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from: Secretary-General of the European Commission,
signed by Mr Jordi AYET PUIGARNAU, Director

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to: Mr Uwe CORSEPIUS, Secretary-General of the Council of the European
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on the voluntary ecodesign scheme for complex set-top boxes

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**REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND
THE COUNCIL**

on the voluntary ecodesign scheme for complex set-top boxes

(Text with EEA relevance)

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REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL

on the voluntary ecodesign scheme for complex set-top boxes

(Text with EEA relevance)

1. INTRODUCTION AND THE LEGAL FRAMEWORK

Directive 2009/125/EC of the European Parliament and of the Council of 21 October 2009 establishing a framework for the setting of ecodesign requirements for energy-related products (the Ecodesign Directive)¹ provides a legal framework for laying down ecodesign requirements for selected priority product groups.

According to Article 15(2)(a) to (c) of the Ecodesign Directive, a priority product group shall be covered by either a mandatory implementing measure (i.e. a Commission Regulation) or a self-regulation measure (e.g. a voluntary agreement concluded by industry), if it meets three conditions: (i) it represents significant sales volumes, (ii) it has a significant environmental impact and (iii) it has a significant improvement potential.

Furthermore, recital 18 of the Ecodesign Directive states that the priority product groups should be subject to alternative courses of action such as industry self-regulation or voluntary agreements rather than mandatory implementing measures, if such action is likely to deliver the policy objectives faster or in a less costly manner than mandatory requirements.

Voluntary agreements or other self-regulation measures can be considered as alternatives to implementing measures in the context of the Ecodesign Directive, provided that they comply with the criteria laid down in Annex VIII to the Ecodesign Directive.

2. VOLUNTARY SCHEME PROPOSED BY THE INDUSTRY FOR CSTBS

Article 16(2)(a) of the Ecodesign Directive provides for the Commission to introduce implementing measures for consumer electronics product groups offering a high potential for the cost-effective reduction of greenhouse gas emissions.

The Commission commissioned preparatory studies for consumer electronic product groups, including complex set-top boxes, i.e. pay TV receivers².

The preparatory study on complex set-top boxes (CSTBs)³ confirmed that this product group meets the criteria listed in Article 15 of the Ecodesign Directive. In particular, it represents significant sales volumes, has a significant environmental impact and has a significant

¹ OJ L 285, 31.10.2009, p. 10.

² Receivers of the following types of digital TV signals: cable, satellite, Internet Protocol, terrestrial.

³ EuP Preparatory study 'Lot 18 — Complex set-top boxes', Bio Intelligence Service S.A.S, France, final report of December 2008. Documentation available on the DG ENER ecodesign website http://ec.europa.eu/energy/efficiency/studies/ecodesign_en.htm.

improvement potential. Consequently, CSTBs should be covered by an implementing measure or by self-regulation.

Companies active on the CSTB market have proposed a voluntary scheme for the CSTB product group in the EU and, to this end, concluded a voluntary agreement laying down specific ecodesign requirements for CSTBs placed and/or put into service on the EU market. The voluntary scheme has been in force since 1 July 2010.

Under this scheme, each signatory to the agreement undertakes to ensure that at least 90% of all CSTB models it places on the market and/or puts into service comply with the energy consumption targets agreed for the relevant period of time as defined in the voluntary agreement. The environmental aspect of CSTBs that was identified as significant for setting ecodesign requirements for CSTBs in the voluntary agreement was electricity consumption in the use phase. Commitments undertaken by the signatories to the voluntary agreement will reduce electricity consumption (between 2011 and 2020) to 115 TWh with savings of 44 TWh, corresponding to 21 Mt CO₂ emissions.

The voluntary scheme proposed by the industry was subject to a full impact assessment by the Commission⁴ and stakeholder consultations in the course of the Ecodesign Consultation Forum⁵ established under Article 18 of the Ecodesign Directive. Furthermore, in March 2012 the industry provided the Commission with the updated information about the market coverage of the scheme⁶ that was required to finalise assessment of the scheme by the Commission.

