

*Monitoring, Verification and Enforcement  
Capabilities and Practices for the  
Implementation of the Ecodesign and  
Labelling Directives in EU Member States*

Findings from a new European study

Paul Waide, Navigant Consulting on behalf of CLASP

Anita Eide, CLASP

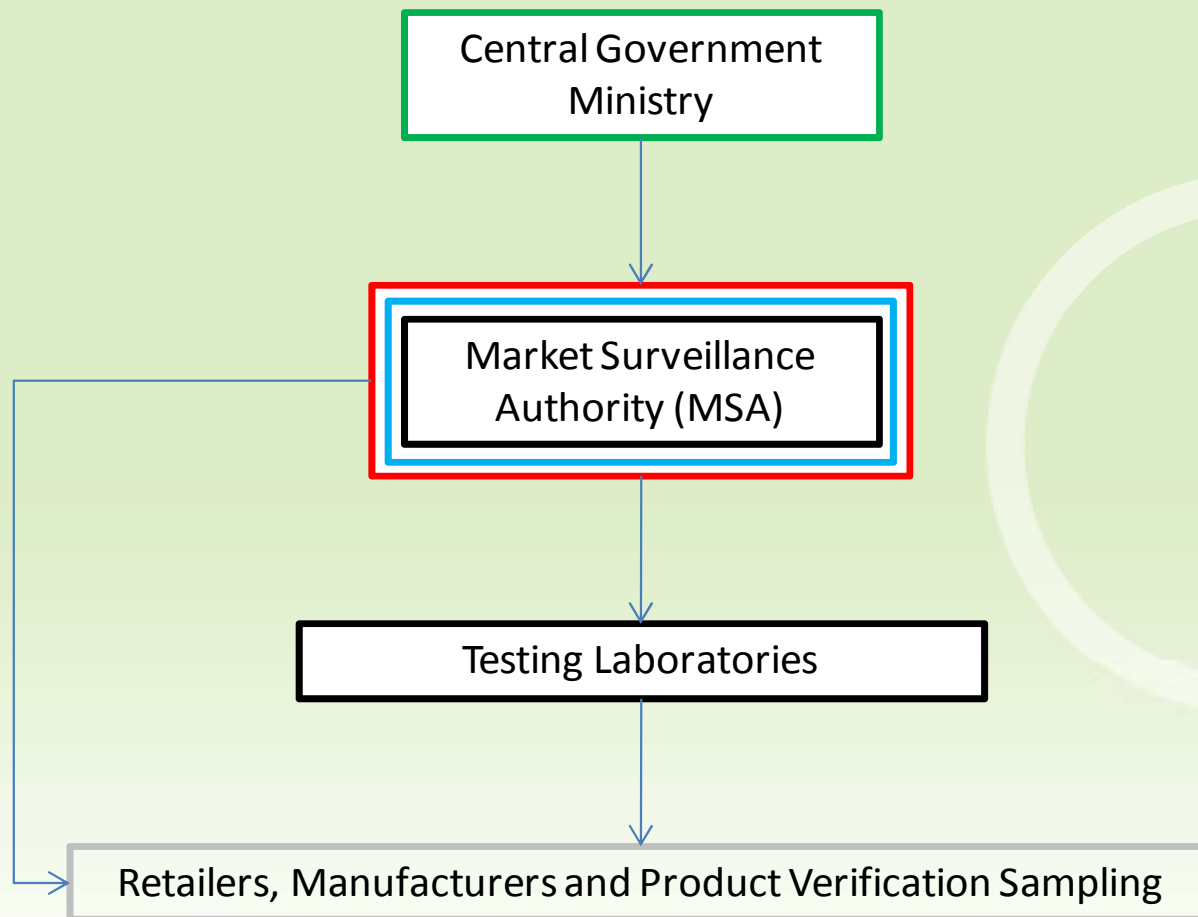
# Study activities

Assessed the implementation and monitoring, verification and enforcement activities of the Ecodesign and Energy Labelling requirements in each of the EU and EEA Member States including:

- a complete list of legislation of the transposition and implementation of both Directives
- a map of the institutions involved in compliance
- the capacity of each institution to fulfil their compliance function
- the frequency, type and scale of compliance testing activities under the Directives
- the degree of non-compliance found
- the nature of non-compliance procedures and penalties
- barriers to implementing more effective compliance regimes

# Institutional linkages: typical case

- Transposition of Directive and Policy
- Surveillance
- Testing/Certification/Monitoring
- Enforcement



## Findings – Institutional capacity and resources are insufficient for effective compliance

- Across the EU there are only about 80 full time equivalent staff working on Ecodesign and Energy Labelling compliance administration in the 30 EEA Member States and perhaps the same level (optimistically) are involved in store inspection to ensure labelling compliance
- Non-compliance levels are often not known or are not reported when they are known but it appears that more than 10% of the energy savings potential from Ecodesign measures is being lost
- Penalties for non compliance are often weak and are likely to be weak deterrents. The average maximum imposable fine (where specified) is just €41k and can be as low as €320
- Total EU/EEA-wide expenditure on equipment energy performance regulatory compliance appears is ~€7 million per year i.e. about €0.014 per capita and is only about one 2000<sup>th</sup> of the value of the energy being lost from non-compliance



## Compliance monitoring and testing

- Compliance testing is heavily dependent on the availability of laboratories, accredited or otherwise
- Only 17 countries possess accredited test labs and only seven were conducting energy compliance testing for more than one product type
- While some countries use labs in other countries for testing this is not the normal situation
- Across the EU/EEA there are about 800-1400 product energy performance compliance tests done per year out of a market of billions of product shipments

## Barriers to compliance

The report identifies the following key barriers to effective compliance:

- lack of appreciation of the value proposition from investing in compliance
- insufficient staff assigned to equipment energy performance compliance activities
- insufficient budgets allocated to compliance
- inadequate testing infrastructure (in many cases)
- lack of effective coordination among Member State compliance efforts
- lack of centrally administered databases allowing easy comparison of compliance data between compliance officials

- Were average annual equipment energy performance compliance budgets to be increased to about €1 per capita it would enable highly effective monitoring and verification systems to be set up and greatly strengthen the deterrent to non compliance
- This would reduce the energy lost due to non-compliance from ~10% to ~2.5% of the total savings potential from the Ecodesign and Energy Labelling Directives
- The associated savings are worth about €21 per capita per year
- Across the whole EU/EEA region the total annual compliance costs would amount to about €0.5 billion/yr but the value of the energy savings would be worth about €10.5 billion/yr
- Some 47 Mt of annual CO<sub>2</sub> emissions would be avoided in 2020

## Key recommendations: resources

- Resource allocations for compliance activities need to be greatly increased to a recommended level of about €1 per capita per annum per jurisdiction
- The extra resources raised should be spent on:
  - expanding verification testing (both for the number of products being tested and the range of products being tested)
  - strengthening market surveillance for energy labelling
  - managing prosecutions and publication of non-compliance and other non-compliance procedures

## Key recommendations: legislation

- Minimum targets for national market surveillance efforts at the EU level, including retail inspections and third party testing of appliances
- Market surveillance interventions to be centrally registered and reported to the European Commission
- Commission to maintain a product compliance database and to establish appropriate Member State compliance facilitation and support services, including facilitation of cooperative measures between Member States
- Products subject to energy performance requirements sold in the EU and EEA to register their energy performance details and to indicate all model name derivatives within a central EU maintained database that is accessible by designated Member State compliance officials