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# Summary of responses to the consultation entitled 'Improving the energy performance of domestic cold appliances'

July 2008

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# 1 Introduction

1. On 5 December 2007, following the publication of the Energy White Paper, the Government launched a domestic cold appliances consultation paper<sup>1</sup>. Interested parties were invited to provide comments by the end of February 2008. AEA Energy and Environment managed this consultation, as lead contractor of the Government's Market Transformation Programme (MTP).

2. The paper (chapter 2 of the consultation paper) set out the Government's current evidence, analysis, indicative targets and eco-design standards for domestic cold appliances that are sold and brought into use in the UK. The consultation paper was directly circulated to over 350 organisations and individuals. In addition, it was published on the MTP website and open to all interested parties for comment. This consultation is part of a wider annual review and policy development process, supporting delivery of the Government's objectives for energy and for sustainable consumption and production.

3. The responses have been reviewed and are reported in the following sections:

- Section 2 summarises the quantity and nature of responses received.
- Section 3 gives a summary of the responses by consultation question and the Government's response.
- Section 4 details the next steps in the process.

4. Appendix 1 lists the stakeholders who provided a response. None wished to remain anonymous.

# 2 Overview of responses

5. A total of 5 official responses were received representing two government agencies/organisations, one retailer, one cold appliance manufacturer and one trade association. These were the Energy Saving Trust (EST), the Waste and Resources Action Programme (WRAP), the Co-operative Group, Beko and AMDEA. The University of Bonn provided some overarching comments with one specific comment in relation to cold appliances (Question 4).

6. Two stakeholders supported the introduction of legislative targets or standards and saw these as the most effective means of transforming the cold appliance market. Both mentioned the fact that CECED has moved away from revising voluntary agreements and is now calling for legislative standards.

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<sup>1</sup> The original domestic cold appliances consultation document can be downloaded at <http://www.mtprog.com/cms/whitepaper/>

7. The same stakeholders also commented on the challenge of meeting the targets in the P1 illustration in the later years of 2015 and 2020 and both commented on the potential revision to the ESR labelling scheme to help create greater distinction between the most energy efficient products. Three stakeholders also pointed to possible fiscal incentives for more energy efficient cold appliances.

8. One stakeholder suggested promoting an optimum fridge temperature of 5°C, to reduce food waste. Another stakeholder called for the promotion of the Energy Saving Fund and support for non VIP A++ products.

9. Another stakeholder called for enforcement action and supported initiatives (e.g. robust testing methods) to discourage unscrupulous manufacturers.

### 3 Summary of topics raised and the Government's response

**Question 1: Are there any other market or technological trends or factors that should be taken into account in this market overview?**

**Summary table for Question 1**

Key topics raised	Number of comments
Energy use of frost-free appliances	2
Price differential between A+ and A rated appliances	2
Increased use of larger appliances	2
Consumer behaviour	1
High costs of appliances containing new technologies	1

10. This question relates to the information provided in the consultation document which sets out the current trends in the domestic cold appliance market in terms of energy efficiency, innovation in these products and prices paid by consumers for these products.

Three stakeholders responded to this question.

11. One stakeholder noted that the retail price difference of comparable A+ and A-rated products is greater than the energy cost savings to be made during the lifetime of the product. As a result, they felt consumers may be reluctant to pay the higher prices on the basis of efficiency without recouping the additional investment. To encourage voluntary action by consumers and retailers, they suggested the use of subsidies and/or mandatory minimum standards to shift the market towards more efficient products.

12. Another stakeholder questioned to what extent the increased use of larger cold appliances is considered in the projections. They believe that in some cases the information presented suggests they are included, in other cases the information suggests otherwise. In relation to the frost-free appliances, they suggested that consumers' general reluctance to defrost non-frost free appliances may mean that the in-use energy consumption of frost-free is in actual fact markedly better than may

appear. A further stakeholder also commented on the frost-free issue, reiterating the fact that UK consumers prefer frost-free appliances of which there are less available products with the A+ and A++ rating.

13. One stakeholder agreed with setting targets for efficiency improvements but stressed that these should not rely on specific technologies (e.g. VIPs) as some of these were still too expensive to be realistic alternatives.

14. One stakeholder suggested focusing on encouraging consumers to purchase and use existing efficient models. However, they pointed out additional factors which affect consumer behaviour which include the unavoidable high retail prices associated with the more efficient models, the tendency for consumers to replace existing equipment with larger appliances (which are less energy efficient) and the traditionally low energy tariffs available to consumers. These tariffs do not result in significant financial savings if more efficient appliances are purchased.

