european
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# Ecodesign and innovation

**A seminar arranged by eceee in cooperation with the Swedish Energy Agency and Clasp Europe, with additional support from Energifonden.**

**22 January 2013 10.00-17.30, followed by a cocktail 17.30–19.00**
**Welcome coffee is served from 9.30**

**Venue:** Bibliothèque Solvay, Rue Belliard 137, Leopold Park, Brussels

## About the seminar

Minimum energy performance requirements and energy labels are usually considered to have many virtues such as reducing consumer bills, limiting fuel dependency and creating jobs. One recurrent question is about their impact on and interplay with innovation. The recent IFA electronics and appliance fair in Berlin has again confirmed that western manufacturers strongly compete on innovation. Innovation is key for the competitiveness of the industry, and the EU intends to accelerate eco-innovation through well-targeted policies.

An argument often heard to oppose stringent energy performance regulations on products is the risk of being too prescriptive on technologies, thus forcing manufacturers to use costly sub-optimal or proprietary technologies and hampering 'natural' innovation.

On the contrary, promoters of such product regulations usually consider them as innovation stimulators that help accelerating the deployment and reducing the cost of innovative technologies. They often regret that this positive innovation effect is insufficiently anticipated in the level of ambition of the policy instruments.

An evaluation study on the EU Ecodesign Directive in 2011 has not identified so far evidence that manufacturers have a harder time innovating under the constraints of the policy. Only a few firms were reported to complain that the requirements may inhibit the development of additional functions. On the contrary, interviews from stakeholders suggested a positive role for the Directive in the development of innovation. Does this mean that decision-makers could have been less shy in ambition, considering this feed-back?

Answering this question supposes to have a good understanding of the dynamics of innovation driven by policy intervention. This is still an understudied area. When discussing the level of stringency of energy performance requirements, analysts often look at static snapshots of a given technology's development and often do a poor job predicting its future. A well-known example is how underestimated the deployment of LED backlighting has been in the preparation of the Ecodesign measure for TVs, leading to poorly effective requirements. Estimates primarily based on engineering approaches often lead to dramatic overestimation of the difficulty or costs to comply.

Solutions have been suggested to better account for the dynamics of innovation. First, decision-making processes should be swifter and rely on very recent data. Technology and price forecasting should be more grounded on experience curves and market-based approaches. One particular issue for the Ecodesign Directive has been the disappointing role of benchmarks up to this point, which were one of the tools expected to stimulate innovation. The introduction of longer-term Ecodesign requirements based on benchmarks can be considered desirable, in the spirit of so-called 'technology-forcing standards'.

*Now that some Ecodesign regulations start to produce their effects, what can be said about their impact on innovation? Is this impact adequately accounted for in the revised methodology used by the EU for future preparatory studies and decision-making? Could this increased knowledge lead to bolder and more effective regulations?*

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## Agenda

***Introductions***

**Moderator:** Agneta Persson, WSP Sweden, eceee Vice President

10.00–10.15 Introduction by *Nils Borg, eceee* and *Peter Bennich, Swedish Energy Agency*.

10.15–10.45 When you wish upon a star – Innovation on demand. An introduction to the dynamics of innovation. *Hans Nilsson, Fourfact, Sweden and eceee board member.*

10.45-11.10 Technology-forcing standards for product efficiency and innovation. *Kevin Lane, Oxford, UK*

***Part I - Ecodesign to boost innovation***

11.15–11.35 Ecodesign and energy labelling; state of play. *Ruben Kubiak, DG Energy, European Commission*

11.35-11.55 Case study: Innovation in the lighting sector after the ban of incandescent light bulbs. *Martijn Dekker, NTL Lemnis, the Netherlands*

11.55–12.15 Case study: Innovation in the circulator sector after the adoption of Ecodesign requirements. *Niels Bidstrup, Grundfos, Denmark*

12.15–12.30 Discussion

**12.30–13.45 Lunch break**

***Part II - Innovation to boost Ecodesign***

13.45–14.10 Integrating innovation impacts into policy assessments: a case of energy-using products? *Shailendra Mudgal, BIO Intelligence Service, France*

14.10–14.35 Applications of experience curves in US energy efficiency standards analysis. *Robert Van Buskirk, Lawrence Berkeley National Laboratory, US*

14.35–15.00 Applying learning curves in Ecodesign measures. *Hans Paul Siderius, NL Agency.*

15.00–15.20 Case study: Challenges and implications with a label for boilers encompassing cross-cutting technologies. *Thomas Nowak, European Heat Pump Association*

15.20–15.45 Q&A, Discussion

**15.45–16.15 Coffee break**

***Part III - Roundtable and discussion***

***16.15–17.30 How could Ecodesign measures better take innovation into account?***

*16.15–17.30 Roundtable discussion*

Introduction by Edouard Toulouse, ECOS

- European Commission, participant TBC
- Niels Bidstrup, Grundfos
- Robert Van Buskirk, Lawrence Berkeley National Laboratory, US
- Hans Nilsson, Fourfact and eceee board member
- Edouard Toulouse, ECOS

**17.30 – 19.00 Cocktail**