



# Standards and Labelling Best Practice

*Application in cookstoves certification programmes*

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Kampala, Uganda



# CLASP improves the environmental and energy performance of appliances & equipment

Policy design & implementation

Promoting highly efficient products

Monitoring & evaluation

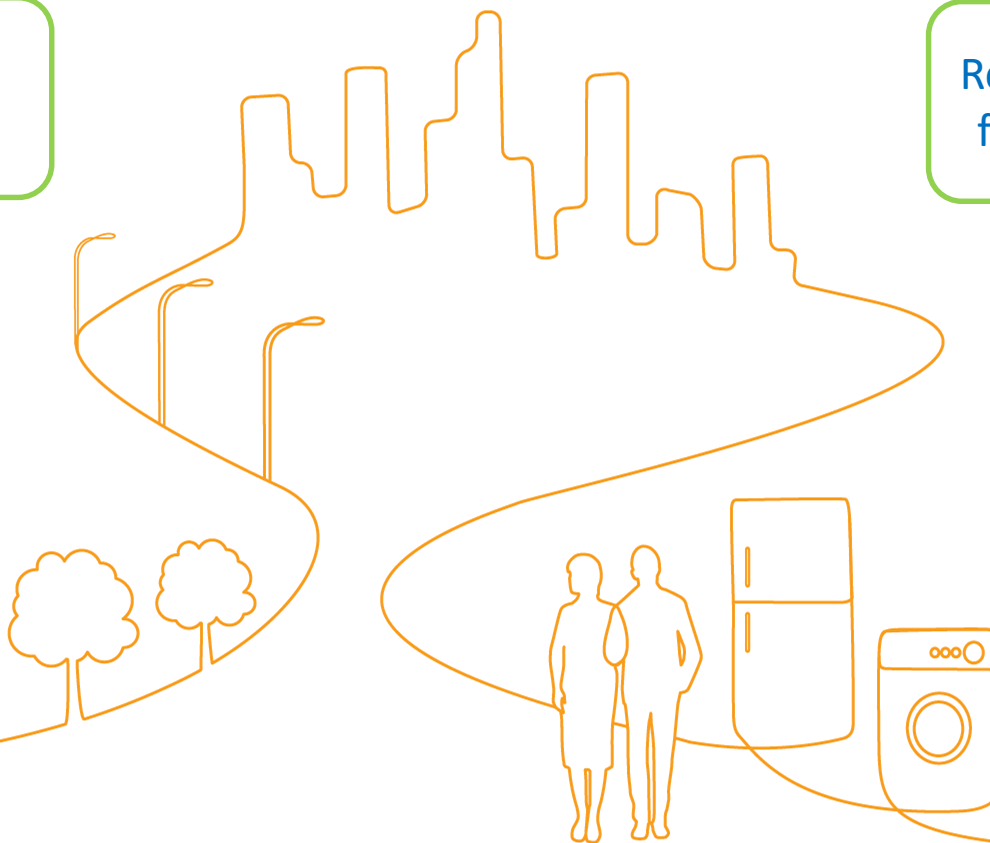
Resources & tools for practitioners

Training & capacity building

Off-grid & energy access

Phasing down HFCs and high GWP refrigerants

Raising consumer awareness & comprehension





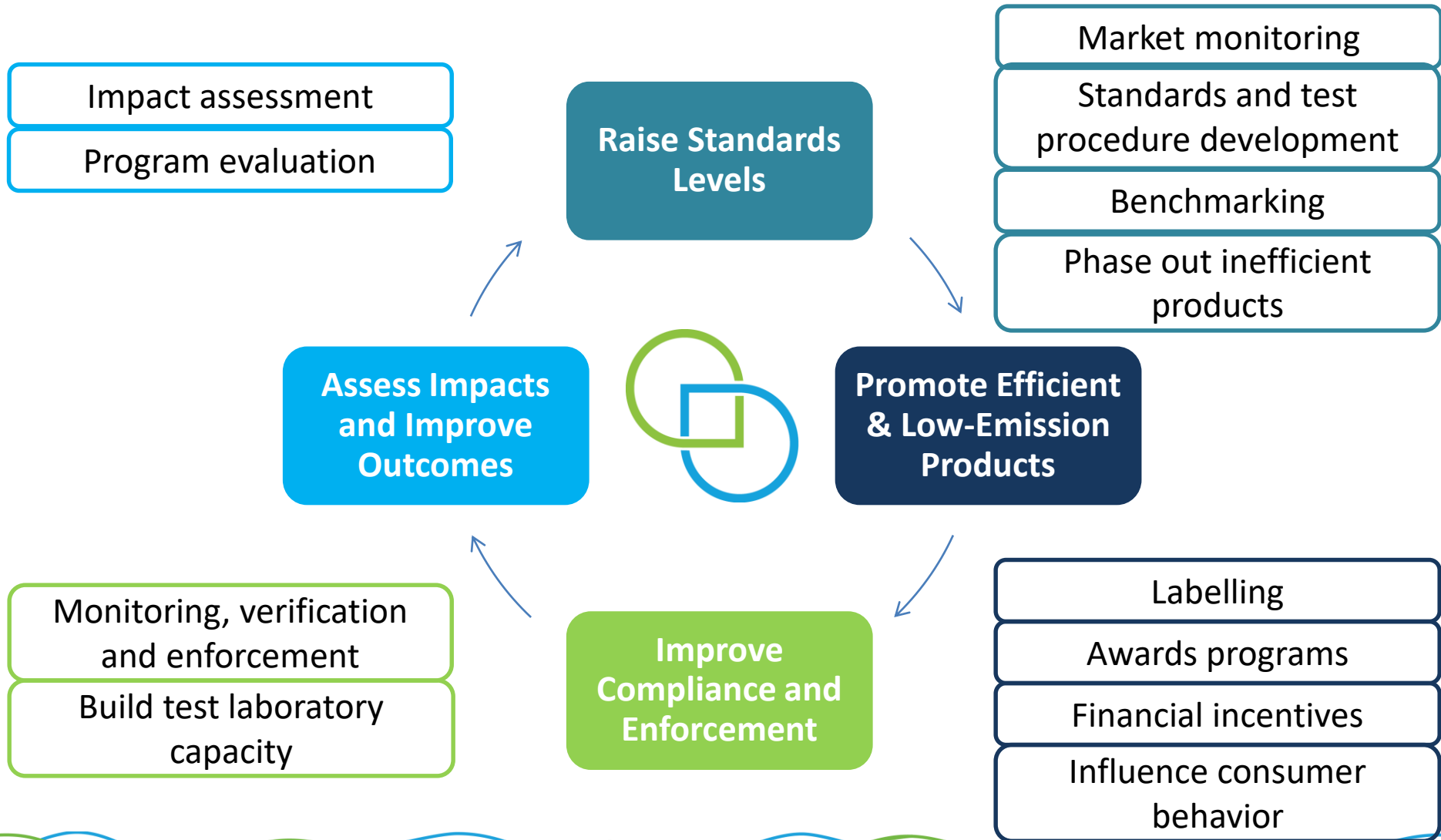
# CLASP on Cookstoves

Round Robin Testing, S&L strategy development and implementation support with local partners and the Global Alliance for Clean Cookstoves



