

**MARKET TRANSFORMATION PROGRAMME
ADVISORY GROUP (MTAG)
5th MEETING**

**Wednesday 29 October 2003, Room 7abc
Ashdown House, 123 Victoria Street London.**

AGENDA

1. Introductions and adoption of Agenda
2. Approval of Minutes of previous MTAG meeting held on 17 July 2003
3. Presentation of progress during Quarter 2, 2003-04
4. Update on progress on Co-operative Projects
5. MTP Reserve List of Projects
6. Proposed project: "Building Market Transformation"
7. Progress report on Implementation Plan for the Energy White Paper - The Matrix
8. Update on EUP Directive
9. Any Other Business

Circulation: All MTAG members

Attendance:

Andre Furstenberg, CT	Martyn Webb, Defra/EBC6
Bob Ryder, Defra/EBC (Chair)	Matthew Grek, OGC
Brenda Boardman, ECI	Owen Emery, Defra/EBC6
Chris Baker, Defra/EBC6	Paul White, AEAT
Deborah Brown	Peter Mallaburn, CT
Ian Kerrigan Defra/SEP	Teresa Smallbone

Apologies:

Arnold Pindar, BSI	Maggie Gibbons-Loveday, TSI
Bernie Walsh, Defra/EBC2	Peter Brunt, DTI/ESU
Charles Hargreaves, OFGEM	Peter Jiggins, Defra/WSR
David Payne, DTI	Rachel Crisp, DTI
David Williams, DfT/TM	Roger Worth, DfT/FL
Hunter Danskin, Defra/SEP	Steve Andrews, DTI
Jeremy Tait, AEAT	Ted King, ODPM/BR
John Chesshire	Tim Curtis, EST
John Lanchbery, RSPB	Tim Gettins, DTI

1. Introductions and adoption of Agenda

1.1 Those present introduced themselves including new MTAG member Matthew Grek, representing OGC.

1.2 The Agenda was adopted without amendment.

2. Approval of Minutes of previous MTAG meeting on 17 July 2003

2.1 These Minutes, which had been circulated to MTAG Members under cover of Chris Baker's letter of 1 October 2003, were approved without amendment.

2.2 In connection with paragraph 5.7, it was noted that funding for a project relating to the development of labelling and standards for water efficient appliances had now been agreed following discussions within Defra.

3. Presentation of progress during Quarter 2, 2003-04

3.1 Paul White briefly outlined MTP Progress during the last quarter (a copy of the Quarterly Progress Report is at Annex A). He explained that, while the MTP budget was still significantly below that for past years, buy-in from other bodies had seen it increase from an initial £500k to the current level of £665k. The increase had been specifically to: i) fund a scoping study of the applicability of the MTP approach for the **Food Sector** as requested by ACCPE (£60k), ii) take forward the Procurement agenda (£50k), iii) maintain the Knowledge Base (£40k), and iv) relieve pressures on the Ecolabelling front (£16k).

3.2 In addition the CT had commissioned work on **motors systems (£28k)**, as had the EST on **glazing (£14k)**.

3.3 Paul White also reported that the **Heat Replacement Effect** briefing note had been circulated for comment. This can be downloaded at <http://www.mtprog.com/approvedbriefingnotes/TheHeatReplacementEffectVersion2.aspx?kintUniqueID=277>

3.4 It was also pointed out that current budgetary pressures had resulted in the MTP becoming less proactive in promoting and developing the Programme. EBC was obliged to direct its resources to support policies for which it had the lead responsibility. In particular, considerable effort was being put into supporting areas of the Programme which would deliver the product standards and labelling agenda, including the Eco-Design for Energy Using Products Directive. This had put a sharp focus on prioritisation, requiring offsetting savings being found from elsewhere in the Programme and the long-list of reserve items remaining undone. The growing number of co-operatively funded projects was, however, encouraging.

3.5 Brenda Boardman suggested that the MTP needed to make more of an effort to engage the academic community and make use of the large amount of research that was being carried on, including that being done by ECI. Chris Baker agreed that this was an area where we should make more effort.

