



ORGALIME

COMMENTS ON DRAFT ECOFYS INTERIM REPORT ON THE EVALUATION OF THE ENERGY LABELLING AND ECODESIGN DIRECTIVES

Brussels, 5 March 2014

EXECUTIVE SUMMARY

Orgalime thanks the contractor for the transparent and inclusive consultation process on its evaluation study of the Energy Labelling Directive and specific aspects of the Ecodesign Directive and for tabling an in our view a widely comprehensive draft interim report.

Orgalime particularly supports the following findings and recommendations of the draft report:

- The confirmation of the earlier 2012 CSES study findings that an expansion of the Ecodesign or Energy Labelling to Non-ErP remains premature at this stage
- The need for better transparency of the planning of the regulatory process and evidence base
- The finding that a merger of Ecodesign and Energy Labelling Directives does not seem conclusive at this stage
- The confirmation that market surveillance and enforcement require improvement
- The relevance of exploiting systems savings in the future while acknowledging the inherent limitations of the Ecodesign Directive to deal with system savings
- The relevance of a well-coordinated overall policy framework and coherence of EU legislation for the success of the two Directives

We yet remain to be convinced or require more information for a final assessment regarding the following findings/recommendations of the draft report:

- The general statement that the Ecodesign Directive would be capable of generating substantial savings in a cost effective manner considering the still early stage of implementation and remaining uncertainty about the realisation of savings potentials in practice
- The recommendation to use a single PEF factor

Finally, our view differs from the draft interim report's recommendations in the following areas for the following reasons:

- The recommendation to systematically tackle more parameters (non-energy parameters) during the Ecodesign implementation and to introduce product passports to include all environmental information considering that such requirements will more often than not fail to qualify against the criteria of article 15 of the Ecodesign Directive and hardly be enforceable The recommendation to target B2B products in the future implementation of the Energy Label Directive considering that professional users have different information needs than what the Energy Label is designed for or able to give

- The positive assessment of the “installer label” considering the lack of practical experience to date
- The recommendation to exploit systems savings since there are practical limits for targeting components that go into systems under the Ecodesign directive, despite their efficiency potentials, considering the necessary practicability, measurability and simplicity.
- The assessment that the length of the procedure undermines the level of ambition considering that long processes were more often than not due to the fact that such implementing measures targeted complex products and/or very different products in one lot: time and quality are indeed not homogeneous, “however”, there are also examples for which stakeholders generally confirm a solid level of ambition despite a lengthy adoption process (for example: boilers).
- The conclusion that the criteria of the Directive impede the level of ambition of implementing measures, given that product design, in practice make up means making choices between environmental parameters without compromising product safety, product functionality and other important product aspects, such as affordability in the interest of overall sustainability results.

Overall, Orgalime observes the trend that EU product policy seems increasingly to be considered as the tool to address (too) wide and complex supply/value chain issues, such as controlling the origin of raw materials, and calls upon regulators to stick with the objective of setting workable, successful product requirements. This in our view requires **keeping the focus on technological aspects of the product that the manufacturer can control and influence, that are measurable and enforceable**, as well as **a better use of standardisation** (which would become all the more relevant the more implementation shifted to B2B products).

Orgalime remains convinced that the identified shortcomings of the Ecodesign Directive can be addressed through improved implementation of enforceable requirements and does not require an opening of the framework directive itself.

Regarding the Energy Labelling Directive and its implementation in the area of consumer products, we promote the following core principles:

- Consumer understanding and acceptability of the label are key: only a simple label that can be very easily, quickly and clearly understood, is fit for purpose.
- “One product-one label”, should be the objective. Also, a possible redesign of the existing label must, at the same time, ensure that products legally placed on the market will not be required to be relabelled.
- Frequent downgradings are confusing for the industry and consumers and must be avoided
- The label should be sufficiently flexible and dynamic so as to provide sufficient incentives to reward best performers.
- Attention should be given to ensure comparability, but also sufficient differentiation between the functionalities of products, both in terms of energy efficiency and its other key functionalities.
- To ensure a fair and transparent comparison of the different layout proposals, these different options would still require shaping in order to become more comparable with each other.
- The possible coexistence of different layouts during a transition period that such a change in layouts would provoke would, in our view, still require particular testing too. Testing the label options as a “stand alone” only is in our view insufficient.