The impact assessment concluded that the proposed voluntary scheme would achieve the policy objectives more quickly and at lesser expense than mandatory requirements. It also concluded that, as required by Annex VIII to the Ecodesign Directive, the proposed scheme complied with all provisions of the Treaty (in particular internal market and competition rules), international engagements of the EU (including multilateral trade rules), the objectives of the Ecodesign Directive, and the specific assessment criteria, i.e. (i) openness of participation, (ii) added value, (iii) representativeness, (iv) quantified and staged objectives, (v) involvement of civil society, (vi) monitoring and reporting, (vii) cost effectiveness of administering a self-regulatory initiative, (viii) sustainability, and (ix) incentive compatibility.

3. ELEMENTS OF THE VOLUNTARY AGREEMENT

The voluntary agreement concluded by the industry lays down specific ecodesign requirements for CSTBs placed and/or put into service on the market. Each signatory to the agreement undertook that at least 90% of its CSTBs placed on the EU market (regardless of their origin) would comply with the minimum efficiency requirements in terms of TEC (total energy consumption).

In addition to laying down the ecodesign requirements, the agreement establishes two administrative bodies:

⁴ The Impact Assessment Board gave its favourable opinion on the impact assessment on 1 December 2010.

⁵ Ecodesign Consultation Forum meeting on 12 October 2009.

⁶ According to the results of a study on market penetration in January 2012, the EU market would ship a total of 23.5 million CSTBs in 2012, of which 18.2 million would be by signatories to the voluntary agreement and of which 19.6 million by signatories and potential signatories.

- the Steering Committee, consisting of representatives of the signatories to the agreement and the European Commission, which manages the agreement⁷, and
- the Independent Inspector, who assesses the compliance of individual signatories with the commitments set out in the agreement and provides the Commission with the compliance reports⁸.

The agreement also defines:

- reporting obligations, specifying that each signatory must provide required information to the Independent Inspector and that failing company will risk forfeiting its signatory status, and
- monitoring rules, specifying that the effectiveness of the agreement will be regularly assessed by the Commission and the Ecodesign Consultation Forum (consisting of representatives of the Member States, the industry and NGOs).

Furthermore, the agreement provides for a procedure allowing the Steering Committee to modify the provisions of the agreement, in particular to adjust the stringency of requirements to the situation on the market. A flexible approach in terms of defining the relevant parameters and establishing applicable requirements is particularly important in the case of CSTBs, as their functions evolve quickly.

To provide all stakeholders, particularly potential signatories, with correct and updated information about the requirements applying to CSTBs in good time, the most recent version of the voluntary agreement will always be published together with the impact assessment and this Report on the Commission's Europa website dedicated to ecodesign policy⁹.

The voluntary agreement will be complemented by other existing initiatives, mainly the European Code of Conduct for Digital TV Services developed by the Joint Research Centre of the European Commission¹⁰, which seeks innovative technology solutions and sets aspirational efficiency standards for CSTBs.

4. ACCEPTANCE OF THE VOLUNTARY SCHEME

As the voluntary scheme proposed by the industry for CSTBs will achieve policy objectives more quickly and at lesser expense than mandatory requirements, and as it complies with all the criteria specified in Annex VIII to the Ecodesign Directive, the Commission recognises that CSTBs placed and/or put into service on the EU market are subject to the voluntary ecodesign scheme established by the industry for CSTBs. The conditions for the scheme are set out in the voluntary agreement concluded by the industry.

The Commission considers this voluntary scheme a valid alternative to an ecodesign implementing measure. Consequently, the Commission will abstain from establishing mandatory ecodesign requirements for CSTBs placed on the EU market as long as the voluntary agreement and any subsequent versions concluded under the proposed voluntary

⁷ Representatives of the EU Member States, EFTA/EEA countries and NGOs have observer status.

⁸ Compliance reports are made available to and discussed with stakeholders.