### **Government response**

15. While we agree that at present there is a marked difference in the purchase price between A and A+ rated products we also are beginning to see some A+ rated products being priced to be competitive with their A-rated equivalents. It is anticipated that EU policies such as EuP and a revision to the EU Energy Label will drive prices in the longer term to be more comparable.

16. The relative size of appliances is included in the projections for cold appliances, as an average for each energy label class calculated on the basis of annual sales data. No reliable data is available regarding the effect of frost build up in freezer compartments on energy consumption in real-life situations. MTP Briefing Note BNC11<sup>1</sup> which states that while there are issues with the EU Energy Label test, it is a reasonable proxy for the energy consumption of an appliance across its lifetime.

17. The price of frost-free products has dropped in comparison to non-frost free models in the last decade. UK consumers now expect to find frost-free products across the market and not just in the premium brands and models. Frost-free models are available in the EU Energy Label A+ and A++ ratings and can be found in the UK in the premium brands. It is therefore likely that this technology will come down in price and spread across all price points.

18. Vacuum Insulation Panels are not a requirement of the proposed target standards – the standards are intended to be technology Neutral.

19. The proposed standards take account of the trend for larger appliances replacing current ones.

20. It is also anticipated that the sales price of more efficient models will fall as the market for them grows.

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<sup>1</sup> See BNC11 Domestic Refrigerator Standard vs. Real-use Energy Consumption  
<http://www.mtprog.com/cms/product-strategies/subsector/cold-appliances>

**Question 2: Do these graphs accurately illustrate how existing policy instruments could support delivery of more efficient new products?**

**Summary table for Question 2**

Key topics raised	Number of comments
Projections need to include impacts of other policies.	1
Not accurate representation unless includes EuP Directive standards	1
Consumer energy tariffs and impact on sale of A rated appliances	1

21. This question refers to the graphs showing three different illustrations for possible future average energy consumption for refrigerators, fridge-freezers, upright freezers and chest freezers. Each illustration is based around different assumptions regarding potential impact of any policy instruments.

Three stakeholders responded to these issues.

22. One stakeholder claimed that if the stated policy instruments include the introduction of mandatory EuP Directive minimum standards, these graphs may be accurate assuming the timelines are reasonable. However, they did not believe that the P1 illustration is achievable under normal market mechanisms.

23. One stakeholder believed that in the future, the projections need to include the potential impacts of the Supplier Obligation modelling and Carbon Emissions Reduction Target (CERT) and the potential impacts of major new activities under the Environmental Transformation Fund. Other additional R, D& D programmes also need to be incorporated into projections. R, D&D funding should be made available for promising low carbon household technologies.

24. One stakeholder said it was difficult to comment on the accuracy of the graphs due to the limited data. They also take the view that any changes in consumer energy tariffs will impact on the uptake of A rated appliances.

**Government response**

25. The P1 line includes the UK's estimation of what an EUP implementing measure for domestic cold appliances could achieve if it were to be set at an ambitious level.

26. The projections include the potential impacts of additional policies expected to come into action in the future. But they are not indicated on the graphs of existing policy instruments.

27. MTP data and assumptions are available on the MTP website. The assumptions do not currently quantify the contribution of particular policies or market conditions to energy saving or efficiency gains.

**Question 3: Do the performance values shown in the tables in the Appendix cover the right products and are they set at the right levels?**

**Summary table for Question 3**

Key topics raised	Number of comments
Challenge of meeting targets in later years 2015/2020	2
More assessment of small, non-standard products	1
Unknown impact of European initiatives	1

28. This question refers to the average energy consumption levels for the named products (refrigerators, fridge-freezers, upright freezers and chest freezers) that are anticipated under the P1 projection for the years 2000 to 2020.

Three stakeholders responded to this question.

29. One stakeholder stated that it is right to look at these products and they supported the P1 performance standards and targets. They stated the 2010 target may be achievable via market mechanisms, however they do not believe this is the case for the 2015 and 2020 targets. In their view, the 2010 target is possible because A-rated appliances already account for a high proportion of sales, there is a wide product range, affordable model availability, and any additional cost is recouped by consumers over the life of the product.