As mentioned, Orgalime does not see the Energy Label fit for purpose in the area of B2B products.

We specify our comments in the following table:

Ecofys draft assessment/recommendation (ED= Ecodesign Directive; ELD=Energy Labeling Directive)	Orgalime comment (ED= Ecodesign Directive; ELD=Energy Labeling Directive)
Chapter 2: Achieving the objectives of the ED and ELD	
Both Directives are capable of generating substantial savings cost effectively	We agree for the ELD. For ED, however, most of requirements have just or still have to enter into force so that a conclusion can in our view not yet be drawn.
The level of requirements could be raised	Industry requests evidence of the claim that levels could be raised. There should be no generalisations – the draft report itself states that results vary between different product groups. We see a conflict of this statement with the above findings that both directives could be capable of generating substantial savings cost effectively. Overall, the concept of ErP is about cutting off least performing products from the market.
Capturing the full potentials is limited in several ways, including long rulemaking process, weak enforcement, trend towards larger products increasing absolute energy consumption, reduced effectiveness of the label with introduction of A+ grades or given criteria of ErP/ELD (e.g.: affordability, competitiveness EU industry, employment, functionalities)	The concept of ErP is about cutting off least performing products from the market. The criteria of the ED secure overall sustainable results, including affordability of products. LLCC ensures a constant upwards trend of the market. We agree that enforcement is weak and should be strengthened also for the purpose of mitigating free riding. We disagree that length per se impedes ambition. The time needed for and the quality of IMs is indeed not homogeneous. The main reason for lengthy processes however was the fact that IMs targeted complex product areas, such as boilers. For boilers, the draft report nevertheless summarises that stakeholders agree that level of ambition is correct.
Energy savings potentials of product systems could be better exploited (further explore potentials for including system aspects in the current directives and methodology, coordinate them with other policy tools and pay attention to market surveillance aspects)	We agree with focusing on products (components) rather than complex systems for the sake of practicability, measurability and simplicity, as there are practical limits for targeting components that go into systems, especially into buildings, despite their efficiency potentials. We agree that product systems bear further energy efficiency potentials. We confirm the draft study findings that there are intrinsic limitations of addressing systems under the ED in its nature of a product legislation. Overall coherence between these instruments could indeed be improved. How to address system savings potentials remains a difficult issue. We do not see a “one size fits all” solution in the B2B field: <ul style="list-style-type: none"> - For some cases (motors, pumps), the “extended product approach” was a good way forward. - The more complex products (for example: machinery) are targeted, the more we see the need to check for alternative regulatory options (in particular the Industrial Emissions Directive). - If ErP were the instrument of choice to regulate, then we suggest looking at the second option of generic requirements that the Ecodesign Directive offers. - Overall, a better use of standardisation is the preferred option (it is possible to have very good results, such as machinery directive and safety requirements)

