



Brussels, 07 MAI 2008
D(2008) 3784

Opinion

Title

Impact Assessment accompanying the Proposal for a Commission Regulation implementing Directive 2005/32/EC with regard to Ecodesign requirements for tertiary sector lighting products.

Impact Assessment accompanying the Proposal for a Commission Regulation implementing Directive 2005/32/EC with regard to ecodesign requirements for standby and off-mode electric power consumption of electrical and electronic household and office equipment.

(drafts of 14 March 2008)

Lead DG

DG TREN

1) Impact Assessment Board Opinion

(A) Context

The Eco-design Directive 2005/32/EC provides the framework for developing implementing regulations on energy-using products. Office and street lighting, and standby and off-mode losses are among implementing measures that were given priority in the directive and were also supported by the Council and the Parliament. The directive sets out a range of conditions for the development of an implementing measure. These include i.a.: least costs over life-cycle, minimum number of products placed yearly on the market, impact on consumer prices and business competitiveness, impact on administrative burden, improvement of environmental performance over the life cycle of the product.

(B) Positive aspects

The impact assessments respond well to the requirements in the directive (even if some aspects require further explanation, see below). Both impact assessments sought appropriate input from a wide spectrum of stakeholders.

(C) Main recommendations for improvements

The recommendations below are listed in order of descending importance. Some more technical comments have been transmitted directly to the author DG and are expected to be incorporated in the final version of the impact assessments report subject to the discussion in the meeting of the Board. The recommendations concern both impact assessments, unless specified otherwise.

General recommendation: Given the scale of expected impacts, both impact assessments need to present more clearly the costs and benefits and the methodology applied to arrive at the actual content of the measures. They should quantify and monetise more thoroughly the economic, environmental and social impacts, in particular for SMEs and low-income households. More transparency about assumptions applied in the baseline scenario is needed. In view of the fact that these two cases serve as model for future reports on other implementing measures, the IAB recommends that DG TREN submits a revised draft of the IA report, on which the Board will issue a new opinion.

Specific recommendations:

(1) The IAs need to explain the methodology applied to design the implementing measures.

The IAs should present clearly the 4-stage logic implied by the directive:

A. Demonstrate explicitly that a product/group of products meets the criteria contained in article 15 (e.g. minimum number of units put on the market, significant environmental impact, potential for improvement without excessive costs). This should be presented in the form of a table supported by clear factual information. The IA should make it clear what the interpretation of the criteria of Article 15 is; in particular in relation to notions such as "significant environmental impact", "without entailing excessive costs" and "significant potential for improvement";

B. Establish whether, in light of the existing legislation the issue should be addressed exclusively under the directive, under other legislation or as a self-standing initiative;

C. Having established that a group of products should be dealt with through the EuP directive, analyse options covering different types of measures such as an implementing measure or self-regulation;

D. Analyse various options for the content (stringency level) of the implementing measure including potential transitional periods (see also comments below on cost-benefit analysis).

(2) The baseline scenario needs to be clarified. The reports should state clearly which existing or planned policies (e.g. Climate Change and Energy Package, RoHS directive) are included in the baseline. In particular, the IA needs to clarify what would be the pace of replacing 'inefficient' appliances/products if no action is taken, and what would be consequences for the environment and energy use. The impact of the various options should then be compared to the baseline in order to avoid "double counting" of effects. The description of the baseline should include elements that allow for the assessment of impacts of proposed measures: industry structure, with special attention to SMEs and their geographical distribution, share of the low-volume producers, and situation of low-income households.

(3) The analysis of costs and benefits needs to be considerably improved. Given the stringent conditions in the directive, the IA should quantify and monetise costs and benefits of the various (technical) options, evaluate them over time and qualitatively analyse those that prove too difficult to quantify. Distributional impacts need to be examined: the costs and benefits for the individual groups of stakeholders need to be differentiated so that for example implications for SMEs vs. their bigger counterparts and low and high income consumers can be presented explicitly. The IA needs to clarify whether the transaction costs (e.g. due to the need to change processes, or practices or additional equipment) have been taken into account. Adding a table that demonstrates the costs and benefits in terms of the stock and flow of products under the implementing measures would be advisable.

(4) National initiatives should be discussed. In line with art. 15.4 of the directive, the IA should provide information on existing national legislation and other initiatives (e.g. "pull the plug" initiatives in the case of standby/off mode), and how the implementing measures would interact with these.

(5) Interaction of the horizontal measures for standby and off-mode losses with product-specific implementing measures needs to be clarified.

(D) Procedure and presentation

The IA should be a self-standing document: key assumptions from background studies need to be included in the main text, in particular where they have a bearing on the final policy choice. The reports from the stakeholder consultations should be annexed to the IA reports or referenced.

2) IAB scrutiny process

Reference number	(comitology)
Author DG	TREN
External expertise used	No
Date of Board Meeting	30 April 2008
Date of adoption of Opinion	07 MAI 2008