★ Supporting ECOWAS regional cookstove standards and labelling baseline research with the Clean Energy Solutions Center

# The Virtuous Cycle of Standards and Labelling Programs



# Benefits of S&L for Cookstoves

## S&L benefits

Strengthen domestic markets through product differentiation

Innovation leads to greater variety of available products

Labels can convey lifetime costs

Can be used to create qualification criteria for subsidy program

Labels can compare among different technologies and usages

## Market Transformation outcomes

Improved **product quality** and **innovation** will improve consumer confidence and value proposition

Increased **availability** of appropriate products for different circumstances - increased demand for alternative fuels

Lifetime savings can increase **awareness** and consumer **willingness to pay**

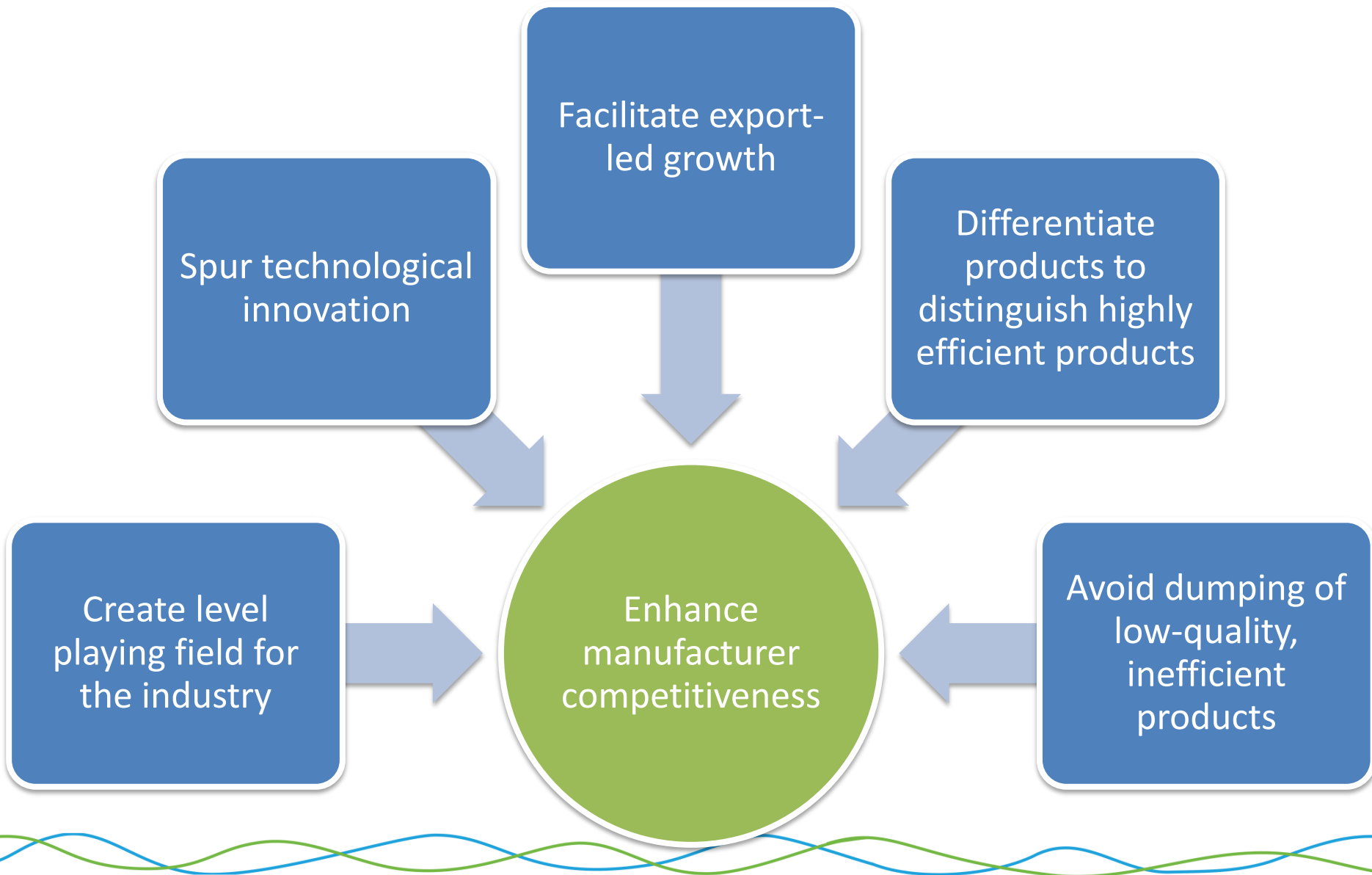
Subsidy programs can lead **dissemination** and **demonstration** of quality stoves/fuels

Labels can **increase understanding** of stove, fuel, and usage options together, leading to more informed decisions

