



Raising standards for consumers

**The Consumer Voice in Europe** 

# GREENER, BETTER, FASTER, STRONGER ECODESIGN

Consumer organisations' views on the implementation and enforcement of the Ecodesign Directive

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### Contents

1. RES	OURCE EFFICIENCY SHOULD APPLY TO ALL PRODUCT GROUPS	5
1.1.	Durability and reparability are a must	5
1.2.	Upgradability requirements: software updates	6
2. MOF	RE PRODUCTS SHOULD BE ECODESIGNED	6
2.1.	More products, bigger savings	6
2.2.	Enlarge the scope to chemicals	6
3. OPT	IMISE THE PROCESS	7
3.1.	Avoid unnecessary delays	7
3.2.	No 'package' approach	7
4. COM	MUNICATION TO PUBLIC AHEAD OF THE MEASURES' RELEASES	7
	MBER STATES AND THE COMMISSION MUST IMPROVE MARKET SURVEILLANG	
6. PRE	FER REGULATION OVER VOLUNTARY AGREEMENTS	8
6.1.	The case of printers	8
7. BET	TER SYNERGIES WITH THE EU ECOLABEL	9





### Why it matters for consumers?

Consumers spend every month a considerable amount of their budget on energy. In recent years, consumers not only own more energy-consuming products such as computers, mobile phones and televisions but they use those for longer hours each day. This development has increased electricity bills.

In 2005 the EU launched a process to improve energy efficiency of consumer goods. The Ecodesign Directive 2009/125/EC<sup>i</sup> (the Directive) establishes a framework for improving the environmental performance of products such as household appliances, ranging from vacuum cleaners and lighting to boilers. Thanks to its Ecodesign requirements, the Directive not only protects the environment but also helps consumers save money. According to a survey we commissioned in 2016<sup>ii</sup>, an average EU household can save up to €330 yearly thanks to Ecodesign. Consumers do not need to do anything to save up, it is just because products have become more energy-efficient over time<sup>1</sup>.

Furthermore, Ecodesign yields better performing products – in terms of quality and comfort - and provides consumers with more information on sustainable use of products. Ecodesign also considers the lifetime of a product and it is also very important for consumers' health.

We believe that even more savings and benefits could be triggered through a better implementation of the Directive. Hence, we provide recommendations on how to achieve it.

<sup>&</sup>lt;sup>1</sup> Savings can even go up to €450 if the product falls into the best class of the Energy label, i.e. that consumers choose the best performing product 'A'.





### Summary

By drafting its own initiative report, the European Parliament is currently assessing the implementation of the Ecodesign Directive 2009/125/EC<sup>iii</sup>. Consumer organisations welcome this intention. The Ecodesign Directive has so far helped trigger savings for both the environment and consumers<sup>iv</sup>, while also stimulating innovation and benefitting Europe as a whole.

However, if the tool was applied in a more ambitious manner, Ecodesign could contribute to achieving further efficiency gains. In this paper, we suggest improvements to the implementation of the Ecodesign Directive:

- The legislative framework should address all environmentally relevant factors such as resource efficiency, the use of hazardous chemicals and waste management in the product-specific implementing measures, as the Ecodesign parameters in the Directive already require. We also propose that more consumer products are included into the scope of work, such as smartphones.
- Existing energy efficiency measures must be timely reviewed and made more ambitious over time. In parallel, new measures should quickly see the light of day. In general, we also believe that the European Commission should set the criteria at a more ambitious level. To avoid delays as well as bad publicity as experienced in the past, the European Commission must communicate to citizens and journalist the benefits of the measures ahead of their release.
- Furthermore, the European Commission must better support Member States in their enforcement work and cooperation when a product is found non-compliant. Finally, self-regulatory measures should not take precedence over regulatory measures and synergies between Ecodesign and other EU tool such as the Ecolabel needs further thoughts.





