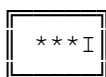


28 September 1995

A4-0221/95



REPORT

on the proposal for a European Parliament and Council Directive on energy efficiency requirements for household electric refrigerators, freezers and their combinations (COM(94)0521 - C4-0020/95 - 94/0272(COD))

Committee on Research, Technological Development and Energy

Rapporteur:Mr Allan Macartney

PE 213.392/fin
en - Or. en

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By letter of 18 January 1995 the Commission submitted to Parliament, pursuant to Article 189b(2) of the EC Treaty and Article 100a of the EEC Treaty, the proposal for a European Parliament and Council Directive on energy efficiency requirements for household electric refrigerators, freezers and their combinations.

At the sitting of 13 February 1995 the President of Parliament announced that he had referred this proposal to the Committee on Research, Technological Development and Energy as the committee responsible and the Committee on Economic and Monetary Affairs and Industrial Policy and the Committee on the Environment, Public Health and Consumer Protection for their opinions.

At its meeting of 5 October 1994, the Committee on Research, Technological Development and Energy had appointed Mr Macartney rapporteur.

It considered the Commission proposal and the draft report at its meetings of 24 April, 30 May, 20 June, 18 July and 26-27 September 1995.

At the last meeting it adopted the draft legislative resolution unanimously.

The following took part in the vote/were present for the vote: Scapagnini, chairman; Adam, vice-chairman, McNally, vice-chairman; Macartney, rapporteur; Ahern, Bloch von Blottnitz, De Gaulle, Estevan Bolea, Furustrand, Izquierdo Collado, Jouppila, Linzer (for Quisthoudt-Rowohl), Mombaur, Roving, Stenius-Kaukonen (for Maset Campos), Tannert, Van Velzen W.G.

The opinions of the Committee on Economic and Monetary Affairs and Industrial Policy and the Committee on the Environment, Public Health and Consumer Protection and the Commission position are attached.

The report was tabled on 28 September 1995.

The deadline for tabling amendments will be indicated in the draft agenda for the relevant part-session

A
LEGISLATIVE PROPOSAL

Proposal for a European Parliament and Council Directive on energy efficiency requirements for household electric refrigerators, freezers and their combinations (COM(94)0521 - C4-0020/95 - 94/0272 (COD))

The proposal is approved with the following amendments:

Text proposed by the Commission⁽¹⁾

Amendments by Parliament

(Amendment 1)
Fifth recital

Whereas several Member States are on the point of adopting provisions relating to the efficiency performance of domestic refrigerators and freezers, which will create barriers to trade of these products in the Community;

delete

(Amendment 2)
Tenth recital

Whereas on 29 October 1990 the Council set an objective of stabilising carbon dioxide (CO²) emissions in the Community at 1990 levels by the year 2000;

Whereas the EU has set the objective of stabilising carbon dioxide (CO²) emissions in the Union at 1990 levels by the year 2000 and whereas this objective is likely to be unattainable, thus requiring stronger measures to stabilise CO² emissions from within the EU;

(Amendment 3)
Recital 12(a) (new)

Whereas the "natural" gain in energy efficiency due to market pressures and improvement of production processes, estimated at around 2% a year, will contribute to the effort to reach stricter energy consumption norms;

(1) OJ C 390, 31.12.1994, p. 30

Text proposed by the Commission

Amendments by Parliament

(Amendment 4)

Recital 13(a) (new)

Whereas an efficient enforcement system is necessary to ensure the correct implementation of this directive, fair competition among manufacturers, and to protect the rights of consumers;

(Amendment 5)

Art. 3.3

3. At trade fairs, exhibitions, demonstrations, etc., Member States shall not prevent the showing of a refrigeration appliance which does not conform with the provisions of this Directive, provided that a visible sign clearly indicates that such an appliance does not so conform and that it is not for sale until it has been brought into conformity by the manufacturer or his authorized representative established in the Community. delete

(Amendment 6)

Art. 6

Before point 1, insert point -1 (new)

-1. The implementation of the present Directive by the Member States is based on the provisions defined in Annex II.

(Amendment 7)

Art. 6.1

1. Where a Member State establishes that the CE marking has been affixed unduly, the manufacturer or his authorized representative established within the Community shall be obliged to make the product comply and to end the infringement under the conditions imposed by the Member State;

1. Where a Member State establishes that the CE marking has been affixed unduly, the manufacturer or his authorized representative established within the Community shall be obliged to make the product comply and to end the infringement under the conditions defined in Annex II;

Text proposed by the Commission

Amendments by Parliament

(Amendment 8)

Art. 6.2

2. Where non-conformity continues, delete
the Member State must take all appropriate measures to restrict or prohibit the placing on the market of the product in question or to ensure that it is withdrawn from the market.

