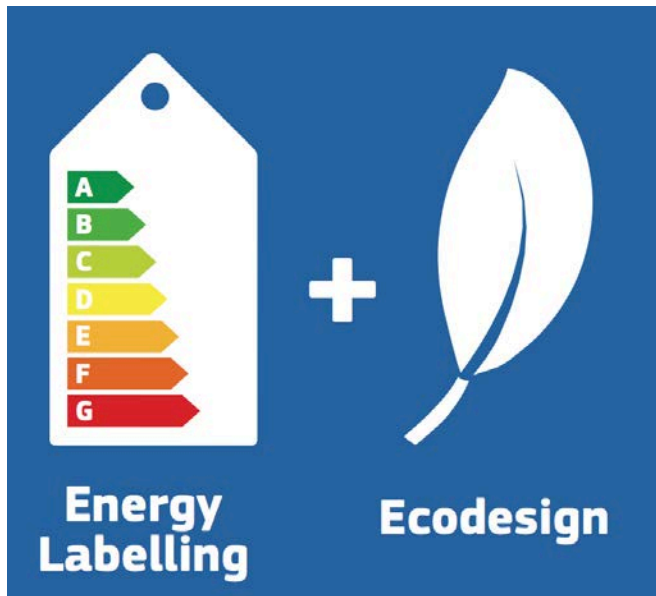
Jeremy Tait, E Co.

ECONOMIC
CONSULTING
ASSOCIATES

www.eca-uk.com



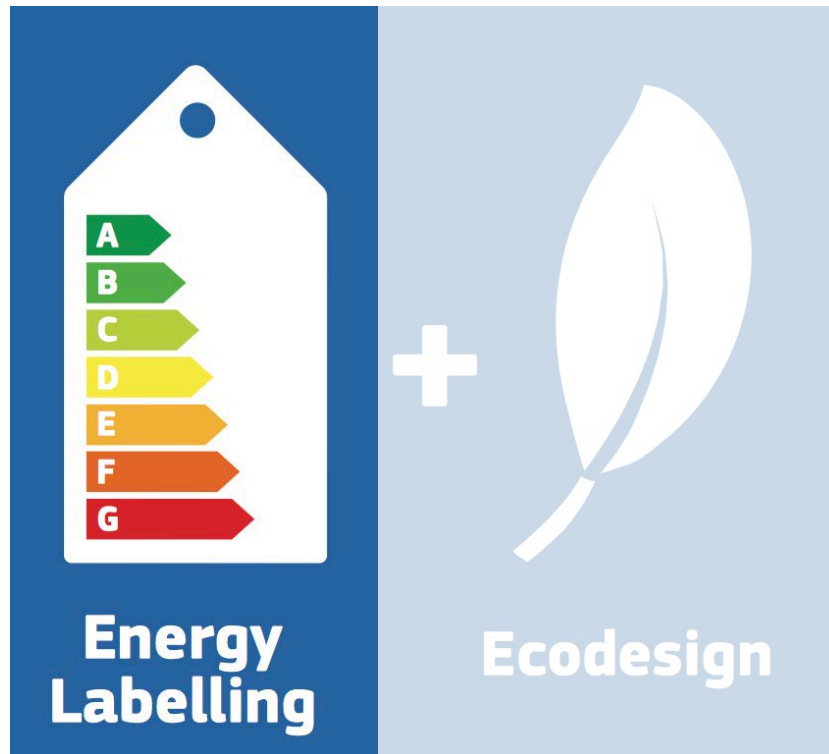
Agenda



- ▶ **Energy labels and ecodesign Bring Big Benefits**
- ▶ **But to deliver Big Benefits, we need Compliance**
- ▶ **Which requires enough and effective Market Surveillance**
- ▶ **Questions / discussion**

Energy Labels and Ecodesign Bring Big Benefits

A reminder: how they work



Energy labels:

- ▶ Establish comparable performance data
- ▶ Enable fair competition
- ▶ Help buyers to choose better appliances

Energy Labels and Ecodesign Bring Big Benefits

A reminder: how they work



Ecodesign requirements:

- ▶ Remove worst performing appliances
- ▶ Require publication of certain technical information
- ▶ Can impose functionality or features
- ▶ Control non-energy impacts