<p>Other environmental aspects could receive more attention (potentials for further reduction of environmental impacts in ErP has been identified in several studies; no significant impact on consumers should occur; coverage and suitability with other regulations needs to be checked; modifications to MEErP would be necessary)</p>	<p>- The option of voluntary agreements should be maintained as the priority route (many of the IMs have been preceded by successful voluntary agreements).</p> <p>The general concept of encompassing all environmental aspects of the whole life cycle is a truly sustainable and holistic approach. We support it. The scientific based approach of the ED framework led to the identification of the real environment benefit areas in application of life cycle thinking, namely the focus on the use phase and mass standalone products. Any additional parameters must not undermine the ongoing energy efficiency implementation.</p> <p>We kindly ask to add two new entries to the draft report:</p> <ul style="list-style-type: none"> Any new parameter needs to equally qualify against all criteria of the Directive, including evidence of “a significant potential for improvement without entailing excessive costs” following article 15 ErP. The chapter misses this criterion. During the 2013 review of the MEErP methodology, the contractor BioIS presented the following figures: “<i>the current contribution of Eco design to resource efficiency in the EU results in 91.3 Mt of materials saved per year</i>”. The additional potential of Eco design measures on products could contribute to additional 0.95Mt to 5Mt material savings per year. We therefore challenge the significance of the improvement potentials of non-energy aspects. If energy related products turn out not to offer the most substantial saving potentials, it might be worth re-considering whether ErP policy measures (and sectors) are the right policy focus.
<p>A single primary energy factor is recommended (frequent reviews and revisions to accommodate changes in PEF, forward looking PEFs to be used in energy label – “scale within a scale” concept to allow for a better comparison of technologies using the same energy carrier)</p>	<p>There are limitations in MEErP to take into account Member States national energy mixes and their possibilities for improvement due to this mix. We recommend looking at national particularities already at the level of preparatory studies. The Ecodesign Directive is a product tool and should not aim to influence the overall energy policy and energy infrastructures of Member States. Products are designed for global markets. Technology neutrality needs to be ensured. A “scale within a scale” concept appears complex to us and risks weakening the objective of easy understandability of the energy label.</p>
<p>Chapter 3.1 and 3.2: Coherence with other EU policies</p>	
<p>The overall policy framework is coherent and mutually supportive (different policies complement each other, there can be incoherencies for specific products or issues and possible losses due to double work in misaligned procedures; EED led to progress; MS may set tougher national EPBD requirements that may limit the installation of products compliant with ErP</p>	<p>The Ecodesign and Energy Labelling Directives are generally coherent and work well together in terms of having led to the identification of the most significant environmental parameter (for example: energy consumption in the use phase) and in addressing the energy efficiency potential of energy using products in the use phase. As regards their implementation, the tiers for ecodesign requirement and energy labelling should be synchronised to avoid misunderstandings by the consumer. However, other pieces of EU environmental legislation are not coherent with the</p>

Suggests development of a unified European buildings Certificate under the EPBD in coherence with Energy Label

Detailed chapter suggests scanning inconsistencies at level of each IM/delegated act

Ecodesign and Energy Labelling Directives and continue to act in isolation from the (findings of the) Ecodesign Directive. This is especially true for the setting of further substance restrictions under RoHS and/or REACH, which may increasingly interfere with energy efficiency requirements of products. The link to substances and their impact on energy efficiency performance could therefore be better taken into account.

It is however also true for the implementation of the EU's Resource Efficiency Policy, which suggests the setting of additional resource efficiency requirements on products under Ecodesign Directive. Instead of such an approach, a thorough and sound implementation of the Recast WEEE Directive has in our view to be the priority for the implementation of the Resource Efficiency Roadmap. To improve WEEE management, the major challenge is to ensure a proper transposition and implementation of the Recast WEEE Directive (WEEE2), especially in the areas of collection and treatment standards. Improving collection matters significantly, as only about one third of WEEE is coming back in official WEEE management schemes today. The establishment of WEEE treatment standards also matters significantly to improve proper end of life recycling, recovery of WEEE in a fair, non-discriminatory, competitive level playing field. We cannot see the significance of the improvement potentials of the suggested additional resource efficiency requirements (such as on the recyclability, recoverability, dismantability or reusability of products) considering the reality of WEEE management and remaining challenges today, while being concerned about the possible negative impacts of such an approach, including to favour the use of certain raw materials in products against others. Considering that raw material input accounts for some 45% of input costs for manufacturing of engineering products, competitiveness impacts would be imminent.

