October 2014

EPEE & CECED DRAFT – NOT FOR CIRCULATION

**Position on the review of the Fans Regulation**

**EXECUTIVE SUMMARY**

This paper summarises EPEE and CECED’s comments related to the first interim report in the framework of the Fan Regulation review that was published in July 2014 and to the stakeholder meeting that took place on October 1st. It addresses the following key areas of concern:

* Scope
* Double regulation
* Replacement fans
* Additional product categories
* Ecodesign information requirements
* Exclusions for impellers and fans in tumble dryers and kitchen hoods
* Market surveillance
1. **Extending the scope to fans below 125W will not lead to additional energy savings**

EPEE and CECED call upon VHK and the Commission to maintain the scope for ecodesign requirements on fans above 125W.

Commission Regulations 206/2012, 813/2013, 814/2013 regulate fans from XXX W to XXX W as part of the final product. In addition, the upcoming Regulations on large air-conditioning applications and ventilation will regulate fans from 30 to 125W as part of the final product. As a consequence, there is no benefit to extend the scope to cover fans below 125W as the majority of these fans are already covered by a number of Commission Regulations.

In other words, extending the scope would add financial burden to manufacturers and to member states in terms of market surveillance, without leading to gains in energy efficiency.

1. **Double regulation is counter-productive and can undermine the principle of LLCC**

EPEE and CECED call upon VHK and the European Commission to delete ecodesign requirements for fans incorporated into products, if these products already need to comply with ecodesign requirements (e.g. air-conditioners).

**Double regulation is unnecessary and should be avoided for the following reasons:**

* Double regulation will limit the freedom of manufacturers to design products and increase the cost of products without granting a reduction of the energy consumption of the final product. The energy efficiency value of a final product does not simply represent the sum of its components’ efficiencies.
* Ecodesign requirements at product level are based on the analysis of the Ecodesign preparatory study, which takes into account the components’ efficiencies and their improvement potential when incorporated into the final product.
* Regulating fans incorporated into products will represent a significant burden for market surveillance authorities as additional testing at component level would be required. We believe that adding such testing obligations will further hamper effective market surveillance.
* Double regulation is counter-productive. Manufacturers optimize the efficiency of their products by making trade-offs between various options taking into consideration the ecodesign requirements for the complete product (derived from the Least Life Cycle Cost -LLCC) and the performance required by costumers. Among the trade-offs, manufacturers can use specific components subject to ecodesign regulation, but can also choose different options not subject to such regulations (e.g. improved thermodynamic cycles). Imposing specific components through double regulation narrows the manufacturer’s choices to optimise complete – and complex – products. It will lead to and overall higher cost without granting any energy saving. This is undermining the very principle of LLCC analysis of complete products.
* Furthermore, double regulation would result in a misalignment of the various implementation tiers, for instance if requirements for a component come into force in 2015 and additional requirements for the overall product in 2016. This would result in complications with regard to the redesign cycle of products. Manufacturers require time to redesign their products, with a partial redesign taking around 18 months and a full redesign approximately 30 months. A misalignment of implementation tiers for component requirements and product requirements would distort these redesign cycles.
* Cascading regulations could also lead to useless complications in the supply chain. We could have the case of a fan placed on the market perfectly compliant as done before the entry into force of the ecodesign requirements. Few months later, when the fan is placed on the market integrated into final equipment, the motor might not no-longer be compliant as the motor requirements have entered into force. This would create the problem of ‘double placing on the market’. It will put pressure on the manufacturers of the complete equipment to put on the market the complete product before the entry into force of the ecodesign requirement (independently from the market demand).
1. **Applying Ecodesign requirements to replacement fans will be detrimental to the environment**

EPEE and CECED call upon VHK and the European Commission to amend the current fan regulation exempting replacement fans from Ecodesign requirements. The exemption shall apply to replacement fans to be integrated in products placed on the market before 2013. As a solution to the concerns with regard to the creation of loopholes, we suggest clearly marking or labelling spare parts as such. This would clearly differentiate spare parts from other fans.