ACTION: Paul White to circulate to MTAG members a revised Product Policy Status table taking on board comments made at the 17 July MTAG meeting.

ACTION: Paul White to examine how the academic community and ECI could be better integrated into the MTP consultation process.

4. Update on progress on Co-operative Projects

4.1 Paul White reported on progress to date in establishing co-operative projects (Annex B). He noted that, while some good progress had been made (particularly in respect of the water sector and with DTI), the bulk of MTP funding was still provided by EBC Division. There was still some way to go in obtaining a balance of funding which would establish MTP as a commonly-owned programme, and reflecting the benefits provided to MTAG members.

4.2 Peter Mallaburn asked for all proposals for CT funding and wider issues of CT co-operation with the MTP to be routed via Defra/SEP, for consideration as part of the Business Planning Round.

ACTION: Defra/EBC to discuss CT handling issues with Defra/SEP.

ACTION: Paul White to forward relevant proposals to CT via Defra/SEP.

5. MTP Reserve List of Projects

5.1 AEAT presented the prioritised reserve list of work (Annex C) which was identified in the public domain MTP strategic Action Plans but for which EBC had insufficient resources to progress. The list and priorities were endorsed by the meeting.

5.2 Chris Baker asked MTAG Members to consider if there were any items on the reserve list which were of particular interest to other MTAG Members and which they might wish to fund; noting that, if funds could not be found, the work would not be done. AEAT requested that any expressions of interest in co-operative projects to take forward these items should be made by mid/late November, to provide adequate time for the placing of sub-contracts, etc.

ACTION: MTAG members to consider if they wished to support activities on the reserve list.

6. Proposed project: "Building Market Transformation"

6.1 Brenda Boardman outlined a proposal by ECI currently undergoing consideration by the CT as part of the LCIP, and other funding bodies.

6.2 Chris Baker said that it would be important for protocols to be established between this project and the MTP in order to ensure that information could be shared effectively between these projects, and to avoid proliferation/duplication of product modelling.

ACTION: Chris Baker to prepare a draft protocol for consideration by ECI.

7. Progress report on Implementation Plan for the Energy White Paper - The Matrix

7.1 Chris Baker provided a brief overview of progress to date in respect of the product policy elements of the Energy White Paper implementation plan. In particular, he explained the central role of the standards matrix which would be published later in November. This would determine an agenda for action to deliver methodologies and product information, and would provide a reference set of indicative standards for use by other policy measures, including labelling, regulation, voluntary industry targets, green procurement and innovation support. This was well received by attendees.

8. Update on EUP Directive

8.1 This proposed Directive was being considered by the EU Council Working Group and by the EU Parliament. As drafted, it would have a very broad remit: while the primary focus was on setting energy efficiency requirements, due regard would also be needed to other wider eco-design criteria. MTP would have an important role in supporting this policy by assessing the likely impacts and issues, and informing UK negotiating priorities.

8.2 Within the UK, Defra was managing negotiations in collaboration with DTI and would aim to maintain a consultative briefing document which would be published via the MTP website. To date there had been a meeting of internal Government interests, followed by a meeting of the key stakeholders. Several issues were emerging, for example, the need to ensure adequate arrangements for compliance and enforcement.

9. Any Other Business

9.1 The date of the next MTAG meeting was confirmed as **Tuesday 20 January 2004**.

9.2 Brenda Boardman drew attention to the recently published "Consumer Choice And Carbon Consciousness" report.

9.3 It was also noted that a joint Defra/OGC note on environmental issues in purchasing was being published on 31 October. This was aimed at achieving within Central Government the sustainable buying of a wide variety of products. All new contracts with suppliers would have to apply minimum environmental standards when certain types of product were being purchased, covering aspects such as energy efficiency, recycled content and biodegradability. The full note can be downloaded from the OGC website at http://www.ogc.gov.uk/embedded_object.asp?docid=1001225.

