

The European Consumers' Organisation



European Consumer Voice in Standardisation

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# ANEC/BEUC comments on the

Green Paper on Energy efficiency "Doing more with less"

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The concept of sustainable development seems to have finally made a breakthrough. More and more consumers are ready to buy energy efficient products and even to pay a little bit more as they are sure that they will make a contribution towards a better environment. In particular for energy-consuming appliances, consumers want to be sure they will save money while using these products.

At the moment, there are two common ways for promoting a reduction in energy consumption in Europe:

- Labelling consumers' products and providing information to consumers. This is the
  most widespread method although it is not the most efficient. Consumers have to
  make their own choice and must often accept to pay more for products they
  purchase. They are confused by the profusion of labels and sometimes do not have
  confidence that the information is truthful.
- Setting strong (and sometimes mandatory) requirements for producers. This tends to work better when mandatory. The responsibility is on the industry side.

# 1. Consumer demands for energy-efficiency of products

### 1.1. Domestic appliances

Council Directive 92/75/EEC1 on the energy labelling of household appliances introduces classes A to G for household appliances - A being the most energy efficient category. Whilst the general approach underlying this Directive is welcomed by consumers' organisations, the concrete implementation of the Directive leaves much to be desired. According to some of our members' studies and investigations, the classification of products is not always reliable (e.g. B products labelled as A). There is, in fact, a discrepancy between industry claims of energy consumption and independent test results. To some extent, this is due to poor test standards allowing large and unacceptable measurement tolerances. In addition, industry declarations are often based on specific eco-programmes which the consumers opt not to use because they appear to be rather time-consuming.

This is amplified by the fact that there do not seem to be a lot of enforcement activities carried out by the Member States, making it easy for industry not to provide accurate information. ANEC and BEUC perceive this as a deficit which should be addressed. Amongst other things, funds should be made available to support spot check tests carried out at the European level.

This classification has become much more confusing since the European appliance industry asked to introduce new classes, called A+, A++ etc., to the current EU energy label on domestic refrigerators and freezers. Rather than introducing new categories (A+, A++, etc.) in the initial system, minimum requirements for level A classification should be enhanced. Indeed, consumers have more and more difficulties understanding differences and making an informed choice in the middle of a jungle of labels. Therefore, this above-mentioned classification and labelling is undermining the intended impact of promoting energy-efficiency in Europe.

Another concern is that the specifications for the appliances are not updated on time so that – as in the case of dishwashers – a large proportion of the products get a good rating leading to a lack of differentiation. If most of the products show an A or a B, the interest of consumers is likely to decline.

<sup>&</sup>lt;sup>1</sup> Council Directive 92/75/EEC on the indication by labelling and standard product information of the consumption of energy and other resources by household appliances.

The energy labelling scheme seems also to be undermined by voluntary agreements such as the one on TVs and DVD players (which does not appear to operate properly) or other marks which do not allow any differentiation of performance (such as Energy Star). The energy label system would be more successful if as many appliances as possible were included. From that follows that more products need to be covered (e.g. cars, computers and other electronics, heating appliances).

We regret that not much progress has been made since the European Commission released its consultation document on the subject in October 2004. ANEC and BEUC believe that these issues ought to be solved during the revision of the Directive and urge the Commission to undertake the revision in an ambitious manner.

### 1.2. Car industry

Since 1999, the European car industry (producers and retailers) are obliged to label new cars for energy consumption. In Germany, this label is only visible at 50% of retailers<sup>2</sup>.

In parallel, a voluntary commitment by the European car producers to reduce the  $CO_2$  emissions of new cars to 140 g/km by 2008, has been given to the European Union. Based on various recent studies, the producers are far from reaching their objectives. This should be taken as an indication not to proceed solely with voluntary agreements in this and other environmental areas. Instead, clear-cut regulatory measures ought to be implemented.

Finally, Directive 1999/94/EC³ on the fuel economy of passenger cars appears insufficient as it does not require the use of a graphical display, using grades, as in the case of the energy labelling scheme. It requires only the presentation of numerical values which makes it difficult for the consumer to compare. Hence, ANEC and BEUC recommend that cars be incorporated in the energy labelling scheme.