(Amendment 9)

Article 8

Before the expiry of a period of four years from the adoption of this Directive, the Commission in consultation with interested parties shall make an assessment of the results obtained and expected. Following this assessment, the Commission shall consider the need for a new proposal for Community legislation to establish a second set of energy efficiency standards for household refrigeration appliances. If such a proposal is made, its energy efficiency standards and their timing for entry into force will be based on energy efficiency levels which can be economically and technically justified in the light of the circumstances at the time of the proposal. The proposal may also contain any other provisions judged necessary to improve the effectiveness of this Directive.

1. The second set of energy efficiency standards, as defined in Annex I(a) (new), will enter into force five years after the adoption of the present Directive.

2. Three years after the adoption of the present Directive, and two years before the entry into force of the second set of energy efficiency standards for household refrigeration appliances, as defined in Annex I(a) (new), the Commission, in consultation with interested parties, shall make an assessment of the results obtained and expected and the possibility of implementing stricter norms than those defined in Annex I(a) (new). It shall inform the European Parliament of these results and conclusions. Following this assessment, the Commission shall consider the need for a new proposal for an amending Directive introducing a third set of energy efficiency standards. Such an assessment shall be carried out after the entry into force of each new set of standards. The norms are based on optimal technical and economic conditions and on the necessary efforts to reduce EU energy consumption. The proposal may also contain any other provisions judged

necessary to improve the effectiveness of this Directive.

Text proposed by the Commission

Amendments by Parliament

(Amendment 10)
Article 9

1. Before 1 January 1996, Member States shall adopt and publish the laws, regulations and administrative provisions necessary to comply with this Directive. They shall immediately inform the Commission thereof.

Member States shall apply such provisions as from 1 January 2000.

When Member States adopt these provisions, these shall contain a reference to this Directive or shall be accompanied by such reference at the time of their official publication. The procedure for such reference shall be adopted by Member States.

2. Member States shall communicate to the Commission the texts of the provisions of national law which they adopt in the field covered by this Directive.

3. Member States shall, during the period up to 1 January 2000, permit the placing on the market and/or the putting into service of refrigeration appliances which comply with the regulations in force in the Member States at the date of adoption of this Directive.

1. Within a year after the adoption of the present Directive, Member States shall adopt and publish the laws, regulations and administrative provisions necessary to comply with this Directive. They shall immediately inform the Commission thereof.

Member States shall apply such provisions two years after the adoption of the present Directive.

When Member States adopt these provisions, these shall contain a reference to this Directive or shall be accompanied by such reference at the time of their official publication. The procedure for such reference shall be adopted by Member States.

2. Member States shall communicate to the Commission the texts of the provisions of national law which they adopt in the field covered by this Directive.

3. Member States shall, during the two year period after the adoption of this Directive, permit the placing on the market and/or the putting into service of refrigeration appliances which comply with the regulations in force in the Member States at the date of adoption of this Directive.

Text proposed by the Commission

Amendments by Parliament

(Amendment 11)
Annex 1, Paragraph 5

<u>Category</u>	<u>Description</u>	<u>E_{max} (kWh/24 hours)</u>	<u>Category</u>	<u>Description</u>	<u>E_{max} (kWh/24 hours)</u>
1	Refrigerator w/o FFC ⁽³⁾	$(0.225 \times V_{adj} + 237) / 365$	1	Refrigerator w/o FFC ⁽³⁾	$(0.199 \times V_{adj} + 209) / 365$
2	Refrigerator with 1 Star FFC	$(0.599 \times V_{adj} + 178) / 365$	2	Refrigerator with 1 Star FFC	$(0.519 \times V_{adj} + 155) / 365$
3	Refrigerator with 2 Star FFC	$(0.437 \times V_{adj} + 238) / 365$	3	Refrigerator with 2 Star FFC	$(0.372 \times V_{adj} + 203) / 365$
4	Refrigerator with 3 Star FFC	$(0.616 \times V_{adj} + 221) / 365$	4	Refrigerator with 3 Star FFC	$(0.537 \times V_{adj} + 192) / 365$
5	Refrigerator with 4 Star FFC	$(0.778 \times V_{adj} + 303) / 365$	5	Refrigerator with 4 Star FFC	$(0.638 \times V_{adj} + 249) / 365$
6	Refrigerator-Cellar	$(0.225 \times V_{adj} + 237) / 365$	6	Refrigerator-Cellar	$(0.199 \times V_{adj} + 209) / 365$
7	Chest Freezer	$(0.480 \times V_{adj} + 195) / 365$	7	Chest Freezer	$(0.423 \times V_{adj} + 172) / 365$
8	Upright Freezer	$(0.478 \times V_{adj} + 289) / 365$	8	Upright Freezer	$(0.401 \times V_{adj} + 242) / 365$

(Amendment 12)
Annex I(a) (new)

Set of figures for maximum allowable electricity consumption, for the second phase of the Directive.

