

Brussels, 25 March 2016

KEY MESSAGES ON DRAFT REPORT OF RAPPORTEUR TAMBURRANO: A new Energy Labelling Framework

ORGALIME supports a forward looking, ambitious while workable EU wide framework for the energy efficiency labelling of energy related products in the consumer market segment, which continues building on its key success: simplicity and clarity. Labelling of consumer products makes sense, while for Business-to Business (B2B) products the energy label is not a promising instrument for successful information of professional business partners.

Through the implementation of the existing energy labelling framework coupled with ecodesign measures, our industries are contributing to the realisation of more than 9% of the EU's 20% energy efficiency target for 2020.

Keeping the administrative burden and costs for both, industry and authorities, to the necessary minimum, and establishing a sufficiently generic and flexible framework that continues taking account of the inherent different product characteristics and efficiency potentials of the various products in scope, are further guarantees that a future framework will deliver results.

Several amendments tabled in the ITRE committee of the European Parliament are indeed taking these critical parameters into account. We call on MEPs to support these amendments as the baseline for the further proceedings on the draft report of Rapporteur Tamburrano:

1. PRODUCT DATABASE

A product database will have multiple negative consequences for European energy efficiency technology manufacturers that are global energy efficiency leaders, without improvements in terms of market surveillance

ORGALIME agrees that market surveillance of energy labelling implementing measures should be further improved and our experience shows that physical checks on the very product carried out by market surveillance authorities are the only really effective tool.

In order to be effective a product database has itself to be controlled by market surveillance. Such verification will be necessary to identify free-riders that would fail to provide correct, complete or any information or do not register at all in the database. However, such verification work is likely to withdraw the already scarce human resources from the indispensable work on physical checks.

In addition, technical files contain confidential business information and trade secrets, which should never be made public. Intellectual Property Rights of an industry that is in a world leadership position in many energy efficiency technologies would be at risk. It cannot be ensured that the information inserted in the database is indeed only accessed by mandated persons.

Orgalime, the European Engineering Industries Association, speaks for 42 trade federations representing the mechanical, electrical, electronic, metalworking & metal articles industries of 24 European countries. The industry employs some 10.3 million people in the EU and in 2014 accounted for more than €1,800 billion of annual output. The industry accounts for over a quarter of manufacturing output and a third of the manufactured exports of the European Union.

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We also highlight the significant additional burden in terms of costs and human resources imposed on our industry, while there are examples that databases do not necessarily improve market surveillance, such as the database of the Directive on Noise Emissions in the Environment by Equipment for Use Outdoors.

Amendments 270, 274, 278, 281, 282, 602, 603 and 612 are trying to take some of these concerns into account, however, are insufficient to leverage the negative consequences for European manufacturers of energy related products. Therefore:

We recommend supporting amendments 76, 267, 268, 269, 283, 394, 395, 396, 598, 599, and 676-678.

Amendments 47, 74, 75, 112-117, 161, 271, 393, 558, 617, 620, 621, 682, 683, 685, 688 should be rejected.

2. RESCALING

A rescaling that retains consumer confidence, sufficient incentives for top performers and sufficient stability

Rescaling is a costly and burdensome process for manufacturers and too frequent downgradings confuse consumers, trade and industry. We call for setting in place a sufficiently flexible and workable procedure, which gives rise to the least confusion of the consumer, maximum stability for the industry and continued incentives for top performers.

To avoid unnecessary rescaling when labels are still fit for purpose, we support amendments that allow for rescaling when it is duly justified and the top class is saturated.

We recommend supporting amendments 529, 536, 538, 543, 544, 549, 586 and 589.

Amendments 94 – 107, 109-111, 525-528, 546, 551, 554, 585 and 597 should be rejected.

A case by case, product group specific approach: No empty class A & B

Article 7.3 of the Commission proposal suggests having no products in class A and B after a rescaling to avoid these classes to be saturated shortly after rescaling. Industry strongly agrees with the proposal that the label should be stable for at least 10 years.

However, leaving class A & B empty is not the solution for all types of products. The speed of technical progress differs from product group to product group. For product groups for which technical progress is slow, leaving class A and B empty after rescaling would even reduce the incentive for consumers to buy energy efficient products. Therefore, we propose not to include in the framework regulation to have class A & B empty for all product groups, but to allow this to be determined on a case by case basis in the individual product specific implementing measures.

We recommend supporting amendment 529 and 538.

Amendments 534 and 540 should be rejected.

A simple transition period increases acceptance

The proposed transition period requiring producers to provide two labels for one product, “old” and “rescaled”, for several months, combined with a one week changeover period at the point of sale is complicated to manage in practice. It is practically impossible in all cases where measurement methods or products undergo technical changes. It would imply a retroactive change as it forbids selling off products that have correctly been placed on the market and requires the dealer to relabel and/or ask for a new label. It results in unnecessary burden for market operators and market surveillance authorities assessing compliance to this specific provision. Products falling under the New Legislative Framework stored by retailers can be sold in accordance with the legislative requirements (such as labelling requirement) valid at the time of placing on the market.

The current framework foresees one specific moment in time after which new products placed on the market need to bear the new label. This system avoids double and retroactive legal requirements on industry and is in line with New Approach/New Legislative Framework.

When new and old labels clearly differ from each other, it is also easily understandable for consumers as well. We believe that this system is better and more efficient.

We recommend supporting amendments 251, 403, 542, 562,564, 565-567, 570-572, 582-584. Amendments 252, 381 and 382 should be rejected.

The removal of classes D, E, F on labels when these are unpopulated has drawbacks

In the initial Commission proposal it has been proposed that classes D, E & F should not be shown on the label when no products are sold in such a category. This is very difficult to verify in the whole of Europe while it creates additional work for market surveillance authorities and industry, despite benefits for consumers being marginal.

We recommend supporting amendments 521, 522, 523 and 524.

The energy label is suitable for consumer products but is not suited for systems and services

Energy labelling is a good tool to provide information regarding the energy efficiency of standalone consumer products in a clear and reliable manner. It allows consumers to easily compare products. However, the label is less suited for systems and services as these are more complicated and vary a lot, especially in the business-to-business (B2B) area and for capital goods.

We recommend supporting amendments 314, 315, 316, 329, 330, 331, 332 and 365.

A clearly distinguishable rescaled label reduces confusion

Around the transition to the new label it is important that it is clear to consumers that a product has an old or rescaled label to avoid confusion for consumers and to avoid incentives to keep the old label on the product. The rescaled labels should be clearly distinguishable from the old label.

We recommend supporting amendments 356, 542, 582, 583 and 584.

More than 7 energy classes needed for certain product groups

Some product groups cover a range of different technologies, as is the case for heating and water heaters. In such cases it is necessary to have more than seven energy classes to allow for sufficient differentiation between these technologies in terms of energy efficiency and technological innovation and the timing for rescaling.

Amendments 39, 588, 594 take this into account and should be supported. Amendments 591 and 592 should be rejected.

Preserve the success story of the energy label

The suggested legal base of 194(2) of the EU Treaty is inconsistent with the proposal for adding "supplementary information" or a label of "Made in EU" to the energy label. In addition, overburdening the energy label with such supplementary information risks compromising on today's success of the label: it is simple, swift and comprehensible.

*We suggest supporting amendments: 293, 304 and 306
Amendments 31, 225, 226, 227, 288, 294, 295, 297, 303, 305 and 558 should be rejected.*

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