9.4 Defra had recently launched a consultation exercise on the introduction of "A+" and "A++" energy labels for domestic refrigeration appliances in the UK. The deadline for responses was 23 January 2004. Relevant documents can be downloaded from the Defra website at <http://www.defra.gov.uk/corporate/consult/energyinf-regs/index.htm>.

Quarterly Progress Report for MTAG Quarter 2 - 2003/2004

Executive summary

Strategy - Growing the MTP Knowledge Base

Consolidation of the Knowledge Base has been the main focus of Q2.

- There are **74 Briefing Notes live** on the mtprog.com web site, and a further 49 at various stages of preparation. **20 live Policy Briefs**, with a further 4 in advanced state of preparation.
- The **What-If tool** is now a fully-fledged MTP 'product', with a growing interest group including the EST, SEP, and the SEPN Analysts group.
- A first round of detailed consultations on the **Heat Replacement Effect** have been completed (reassessing the energy savings from domestic products), with results now published in BNDH05. This will be rolled out to Policy Briefs during Q3.
- Agreement has been secured from the **CT** to co-fund knowledge base development for motor driven systems through a major market study and two industry working groups on pumps and fans
- **Mtprog.com web site** has had 13,480 visitors since March 2003, and downloaded 1,190 PDF's of Policy Briefs, 1,880 Briefing Notes.
- A **re-budget** was necessary to re-adjust priorities in the face of limited resources. Some additional funds were secured and so cuts to sector activities were avoided, but outreach activities remain at a low level.
- Phase 1 of the Sustainable Goods and Services-funded green procurement initiative has delivered the following during this quarter:
 - All available **product performance standards** and information on **test methodologies** (both energy and environmental) have now been collated. This has exposed the lack of published data on performance standards. This has been gathered into an interim version of "Green Procurement Made Easier" (BNXS08), pending availability of the Matrix (below).
 - During Q3 these will be made publicly available via an MTP database (**the Matrix**), which was fully specified during Q2, with construction underway.
 - The home page and navigation system for the **UKEPIC web site** has been redesigned in readiness to deliver MTP procurement information. This is will be released in mid October.
 - Detailed discussions with procurement managers across private and public sectors have built a clearer picture of what information is required by them, and revealed the dearth of product performance benchmark information, particularly minimum standards on environmental performance (Ecolabels only set market leader specifications).

Policy Delivery

- The Water consuming products portfolio, which has been largely dormant for 6 months due to lack of funding, is poised to exploit some significant new opportunities for product labelling with funding from WRD
- Links have been reaffirmed with ODPM to ensure the MTP knowledge base is made available to those who can benefit in preparing Building Regulations and Energy Performance of Buildings Directive. MTP is represented on the Building Regulations Advisory Committee Working Group studying performance evaluation methodologies.
- Ecolabel activities have made good progress to plan against all objectives
- OGC have requested MTP co-operation as they build their Green product database. Negotiations are ongoing on supply of MTP information to JEMU, WRAP, the NHS, and the Cross-Governmental Sustainable Procurement Group.

