

CEECAP – Implementing EU Appliance Policy in Central and Eastern Europe

National Verification and Enforcement Plan - Bulgaria

1. Introduction

The project is developed with the aim of supporting Central and Eastern European countries in creating suitable conditions for implementing appliance labelling and efficiency policies in accordance with EU Appliance efficiency Acquis and programmes.

It aims to increase expertise and experience regarding the verification and enforcement, market introduction aspects, strengthen relationships between stakeholders and the start up of national actions to improve energy efficiency.

Main activities are the identification of the national experts and decision maker leaders, their training, design and preparation of national appliance labelling and efficiency actions, set-up of a national multi-disciplinary committees as a forum for discussion about best practices, cooperation opportunities and knowledge transfer.

The results will be an improved policy infrastructure for appliance labelling and efficiency and the future EU policies; a verification infrastructure for product and retailer compliance; collaborative activities to increase the consumer response to labels; and the establishment of a platform for information exchange and transfer.

2. Legislative framework

The harmonization of the Bulgarian legislative framework with the European one in the field of appliances has been conducted through the introduction of the European acts of the *acquis communautaire*, which form part of the Global Approach and the New Approach. The European Directives, incorporated in the New Approach, are introduced in the country by virtue of ordinances, which define the significant specific requirements for these products on the grounds of the Law on Technical Requirements with Respect to Products. Directives related to the Global Approach, which deal with the requirements for labelling of appliances, are introduced in Bulgarian legislation on the grounds of the Law on Consumer Protection.

The Ordinance concerning the requirements for labelling of appliances with respect to their consumption of energy and other resources has been worked out by the Ministry of Economy (currently Ministry of Economy and Energy). The Ordinance transposes in full the requirements of the Framework Directive and other Directives related to appliance labelling

The Ordinance defines the obligations of manufacturers, importers and traders to present information about the energy efficiency performance of the appliances manufactured/ marketed by them by means of an energy label and information sheet in Bulgarian language. The control on the implementation of the Ordinance has been assigned to the Commission for Consumer Protection.

The administrative penalty provisions of the Law on Consumer Protection and the Law on the Technical Requirements with Respect to Products envisage imposing of fines for non-compliance with the requirements concerning labelling of energy consuming goods and the safety marking for compliance and technical documentation of the goods on sale. The penalty for non-compliance with the requirement for labelling is to the amount of BGN 300 to BGN 1500, whereas in the event of repeated violation the amount of the imposed fine is doubled. There is some lack of clarity with respect to the procedure to be applied by the Commission for Consumer Protection for control on the implementation of the Ordinance on labelling of energy consuming appliances, neither on the rules in the event of detection of or doubts for non-compliance between the information stated on the label and that in the technical documentation of the appliances.

Most of the EU norms for performance testing of appliances are adopted in respective Bulgarian State Standards (BDS). The draft appliance standards are developed and proposed for approval by two main technical committees (TC) – TC 6 Home appliances - covering washing machines, tumble dryers, electric ovens and dishwashers and TC 43 Refrigerating equipment - covering refrigerators and air conditioners.

3. Institutional framework

The Ministry of Economy and Energy is working on the development of the economic and energy policy of the Bulgarian state. In the ministry three directorates are closely related to the development and implementation of standards and labeling policy and programs in the country - The Energy Efficiency and Protection of the Environment Directorate, Consumer Protection Directorate and European Integration Directorate.

The Commission for Consumer Protection within the Ministry of Economy and Energy performs the following control functions according to the power of authority assigned to it by the Law on Consumer Protection:

- Control on any misleading, incorrect and not allowed by the law advertising;
- Elaboration of guidelines and recommendations concerning specific inequitable clauses in the contracts with consumers;
- Control on the safety of non-edible goods and services in compliances with the provisions of the law;

- Control with respect to labeling of consumer goods, including with respect to their energy efficiency.

A large portion of the commission's activities is oriented also to the effective application of the legislation, promotion of novelties in the legislation concerning consumer protection of goods and services and improvement of the co-ordination with other specialized and control bodies to ensure more effective consumer protection. The Market control department and its regional subsidiaries are directly engaged in the monitoring of the implementation of the provisions of the Ordinance for energy labeling of appliances, whereat by virtue of the law they have the right of free access to retailer shops, the right to request the appropriate documents related to their control, to take samples for laboratory testing, to involve experts of the respective fields in the cases when the check is particularly complicated and requires specific knowledge, as well as to sanction identified violations. The checks are performed according to a schedule coordinated with and approved by the Chairman of the Commission. The total personnel of the department, including the regional inspectors, are 130 persons and they are performing all inspections which Commission is responsible for. It was stressed that they do not have a special delegated budget for the control they perform for compliance of shops and products with the requirements of the energy efficiency labeling.

