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COMMISSION DELEGATED REGULATION (EU) .../...

of XXX

supplementing Regulation (EU) 2017/1369 of the European Parliament and of the Council with regard to energy labelling of electronic displays

repealing delegated Regulation (EU) 1062/2010 with regard to energy labelling of televisions

(Text with EEA relevance)

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EXPLANATORY MEMORANDUM

1. CONTEXT OF THE DELEGATED ACT

1.1. Legal and political context of the proposal

In the EU, the Ecodesign Framework Directive¹ sets a framework requiring manufacturers of energy-related products to improve the environmental performance of their products by meeting minimum energy efficiency requirements, as well as other environmental criteria such as water consumption, emission levels or minimum durability of certain components before they can place their products on the market. The Energy Labelling Framework Regulation² complements the Ecodesign Framework Directive by enabling end-consumers to identify the better-performing energy-related products, via an A-G/green-to-red scale³. The energy label is recognised and used by 85% of Europeans⁴. The legislative framework builds upon the combined effect of the two aforementioned pieces of legislation.

The ecodesign and energy labelling framework are central to making Europe more energy efficient, contributing in particular to the 'Energy Union Framework Strategy₂⁻⁵ and to the priority of a Deeper and fairer internal market with a strengthened industrial base⁻⁶. Firstly, this legislative framework pushes industry to improve the energy efficiency of products and removes the worst-performing ones from the market. Secondly, it helps consumers and companies to reduce their energy bills. In the industrial and services sectors, this results in support to competitiveness and innovation. Thirdly, it ensures that manufacturers and importers responsible for placing products on the European Union (<u>EU</u>) market only have to comply with a single EU-wide set of rules.

Under this framework, televisions (and television monitors) are regulated by Commission Regulation (EC) No $642/2009^7$ (Ecodesign) and Commission Delegated Regulation (EU) No 1062/2010 (Energy Label)⁸.

¹ 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. OJ L OJ L 285, 31.10.2009, p. 10 (Ecodesign Framework Directive)

Regulation (EU) 2017/1369 of the European Parliament and of the council of 4 July 2017 setting a framework for energy labelling and repealing Directive 2010/30/EU. OJ L 198, 28.7.2017, p. 1 (Energy Labelling Framework Regulation)

³ Under the old Energy Labelling Framework Directive 2010/30/EU, energy labels were allowed to include A+ to A+++ classes, the new framework regulation requires a rescaling of existing energy labels, back to the original A to G scale (See also Section 1.3).

⁴ Study on the impact of the energy label – and potential changes to it – on consumer understanding and on purchase decisions - . LE London Economics and IPSOS, October 2014

⁵ Communication From The Commission To The European Parliament, The Council, The European Economic And Social Committee, The Committee Of The Regions And The European Investment Bank - A Framework Strategy for a Resilient Energy Union with a Forward-Looking Climate Change Policy. COM/2015/080 final. (Energy Union Framework Strategy)

⁶ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions - Upgrading the Single Market: more opportunities for people and business COM/2015/550 final. 28 October 2015. (Deeper and fairer internal market)

⁷ Commission Regulation (EC) No 642/2009 of 22 July 2009 implementing Directive 2005/32/EC of the European Parliament and of the Council with regard to ecodesign requirements for televisions. OJ L 191, 23.7.2009, p. 42–52

⁸ Commission Delegated Regulation (EU) No 1062/2010 of 28 September 2010 supplementing Directive 2010/30/EU of the European Parliament and of the Council with regard to energy labelling of televisions. OJ L 314, 30.11.2010, p. 64–80

Article 7 of Commission Delegated Regulation (EU) No. 1062/2010 requires a review within 5 years (i.e. by December 2015).

Furthermore, the Ecodesign working plan 2016-2019⁹_also includes the review of both regulations, requiring in particular to examine how aspects relevant to the circular economy can be assessed and taken on board. This is in line with the Circular Economy Initiative¹⁰, which concluded that product design is a key in achieving the goals, as it can have significant impacts across the product life cycle (e.g. in making a product more durable, easier to repair, reuse or recycle). Moreover, signage displays are specifically listed in the Commission's 2016-2019 Ecodesign Working Plan to be taken up in the revision of the existing regulations for televisions.

In August 2017, the new Energy Labelling framework Regulation (EU) 2017/1369 entered into force, repealing Directive $2010/30/EU^{11}$. Under the repealed Directive, energy labels were allowed to include A+ to A+++ classes to address the overpopulation of the top classes. Over time, due to technological development, also the A+ to A+++ class became overpopulated, thereby significantly reducing the effectiveness of the labels. To resolve this, the new framework regulation requires a rescaling of existing energy labels, back to the original A to G scale. Article 11 of the Energy Labelling framework Regulation lists 5 priority product groups for which new delegated acts with rescaled energy labels must be adopted at the latest on 2 November 2018. Televisions is one of the priority product groups.

