

Revision of the EU Energy Label layout

ANEC views and arguments

Background

In addition to the ongoing revision of the EU Energy Labelling scheme as a whole¹, the European Commission is considering options for modifying or updating the layout of the label itself.

The current Energy Label is an A-G graded label, where A is the category for the most energy efficient appliances on the market, while G represents the least efficient appliances (see Annex 1 for image).

An alternative label proposed by CECED² introduces an open-ended numerical scale, where 1 would represent the least efficient appliances, whereas 7 would represent more energy efficient appliances (see Annex 2 for image). When more efficient models enter the market, a new Class "8" rating would be introduced, and Class "1" would be eliminated from the label³.

The above options are currently under discussion in the European Commission's Ad Hoc Working Group on the revision of the Energy Label layout. This WG includes representatives from Member States as well as stakeholders (manufacturers, retailers, consumer and environmental NGOs).

ANEC position

The familiar format of the EU Energy Label with A-G colour bar ratings has achieved high recognition by consumers. We therefore believe that it must be retained as the basis for imparting consumer information. In fact, the A-G labelling scheme is doing so well that it is currently trapped in its own success: too many products are crowding at the top end of the scale. Therefore we consider it crucial to simply revise or adapt the existing label in order to

¹ ANEC-ENV-2008-G-001final : ANEC input to the Commission consultation document on the revision of the EU Energy Labelling Scheme

² CECED - European Committee of Domestic Equipment Manufacturers

³ CECED Press release "Beyond A - New open-ended Labelling Scheme", 4 December 2007



maintain it as a valuable instrument for consumer information. In order to make it possible to update it in a flexible and dynamic way, without confusing consumers, we would support the suggestion to add the year next to the letter on the label⁴.

Furthermore, to ensure dynamism, we propose that a rescaling takes place once 40 per cent of the appliances on the market reach an A grade. This would automatically trigger a downward shift of grading so A becomes B etc. This approach would have the advantage of allowing for continuous updating of the scale to allow readjustments of the A - G categories. In any case a rescaling should automatically take place every five years⁵.

A concern by some stakeholders has been that a rescaling would leave consumers dissatisfied (due to a perceived loss of value), or confused because an appliance which used to be labelled an 'A' has suddenly become a 'B' as a consequence of a rescaling. However, in ANEC's view this concern is not well-founded as most of today's consumers are well aware that technological advances take place at an increasingly rapid speed and that, as a consequence, what is seen as 'top class' today, may no longer be 'top class' tomorrow⁶.

ANEC would also like to stress that if the current A-G label is kept and updated with the year, the Commission would not need to change all of the existing Implementing Measures and labels in one go (as would be the case if a change to a numerical scale is followed). Thus, keeping the A-G label is a simpler option from an administrative point of view, as the Implementing Measures may be updated gradually within the next four years.

To ensure accessibility, the information on the label should also be available in an alternative format for people with visual impairments. The alternative format should make the information accessible through a different modality or sensory ability. By providing the information in at least one alternative format (e.g. electronically accessible explanatory text or tactile/braille dots instead of the coloured A-G scale, audio tape), more people, including those with visual impairments, can make an informed purchasing decision. This alternative format should be available on request from the manufacturer and/or retailer. Shop assistants should be made aware of this alternative format.

Finally, ANEC stresses that should any significant changes to the familiar label be planned, the suggested new label should first be subjected to comprehensive consumer surveys to ensure the changes proposed are not a step backwards.

⁴ For example, "A - 2008" would become "A - 2009" if no rescaling takes place, whereas it would become e.g. "B - 2009" if a rescaling takes place and better products are introduced on the market.

⁵ This timeframe is also used to review and update European standards in order to ensure they reflect technological advances.

⁶ A good example is the mobile phone market in which a certain model may be considered as 'best available technology' one day, and yet lose value the next day when an even newer model is put on the market.



We believe the current EU Energy Label is a well-recognised and appropriate tool to pull the market up towards more energy efficient appliances, and should therefore not be changed.

