TEN/038

Brussels, 24 May 2000

OPINION

of the

Economic and Social Committee

on the

Proposal for a Regulation of the European Parliament and the Council on a Community energy efficiency labelling programme for office and communication technology equipment

(COM(2000) 18 final - 2000/0033 (COD))

On 1 March 2000 the Council of the European Union decided to consult the Economic and Social Committee, under Article 262 of the Treaty establishing the European Community on the

> *Proposal for a Regulation of the European Parliament and the Council on a Community energy efficiency labelling programme for office and communication technology equipment*
> *(*COM(2000) 18 final - 2000/0033(COD).

The Section for Transport, Energy, Infrastructure and the Information Society, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 4 May 2000. The rapporteur was **Mr Nilsson**.

At its 373rd plenary session of 24 and 25 May 2000 (meeting of 24 May) the Committee adopted the following opinion by 103 votes to one, with one abstention.

1. Introduction

1.1 The reduction of CO_2 emissions is one of the most important environmental aims. Back in 1990, in the Community as it was then, the Council agreed to take certain measures to stabilise total CO_2 emissions at the 1990 level by 2000 at the latest. Under the Kyoto Protocol, the EU gave an undertaking to further reduce emissions, particularly of greenhouse gases. The key strategy for attaining this energy objective is greater energy efficiency with a view to more efficient, and hence lower, electricity consumption.

1.2 The Commission has made the promotion of energy efficiency one of its energy policy objectives. In its Resolution of 7 December 1998 on energy efficiency in the European Community, following the White Paper on An energy policy for the EU, the Council notes that the economic potential for energy savings in the EU as a whole can be estimated at around 18% of 1995 energy consumption up to year 2010.

1.3 In addition, the Council takes the view that energy savings can be achieved and stimulated through the increased and extended use of labelling, certification and standardisation, along with increased use of negotiated and long-term agreements on energy efficiency on a voluntary basis.

1.4 The proposed Community energy efficiency programme for office and communications technology equipment should be seen as one component in this campaign.

2. The Commission proposal

2.1 The Commission proposal seeks to introduce a voluntary labelling programme for information and communication technology (ICT) equipment so that buyers can identify the most cost-effective equipment on the market.

2.2 The Commission is proposing a Community regulation with a view to completing a negotiated agreement with the US which would give manufacturers access to the "Energy Star" labelling programme, introduced in the US and now firmly established; the aim of this voluntary labelling system, which includes technical specifications, is to achieve energy-efficient office equipment.

2.3 The Energy Star programme was started in 1993 by the US Environmental Protection Agency (EPA) and is now a widely recognised system for labelling copiers, computers, monitors, printers and fax machines.

2.4 Work on the introduction of a labelling programme for IT and office equipment dates back to 1994, when the Commission in consultation with the Member States and European manufacturers agreed on the advisability of introducing an efficiency label, and that the Energy Star programme was the most suitable system for this purpose. In 1996 the Commission received a mandate from the Council to negotiate with the US and Japan on this labelling programme. However, Japan is not a contracting party in this instance as it has its own agreements in this sector. The negotiations have resulted in a draft agreement, which was submitted to the Council on 2 July 1999[1].

2.5 Several clauses of this draft agreement presuppose the existence of a Community regulation. The main aim is to make it possible to introduce the Energy Star logo, specify the rules to govern its application and correct use of the sign or marking, and provide for procedures for the future revision of the agreement.

2.6 The Energy Star programme lays down detailed technical specifications. For instance, the agreement indicates how energy-saving features are to be installed on monitors, computers and other office equipment. It specifies standards for energy consumption in stand-by mode and how, for instance, computers are to be programmed from the start to switch from full power to a lower stand-by mode when they have not been in use for a given period. A large number of such technical specifications are covered by the programme.

2.7 When products satisfy these conditions, firms can be eligible, either through self-certification or other forms of certification, to use the Energy Star marking and logo.

2.8 The Regulation also allows manufacturers to apply another label complying with more stringent rules, if these have been approved by the Member States' authorities. Energy-efficiency labelling can also be combined with EU-approved environmental labelling.

2.9 The Commission states that the proposed regulation must be able to keep pace with technical progress. The draft agreement allows for internal revision procedures, which are to be flexible and applicable speedily.

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1 COM(99) 328 final - CNS 99/0135; OJ C 274 E, 28.09.1999, p.16

2.10 The Commission is responsible for managing the labelling programme, with the assistance of a special technical body: the EU Energy Star Board (EUESB) . The Member States are to appoint national bodies, to be represented on the Board. Activities will be financed under the SAVE programme.

3. General and specific comments

3.1 The Committee welcomes both the agreement, which now exists in draft form, and the Community Regulation which is the subject of this opinion. The Committee supports the proposal and observes that it has the backing of trade organisations in the EU.