Finally, several new policy initiatives indicate that ecodesign and energy labelling policies are relevant in a broader political context. The main ones are the Energy Union Framework Strategy, which calls for a sustainable, low-carbon and climate-friendly economy, the Paris Agreement¹², which calls for a renewed effort in carbon emission abatement, the Gothenburg Protocol¹³, which aims at controlling air pollution, the Circular Economy Initiative¹⁴, which amongst others stresses the need to include reparability, recyclability and durability in ecodesign, the Emissions Trading Scheme (ETS)¹⁵, aiming at cost-effective greenhouse gas (GHG) emissions reductions and indirectly affected by the energy consumption of the electricity using products in the scope of ecodesign and energy labelling policies, and the Energy Security Strategy¹⁶, which sets out a strategy to ensure a stable and abundant supply of energy.

1.2. General context

Although all electronic displays are characterised by relevant improvements in energy efficiency, mostly driven by the television manufacturing sector, and although computer monitors are not going to have a major share in terms of energy consumption in the coming

⁹ Communication from the Commission Ecodesign Working Plan. COM(2016) 773 final, Brussels, 30 November 2016. (Ecodesign Working Plan 2016-2019)

¹⁰ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions Closing The Loop - An EU Action Plan For The Circular Economy (Circular Economy Initiative)

¹¹ Directive 2010/30/EU of the European Parliament and of the Council of 19 May 2010 on the indication by labelling and standard product information of the consumption of energy and other resources by energy-related products. OJ L 153, 18.6.2010, p. 1.

¹² Global agreement in response to climate change of 2015 (Paris Agreement)

Protocol to abate acidification, eutrophication and ground-level ozone of 1999 (Gothenburg Protocol)

¹⁴ Communication From The Commission To The European Parliament, The Council, The European Economic And Social Committee And The Committee Of The Regions Closing The Loop - An EU Action Plan For The Circular Economy (Circular Economy Initiative)

¹⁵ https://ec.europa.eu/clima/policies/ets_en (ETS)

¹⁶ Communication of the commission to the European Parliament and the Council European Security Strategy. COM(2014)0330 final.

years, all electronic displays, mainly because of the trend in increasing size and in multiplying their number, and signage displays in particular, because of their generally bigger size and far higher luminance, are foreseen to continue having an important share of energy use, unless corrective action is taken, as **Figure 1** illustrates.



Figure 1: Yearly energy use in TWh, in on-mode of the three most relevant types of electronic displays, 1990-2030 in a business as usual (BAU) scenario (source VHK, 2018).

So far, of the different types of electronic displays, only TVs have been subject to mandatory energy labelling measures (under Commission Delegated Regulation (EU) 1062/2010) and ecodesign requirements (laid down by Commission Regulation (EC) 642/2009). Other displays are only covered by horizontal requirements (i.e. Standby Regulation (EC) 1275/2008).

The Regulations in force are based on a preparatory study and assessment that dates back ten years now¹⁷. As required by the review clause, in 2012, the Commission started the review of the two television regulations with a study and presented its conclusions to stakeholders. The review showed already at that time that regulatory gaps and market failures existed, preventing the full achievement of the identified energy savings potential. The collection of information was extended and data analysis was repeated, highlighting the opportunity of corrective action. In total a database of over 3000 models of electronic displays placed on the EU market was analysed between 2012 and the end of 2017 in four different stages.

Market and regulatory failures have been highlighted since the beginning of the review and a number of new issues emerged in the meantime that need to be corrected and that can be summarised as follows:

- Insufficiently stringent minimum and ecodesign requirements and energy labelling applying to TVs due to unpredicted technological change and which led to overpopulating the top classes: already in 2017 over 85% of televisions sold were in classes above "B";
- Rapidly progressing functional convergence between different electronic displays, such as televisions, computer monitors, and signage displays, creating possible regulatory loopholes. TVs have been increasingly enabled for web browsing, for watching Internet streamed content or even for gaming and other displays, have are commonly used to watch content traditionally viewed only on TVs. Moreover the

¹⁷ The preparatory study for the Regulations in force was performed in 2006-2007, during an unprecedented technology and market revolution.

obsolete definition of "television monitor" in the Regulation in force may be interpreted as covering many of the computer monitors now on the market¹⁸;

- Lack of requirements on new energy-intensive features, such as High Dynamic Range (HDR), that first appeared in premium models in 2016 and is progressively available in more affordable models (although the availability of HDR-enabled content is still extremely limited). HDR, when poorly implemented, can more than double the energy consumption of the electronic display;
- Lack of requirements on resource efficiency aspects.

The aim of the proposed regulation on energy labelling is to provide a renewed incentive to manufacturers to improve energy efficiency of electronic displays, reboosting the market take-up of energy-efficient products mainly by:

- Extending its scope to the most common electronic displays;
- Rescaling the energy label, now ranging from A+++ to D, to the original A to G scale;
- Providing to customers indications in the label for a better informed purchase choice, better corresponding to real life use and better comparing products that are comparable.