## Overall Benefits

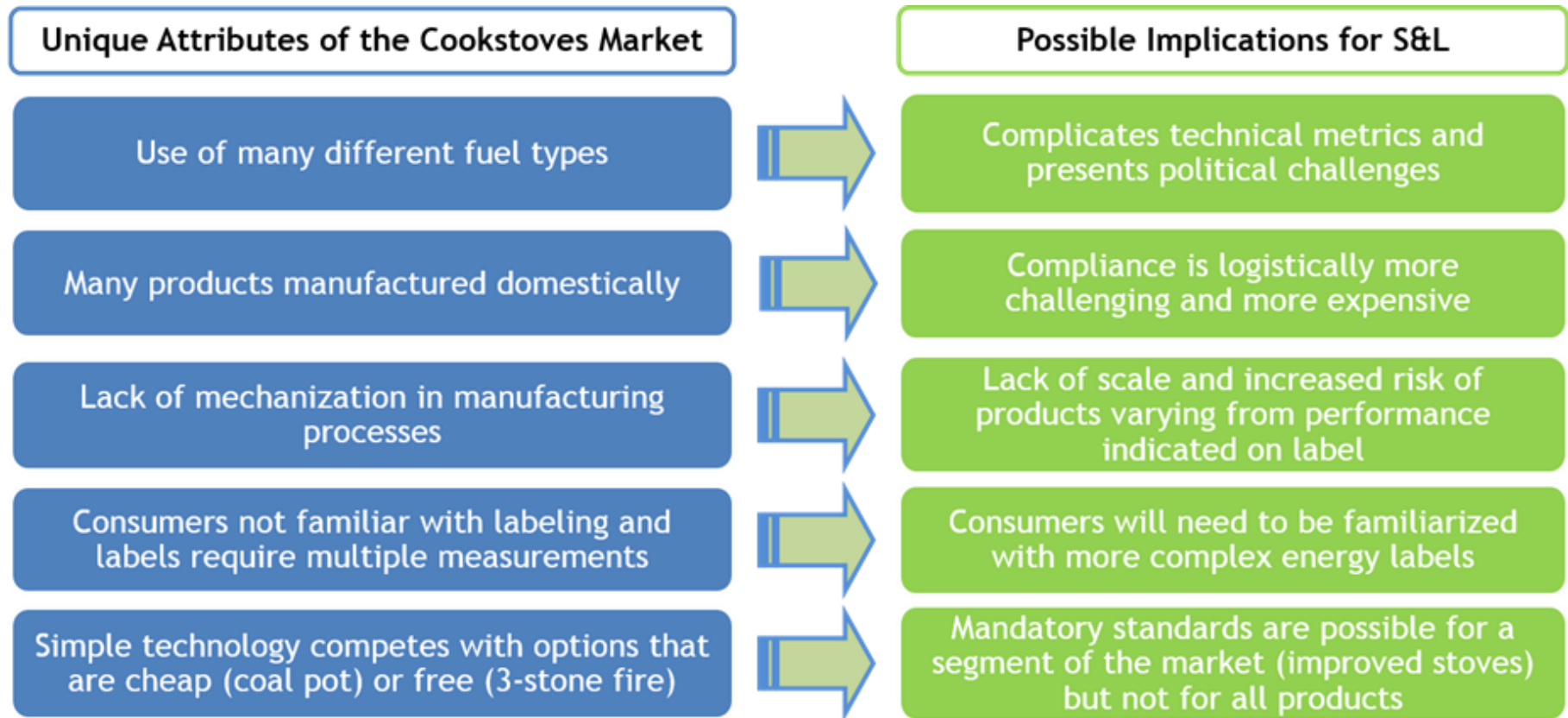
- ✓ Enhanced consumer welfare (Indoor air quality; less time/cost gathering fuel)
- ✓ Reduced emissions to help meet public health and climate change goals
- ✓ Averted urban/regional pollution

# Product Efficiency - Good for Business



# Implications for Cookstove S&L in Uganda

Cookstoves present some unique challenges to successful program implementation



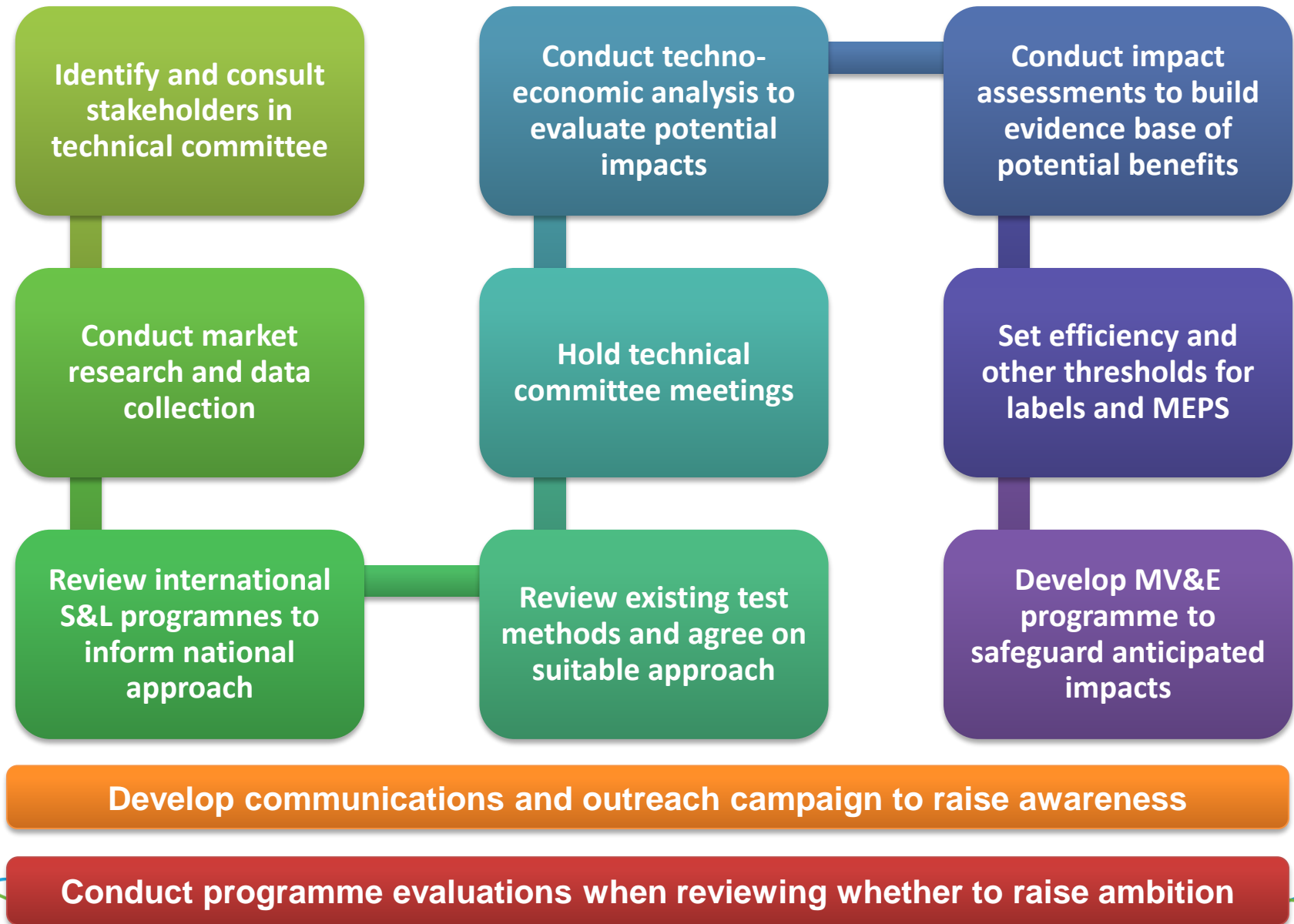
# S&L Programs Require Resources

## Identify and agree upfront how to resource the programme

- **Legal and Authoritative Resources**
  - Clear mandates and lines of responsibility from framework legislation and/or implementing regulation
- **Financial**
  - A regular and consistent source of operational budgets; annual allocations? Fees from testing and/or labeling?
- **Human Resources**
  - Qualified staff to manage implementation as well as conduct market analysis; some outsourcing possible but base management requires dedicated staff
- **Physical/Facilities**
  - Central offices, field facilities for monitoring/enforcement and/or laboratories for testing
- **Institutional**
  - All of the above should culminate in a managing institution with program responsibility