We also see the need for setting clear political priorities considering that different environmental parameters can influence and also conflict with each other, for example:

- Electric motors: the amount of copper used determines possible energy efficiency performance levels
- Room air conditioners: the type of refrigerant used influences energy efficiency performance levels
- Forcing the use of certain recycled contents (for example: recycled plastics) can conflict with product durability or RoHS substance restrictions
- "Design for Recycling" as a priority per se risks undermining energy efficiency improvements (Recycling is an energy intense process which has an energy impact itself, which should be better taken into account, while the energy efficiency of products improves from one generation to the next)
- Washing machines: energy and water efficiency levels influence each other

We suggest focusing on technological product aspects in the sphere of influence/control of the manufacturer, which promise most gains in a cost efficient manner.

	<p>Such a common understanding of priorities should be consistently implemented throughout different EU regulations.</p> <p>Developing a unified European Buildings Certificate under the EPBD in coherence with the Energy Label is supported.</p>
<p>A merger of the ELD an ErP should be made contingent on considerations of practical and political feasibility. Today, a merger does not turn out decisive.</p>	<p>We agree with the statement.</p> <p>For energy related products, the implementation of the Ecodesign and Energy Labelling Directives should continue to go hand in hand. If this requires a merger of the two Directives into one, however, remains uncertain to us. Confusion could occur due to Ecodesign being a CE-marking Directive following well established conformity assessment procedures, while such a procedure seems unsuitable for Energy Labelling Directive.</p>
<p>An integrated workplan, evidence base, and decision procedure are needed (a unified evidence base for other policies, such as Ecolabel, RoHS, F-Gas Regulation, CPR)</p>	<p>Orgalime does not see the Energy Label as fit for purpose in the area of B2B products, which any integrated workplan should take into account; nor indeed do we see the need of any other label.</p> <p>A unified evidence base for other policies could be helpful. Industry calls for a common understanding of regulators on political priorities and their consistent implementation throughout the different pieces of EU legislation.</p> <p>Article 15.6 of the ED rules that implementing measures may also providing that no Ecodesign requirement is necessary for certain specified Ecodesign parameters referred to in Annex I, Part 1.</p> <p>We advocate for applying this provision in future IMs for any parameter that has been studied but did not qualify for setting ecodesign requirements.</p>
<p>Potential overlaps need to be identified early in the process of setting product related requirements, and a clear task sharing should be developed.</p>	<p>Industry calls for a common understanding of regulators on political priorities and their consistent implementation throughout the different pieces of EU legislation.</p>
<p>During revisions, existing IMs and delegated acts for specific products need to be scanned for inconsistencies.</p>	<p>We agree.</p>
<p>During revisions, issues not covered by the policy framework should be identified, and the extension of the IM's coverage could be considered on these grounds</p>	<p>The criteria of article 15 need to be fulfilled for any Ecodesign requirement.</p> <p>Only product design related aspects in the meaning of technological aspects of the product that the manufacturer can control and influence that are measurable and enforceable should be subject to Ecodesign implementation.</p> <p>We ask for a proper application of article 15.6, last paragraph, in future.</p>
<p>Different policy tools can work together better to promote top performing products (GPP, Ecolabel, ErP, EL)</p>	<p>We agree.</p>
<p>There is a need for streamlined conformity assessment and documentation requirements. (suggestion to introduce product fiches/passports as a means to improve conformity assessment and market surveillance)</p>	<p>Conformity assessments and documentation requirements are streamlined via the New Legislative Framework (technical files, declaration of conformity etc.). We do not see the added value of product passports.</p> <p>Article 8 of the Directive correctly establishes module A (self-declaration of the manufacturer) as the standard conformity assessment procedure, which we fully support. It should be maintained, considering the considerable experience with this conformity assessment procedure carried out by manufacturers, which is a core element of the New Legislative Framework and standard procedures, especially in the safety area. It limits economic and administrative burdens of manufacturer while adequately reflecting the fact that the producer remains legally liable for the product that is finally placed on the market.</p>