1.3. Existing provisions in the area of the proposal

The following measures, currently in force, address the environmental performance of electronic displays:

- Directive 2010/30/EU¹⁹ of the European Parliament and of the Council of 19 May 2010 on the indication by labelling and standard product information of the consumption of energy and other resources by energy-related products;
- Directive 2009/125/EC²⁰ 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 ;
- Commission Delegated Regulation (EU) No 1062/2010²¹ of 28 September 2010 supplementing Directive 2010/30/EU of the European Parliament and of the Council with regard to energy labelling of televisions;
- Commission Regulation (EC) No 642/2009²² of 22 July 2009 implementing Directive 2005/32/EC of the European Parliament and of the Council with regard to ecodesign requirements for televisions.

Moreover, Commission Decision 2009/300/EC of 12 March 2009 establishing the revised ecological criteria for the award of the Community Eco-label covers televisions with some stricter energy efficiency requirements and addresses other environmental issues²³.

¹⁸ Definitions are based on obsolete interface definitions and cause legal uncertainty.

¹⁹ OJ L 153, 19.05.2010, p. 1

²⁰ OJ L 285, 31.10.2009, p. 10

²¹ OJ L 314, 30.11.2010, p. 64

²² OJ L 191, 23.07.2009, p. 42

²³ About a hundred television models have been certified with an Ecolabel since its establishment 9 years ago. Requirements include e.g. absence of the most toxic flame retardant (FR) additives, design facilitating repair and dismantling at end of life.

Furthermore, standby Regulation 1275/2008 covers the displays not covered by the television regulation. Finally, monitors and signage displays were included in the EU-US Energy Star Agreement (in Annex C), now elapsed.

As a result, monitors and signage displays are today no longer covered by any labelling programme, even on voluntary basis and no labelling instrument exist to cover these products as public procurement criteria.

1.4. Consistency with other EU policies and objectives

Promotion of market take up of efficient electronic displays contributes to the Europe 2020 agenda and its target of 20% energy savings by the year 2020 and 32.5% energy savings objective by 2030. It aims to support more efficient and sustainable use of resources, protect the environment, strengthen the EU's leadership in developing new green technologies, improve the business environment and help consumers make more informed choices.

2. CONSULTATIONS PRIOR TO THE ADOPTION OF THE ACT

2.1. Consultation of interested parties

EU and international stakeholders and Member States' experts have participated in the process from the beginning.

The proposal for energy labelling was discussed together with potential ecodesign requirements in 4 different Consultation Forums (CF) with Member States' experts, representatives of manufacturers, environmental non-governemental organisations ('NGOs') and consumer organisations. A number of representatives of other organisations took also part to the discussions as invited, such as European organisations representing the recycling industry, repairers, waste management and environmental services (municipalities and private sector),

All relevant working documents were sent to Member States, the European Parliament and stakeholders and were published in the Commission's CIRCA website thirty days before the CF meetings. Following the CF meetings stakeholders were given additonal thirty days for submitting written comments (available on CIRCA²⁴ website).

Furthermore, specific aspects of individual requirements have been discussed between Commission staff and various stakeholders at several bilateral and multirateral meetings held betwen 2013 and March 2018. The process was conducted in an open process, taking into account input from all relevant stakeholders and independent technical experts.

In principle, the proposed energy labelling scheme for electronic displays has been supported by Member States and stakeholders.

Regarding the product scope, an overwhelming majority of Member States and NGOs agreed since the CF in 2012 and following the discussion held in a previous CF in 2009²⁵, on a proposed extension of the labelling scheme to electronic displays other than televisions. Manufacturers, however, requested exceptions or different requirements for specialised displays, such as public displays, professional monitors for graphic applications and broadcast monitors.

The proposed energy labelling measure incorporates the comments expressed by Member States and stakholders at and after the three CF meetings.

²⁴ https://circabc.europa.eu/w/browse/d46d97b6-b78b-45ce-b0be-56864222a689

²⁵ ENER Lot 3, Computers and computer displays, resulting in the Computers ecodesign Regulation 617/2013.

Additiona evidence and data during the preparatory process has been colelced in the context of the Impact Assessment of 2013²⁶ and its update in 2015 (see further). Market and technical data was acquired through several bilateral and multirateral meetings with stakholders or via publicly available data²⁷.

Furthermore, the Commission established a dataset of information about the environmental performance of electronic displays (mainly, televisions and computer monitors), updated four times to reflect the market, to support the development of the proposed ecodesign and energy labelling measures. This helps to ensure that the requirements are laid down at the proper ambition level and that they reflect recent technology developments.

An online public consultation $(OPC)^{28}$ took place from 12^{th} February to 7^{th} May 2018, with the aim to collect stakeholders' views on issues such as the expected effect of potential legislative measures on business and on energy consumption trends.

The OPC contained a common part on Ecodesign and Energy labelling, followed by product specific questions on (i) refrigerators, (ii) dishwashers, (iii) washing machines, (iii) televisions, (iv) electronic displays and (v) lighting.