# 1. RESOURCE EFFICIENCY SHOULD APPLY TO ALL PRODUCT GROUPS

Currently, when developing Ecodesign requirements, the EU Commission mainly focuses on the energy efficiency performance of products. Although Europe must continue to set stricter energy efficiency requirements, Ecodesign should in the future <u>also</u> consider more strongly the durability, reparability and upgradeability of products. When we commissioned a study in 2016 on the benefits of Ecodesign<sup>v</sup>, one of the conclusions highlighted that savings could be considerably higher if Ecodesign would in the future contain stronger resource efficiency requirements.

Furthermore, the EU Action Plan for the Circular Economy (2015)<sup>vi</sup> states - when referring to Ecodesign - that "in the future, issues such as reparability, durability, upgradability, recyclability, or the identification of certain materials or substances will be systematically examined (...)"

While we very much welcome and support this intention of the European Commission, little has been done to implement it until today. One year after adopting its Circular Economy Package, the Commission assessed on the delivery and progress of key initiatives of its 2015 Action Plan<sup>vii</sup>, and reported no significant progress on Ecodesign.

Tip to the EU Parliament: call for more **ambitious requirements for material efficiency** in your own initiative report. This should be done at the phase of the preparatory studies, for all product groups, with a view to provide strong evidence both in the development of the regulatory measures, as well as in supporting standardisation.

#### 1.1. Durability and reparability are a must

Many consumers would like their appliances to last longer, and by extension welcome durability and reparability requirements. In November 2016, our German member, Verbraucherzentrale Bundesverband (vzbv), commissioned a survey of 2,066 people on their opinion about European energy-related policies, including on Ecodesign. While 82% of the respondents favoured European requirements to reduce the energy consumption of household appliances, even more (85%) supported the idea to make longer lifetime of appliances a requirement<sup>viii</sup>.

Furthermore, and as highlighted by various national consumer organisations across Europe, products often fail too early<sup>ix</sup>. Durability and reparability requirements under Ecodesign can play a crucial role in the fight against premature obsolescence, which currently generates growing frustration among consumers. Our Belgian member, Test Achats/Test Aankoop, attracted enormous attention and enthusiasm among Belgian consumers by setting up a platform where consumer can share information about products that failed too quickly<sup>x</sup>.

Tip to the EU Parliament: Ask the European Commission to systematically investigate the possibility of setting mandatory requirements on the **availability of spare parts** at reasonable cost<sup>xi</sup>, as well as on a **minimum lifetime** for products. Better guarantee rights are also needed.





#### 1.2. Upgradability requirements: software updates

Furthermore, the same survey from vzbv highlights that 30% of consumers replaced their electronic devices because of software issues. As consumers are confronted with the lack of availability of software updates when it becomes outdated, their products' life-expectancy decreases. Our Dutch member organisation Consumentenbond has observed a lack of updates on smartphones, but also on other products with Android software, like tablets<sup>xii</sup>.

In 2016, a resolution on 'a longer lifetime for products: benefits for consumers and companies'xiii called on the European Commission to undertake actions to protect consumers against software obsolescence. Even though we welcome that the European Parliament has recognised the issue and gave initial recommendations, they will be insufficient to address the problem.

*Tip to the EU Parliament:* Call on the Commission to assess the possibility of setting up requirements for mandatory **availability of software updates** for the electronic devices covered under Ecodesign.

#### 2. MORE PRODUCTS SHOULD BE ECODESIGNED

#### 2.1. More products, bigger savings

To trigger further energy efficiency savings, Ecodesign could be more ambitious and include more products into the scope. We advocate for more consumer products, such as mobile/smartphones, to be taken on board. Many national consumer organisations increasingly highlight the importance of smartphone design to optimise resource efficiency and the issue of their limited lifespans<sup>xiv</sup>. The potential benefits of ecodesigned smart/mobile phones mostly lie in resource efficiency requirements, e.g. exchangeability of batteries.

#### 2.2. Enlarge the scope to chemicals

In addition to the resource efficiency requirements, ANEC and BEUC asked in the past for much broader criteria that should also include chemicals for example. We believe the Directive should address all relevant environmental impacts in all the life cycle phases of products, such as the use of dangerous chemicals, waste production and recycling. Although the 7<sup>th</sup> Environment Action Programme asks to lower consumer's exposure to harmful chemicals, the European Commission has done in our view not enough on this aspect<sup>xv</sup>.