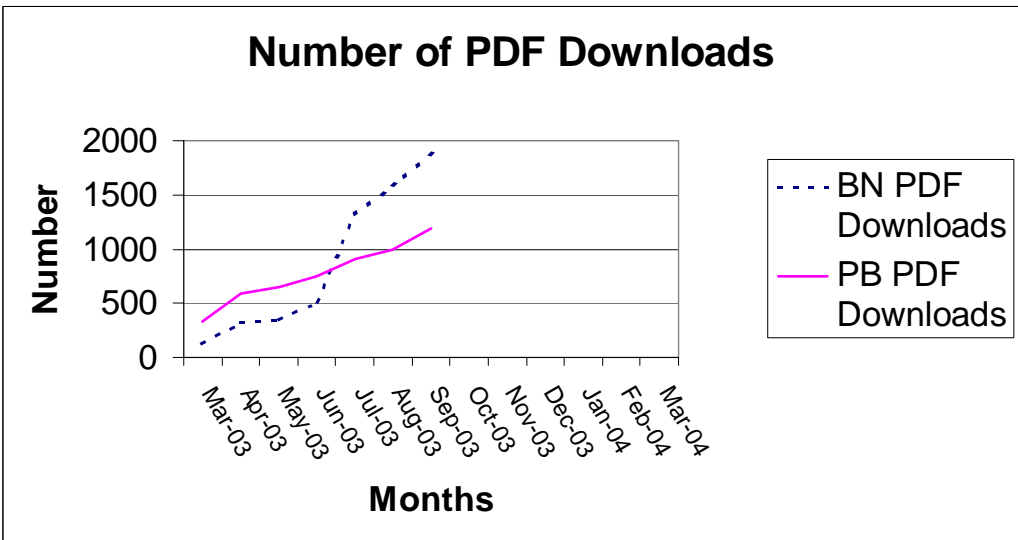
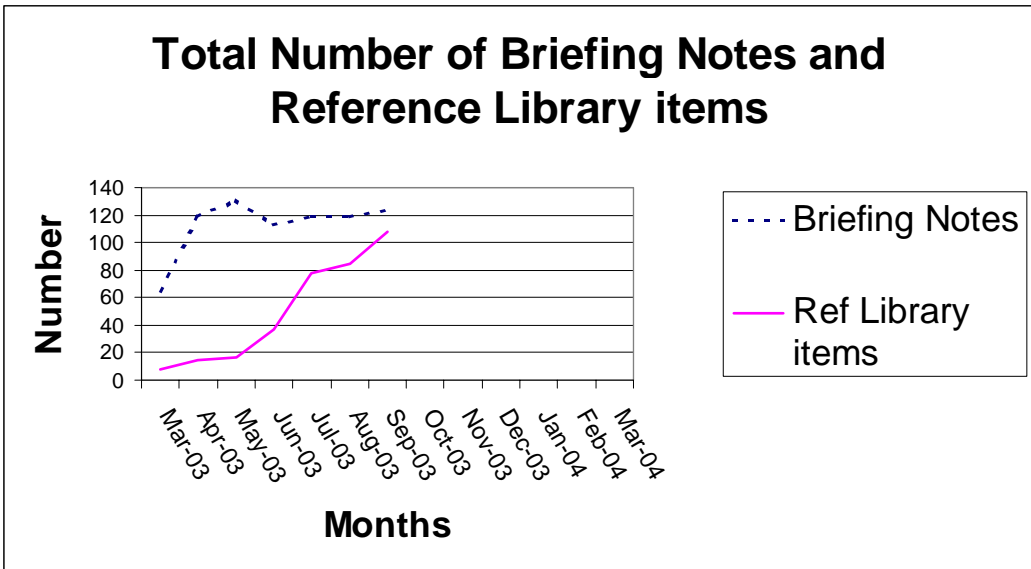
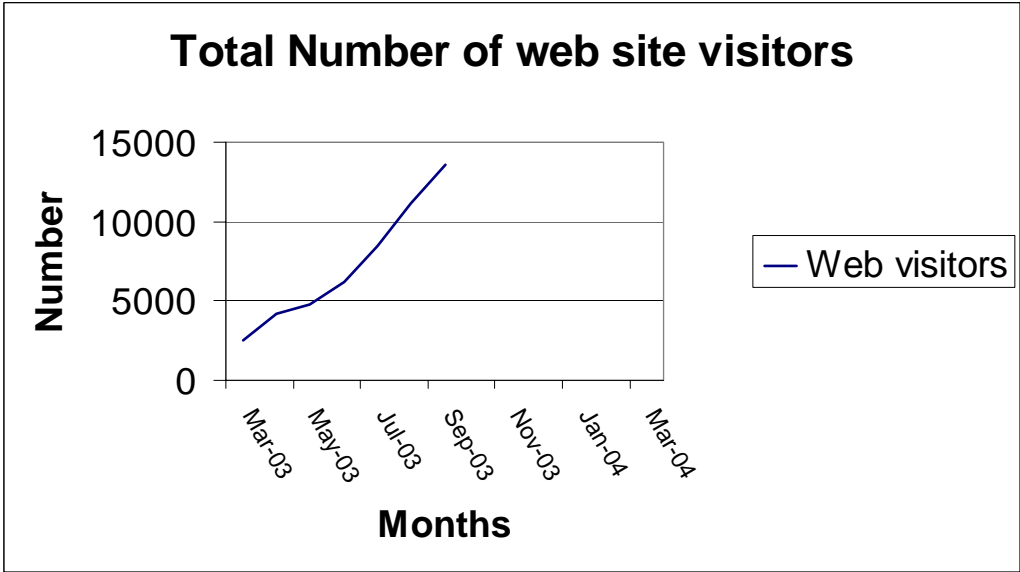
Outreach and Programme Development