The maximum allowable electricity consumption E^{max} (in kWh per 24 hours expressed to two decimal places), for an appliance type with adjusted volume V^{adj}, for each appliance category is defined by the following equations:

<u>Category</u>	<u>Description</u>	<u>E^{max} (kWh/24 hours)</u>
1	Refrigerator w/o FFC ⁽³⁾	$(0.105 \times V_{adj} + 110) / 365$
2	Refrigerator with 1 Star FFC	$(0.331 \times V_{adj} + 98) / 365$
3	Refrigerator with 2 Star FFC	$(0.223 \times V_{adj} + 122) / 365$
4	Refrigerator with 3 Star FFC	$(0.406 \times V_{adj} + 146) / 365$
5	Refrigerator with 4 Star FFC	$(0.423 \times V_{adj} + 165) / 365$
6	Refrigerator-Cellar	$(0.118 \times V_{adj} + 124) / 365$
7	Chest Freezer	$(0.250 \times V_{adj} + 102) / 365$
8	Upright Freezer	$(0.265 \times V_{adj} + 160) / 365$

(Amendment 13)
Annex II
Point 7(a) (new)

National authorities shall carry out the necessary inspections of appliances on the market place to ensure compliance with this Directive. If a product is found not to comply, the national authority shall make the necessary investigation to check the data produced by the manufacturer.

(Amendment 14)
Annex II
Point 7(b) (new)

If a manufacturer has put on the market a product which does not comply with the Directive, it shall forthwith make the product comply, or take the product from the market and notify this withdrawal to all persons to whom this type of appliance has been sold.

DRAFT LEGISLATIVE RESOLUTION

Legislative resolution embodying Parliament's opinion on the proposal for a European Parliament and Council Directive on energy efficiency requirements for household electric refrigerators, freezers and their combinations (COM(94)0521 - C4-0020/95 - 94/0272(COD))

(Codecision procedure: first reading)

The European Parliament,

- having regard to the Commission proposal to Parliament and the Council, COM(94)0521 - 94/0272(COD)¹,
 - having regard to Article 189b(2) of the EC Treaty and Article 100a of the EEC Treaty, pursuant to which the Commission submitted the proposal to Parliament (C4-0020/95),
 - having regard to Rule 58 of its Rules of Procedure,
 - having regard to the report of the Committee on Research, Technological Development and Energy and the opinions of the Committee on Economic and Monetary Affairs and Industrial Policy and the Committee on the Environment, Public Health and Consumer Protection (A4-0221/95),
1. Approves the Commission proposal, subject to Parliament's amendments;
 2. Calls on the Commission to alter its proposal accordingly, pursuant to Article 189a(2) of the EC Treaty;
 3. Calls on the Council to incorporate Parliament's amendments in the common position that it adopts in accordance with Article 189b(2) of the EC Treaty;
 4. Should the Council intend to depart from the text approved by Parliament, calls on the Council to notify Parliament and requests that the conciliation procedure be initiated;
 5. Points out that the Commission is required to submit to Parliament any modification it may intend to make to its proposal as amended by Parliament;
 6. Instructs its President to forward this opinion to the Council and Commission.

¹

OJ C 390, 31.12.1994, p.30

B
EXPLANATORY STATEMENT

As the Commission green paper on a new energy policy for the European union (COM (94)0659) states, the promotion of energy efficiency is a "duty of the European public authorities". Indeed, energy efficiency is a primary means to increase energy independence and reduce damage to the environment, especially the enhanced green house effect caused by increasing CO₂ emissions.

The commitment made by the EC to reduce CO₂ emissions by the year 2000 to their 1990 level requires the implementation of ambitious measures mainly targeted at promoting a reduction of energy consumption and an increase in energy efficiency. Passivity and a lack of political will in the EC and on the international scene have seen this objective recede out of sight. The level of CO₂ emissions from the EU is still increasing and European public authorities seem unable or unwilling to take the necessary measures. It is as if they are paralysed by short term interests.

Among the instruments available to reach the objectives set, in addition to a move towards the use of alternative energies and the establishment of economic instruments such as eco-labels and eco-taxes, the Commission has, in its PACE and SAVE programmes, announced a set of norms to improve the energy efficiency of domestic appliances².

The proposal under consideration here deals with household electrical refrigerators, freezers and combinations.

Why fridges?