#### 1.3. Energy-using products

The framework Directive 2005/32/EC<sup>4</sup> for the eco-design of energy-using products is part of the Integrated Product Policy (IPP). It sets eco-design requirements for energy-using products, with the European Commission enacting implementing measures on specific products and their environmental aspects. It is difficult to anticipate the benefits consumers will gain from this framework, but we hope it will establish demanding requirements for a large number of products in a short period of time. The requirements must be stringent enough to eliminate a significant proportion of the products with low energy-efficiency from the market (e.g. the worst performing 20% of the products).

We denounce the industry's voluntary agreements and the lack of independent third party verification (self-regulation by industry). Measures need to be taken to ensure that the Member States take their enforcement obligations seriously. In addition, a budget needs to be made available for a Europe-wide compliance monitoring programme under the supervision of the European Commission.

ANEC and BEUC insist upon a transparent and regular stakeholder consultation and a possibility for independent experts to participate in the process. In order to ensure efficient

According to the European Consumers Centre.

Directive 1999/94/EC of the European Parliament and of the Council of 13 December 1999 relating to the availability of consumer information on fuel economy and CO2 emissions in respect of the marketing of new passenger cars.

Directive 2005/32/EC of the European Parliament and of the Council of 6 July 2005 establishing a framework for the setting of eco-design requirements for energy-using products and amending Council Directive 92/42/EEC and Directives 96/57/EC and 2000/55/EC of the European Parliament and of the Council.

working procedures there may be a need to establish product subgroups in analogy to the European eco-label system.

We support the implementing measures of the European Commission to reduce energy losses from appliances which are in stand-by mode. On the other hand, we encourage the inclusion of such implementing measures for other issues, such as design for recycling.

A general harmonised approach ought to be developed for a mandatory environmental product declaration, covering all relevant environmental aspects, taking into account the full life cycle of the product (following the approach outlined below).

Finally, the EuP (Energy-using Products) Directive has a limited scope which ought to be expanded in the future to cover all relevant products. In other words, a general IPP Directive is recommendable.

#### 1.4. Environmental product information and synergies

Various approaches to environmental product information have been developed in the past. Apart from the EU energy labelling and traditional eco-label schemes, LCA<sup>5</sup>-based Environmental Product Declarations (EPD) are becoming more popular. In addition, there are numerous other information requirements contained in other instruments (such as EMAS<sup>6</sup>) which are typically developed independent of each other. Potential synergies are thus not used and the labelling requirements are not harmonised, making their application more difficult. Hence, we believe that there is scope for a common European approach for environmental labelling involving all types of products and all types of eco-labels. To this end, a general European legislative framework should be established which would include energy labelling, traditional eco-labelling and new types of environmental product information, such as EPDs (based on ISO 14025).

# 2. Consumer perspective on energy-efficiency

In the last few years, a demand for environmental quality has clearly increased. Such demand, however, is varied. Sometimes it appears as a generic demand for a better environment, and sometimes in the form of temporary trends. It also appears in the form of "eco-consumerism" (that is, as a trend in consumption leading to a preference for products that, more or less legitimately, appear as ecological).

Within this fragmentation, eco-consumerism constitutes the most positive aspect in the overall picture. Even in its most superficial and contradictory aspects, this new demand is the fundamental social factor making eco-design a realistically sustainable proposal. Indeed, the existence of eco-products is due to this emerging social demand, and eco-production must specifically refer to it by acting as a catalysing factor for a new consumption culture.

According to our view, the proliferation of different ecological and/or energy-efficiency labels is confusing to consumers. Consumers, offered increasing variety, tend to shape consumption and to develop their own consumption culture. Greater control by the authorities would enhance the credibility of eco-designed products and eco-innovation of industry, and ensure the confidence of consumers in the long term. This would also increase the competitiveness of the industry and promote innovation.

Energy-efficient eco-products must be more affordable in terms of price and availability on the market. This could be supported by stricter regulation and e.g. eco-taxes.

LCA: Life Cycle Assessment.

<sup>&</sup>lt;sup>6</sup> EMAS: Eco-Management and Audit Scheme.

Education is also of importance in changing consumers' behaviour and sensitising them to the problematic of energy-efficiency. Making the link between everyday life and this particular issue is important, but it need not be moralising towards consumers.

Education and information will help in promoting eco-products and energy-efficient consumption. However, strengthened regulatory measures and enhanced standards requirements are of a greater impact in improving energy-efficiency.

**END**