EXPLANATORY MEMORANDUM TO

THE ECODESIGN FOR ENERGY-RELATED PRODUCTS AND ENERGY INFORMATION (AMENDMENT) REGULATIONS 2012

2012 No. 3005

1. This explanatory memorandum has been prepared by the Department for Environment, Food and Rural Affairs and is laid before Parliament by Command of Her Majesty.

2. Purpose of the instrument

2.1 The Ecodesign for Energy-Related Products and Energy Information (Amendment) Regulations 2012 ('the 2012 Regulations'), are made under section 2(2) of the European Communities Act 1972 and amend the Ecodesign for Energy-Related Products Regulations 2010 ('the 2010 Regulations') and the Energy Information Regulations 2011. The purpose of the amendments is to add three further products (water pumps, air conditioners and comfort fans) through amendments to the Schedule of the 2010 Regulations and amend the reference to household tumble driers and air conditioners to the Schedule of products subject to the 2011 Energy Information Regulations. The effect of these changes is to extend the Market Surveillance Authority's enforcement powers to these products.

3. Matters of special interest to the Joint Committee on Statutory Instruments

3.1 None

4. Legislative Context

- 4.1 The Ecodesign Directive is the legal framework within which the European Commission brings forward implementing measures on specific products or product groups in order to improve their environmental performance. The Directive 2009/125/EC was adopted on 21 October 2009. It is a recast of the earlier Directive 2005/32/EC which established the original framework for the setting of ecodesign requirements for energy-using products. The recast 2009 Directive widened the framework to cover products which do not necessarily use energy themselves but have a significant impact on energy use and can therefore contribute to saving energy.
- 4.2 The 2010 Regulations implement Council Directive 2009/125/EC ("the Directive") on establishing a framework for the setting of ecodesign requirements for energy-related products and gives control and enforcement powers to the Market Surveillance Authorities for the products where EU Regulations have been passed and listed in the Annex.

- 4.3 The Energy Information Regulations 2011 came into force on 20th July 2011. These Regulations transpose the revised EU Energy Labelling Framework Directive for the UK. The Regulations introduce a new enforcement regime of civil sanctions in addition to the existing criminal sanctions, as well as cost sharing. This is in line for the approach taken to the Ecodesign Regulations.
- 4.3 The 2012 Regulations add three further products (water pumps, air conditioners and comfort fans to the Schedule of the 2010 Regulations, for which EU Regulations have been passed and which are due to come into force in 2013. There is also an amendment to the 2011 Energy Information Regulations in reference to household tumble driers and air conditioners. This has the effect of providing enforcement powers to the Market Surveillance Authority with respect to these products.

5. Territorial Extent and Application

5.1 This amendment extends to the UK.

6. European Convention on Human Rights

6.1 As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy background

- 7.1 The Ecodesign Directive provides coherent European Union (EU)-wide rules for ecodesign and ensures that disparities among national regulations do not become obstacles to intra-EU trade. It defines conditions and criteria for setting requirements for environmentally relevant product characteristics (such as energy efficiency), through implementing measures. The Directives did not, in itself, create any additional legal obligations they were recasts. The Energy Information Regulations are a set of regulations that implement the European Energy Labelling Framework Directive. They are designed to help consumers make informed purchasing decisions. The Regulations also encourage manufacturers to design more efficient products to meet consumer demand thus reducing the amount of energy consumed by household appliances.
- 7.2 Implementing measures under the Directive have so far taken the form of EU Regulations, although other forms are possible, including voluntary agreements. In most cases the EU Regulations put in place minimum energy efficiency standards for products. Products that do not meet these standards cannot then be sold in the EU single market. Our Impact Assessments estimate that the measures agreed so far will be saving around 5 MtCO₂ per annum by 2020 and will deliver around £1bn pa net benefits to the UK alone, mostly in the form of savings on consumers' and businesses' energy bills.

7.3 Effective enforcement of implementing measures, by a designated Market Surveillance Authority is essential to ensure delivery of the desired economic and environmental benefits. It protects businesses that are compliant from unfair competition from non-compliant goods. It also helps to ensure that consumers benefit from the anticipated financial savings through lower energy bills, as well as protecting the environment.

8. Consultation outcome

8.1 No Consultation on this amendment is necessary as we are not expanding the scope. The Department for Environment, Food and Rural Affairs consult on the draft Regulations prior to these being adopted within the EU.

9. Guidance

9.1 Guidance is available on the website of the Department for Environment, Food and Rural Affairs to assist those placing on the market products that are covered by implementing measures under the Ecodesign Directive. This guidance will be updated as and when new implementing measures are introduced. It is available at: http://efficient-products.defra.gov.uk/cms/

10. Impact

- 10.1 No specific impact assessment has been carried out in respect of these amendments but IA's are carried out prior to Regulations being passed at EU level for each of the product regulations concerned.
- 10.2 The amendments made by this statutory instrument are not expected to have direct additional burdens on businesses.

11. Regulating small business

11.1 The legislation applies to small business.

12. Monitoring & review

12.1 Each product Regulation has a review clause in it, normally 5 years after entry into force.

13. Contact

Sital Nana at the Department of Environment, Food and Rural Affairs Tel: 020 7238 4627 or e-mail <u>sital.nana@defra.gsi.gov.uk</u> can answer any queries regarding the instrument.