Running night and day throughout the year whatever the weather, fridges and freezers are among the greatest energy consumers in the household (about 20% of the total domestic electricity consumption, or 7% of the total electricity consumption in the EU³). Indeed, according to European Commission figures the overall consumption of EU fridges (120 Twh/year) is roughly equal to the combined total electricity consumption of Portugal and the Netherlands!

Since the production of electricity is mainly based on fossil fuel plants or on nuclear plants, it is not hard to see the benefits in reducing the enhanced "greenhouse effect", and on the environment in general, of a sensible reduction of the electricity consumption of refrigerators. The impact of stricter consumption norms on the electricity bills of consumers is also to be taken into account and will undoubtedly compensate for the possible rise in prices due to improvement of the quality of fridges (estimates based on the Commissions proposed targets forecast an average increase of 1% in the price of refrigerators for a reduction of 10% in electricity consumption). Indications of the level of electricity consumption, provided they are clear and comparable, could then play an important part in promoting efficient appliances.

The distinctly unambitious standards proposed by the Commission are predicted to permit electricity savings of 14 TWh per year after the entry into force (40TWh per year in 2020), which means a cut of 0.17% in Europe's CO₂ emissions (0.5% in

²See for instance directive 92/42/EEC on "efficiency requirements for new oil- and gas-fired central heating equipment" (OJ L 167 of 22/06/92)

³These figures, kindly provided by the European Commission, are based on the European Union of 12 Member States.

2020). The set of norms proposed by the rapporteur will be more ambitious, so as to play a more active role in the reduction of CO₂ emissions.

The energy consumption of a fridge is a function of its volume and its performance characteristics (temperature in various storage departments, etc.) and of the techniques and materials (insulation, etc.) used by the manufacturer. They also have the highest potential for energy efficiency gains through the use of new materials (such as special foam for insulation), by adaptation of their characteristics and their compressors, etc. According to some studies, the "natural" gain in energy efficiency owing to market pressures and improvement in the production processes is about 2% per annum.

Why propose a Directive? A brief history of the negotiations

There are two main reasons for proposing legislation at EC level. Firstly, the commitment to reduce energy consumption at European level calls for initiatives to be taken. Secondly, the context of the single market implies that these norms have to be Community-wide to avoid distortion of competition. Thus the use of Article 100A as legal basis of the proposal is perfectly justified.

From 1989 to 1994, preparatory work took place. An expert group composed of representatives of the Danish, Dutch, French and Portuguese energy agencies published a study on the issue, known as the GEA (Group for Efficient Appliances) report. The Commission consulted industry and tried unsuccessfully to reach a voluntary agreement with them. In 1992, the Dutch government proposed introducing a text unilaterally. This proposal was challenged by the Commission to prevent distortion in the single market and, according to the compromise struck with the Netherlands, the Commission was supposed to propose an EC-wide legislation within a year. The procedure was then delayed by opposition from professional industrial organisations and pressure from some Member States to favour a voluntary agreement rather than legislation. Since a solution could not be found in this direction, the Commission finally acted after more than five years of hesitation, and proposed a draft Directive, which is astonishingly unambitious and is based on 1992 calculations.

The Commission proposal summarized

The Commission proposal aims at an average 10% reduction of electricity consumption. It defines 8 categories of fridges with corrective coefficients to take into account the specifications (freezing compartments, vacuum, etc.) and calculates the adjusted volume of each type of refrigerator. Other coefficients are then used to calculate energy efficiency levels according to these characteristics (see annex 1).

The draft Directive proposes a two-phase strategy:

- (a) a first set of standards (to reach an overall +10% energy efficiency target), due to enter into force 4 years after the adoption of the text. The development of new technologies is not necessary to achieve such gains in efficiency. The marketing of non-conforming appliances is then authorized during these 4 years.
- (b) at the same time (4 years after the adoption) the Commission will evaluate the results and decide whether or not to introduce a new set of norms.

Control and enforcement:

To inform consumers and deter firms from placing non-conforming refrigerators on the market, a "CE" label will be stuck at a visible place on the appliances which meet the standards. Apart from this useful system, and the use of the provisions on labelling of the Commission Directive 94/2/EC⁴, the Commission's text does not propose any specific enforcement or control mechanism.

Comments on the Commission's proposal

Despite being the outcome of an enormous amount of preparative work, the measures proposed are too weak. Three particular proposals are therefore put to the Committee:

- (a) the objectives and norms should be updated. The figures proposed in the draft Directive are based on the year 1992. After three years, the natural gains in efficiency have already almost reached the 10% target! More ambitious objectives need to be set.
- (b) the second set of norms has to be defined early enough to allow firms to plan ahead.
- (c) efficient and flexible mechanisms of enforcement and control have to be designed.

