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COMMISSION STAFF WORKING DOCUMENT
EXECUTIVE SUMMARY OF THE IMPACT ASSESSMENT

Accompanying the document

COMMISSION REGULATION (EU) .../... laying down ecodesign requirements for external power supplies pursuant to Directive 2009/125/EC of the European Parliament and of the Council

repealing Commission Regulation (EC) No 278/2009

{C(2019) 2126 final} - {SEC(2019) 335 final} - {SWD(2019) 345 final}

Executive Summary Sheet

Impact assessment on a Regulation laying down ecodesign requirements for external power supplies and repealing Commission Regulation (EC) No 278/2009¹

A. Need for action

Why? What is the problem being addressed?

External power supplies (EPS) are used to supply electricity to, and/or charge built-in batteries of, a vast number of electric and electronic products used in households and offices (primary load products). The individual energy consumption of an EPS is small, but their aggregated consumption is important because of the vast sales figures and widespread usage (around 500 million units sold yearly, with an estimated 2 billion units in use across EU), Regulation 278/2009 currently in force has proven to be effective in reducing the energy consumption of EPSs, with estimated energy savings of around 10 TWh/year. However, its effectiveness may now be hindered by: (i) outdated ecodesign requirements on energy efficiency, and (ii) outdated scope. Additional energy savings of 4.3 TWh/year by 2030 could be achieved by end-users if the regulation would be updated for taking stock of the technological progress and evolving regulations in other countries and markets. By doing so, GHG emissions could also be further reduced and a level playing field would be ensured for manufacturers of EPSs of a specific type (multiple voltage output EPSs).

An additional issue to be addressed would be to make information on EPSs and their performance readily available to consumers and market surveillance authorities in Member States.

What is this initiative expected to achieve?

A revised regulation will:

- Update the ecodesign requirements on energy efficiency and bring them in line with the technological progress and latest international initiatives;
- Expand the scope to close potential loopholes and provide level playing field for EPS manufacturers;
- Enhance transparency regarding EPS energy efficiency and improve consistency with other Ecodesign regulations in terms of providing information to users, public authorities, NGOs and other stakeholders.

What is the value added of action at the EU level?

There is clear added value in requiring minimum energy efficiency levels at EU level.

Without harmonised requirements at EU level, Member States would be incentivised to lay down national product-specific minimum energy efficiency requirements in the framework of their energy and environmental policies. This would undermine the free movement of products. Before the ecodesign and energy label measures were implemented, this was in fact the case for many products.

B. Solutions

What legislative and non-legislative policy options have been considered? Is there a preferred choice or not? Why?

Four policy options (PO) have been examined:

- PO1 - Business-as-Usual (BAU): Baseline scenario, where the current regulation remains unchanged;
 - PO2 - Global alignment: Reinforced ecodesign requirements aligned with US Department of Energy (DOE) current requirements (in a single tier). This is the preferred option because it reaps most of the benefits (in terms of energy and financial savings for end-users) while keeping the least life cycle costs (LLCC);
 - PO3 - Ambitious EU measure: Reinforced ecodesign requirements aligned with US DOE current requirements (in the first tier), followed by alignment with EU Code of Conduct for EPSs (in a second tier);
 - PO4 - Very ambitious EU measure: Reinforced ecodesign requirements aligned with US DOE current requirements (in the first tier), followed by a more ambitious second tier set at a level between the EU Code of Conduct and the best available technology on the market (BAT).
- Common requirements applicable to all PO2-PO4, additional to the requirement on energy efficiency: (i) Extension of scope to include multiple voltage output EPS (e.g. EPS with two outputs, delivering 5 V and 20 V at the same time); (ii) provision of information requirement regarding the efficiency at 10% EPS load, and (iii) provision of information on EPS performance made available on publicly accessible websites and in user manuals.

¹ [Commission Regulation \(EC\) No 278/2009 of 6 April 2009 implementing Directive 2005/32/EC of the European Parliament and of the Council with regard to ecodesign requirements for no-load condition electric power consumption and average active efficiency of external power supplies, OJ L 93, 7.4.2009, p. 3–10](#)

Who supports which option?
<ul style="list-style-type: none"> - The common requirements are supported by Member States and NGOs. Scope extension is also generally supported by the industry; - PO2 is largely proposed and supported by industry stakeholders; - PO3 is largely supported by Member States and NGOs. However, some Member States asked for a thorough assessment of benefits vs. costs for the second tier (for confirming the preference of PO3 over PO2). Industry stakeholders strongly oppose two-tiers approach; - PO4 was examined based on NGOs request for exploring more ambitious requirements.
C. Impacts of the preferred option
What are the benefits of the preferred option (if any, otherwise main ones)?
<p>By 2030, PO2 Global alignment will result in the following:</p> <ul style="list-style-type: none"> - Achieving the least life cycle costs for typical households (assumed to use around 10 EPSs); - Energy savings of 4.26 TWh/year and GHG emission reductions of 1.45 Mt CO₂eq./year; - Savings on annual end-user expenditure of € 787 million and extra business revenue of € 73 million per year, which translates into an indicative number of 255 additional jobs for the manufacturers and wholesalers (out of which 35 estimated in the EU); - A suitable update of Ecodesign requirements for keeping up with technological progress; - Closer alignment with requirements in other economies (such as the US) and with the most stringent requirements of the International Efficiency Marking Protocol (which is one of the most visible international references for regulators). Such an alignment is expected to reap the full benefits of economies of scale, while remaining also ambitious; - Maintaining limited impacts on SMEs manufacturing primary products using EPSs.
What are the costs of the preferred option (if any, otherwise main ones)?
<p>The compliance and administrative costs are direct costs and estimated as follows:</p> <ul style="list-style-type: none"> - EPS manufacturers: One-off compliance cost of € 20 million for scope extension; One-off compliance costs of € 40 million for tightened ecodesign requirements; Negligible recurrent costs for providing information (regarding efficiency at 10% load, and general EPS information on websites and user manuals); - EPS manufacturers and primary load product manufacturers: Recurrent administrative costs (testing and documentation) of € 10.5 million/year for documenting compliance; - Consumers: One-off increased product costs of € 98 million due to scope extension and tightened ecodesign requirements. However, these costs will be compensated by reduced electricity bills and savings will be ensured over the whole life cycle of the EPS.
How will businesses, SMEs and micro-enterprises be affected?
<p>The proposed regulation is fully applicable to micro- and SMEs associated with EPS production and use. The SME share of the EPS market is estimated to be marginal, i.e. less than 1 %. Since the EPS market is a high-volume market, nearly all EPS manufacturers are global players. In this context, no European SMEs were identified to manufacture EPSs.</p> <p>Nevertheless, SMEs that manufacture primary load products (over 30 EU companies) that use EPSs could be affected. However, they are unlikely to see disproportionate costs as EPS are mass-produced and they will benefit from the economies of scale made by the large manufacturers that are sourcing EPSs with improved efficiency.</p> <p>The key costs for these SMEs will be in terms of administrative and compliance costs. The impact of these costs is included in the overall figures presented in the previous section. The total EU SME compliance costs are estimated at € 0.65 million.</p>
Will there be significant impacts on national budgets and administrations?
<p>There are no additional impacts estimated on the national budgets/administrations. The Member States would rather benefit from more cost-effective market surveillance (helped by improved access to information regarding the performance of EPSs).</p>
Will there be other significant impacts?
<p>No other significant or negative impacts are expected.</p>
D. Follow up
When will the policy be reviewed?
<p>A review clause will be proposed, due within four years following the adoption of the regulation.</p>