- Funding has been secured from EST to build an MTP portfolio on **glazing products**, work to start in Q3.
- **Food sector**: ACCPE endorsed enthusiastically the MTP policy brief and report for the chicken meat products supply chain. ACCPE is now considering the way forward to extend this to other food products.
- An outline proposal for new Policy Brief covering **non-domestic heating** has been submitted to Defra for consideration
- A pilot briefing note on **waste streams** resulting from digital broadcast switchover has been completed. Further waste-related studies drawing on the MTP knowledge base and methodologies are being considered.
- MTP has prepared five papers for presentation at the Energy Efficiency of Domestic Appliances and Lighting (**EEDAL**) conference in Turin in October
- The Fan Manufacturers Association have published **press release** extolling the benefits achieved through joint working of CT and MTP initiatives – specifically MTP policy strategy giving rise to UKEPIC performance measurement initiatives, leading towards an ECA scheme category for their products.
- MTP now has a **0845 enquiry number** and email info@mtprog.com - both will be publicised in October.

The **full set of QPR reports** and deliverable statistics can be downloaded by clicking [here](#) (3.4MB Zip file).

The following pages show some key overview parts of this information.

Key web site statistics



New Briefing Notes published in quarter 2

Commercial Lighting

BNCL05 Energy efficiency test standards for commercial lighting

BNCL06 Performance standards for commercial lighting – an overview

Cross Sector

BNXS03 EuP Directive

Ecolabels

Fridge Ecolabel

Computer Ecolabel

Electric Motors

BNM6 – Information on test standards currently used for motors systems including motors, fans and pumps. It also provides information on the possible future requirements for product policy.

ICT and Energy Star

BNICT6 Indicative performance targets for ICT equipment

Packaged Cooling Equipment

BNCR04 Energy efficiency performance standards for hermetic and semi-hermetic refrigeration compressors

BNCR31 Energy efficiency test methodologies for Packaged Cooling Equipment

BNCR32 Overview of energy efficiency performance standards for packaged cooling equipment