The GEA report, which was used as a technical reference, advocates much stricter norms and controls that should be closely considered and updated.

Proposals by the rapporteur

Confronted with this weak Commission proposal, your rapporteur faces a dilemma in terms of what strategy to propose to the Parliament. Should the EP ask the Commission to present a new text with substantial toughening of the norms and a real enforcement system; or should the Parliament amend this proposal in order to reach ambitious objectives? The second option seems to be the best, but the starting point (i.e. the draft Directive) is extremely modest and the EP will have to stand firm.

The ultimate goal calls for a more ambitious proposal. If one wants to reduce electricity consumption and CO₂ emissions, the standards have to be much tougher and implementation periods have to be designed in order to permit enough time for adaptation, but also to experience results. In order to allow industrialists to plan ahead and organise research and development, the second set of minimum norms should be projected and possibly increased after evaluation of the first phase results. To ensure the effectiveness of this Directive, and fair competition among manufacturers, a flexible but strict enforcement system based on tests and market inspection should be put into practice.

⁴OJ L 45, 17.2.94, p. 1

The impact of strict energy efficiency standards on the price of appliances would mean, according to the Commission, an increase of around 1% in the price of the appliance, which would in any case be offset by a substantial reduction in the electricity bill. Lessons drawn from the American experience of the implementation of comparable legislation show that manufacturers were able to

adapt in a relatively short time to very strict standards. The setting of targets for gains in energy efficiency could also foster research and development towards technological improvements to provide a "first mover advantage" to manufacturers. The setting of a timetable for the implementation of stricter standards, assessment, and possibly the modification of Directives to achieve more ambitious objectives, will give a clear signal to manufacturers, enabling them to plan ahead and invest in R&D to improve energy efficient technology.

Thus, your rapporteur proposes amendments which:

- 1- change annex 1 in order to reach a 20% increase in energy efficiency compared with the 1992 levels;
- 2- modify the timetable for implementation in order to apply the standards 24 months after the adoption of the Directive;
- 3- propose a second set of norms in order to reach a minimum 40% improvement, compared with 1992, to be implemented 5 years after the adoption of the Directive. An evaluation of the first phase would be carried out a year after the entry into force of the first set of norms. This will indicate whether the second set of norms can be toughened, but will not reduce them, and could become a third set of standards that would be the subject of a modifying Directive;
- 4- set up an effective enforcement system ensuring the full implementation of this Directive, respect for consumers rights, and fair competition among producers. This system, based on the responsibility of the manufacturer, reduces bureaucratic procedures, but enables firm action to be taken in case of non-compliance with the legislation. This system, based on the enforcement system used in the US, requires:
 - notification to the Commission, and the administrative authority in charge of implementation designated by each Member State, of the conformity of an appliance (the documents and data supporting the statement of conformity to the legislation shall be transmitted with the notification);
 - transparency in the implementation of the "CE" labelling system and indication of consumption levels on the label as stated in the Directive 94/2/EC;
 - on the spot inspections and if necessary sanctions in case of non-compliance with the Directive.

A manufacturer will notify the Member State authority and the Commission that its appliance conforming to the legislation can be put on the market. In case of doubt, or after inspections in the market place, the national authority or the Commission will investigate the data and carry out the necessary tests based on samples of appliances provided by the manufacturer. In case of non compliance, the manufacturer will have to (I) make sure its appliances comply with the legislation, (II) end the infringement and (III) notify customers who have already purchased an appliance that it does not conform to EU norms.

O P I N I O N

(Rule 147 of the Rules of Procedure)

of the Committee on Economic and Monetary Affairs and Industrial Policy
for the Committee on Research, Technological Development and Energy
Draftsman: Mr Michael Spindelegger

At its meeting of 16 February 1995 the Committee on Economic and Monetary Affairs and Industrial Policy appointed Mr Michael Spindelegger draftsman.

At its meetings of 30 May and 19 July 1995 it considered the Commission proposal and subsequently the draft opinion.

At the latter meeting it adopted the conclusions unanimously.

The following took part in the vote: von Wogau, chairman, Metten, vice-chairman, Spindelegger, draftsman, Areitio Toledo, Barton (for Caudron), Blokland (for de Rose), de Bremond d'Ars, Cassidy (for McMillan-Scott), Cox (for Riis-Jorgensen), Donnelly, Falkmer, Furustrand (for Katiforis), Garcia-Margallo, Garosci, Gasoliba I Böhm, Harrison, Hendrik, Herman, Imaz San Miquel, Kestelijn-Sierens, Konrad, Kuckelkorn, Larive, Miller, Murphy, Pérez Royo, Pompidou (for Gallagher), Randzio-Plath, Rapkay, Read, Rönnholm, Secchi, Skinner (for Persson), Starrin, Thyssen, Torres Marques and Watson.