3.2 ICT equipment accounts for a considerable share of electricity consumption within services and the domestic sector. Total consumption is estimated at 50TWh per year. The average annual increase in electricity consumption in the Fifteen is over 2%. Concurrently, the fastest growth is in the services sector, where the use of information technologies is increasing dramatically as a result of IT and other office equipment. Office equipment electricity consumption is accelerating faster than any other form of energy consumption in office buildings, and could increase fivefold over the coming decade unless action is taken.

3.3 Energy-efficient equipment can reduce electricity consumption by over 60% merely by installing electricity-saving features for when equipment is not in use. This applies particularly to copiers, which are often left on all day at full power . By programming a stand-by mode, electricity consumption can be substantially reduced.

3.4 Under the SAVE programme[2], a variety of measures have been proposed to boost energy efficiency in different types of electrically-powered equipment. The Committee has already given its opinion on the 1992 Directive on hot-water boilers[3], the 1996 Directive on refrigerators and freezers[4], the voluntary agreement on television sets and video recorders, and most recently the Directive on energy efficiency requirements for ballasts for fluorescent lighting[5].

3.5 The Committee welcomes the voluntary basis of this proposal; in its view, voluntary agreements are the best way of achieving successful results - as it has stressed in its earlier opinions on energy efficiency.

3.6 One of the Commission's reasons for advocating voluntary self-certification is because this approach makes it easier to keep pace with technological progress. Though that is true,

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2 ESC Opinion, OJ C 264, 11.09.1996

3 OJ C 102, 18.04.1991, p. 46

4 OJ C 155, 21.06.1995, p. 18

5 OJ C 368, 20.12.1999, p. 11

the Commission and the EUESB must keep a very close eye on technological advances and adjust the agreement, without hindrance or delay, to take account of technical innovations that boost energy efficiency. The agreement with the US, conferring eligibility to use the Energy Star logo, does involve specific and very detailed specifications. Even a voluntary system of this nature can impede, or at any rate put a brake on, more intelligent solutions and yet more efficient energy-saving systems. It is therefore vital to review and adapt specifications on a regular basis so as to take full advantage of the potential of technical progress. In Article 15 the Commission is proposing a review within five years, which would seem to allow for excessive delays in assessing a rapidly evolving technology. Accordingly, this Regulation may need to be reviewed at an early stage, and amended.

3.7 Even when equipment is in stand-by mode, the total overall consumption is considerable. In many cases the user still needs to activate an energy-saving feature. The Commission, for instance, states that only 10% of personal computers and monitors in private companies have their energy-saving features enabled[6]. It is therefore important also to encourage more intelligent technology in the context of revision of the Energy Star programme so that electricity consumption, which contributes no practical benefits, can be further reduced.

3.8 Increased use of "life cycle analysis" for the purpose of office equipment procurement might be a means of motivating buyers to ascertain more precisely the total cost of office equipment throughout its expected lifespan.

3.9 The Commission recommends that energy efficiency and Eco-labelling should operate in tandem. However, the Committee would question whether it is possible, or desirable, to affix several different labels. The point is how many symbols can be used to communicate with the buyer without destroying, or at any rate eroding, the value of labelling. This fear is also borne out in the impact assessment accompanying the Commission's proposal, where experts and other trade representatives point to the risk that a proliferation of national labels could have a negative impact. The Commission should expand on, and clarify, the possible interaction between Energy Star and Eco-labelling so as to avoid duplication between very similar labelling systems.

3.10 The Commission considers that the proposal has no financial implications since all costs will be covered by the SAVE programme, though the Commission itself is to finance the administrative body: the "European Union Energy Star Board (EUESB). In the Committee's view, it is vital for the Commission to draw on the SAVE programme for the purpose of, as provided in the proposal, co-financing Member States' action to promote and disseminate information on the programme.

3.11 Reducing electricity consumption by improving energy-efficient equipment can best be achieved when new investments are made. The Committee therefore agrees with the Commission that Energy Star labelling should be a minimum requirement.

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6 COM(99) 328 or OJ C 274 E, 28.09.1999, p.16

3.12 The Committee would also point out that it is most important that the Commission plays a pioneer role in developing energy efficiency in all areas. The Committee has issued several opinions on the SAVE programme and its impact. The new Fifth Framework Programme for R&D[7] also provides considerable opportunities for research into energy savings, which must be fully exploited.

4. Conclusions and summary

4.1 The Committee regards the Energy Star logo as a sound and effective system for labelling energy-efficient office equipment and supports the Commission proposal. In its view, the proposal's voluntary approach is the best way of achieving successful results. The Committee would stress that it must be possible to adjust the agreement speedily and keep pace with rapid technological progress. In addition, a review may prove necessary earlier than in five years' time. The Committee advocates the introduction and broader use of life cycle analysis also for the purpose of office equipment procurement. It questions how many different kinds of marking can be used

7 ESC Opinion, OJ C 407 , 28.12.1998

simultaneously to communicate with the buyer. Lastly, the Committee focuses attention on the importance of the SAVE programme and points out that the Fifth Framework Programme for R&D provides considerable opportunities for research into increased energy efficiency.

Brussels, 24 May 2000.

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of the
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