1230 responses were received of which 67% were consumers and 19% businesses (of which three quarters were SMEs and one-quarter large companies). NGOs made up 6% of respondents, and 7% were "other" categories. National or local governments were under 1% of respondents, and 0.25% came from national Market Surveillance Authorities.

It should be noted that of the 1230 respondents, 719 (58%) replied only to lighting related questions as part of a coordinated campaign related to lighting in theatres.

Some 63% of the participants were in favour of including Ecodesign requirements on reparability and durability, and 65% of respondents considered that this information should be on energy labels.

Regarding the reparability of products, participants valued mostly as "very important" to "important" (in the range 62%-68%)²⁹ each of the following: a warranty, the availability of spare parts, and a complete manual for repair and maintenance. The delivery time of spare parts was rated as 56% "very important" to "important".

As regards electronic displays, the public consultation was mainly focused on options for a redesigned energy label. The majority of respondents considered that the label should show at least the display screen area, its resolution level, the use of high dynamic range (HDR) and the annual power consumption.

2.2. Impact assessment

An impact assessment of the possible policy measures was carried out pursuant to Article 15(4)(b) of Directive 2009/125/EC. A previous IA was prepared in 2013 (approved by the IAB on 4 September 2013 and a full update was completed in 2015. The Impact Assessment accompanying the current proposal is a deep review of the previous one, using updated evidence additional stock and market data and taking into consideration the comments

²⁶ This first IA had been approved by the Impact Assessment Board on 4 September 2013.

²⁷ The Regulation in force, in particular, includes information availability requirements that resulted particularly useful to collect verifiable, non-anonymised and official data. The Energy Star database has been source of relevant information, particularly for monitors and signage displays.

²⁸ https://ec.europa.eu/info/consultations/public-consultation-ecodesign-and-energy-labellingrefrigerators-dishwashers-washing-machines-televisions-computers-and-lamps en

²⁹ Scale ranging from not important, somewhat important, important, very important, don't know or no opinion and no answer

received before, during and after the 4 mentioned Consultation Forums, position letters addressed to the Commission over the last 6 years as well as the OPC.

Different policy options for achieving a market transformation fulfilling the appropriate level of ambition were considered, including: no new EU action ('business-as-usual' of BAU;, termination of the existing television regulations, a self-regulation measure concluded by industry, all discarded, and revision of the existing television regulations (articulated into three options, indicated as "ECO", "Ambi" and "Leni").

The impacts of a policy option comprising an introduction of a new energy label for televisions and other electronic displays (together with new ecodesign requirements) were assessed against the 'business as usual' scenario. Three different proposals for revised energy labelling (and ecodesign) measures were analysed. The ECO proposal corresponds to the working documents presented to the CF of July 2017 and is an evolution of the proposals presented during the two previous discussions of 2014 and of 2012. The Ambi option partially³⁰ incorporates the strong and renewed request by various Member States and NGOs of extending the scope to signage displays, whilst the Leni fully responds to the manufacturers request of more lenient requirements for new fatures and technologies, such as UHD/HDR and OLED.

Based on an assessment of costs and benefits, a combination of energy labelling and ecodesign requirements for electronic displays emerged as a preferred option to address regulatory and market failures existing in the electronic displays sector.

Consequently, the option of introducing a labelling scheme for energy efficiency of the three main display product categories was chosen, together with ecodesign requirements, as it delivers the hightest savings.

3. LEGAL ELEMENTS OF THE DELEGATED ACT

The proposed measure applies to electronic displays irrespective of the display technology. Displays not in the scope of the Ecodesign Regulation for on-mode requirements are completely out of scope of energy labelling, apart from signage displays, where a correction factor is used to take into account the higher luminosity characterising this product group in respect to televisions or computer monitors³¹.

Displays integrated into other products, such as computers, refrigerators, vending machines, etc. are completely out of scope of both ecodesign and labelling regulations, as are displays in means of transport, and medical displays.

The proposed measure uses the same "formula" of eco-design to calculate the Energy Efficiency Index (EEI) in order to have a correct correspondence between the lowest limit of the "G" class and the maximum energy use allowed in the ecodesign regulation to access the EU market. The requirements will be introduced in three tiers, with Tier 2 (by 2022) of eco-design involve=ing the elimination of the "G" class and Tier 3 (by 2024) the elimination of the "F" class.

³⁰ No on-mode minimal energy efficiency requirements are set so far but Energy Labelling is proposed, with a review clause for setting on-mode requirements on signage displays and possibly further extend the scope to modular systems, not included at all.

³¹ New, emerging "self-reflective" technologies, known as "electronic ink" are anyhow emerging for indoor and outdoor signage display products. These technologies have outstanding efficiency in applications with moderate image change rate, as no backlight is necessary and energy is used almost only to change the picture and a small PV panel and/or a battery can provide the necessary power.