I. INTRODUCTION

In its proposal the Commission has put forward measures to improve the energy efficiency of household refrigerators and freezers. Within the energy sector, electricity is of particular importance (electricity generation accounts for 35% of total primary energy use and some 30% of all CO₂ emissions). Electrical appliances account for two thirds of household electricity consumption, with refrigerators and freezers being regarded as the appliances which use the most.

II. MEASURES PROPOSED AND THEIR IMPACT

Household refrigerators and freezers are to be given a conformity marking (CE marking). Only appliances whose energy efficiency is improved by 10%, in an initial stage, may bear this marking; this would mainly affect about 50% of all appliances currently on the market.

The Commission proposal lays down that the laws and regulations necessary to comply with the directive must be adopted by the Member States by 1 January 1996, with the provisions to be applied as from 1 January 2000.

Four years after adoption of the directive, the results obtained are to be assessed. On the basis of the assessment, consideration will be given to a second stage involving a greater increase in energy efficiency.

These measures would ensure that, by 2002, the refrigerators and freezers concerned would use 13% less electricity per year. Furthermore, by 2002, CO₂ emissions would be six million tonnes (about 10%) lower than they would be without these efficiency standards.

Purchase costs would increase overall by some ECU 140 m a year. However, this would be more than offset by energy savings of ECU 1.4 bn per year.

The retail purchase price for such appliances would rise by about 1%. Payback time would be a little more than one year, however, because of the low energy consumption level.

Since 1992, consultations have been held between the Commission and industry representatives, in particular representatives of the CECED (the European Association of Electrical Appliance Manufacturers), with the aim of bringing about a voluntary agreement with manufacturers which would improve the energy efficiency of these appliances by laying down minimum requirements.

In this connection, the Commission has at all times insisted that an acceptable voluntary agreement would have to contain the following three main features:

- 1.The obligation must be accepted by the leading manufacturers;
- 2.The agreement must mean that a significant increase in energy efficiency takes place on an acceptable time scale;
- 3.Effective and largely independent monitoring arrangements must make it possible to verify actual improvements.

The consultations with industry representatives have to date failed to produce a result commensurate with the requirements described. At the committee meeting on 30 May 1995, the Commission representative stated that at most the second stage, under the proposal, of increasing energy efficiency, which is to be considered four years after adoption of the directive, might be replaced by such a voluntary agreement between the Commission and appliance manufacturers.

Most models on the market which do not meet minimum energy efficiency standards are only just below those minimum values; consequently, standards could be met by means of minor design changes.

It is notable that in view of developments in recent years (over the last 20 years, manufacturers have increased energy efficiency on average by 2% a year) most appliances would meet the first-stage requirements in 1998 without these provisions.

Adoption of the directive is likely to mean that imports of models with a low level of energy efficiency, which mainly originate in countries with a less advanced production infrastructure, will decline, while exports to third countries where there are already minimum energy efficiency standards will rise. The Commission therefore does not expect major difficulties for the European refrigerator and freezer manufacturers.

III. ASSESSMENT

The increase in the energy efficiency of household refrigerators and freezers is to be welcomed in principle, since, as a result, energy consumption and the use of non-renewable energies and dependence on energy imports from non-EU states can be scaled down.

The intention of reaching a voluntary agreement between the Commission and appliance manufacturers should continue to be pursued intensively, however. At all events, a voluntary agreement involving industry self-regulation is preferable to the adoption of legislation.

A new provision ought therefore to be incorporated into the directive which requires the Member States to forego putting rules into force if investigation by the Commission six months prior to the projected entry into force reveals that a voluntary agreement exists with the appliance manufacturers which is at least as effective. The same degree of effectiveness would inter alia mean that:

- (a) the technical limit values correspond at least to those in the directive;
- (b) the agreement contains effective mechanisms for monitoring and for introducing penalties; in particular, the voluntary nature of such an agreement must not allow circumvention to go unpenalized in ways which call the effectiveness of the agreement into question;
- (c) flexible adjustment to the second-stage targets must also be a feature of the agreement;
- (d) all obligations arising out of the agreement must be binding, by the projected entry into force of the directive, and also apply to imports from third countries.

The Commission should lay down in the agreement that its effectiveness may be monitored on an ongoing basis and that it applies to imports from third countries.