Quarter 2 2003/2004 deliverables	Total 02/03	Total Q1	Total Q2	Domes tic Cold	Domes tic Cookin g	Domes tic Heatin g & Hot Water	Domes tic Lightin g	Domes tic Wet	Consu mer Electro nics	ICT	Comm ercial Lightin g	Electri c Motors	Comfo rt cooling systems	Packa ged cooling eqpt	Eco labellin g*	Water	Test standa rds & Target s	Procur ement	Cross-sector	Progra mme Deve lopment	Food Sector (chicke n products)	Knowl edge Base#	Glazin g	Marco mms
Existing BNs re-worked, major update/edit	-	18	19	1	0	1	1	0	1	3	0	5	0	3	3	0	0	1	0	0	0	0	0	
Number of new BNs published during Qtr	46	21	10	0	0	0	0	0	0	1	2	1	0	3	2	0	0	0	1	0	0	0	0	
Number of new BNs drafted but not published during Qtr	38	21	16	1	2	0	2	4	0	7	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total number of BNs withdrawn during Qtr	16	2	3	0	0	0	0	0	1	1	0	0	1	0	0	0	0	0	0	0	0	0	0	
Number of PB devt (STRATEGY) meetings (include sector meetings at which the PB was agenda item)	44	17	12	0	0	1	0	0	0	0	2	3	0	1	1	1	0	2	1	0	0	0	0	0
Number of meetings to gather or disseminate MTP info (DELIVERY) (additional to PB devt meetings)	38	11	17	1	0	2	0	1	0	1	3	0	0	0	4	0	1	2	0	0	0	2	0	0
Number of MTP OUTREACH meetings attended to explain or promote MTP (additional to other meetings above)	33	8	8	0	1	1	0	0	0	0	0	0	0	0	0	0	1	1	0	1	0	3	0	0
Number of conference papers, journal articles, web site pages etc written, or for which MTP information was provided	35	11	28	1	1	5	0	4	0	4	0	1	0	0	10	0	0	1	0	1	0	0	0	0
Total number of published and draft BNs in portfolio at Qtr end	81	123	142	6	4	5	13	12	10	12	6	6	2	20	22	9	2	1	5	0	7	0	0	
Approximate number of active sector stakeholders (regular participants)	-	-	213	6	5	10	8	6	5	10	13	20	14	22	30	12	18	5	4	0	20	5	0	
Approximate number of sector stakeholders that are sent PBs/BNs/updates	517	-	683	30	30	50	20	30	15	30	25	40	30	40	100	40	25	15	20	0	40	103	0	
Number of Policy Briefs published during Qtr	3	0	2	0	1	0	0	0	0	0	0	1	0	0		0		0	0		0		0	
Total number of Policy Briefs at Qtr end	24	25	27	1	1	2	1	4	6	1	2	1	1	1		3			2		1		0	

Statistics for ecolabelling are based on assuming: A) EU Ecolabelling Board meetings, regulatory committee meetings, presidential meetings, Policy Mgt group meetings and Defra progress meetings are all equivalent to PB meetings. B) UK position papers are equivalent to BNs (and not published)

includes What-If, Knowledge Management, UKEPIC & Web Site

PROGRESS UPDATE ON CO-OPERATIVE PROJECTS. October 2003

EXISTING PROJECTS

Food Industry Sector

£60k project now completed for ACCPE Committee.

Project: To examine potential of MTP process for application to food sector products to identify best policy mix to reduce consumption through supply chain.

Output: Policy brief, 7 Briefing Notes and Model for Chicken products

Outcome: MTP works as a tool. Industry and DEFRA Food Divn found approach very constructive. ACCPE endorsed Report.

Product Procurement Guide and UKEPIC

£50k project for DEFRA EBC Divn in two phases.

Project Phase 1 (£25k):

- Liaison with procurement information stakeholders inc OGC
- Developing MTPs "Green Procurement Made Easier"
- Updating and redesigning UKEPIC website

Output:

- OGC Green Product database will use MTP procurement specs
- 50% of information gaps now filled
- Website re-vamped

Project Phase 2 (£25k):

This phase has recently been approved, and consists of provision of whole life cost data for some products, co-ordination with government departments, development of eco-specs.

Motor Systems Sector

£42k collaborative project with The CT.

Project: major market study of stock motor systems and 2 industry working groups on pumps and fans.

Glazing Sector

£15k project for ESTs Energy Efficiency Partnership Glazing Group, commissioned in October.

Project: To develop a Policy Brief for domestic glazing sector, with single round stakeholder consultation and model.

Output: Policy Brief and Model (March 2004)

Domestic Water Sector

£5k project to enable continuity of the MTP water sector activity this FY for DEFRA WRD Divn.

Project: Continued consultation on existing Policy Briefs

PROPOSED PROJECTS

Water sector

£48k project being discussed with DEFRA WRD for provision of water labelling and test methodology for 5 products (toilets, showers, taps, washing machines and dishwashers)

Innovation and Competition

£30k project being discussed with DTI for development of innovation and competition policy options for two product areas, covering at least two environmental objectives. Method: MTP stakeholder consultation and modelling approach delivering policy map, potential measures and performance-based product standards.

Domestic Sector Proposals to EST

Seven MTP collaborative proposals have recently been discussed with senior EST personnel. The following table summarises present outcome.

