

EPEE NEWS

MARCH – APRIL 2007

The European Partnership for Energy and the Environment is pleased to present its bimonthly newsletter.

Please note this version is designed for external use and its content has thus been reduced. The full version of the newsletter (including links to key documents, EPEE's comments/action points, calendar of events, "on the intranet" section and "Message from the Director General") is available for EPEE members only.

To receive additional information on EPEE and the benefits of membership, please contact the Secretariat: secretariat@epeeglobal.org

TABLE OF CONTENTS

Message from the Director General

For EPEE members only!

I. Latest developments

Key recent events of significance to EPEE members

1. **Eco-labelling/heat pumps:** EU adopts eco-labelling standards for heat pumps
2. **F-gases:** Intensified debates on F-gas Regulation as 4 July 2007 deadline approaches
3. **Climate change/EU policy:** Debate gears up on climate change as EU leaders endorse Commission's objective
4. **Climate change:** Second IPCC Report highlights possible effects of climate change
5. **EuP:** First EuP Directives studies completed
6. **F-gases:** Tesco calls for the use of alternative refrigerants
7. **Climate change:** New committee on 'climate change' in the European Parliament
8. **Energy efficiency:** Parliament hosts energy globe awards
9. **Energy efficiency:** Domestic appliance manufacturers call for legislation
10. **Environmental technologies:** A market with high potential
11. **Energy efficiency:** Belgium to ban inefficient household appliances

II. Calendar of events

For EPEE members only!

III. On the Intranet

For EPEE members only!

I. Monitoring & recent events

1. Eco-labelling/Heat Pumps: EU adopts eco-labelling standards for heat pumps

After lengthy debates, the EU Member States have adopted on 26 April the eco-labelling standards for heat pumps.

On 23 March the European Commission sent its final draft criteria for eco-labelling heat pumps to the stakeholders, along with an explanation of the changes that have been introduced since the last draft circulated by the Commission in December 2006. Within this final draft, the Commission had introduced a **20% additional allowance for minimum efficiency (COP) levels for heat pumps using a refrigerant with a Global Warming Potential (GWP) of less than 150.**

The final Commission draft document was discussed during the 25 and 26 April EUEB meeting. Several Member States opposed to the 20% additional allowance issue and Finland even refused to vote in favour if this percentage was not to be reduced. In the final text, the additional allowance percentage has been reduced to 15% as a compromise.

The final criteria on heat pumps have been voted and accepted during the 26 April Regulatory Committee meeting. Before the standards will be officially published in the Official Journal, they will first have to be signed by Commissioner Dimas, which should take another 3 to 4 months.

Key documents:

For EPEE members only!

EPEE's action points/comments

For EPEE members only!

2. F-gases: Intensified discussions on F-gas Regulation as 4 July 2007 deadline approaches.

The debates on the issues surrounding the implementation of the F-gas Regulation heated up in the past months, in view of the effective application of its key requirements from the 4 July 2007.

During the last Regulatory Committee meeting on 20 March, the Commission presented several discussion papers, covering critical issues such as **leak check requirements** or the **minimum standards for training and certification**. On these two issues, several meetings will be held gathering the Member State and Commission to reach an agreement. As regards labelling, the Institute for European Environmental Policy (IEEP), which has been mandated by the European Commission to propose a draft format, held several meetings in which the industry was involved.

Key documents:

For EPEE members only!

EPEE's action points/comments:

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3. Climate change/EU policy: Debate gears up on climate change as EU leaders endorse Commission's objective.

During the Spring Summit on 8-9 March 2007, the 27 Heads of State of the EU gave their support to the objectives proposed by the European Commission at the beginning of the year on greenhouse gas (GHG) reductions.

By supporting a **20% unilateral reduction** of GHG emissions by 2020, the Council came in line with the Commission's Communication. In addition to this objective, the Heads of States agreed on a binding target of 20% for renewable energies by 2020, and re-stated the objective of a **20% energy efficiency saving** by the same date.

With the EU being unilaterally committed to 'do its bit' on climate change, arguments have emerged between the EU and the other main greenhouse gas emitters, such as the US and Australia, which still refuse to be committed to an international treaty on climate change. In view of the forthcoming G8 gathering (6-8 June), Environment Commissioner Stravos Dimas took a strong stance against both the US ("**The US should end its 'negative attitude' towards international climate change negotiations**") and Australia ("**It is political pride that prevents your country from ratifying Kyoto**" when addressing Australian officials) for not ratifying the Kyoto protocol.

The EU, which could raise its commitment to a 30% GHG emissions' reduction if the main emitters were to sign up to an international agreement, is increasingly concerned by the lack of commitment from industrialised countries or emerging powers (e.g. China) on climate change. The German Presidency, also chairing the G8, has made international climate change deals a priority. At the UN level, a high level Summit could be held in September, to give political direction to what is seen as a crucial gathering of environment ministers in Bali later in December.

Key documents:

For EPEE members only!

EPEE's action points/comments:

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4. Climate change: Second IPCC Report highlights possible effects of climate change.

On the 4 April 2007 in Brussels, the United Nations Inter-governmental Panel on Climate Change (IPCC) issued a new report on "*Impacts, Adaptation and Vulnerability*" to climate change. This document is part of a series of reports, the first one of which was published in February this year, concluding on a 90% certainty that climate change is man-made.

