



Position on the Sustainable Consumption of Goods Initiative

Brussels, 4 April 2022

Executive Summary and Recommendations

The Sustainable Consumption of Goods Initiative (SCGI) covers the development of a European Commission proposal to amend the Sales of Goods Directive (EU) 2019/771 with right-to-repair requirements. The undersigned associations welcome the feedback opportunity for this initiative.

Nonetheless, the undersigned associations would like to offer recommendations, further explained in this paper, in order to optimise the efficiency of the SCGI in relation to other EU policies.

Recommendations

- 1) HVACR equipment is long-lasting and repairable
- 2) Avoid overlaps with existing legislation, e.g., the Ecodesign Directive
- 3) Product-specific requirements for HVACR equipment under the Ecodesign Directive
- 4) Include importance of training and certification

Introduction

The undersigned associations welcome the stakeholder consultation opportunity provided by the European Commission on the forthcoming Sustainable Consumption of Goods Initiative (SCGI), under the 2020 Circular Economy Action Plan (CEAP) 2.0.

Nonetheless, we would like to raise our concerns and offer recommendations in order to optimise the efficiency of the SCGI in relation to other policies that are also addressing material efficiency and sustainability of goods. The main aspect of our views is that HVACR equipment should be outside the objectives of the SCGI. The reason is that HVACR are already covered by Ecodesign and Energy Labelling requirements and that double regulation, with the possibility of contradicting requirements, should be avoided. Our position is further elaborated in the recommendations below.

Recommendations

1. HVACR equipment is long-lasting and repairable

According to the Call for Evidence, the purpose of the SCGI is to establish a horizontal Right-to-Repair (R2R) as a backstop and safety net for consumers. As can be inferred from the questions in the open public consultation, the focus of the SCGI is consumer electronics, furniture, toys, instead of more durable products with longer lifetimes (i.e., HVACR and other Technical Building System (TBS)).

The undersigned organisations firmly recommend that durable HVACR products already covered by Ecodesign with longer lifetimes are out of scope of the SCGI. Material efficiency requirements are already being implemented or developed under the Ecodesign Framework for HVACR and TBS, within the product-specific Ecodesign regulations.

2. Avoid overlaps with existing legislation, e.g, the Ecodesign Directive

The 2015 CEAP 1.0 and the Communication on the Ecodesign Working Plan 2016-2019 determined a path of the progressive application of material efficiency requirements in the Ecodesign Framework. Such requirements were successfully integrated in the subsequent revisions of the product-specific Ecodesign requirements.

Building on this, material efficiency requirements have been or are currently being integrated in ongoing revisions of Ecodesign requirements covering HVACR/TBS:

- ENER Lot 1 (space heaters)
- ENER Lot 2 (water heaters)
- ENER Lot 10 (air-to-air heat pumps, air conditioners, and comfort fans)
- ENER Lot 11 (fans, circulators, motors)
- ENER Lot 12 (direct sales refrigeration)
- ENER Lot 20 (local space heaters)
- ENER Lot 30 (electric motors)
- ENTR Lot 1 (professional refrigeration)
- ENTR Lot 6 (ventilation)

The new material efficiency requirements under discussion aim at obliging suppliers to establish strict spare parts capabilities and to provide access to information to enhance repairs. This includes:

- **Availability of spare parts:** suppliers are required to stock and make available critical spare parts for durations depending on the specific characteristics of the product. A procedure for ordering the critical spare parts is required to be made publicly available.
- **Maximum delivery time of spare parts:** suppliers are required to ensure the delivery of critical spare parts within a maximum delivery time after having received the purchase order.
- **Access to repair and maintenance information (RMI):** suppliers are required to provide non-exhaustive access to RMI for professional repairers.
- **Information requirements:** instruction manuals and publicly accessible websites are required to provide installation and maintenance instructions, contact information for professional repairers, and information for ordering spare parts and on the minimum duration of the guarantee.

The above-mentioned material efficiency requirements, in particular the stocking of critical spare parts, incentivise repair to extend the lifetime of HVACR/TBS as the primary remedy, already

creating a R2R. The undersigned associations would like to point at the fact that repair is already often the preferred option for HVACR installations due to the investments required from consumers and business to tailor the installations to their needs and the buildings they are placed in. We also strongly believe that manufacturers are likely to prefer repair as well over replacement to utilise stocks of critical spare parts, which are a liability as a depreciating asset. Moreover, spare parts have expiration dates after which they become waste, subject to end-of-life requirements, such as those of the Waste Electronic and Electrical Equipment Directive (WEEE), which would constitute an additional cost for manufacturers.

Please note that further material efficiency requirements are being developed under the Ecodesign Framework, most notably in the context of the ongoing revision of the Methodology for the Ecodesign of Energy related Products (MEErP) and the soon-to-be-published Sustainable Products Initiative.

As such, HVACR/TBS under the scope of product-specific Ecodesign requirements must be excluded from the scope of a horizontally applicable rules under the SCGI. The undersigned organisations strongly believe that the R2R is already well-applied in our sector. Not only because of the fact that the product-specific approaches under the Ecodesign Framework is prudent and effective due to the technical and regulatory characteristics of HVACR/TBS, but also because of the nature of the HVACR business itself.

3. Product-specific requirements for HVACR equipment under the Ecodesign Directive

HVACR/TBS products are durable goods with long lifetimes and therefore cannot be compared to short-lived consumer goods, such as consumer electronics or toys. HVACR/TBS products are off the shelf products, as they are often sold via business-to-business (B2B) channels or to the consumer by a professional installer. In these cases, the length of guarantee and repair expectations are detailed in contractual obligations between the manufacturer and the procuring business. Such contractual arrangements often go beyond the material efficiency requirements under the product-specific Ecodesign rules. Proper maintenance and repair are a paramount in the HVACR business.

