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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 household dishwashers pursuant to Directive 2009/125/EC of the European Parliament and of the Council amending Commission Regulation (EC) No 1275/2008

and repealing Commission Regulation (EU) No 1016/2010

and

COMMISSION DELEGATED REGULATION (EU) .../... supplementing Regulation (EU) 2017/1369 of the European Parliament and of the Council as regards energy labelling of household dishwashers

and repealing Commission Delegated Regulation (EU) No 1059/2010

 $\begin{array}{c} \{C(2019)\ 1807\ final\} - \{C(2019)\ 2123\ final\} - \{SEC(2019)\ 336\ final\} - \\ \{SWD(2019)\ 347\ final\} \end{array}$

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Executive Summary Sheet

Impact assessment on Regulations laying down ecodesign and energy labelling requirements for household dishwashers and repealing Regulations (EC) No 1016/2010and (EU) No 1059/2010

A. Need for action

Why? What is the problem being addressed?

Household dishwashers consume significant amounts of electricity and are subject to minimum energy efficiency requirements and energy labelling. As a result of those requirements and technological progress, most dishwashers currently on the market fall within the three highest categories of energy labelling (A+ or higher). While this is a positive development, it also means that consumers are not in a position to differentiate sufficiently between the performance of appliances on the market and may therefore end up purchasing A+ class dishwashers without realising that far from being a top performing dishwasher these are in fact the lowest performing appliances currently on the market. The resulting lack of market advantage for more efficient appliances means manufacturers are no longer incentivised to develop innovative and energy efficient appliances.

In spite of the current ecodesign requirements and energy labelling, the energy consumption of household dishwashers in the Union has constantly increased in recent years and is expected to continue increasing because of the penetration rate in EU households. It is therefore important to update the current requirements on energy and water consumption, and benefit of technological progress to limit their increase.

The current Ecodesign Regulation lack requirements on resource efficiency, such as for durability, reparability, and recyclability, which could help reverse the decline in the average lifetime of dishwashers and contribute to circular economy objectives. However, dishwashers, like many other products, can be significantly improved in terms of circular economy aspects, such as the availability and cost of spare parts and their delivery, access to repair and maintenance information and easier treatment at the end-of-life of appliances: measures that could be progressively achieved through Ecodesign measures.

The objective of the revision on ecodesign requirements for household dishwashers is to trigger a change in market conditions and appliances optimisation, without damaging the increasing penetration rate of dishwashers into the EU market experienced during the last years.

What is this initiative expected to achieve?

The proposed revision should reduce the total energy consumption of these products each year across the EU, achieving electricity savings of 2,1 TWh/year and water savings of 16 million m3/year. This would contribute 0,14% to the EU target on energy efficiency by 2030 and greenhouse gas emission abatement of 0,7 MtCO2eq/year. It is also expected to make repairs and end-of-life treatment easier by ensuring that the necessary information and spare parts are available.

It will empower consumers to choose the most efficient appliances, leading to savings on energy and water consumption during their use.

The proposed revision of ecodesign requirements should encourage further technological progress, while measures on material efficiency should provide better and cheaper repair options, leading to longer product lifetime, savings for consumers, increased revenues for repairers and a positive contribution to circular economy objectives.

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

Without harmonised requirements at EU level, Member States would put back in place national product-specific minimum energy efficiency requirements for their energy and environmental policies. Consequently, this would undermine the free movement of goods and increase EU companies compliance costs. There is clear added value in requiring minimum energy efficiency levels and an energy label at EU-level. Moreover, in the case of dishwashers the revision of ecodesign and energy labelling measures is important for EU as the:

- revised minimum energy efficiency requirements should maintain the momentum of technological progress of dishwashers placed on the EU single market;
- new ecodesign requirements should relate to previously unregulated material efficiency aspects of the performance, reparability and durability of the machines and these shall be harmonised across EU.

B. Solutions

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

The following options were considered in the impact assessment:

- Policy Option O: business as usual, used as baseline for the assessment: no further action, the household dishwashers regulations currently in place remain unchanged;
- Policy Option A: Combinations of more ambitious energy efficiency requirements under ecodesign and energy labelling (different scenarios possible);
- Policy Option B: Combinations of less ambitious energy efficiency requirements under ecodesign and energy labelling (different scenarios possible);
- Policy Option C: in addition to requirements in A and B, ecodesign requirements on material efficiency (three scenarios considered).

The most effective option in terms of energy, resource efficiency and cost-savings, combines: (i) more stringent ecodesign requirements on energy efficiency for full-size appliances via a second tier that enters into force in 2024; (ii) energy label categories in small (non-proportional) bandwidths; and (iii) material efficiency requirements on the availability of spare parts and repair information. This option was selected as the preferred option.

Who supports which option?

While stakeholders did not comment on all the detailed combinations of measures in the different scenarios, they did express preferences for options.

Option A corresponds to the level of ambition recommended by some Member States, consumer associations and environmental NGOs, while some industry stakeholders had concerns about the stricter energy efficiency measures. These concerns were taken into account by phasing-in the measures with a later application date. Other Member States and industry stakeholders were in favour of Option B, which was opposed by other stakeholders including consumer associations and environmental NGOs. There were concerns about the enforceability of some requirements of material efficiency in Option C, but also support for their inclusion. The prudent approach followed should however enable their smooth implementation.

C. Impacts of the preferred option

What are the benefits of the preferred option (if any, otherwise main ones)?

By 2030, the preferred option should deliver:

- electricity savings of 2,06 TWh/year and water savings of 16 million m3/year, a contribution of 0,14% to the EU target on energy efficiency by 2030;
- greenhouse gas emission abatement of 0,7 MtCO2eg/year;
- EUR 18 million in annual net cost savings for consumers (taking into account a higher purchasing price);
- extra business revenue of EUR 4 billion per year, leading to 11 000 additional jobs in the EU manufacturing sector and 34 000 in the retail sector;
- maintaining EU industry's competitiveness and leading role as high-quality manufacturers;
- promoting innovation for more efficient dishwashers; and
- Higher revenues and profits for independent companies (such as SMEs) working in the field of reparation and refurbishment of products.

What are the costs of the preferred option (if any, otherwise main ones)?

For suppliers, there is a cost of EUR 3,2 million for providing two sets of energy labels (one according to the current regulations and one according to the new measures) during an "overlap" period of 6 months. For dealers, a one-off cost of EUR 0,3 million is assumed for the re-labelling of approximately 2,5 % of their products that will be on display.

How will businesses, SMEs and micro-enterprises be affected?

See the costs and benefits mentioned above. There is no SME manufacturer of dishwashers in the EU except on niche markets. In addition, many independent repair businesses are SMEs or micro-enterprises, which stand to gain in particular from the requirements on reparability.

Will there be significant impacts on national budgets and administrations?

No, the cost for market surveillance authorities remains approximately the same. The costs of enforcing the

regulations are difficult to estimate, but it is expected that through the product registration database the administrative burden will be maintained at a low level.

Will there be other significant impacts?

Yes, the preferred option is expected to have a positive impact on competitiveness and innovation in the EU and on the market conditions for the development of independent repairs leading to savings of resources.

D. Follow up

When will the policy be reviewed?

A review will take place no later than 5 years after entry into force.