Energy Labels and Ecodesign Bring Big Benefits



Benefits for Consumers

Ecodesign policy means

€490 Savings

On household energy bills each year



Energy Labelling

+



Ecodesign



Nearly **half of the energy savings target** set by the EU for 2020



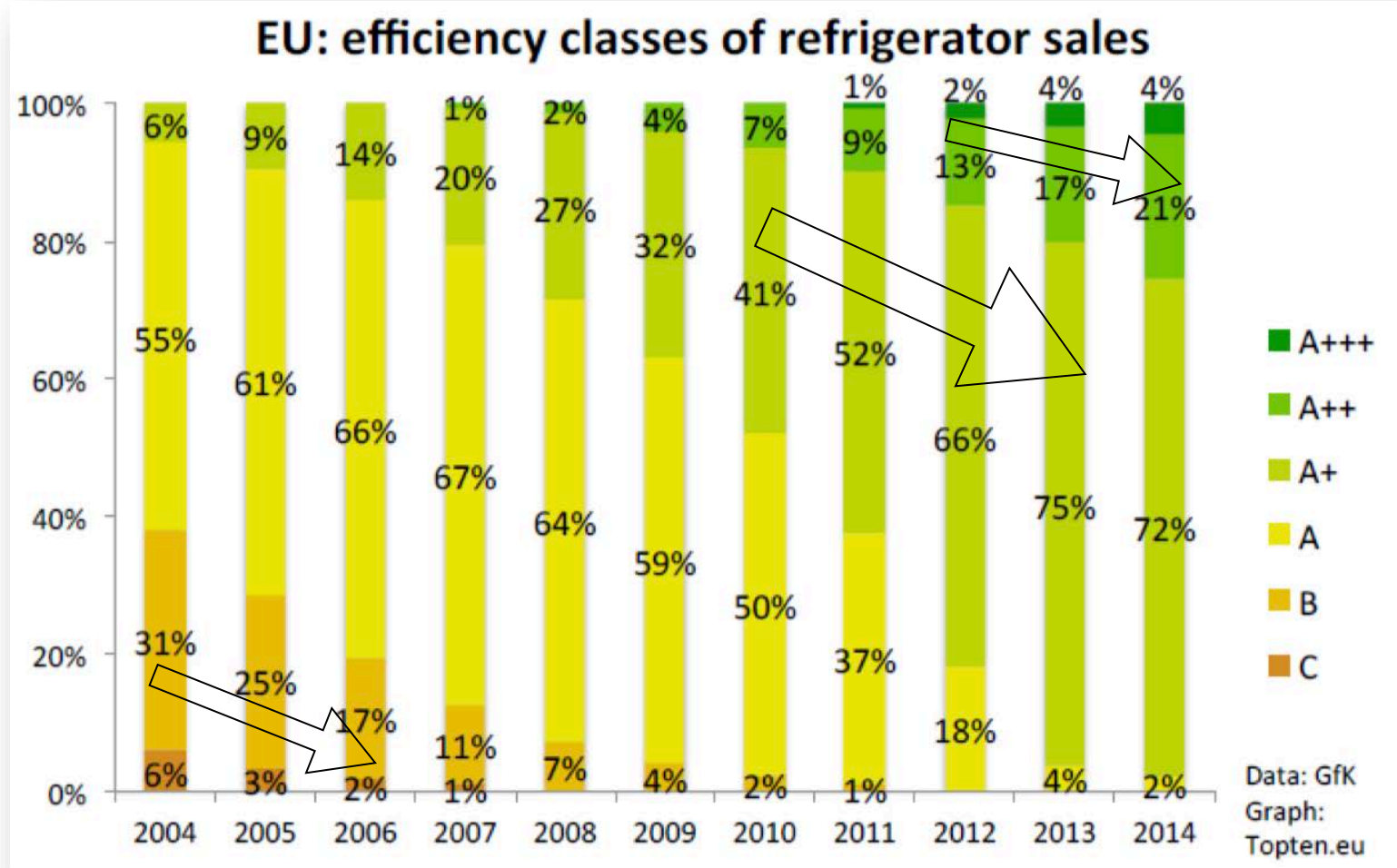
A **quarter of the emissions reduction targets** set by the EU for 2020

Source of both quotes: European Commission flyer on Ecodesign and Energy Labels, November 2016
Further figures from: Ecodesign Impacts Accounting, Status September 2016 (VHK for the Commission)



Energy Labels and Ecodesign Bring Big Benefits

Energy labels and ecodesign TRANSFORM MARKETS:



Source: Topten EU..

Energy Labels and Ecodesign Bring Big Benefits



Benefits for European Industry

Potential for creation of
€55billion
in yearly revenues by 2020

An illustration of an industrial factory with a tall chimney and a building, with five workers in white uniforms standing in front.