30. However, the belief is these market conditions do not exist for A+ and A++ models. This is compounded by the fact that the UK market favours frost-free products and there are very few frost-free A+ and A++ models available. They believe these targets are unlikely to be met without mandatory minimum standards. European manufacturers have also stated they believe a phase-out of appliances less than A-rated is achievable within the next few years; however CECED has called for mandatory standards to be implemented to achieve this level of efficiency by 2013.

31. Another stakeholder remarked that it is unhelpful to call these 'indicative performance standards' as the word 'standard' can imply a compliance level or satisfactory performance level and this could be misleading.

32. They also believe that it may be important to undertake more detailed assessment of small, non-standard appliances. BNC15 suggests that some small appliances are very inefficient, but the market data it contains is somewhat thin. As such it would be helpful to confirm the consumption of these appliances. For chest freezers, fridges and fridge-freezers, they believe greater effort will be required between 2010 and 2014 in order to meet the 2015 target and that the tables illustrate a lack of ambition in early years.

33. A further stakeholder felt unable to comment given the uncertain impact of European initiatives.



## Government response

34. The proposed performance standards for cold appliances in this consultation are expressed in kWh per year so that they do not correspond to any particular EU Energy Label class. This approach encourages the supply chain as a whole to focus on annual energy use, rather than the EU Energy Label class.

35. The term indicative standard is used in this consultation to describe the performance level of products within the scope of the proposed targets.

36. There is very little market data available regarding small appliances which are currently largely outside the scope of the EU Energy Label scheme. The forthcoming revision of the EU Energy Label and EUP standards will provide an opportunity to review this position.

37. Because typical product lifecycles and the buying cycles of retailers have a lead-in time of two to three years it is important to signal the longer term standards as early as possible, rather than expect rapid changes in the short term.

38. The projections assume ambitious savings occur as a result of EU policy. The projections will be adjusted when new EU policy is established.

### **Question 4: In the areas of market analysis, projections and targets, should consideration be given to any additional measures, risks or strengthening initiatives?**

#### **Summary table for Question 4**

<b>Key topics raised</b>	<b>Number of comments</b>
Pursue measures to accelerate product innovation	1
EuP measures not considered	1
Slow financial return for consumers purchasing more expensive/efficient models	1

39. The consultation chapter outlines the intention to monitor progress against the P1 target. It acknowledges that the market may develop in a different direction and the real life performance of products may not reflect the performance of products under test conditions.

Four stakeholders responded to this question.

40. One stakeholder supported measures to accelerate the use of innovative technologies, as retailers and consumers are faced with problems of increased expense and limited product ranges in the A+ and A++ categories which is a barrier to voluntary action. There is a high risk that Government targets will not be met, if it is left to consumer choice to drive the market. In their opinion, this risk can only be addressed by strengthening initiatives involving mandatory minimum product standards.

41. A second stakeholder referred to their response to their previous question.

42. Others stated that it seems the outcome of the EuP work has not been taken into account. In particular, the discrepancy between the way the energy is measured for testing purposes and real life. They felt that for cold appliances the absolute values may be acceptable but the some products (fridge freezers with one compressor) there may be a significant difference between what is declared and what is consumed in real life.

43. A further stakeholder felt that consumers are still reluctant to purchase the most efficient models given the higher retail cost if the return of investment is not realised quickly. They suggested this may change as energy prices increase.

### **Government response**

44. The proposed product standards include the effect of mandatory minimum product standards introduced through EuP.

45. As discussed above, it is not possible for models to be refined to account for the in-use variation from the declared energy consumption.

### **Question 5: In the area of engaging the supply chain, should consideration be given to any additional measures, risks or strengthening initiatives?**

#### **Summary table for Question 5**

<b>Key topics raised</b>	<b>Number of comments</b>
Support development of Red-Green calculator	1
Raise views on Red-Green calculator	2
Consider mandatory minimum standards	1

46. The consultation chapter outlines the Government's intention to encourage competition between manufacturers and retailers to supply products in line with the P1 standards. Yet it acknowledges that no tools exist for product designers to assess products energy efficiency performance, although a 'Red-Green' tool has been produced for consumer electronic products which could be adapted for cold products.

Two stakeholders responded to this question.

47. One referred to encouraging competition and the acknowledged risk that this may be insufficient to result in change. They believe that consideration should be given to publishing any future mandatory minimum standards as soon as possible. They believe this would drive competition, investment and innovation ahead of legal requirements. Without this, they believe there is no 'level playing field' and companies would not wish to edit consumer choice beyond an A-rated minimum standard. Individual retailers cannot currently restrict choice as the product range would be too limited, available products would be more expensive and the products would not meet some customer expectations (e.g. frost-free). The consumer would therefore simply go elsewhere.