As an example, in the Final Report for the ongoing revision of ENER Lot 10 (air conditioners), average lifetimes range from 12 years for a small-split residential air conditioner, to 20 years for large capacity chillers for non-residential applications:

Table 23: Average lifetime of units per product type

Technology	Average lifetime (years)
Movables + Window Units	10
Small Split (<5 kW)	12
Big Split (>5 kW, incl. ducted)	12
VRF	15
Rooftop + Packaged	15
Chillers (A/W) < 400 kW	15
Chillers (A/W) > 400 kW	20
Chillers (W/W) < 400 kW	15
Chillers (W/W) > 400 kW	20

Source: ENER Lot 10 Final Report

The same applies to the other product groups in the scope of the above-mentioned Ecodesign regulations.

4. Include importance of training and certification

Installation and maintenance of HVACR/TBS is conducted by trained and professional installers/repairers for reasons related to safety and energy efficiency.

From a safety perspective and due to the flammability of refrigerants, EU-based installers and repairers of refrigeration, air conditioners, and heat pumps (RACHP) are obliged to be trained and certified under the F-gas Regulation. It is therefore safety critical that only qualified professionals, whose certifications are verified by suppliers, have access to RMI and can conduct repairs.

Similarly, from an energy efficiency perspective, the quality of repairs matters. This means that it is essential that repairs are carried out by professionals, so that the repairs are not detrimental to the energy performance of the heating or cooling system, from a decarbonisation and consumer perspective. In addition, under the Energy Performance of Buildings Directive (EPBD), Member States are required to establish measures to ensure regular inspection of heating and air conditioning systems over 70 kW by professionals, including at their commissioning time, to ensure that they operate efficiently, from an energy standpoint, during their operational lifetimes.¹

As such, we strongly recommend that the SCGI focuses rightfully in sectors where repair and maintenance are not at the core of the business. A product-specific approach (under the Ecodesign Framework) is more appropriate for the durable nature of HVACR/TBS, which also have specific safety and performance considerations requiring professional repair.

¹ Arts. 14-15 of Directive 2010/31/EU of 19 May 2010 on the energy performance of buildings.

About the signatory associations

About CEFACD

The Comité Européen des Fabricants d'Appareils de Chauffage et de Cuisine Domestique (CEFACD) represents the European manufacturers of individual heating and cooking appliances. We represent over 300 local companies generating € 5 billion in sales volume. Our members have a strong European footprint and contribute to wellbeing by providing local heating appliances to European households. More information: <https://www.cefacd.eu/>

About EHI, the Association of the European Heating Industry

EHI represents 90% of the European market for heat and hot water generation, heating controls and heat emitters, 75% of the hydronic heat pump market, 80% of the biomass central heating market (pellets, wood) and 70% of the solar thermal market. EHI Members produce advanced technologies for heating in buildings, including: heating systems, burners, boilers, heat pumps, components and system integrators, radiators, surface heating & cooling and renewable energy systems. In doing so, they employ about 120,000 people in Europe and invest over a billion Euros per year in energy efficiency. www.ehi.eu

About the European Heat Pump Association (EHPA)

The European Heat Pump Association (EHPA) is a Brussels based industry association which aims at promoting awareness and proper deployment of heat pump technology in the European marketplace for residential, commercial and industrial applications.

EHPA provides technical and economic input to European, national and local authorities in legislative, regulatory and energy efficiency matters. All activities are aimed at overcoming market barriers and dissemination of information in order to speed up market development of heat pumps for heating, cooling and hot water production.

EHPA coordinates quality initiatives: including the HP KEYMARK, a Quality label for heat pumps and Certification standards for heat pump installers. The association compiles the annual heat pump statistics and organizes a number of events, among them an annual heat pump conference.

About the European Infrared Heating Alliance (EIHA)

The European Infrared Heating Alliance (EIHA) is a network of national associations that represents infrared heating manufacturers who have a strong European footprint. Together, we develop environmentally friendly heating that is powered by renewables. Our products are fully repairable, sustainable, and improve the comfort and wellbeing of users. More information: www.ig-infrared.com/en/home.html

About EPEE

EPEE represents the Refrigeration, Air-Conditioning and Heat Pump industry in Europe. Founded in the year 2000, EPEE's membership is composed of over 50 member companies as well as national and international associations from three continents (Europe, North America, Asia). With manufacturing sites and research and development facilities across the EU, which innovate for the global market, EPEE member companies realize a turnover of over 30 billion Euros, employ more than 200,000 people in Europe and also create indirect employment through a vast network of small and medium-sized enterprises such as contractors who install, service and maintain equipment. Please see our website (<https://www.epeeglobal.org/>) for further information.

About EVIA

The European Ventilation Industry Association (EVIA) was established in Brussels in July 2010. EVIA's mission is to represent the views and interests of the ventilation industry and serve as a platform between all the relevant European stakeholders involved in the ventilation sector, such as decision-makers at the EU level as well as our partners in EU Member States.

Our membership is composed of more than 40 member companies and 6 national associations across Europe realising an annual turnover of over 7 Billion Euros and employing more than 45,000 people in Europe.

EVIA aims to promote highly energy efficient ventilation applications across Europe, with high consideration for health and comfort aspects. Fresh and good indoor air quality is a critical element of comfort and contributes to keeping people healthy in buildings.