	<p>While module A has been set as the standard conformity assessment procedure, article 8 of the Ecodesign Directive furthermore acknowledges the specific case of certain product groups, for which another module than A has already been chosen before (for example boilers). This exceptional case is already acknowledged in article 8 when stating that <i>“Where duly justified and proportionate to the risk, the conformity assessment procedure shall be specified among relevant modules as described in Annex II to Decision No 768/2008/EC”</i></p> <p>There is however, neither a need, nor a justification to change the standard rule of module A given in the framework directive, and especially not for making third party certification the rule instead.</p> <p>In any case, mandatory third party certification can by no means be a replacement for proper market surveillance and enforcement activities.</p>
Uniform market surveillance procedures are important.	We agree.
<p>Chapter 3.3: Scope Expansion</p>	
<p>Inclusion of new products in scope of ErP/EL should be evaluated based on three main issues: necessity, feasibility, added value.</p> <ul style="list-style-type: none"> • No expansion of Ecodesign DI to Non-ErP (is premature; main challenges lie in other phases, notably production phase) • No expansion of EL to Non-ErP • Reevaluation after end of PEF pilots on how it can inform handling Non-ErP • Expand scope of EL to B2B-ErP, but no new parameters to be added at this stage • Case by case decision for expansion to new environmental parameters for ErP (art.15): recommends an IM on mobile phones to tackle RE parameters (removeability at end of life to complement existing requirement of removeability during life time under Batteries Directive); set at least general information requirements and benchmarks on non-energy aspects 	<p>We agree that an expansion of the scope of the ED and ELD beyond ErP remains premature. We also consider a scope expansion as a risk for the ongoing implementation on ErP.</p> <p>We do not agree with the recommendation to expand the EL to B2B energy related product. We strongly believe that labelling is not the most appropriate tool for providing information in the area of industrial products considering that professional users have different information needs than what the Energy Label is designed for or able to give.</p> <p>For new parameters in ED: we question that these draft recommendations are consistent with the confirmation given in the draft report that the use phase is by far highest impact phase for ErP. We recommend retaining the focus on technological aspects of the product that the manufacturer can control and influence that are measurable and enforceable. Requirements regarding the origin of raw materials should not be envisaged, since not enforceable (if a raw material producer certifies his raw material, control activities should be on him not on producers using certified materials; in case of non-compliance, liability and image damage would be on product manufacturer although he has no power to control claims)</p>
<p>For impacts that cannot be verified on the product itself, methodologies for certification covering the entire supply chain would have to be developed. (MEErP focuses on technological aspects of the product, while for Non-ERP they are not the cause for environmental impact); Reevaluation after end of PEF pilots on how it can inform handling Non-ErP</p>	<p>Any new parameters must not upset the ongoing implementation under the existing MEErP.</p>