Energy efficiency class	New EEI
А	EEI ≤0.30
В	0.30 <eei td="" ≤0.40<=""></eei>
С	0.40 <eei td="" ≤0.50<=""></eei>
D	0.50 <eei td="" ≤0.60<=""></eei>
Е	0.60 <eei td="" ≤0.75<=""></eei>
F	0.75 <eei td="" ≤0.90<=""></eei>
Ğ	0.90 <eei< td=""></eei<>

Table 1: ECO energy efficiency classes

A precise comparison between the current energy classes and the new ones can be only approximated, as the formula to set the limits is different: a linear bar in the current regulation, a curve in the new proposal. Figure 2, however, provides an approximation, for comparison.



Figure 2: Approximate comparison between new and old energy labelling classes.

Figure 3 provides a visual distribution of the electronic displays part of the 2014-2017 dataset used in the hypothesis that the same displays would be on the market when rescaling the televisions and setting labelling requirements for the other monitors not in the scope of the current regulation. All displays above the red curve would be eliminated by the minimum ecodesign requirements. However, it is unlikely that models on the market in 2014 will still be available on the market in 2021.



Figure 3: Distribution of displays from the 2018 dataset "unadjusted" in respect to the new labelling classes.

Figure 4 includes an adjustment of the energy efficiency to the same dataset on the basis of average improvements observed when comparing the datasets along the years (from 2012 to 2017).



Figure 4: Distribution of displays from the 2018 dataset with projection of expected improvements at entry in force of the rescaled labels.

Figure 5 projects the same dataset with the same assumptions showing the hypothetical distribution by 2025 and by 2030. If Ecodesign Tier 2 and Tier 3 are applied, models in class G will be eliminated by 2022 and models in glass F by 2024.



Figure 5: Distribution of displays from the 2018 dataset with projection of expected improvements by 2025 (left) and by 2030 (right).

Figure 6 illustrates the expected trend in energy labelling under the ECO-scenario. Under the Lenient scenario the lower classes would include more products (as more products are allowed on the market under Ecodesign). In the Ambitious scenario, where signage displays are in the scope, it is also expected that the lower energy label classes will be more populated. "Edx" indicates the 3 different tiers proposed in ecodesign.





There are considerable uncertainties in future projections for this product group because new technologies may determine "tipping points" improving energy efficiency³² as well as new features eroding some savings.

Finally, no direct relation has been demonstrated between retail prices and the level of energy efficiency in electronic displays, as a number of factors, other than energy use, are decisive in determining the product cost such as display size, adoption of new technologies, available features particularly in terms of "smartness", etc.

³²

Such as self-reflective, self-emissive or transflective technologies, now at the demonstrative stage.

The new label would include two energy classes, one for the traditional way of playing images³³ and a separate one for HDR. The reason is that because of the novelty of HDR and the scarce data available, no minimum energy efficiency index has been set in the eco-design regulation and no weighted mix of SDR and HDR would be acceptable³⁴.

The label would contain the basic information to compare comparable displays, i.e. displays of the same size and resolution level should be compared. Finally the label would indicate if the display is powered via an external and standardised power supply³⁵ and a pictogram variant would indicate if the power supply is present in the packaging or not. The diffusion of standardised external power supplies (EPS, also improperly called "chargers"), converting AC 230 Volt current into low voltage DC current has a multi-fold relevance in terms of reparability, durability, health and recyclability:

- Repair more convenient: A broken EPS can be replaced by any user, at moderate/low cost whilst an internal one would require a technician and frequently is not cost-effective³⁶
- Unbundling products with different lifespan³⁷;
- Reduce flame retardants: Removing the power source from the interior of an electronic display reduces or nullifies the need to use flame retardants in plastics³⁸.

4. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY

4.1. Legal basis

The proposed Regulation is an delegated measure adopted pursuant to Regulation (EU) 2017/1369, in particular Articles 11 and 16 thereof. This Regulation is based on Articles 194(2) of the Treaty.

4.2. Subsidiarity principle

The adoption of energy labelling measures for electronic displays by individual Member States, through their national legislation, would create obstacles to the free movement of goods within the EU. It is necessary for such measures in force throughout the EU to have the same content. In line with the principle of subsidiarity, it is thus appropriate for the measures in question to be adopted at EU level.

³³ Indicated as Standard Dynamic Range or SDR in the working document)

³⁴ How long a display is used in SDR or HDR will change during the next years but not at the same rate and proportion (e.g. a monitor used for office use would make no use at all of HDR, a TV typically relies on broadcast or streamed content and broadcasters will probably be slow to move on, as almost no programme is in 4k whilst even displays of 8k are coming soon. We can expect, on the contrary, that signage displays showing advertisements and needing to capture the attention will largely make use of HDR, but, again, not all signage is used for commercial adverts.

³⁵ Such as e.g. USB with PD - Power Delivery - and Type-C connector that can power a 100 W display such an over 60-inch television.

³⁶ E.g. because integrated on the main electronic board and with a cost comparable to a new display;

A standard EPS can have its own lifetime, unbundled from different products that it can power, just as in the same way a "USB charger" (that is an EPS) can be used for different smartphones and vice versa.