4. Existing problems (barriers) to the effective implementation of the EU Appliance Policy in the country

4.1. Barriers related to the national energy efficiency policy

In Bulgaria there is in place legislative and regulatory framework for application of the European requirements concerning energy labeling of household appliances. However the following barriers were identified to the effective implementation of the legislation.

- The practical activities for implementation of the requirements of the regulatory framework and promotion of market transformation are insufficient as yet. This is due above all to the low priority of the activities related to the energy efficiency of household appliances.
- There is no institution specifically assigned with the responsibility to collect, process and analyze the information related to electricity consumption in the residential sector, the household appliances available and sold on the domestic market, their energy efficiency level etc.

At the policy-making and management level there is also certain deficiency with respect to the knowledge and skills related to development and application of national programmes for promotion of the energy efficiency of household appliances, as well as about the specific benefits from the implementation of such programmes for the entire country.

Desired situation

- The efficiency of household appliances is promoted as a priority of the national energy efficiency policy.
- A system for regular collection and analysis of information about the state of the market and the sales of household appliances and their energy consumption has been established, including analysis of the impact of the project on the pace of market transformation and end-user behavior.
- The decision makers and experts from the governmental institutions, who are involved in the working out and enforcement of the national energy efficiency policy, possess adequate knowledge and skills about the benefits from the energy efficiency of household appliances, as well as the capacity to develop and apply policies and measures in that sphere, including the tools for monitoring of the results.

Actions needed:

In order to have the appliance energy efficiency promoted as a national priority there is a necessity of raising the awareness on all major aspects related to development, application and monitoring of the policy of energy efficiency of household appliances and evaluation of its impact. Successful international practices in the field of national policies and programmes for energy efficiency of household appliances should be collected and analysed by experts and decision makers from Ministry of economy and energy and the Energy efficiency agency. On policy level different scenarios should be analysed and discussed for application of different policy instruments including forecasts estimated results in terms of energy and cost savings and reduction of GHG emissions. The implementation of the national policy should be interconnected with development of sustainable model for following the development of the market of energy efficient appliances and the consumers behaviour.

CEECAP project activities:

The project will point to the attention of policy and decision makers towards the necessity of higher priority of household energy efficiency in particular appliance efficiency. This will be done by collection and presentation of European examples of successful national implementation of market transformation programs. Will support the government in the development of questionnaires for regular market surveys and change in consumer behavior related to energy efficiency of appliances. This will be used by the government to track the effect of the national policy implementation in the field.

4.2. Barriers related to the existing verification and enforcement system

The Commission for consumer protection is performing their control functions related to the energy efficiency labelling following their internal methodology for shop checks. Despite the actions and checks performed by the commission there are still barriers identified related to the verification and enforcement procedures:

- The inspectors have not been trained specifically of performing shop checks related to energy efficient labelling and follow up actions
- Still a lot of appliances in the shops are not labeled or not properly labelled
- The main activities of the commission until now were towards shops inspections, still there is no existing procedure for checking the internet and other trade catalogues
- There is no system for verification of the energy classes declared by the producers or suppliers
- There is no existing procedure for selection of appliances for verification of the declared energy class
- No laboratory identified to perform appliance tests

Desired situation:

- National plan for control of the market for household appliances approved and efficiently implemented.
- Energy efficiency labels steadily present in the retailer network and “suspicious” appliances are tested for verification of their actual energy class.
- The experts and the inspectors conducting checks in the retailer network have undergone specialized training course in connection with their compliance-related control activity
- National system for testing of the appliances is established

Actions needed:

A specialized training should be developed and performed to the inspectors performing checks. Two main training directions should be implemented:

- For inspectors visiting shops: check lists, practical tips, checking mail order catalogues and Internet offers, the sales, reporting the results, follow-up checks.

- For inspectors checking claims for possible inconsistency of the declared energy class of the appliances, what and how to check; information contained in the product fiche; practical tips, reporting of results, follow-up steps.

Every year the Consumer Protection Commission should work out and submit to MEE for approval a National Plan for checking of compliance with the requirements of the Ordinance for energy efficiency labeling of household appliances sold in the retailer network (shops, Internet websites, catalogues, distribution among consumers). It should specify the responsibilities and competences of the institutions and inspectors, will endorse a procedure for selection of retailer shops, schedule of visits to shops, responsibilities related to reporting on the implementation of the plan.