As the Commission sets out in its proposal, developments in recent years have shown that manufacturers, on their own initiative, have increased energy efficiency by 2% per year on average. Assuming that this trend continues, and in view of the length of time since the proposal was drawn up, the bulk of appliances would meet the first-stage minimum energy efficiency standards as early as 1998 without specific targets. It therefore does not appear necessary to provide for so lengthy a transitional period before entry into force. By bringing it forward to 1 January 1998, energy saving can be speeded up and imports of

appliances from third countries with low energy efficiency standards can be contained.

The projected second-stage energy efficiency increase of 30% should be notified on a timescale enabling the firms concerned to make provision in good time for changes in their appliances' energy consumption.

IV. CONCLUSIONS

Pursuant to Rule 147(5) of the Rules of Procedure, the committee responsible is requested to submit the following amendments to Parliament:

Commission proposal

Amendments

Amendment 1

Article 8, first and second sentences

Before the expiry of a period of four years from the adoption of this Directive, the Commission in consultation with interested parties shall make an assessment of the results obtained and expected. Following this assessment, the Commission shall consider the need for a new proposal for Community legislation to establish a second set of energy efficiency standards for household refrigeration appliances.

On expiry of the period of two years after the planned entry into force of the provisions in the Member States, the Commission in consultation with interested parties shall make an assessment of the results obtained and expected. Following this assessment, the Commission shall consider the need for a new proposal for Community legislation to establish a second set of energy efficiency standards for household refrigeration appliances, with the aim of increasing energy efficiency by 30%.

Amendment 2

Article 9(1), second paragraph

Member States shall apply such provisions as from 1 January 2000.

Member States shall apply such provisions as from 1 January 1998.

Amendment 3
Article 9(3)

Member States shall, during the period up to 1 January 2000, permit the placing on the market and/or the putting in service of refrigeration appliances which comply with the regulations in force in the Member States at the date of adoption of this Directive.

Member States shall, during the period up to 1 January 1998, permit the placing on the market and/or the putting in service of refrigeration appliances which comply with the regulations in force in the Member States at the date of adoption of this Directive.

Amendment 4
Article 9(3)a (new)

Member States shall forego putting laws, regulations and administrative provisions into force if, before 1 July 1997, the Commission gives notification that a voluntary agreement has been concluded with the appliance manufacturers which, in terms of effectiveness, is commensurate with the provisions of this Directive. All obligations incumbent on the appliance manufacturers arising from the voluntary agreement shall be binding on manufacturers at the date of the planned entry into force of the Directive and shall apply to imports from third countries.

O P I N I O N

(Rule 147 of the Rules of Procedure)

of the Committee on the Environment, Public Health and Consumer Protection
for the Committee on Research, Technological Development and Energy
Draftsman: Mrs Kirsten Jensen

At its meeting of 22 February 1995 the Committee on the Environment, Public Health and Consumer Protection appointed Mrs Kirsten Jensen draftsman.

At its meetings of 30 May and 27 June 1995 it considered the draft opinion.

At the latter meeting it adopted the conclusions as a whole by 27 votes to none with one abstention.

The following took part in the vote: Collins, chairman; Jackson and Dybkjær, vice-chairmen; K. Jensen, vice-chairman and rapporteur; Alber (for Gaigg), Blokland, Bowe, Breyer, Cabrol, De Coene (for Van Putten), Díez de Rivera Icaza, Eisma, Florenz, González Álvarez, Graenitz, Johansson, Kokkola, Kuhn, Lange (for Waddington), Lannoye, Leopardi, McKenna, Needle (for Pollack pursuant to Rule 138(2)), Roth-Behrendt, Schleicher, Virgin, White and Whitehead.

Explanatory statement:

1. The Commission produces some very sound arguments to back up this proposal. It refers to the obligation on the part of the Union and its Member States to reduce CO₂ emissions, states that refrigeration appliances consume enormous quantities of electricity and argues that this is actually a field in which the Union is able to do something. When it comes to the specific details, however, the proposal leaves much to be desired.

The aim of the proposal is to remove the least efficient appliances from the market, but the impact of their removal will not be significantly greater than that of the natural process of innovation within the industry. Obviously, we must support the phasing-out of such appliances, but we must not stop there. If implemented in the year 2000, phasing-out will correspond to an average 10% improvement in the efficiency of the refrigeration appliances on the European market in 1992 and hence match the anticipated rate of technical development over the period 1992-2000.

The Commission proposal explains at length that the industry at one time sought to prevent politicians from adopting harmonized standards, agreeing in return to conclude voluntary agreements. It is, however, at last becoming clear that the industry is not capable of entering into voluntary agreements, because competition is so stiff that nobody wishes to stick their neck out. The only remaining option, and what must be done, is to legislate.