Tip to the EU Parliament: Emphasise the need for the legislative framework to address all environmentally relevant factors such as **resource efficiency**, the use of hazardous chemicals and waste management in the product-specific implementing measures, as the Ecodesign parameters in the directive already require. We also propose that more consumers' products are included into the scope of work, such as **smartphones**.





#### 3. OPTIMISE THE PROCESS

#### 3.1. Avoid unnecessary delays

In the last months, the European Commission has accumulated delays for several product groups when reviewing existing measures or developing new ones. Those delays arose due to unsubstantiated bad press coverage of Ecodesign and also due to the Brexit. We regret that those political elements led to delaying technical work of certain product groups. It means that we missed out on substantial savings, but also that resources (financial and human) spent in the development of Ecodesign measures are misused/wasted.

#### 3.2. No 'package' approach

The European Commission recently announced its intention to release Ecodesign measures by 'packages', as opposed to releasing them in an individual regulation. It means that the measures could only be released e.g. once per year. We fear that bundling measures (where e.g. work is already completed) together with the adoption of other Ecodesign and Energy labelling measures will only further postpone their adoption. Those delays are likely to impact the level of ambition of the regulations.

Tip to the EU Parliament: in the own initiative report, insist on both a **timely review** of existing energy efficiency measures to make them more ambitious over time, and a **swift development of new measures**.

# 4. COMMUNICATION TO PUBLIC AHEAD OF THE MEASURES' RELEASES

It is necessary that the European Commission communicates before they take product-specific decisions and ahead of their entry into force. This would help avoid misunderstanding and bad press coverage, like the one we experienced in the past. It is important to ensure that both journalists and citizens understand that Europe is not interfering in their lives by regulating their everyday appliances. Quite the contrary, Europe is setting up Ecodesign measures that bring about benefits for both the environment and consumers.

Tip to the EU Parliament: encourage the European Commission to **communicate to citizens and journalist** the benefits of the measures *ahead* of their release to avoid bad press and delays.

# 5. MEMBER STATES AND THE COMMISSION MUST IMPROVE MARKET SURVEILLANCE TOGETHER

There is currently insufficient market surveillance as Member States are very often lacking resources to assume their enforcement roles fully. Missing enforcement means that the European Union loses out on the full realisation of the energy saving potential of the EU Ecodesign. For consumers, not only does this result in potential lower savings at the end





of the month, but there is also the risk that non-compliant products reduces consumer trust in general.

We believe the European Commission should work more closely with market surveillances authorities (MSAs) to facilitate their work. As the European Commission is currently setting up a database to improve compliance in the context of new Energy labelling framework, the possibility of extending the database to Ecodesigned products should be assessed. Furthermore, it is important that MSAs cooperate among themselves and exchange results when a product is found non-compliant. Cooperation, rather than competition, must be the aim and the watchword of MSAs.

Tip to the EU Parliament: call on the European Commission to better **support Member States in their enforcement work** and for enhanced cooperation when a product is found non-compliant.

#### 6. PREFER REGULATION OVER VOLUNTARY AGREEMENTS

The Ecodesign Directive gives priority to voluntary industry agreements (over regulatory measures) if the Ecodesign objectives can be achieved faster or in a less costly manner. Yet existing voluntary agreements have often not been timelier in achieving output and implementation than regulation itself. ANEC and BEUC fear that voluntary agreements are sometimes used by manufacturers as an excuse not to be regulated. Therefore we have long proposed the deletion of voluntary agreements in favour of regulation.

#### **6.1.** The case of printers

Printers are one of the product groups which are currently not regulated but fall under an Ecodesign voluntary industry agreement<sup>xvi</sup>. ANEC and BEUC have concerns on the current design of printer cartridges. BEUC's Spanish member OCU tested more than 20 sets of cartridges and found that all ink and toner cartridges include a chip the purpose of which is not clear and which hinders recycling. Furthermore, OCU discovered that at least 28% of new printer cartridges were half empty or less when bought from the shop. They also found 42% of tested cartridges had excessive ink residue when the printer notified that they were empty.