<p>Using the EcoReport tool for assessing environmental impacts of Non-ErP would require inclusion of more raw materials, their origin and transportation</p> <ul style="list-style-type: none"> • Use phase confirmed as by far the highest contribution to the environmental impact • Regional origin of raw material should also be taken into account in the EcoReport tool 	<p>Any new parameters must not upset the ongoing implementation under the existing MEErP.</p>
<p>For means of transportation by road the existing legal framework presents itself as a sufficiently effective option.</p>	<p>No comment.</p>
<p>Although measures could be implemented through Ecodesign, in some cases other existing instruments are better suited to tackle environmental impacts of Non-ErP (REACH, CO2 and Emissions Directives for cars)</p>	<p>No comment.</p>
<p>Chapter 4: Appropriateness of the EL</p>	
<p>Label scales need to be revised (with higher efficiency levels to be communicated) , but all options will require a rebase of current efficiency classes</p>	<p>We generally agree, however, any such revision must not result in a requirement to re-label products that have been legally placed on the market. Although a rebase of current efficiency classes cannot be avoided, downgrading should take place as “frequent” as possible, since it is confusing for the industry and consumers.</p>
<p>Consumer understanding to be chief concern (closed A-G scale confirmed to be easiest to understand & most motivating for consumers, thus preferred to numeric or open ended scale)</p>	<p>One of the EU energy label’s strengths lies in its simplicity: it shows a limited number of key pieces of information in a way that can be very quickly and clearly understood by consumers. The DG Energy study on EU product label options (http://ec.europa.eu/energy/efficiency/studies/doc/2012-12-research-eu-product-label-options.pdf) concluded that the use of an A-G scale is an effective means of communicating different performance ratings. While we support the Energy labelling scheme, we believe that the current energy label framework should be improved to provide sufficiently strong incentives for best performers. The Energy labelling scale needs to be reviewed to be more dynamic and flexible, but also to create the conditions for industry to further invest in innovative technologies. The open scale option needs to be further explored, since it may provide the necessary openness to further technological developments. At the same time, it must not end up in relabeling requirements for products that have been legally placed on the market. Overlaps in the market between old and new classes, such as old ‘A’ and new ‘A’ label, should also be avoided, since this risks confusing consumers. Finally, a sufficient number of classes need to be maintained to differentiate between products and provide clear information to consumers. It is of the utmost importance to ensure comparability, but also sufficient differentiation between the functionalities of products. The label scale should be defined in a way that significantly differentiates products both in terms of energy efficiency and its other key functionalities.</p>
<p>Perhaps labelling of consumption per cycle or year, other languages, more campaigns</p>	<p>The focus on energy efficiency is one of the strengths of the Energy labelling. Indeed, a focus on energy efficiency allows the taking into account of technical specificities related to the functionality of the product, such as volume and size.</p>

	This guaranty a balanced and fair way of ranking appliances. On the contrary, absolute consumption would provide a limited range of information about the different performance and characteristics a product can offer, while risking leading to unfair competition and discrimination of larger appliances against smaller ones.
Ample opportunity to build on EL success and improve it: no empty classes at bottom, upper levels to promote innovation, ideally seven active classes, perhaps sub-scales	The ELD has been a successful tool. Any changes need to be carefully assessed and tested, including the testing of the understanding of consumers during any transition period from the current label layout to any possible next one, and for further future upgrades under the same layout.
Ranking to reward low absolute energy consumption and information on low energy user (education of consumer in a verifiable way so that improved consumer behaviour saved energy should be eligible for ranking bonus)	The focus on energy efficiency is one of the strengths of the Energy labeling Directive. Indeed, a focus on energy efficiency allows the taking into account of technical specificities related to the functionality of the product, such as volume and size. This guaranty a balanced and fair way of ranking appliances. On the contrary, absolute consumption would provide a limited range of information about the different performance and characteristics a product can offer, while risking leading to unfair competition and discrimination of larger appliances against smaller ones.
The possibility to display additional (environmental and/or cost) information to be maintained, but no new (environmental, monetary or life cycle) information should be added unless evidence & confirmation of net benefit arises; in general, relevant parameters are to be determined per individual product group	We agree that the possibility to display additional environmental information should be maintained: Identifying additional parameters that could be relevant for a product group requires a case by case approach. In general, we see the potential that the energy label can serve as a tool for providing information on environmental parameters beyond energy efficiency, as already done for a number of areas and product groups. However, this requires a sector by sector approach and must not result in a “one size fits all approach” of trying to converge all environmental information on all parameters into “one overall environmental product performance figure/symbol/label”, as this would be misleading. A parameter that matters to a consumer in one Member State may not necessarily be as relevant for consumers in another Member State. The DG Energy study on EU product label options (http://ec.europa.eu/energy/efficiency/studies/doc/2012-12-research-eu-product-label-options.pdf) shows that consumers’ choices can be affected by other parameters, such as adding a carbon footprint symbol to the current Energy Label. However, the study highlights that a key driver of purchasing decisions is still likely to be the product performance characteristics.
Suggestions for alternative designs	The given alternative design options require further testing before a conclusion can be drawn.
Investigate on ICT potentials to convey information (QR codes)	We agree.
More EL for B2B products	We disagree. The Energy Label is not the most appropriate tool for providing information to professional users and can be expected of limited help for professional actors. For professional actors better targeted B2B tools exist already, including technical fiches or tendering specifications and contracts.