# Standards and Labelling / Certification Programme Development



# Assess the Programme Data Needs

Ideally, assessment of the technical potential of labels and standards will be based on data collected on the use of products that describe:

- **Current levels and forecasted trends** for efficiency and emissions levels of products in the marketplace
- Specific **new technology** that has recently or will soon become available in the marketplace
- Existence and **characteristics** of domestically manufactured products
- Existence and characteristics of imported products
- Existence and levels of **standards in other countries**

**Opportunity for the programme designers to work with industry and other stakeholders to gather data**



# Consider Programme Design

- Decide on a programmatic approach
  - Standards vs. Labels vs. Certification
  - Mandatory vs. Voluntary
  - Comparative vs. Endorsement
  - Technology specific vs. Technology neutral
  - Scope of programme (what/who is covered; certification of products vs. process)
  - Transition period to provide manufacturers enough time to conform
- What should be considered when setting programme criteria? (based on collected data)
  - Impact on total energy demand, environment, health and safety
  - Level of ownership and turnover
  - Potential for efficiency and emissions improvement
  - Anticipated stakeholder impact
  - Suitable test procedures in place
  - **Existence of similar standards or regulations in other parts of the world**

Efficiency standards “PUSH” the market towards greater energy efficiency by removing inefficient products from the market.

- **Minimum Performance Standards**

- Require that a manufacturer achieve in each and every product a minimum efficiency (or maximum energy consumption); but does not require a specific technology or design
- Standards should not be restrictive, or create barriers for entry to the market. Setting standards based on market data can help avoid barrier creation.
- Should typically aim to cut off the bottom 20% of the market (worst performing products)

- **High Performance Standards**

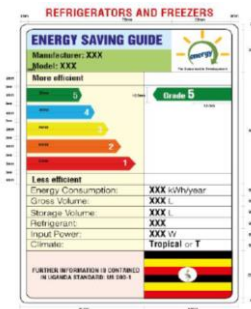
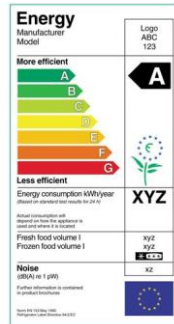
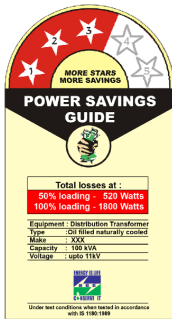
- Set ambitious levels for products to endorse top performing products
- Should typically aim to promote the top 20% of the market (best performing products)



## Efficiency / Quality Labels

**Consider programme goals, audience needs, and existing labels to avoid confusion. Seek consumer feedback.**

# Comparative Labels



- Tiers of efficiency
- Compare different products
- Displays more information

## Endorsement Labels

- Set efficiency level
- Simple design
- “This product is efficient”



## Good Stove - Better Cooking

## Certification / Quality Marks

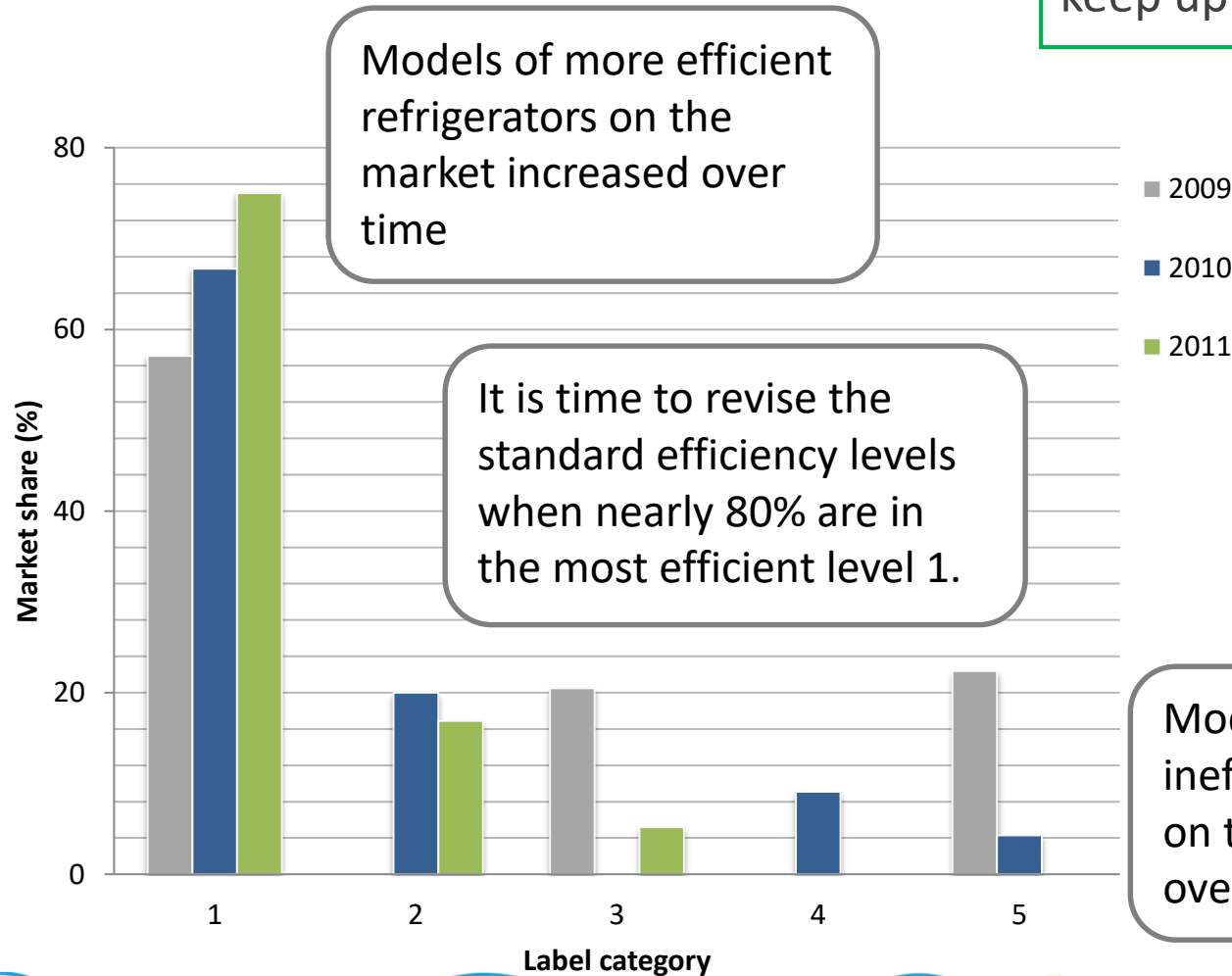
- Criteria for market entry
- Cross-cutting for multiple products
- “This product meets quality standards”



