



EUROPEAN COMMISSION
Impact Assessment Board

Brussels,
D(2013)

Opinion

Title **DG ENER - Impact Assessment on online energy labelling of energy-related products**
(draft version of 07 January 2013)*

(A) Context

EU 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 calls for the development of delegated acts requiring mandatory display of an energy label at the point of sale for specific energy-related products. For distance selling, delegated acts adopted until now do not require for a specific label or visual format but only for the information that is on the label to be shown in a specific order. This report assesses whether it is necessary to change the way the content of the energy label and product fiche is communicated in the case of internet selling and if so through which measure this would be best achieved.

(B) Overall opinion: POSITIVE

The report should be improved in several respects. Firstly, it should clarify the scope and rationale of the planned initiative and give greater evidence of the significance and urgency of the identified problems. Secondly, it should present a more complete set of alternative options and better justify discarding some options at an early stage. Thirdly, the report should present the analysis of impacts more transparently, assessing results against the baseline, better explaining the underlying modelling assumptions and qualifying the accuracy of the resulting estimates as needed. The report should compare the options in terms of effectiveness, efficiency and coherence. Finally, it should better present the consultation procedures followed and their outcomes.

(C) Main recommendations for improvements

(1) Strengthen the policy context and problem definition. The report should describe the regulatory framework more comprehensively and clarify the scope and rationale of the planned initiative relative to the 2010 Directive and its forthcoming review in 2014. The report should also provide more robust evidence that consumers buying or researching online are less likely to choose energy efficient products compared to those shopping in retail outlets; that the way information is displayed online contributes to this behaviour; and that the labels being used for offline purchases are having the desired impact and are thus a valid option for the online market (the evidence from existing studies on the impact of alphabetic scale and colour code can be used to this end).

* Note that this opinion concerns a draft impact assessment report which may differ from the one adopted
Commission européenne, B-1049 Bruxelles - Belgium. Office: BERL 6/29. E-mail: impact-assessment-board@ec.europa.eu

Building upon these data, the report should provide a better indication of the magnitude and urgency of the identified problems.

(2) Expand the policy options under consideration. The report should present a more complete set of alternative options. It should consider presenting an option for the presentation of information specifically designed for the internet environment (such an option could be discarded without an analysis of the impacts provided a solid justification is provided). Also, option 1 involving voluntary action should be given more serious consideration in the absence of clearer indications of the size and urgency of the problems being addressed. The report should also consider the possibility of introducing legal requirements at the time of the 2014 review on the basis of the results of voluntary regulation and possible Commission guidance at that time, or explain why this is not possible.

(3) Better assess and compare impacts of options. The report should ensure a more transparent presentation of the estimated impacts and the underlying methodological assumptions. It should clarify when results are logical deductions or the outcome of modelling. It should provide greater background evidence for the former and clear justification of the assumptions underlying the latter, including with respect to the representativeness of the selected set of products used for the modelling. Results should be presented in relative terms against the baseline, as well as in absolute terms. Spurious accuracy should be avoided and the use of ranges and sensitivity analysis rather than point estimates considered. Finally, the report should compare the options in terms of their effectiveness, efficiency and coherence in achieving the objectives. In particular, the reasoning behind the superior impacts of option 2a should be more explicit and better substantiated.

(4) Better present stakeholders' views. The report should better justify the consultation procedures used and provide a better indication of the representativeness of the views collected. It should provide a more comprehensive account of the views of all relevant stakeholders bringing them to bear upon all relevant elements of the report, particularly when views are divergent or conflicting. In these instances, the report should explain how their concerns have been taken into account.

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 report should avoid the unnecessary use of jargon (e.g. pure-play outlets; hybrids models; channels; socially-mediated changes) and complex language. The executive summary should include a summary of the assessment of impacts, and references to DGs of the Commission (opening page) should be deleted.

(E) IAB scrutiny process

Reference number	2013/ENER/010
External expertise used	No
Date of IAB meeting	Written procedure