



EUROPEAN COMMISSION
Impact Assessment Board

Brussels,
D(2012)

Opinion

Title **DG ENER - Impact Assessment on a proposal for a (Delegated) Regulation implementing Directive 2009/125/EC with regard to ecodesign requirements for networked standby electric power consumption of electrical and electronic household and office equipment**
(draft version of 14 June 2012)*

(A) Context

Electrical and electronic household and office equipment is subject to power management measures under Regulation 1275/2008 (“Standby Regulation”), which lays down requirements for electrical equipment to switch into standby/off-mode after the shortest possible time. However, products offering functions and services accessible via a network connection are not included in the scope of this Regulation. The present initiative aims to amend the existing Commission Regulation (EC) 1275/2008 by including definitions specifying “networked standby” operating conditions, so as to reduce the electricity consumption of networked products in non-active conditions, and improve the environmental performance of such equipment throughout the life cycle. The legal basis is Directive 2009/125/EC (“Ecodesign Directive”) establishing a framework for the Commission to set ecodesign requirements for energy-related products.

(B) Overall assessment

The report should be improved in a number of respects. Firstly, it should situate these measures more clearly within the relevant EU and international policy context, provide an overview of the market structure and a clear profile of the affected industries and main market participants, including SMEs. The problem definition should also be presented in a clearer and more accessible way. Secondly, it should present a more specific and operational set of policy objectives, linked to clear progress indicators, as appropriate for this kind of measure. Thirdly, it should provide more information on the content of each of the sub-options of the preferred option, and further discuss the envisaged timing and exact requirements under the two stages of implementation. It should explain the level of ambition of the proposals and also compare the options against a fully developed baseline scenario with regard to electricity savings and CO2 emission reductions. Fourthly, the report should provide a fuller assessment of the impacts upon SMEs, consumers and the competitiveness of the relevant industry sectors.

In their written communication with the Board DG ENER accepted to amend the report along the lines of these recommendations.

* Note that this opinion concerns a draft impact assessment report which may differ from the one adopted

(C) Main recommendations for improvements

(1) Provide a clearer policy context and describe the market structure. The report should situate these measures more clearly within the relevant EU and international policy context, describing what similar actions have been taken in third countries and how the EU approach differs from these. It should highlight the synergies and overlaps with other related measures, including relevant standards, (CO₂) market mechanisms and self regulation measures in place. It should provide an outline of the Standby Regulation, clearly explain the Regulation's scope and highlight the deficiencies of the Regulation and how it is to be revised. The report should generally present the problems in a more accessible and reader-friendly way, and provide a definition and practical description of what networked standby means early on. It should describe the market structures for products using networked standby, and profile the relevant actors. It should provide a clear profile of any SMEs operating within the sector as well as the larger global players. It should also discuss trade aspects for networked products in the EU, showing the share of the market of external producers. The baseline scenario should be fully developed, for instance by providing more information on existing measures relating to energy savings in specific products, such as the voluntary Energy Star programme.

2) Present more specific and operational objectives and define appropriate progress indicators. The report should devise a more specific and operational set of policy objectives for the present proposal, and not rely solely on the overarching objectives laid down in the Eco-design Directive. It should set target ranges for energy savings and related CO₂ emission reductions, and link these refined objectives to the options design. For instance the objectives should provide an indication as to the level of ambition with regards to the timeline, which matches the objectives as set out in the preferred option. The report should then provide a clear timeline for achieving its energy savings objectives and related CO₂ emission reductions. The objectives should be more closely linked to clear monitoring indicators and the arrangements for the proposed review should be further elaborated.

3) Provide more information on the policy options. The report should explain more fully why the self regulation option has been discarded and not subjected to a full impact analysis. It should then provide more detail on the content of each of the sub-options and provide a clearer rationalisation for these options based on a more transparent presentation of stakeholders' views. For instance, against a discussion of product lifecycles, the report should explain the timing and the substance of each of the stages of implementation, and the exact requirements under Tier 1 and 2. As technological solutions are currently only partly available, the report should discuss a realistic timeframe expected for the development of such technologies and based on this provide a realistic appraisal of the time needed by industry to implement the changes. The report should also discuss the feasibility of achieving the stated Low Network Availability (LoNA) power allowances in each of the sub-options whilst at the same time maintaining the functionality, given the concerns raised by industry.

4) More fully assess impacts upon SMEs, consumers and the competitiveness of the relevant industry sectors. The report should compare the impacts of the various options against the fully developed baseline with regard to electricity savings and CO₂ emission reductions and more systematically assess the impacts in quantitative and monetary terms. It should assess how the envisaged impacts will interact with the impacts of other climate change policies (namely the EU ETS). Against a clearer picture of the market

structure and affected actors, the report should then more fully assess whether there will be any direct or indirect impacts upon SMEs, or services (for instance companies providing maintenance of the equipment covered by this impact assessment). The report should more fully assess the impacts upon the competitive position of EU firms in the relevant sectors and should discuss any trade related issues. It should provide an estimation of the average total cost and price increase per product group to manufacturers and consumers for commonly used electrical household products. The report should then quantify the impacts on administrative burden for each of the policy options.

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 assessment report

(D) Procedure and presentation

The text should be made more accessible to the reader. Technical terms should not be introduced without adequate explanation. The report should provide a glossary explaining terms such as 'networked standby', resume time and idle mode.

(E) IAB scrutiny process

Reference number	2013/ENER/003
External expertise used	No
Date of IAB meeting	04 July 2012 (Written Procedure)