48. They also noted the existence of EU Energy Labelling and EST Energy Saving Recommended labelling which work well for retailers and consumers as a potential tool to enable retailers to assess product energy efficiency and compliance with the P1 indicative performance standards.

49. In their view, a version of the Red-Green calculator for cold appliances would be of less value for retailers compared to consumer electronic products and believe the 'basket of goods' approach is the wrong one. They prefer the indicative standards and key dates set out in this paper.

50. Another stakeholder took the view that the Red-Green calculator may be useful to enhance the volume effect i.e. actual energy use as opposed to energy index. They supported the Government's view that it should not be used to form the basis for a labelling scheme as it is not sufficiently robust and is more likely to confuse consumers. They mentioned the risk that a retailer with a 'good' portfolio could publicise that they are 'substantially ahead of Government standards'.

51. They also stated that it is not clear whether the impact of supply chain engagement had been included in energy consumption projections and asked whether assumptions could be included.

### **Government response**

52. The proposed standards focus on the declared energy consumption of products, rather than the EU Energy Label A class for energy consumption. It should be possible for retailers to select products that allow them to meet the proposed standards without restricting consumer choice by using the basket of goods approach. Appliances with higher than the target annual consumption can be balanced by sales of models with lower than the target annual consumption. They may use the standards as procurement targets for all the products that they sell, in which case the targets will be met if they are successful, without the basket of goods approach.

53. Government proposes to review standards on an annual basis, and the market will be monitored through sales data so that if the market moves rapidly towards the standards, the targets can be revised. Retailers must decide for themselves if they want to use references to the standards and their ability to meet or exceed them in their marketing materials. If they do this they will probably come under scrutiny from the Advertising Standards Authority, and if challenged will have to provide evidence that they do achieve the standards they claim.

54. For forward projections assumptions have been made regarding the effect of various policies. It is not possible to assign a value to each individual policy because they are likely to affect each other. The supply chain has not yet been actively engaged for cold goods in the way that they have for electronic products, so the effect has not yet been included in the forward projections.

**Question 6: In the area of EU and international policy actions, programmes and initiatives, should consideration be given to any additional measures, risks or strengthening initiatives?**

**Summary table for Question 6**

Key topics raised	Number of comments
Comments on CECED Announcement	2
Support for stronger EU Standards	2
Cold Appliances should be priority over other domestic products	1
Support absolute consumption over energy index values	1
New global standard being progressed	1
Work on tolerances by European Industry	1

55. The consultation paper outlines the work of the International Task Force for Sustainable Products (ITFSP) in the area of international collaboration, the ongoing work on the implementation of the EuP Directive, the voluntary strengthening of energy labelling commitments as well as the review of the mandatory EU labelling regime. It also mentions the current status of test methods for cold domestic appliances. Question 6 refers to these measures and initiatives.

Three stakeholders responded to this question.

56. One stakeholder hoped that the Government was pushing for EuP mandatory standards to be, at a minimum, in line with its P1 indicative standards. They also mentioned that the European Committee of Domestic Equipment Manufacturers (CECED) is now calling for legislation, rather than a voluntary commitment, to phase-out products which are less than A-rated.

57. They referred to the issues raised in consultation chapter relating to domestic wet products and welcome the Government's urgency, clarity of language, and commitment to legislate in setting out the next EuP deliverables for these appliances, namely EC minimum standards by 2008. They believed it was unfortunate that the same type of language has not been used in relation to cold appliances which state by 2010 revised EU wide minimum standards are expected to enter into force.

58. They felt action on cold appliances has the greatest potential for significant short-term household energy and CO<sub>2</sub> emission savings. The proposed cold appliances P1 indicative standards could lead to energy savings of 3.1 TWh (1.4 MtCO<sub>2</sub>), compared to the wet appliances P1 savings of 0.8 TWh (0.4 MtCO<sub>2</sub>).

59. Under 'strengthening initiatives' they supported pressing the European Commission to ensure domestic cold products remain a priority under the EuP Directive. They believe the success of achieving the Government's P1 indicative standards currently rely almost entirely on EC mandatory minimum standards being integrated into UK law by 2010.