This issue does not only concern the review but needs to be addressed as a matter of urgency, as according to Art. 1.3d and Art.3.2b of the current Ecodesign measure on fans (EU 327/2011), from 2015 all fans shall comply with the energy efficiency requirements as laid out in the measure.

**EPEE and CECED emphasise that replacing existing fans by functionally identical models complying with ecodesign requirements is disproportionate, technically difficult and detrimental to the environment.** **Besides a significant cost increase for users and manufacturers, it would lead to additional waste generation due to the reduction of the useful lifetime of equipment in case of a fan failure.**

* The RoHS Directive (2011/62/EU) sets a precedent on the exemption of spare parts:

Öko-Institute performed a study for DG Environment on the spare parts provision. This study concluded that ‘*the impacts of enforcing these legal requirements may result in costs which significantly outweigh the benefits of its implementation. Such costs include costs for the environment, where products reach the end of their service life early, as well as costs for enterprises, where the value of products is affected in light of the limitations to circulation and reparability*.’ DG Environment therefore concludes in its FAQ that ‘*it is permissible to put on the market spare parts - containing the hazardous substances - for the repair of old equipment (put on the market before 1 July 2006), but not to repair new equipment (put on the market after 1 July 2006)*’.

* Note that the RoHS Directive is just one example for the exemption of spare parts which is particularly relevant for the heating and cooling sector. The same principle applies for example to car emissions and safety standards. Indeed, it is normal practice in EU law that spare parts for existing products are not impacted.
1. **Adding product categories may increase complexity without clear benefits**

EPEE and CECED question the usefulness of splitting up the Regulation in a greater number of market segments compared to the current approach. Therefore, EPEE and CECED would like to ask VHK to carefully analyse the efficiencies of fans which are currently on the market. If this analysis reveals large differences between different fan categories, a finer categorisation could be justified. In such case, further measurement categories would need to be identified accordingly.

1. **Information requirements for incorporated fans do not add value for consumers**

EPEE and CECED question the usefulness of individual information requirements for fans which are integrated into products that must already comply with information requirements. Such additional information requirements present an administrative burden for manufacturers without adding value for consumers and users. In addition, the publication of information requirements on public website would result in revealing commercially sensitive data.

1. **Impellers for cooling electric motors should remain excluded**

EPEE and CECED agree that the exclusion should be maintained. Indeed, the main target function of an impeller is not comparable to a “standard” fan and thus the minimum requirements cannot apply. These fans are needed to assure the functioning and safety of the electrical motor. The 3kW boundary is not related to the function of the appliance and thus no boundary should be used.

1. **Fans for tumble dryers should remain excluded**

The main target function of this fan is not comparable to a “standard” fan and thus the minimum requirements cannot apply. The 3kW boundary is not related to the function of the appliance and thus no boundary should be used. If a boundary is used it should only target the power input of the fan, not that of the end product.

Fans for tumble dryers are special purpose fans as they are designed to be efficient for the intended use. The fans have to withstand fluff accumulation in a wet environment. This was documented in the preparatory study for the ecodesign measure on tumble dryers. Moreover, the inlet and outlet of the fan housing is optimised to avoid turbulences in an appliance cabinet with restricted space (60x60x85 cm). Turbulences will cause lint accumulation and noise. Lint accumulation has to be avoided in order to ensure the overall efficiency and safety of the appliance. All of these factors do require a special design of the fan that that might lower the efficiency of fan. Fans in tumble dryer have to fulfil the following requirements:

* Flow rate is more important than pressure. The designed fan has provide enough pressure to overcome the pressure variations caused by the air channels, filters, heat exchanger, etc. but does not need to provide additional air pressure.
* The fan has to work as efficiently as possible under working points with big hydraulic variation (such as loading, temperatures, pressure drops, etc.).
* The fan has to provide airflow in both directions. One main direction and a counter direction with a reduced airflow to enable a reversing of the drum.
* The airflow (process air and cooling air) has to be maintained and optimized within a limited space.
* The temperature of the moving gas exceeds 100°C.
* The same motor shaft is used to drive the fan and the drum.
1. **Fans for kitchen hoods should remain excluded**

The exclusion should be maintained. This is especially valid considering that a specific regulation covering hoods (66/2014) was recently published. As stated in the “DGTREN, Final Report –Study on residential ventilation, Feb . 2009“ hood fans are special purpose fans and have functions and properties that are beyond the functions of a “standard” fan. The fans used in hoods have to merge the requirement to provide high pressure (up to 600Pa because pressure lost due to installation are

unknown), high air flow (up to 900-1000 m3/h) and low noise with very restrictive dimensional

constraints due to the space available in the product and the kitchen furniture.