ANEC reactions to the CECED proposal

We strongly believe that the EU Energy Labelling scheme needs to be adapted to be made flexible. We therefore appreciate the effort CECED put into developing their proposal for a new layout of the Energy Label.

However, we believe that, rather than the label itself, it is the system behind it which needs to be subject to a complete revision (e.g. timely re-classification of thresholds for A-G, measurement standards with decreased tolerances, and better enforcement and surveillance of the scheme). Consequently, we do not consider that the CECED proposal solves the shortcomings of the scheme.

In addition, we question the feasibility of the CECED proposal for the following reasons:

- From a consumer point of view, A is always considered as 'the best'. This makes the message 'Buy A' easy to understand and to remember for consumers. The openended scale proposed by CECED does not foresee a top number which would serve as a reference for consumers. Therefore, it will be difficult for consumers to identify what the best product available is.
- When rates are expressed in absolute numbers, 1 is usually considered as the best (e.g. classes on trains or planes, competition/sports, etc.). It is only when numbers are given in relation to a maximum value (e.g. 3/5, 7/10 or 10/20 etc) that the highest number is considered as better (e.g. grades at school).
- The CECED proposal gives the message that consumers should 'Buy green'. This is confusing as there are several green classes on the label. Furthermore, the EU Energy Label as such is not an environmental label and thus should not be linked with the word 'green'. The label only indicates energy efficiency.
- A product which, following the CECED proposal, scores 7 and is shown next to a dark green arrow in 2008 will still be rated 7 after a rescaling but will then appear next to a lighter green arrow. It will be difficult for the consumer to see a major difference between the two.
- Products (e.g. washing machines) which are labelled 7 next to a green arrow may appear in a shop next to other products (e.g. televisions) which are labelled 9 next to a yellow arrow. It would be very difficult for the consumer to understand why the number '9' is shown next to a yellow arrow, although '9' should be higher and thus better than a product labelled as '7'.
- The CECED proposal relies on the assumption that consumers will be able to distinguish between the red and green colours on the scale. However, this is not the



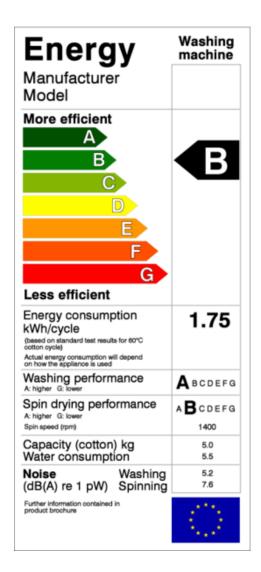
case for colour-blind consumers. The numbers on their own do not make sense to visually impaired consumers as most would opt to buy an appliance labelled as '1' rather than '7' or '8'.

- From a more administrative or regulatory viewpoint, we would underline that, just like the A-G label, the numerical label will also entail re-labelling of products once a revision of the thresholds has taken place. In the case of the A-G label it would be the strip on which the letter is displayed that would need to be changed (e.g. an A becomes a B if product development has led to more energy efficient products), whereas in the case of the 1-7 label it is the colour-scaled background that would need to be changed (i.e. although the number would stay the same for each product, the number would be shifted down the colour scale from e.g. green to yellow).
- If there is a need to create a system that allows for continuous updating, there is no reason why the colour-coded A-G cannot be used. The Commission should develop a system for regularly revising the thresholds of the A-G scale.
- Communication of a new label would be very costly not only for the Member States, but also for retailers and consumer organisations which would need to, respectively, re-train their staff and organise information campaigns to ensure comprehensibility of the new label by consumers. On the other hand, communication costs would be negligible should the current A-G label, with a year next to it, be introduced.



ANNEX 1 – Images of current EU Energy Label for fridge-freezers and for washing machines

Energy Manufacturer Model	Fridge-Freeze
More efficient	A
E F C Less efficient	
Energy consumption kWh/year (Based on standard test results for 24h) Actual consumption will depend on how the appliance is used and where it is located	325
Fresh food volume I Frozen food volume I	190 126 ★(***
Noise (dB(A) re 1 pW)	
Further information is contained in	****





ANNEX 2 – Example of CECED proposal for a new EU Energy Label