Proposal	Decision
Extension of present Glazing Sector PB Development into next Financial Year (£30k)	Low priority sector unless current MTP project indicates radically different impact scenario to current understanding Co-funding unlikely
Develop Domestic IT Sector Policy Brief and Forward EER Specifications (£40k)	Depends on outcome of current EST research regarding consumer impact of brown goods labelling/endorsement Await research outcome
Stimulating Energy Efficient Innovation In Domestic Product Sector (£50k)	R&D/design not an approved domain for EST work. Seek support from CT LCIP and/or DTI Innovation
Consumer Product Databases – test demand potential and delivery media for product databases with consumers and retailers (£unspecified)	As this focuses on non-labelled goods (brown/IT). Depends on and linked to current EST consumer research (see above) Await research outcome, though unlikely to support
Integrating EER specs with future MTP product specs – to provide a design dynamic for manufacturers new product development (£20k)	Liaison with MTP already exists through Endorsement Panel. Forward Spec review vision 1 year only (ie only products currently in marketplace). Not currently considered within EER scheme framework scope
Labelling Compliance and Data Reliability (£ unknown)	Current liaison on compliance and imminent agreement on disclosure of information sharing with MTP Data reliability on non-labelled products unlikely development for EST No linkage beyond potential compliance testing envisaged
Feasibility and Economic Assessment of UK Initiative for consumer energy use information and remote utility monitoring - saving potential 10% domestic consumption. (£50k project management with commercial partner funding)	Considered potential for scope within EST Innovation Programme (project tooling exists). Seek support through CT LCIP and/or DTI Innovation also

High priority reserve items to the total value of 50k

This is the current list of proposed MTP tasks in descending order of priority, to a total value of £50k.

A further 35 items are in the full list, with additional total cost of £685k. Full details of projects and prioritisation assessments are given in the spreadsheet '*reserve items snapshot 201003.xls*' disseminated with the MTAG notes.

Assessed by MTP team according to: Materiality to influence product policy development; materiality to unlock savings potential; contribution to policy evidence base; complementarity with current policy priorities; and value for money.

Description	Cost £k
Develop outline Policy Brief for commercial/industrial space heating - gather existing info, build policy list; develop outline action plan for the policy brief; list and cost next steps to take the PB forward	7.0
Roll out of heat replacement effect to sectors: adjust PB template, calculate and edit numbers	2.0
Energy label test methodology for fridges: Compare EN153 test methodology for domestic refrigerators, to evaluate case for changing test spec to use door openings (as per EN441). Desk study for evidence and published material, develop BN. (follow on practical test costs 14k - say 3 fridges tested to EN441 and EN153, compare results)	3.0
Heat Replacement effect workshop with SEP, 1 day in Nov/Dec 03	2.0
BN on carbon intensity factors for gas, oil, coal etc	0.6
BN on UK population time series (reconciliation of DTI and EST data with BNXS19)	0.6
BN on household numbers (reconciliation of DTI and EST data with BNXS19)	1.0
Reinstate test methodologies budget (cut in August, but not yet reinstated as per other sectors)	2.0
WhatIf for air conditioners	6.0
Formalise the 8 proposed summary policy action plans (cross-sector): Test methodologies (largely done) Regulatory energy labelling; Data quality and compliance Product standards matrix; EUP and minimum standards (reg & vol); Procurement; Economic incentives (incl EEC, EEC2); Innovation	6.0
Ecolabel: Participation at Policy Management Group meetings to represent the 2 strategy devt tasks that UK is managing. £1.5k	1.5
MTPROG.COM web site next phase developments - Web team proposal, include. 4 days planning, co-ordination and proof testing by MTP team to implement: 'What's New' home page feature; Upgrade News & events presentation; Add glazing sector; Improve PB presentation; 'Join interest group' button; Upgrade Ref library functionality.	8.0
Deliver rational MTP policy action plans in each sector on Economic Incentives	6.0
EEC meeting 19 November - prepare MTP input, attend and disseminate results - incl Heat Repl Effect	0.8
Total:	46.5