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.
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:
Energy Labels and Ecodesign Bring Big Benefits

Benefits for European Industry

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

- 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 family 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.

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:

Source: Environmental Protection Authority of New Zealand, INFORMATION SHEET on Ensuring compliance with the Emissions Trading Scheme, adapted from the Ayres-Braithwaite Compliance Pyramid.
How to do enough effective Market Surveillance?

Not everyone chooses to comply:

![Compliance Strategy Diagram]

Source: Environmental Protection Authority of New Zealand, INFORMATION SHEET on Ensuring compliance with the Emissions Trading Scheme, adapted from the Ayres-Braithwaite Compliance Pyramid.
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:

<table>
<thead>
<tr>
<th>Description</th>
<th>Mandatory?</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) supplier’s name or trade mark</td>
<td></td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>(b) supplier’s model identifier as defined in Article 3, Paragraph 32 of the Regulation</td>
<td></td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>(c) category of the household refrigerating appliance model</td>
<td></td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>(in accordance with point 1 of Annex 2) [see reproduced below]</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(d) energy efficiency class of the model</td>
<td></td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>(in accordance with Annex 4)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(e) possibly an awarded ‘EC Eco-Label award’ under Regulation (EC) No 66/2010, this information may be included</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(f) annual energy consumption (AFC) in kWh per year, rounded up to the nearest integer. It is defined as: ‘Energy consumption per annum’ divided by the mean standard test consumption (STC)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### 1.2 Energy Label inspection

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

- Market Surveillance manuals from PROSAFE, CLASP, ADCO, OECD etc.
How to do enough effective Market Surveillance?

**Documentation Checks**

**Lab testing**

**Court cases**

*Which is the most effective to improve compliance?*
How to do enough effective Market Surveillance?

Documentation Checks

Lab testing

Which is the most cost-effective?

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?
Thank you!

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