³⁸ Flame retardants hinder recyclability and halogenated in particular are highly toxic and ecotoxic during the entire display lifetime. Pilot projects have demonstrated the possibility of avoiding use of flame retardants by removing the power supply from inside the TV (e.g. https://corporate.bestbuy.com/fewer-chemicals-same-fire-safety-for-insignia-tvs/)

4.3. **Proportionality principle**

In accordance with the principle of proportionality, this measure does not go beyond what is necessary in order to achieve the objective, which is to set harmonised energy labelling requirements for electronic displays. It repeals and replaces an existing Regulation. It sets requirements that act as an incentive for technology leaders to invest in high-efficiency electronic displays.

5. CHOICE OF INSTRUMENT

Proposed instrument: Delegated Regulation.

Other means would not be appropriate for the following reason(s):

The form of the implementing measure is a Regulation, which is directly applicable in all Member States. This has been chosen because the objectives of the action can be achieved most efficiently by introducing fully harmonised requirements throughout the EU. Furthermore, it repeals and replaces an existing Commission Regulation. Moreover, it ensures that national and EU administrations will not incur costs transposing the implementing legislation into national legislation.

6. BUDGETARY IMPLICATION

The proposal has no implications for the EU budget.

7. ADDITIONAL INFORMATION

Review/revision/sunset clause

The proposal includes a review clause.

European Economic Area

The proposed Regulation concerns an EEA matter and should therefore extend to the European Economic Area.

COMMISSION DELEGATED REGULATION (EU) .../...

of XXX

supplementing Regulation (EU) 2017/1369 of the European Parliament and of the Council with regard to energy labelling of electronic displays

repealing delegated Regulation (EU) 1062/2010 with regard to energy labelling of televisions

(Text with EEA relevance)

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation 2017/1369 of the European Parliament and of the Council of 28 July 2017 setting a framework for energy labelling ³⁹ repealing Directive 2010/30/EU, and in particular Articles 11 and 16 thereof,

Whereas:

- (1) Regulation 2017/1369 empowers the Commission to adopt delegated acts as regards the labelling or re-scaling of the labelling of product groups representing significant potential for energy savings and, where relevant, other resources.
- (2) Provisions on the energy labelling of televisions were established by Commission Delegated Regulation (EU) No 1062/2010 of 28 September 2010⁴⁰ supplementing Directive 2010/30/EU.
- (3) Televisions are among the product groups mentioned in Article 11(5)(b) of Regulation (EU) 2017/1369 for which the Commission should adopt a delegated act to introduce an A to G rescaled label.
- (4) Regulation (EU) No 1062/2010 contains a review clause in Article 7 requiring the Commission to review the regulation in light of technological progress no later than 5 years after its entry into force on 30 November 2010.
- (5) The Commission has reviewed Regulation (EU) No 1062/2010 and analysed technical, environmental and economic aspects of televisions and other electronic displays, including monitors and signage displays as well as real-life user behaviour. The review also showed that the same requirements should also apply to monitors because of the rapidly increasing functionality overlap between such displays and televisions. The review was undertaken in close cooperation with stakeholders and interested parties from the Union and third countries. The results of the review were made public and presented to the Consultation Forum established by Article 14 of Regulation (EU) 2017/1369.

³⁹ OJ L 198, 28.07.2017, p. 1.

⁴⁰ OJ L 314, 30.11.2010, p. 64.

- (6) Recognizing the growth of sales of energy-related product through web-stores and internet sales platforms, rather than directly from suppliers, it should be clarified that web-stores and internet sales platforms should be responsible for displaying the label provided by the supplier in proximity to the price. They should not be responsible for the accuracy or content of the label provided.
- (7) The review concluded that there was a need for the introduction of revised energy labelling requirements for televisions and that the same requirements should also apply to monitors whilst for signage displays specific energy requirements should be set. Consequently, the scope of the Regulation should comprise electronic displays including televisions, monitors and signage displays.
- (8) The annual energy consumption in 2016 of televisions in the Union constituted more than 3% of the European Union's electricity consumption. The projected energy consumption of televisions, monitors and signage displays in a business as usual scenario is expected be close to 100 TWh/yr in 2030. This Regulation, together with the accompanying ecodesign regulation, is estimated to reduce the overall consumption by 39 TWh/yr by 2030.
- (9) The HDR encoding function may lead to additional energy use suggesting a separate energy efficiency indication for such a function.
- (10) The material efficiency aspect of electronic displays identified as significant for the purposes of this Regulation is the encouragement of unbundling of standardised external power supplies.
- (11) The information provided on the label for the electronic displays in the scope of this Regulation should be obtained through reliable, accurate and repeatable measurement procedures, which take into account the recognised state of the art measurement methods including, where available, harmonised standards adopted by the European standardisation organisations, as listed in Annex I to Regulation (EU) 1025/2012 of the European Parliament and of the Council of 25 October 2012 on European standardisation⁴¹.
- (12) The measures provided for in this Regulation were discussed by the Consultation Forum and the Member States' experts in accordance Articles 14 and 18 of Regulation (EU) 2017/1369.
- (13) Regulation (EU) No. 1062/2010 should be repealed and new provisions should be laid down by this Regulation.
- HAS ADOPTED THIS REGULATION:

Article 1

Subject matter and scope

- 1. This Regulation establishes requirements for the labelling of, and the provision of supplementary product information on electronic displays.
- 2. This Regulation shall not apply to:
 - (a) Any electronic display with a surface area smaller than or equal to that indicated in Article 8(2) and Annex VII of Directive 2012/19/EU;
 - (b) Broadcast displays;

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OJ L 316, 14.11.2012, p. 12.