# Revise Efficiency Criteria Over Time

## China Refrigerators Energy Efficiency Level Distribution by Model Type

Efficiency levels should be ratcheted up after a cycle to keep up with market trends



Models of more inefficient refrigerators on the market decreased over time

**Reliable test procedures and test facilities are the foundation of successful standards-setting and labeling initiatives.**

Test procedures need to:

- Reflect typical usage;
- Yield repeatable and accurate results;
- Be relatively inexpensive to perform;
- Test procedures can be developed either in country or **adopted from an international body**;
- Testing should be conducted in an accredited laboratory to ensure that tests are being conducted properly.





# Alignment of Policies and Test Procedures

Both governments and manufacturers can benefit from alignment and regional cooperation.

- Makes results comparable
- Reduces policy development costs
- Allows for faster and less expensive testing
- Simplifies customs procedures among countries
- Facilitates the development of Mutual Recognition Agreements
- Reduces costs and compliance burden for manufacturers
- Encourages learning from other country programmes

Efficiency policies are aligned when test procedures used to measure the performance of a product reference an internationally recognized test method.



# Build a Robust Compliance Programme

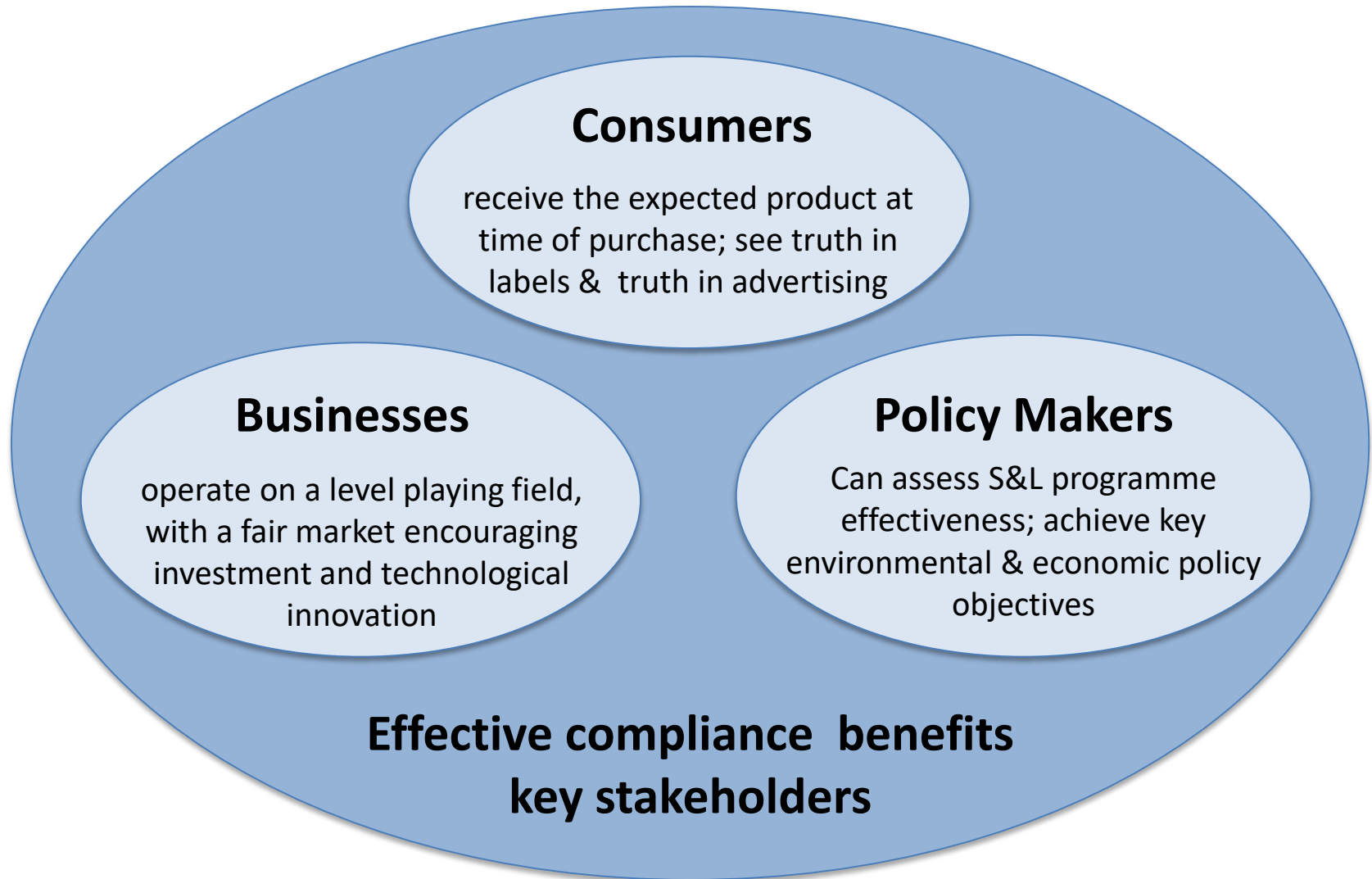
- Up to 25% of potential S&L program energy savings are lost through poor compliance and lack of enforcement
- MVE policies safeguard S&L program energy savings by ensuring products meet requirements and live up to their energy efficiency claims

“In most markets...