60. Another stakeholder claimed that CECED is indicating no further commitment to voluntary agreements and call for legislation to drive standards. They believe that EU minimum standards should be strengthened to the current A rating for all

domestic cold appliances other than chest freezers. Revalorisation should be also considered.

61. From a pure energy saving perspective, they stated that it would be logical for absolute consumption to be given greater prominence over and above energy index values (i.e. current ratings). However, they recognised that it is likely to prove difficult to gain EU support for refining the Energy Label in favour of absolute consumption.

62. The other stakeholder raised the point that at international level work was underway on a new global standard in IEC. They recognised the importance of robust test methods and the risk that unscrupulous manufacturers may try to 'circumvent' the methods to suggest their equipment is more efficient than is actual the case.

63. They also mentioned tolerances and the fact this is being addressed by the European industry on the Standards front. They also suggested that there was a need to ensure that standards are not specifically mentioned in legislation – as standards may need to change ahead of legislative timetables.

### **Government response**

64. The Government will be pressing for ambitious minimum standards under EuP.

65. There may be slight differences in the drafting of the wet and cold consultation documents. The figures suggest that the saving potential for cold appliances is higher than that for wet. It is therefore important to give the clearest signals to industry of what is expected of them in future, and that may require a longer lead time for cold appliances than wet ones.

66. To date, the current voluntary industry agreement and the EuP process have not used annual consumption as a criterion for setting cold appliance product standards; discussion has only been around the Energy Efficiency Index of the EU Energy Label classes. While the EuP implementing measures will affect the consumption of products in the future, it is also important to emphasise the annual consumption figures to the supply chain. Without this, full potential of the proposed standards may not be achieved.

67. The EC is in the process of reviewing the Framework Directive for EU Energy Labelling and is also considering revising the energy labels of products that are subject to the EuP process at the same time as the EuP standards are set. Stakeholders will be involved in the development of the new labels. The views of stakeholders are noted and Defra will review stakeholder views when the consultation takes place.

68. The work of the IEC to prevent circumvention of test methods is noted.

69. The work of European industry and standards bodies is noted. The relationship between test standards, policy and legislation will continue to be monitored on a case by case basis.

**Question 7: In the area of UK policy actions, programmes and initiatives, should consideration be given to any additional measures, risks or strengthening initiatives?**

**Summary table for Question 7**

Key topics raised	Number of comments
Mention VIP issues	2
Extension of EST labelling in some form	2
More R&D on product design & innovation	1
Inclusion of energy efficient products in revised Building Regs	1
More retailer/consumer education	1
Improved enforcement and policing	1

70. This questions follows a discussion of:

- the UK Government's and other public sector actions on procurement of energy efficient products;
- the EST's *Energy Saving Recommended (ESR)* scheme on product endorsement and labelling; and
- the *Energy Efficiency Commitment* scheme's obligations on energy suppliers to improve household energy efficiency.

Three stakeholders responded to this question.

71. One stakeholder suggested extending the ESR labelling beyond just A+ and A++ EU Energy Label classes (only 2% of market share) to the top 20% of A rated appliances. This would help consumers differentiate between A rated products. It would also help retailers stock the most efficient models without administrative burden and in an easily communicable way to staff and customers. This would help address the risk (raised in the consultation paper) that consumers are prevented from making informed choices. However, overall they still supported a mandatory approach to products standards, rather than labelling, as more effective in meeting targets.

72. Another stakeholder called for the incentives for A++ class models without the VIP and the promotion of the Energy Saving Fund.

73. A third stakeholder advocated the provision of additional R,D& D support for the development of new products (e.g. vacuum insulated panels) and variable speed compressors including international collaboration. They also felt further consumer education and advice on practices would be helpful. They mentioned the clear benefits of increasing the level of support provided to retailers by ESR but currently the available funding restricts this. They felt more could be done but additional funding would be required.

74. They suggested a wider A-G energy labelling system would be a useful addition to support current ESR labelling. They provided some thoughts on the implementation and formatting issues associated with such an extension. They also point to some findings from the EC's consultation on the Labelling Directive.

Namely, the cost effective dynamic labelling concept, the less recognised distinctions between A and A+ / A++ products and better labelling for internet sale products.

75. They felt that the revision of the Building Regulations provides an opportunity to deliver the installation of the most efficient products (e.g. built in fridges) and called for the tightening of building regulations in 2010.