- (c) Digital photo frames;
- (d) Professional displays;
- (e) Projectors;
- (f) Security displays;
- (g) Electronic displays where the main function of the display is status display or control or function activation;
- (h) Electronic displays integrated or to be integrated exclusively into other products;
- (i) Digital signage displays which meet any of the following characteristics;

i Designed and constructed as a display module to be integrated as a partial image area of a larger display screen area and not intended for use as a stand – alone display device;

ii Distributed self-contained in an enclosure for permanent outdoor use;

iii Distributed self-contained in an enclosure with a visible display screen area less than 30dm² and greater than 130 dm²;

iv The display has a pixel density less than 230 pixels/cm² and more than 3025 pixels/cm²;

v A peak white luminance in standard dynamic range (SDR) operating mode of greater than or equal to 1000 cd/m^2 ;

vi No video signal input interface and display drive allowing the correct display of a standardised dynamic video test sequence for power measurement purposes.

Article 2

Definitions

In addition to the definitions laid down in Article 2 of Regulation (EU) 2017/1369 and the definitions laid down in Annex I of this Regulation, the following definitions shall apply for the purposes of this Regulation:

- 1. *'Electronic display'* means a display screen and associated electronics that, as its primary function, displays visual information from wired or wireless sources. The term *'monitor'*, sometimes used for products on the market, is considered as equivalent to *'display'* within the context of this Regulation;
- 2. *'Digital signage display'* means an electronic display that is designed primarily to be viewed by multiple people in non-desktop based environments. Its specifications shall include all of the following features:
 - (a) Unique identifier to enable addressing a specific display screen;
 - (b) A function disabling unauthorised access to the display settings and displayed image;
 - (c) Network connection (encompassing a hard-wired or wireless interface) for controlling, monitoring or receiving the information to display from remote unicast or multicast, but not broadcast, sources;

- (d) Designed to be installed hanging, mounted or fixed to a physical structure for viewing by multiple people; and
- (e) Does not integrate a tuner to display broadcast signals.
- 3. *'Digital photo frame'* means an electronic display that displays exclusively still visual information;
- 4. *Digital interactive whiteboard'* means an electronic display that allows direct viewer interaction with the displayed image by touch. In addition, interaction by hand, arm gesture or voice may be available. The display is designed primarily to provide presentations, lessons or remote collaboration, including the transmission of audio and video signals. A digital interactive whiteboard shall include all of the following features:
 - (a) primarily designed to be installed hanging, mounted on a ground stand or fixed to a physical structure for viewing by multiple people;
 - (b) integrated or dedicated computer and computer software with specific functionalities to manage content and interaction; and
 - (c) a display surface greater than 40 dm².
- 5. *'Professional display*' means an electronic display designed and marketed for professional use for editing video and graphic images. Its specifications shall include all of the following features:
 - (a) a contrast ratio of at least 1000:1 measured at a perpendicular to the vertical plane of the screen and at least 60:1 measured at a horizontal viewing angle of at least 85° relative to that perpendicular and at least 83° from the perpendicular on a curved screen, with or without a screen cover glass;
 - (b) a native resolution of at least 2.3 mega pixels;
 - (c) colour Gamut support of 38.4% of CIE LUV or greater (equivalent to greater than 99% of Adobe RGB and over 100% of sRGB colour space). Shifts in colour space are allowable as long as the resultant colour space is at least 38.4% of CIE LUV. Colour and luminance uniformity shall be as required for Grade 1 monitors;
- 6. *'Broadcast display'* means an electronic display designed and marketed for professional use by broadcasters and video production houses for video content creation. Its specifications shall include all of the following features:
 - (a) colour calibration function;
 - (b) input signal analysis function for input signal monitoring and error detection, wave-form monitor/vector scope, RGB cut off, facility to check the video signal status at actual pixel resolution, interlace mode or screen marker;
 - (c) Serial Digital Interface (SDI) or Video over Internet Protocol (VoIP) integrated with the product; and
 - (d) not intended for use in public areas.
- 7. *Security display*' means an electronic display which includes all of the following features:
 - (a) self-monitoring function capable of communicating some or all of the following product status information to a remote server e.g.:

- power status;
- internal temperature from anti-overload thermal sensing;
- video source;
- audio source and audio status (volume/mute);
- model and firmware version.
- (b) user-specified specialist form factor facilitating the installation of the display into professional housings or consoles;
- 8. *'All-in-one video conference system'* means a dedicated system designed for video conferencing and collaboration, integrated within a single enclosure, whose specification shall include all of the following functions and features:
 - (a) support for specific videoconference protocol ITU-T H.323 or IETF SIP as delivered by the manufacturer;
 - (b) camera(s), display and processing capabilities for two-way real-time video including packet loss resilience;
 - (c) loudspeaker and audio processing capabilities for two-way real-time hands-free audio including echo cancellation;
 - (d) an encryption function; and
 - (e) High Network Availability (HiNA);
- 9. *'HiNA'* means High Network Availability as defined in Article 1 of Commission Regulation (EC) No 1275/2008;
- 10. *Projector'* means an optical device for processing analogue or digital video image information, in any format, to modulate a light source and project the resulting image onto an external surface;

Article 3

Obligations of suppliers

- 1. In addition to the obligations of suppliers laid down in Regulation (EU) 2017/1369, suppliers shall ensure that:
 - (a) each electronic display is supplied with a label in printed form in the format and containing the information set out in Annex III;
 - (b) the parameters of the product information sheet, as set out in Annex V, are entered into the product database;
 - (c) a label shall be printed on the packaging or stuck on it;
 - (d) if requested by the dealer, the product information sheet shall be made available in printed form;
 - (e) the content of the technical documentation uploaded into the product database is according to Annex VI;
 - (f) any visual advertisement for a specific model of electronic display, including on the Internet, contains the energy efficiency class and the range of efficiency classes available on the label in accordance with Annex VII;

- (g) any technical promotional material concerning a specific model of electronic display, including on the Internet, which describes its specific technical parameters, includes the energy efficiency class of that model and the range of efficiency classes available on the label, in accordance with Annex VII;
- (h) an electronic label in the format and containing the information as set out in Annex III shall be made available to dealers for each electronic display model;
- (i) an electronic product information sheet as set out in Annex V is made available to dealers for each electronic display model;
- 2. The energy efficiency class shall be based on the Energy Efficiency Index calculated in accordance with Annex II.

Article 4 Obligations of dealers

In addition to the obligations of dealers laid down in Regulation (EU) 2017/1369, dealers shall ensure that:

- (a) each electronic display, at the point of sale, bears the label provided by suppliers in accordance with Article 3(a) displayed on the front of the appliance or hung on it or placed in such a way as to be clearly visible and unequivocally associated to the specific model; provided that the electronic display is kept in on-mode when visible to customers for sale, a picture of the label displayed on the screen may replace the printed label, and that size and legibility is comparable at least to the printed version;
- (b) where electronic displays are sold in a point of sale without any model displayed out of the box, a label printed on the box or stuck on it shall be visible;
- (c) in distance selling, the label and product information sheet are provided in accordance with Annexes VII and V;
- (d) any visual advertisement for a specific model of electronic display contains the energy efficiency class and the range of efficiency classes available on the label, in accordance with Annex VII;
- (e) any technical promotional material concerning a specific model of electronic display, including on the Internet, which describes its specific technical parameters, includes the energy efficiency class of that model and the range of efficiency classes available on the label, in accordance with Annex VII.

Article 5

Obligations of internet hosting platforms

Where a hosting service provider as referred to in Article 14 of Directive 2000/31/EC allows the selling of household dishwashers through its Internet site, the service provider shall enable the showing of the electronic label and electronic product fiche sheet provided by the dealer on the display mechanism in accordance with the provisions of Annex VIII and shall inform the dealer of the obligation to display them.

Article 6 **Measurement methods**

The information to be provided pursuant to Articles 3 and 4 shall be obtained by reliable, accurate and reproducible measurement and calculation methods, which take into account the recognised state-of-the-art measurement and calculation methods, as set out in Annex IV

Article 7

Verification procedure for market surveillance purposes

Member States shall apply the procedure laid down in Annex IX when assessing the conformity of the declared energy efficiency class.

Article 8 **Revision**

The Commission shall review this Regulation in the light of technological progress and present the results of this review to the Consultation Forum no later than five years after its entry into force. The review shall in particular assess the verification tolerances set out in Annex IX, whether other electronic displays should be included in the scope, whether it is feasible to develop appropriate notification methods for the energy consumption, and the possibility to introduce further requirements on material efficiency.

In addition, the Commission shall review the label to rescale it when the requirements in Article 11 of Regulation (EU) 2017/1369 are met.

Article 9

Repeal

Regulation (EU) No 1062/2010 is repealed as of the day of entry into force of this Regulation.

Article 10 **Entry into force and application**

- 1. This Regulation shall enter into force on the 20th day following its publication in the Official Journal of the European Union.
- 2. It shall apply from [date, i.e. 1 April 2020]. However, for the purpose of the obligations laid down in Articles 3(1)(a) and (b) this Regulation shall apply from [date (4 months before date of application, i.e. 1 January 2020)].

This Regulation shall be binding in its entirety and directly applicable in all Member States. Done at Brussels,

> For the Commission Jean-Claude JUNCKER The President