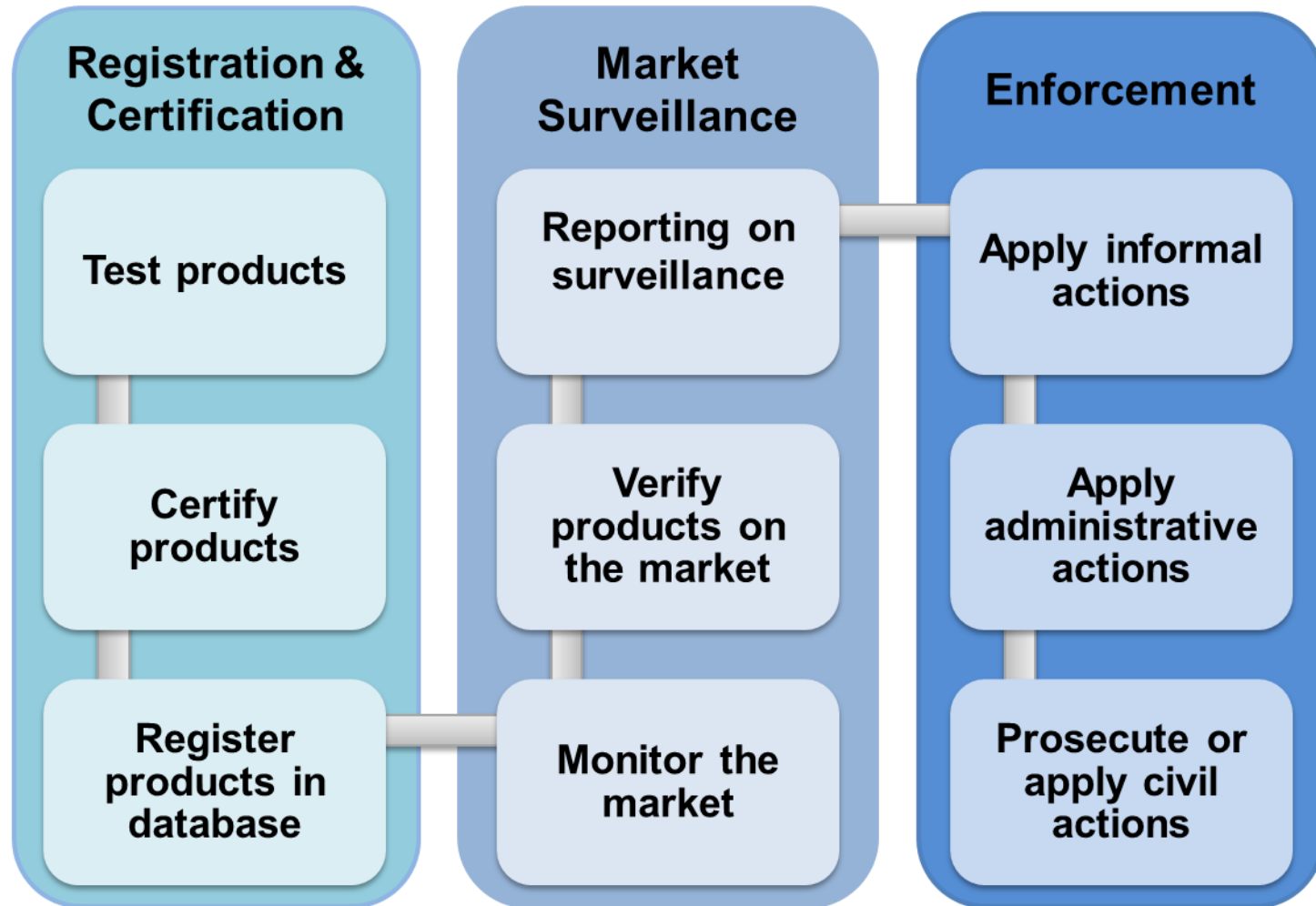
- 20% of the regulated population will comply with any regulation
- 5% will attempt to evade it, and
- the remaining 75% will comply as long as they think that the 5% will be caught and punished.”

- Zaelke 2005

# Benefits for All Stakeholders



# Compliance Strategies



**Communication** - target all stakeholders on the market

**Monitoring and Evaluation** - understand what works and how to improve

# Use of Product Registration Systems

- Initial compliance gateway wherein manufacturers and importers register eligible products with the regulatory authority prior to market entry
- Products registered with technical documentation to demonstrate product compliance
- System can range from basic list of compliant products to comprehensive online searchable database
- The system can:
  - Support MVE component of any efficiency programme
  - Help track product performance to inform policy development
  - Build consumers' trust in the programme
  - Be linked to labels / e-tags to help consumers identify products

# Monitoring and Market Surveillance

- Identify cases of immediately visible non-compliance (display of label, counterfeit labels) in the market place
- Identify potential cases of non-compliant products for verification testing through targeted risk based market surveillance
- Monitor products using different methods in different places:
  - Upon certification or registration in **product registration systems**, checking product documentation
  - **Screen testing** select products, to help target products for full verification testing
  - **At customs**, ensuring all documentation is provided and meets requirements
  - **In stores** to check labelling requirements are met
  - Via an enforcement **hotline** – monitoring consumer and competitor complaints

## Identify and correct cases of non-compliance, and deter future cases of non-compliance using proportionate responses



### IDENTIFY NON-COMPLIANCE

- Identify where non-compliance can be found
- Identify different types of non-compliance



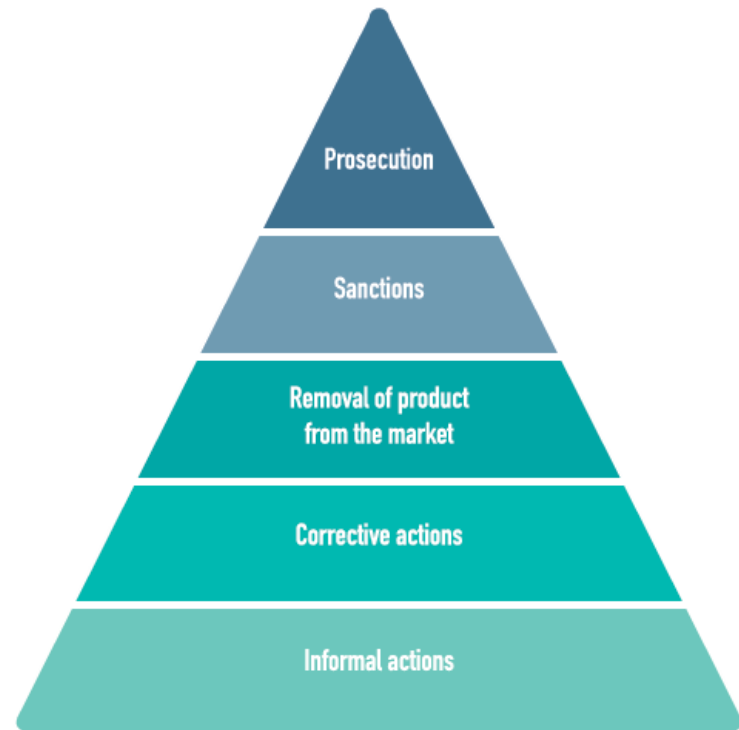
### ADDRESS NON-COMPLIANCE

- Identify a proportionate response to non-compliance
- Determine which actions to take
- Identify opportunities for regional collaboration



### COMMUNICATE ENFORCEMENT ACTIONS TO STAKEHOLDERS

- Communicate the programme from the outset
- Communicate as an enforcement action
- Report on compliance activities



## Escalation of Enforcement Actions

# India's Compliance Process

Manufacturers register products in the product registration system, with supporting documentation

## Market surveillance

Whether labels are displayed correctly on appliances

Whether labelled products are registered, fake labels?