- ▶ Reduced costs
- ▶ Creates jobs
- ▶ Higher value sales
- ▶ More international trade opportunities

Source: European Commission flyer on Ecodesign and Energy Labels, November 2016
Further figures from: Ecodesign Impacts Accounting, Status September 2016 (VHK for the Commission)



Energy Labels and Ecodesign Bring Big Benefits

2.1 Our average European household

The approach is based on our average European family² consisting of Lukas and Anna, a young married couple who live with their 4-year-old daughter Sofia. They married 5 years ago and one year after Sofia's birth, they moved into their house, which was built in the 1980s and has 3 bedrooms and a small garden. They have a pet dog, Pip. Lukas and Anna both work full-time, Lukas as a fire fighter, Anna as a claims assessor for an insurance company.



© Sergey Nivens-Fotolia

Concretely Lukas and Anna can save the most on the following appliances each year:

- €122 - €179 on their (gas) central heating boiler.
- €130 - €159 on their lighting.
- €19 - €30 on their fridge-freezer.
- Up to €119 on their hot water heater.
- And from their other appliances, smaller savings individually, but adding up to between €4 - €24 in total.

Source: Benefits of Ecodesign for EU households, Final report, 7 October 2016, Ecofys for ANEC / BEUC.
Objective of report: *To quantify the net economic benefits of Ecodesign (and Energy Labelling) for the average European household.*

To Deliver Big Benefits, we need Compliance

***“To improve compliance rates”
is the objective of market surveillance***

Questions:

Why must market surveillance be done?

To Deliver Big Benefits, we need Compliance

***“To improve compliance rates”
is the objective of market surveillance***

Questions:

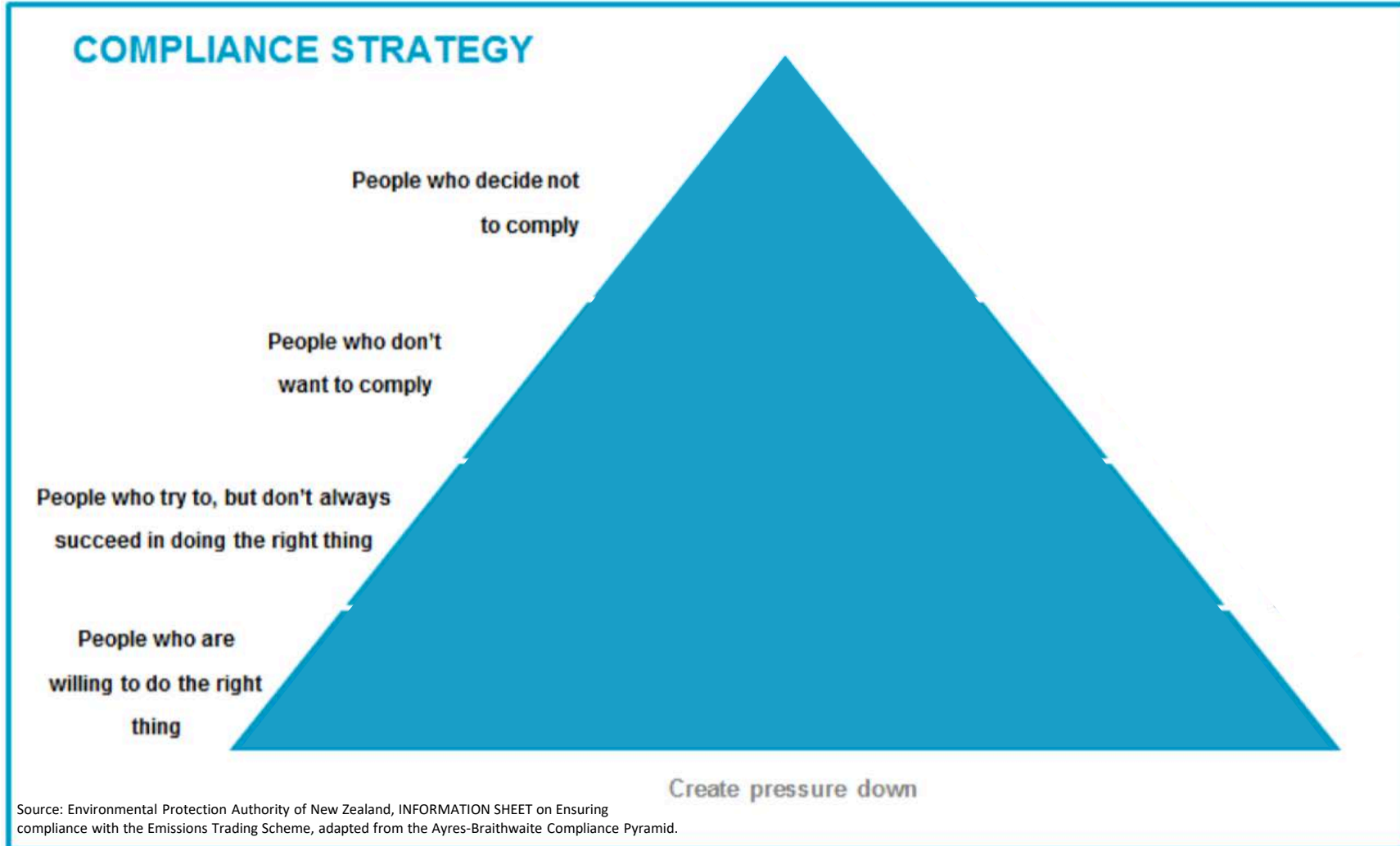
Why must market surveillance be done?

