# Rules and regulations – getting the right balance

15<sup>th</sup> September 2010 Workshop 2



#### Contents

MVE requirements for mandatory policy

 Touch on other MVE approaches for different types of policy

Questions to take away



## Regulations or Voluntary Agreements

Eco-design and Energy Labelling framework directives

Priority given to alternative actions, 'self-regulation' where likely to deliver 'objectives faster or in a less costly manner than mandatory requirements'

'Legislative measures may be needed where market forces fail to evolve in the right direction or at an acceptable speed.'

## Mandatory requirements

Member States shall designate the authorities responsible for market surveillance. 'They shall arrange for such authorities to have and use the necessary powers to take the appropriate measures incumbent upon them under this Directive'\*



## What is necessary and appropriate?

- A regime that is proportionate to suggested rates of non-compliance
- Provides sufficient deterrent from non-compliance in the first instance
- Save costs to consumers
- Safeguard energy savings
- Flexible enforcement regime, also able to deal with voluntary agreements under the Eco-Design directive.

## **UK Compliance Strategy**

Previous responsibility of Trading Standards Officers (TSOs)

Re-evaluated enforcement regime

- A centralised approach pools resources for expensive product testing
- Low priority for TSOs compared to health and safety measures they are also responsible for.
- Rates of non-compliance being potentially up to 25 %

Consultation ran from June to September 2009, appointed the National Measurement Office in November 2009

TSO's responsible for display of label in retail space.

## **UK Compliance Strategy**

Civil sanctions and cost sharing

Second more detailed consultation ran from March to June 2010

- Compliance Notice
- Stop Notice
- Enforcement Undertakings
- Variable Monetary Penalty

Introduction of Cost sharing

**Issues - Difficulties** 



#### Communications of requirements

#### Communication to stakeholders

- Consultation process, formal and informal

#### NMO's approach

- Commitment to a collaborative approach.
- Work closely with industry, including manufacturers, retailers and importers, to raise awareness of and improve understanding of the obligations.
- Hampton principles



## Other policies

Energy Saving Trust – Verification of ESTR label

 CERT Scheme – Provides incentives, verification of policy

Government procurement policy – Monitoring of policy

#### Questions to think about

- Other countries are choosing different regimes, why does the most effective regime vary?
- What is the best way to communicate requirements?
- Does enforcement always have to be government or can it be industry led?
- Can voluntary agreements be monitored and enforced effectively?

#### Further information links

Consultation: Implementation of the Market Surveillance and Enforcement Requirements of the Eco-design of Energy Using Products and Energy Labelling Framework Directives

http://webarchive.nationalarchives.gov.uk/20100505154859/http://www.defra.gov.uk/corporate/consult/eup-labelling/index.htm

Consultation: Introduction of Civil Sanctions and Cost Sharing for the Energy Using Products and Energy Labelling Regulations <a href="http://defraweb/corporate/consult/eup-labelling2010/index.htm">http://defraweb/corporate/consult/eup-labelling2010/index.htm</a>

National Measurement Office:

www.nmo.bis.gov.uk/eup