## Check Tests

1st test: Random sampling from open market & tested at an independent laboratory

If 1<sup>st</sup> test fail: 2nd test in manufacturer's presence on two random samples at manufacturer's cost

## Pass

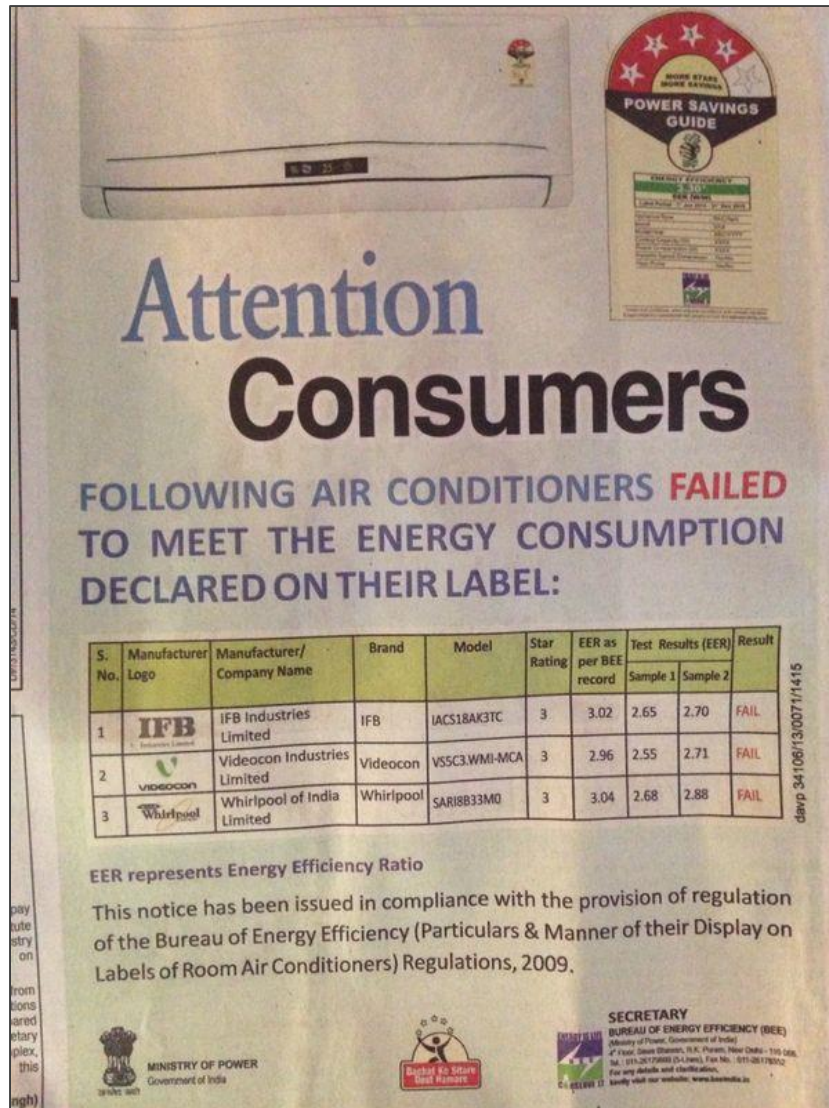
Product compliant with S&L Schedule

## Fail

Non-compliant: Manufacturer to lose labelling permission and to withdraw product from market

## Challenge Testing

# If product fails, consumers are alerted!



**Attention Consumers**

**FOLLOWING AIR CONDITIONERS FAILED TO MEET THE ENERGY CONSUMPTION DECLARED ON THEIR LABEL:**

S. No.	Manufacturer Logo	Manufacturer/ Company Name	Brand	Model	Star Rating	EER as per BEE record	Test Results (EER)		Result
							Sample 1	Sample 2	
1	IFB	IFB Industries Limited	IFB	IACS18AK3TC	3	3.02	2.65	2.70	FAIL
2	Videocon	Videocon Industries Limited	Videocon	VSSC3.WMI-MCA	3	2.96	2.55	2.71	FAIL
3	Whirlpool	Whirlpool of India Limited	Whirlpool	SAR18B33MD	3	3.04	2.68	2.88	FAIL

EER represents Energy Efficiency Ratio

This notice has been issued in compliance with the provision of regulation of the Bureau of Energy Efficiency (Particulars & Manner of their Display on Labels of Room Air Conditioners) Regulations, 2009.

**SECRETARY**  
BUREAU OF ENERGY EFFICIENCY (BEE)  
(Ministry of Power, Government of India)  
2nd Floor, Sector 10, Noida, Uttar Pradesh - 201 301  
Tel.: 011-26177000 (24 Lines), Fax No.: 011-26177002  
For any details and clarification, kindly visit our website: [www.beeindia.in](http://www.beeindia.in)

## In India - Advert in the Hindustan Times

BEE notifies consumers about manufacturers' products that have failed random check-testing

**Consider local situation, cultural norms and whether consumers need to be alerted**

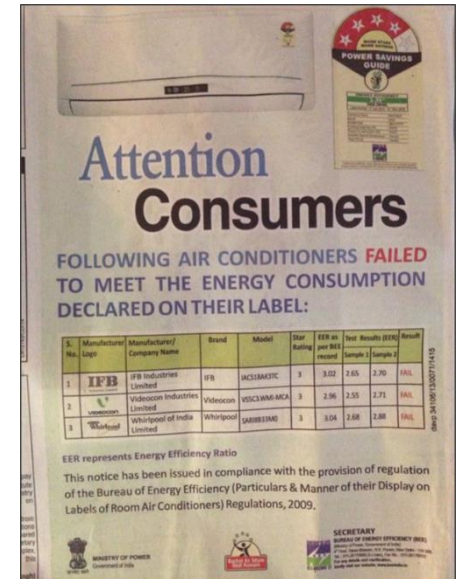
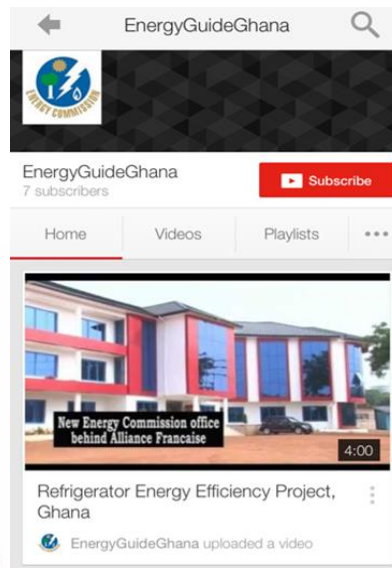


Include a communications campaign at the outset of the design of any market transformation program...