<p>Chapter 5: Effectiveness of regulatory process (Rulemaking process)</p>	
<p>Better transparency on planning, including a target date for publication, is much needed</p>	<p>We agree.</p>
<p>Guidelines for the preparation of IMs to support the process</p>	<p>Such guidelines could perhaps be helpful.</p>
<p>Data collection may be improved by a timely assessment of data availability, the possible use of engineering analysis whenever empiric data are absent and a comprehensive product database (a database with product specifications, require mandatory supply of information by manufacturers)</p>	<p>We oppose to the suggestion to create an “EU-wide mandatory product database”. This option would be very costly and would cause significant administrative burdens for companies. Such a proposal would run counter to the drive for a simplification of the regulatory environment. In addition, it would not solve the issue of free riders. Although registers are used under EU legislation, such as the Waste Electrical and Electronic Equipment Directive (however for a different purpose than discussed in the draft report for ED/ELD), such an instrument is inappropriate to secure the functioning of the Directives and their enforcement.</p>
<p>There is a clear need for more and better tools to establish sufficient ambition levels (several options exist, e.g.: better use of benchmarks, move beyond LLCC, add empty class of BNAT, mix energy consumption and energy efficiency requirements)</p>	<p>Setting the proper level of ambition in our view is an issue of implementation rather than of the framework directive, which in our view is appropriate in terms of results at the level of sustainability.</p> <p>Orgalime does not see the need to change the method of setting specific eco design requirements. The concept of cutting off least performing products on the basis of LLCC ensures a constant upwards trend of the market. LLCC, as such, also ensures affordability of products for consumers and fair competition. The criteria of the ED/ELD today pursue overall sustainability results, which we support.</p> <p>Overall, the concept of ErP is about cutting off least performing products from the market.</p> <p>Speeding up the process by including mechanisms to automatically adapt the efficiency requirement for a product group is not supported by us. Firstly, assuming a specific path for technology progress and making these assumptions the basis for automatic adaptation risks precluding technology developments, which could not be foreseen. Often it is not possible to determine the level of best not yet available technology. Technology-neutrality would be compromised by limiting the freedom of a product designer to predefined efficiency assumptions.</p> <p>By going beyond the least life-cycle cost, the initial rationale of the Directive, namely to cut off the least performing products in terms of environmental impact from the market, would be questioned. The current status of the Ecodesign Directive already pushes the market in terms of incentivising technology development. If this path was changed, the cost-benefit ratio would possibly lose its balance.</p> <p>Identifying the “Break Even Point” involves the same clash with competition law requirements as described above.</p>
<p>For future new products, pay more attention to non-energy aspects (at least define information requirements and</p>	<p>Any new aspect tackled for implementation must not undermine the ongoing energy efficiency implementation.</p>

