

MARKET TRANSFORMATION PROGRAMME ADVISORY COMMITTEE (MTAC)

Minutes of the meeting held on Wednesday 15 June 2000

Present	Papers
Bob Ryder, DETR – Chair Andrew Gilchrist, ETSU Chris Baker, DETR David Simpson, SSE Deborah Brown, Ernst & Young Frans Berkhout, SPRU Max Holden, DTI Paul White, ETSU Phil Dolley, ETSU Teresa Smallbone, NCC Tim Curtis, EST Owen Emery, DETR – Secretary	ETSU briefing document IEA DSM Annex VII progress update Ecolabel Support

Membership matters

1. Brian Atkin had resigned from the Committee. It was felt that he should be replaced, and by somebody in the electronics sector. **ACTION: Paul White to canvass possible candidates.**
2. Max Holden was attending in place of David Payne.

Minutes of MTAC(00)1

3. These were approved.

Progress since MTAC(00)1

Sector review meetings

4. 5 meetings had taken place and 7 more were in the pipeline. To strike a balance between agreeing the underlying technical detail on the one hand and appropriate policy measures on the other, ETSU were developing more of a structured top-down approach, based the generic management matrix agreed at MTAC(00)1. Each review would present and test the level of consensus on each major element of the analysis (eg. REF and ETP baselines) and the proposed generic policy scenario (eg. minimum standards, best practice etc), drilling down into the underlying detail only where necessary to support the top-down discussion or to present new information.

5. Each review would aim to translate those generic policy measures into 'recommendations' which would identify illustrative actions for the key players including DETR, EST, manufacturers etc. In firming up the consensus on the underlying information and analysis, the review would also consider the actions required to research and resolve particular issues, for example, where the current working assumptions were weak. It was agreed that the primary determinant of recommended policy scenarios should be cost-effectiveness. The estimated policy costs and energy savings to be provided in each sector management matrix should help with maintaining a good balance in the programme and policy recommendations across all the sectors

Compliance testing

6. ETSU summarised the findings of the recently completed energy labelling compliance spot checks. Of the 28 cold appliances and 20 washing machines tested, 6 cold appliances had failed (1 on energy performance grounds), as had 16 washing machines (5 on energy performance grounds). In discussion, Committee members felt that "naming and shaming" of manufacturers might be an appropriate and effective action, following the success of recent public campaigns by environmental pressure groups in achieving industry action on wider environmental issues. But caution needed to be exercised on washing machines given the use of a new standard washing powder for the tests. The results of DETR tests on cold appliances, showing a general "optimism" in manufacturers' product information, were in line with a recent "Which" report on freezers and with ECI's "Cool Labels" report published in September 1998. There could be linkages with food safety policy.
7. For the future, the consensus of the Committee was that the MTP should do further work in this area (both at UK and EU levels) - even though this activity might prove costly in relation to the Programme as a whole - to ensure the credibility of energy labelling policy, which was a critical element of environmental product policy.
8. **ACTIONS: DETR to recommend to their Ministers a "naming and shaming" approach following the current exercise. For the longer term, an intention to continue with this work to be signalled to Ministers. Submission to be copied to DTI.**

Product databases

9. New databases covering set-top boxes, videocassette recorders and domestic personal computers would be placed on the MTP web site within the next fortnight. A database covering integrated receiver decoders was being developed, but this was not a straightforward process. The key limiting factor was the extent to which service providers like BSkyB adapted their business operation to enable full power management of set-top boxes. The MTP would continue to pursue a scenario which envisaged increasing power management.
10. The whole database concept was gathering momentum. Under pressure, most boilers manufacturers now supported the boilers database, and manufacturers of gas-fired appliances had, of their own volition, requested a similar database for their products. Databases, or "buyers' guides", would help consumers directly and were in line with

trends towards Internet shopping and “search-engine” information technology to help find the best buys. One of the main effects of public domain databases was to increase competition on environmental factors and to encourage manufacturers to align good environmental performance with other selling points. A related proposal by ACCPE would recommend to Ministers that DETR should establish Internet buyers’ guides to promote environmental goods and services.

CADENCE

11. The “Lower Carbon Futures” report had issued in March, and had attracted considerable press and media interest. It would be the subject of a conference on 21 June, which would also cover the English House Condition Survey 1996, Energy Report. The MTP would be represented at the 2nd international conference on household appliances and lighting, supported by the European Commission, to be held in Naples in September.

EU

12. The EU French Presidency were likely to press forward with plans to revise the energy labelling framework directive in the second half of the year, following endorsement at the Energy Council meeting on 30 May of an Energy Efficiency Action Plan devised by DGTREN. The Plan included a number of product policy proposals, such as a framework directive for voluntary and mandatory minimum standards, which were consistent with MTP scenarios.

Ecolabelling

13. Phil Dolley gave an overview and update on the EU ecolabelling scheme. Technical support for the UK Competent Body (DETR) was now provided via the MTP. Efforts now needed to be concentrated on functioning, direction and market acceptance issues, although dwindling Commission resources could hamper this process. DETR was taking a leading role in assisting the Commission in making a success of the scheme. Revised criteria were currently being developed for personal computers, portable computers and dishwashers, where there were particularly close links with existing MTP activities. Ecolabelling studies provided a wealth of data and information – eg relating to market and life cycle – which could be integrated into the MTP information base. The Commission saw a need for stronger links to be forged between the ecolabelling and energy labelling schemes. They were particularly keen to develop an ecolabelling strategy covering not only products but also consumption domains (eg in homes and offices), although progress was expected to be very slow.
14. **ACTION: DETR to keep Committee members informed of developments on both the ecolabelling front and integrated product policy.**

Management issues

15. A priority was still to increase the profile of the MTP, for example by promulgating headline policy developments and “Fast Facts”. It was a matter not just of improved profile and recognition of the contribution of MTP to other policy areas (although that was important if MTP was to secure the resources which it needed to carry out the work), but also of encouraging the use of and reference to authoritative MTP

information by policy makers in DETR and elsewhere. It was fundamental to joined-up Government to encourage the use of commonly held information and analysis. The whole process of policy information management needed to be made more open and transparent.

16. **ACTION: ETSU to continue to develop the MTP web site to make it more accessible to business, policy makers and consumers.**

Any other business

17. David Simpson drew Committee members' attention to a new home shopping web site www.hienergy.co.uk, and to a separate (cheaper) Internet electricity unit price which SSE would be introducing in September.

Date of next meeting

18. The next meeting would be held during October. **ACTION: DETR to canvass suitable dates with Committee members.**

Department of the Environment, Transport and the Regions
Environment, Business and Consumers Division
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