In addition to containing hazardous substances harmful to the environment, cartridges are also difficult to recycle<sup>xvii</sup>. Furthermore, printers were pointed out among the most problematic products in the platform of our Belgian member, Test Achats/Test Aankoop, where unsatisfied consumers can report about products that do not last up to their expectations<sup>xviii</sup>.

According to us, this clearly shows that there is a need for regulation for this product group. And that in general, regulation should always be prioritised over self-regulation.

Tip to the EU Parliament: stress that self-regulatory measures should not take precedence over regulatory measures in the case of Ecodesign.





#### 7. BETTER SYNERGIES WITH THE EU ECOLABEL

The EU needs to ensure that the synergies of all product policies and instruments are optimised within a coherent framework. The Ecodesign should be implemented in greater coordination with the Energy labelling, but also with the Ecolabel criteria. The Ecolabel, label of environmental excellence, must have a clear role as benchmark for future market developments and inspire other product policy instruments like Ecodesign. Ecolabel has been a pioneer in setting measures addressing resource efficiency in the different stages of the product life, e.g. substitution of hazardous chemicals, design for reparability, upgradeability, efficient dismantling and recyclability.

We believe that when the European Commission develops measures under both Ecodesign and the Ecolabel for a same product group, they should do it in parallel. Currently, DG ENER is in charge of Ecodesign and energy labelling, whereas DG ENV takes care of the Ecolabel. The studies undertaken to define the requirements under the different tools are duplicated and the decision-making processes are not sufficiently aligned. It is a barrier for the optimisation of human and financial resources and can potentially lead to incoherence between the different instruments and the levels of ambition achieved.

Tip to the EU Parliament: highlight the need for better synergies between Ecodesign and other EU tool such as the Ecolabel.

#### 8. IMPROVE PRODUCT INFORMATION FOR CONSUMERS

Thanks to information requirements set under Ecodesign, consumers are informed about how to use and dispose of their products more sustainably. It enables consumers to e.g. optimise the product's usefulness during operation, hence potentially leading to both lower energy consumption and a longer lasting product<sup>2</sup>.

However, the European Commission should set information requirements more systematically and in more details for all product groups. It should also investigate the possibility to require manufacturers to provide reliable information on the availability of spare parts as well as on the expected lifetime of appliances. Over 90% of European citizens would like to know about the lifetime of products and the majority is willing to pay more for longer lasting products, regardless of their income<sup>3</sup>. Those information requirements should be seen as complementary to other Ecodesign and Energy labelling requirements, and should not come at the cost of hard measures.

Tip to the EU Parliament: call for more **ambitious information requirements for all product groups** in your own initiative report.

<sup>&</sup>lt;sup>2</sup> For example, the booklet of instructions for dishwashers must include: "(...) the 'standard programme' and shall specify that it is suitable to clean normally soiled tableware and that it is the most efficient programme in terms of its combined energy and water consumption(...)" http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32010R1016.

<sup>&</sup>lt;sup>3</sup> European Economic and Social Council, <u>The potential effect on consumers of the real lifetime of products display</u>, March 2017.





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- viii More information can be provided upon request.
- ix http://www.beuc.eu/durable-goods#memberactions
- x https://www.test-achats.be/trop-vite-use
- According to a survey from Verbraucherzentrale Bundesverband, durability and reparability of products are considered highly among consumers when taking a purchase decision. However, the high cost of repair remains the main reason why consumer do not repair.
  - http://www.vzbv.de/sites/default/files/downloads/2017/06/01/umfrage\_haltbarkeit\_und\_reparierbarkeit\_von\_produkten\_o\_gewaehrleistung.pdf
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- For example in the <u>Netherlands</u>, in <u>Austria</u> (X2), in <u>Portugal</u>, in the <u>UK</u>, in <u>Belgium</u>, in <u>Germany</u>.
- See BEUC position on the mid-term review of the 7th Environment Action Programme: http://www.beuc.eu/publications/beuc-x-2017-099\_sustainable\_europe\_whatstill\_needs\_to\_be\_done.pdf
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