

# THE NEW ENERGY LABEL BACK TO THE A-G SCALE!

## Good for consumers and good for the environment

A 1992 EU Directive requires retailers to provide information – through a label – about the energy efficiency of household appliances<sup>1</sup>. The EU Energy Label helps consumers choose the most energy-efficient products, thus helping to lower both their energy bills and their impact on the environment.

Initially, the label rated the energy efficiency of appliances on an energy class scale ranging from A to G, with class A indicating the most efficient products. Research<sup>2</sup> has shown that the clarity and straightforwardness of this scheme made it very popular among consumers.

### Victim of its own success: addition of plus classes

Over time, many products started to meet – or exceed – the original class A. The EU consequently decided $^3$  to add 'A+' classes in to recognise further energy efficiency improvements in products. Three new categories were added: A+, A++ and A+++.



However, research<sup>4</sup> shows that consumers are less motivated to opt for the top class appliances without a clear "buy A" message. Consumer organisations resisted this change and drew attention to the risk of undermining the energy label's value.

#### Back to the well-known A to G scheme

As plus classes became confusing, the European Commission proposed to return to the well-understood A-G scale. After months of negotiations, the EU institutions agreed in March 2017 on a deal to revise the energy label.

Consumers will only start seeing the new labels in shops as of 1 March 2021. From 1 November 2020 until then, there will be a <u>transition period</u> during which the old and the new labels will co-exist in shops and inside the packaging, respectively.

<sup>&</sup>lt;sup>4</sup>Stefanie Heinzle and Rolf Wüstenhagen, Consumer survey on the new format of the European Energy Label for televisions: Comparison of a 'A-G closed' versus a 'beyond A'scale format. University of St. Gallen, August 2009.





<sup>&</sup>lt;sup>1</sup>https://ec.europa.eu/energy/en/topics/energy-efficiency/energy-efficient-products

<sup>&</sup>lt;sup>2</sup>ANEC, BEUC, Consumer Focus(UK), the UK Energy Saving Trust and the UK Department for Environment, Food and Rural Affairs(DEFRA) asked Ipsos MORI to carry out empirical research concerning consumers' perception of the A-G Energy Label

<sup>&</sup>lt;sup>3</sup> "Directive 2010/30/EU of the European Parliament and of the Council of 19 May 2010 on the indication by labelling and standard product information of the consumption of energy and other resources by energy-related products"



### What's good for consumers?

**No more confusion:** misleading '+' labels to be deleted.

**The top class A to be left empty**<sup>5</sup> when introducing the new A-G label, to promote innovation. When a new label is introduced for a type of product, no model performs well enough to fall under A class. As technology evolves, better performing products will start filling up the A class.

**Meaningful choice guaranteed:** the label is to be rescaled once there is an excess of products in the top classes which meet or exceed Class A efficiency performance.

More information thanks to a new public database. Consumers will be able to browse all the product models which have to carry an EU Energy Label. The database will also support market surveillance authorities to enforce rules.

**More compliant products** thanks to improved cooperation between Member States and the Commission.

**Prohibition of defeat devices** used to make appliances look more energy efficient than they actually are.



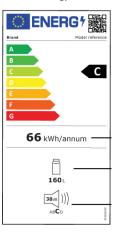
#### What's bad for consumers?

When considering to buy boilers and heaters, consumers will still have to make purchase decisions based on the unclear '+' classes until 2030. This is despite studies – such as from German consumer group vzbv<sup>7</sup> – highlighting that consumers' understanding of the Energy label for such heaters is currently limited, if not wrong. The new label should swiftly appear in shops to improve consumers' understanding of the label.

#### Current energy label

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#### New energy label



The energy labels for a fridge without freezer

#### So when will consumers see the new label in stores?



 $<sup>^{5}</sup>$ Both top classes A and B should be left empty in cases where technology is expected to develop more rapidly, like for TVs.

Further rescaling will be triggered once there is a surplus in the top classes, namely 30% in class A or 50% in classes A+B.

http://www.verbraucherzentrale-rlp.de/media245955A.pdf