

EU energy policy initiatives & EICTA members' products

TELECOMMUNICATIONS TECHNOLOGY.//.CONSUMER ELECTRONICS.//.INFORMATION TECHNOLOGY

Theo Schoenmakers
EICTA Ecodesign cluster chair
Sustainability manager of Philips Consumer Electronics

**Strengthening the credibility
and influence of the European
digital technology industry**

Industry addressing many initiatives in EU context



Energy labeling directive 92/75/EEC

Ecodesign of energy-using products directive “EuP” 2005/32/EC

Energy services directive 2006/32/EC

EU-USA Energy Star agreement for office equipment

Green paper on energy efficiency & action plan

EU Eco-label & national/regional ecolabels

Industry self-commitments

Information campaigns e.g. Sustainable Energy Europe

Other environmental legislation: WEEE, RoHS

Other initiatives: IPP, EIPRO, EU LCA platform, ...

All within a context of national transpositions with varying timelines...

Focus today



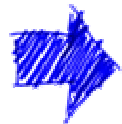
Green paper on energy efficiency



EuP directive & its studies



Industry energy efficiency principles



Goal:



As a competitive & highly innovative industry
contribute positively to energy efficiency
improvements in Europe

GP-Public procurement

➔ **EICTA encourages the EU central administration and also the EU's national governments to implement energy efficiency in public procurement criteria.**

➔ **A Commission study (DG Research – Relief Project) provides some preliminary results:**

➔ For example: broad estimates of potential savings from public procurement products include (annually, EU-wide) 110 million euros from the use of low energy consumption computer screens.

➔ **Use of Energy Star criteria in public procurement is a logical step for any EU / Member State institution.**

➔ Note: Energy Star is – and should remain – an inclusive label for achieving the best effect.

GP-Consumer responsibility

- ➔ **Energy consumption patterns are heavily dependent upon users' behaviors (e.g. Standby)**
- ➔ **EICTA therefore believes that there should be more attention on informing citizens of what are the behaviors to reduce energy efficiency.**
- ➔ **This is a joint responsibility of all market participants and administrations where innovation speed of industry sectors is particularly pertinent.**

GP-Energy labeling

➔ **EICTA regards the mandatory EU energy label as a ‘last resort’ tool to inform consumers.**

➔ **Several issues hamper its application:**

➔ Lack of measurement standards

➔ Revision speed

➔ Potential effects on innovation

➔ Little market surveillance

» Particularly relevant if financial remunerations towards manufacturers or consumers are considered.

GP-Taxes & State Aid Policy

- ➔ **EU-wide lower VAT for energy-efficient products is a possibility, as are other tax benefits stimulating energy efficiency innovations.**
- ➔ **Tax rebates to manufacturers of energy-efficient products are an option**
 - ➔ But: The EU must take appropriate measures to avoid any market distortion by a fiscal policy including energy criteria.
- ➔ **Hence clear co-ordination and review are necessary of State Aid rules that would apply.**



GP-Sustainable Energy Europe Campaign

- ➔ **EICTA has been invited by the European Commission to join the Commission's Sustainable Energy Europe 2005-2008 Campaign.**
- ➔ **EICTA signed the Declaration to become a Campaign Associate and to promote, together with the European Commission, the goals of EU sustainable energy policy.**
- ➔ **So far, 2 EICTA members have become Partners, various companies are considering to join.**

GP-Voluntary Initiatives



Achievements of the high-tech sector through voluntary Schemes:

- ➔ EU's codes of conduct for external power supplies and Digital TV:
http://energyefficiency.jrc.cec.eu.int/html/standby_initiative.htm
- ➔ Industry self commitments, reducing the stand-by power consumption of TVs and audio equipment & addressing the energy efficiency (on-mode & stand-by) of TVs.
- ➔ EU Energy Star® improving the energy efficiency of information technology equipment (<http://www.eu-energystar.org>).

The goals of EuP

- ➔ **Free movement of ecodesigned products, giving environmental benefits and security of energy supply**
- ➔ **Done in a framework, with product-specific implementing measures defining details**
- ➔ **EcoDesign should consider the total life cycle (raw materials, production, transport, use, end-of-life)**
- ➔ **Balance environmental with economic, technological, user and societal issues**

Positive aspects of EuP

- ➔ **Contributing to achieving Kyoto targets & ensuring more stable energy supply**
- ➔ **Stimulating innovation & eliminating bad performers**
- ➔ **Article 95: unified criteria for market access, free movement within EU**
- ➔ **Holistic approach over entire life cycle**
- ➔ **Wider view than ‘environment only’**
- ➔ **EICTA has always considered the EuP directive as a balanced piece of legislation that – if executed in the right way – would stimulate innovation**

Concerns on current developments

- ➔ **Great focus on energy use, less attention to other environmental aspects and other criteria (economic, social...)**
- ➔ **Some transpositions tending towards 3rd-party certification for many product types**
- ➔ **Life cycle principle vs. LCA, and potential of SMEs to perform the work**
- ➔ **Enforcement by member states?**

Energy Efficiency Global principles

- ➔ **SUPPORT VOLUNTARY INITIATIVES:** Governments and industry groups around the world have developed, and will continue to develop, voluntary initiatives focused on energy efficiency and eco-design. Future government initiatives should complement and build on these existing voluntary efforts to the maximum degree possible.
- ➔ **HARMONIZATION:** With a global supply network and customer distribution, it is critically important to synchronize international requirements. Multiple requirements across different regions create design, manufacturing, and supply chain chaos, increasing the cost of final products for consumers. Mandatory product labeling should be avoided or at least harmonized to existing standards.
- ➔ **FLEXIBILITY:** Requirements should not hinder innovation nor impede customer-demanded performance features, consumer use or behavior. Requirements should be performance-based, holistic and flexible rather than prescriptive. Product safety and other factors should be taken into account.

Energy Efficiency Global principles (II)

- ➔ **COST-EFFECTIVENESS**: The cost to implement efficiency requirements should be offset by energy savings within the life span of the product. The interval between promulgation and implementation must take into account product development cycles and supply chain capability.
- ➔ **MEASURABILITY**: Requirements should be quantifiable and verification should be based on clear and reasonable testing procedures.
- ➔ **PRODUCT DIFFERENTIATION**: Consideration should be made for market segmentation and performance variations. Requirements must not favor proprietary technologies.
- ➔ **PROCESS TRANSPARENCY**: All affected stakeholders should have a meaningful opportunity to engage in the development of the requirements.
- ➔ **COMPLIANCE**: Compliance verification should be handled via self-certification, such as 1-1-SDoC, etc. Pre-market testing or other requirements that hinder free trade should be avoided. Administrative burdens should be kept to a minimum.

Conclusions



Green Paper & action plan have opportunities:

- ➔ To bring energy savings & energy-efficient CE/ICT products
- ➔ To reward manufacturers of energy-efficient products whilst safeguarding competitiveness and innovation



EuP implementation needs to be:

- ➔ Harmonized throughout Europe
- ➔ Co-ordinated with other actions on energy efficiency
- ➔ Stimulate, rather than impede, pace of innovation
- ➔ Properly enforced by Member State market surveillance



Our industry's energy efficiency global principles provide a basis for successful implementation