Energy efficiency labelling

2015/0149(COD) - 15/07/2015 - Legislative proposal

PURPOSE: to update and make more effective the existing acquis on energy labelling.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: energy labelling enables customers to obtain accurate, relevant and comparable information on the energy efficiency and consumption of energy related products wherever they are in the Union allowing them to take informed cost-effective and environmentally friendly purchasing decisions that are both good for the environment and save money.

On 25 February 2015, the Commission announced in its Framework Strategy for a Resilient Energy Union a review of Directive 2010/30/EU on the Energy Labelling Directive in order to further exploit the potential of energy efficiency for the moderation of energy demand and consequent reduction of the energy dependency of the European Union.

Directive 2010/30/EU of the European Parliament and of the Council was evaluated for its effectiveness. The evaluation identified the **need to update the Energy Labelling framework to improve its effectiveness**.

For 2030 the European Council set in October 2014 an indicative target at EU level of at least 27% for improving energy efficiency which will be reviewed by 2020, having in mind an EU level of 30%. IMPACT ASSESSMENT: the impact assessment looks at both a number of issues with the current Directive and some specific items concerning the Ecodesign Directive. The two most important issues concerning the Energy Labelling Directive were:

- reduced effectiveness of the energy label and non-compliance due to weak enforcement;
- long rulemaking processes, leading to outdated technical and preparatory work.

The final option chosen was to: (i) improve the existing regulatory framework on energy labelling, (ii) require **labelled products to be registered** in a new database,(iii) improve the legal structure by changing the current Energy Labelling Directive to a Regulation, to align it with the market surveillance regulation, and to, (iv) fund EU joint market surveillance actions.

CONTENT: this proposal follows up on the Energy Union Framework Strategy and intends to **replace Directive 2010/30/EU** on the indication by labelling and standard product information of the consumption of energy and other resources by energy-related products **by a Regulation**.

In the proposal, the objectives and main principles of the current Energy Labelling Directive are retained but the proposal clarifies, strengthens and extends the scope of the current Directive's provisions by:

(1) Updating the label and allowing for rescaling: the success of energy labelling means that the label is running into its limits. Although A+ to A+++ energy efficiency classes were added in 2010, for some product groups, all models are already in those new classes and there are no longer any models in the lower classes.

There is a systematic need to 'rescale' products and to go back to the original A to G energy label scale, which studies suggest is the one best understood by consumers. Although the current Directive allows for the **possible reclassification of products through specific delegated acts**, the current proposal deals with the need to rescale the energy labels in a much more systematic manner. It also makes clear the obligations on suppliers and dealers during the rescaling and replacement phase.

The existing labels will be reviewed by the Commission within five years of the entry into force of the Regulation, with a view to rescaling them. The delegated act would contain a specific date by which the 'old' labels would have to be replaced with the rescaled label (the "replacement date").

During a transitional period, dealers would be required to replace the old label with the new one on all products on display in shops. They would have one week to replace all labels with the new ones. Member States would be required to run promotional information campaigns to inform consumers of the rescaling exercise.

(2) Creating a database of products covered by energy labelling obligations: overall non-compliance in the market is estimated at 20%, leading to some 10% of envisaged energy savings being lost. The new product registration database: (i) will allow market surveillance authorities much quicker access to the necessary information; (ii) will provide up-to-date market data and energy efficiency information which will accelerate the preparatory/review studies and subsequent regulatory process.

The proposal also updates the Directive's requirements in terms of providing for **electronic supply** of labels or for suppliers to make them available on their websites.

The administrative burden for registering products is estimated at **EUR 1.5 million per year for the entire industry**; about 0.5 eurocent per product sold.

(**3) Making clearer the obligations of the various parties**: the proposal regroups the respective obligations on Member States, suppliers and dealers in order to make these more coherent and simpler. The replacement of the Directive with a Regulation means less administrative burden for Member States and directly applicable requirements for suppliers and dealers which will ensure a complete harmonisation across the EU.

(4) Improving the link between energy labelling and measurement standards: the proposal makes clear that a product which complies with the measurement and calculation methods set out in the relevant harmonised standard will be presumed to comply with the relevant provisions of the applicable delegated act.

BUDGETARY IMPLICATION: this initiative **does not require additional EU budgetary resources**. The costs concern:

- setting up a **products database** (1.500.000 EUR in 2016 and 150.000 EUR yearly maintenance cost in subsequent years);
- **consumer understanding studies for labels** for specific product groups (300.000 EUR per year from 2017).

These are financed through reprioritisation of existing budget for the implementation of the policy on energy efficiency of products.

DELEGATED ACTS: the proposal contains provisions empowering the Commission to adopt delegated acts in accordance with Article 290 of the Treaty on the Functioning of the European Union.