76. A fourth stakeholder suggested that more needs to be done in the area of surveillance and enforcement at a national level. They felt there is a risk that non-compliant products are entering the market. This could lead to increased risks to consumers, it threatens environmental and business sustainability and generally undermines the European legislative system.

### **Government response**

77. The ESR criteria for cold appliances are developed with stakeholders and views regarding their future development should be submitted to the Energy Saving Trust. It should be noted that the Energy Efficiency Indices of cold products are not distributed evenly throughout each class and it is unlikely that many products would be identified by setting criteria within the top part of the EU Energy Label A class.

78. Additional policy measures for particular technologies may be considered if the market fails to develop technological solutions to meet energy efficiency targets.

79. Consumer awareness of the various schemes that endorse or provide more efficient products is important. Provision is made within these schemes to provide information to consumers to help them make an informed decision.

80. The Commission has requested stakeholder input into the revision of the Energy Label Framework Directive and will consider views in on different label designs and approaches as part of the process.

81. The suggestions to include domestic appliances in the Building Regulations are noted. The current position is that even fixed appliances, white and brown goods are beyond the reach of the Building Regulations and that product labelling schemes that look at the annual average performance is the best practical approach. The government has indicated it's intention to require new dwellings to be 'zero carbon' by 2016 on a definition which includes the emissions collectively caused by brown or white goods, fixed or otherwise. Under the current energy labelling scheme the most efficient built-in appliances are allowed to use more energy than their free-standing equivalents.

82. Defra has commissioned spot checks of samples of appliances on the UK market to check compliance with EU Energy Label declarations and other environmental information. The EUP framework directive requires governments to share intelligence on compliance matters, and the UK will undertake a leading role in this area.

**Question 8: Are there any other policies likely to impact on domestic cold products which should be taken into account?**

**Summary table for Question 8**

Key topics raised	Number of comments
Food wastage issues	2
Possible fiscal incentives on most efficient products	3
Load technologies for cold goods	1

83. This question follows a summary of other policies which impact on domestic cold appliances. These include the *Act on CO<sub>2</sub>* initiative, possible reduced VAT rate for energy efficiency products and smart metering.

Four stakeholders provided comments in response to this question.

84. Two stakeholders supported the possible reduced rate of VAT on energy efficient products and believe the Government should also consider subsidies for A+ and A++ models to support consumer uptake of more efficient models. One referred to similar practices in other European member states. They acknowledged that huge improvements had been made in appliance efficiency in recent years but more still needed to be done. Currently consumers are only slowly shifting to replace inefficient models and this needs to be accelerated if, as acknowledged by the MTP, the savings through appliance replacement practices can be realised.

85. One stakeholder suggested that if the CERT initiative (or its replacement) fails to deliver major uptake of the most efficient appliances then the provision of further fiscal incentives could be provided to consumers. One stakeholder mentioned the work being undertaken on fiscal incentives as part of the work on EuP at European level.

86. One stakeholder suggested promoting an optimum fridge temperature of 5°C, to reduce food waste. They presented evidence and referenced data which states that the resulting additional CO<sub>2</sub> is dwarfed by the CO<sub>2</sub> which can be avoided by reducing the estimated amount of food waste sent to landfill (resulting from refrigerated food being prematurely spoiled and discarded). Around 153,000 tonnes compared to millions of tonnes of CO<sub>2</sub> per year.

87. Another stakeholder strongly supported the installation of smart metering. It required a clear statutory mandate from Government. They are not sure whether smart metering has been considered in specific relation to responsive load technologies in cold goods or what policies might be required. They also raise the possible coupling of policies on 'right-sizing' of cold appliances to food wastage policies.

**Government response**

Government policy supports the delivery of more efficient cold appliances through the CERT scheme. This scheme may subsidise the cost to consumers of more efficient appliances.



88. Should current policies fail to encourage the uptake of the most efficient appliances other policy options will be reviewed.

89. We are aware of the study carried out by WRAP on the role of fridge temperatures and food waste. Further actions in this area are being considered

90. Smart metering and responsive load technology are currently unrelated. Smart metering enables consumers to review their energy consumption and take action to reduce it if they think it is excessive. Responsive load technology does not reduce energy consumption but it may help to shift the load on the grid to times of lower demand. The two could be linked through Smart Home technology that could enable the proactive management of appliances depending on the status of the energy supply.

**Question 9: What additional measures would you suggest developing to drive forward sustainability in domestic cold products?**

91. This question followed the section discussing procurement initiatives for private procurement and product innovation issues. No stakeholders officially responded to this question however responses to Question 7 and 8 provide general views in this regard.