Why must market surveillance be done BY YOU?



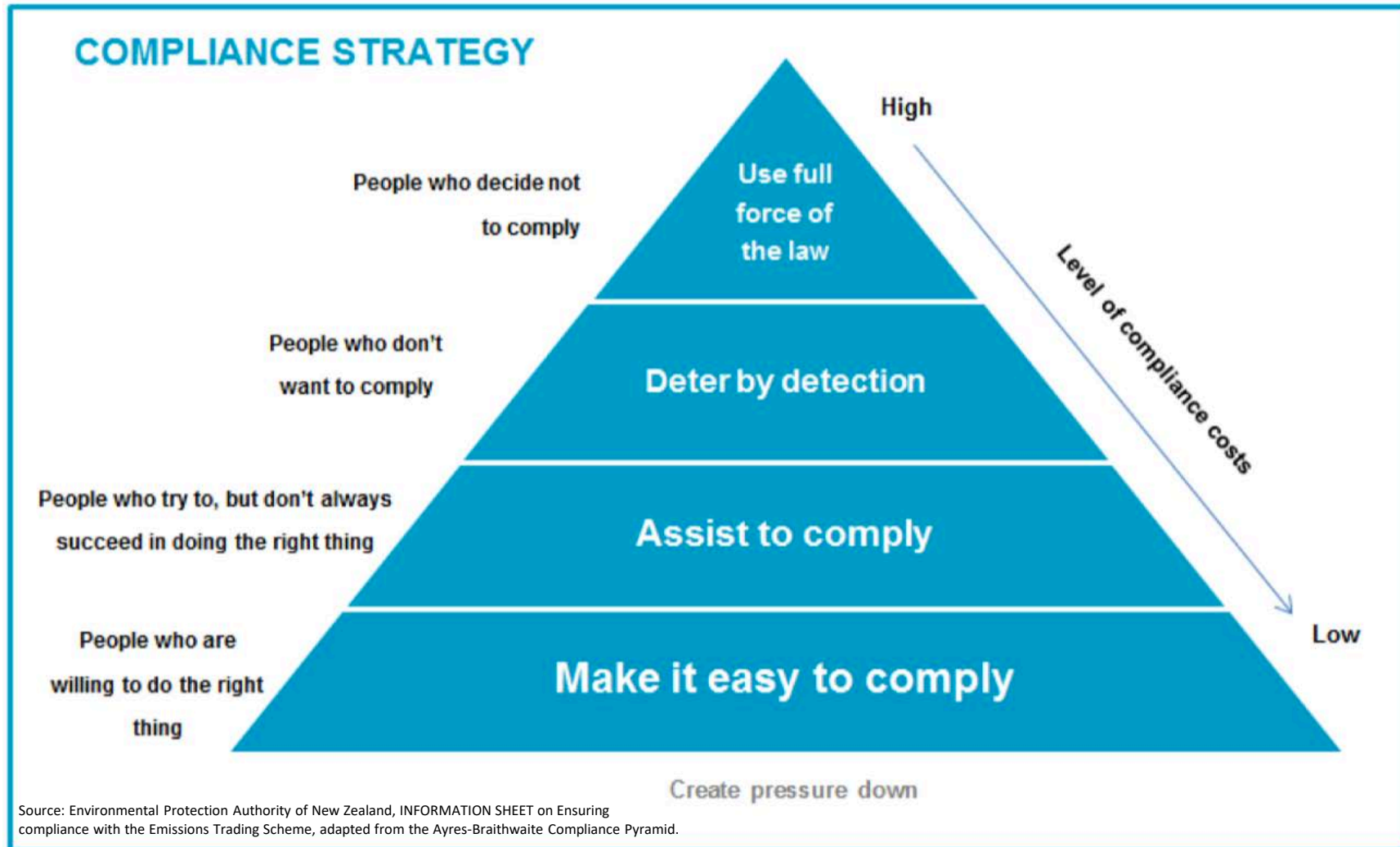
To Deliver Big Benefits, we need Compliance

Not everyone chooses to comply:



How to do enough effective Market Surveillance?