benchmarks)	We question in how far information requirements could satisfy the criterion of "significant potential for improvement without entailing excessive costs". What would providing the information improve in practice? We also see a risk of real duplication of already existing information requirements, in particular article 33 REACH and articles 14 and 15 WEEE.
Availability of standards to be considered early – market surveillance authorities to play a greater role in their development	We fully agree.
Chapter 6: Market surveillance	
Scarce resources a fundamental obstacle: Proposal for EU joint enforcement activities, national government funded programmes, recovering costs from manufacturers of non-compliant products, or more substantial funding from manufacturers („as done for WEEE“)	Industry is indeed concerned about the failure to follow up the adoption of IMs through proper market surveillance. This undermines industry's effort. The reference to WEEE is erroneously made in this chapter (see article 23.3 WEEE, which refers to "shipments of used EEE suspected to be WEEE" but does not establish a general financing obligation of market surveillance activities on manufacturers).
National market surveillance needs clear rules and precisely planned outcomes and strategies (minimum level of national activities, mandatory publication of results)	We support the suggestion to define a minimum level of national market surveillance activities in IMs.
Market Surveillance Package to apply for ED and ELD	We fully agree. Improving market surveillance is a horizontal issue beyond ED and ELD.
Simplifying procedures to a „one step procedure“ “ (vs 3 test units)	To be further evaluated.
Maintain the option of 3rd party certification	3rd party certification cannot be a replacement of market surveillance. It is an issue of conformity assessment procedure before placing product on the market. Orgalime supports article 8 of the existing ED.
EU coordination and cooperation between MS	We fully agree.
High level participation in ADCO	We fully agree.
An EU wide full use product surveillance database	The Market surveillance Regulation 765/2008 provides national authorities with adequate competences and powers to carry out market surveillance activities. There is room for improving the cross-border cooperation of authorities, as well as the cooperation at the external border of the European Union. Better use of available databases RAPEX and ICSMS would add to effectiveness, too. These are positive elements of the proposal currently under negotiation. Furthermore, more resources are needed to staff market surveillance authorities adequately in order to render market surveillance effective.
ED and ELD should themselves better address market surveillance and enforcement	Improving market surveillance is a horizontal issue beyond ED and ELD. No specific rules should be developed under ED/ELD/ for the purpose of ED/ELD "alone". The horizontal Market Surveillance Regulation and Package should also apply for ED and ELD.
Chapter 7: Market effects	
Benefits from ErP and EL perceived to outweigh costs	Orgalime has the following general reservations: Implementing ED and EL comes at a cost: Companies: they need to adjust

	<p>product design, development cycles, production lines, prepare all underlying technical documentation, clean supply chains. Companies are already dedicating resources for the implementation work on some 46 product groups, which also represents a cost.</p> <p>The cost-benefits ration will be more positive:</p> <ul style="list-style-type: none"> • when product requirements are harmonised in the EU AND properly controlled by market surveillance AND, the harmonised standards are adopted, take into account the international perspective of an industry that acts globally. • Current standard conformity assessment procedure (Module A) is a positive element • When the market responds properly (we get signal that market transformation is much slower than estimated, are rebound effects etc.). <p>The cost benefit ratio will however be negatively impacted:</p> <ul style="list-style-type: none"> • when several regulations do not properly interact with each other (for example: WEEE, RoHS, REACH, IED, ED: EL, EED, EPBD) • when political objectives and priorities conflict with each other (EE,-Re-use of certain substances) • when the same product group is targeted under several IMs and therefore confusion arises (for example: motors)
Overall, little impacts perceived on overall market size, structure or product choice	For ELD, we agree. For ED, it is too early to draw a final conclusion.
Positive impact perceived on competitiveness (more for EL, less for ErP)	For ELD, we agree. For ED, it is too early to draw a final conclusion.
Positive impact perceived on innovation	The science based approach of the framework led to the identification of the real environmental benefit areas in application of life cycle thinking, namely the focus on the use phase and mass standalone products. This supported manufacturers' own innovation efforts in improving energy efficiency performance of products.
Positive impact perceived on SMEs	Generally, it is too early to evaluate the impacts on the competitiveness of SMEs considering the early state of implementation. However, SMEs can certainly be significantly affected by ecodesign measures given their limited human and financial resources to follow, underpin and implement as complex and demanding a process as ecodesign. As the efficiency standards can have a large impact on the product design and its production process as well as availability of parts (for example. more efficient electric motors not fitting into installations / machines requiring updates of the entire machine), it is important for SMEs to be informed and involved early in the process of any upcoming measure. It is practically impossible for SMEs to follow all on-going ErP product regulation due to capacity restraints, especially where products come within the scope of an implementing measure without prior involvement of the industry or industry representation because of late changes in the regulatory process or unintended consequences (for example 1194/2012 special purpose lamps).