**Question 10: Are there any other potential impacts resulting from these proposals that should be taken into account?**

**Summary table for Question 10**

Key topics raised	Number of comments
Costs to consumers	1
Timescales for phase out of CFCs and HCFCs	1

92. This final question follows the partial analysis of those significant potential impacts of the proposals outlined in the document. These include the issue that the additional costs of purchasing A+ products are not recouped through saved energy costs, the fact that the majority of cold appliances are now manufactured overseas and the new WEEE and RoHS requirements which impact on cold products.

93. Two stakeholders responded to this question.

94. One stakeholder acknowledged the consumer cost issue and lack of consumer choice as issues to be addressed. They felt these issues currently represent a significant barrier to achieving P1 standards without legislation covering mandatory minimum standards.

95. A second stakeholder corrected some text in the consultation chapter stating that all manufacturers stopped using CFCs in 1995 although HCFCs continued to be used as a blowing agent until 2000.

## Government response

96. As discussed above, the P1 standards could be met by focussing on the annual energy consumption of the appliances, which is not related to the EU Energy Label Class.

97. The information on CFCs is noted.

## General Responses

### *Summary Table for General responses*

Key topics raised	Number of comments
Cold appliances should be government priority	1
Legislation is more effective than voluntary agreements – support stronger standards	1
Need to take into consideration European developments	1
Financial incentives for consumers	1
Support for open-ended numeric labelling system	1

98. Two of the stakeholders provided some general comments in support of their response.

99. One stakeholder felt cold appliances should be treated as the priority energy using product range to be addressed by Government.

100. Another stakeholder:

- supported the intention to monitor progress against projected technology and market development, to consult on the evidence and to annually review and update the published analysis and policy response, including indicative product performance levels for new products supplied to the UK market. A further stakeholder supported this process and asked that this should fit in with both established supply chain procurement cycles and with manufacturers' product development cycles.
- recognised the advantages of voluntary agreements but also provide some comments on the different risks associated with them.
- agreed that legislation is more effective than voluntary agreements and urge for such legislation to set challenging but achievable long-term targets. They believe the UK Government needs to continue to push for more far stronger EU standards under the EuP Directive and advocate that UK Government should aim to bring in new EU legislation as early as practicable to do so.

101. A third stakeholder referred to the ongoing work of CECED at European level and the need to ensure that this UK work needs to take into account these European developments. They acknowledged the three focus areas (raising the energy performance standards, promoting better energy management and working with consumers to reduce wasteful usage in homes) and take the view that they should

all carry equal weighting.

102. In relation to the revision to the current mandatory EU energy labelling regime, they pointed out that the European white goods industry, through CECED, has expressed its views on the revision and favours an open-ended numeric scale to replace the current system

103. One stakeholder felt the goals need to be achievable and need to be accepted by the market (such as a willingness from consumers and retailers to accept higher costs). To get energy efficient product into UK homes requires a range of initiatives from manufacturers, retailers and consumers and Government. They believe financial incentives for consumers need to be seriously considered.

### **Government response**

104. While Government has prioritised the areas where it is believed savings can be made it recognises that it is also important to encourage energy efficiency more widely.

105. The Government remains committed to pressing for ambitious standards under both the EUP and Energy Labelling Directives and will take any action required to implement these into UK legislation.

106. The three areas of raising performance standards, promotion of better energy management and changing consumer habits cut across several government departments. This consultation focuses on performance standards, but it is acknowledged that the other areas could contribute to reduced energy use.

107. Defra will ask stakeholders for input on proposals for the revision of the EU energy labelling scheme.

108. As noted above, the CERT scheme can support the delivery of more efficient products into consumers' homes.

## **4 Next steps**

109. The Market Transformation Programme has carefully reviewed the existing evidence and taken into account these stakeholder responses and any new information or data. The original projections for the future performance of domestic cold appliances are being reviewed along with options for the ongoing improvement.

110. The outcome of this process is published in the separate document entitled 'Policy Brief for Domestic Cold Appliances' which provides an update of the baseline information provided in the original Consultation Document. While the formal consultation process has closed, engagement on the standards will continue as part of an annual reviewing and updating process.

## Appendix 1 - List of respondents

<b>The Co-Operative Group</b>
<b>Beko</b>
<b>WRAP</b>
<b>The Energy Saving Trust</b>
<b>AMDEA</b>