...to educate and mobilize consumers, industry and retailers




# There are many different examples - consider what works for your local audience



# Link S&L to Market Transformation Projects

**Secure commitments from other projects or market transformation programmes to refer to the certification / quality mark when setting criteria**

- For example, procurement, subsidy, incentive programmes can be designed to use the certification as the qualifying criteria for eligible products
  - Encourages buy-in to the certification programme from participants and other stakeholders
  - Can increase impact of the programme savings
  - Helps secure more support for checking compliance and counterfeit labels from programme participants and other organisations
- 

# The Challenges for Industry

## Research & Development Costs

- R&D costs can disproportionately impact small producers
- S&L policies have a stronger effect on the deployment, commercialization, and diffusion of clean technologies than on the initial stages of R&D research

## Misaligned test procedures

- Creates trade barriers
- Increases testing costs

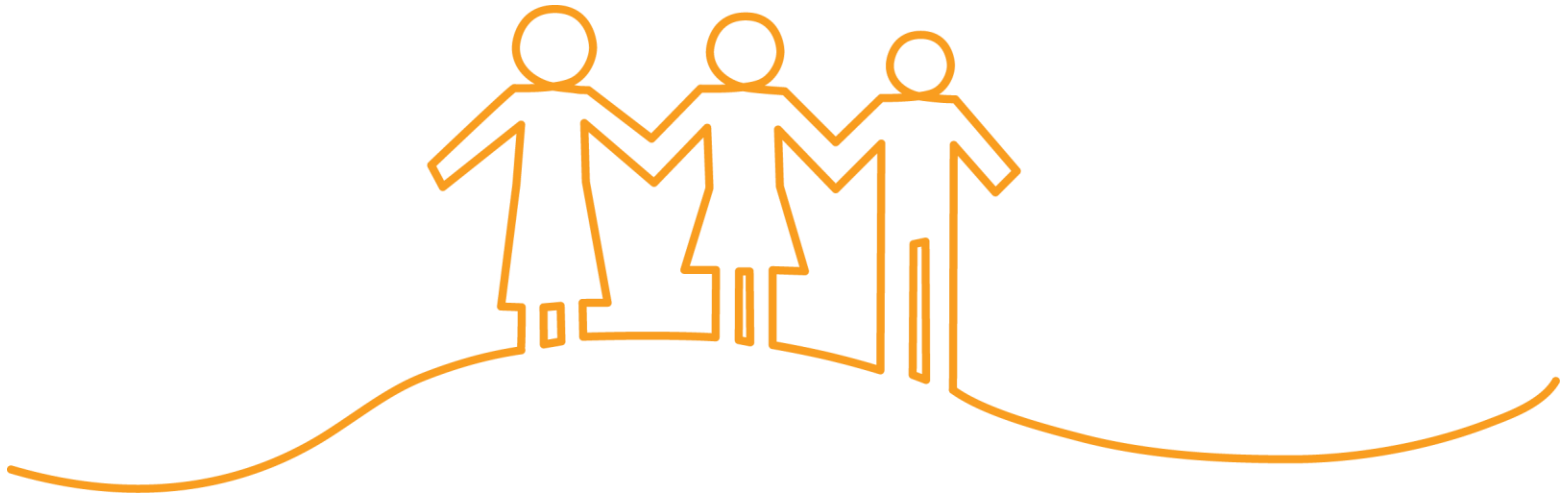
## Lack of complementary policies

- Need programs like financial incentives, public procurement, and consumer awareness to allow consumers to reach scale
- Consumer awareness and outreach for labeling to help consumers understand benefits

## Lack of policy transparency and consistency

- Makes it difficult for industry to plan future product lines and prioritize R&D investments

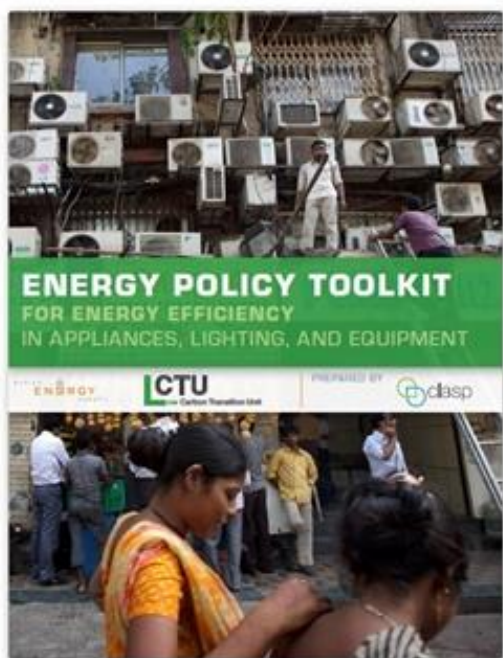
# Collaboration



**Engage** manufacturers and other stakeholders for a more informed and balanced S&L policy



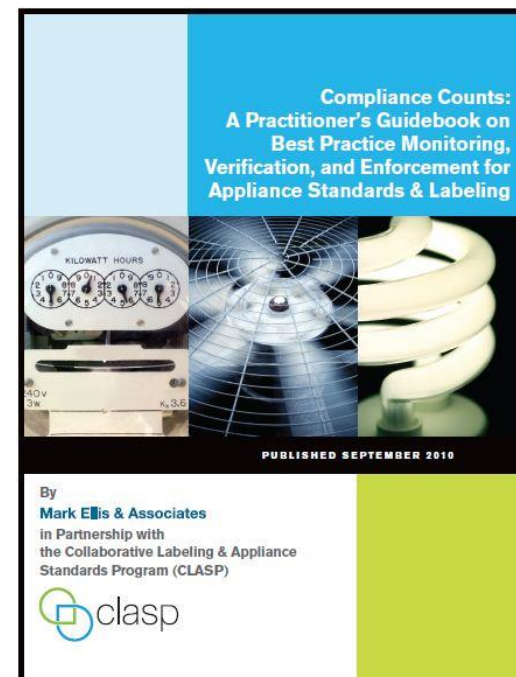
# CLASP S&L Resources and Tools for Policymakers



Energy Policy Toolkit



Standards & Labeling  
Guidebook



MV&E Manual



# Thank you!

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