



**EUROPEAN COMMISSION**  
Impact Assessment Board

Brussels,  
D(2013)

**Opinion**

**Title**                    **DG ENTR – Impact assessment on an EU initiative on a Draft Commission Regulation implementing Directive 2009/125/EC of the European Parliament and of the Council with regard to Ecodesign requirements for Industrial Process Chillers and Condensing Units**  
**(draft version of 21 December 2012)\***

**(A) Context**

The Directive 2009/125/EC of the European Parliament and of the Council establishes a framework for the Commission to set Ecodesign requirements for energy-related products through regulations dealing with specific products groups. The report explores, within the priority product group "refrigerating and freezing equipment" identified in the 2009-2011 Ecodesign Working Plan, the appropriateness of setting Ecodesign requirement on condensing units and industrial process chillers. Following the usual practice in Ecodesign regulations, the possibility of introducing a labelling system under Directive 2010/30/EU is also explored.

**(B) Overall opinion: POSITIVE**

**The report should be improved in a number of respects. First, it should clarify and better substantiate the problems and the underlying drivers, providing a more comprehensive illustration of the structure and trends in the relevant markets. Against this background, the report should better justify the baseline scenario, particularly the assumption that efficiency levels would remain constant without additional policies. Secondly, the report should clarify the content of the options and discuss in greater details the reasons for the proposed implementation horizon. Third, the report should strengthen the analysis of impacts, clarifying the underlying assumptions and deepening the analysis of the impacts on competition, market structure, SME's and sector competitiveness. Finally, the reach of the stakeholder consultations should be clarified and their results better presented throughout the text.**

**In their written communication with the Board DG ENTR 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  
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### **(C) Main recommendations for improvements**

**(1) Improve the problem definition and the baseline scenario.** The report should present a more comprehensive overview of the industry as well as the market structure and trends of all relevant variables (e.g. give examples). Drawing on this information, the report should better substantiate the underlying problem drivers, providing greater evidence of the suggested consumer myopia, the limited share of electricity costs in their overall costs and explaining why producers have no incentive to exploit the current information failure via adequate advertising and marketing strategies. The report should also better assess the magnitude of the problem(s) in terms of the objectives of the Ecodesign Directive and the need to improve upon the current situation and (Member State) standards. In this context, the report should better explain the need to reduce pollutant emissions beyond CO<sub>2</sub> (general objective). Furthermore, the report should discuss more why all conditions set by the Ecodesign Directive can be considered met in the case of chiller units. Finally, the report should clarify the assumptions and modelling choices underlining the baseline scenario, in particular with regard to the assumption that efficiency levels would remain constant without additional policies. Time series data to support this assumption should be provided (or their unavailability explained).

**(2) Better present options content and justify the proposed timing of implementation.** The report should better present the content of the policy options consolidating all relevant information in section 5, using simpler language and additional annexes for the technical background. It should explain how the options are linked to the reduction of pollutant emissions beyond CO<sub>2</sub>. The report should clarify whether micro-entities are covered by the initiative or not and why. The basic rationale for option G should be explained more explicitly. The report should also strengthen the arguments for discarding some of the options and clarify why the absence of data rules out a label but does not impede the setting of minimum requirements. Finally, the report should discuss more explicitly the factors and trade-offs underlying the proposed implementation horizon.

**(3) Strengthen the assessment of impacts.** The report should further improve the presentation of the impact analysis across the three pillars (economic, social, environmental), consolidating the assessment, providing greater clarity on the methodologies used and the underlying assumptions, and better showing how the options tackle the underlying problem drivers. The report should also explain why impacts are not fully monetized and clarify to what extent the uncertainty in underlying data affects the results of the analysis. In addition, the report should present a more detailed assessment of the impacts that product withdrawal / minimum requirements would have on business costs, and possible impacts on public/occupational health and safety should be explained (exposure to ammonia, etc.). Finally, the report should include a more in-depth assessment of the impacts upon SMEs, market structure and sector competitiveness, both with respect to the degree of competition in the relevant markets and the international competitiveness of EU producers.

**(4) Clarify the reach of the consultation process and better present stakeholder views.** The report should clarify the representativeness of the targeted consultations carried out in view of the rather small number of replies from manufacturers and industry. It should clarify whether consumers and producers of low cost/low efficiency products were consulted. Finally, the report should better present the different views of stakeholders throughout the text, particularly as regards the assessment and comparison of 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 report should be more accessible for the non-expert reader and possibly shortened leaving more technical information to the annexes. It should provide clear references to the underlying assumptions and studies. Where relevant, short summaries of such studies (e.g. the preparatory one) should be annexed.

**(E) IAB scrutiny process**

Reference number	2012/ENTR/025
External expertise used	No
Date of IAB meeting	Written procedure