The report insists on the possible consequences of climate change in the medium and long term. Global warming would have an impact on water resources, biological ecosystems, coastal areas, foodstuffs, the economy, industry and human activities as well as on human health, the report states. The poorest regions in the South, which range amongst the lowest GHG emitters, would be the first one to suffer from the consequences of climate change. The report was welcomed by Environment Commissioner Dimas.

The next report of the IPCC, "**Mitigation of Climate Change**", is to be released on 4 May 2007. It will be followed by a 'Synthesis Report' to be released in November this year.

Key documents:

For EPEE members only!

5. EuP: First EUP Directive studies completed

The first preparatory studies on the eco-design of energy-using products (EuP) have been completed. The two studies on Lot 7 (Battery chargers and external power supplies) and lot 9 (Public street lighting), which were recently released, will serve as a basis for the European Commission to draft an impact assessment and develop formal proposals. With regards to the specific lots of interest for the HVACR industry (1,2,10 &12), discussions are still ongoing and meetings are held with stakeholders on a regular basis.

The preparatory studies, which are conducted by external consultants, are meant to form the basis for the Commission's regulatory proposals.

Key documents:

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EPEE's action points/comments

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6. F-gases: Tesco calls for the use of alternative refrigerants.

Tesco, the UK-based international grocery and general merchandising retail chain wishes to use the CO2 technology in supermarket refrigeration as soon as possible.

According to their last study, which was presented by Andy Campbell before the Institute of Refrigeration on 5 April, the R744 offers a long-term solution in terms of safety and energy and cost efficiency. The report presented the outcome of a series of tests realised under real-life conditions and demonstrates the efficiency, safety and reliability of the refrigeration system. The study claims that using R744 in subcritical cascade systems save up to 15% of energy and reduce its GWP by nearly 60% compared to conventional R404a (HFC) cooling cycles. Thanks to the higher efficiency of the R744, cooling installations would be 6 to 8 times smaller than the ones using R404a.

Key documents:

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7. Climate change: New committee on 'climate change' in the European Parliament

A new temporary committee dealing with climate change issues has been set up in the European Parliament, following an agreement rubber-stamped during the April 25th Plenary Session.

The Committee will not have any legislative power. It will be composed of 60 Members who still have to be designated. Its mandate will be to report back to the Parliament its opinion on all aspects of climate change.

In particular, it will have to make proposals on the European Union's future integrated climate change policy, analyse and to assess latest evidence on climate change and propose

appropriate policy responses at all levels and to analyse and assess the implementation of Community law in this regard to date. As often with temporary committees, the term of office will be twelve months.

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8. Energy Efficiency: Parliament hosts energy globe awards

On 11 April the European Parliament hosted the "Energy Globe Award 2007".

Especially small projects aiming at saving or renewing energy were honoured. Projects from around the world were awarded in five different categories; Earth, Fire, Water, Air and Youth. Hans-Gert Pöttering, President of the European Parliament, was the Energy Globe's host, and a number of celebrities from around the world attended the Gala event. The overall winner was a project from Kenya in which harvests of small farmers were increased by 50% by using solar power. In total 732 projects from 96 countries took part in the competition.

Key documents:

For EPEE members only!

9. Energy Efficiency: Domestic appliance manufacturers call for legislation

On 21 March 2007, CECED, which represents the interest of domestic appliance producers in Europe, called decision-makers to come up with binding legislation to promote energy efficient products.

According to CECED, **the development of energy-efficient products has implied significant costs for manufacturers, which were not rewarded due to the lack of incentives for such appliances.** In particular, CECED argues that the existing EU eco-labelling scheme was not properly implemented, leading to false claims from importers about their products' standards. Several CEOs of CECED companies called upon legislators to promote the use energy efficient appliances.

Key documents:

For EPEE members only!

10. Environmental Technologies: A market with high potential

The European Commission is to adopt its second report on the Environmental Technologies Action Plan (ETAP).

Within this report, the Commission will focus on the rapid increase of eco-industries in the EU. Today, eco-industries already represent 2.1% of the EU's total GDP, and no less than 3.5 million full-time jobs throughout Europe.

Eco-industries and eco-services consist of industries or services dedicated to air pollution control, waste management, recycling and management of renewable energies. Especially the wind and solar energy sectors have massively increased over the last couple of years, by percentages of up to respectively 25 and 35%. Furthermore, the Commission also expects water management services to increase by around 6% a year over the next ten years.

In order to ensure continuous rapid increases in the eco-industry sector, the European Commission is planning to launch a green paper on the use of market-based instruments in environmental policy. The Commission is also currently reviewing the Environmental State Aid Guidelines, to be finalised before the end of this year.

Key documents:

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11. Energy Efficiency: Belgium to ban inefficient household appliances

Following the growing trend to phase out and ban low performance household equipments, the Belgian government has approved a **ban on less energy-efficient household appliances**. From 1 July all fridges, freezers and washing machines rated lower than A under the EU energy efficiency classification scheme should be banned.

As the new legislation will affect the free movement of goods within the single market, the approval of the Commission will however be needed. The European white goods association CECED said it was unaware of any other attempt to introduce a national ban on less efficient equipment.

Key documents:

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