A procedure for compilation of a sample of the appliances sold on the market, which shall be checked for possible noncompliance with respect to the declared energy class should be proposed and approved. This could be done in cooperation with branch organizations active in the country (Branch Chamber of Power Engineering in Bulgaria, the Business Chamber etc). In the event of detected inconsistencies the Consumer Protection Commission should request from the respective appliance suppliers and/or manufacturer to change the declared energy classes, whereat in the event of refusal the appliances shall be sent for testing by an independent testing laboratory, which shall establish whether there is such noncompliance. A testing laboratory will be selected, at which the necessary tests will be performed.

CEECAP activities

- Support to government institutions in the development of the training programme for inspectors
- Support during the development of procedures for retailers compliance (e.g. by provision of good practice examples)
- Support during the development of procedure for compilation of a sample of the appliances sold on the market, which shall be checked for possible noncompliance \by collection of effective practices from EU countries)
- Support with the identification of national or international testing laboratories
- Will collect and disseminate information for international activities related to improving the existent verification and enforcement practices (for example the current CECED activities for independent tests of different appliances present at the EU market)

4.3. Barriers related to market players activities

Generally the market players are well aware of the existing requirements for energy efficient labelling and are positive towards the needs for more efficient national policy in the field. The main problems identified from their point of view which is a barrier towards their more active participation and actions are:

- There is an existing practice in the country for misleading information or falsifying labels
- There is a need of a strong actions from the state towards improving the verification process
- There is no laboratory in the country for appliance testing

More barriers related to retailers, final consumers, media and environmental and consumer NGOs are discussed in the Market introduction plan.

Desired situation

Major market players are having a sufficient role in the development and implementation of the national energy efficient appliance policy having in mind that main conditions for this are fulfilled: creation of a strict regime of enforcement and compliance with criteria; absence of administrative obstacles and creation of additional burdens; establishment of a commission ensuring compliance with adopted standards. Main manufacturers and retailers mobilize their own recourses in coordination with government institutions for joint actions to efficient implementation of the appliance labeling in the country.

Actions needed

Proactive policy and actions from government institutions towards main market players – invitation for meetings, discussions and ongoing provision of actual information about the activities at national level for overcoming the existing barriers to the effective verification and enforcement.

CEECAP activities:

Facilitate and coordinate the coordination of the activities of the national institutions and the market players in the country. More activities related to this topic are addressed in the National market introduction plan.

Summary table

Identified barrier	Target	Proposed activities
National energy efficient policy		
Low priority of the activities related to the energy efficiency of household appliances	The efficiency of household appliances is promoted as a priority of the national energy efficiency policy.	Activities are implemented at national level to raise the awareness on all major aspects related to development, application and monitoring of the policy of energy efficiency of household appliances and evaluation of its impact. Successful international practices in the field of national policies and programmes for energy efficiency of household appliances are collected and analysed. Different scenarios are discussed for application of different policy instruments including forecasts estimated results in terms of energy and cost savings and reduction of GHG emissions. Sustainable model is developed for following the development of the market of energy efficient appliances and the consumer's behaviour.
No information is collected related household appliances available and sold on the domestic market and their energy classes	A system for regular collection and analysis of information about the state of the market and the sales of household appliances and their energy consumption is established	
Low political awareness, knowledge and skills on appliance energy efficiency issues	The decision makers and experts from the governmental institutions possess adequate knowledge and skills about the benefits from the energy efficiency of household appliances	
Verification and enforcement system		
No specific training to inspectors doing shop checks is performed	The experts and the inspectors conducting checks in the retailer network have undergone specialized training course in connection with their compliance-related control activity	A specialized training is developed and performed to the inspectors doing checks. With two main training directions - for inspectors visiting shops and for inspectors checking claims for possible inconsistency of the declared energy class of the appliances. Every year the Consumer Protection Commission will work out and submit to MEE for approval a National Plan for checking of compliance with the requirements of legislation.
lot of appliances in the shops are not labelled or not properly labelled	Energy efficiency labels steadily present in the retailer network, internet and trade catalogues	
No existing procedure for checking the internet and other trade catalogues		
no system for verification of the energy classes declared by the producers or suppliers	National system for testing of the appliances is established	A procedure for compilation of a sample of the appliances sold on the market, which shall be checked for possible non-compliance with respect to the declared energy class will be proposed and approved. A testing laboratory will be selected, at which the necessary tests will be performed.
no existing procedure for selection of appliances for verification of the declared energy class		
No laboratory identified to perform appliance tests		

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