**British Retail Consortium (BRC) response to the Consultation on Mandatory Water Efficiency Labelling**

**November 2022**

**About the BRC**

As the go-to trade association for UK retail businesses, our purpose is to make a positive difference to the retail industry and the customers it serves, today and in the future.

We tell the story of retail, work with our members to drive positive change and use our expertise and influence to create an economic and policy environment that enables retail businesses to thrive and consumers to benefit.

We do this in a way that delivers value back to our members, justifying their investment in the BRC. This membership comprises over 200 major retailers - whether operating physical stores, multichannel or pureplay online - plus thousands of smaller, independent retailers through several niche retail Trade Associations that are themselves members of BRC.

Within the BRC we host the Buying Community. This community helps retailers sell safe and compliant non-food products. It is the buying community that has put this response together.

*References to ‘member’ throughout the consultation mean BRC retailers.*

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*We do not consider this response to be confidential*

**General comments/questions on the consultation**

* The proposals could also lead to divergence, which is where Great British (GB) law differs from EU law. This will mean **increased costs for businesses** through having to dual label, dual test, and keep records, without necessarily making products safer or more efficient for consumers
* There should be a facility for retailers/manufacturers to produce a label, as there is with an energy label. This will lead to lower costs and consistency for industry
* The flag of the Union can be controversial in some parts of the UK, and this should be considered when designing the label.
* Retail sell-through periods must be considered. For example, what would happen to ‘existing stock’ when the regulations come into force?
* Some retailers’ products are sold all over the world, will the GB label be required on these?
* Will the information/labels be stored on a central database such as EPREL?

**Question 1: Does the list of products (toilets, urinals, kitchen sink taps, bathroom basin taps, non-electric shower outlet devices and shower assembly solutions, dishwashers, washing machines and combination washer-dryers ) we selected set the right level of ambition?**

**Answer:** We feel that this sets the right level of ambition.

**Question 2: To what extent do you agree or disagree that a standalone water label only is the most appropriate way to deliver mandatory water efficiency label policy? (We explored the possibility of including water on energy efficiency labels introduced using powers in the retained Energy Labelling Framework Regulation (EU) 2017/1369 however, we are not pursuing this option because if we did so we would be limited in the water using products we could cover and limited in the scope of water efficiency information we could include)**

**Answer:** We agree that a standalone label would work for products that **don’t already require an energy label**. Also, we should bear in mind that GB cannot amend the EU energy label requirements.

**Question 3: In what ways can the impacts of dual labelling on manufacturers be minimised?**

**Answer:** The label could be digitised i.e., the required information could be on a central website which consumers and Market Surveillance Authorities could easily access.

**Question 4: To what extent do you agree or disagree that the example label designs appropriately deliver water efficiency information to a consumer?**

**Answer:** We feel that there could be an ‘information overload’ for consumers. There should be an ability to print a black and white design for outer boxes (such as brown cardboard boxes) where the ability to print in colour is impossible

**Question 5: Are there any additional elements required in the labelling specification?**

**Answer:** We must be mindful that we don’t mimic the EU energy label. We are interested in what the European Commission would think of the Water Efficiency Label. As to model identifier, retailers would prefer to use ‘Stock Keeping Units’ (SKU)

**Question 6: To what extent do you agree or disagree that including energy information on the label (for taps and non-electric showers) would be beneficial? [strongly agree, agree, neutral, disagree, strongly disagree, don’t know-no answer]**

**Answer:** Agreed. For consumers, the information provided is an insight into what they are buying and it will help them make more energy-efficient purchases. We agree that the energy information on the label would be beneficial for consumers, although retailers are keen to avoid any confusion and unnecessary labelling.

**Question 7: What would be the most effective way for energy information to be included in the label?**

**Answer:** Retailers can see the benefit of energy labels. There should be link to a database where consumers and Market Surveillance Authorities can see the required information.

**Question 8 : To what extent do you agree or disagree that the display requirements are suitable to ensure water label visibility to the consumer?**

**Answer:** It will be confusing to have two pieces of information (e.g. water and energy efficiency on the labels). Also what ‘technical’ information would need to be enclosed with the product in manuals, leaflets etc? As with question 4, there should be provisions made for printing onto cardboard boxes etc.

**Question 9:** To what extent do you agree or disagree with the information we propose for the database in annex E?

•product class (for example. Toilet, basin tap)

•company name

•water efficiency rating

•product name and model

•flow rate

•Dimensions

•registration expiry

•noise levels (some items)

•image

•cost per unit

**Answer:** Who will be required to update the database? Will it be who places on the market?  The required information could be integrated into EPREL. Also, retailers are unsure as to what ‘flow rate maximum’ and ‘registration expiry’ means

**Question 10:** Should any additional information to that set out in Annex E be included in a database? [yes, no (if yes, please explain -open text)]

**Answer:** No

**Question 11:** Are there any existing standards or regulations beyond those listed from pages 99 -104 of the EST technical report, which you consider may have implications for the delivery of mandatory water efficiency labelling?

**Answer:** In retailers' view if we want to keep the consistency and familiarity consumers have with current energy labels in both the EU and UK, we would think that we would not want to detract from these regulations.

**Question 12:** Please outline the criteria which you consider the enforcement authority should fulfil, and explain your reasons?

**Answer:** Enforcement Authorities should principles of ‘risk-based’ and proportionate enforcement. That means targeting their resources towards where there is likely to be most consumer detriment. Retailers can store/upload product information onto a central database, meaning enforcement bodies could carry out ‘desk-based’ compliance activities. Retailers are also concerned that enforcement responsibilities are given to local authority trading standards services, which are already stretched.

**Question 13:** To what extent to you agree or disagree with proposed mandatory water efficiency labelling enforcement plan? [strongly agree, agree, no preference, disagree, strongly disagree.]

**Answer:** No preference. We question the methodology for civil sanctions. How will these be calculated? What about multiple visits to a business? Where would Primary Authority and inspection plans sit within enforcement?

**Question 14:** Do you have any further comments on the enforcement plan? [open text]

**Answer:** Our views are covered in answer 13.

**Question 15:** To what extent do you agree or disagree that these figures are accurate? [strongly agree, agree, neutral, disagree, strongly disagree, don’t know-no answer]

**Answer:** Don’t know. We would like it to be noted that If you start applying labels, then there will be environmental concerns and businesses incurring costs for printing, and shipping of labels.

**Question 16:** To what extent do you agree or disagree that the costs and benefits are accurate? [strongly agree, agree, neutral, disagree, strongly disagree, don’t know-no answer]

**Answer:** Don’t know

**Question 17:** To what extent do you agree or disagree that there is limited impact on smaller companies? [strongly agree, agree, neutral, disagree, strongly disagree, don’t know-no answer] Please provide any information to support your view (open text)

**Answer:** Disagree. We feel that there will be lots of costs for smaller companies. It is a lot to comply with, and not all smaller companies will have access to the advice, education and regulatory (i.e. Primary Authority) resources that larger companies do.

**Question 18:** To what extent do you agree or disagree with our assessment of equality impacts? [strongly agree, agree, neutral, disagree, strongly disagree, don’t know-no answer]

**Answer:** Disagree. More labelling means more complexity for consumers. Partially sighted individuals will need to be considered.

**Question 19:** In addition to the previous questions, is there any other information you would like to share regarding the proposed UK mandatory water efficiency labelling?

**Answer:** We feel that a central database will be the key to making the requirements easier for businesses (of all sizes), and already stretched Market Surveillance Authorities.

**END**