The measurement of the hoods Fluid Dynamic Efficiency is carried out with filters in place, whereas the single fan measurement is not. Thus a direct comparison bears the risk of misinterpretation.

Also, range hoods’ fans are only used in average 1 h per day and thus bear a low potential for energy savings. Finally, the requirement to use high efficiency fans restricts the availability of range hoods in the medium price segment of the market. Only expensive range hoods with the EEI classes A+, A++ and A+++ will be available. Looking from environmental requirements this has to be avoided. If only expensive range hoods are available on the market numerous consumers will not be able to buy and use these appliances.

1. **Fan parts and ATEX fans need to be excluded**

EPEE and CECED agree that all configurations that occur before placing the fan on the market are considered to be fan parts. Therefore, they should not fall under the scope of this Regulation. The final assembly will already be covered by requirements – there is no need to regulate individual parts, including impellers.

Regarding fans covered by the ATEX Directive, EPEE and CECED agree that they should be treated separately as they are not competing with standard fans.

1. **Market Surveillance needs to be improved to ensure a level playing field**

Market surveillance is essential in ensuring that products on the EU market are compliant with existing legislation. Not only is this key to avoiding distortions of the market, market surveillance also aims at protecting consumers from fraudulent products. Lastly, only by complying with legislation, policy goals such as climate and energy efficiency objectives can be met in reality.

For components such as fans, EPEE and CECED support maintaining the current conformity assessment module of self-declaration, as it is the most suitable module for these products. However, self-declaration can only work if market surveillance is properly implemented in order to ensure that products are complying with existing legislation.

EPEE and CECED are committed to improving market surveillance implementation.

We therefore call on all stakeholders to cooperate and jointly develop solutions for better market surveillance in Europe by:

* Strengthening the role for the EU in this area;
* Intensifying cooperation of market surveillance authorities; and
* Increasing cooperation with the industry.

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**About EPEE:**

The European Partnership for Energy and the Environment (EPEE) represents the refrigeration, air-conditioning and heat pump industry in Europe. Founded in the year 2000, EPEE’s membership is composed of 40 member companies, national and international associations.

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.

EPEE member companies have manufacturing sites and research and development facilities across the EU, which innovate for the global market.

As an expert association, EPEE is supporting safe, environmentally and economically viable technologies with the objective of promoting a better understanding of the sector in the EU and contributing to the development of effective European policies. Please see our website ([www.epeeglobal.org](file:///%5C%5CGBE-SRV02%5CARCHIVES%5CGrayling%5CData%5CClients%5CCurrent%5CEPEE%5C3.%20F-Gas%20Working%20Group%5C1.F-gas%20Review%5CEPEE%20positions%5CF-Gas%20position%5C2013%5Cwww.epeeglobal.org)) for further information.

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**About CECED:**

CECED represents the household appliance manufacturing industry in Europe. Its member companies are mainly based in Europe. Direct Members are Arçelik, Ariston Thermo Group, BSH Bosch und Siemens Hausgeräte GmbH, Candy Group, Daikin Europe, De’Longhi, AB Electrolux, Gorenje, Indesit Company, LG Electronics Europe, Liebherr Hausgeräte, Miele & Cie. GmbH & Co., Philips, Samsung, Groupe SEB, Vestel, Vorwerk and Whirlpool Europe.

CECED’s member Associations cover the following countries: Austria, the Baltic countries, Belgium, Bulgaria, Czech Republic, Denmark, France, Germany, Greece, Hungary, Italy, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Spain, Sweden, Switzerland, Turkey and the United Kingdom.

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