The fact that the Commission is not already submitting proposals for the stage which will be reached once the least efficient appliances have been phased out is something of a concession to the industry. After all, the Commission does itself state that more energy-efficient refrigeration appliances will benefit consumers, society and the environment and that they are technically possible. Pending the introduction of a CO₂ tax, appropriate use can be made of the mechanisms of the internal market.

The impetus for this proposal for a directive came when the Netherlands wanted to introduce standards. The introduction of those standards has been suspended by the by work on drawing up the proposal, and the rapporteur believes that the Dutch are likely to be disappointed by the result of that work. It has been necessary to wait such a long time for so little, and some people even fear that the Directive, if adopted in its present form, might frustrate attempts to reduce the unnecessarily high consumption of energy by refrigeration appliances.

2. The draftsman considers that the Directive should be shelved until the Commission draws up a proposal for a directive which is consistent with the recommendations contained in the Commission's own expert report (GEA, March 1993, Scenario 3 on levels of standards in the long term). This would entail the first set of standards coming into force with effect from 1997 and improving efficiency by an average of 15%, and would mean that the second set of standards could also be defined using the best approach in terms of technical basis and cost to the consumer.

3. The alternative is to incorporate the following amendments, which may serve to nudge the proposal neatly in the right direction:

The first set of standards needs to be implemented as soon as possible. The draftsman proposes that the provisions be implemented 18 months after the Directive is adopted:

It is absolutely essential for the second set of standards to be defined in the Directive. In order for the standards to operate as intended, the ongoing development of energy-efficiency requirements must be ensured. The second set of standards must be implemented no later than three years after the first set. The level of the standards must be specified in the Directive and set in accordance with the best technical and economic criteria applicable to the various types of appliance. The level for the second set of standards may be determined on the basis of the data on which the Commission proposal is based (the GEA project).

If the second set of standards is defined in the Directive, the industry will be aware of the targets it needs in order to be able to plan.

The Directive should contain provisions which commit the Commission to submitting proposals, on an ongoing basis, for EC directives amending the standards which most recently entered into force and which Member States have to implement. The standards are to be set in accordance with the best technical and economic criteria. This will ensure that standards continue to evolve.

4. The committee calls on the Committee on Research, Technological Development and Energy, as the committee responsible, to incorporate the following amendments in its report:

Commission text

Amendments

(Amendment 1)
(Article 8)

Before the expiry of a period of four years from the adoption of this Directive, the Commission in consultation with the interested parties shall make an assessment of the results obtained and expected. Following this assessment, the Commission shall consider the need for a new proposal for Community legislation to establish a second set of energy efficiency standards for household refrigeration appliances. If such a proposal is made, its energy efficiency standards and their timing for entry into force will be based on energy efficiency levels which can be economically and technically justified in the light of the circumstances at the time of the proposal. The proposal may also contain any other provisions judged necessary to improve the

The Commission shall, no later than 18 months after adoption of this Directive, draw up a second set of energy efficiency standards for household refrigeration appliances. Such standards shall be implemented no later than three years after the first set of energy efficiency standards has entered into force. The energy efficiency standards shall be set using the best approach as regards technical basis and cost to the consumer and on the basis of the data on which the Commission study (GEA, March 1993, levels of standards in the long term) was based.

effectiveness of this Directive.

(Amendment 2)
Article 8(2) (new)

The Commission shall submit, at the latest by the time that the second set of efficiency standards enters into force, and thereafter each time that a new set of efficiency standards enters into force, proposals for Community directives for revised efficiency standards. Such standards shall be based on the best economic and technical practice at the time they are submitted. The Commission proposal may also contain any other provisions judged necessary to improve the effectiveness of this Directive.

(Amendment 3)
Article 9(1), second subparagraph

Member States shall apply such provisions as from 1 January 2000.

The provisions shall be implemented 18 months after adoption of this Directive.

(Amendment 4)
Article 9(3)

Member States shall, during the period up to 1 January 2000, permit the placing on the market and/or putting into service of refrigeration appliances which comply with the regulations in force in the Member States at the date of adoption of this Directive.

Member States shall, until the provisions of this Directive are implemented, permit the placing on the market and/or the putting into service of refrigeration appliances which comply with the regulations in force in the Member States at the date of adoption of this Directive.

POSITION OF THE COMMISSION ON THE AMENDMENTS ADOPTED

The representative of the Commission informed the Committee that the formal position of the Commission would be communicated in the plenary session in which the report will be voted. Insofar as any observations were possible at this stage, the Commission representative reminded the Committee that the proposal sought a 10% improvement in efficiency, though 20% was admittedly technically feasible. The question was whether or not more stringent requirements would elevate significantly the prices of fridges and freezers. The Commission remains open-minded about the amendments concerning a second stage set of standards.