⁹ http://ec.europa.eu/energy/efficiency/labelling/agreements_en.htm.

¹⁰ http://re.jrc.ec.europa.eu/energyefficiency/html/standby_initiative_main.htm.

scheme will, in the opinion of the Commission, meet objectives and the general principles defined in the Ecodesign Directive.

In particular, the voluntary scheme must continue to comply, throughout the period of its application, with the general principles defined in the Ecodesign Directive, including: contribution to the policy objectives of the Ecodesign Directive; openness to participation by all companies active on the CSTB market; coverage of a large majority of the relevant economic sector¹¹; clarity and unambiguity of its terms and conditions; transparency; well-designed monitoring system; and no disproportionate administrative burden. Furthermore, any specific ecodesign requirements for CSTBs placed and/or put into service on the EU market which are defined in the voluntary agreement and any subsequent versions concluded under the voluntary scheme should deliver added value in terms of the improved overall environmental performance of the products covered.

Moreover, the signatories to the voluntary scheme are required to:

- continuously assess progress in the application of the scheme,
- cooperate with the Commission services, Member States and stakeholders to continuously improve the environmental performance of CSTBs, in particular by continuously reducing the energy consumption targets defined in the voluntary agreement, and to include other relevant environmental aspects where appropriate,
- cooperate with the Commission services, Member States and stakeholders to improve the reporting mechanism and the monitoring rules,
- provide, by the deadlines stipulated in the voluntary agreement, relevant data to allow the Commission and stakeholders to monitor achievement of the objectives of the agreement, whereby each signatory commits to providing information on all the CSTB models it has placed and/or put into service on the EU market and information about the energy consumption of each CSTB model subject to the voluntary agreement, and
- make efforts to ensure the active involvement of potential signatories in the scheme.

5. MONITORING OF THE VOLUNTARY SCHEME

As required by point 6 of Annex VIII to the Ecodesign Directive, the Commission, assisted by the Ecodesign Consultation Forum and the Committee referred to in Article 19(1) of the Ecodesign Directive, will monitor the application of the voluntary scheme, in particular its compliance with the general principles, as well as the appropriateness of the ecodesign requirements specified in the voluntary agreement and any subsequent versions.

The Commission will give special attention to the reporting obligations and monitoring rules set out in the Ecodesign Directive, in existing Commission guidelines and in the agreement itself. In particular, the Commission will check whether the provisions of the agreement and their application by the signatories allow the Commission and stakeholders (including the national authorities) to effectively monitor the effectiveness of the agreement and how well it meets its objectives.

¹¹ At least 70% of the products placed on the market

If the Commission concludes that the objectives and general principles of the Ecodesign Directive, as reflected in the voluntary scheme, will not be met and/or the signatories to the voluntary scheme will not continuously reduce over time the energy consumption targets specified in the voluntary agreement or include, where appropriate, other relevant environmental aspects in subsequent versions, the Commission will adopt ecodesign requirements for CSTBs by means of a mandatory implementing measure.

6. CONCLUSIONS

The voluntary ecodesign scheme proposed by the industry for CSTBs complies with all provisions of the Treaty, international engagements of the EU and specific assessment criteria, so is considered valid under the Ecodesign Directive.

Commission assessment has revealed that this voluntary ecodesign scheme will achieve the policy objectives more quickly and at lesser expense than mandatory requirements.

The Commission recognises that CSTBs placed and/or put into service on the EU market should be subject to the voluntary ecodesign scheme. The conditions for the scheme are laid down in the voluntary agreement concluded by the industry.

The Commission considers this voluntary scheme to be a valid alternative to an ecodesign implementing measure, so will abstain, for now, from establishing mandatory ecodesign requirements for CSTBs placed and/or put into service on the EU market.

The Commission will continuously monitor the application of the voluntary scheme. Should this reveal that the objectives and general principles of the Ecodesign Directive are not being met, the Commission will consider establishing ecodesign requirements for CSTBs in a mandatory implementing measure.