Not everyone chooses to comply:



How to do enough effective Market Surveillance?

Some recommended strategies:

- ▶ Work with business and support them to comply and grow
- ▶ Plan market surveillance actions based on RISK
- ▶ Publish clear information about what compliance requires; and what businesses will experience under enforcement action
- ▶ Coordinate between your institutions; cooperate internationally
- ▶ Learn from the many accessible sources of strategy, good practice and compliance tools

How to do enough effective Market Surveillance?

Tools make compliance checks easier and cost-effective:

1.3 Product fiche inspection

The listing of parameters considered most important to consumers are in bold and larger font.

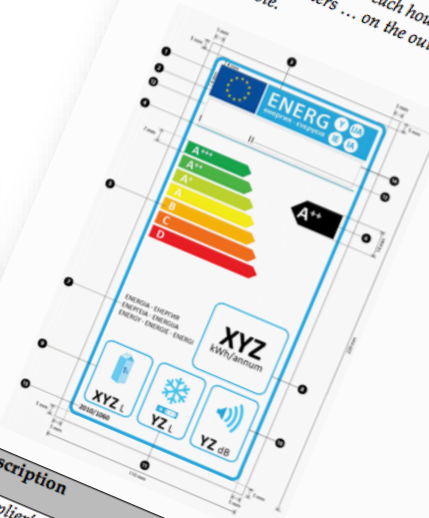
Article 5 of the Regulation states: 1. The information in the product fiche shall be provided in the following order and shall be included in the product brochure or other literature provided with the product:

Description	Mandatory?	Yes	No
(a) supplier's name or trade mark	Yes		
(b) supplier's model identifier as defined in Article 3, Paragraph 32 of the Regulation	Yes		
(c) category of the household refrigerating appliance model (in accordance with point 1 of Annex 2) [see reproduced below]	Yes		
(d) energy efficiency class of the model (in accordance with Annex 4)	Yes		
(e) possibly an awarded 'EU Ecolabel award' under Regulation (EC) No 66/2010, this information may be included	No, c		
(f) annual energy consumption (AEC) in kWh per year, rounded up to the nearest integer. It is defined as: 'Energy consumption under standard test conditions'			

1.2

Energy Label inspection

Dealers shall ensure that each household refrigerating appliance at the point of sale bears the label provided by suppliers ... on the outside of the front or top of the appliance, in such a way as to be clearly visible.



Description	Mandatory?	Yes	No
I. supplier's name or trade mark;	Yes		
II. supplier's model identifier;	Yes		
III. the energy efficiency class determined in accordance with Annex 4; the head of the arrow containing the energy efficiency class of the household refrigerating appliance shall be placed at the same height as the head of the arrow of the relevant energy efficiency class;	Yes		
IV. annual energy consumption (AEC) in kWh per year, rounded up to the nearest integer and calculated in accordance with point 3(2) of Annex 3; [Likely range is 30 to 1600 kWh]	Yes		
V. sum of the storage volumes of all compartments that do not merit a star rating (i.e. operating temperature > -6 °C), rounded to the nearest integer; [In litres. Likely range is 10 to 1500 L]	Yes - if relevant		

How to do enough effective Market Surveillance?

Resources to make compliance checks easier and cost-effective:

- ▶ Good practice guides and market insight from EU cooperative projects (atlete, EEPLIANT, INTAS, MarketWatch, CompliantTV)
- ▶ Market Surveillance manuals from PROSAFE, CLASP, ADCO, OECD etc.



How to do enough effective Market Surveillance?

Documentation Checks



Which is the most effective to improve compliance?

Lab testing



Court cases



How to do enough effective Market Surveillance?

Documentation Checks



Which is the most cost-effective?

Lab testing



Court cases



Questions and discussion

- ▶ What is a typical EU Member State budget for Market Surveillance?
- ▶ Does effectiveness necessarily reflect the *budget*?
- ▶ What support would you need to improve market surveillance?
- ▶ Which institutions are needed for market surveillance, and how should responsibilities be organised?



This project is funded by
the European Union



European Bank
for Reconstruction and Development

Thank you!

Jeremy Tait

Consultant to E Co.

Jeremy@taitconsulting.co.uk

ECONOMIC
CONSULTING
ASSOCIATES

www.eca-uk.com

