



## ORGALIME ANSWER

# **TO THE PUBLIC CONSULTATION OF STAKEHOLDERS ON THE POSSIBLE IMPACTS OF VARIOUS IDENTIFIED POLICY OPTIONS FOR A POSSIBLE AMENDMENT OF THE LOW VOLTAGE DIRECTIVE (LVD) 73/23/EEC ADDRESSING THE ELECTRICAL SECTOR**

Brussels, 11/10/2005

### Introduction

Orgalime's answer to the public consultation on the possible economic, social or environmental impacts of the various changes that are envisaged by the Commission, including the enlargement of the scope of the Directive to products below 50 V AC / 75 V DC is included hereafter. This answer is of course consistent with our call to abandon the proposed revision of the Low Voltage Directive, which we consider unnecessary at the present time ([Our position of 1/6/2005](#)).

Our industry, which has seen the introduction of a significant volume of new legislation over the past years affecting products regulated under the Low Voltage Directive, feels that it is now essential to provide manufacturers with a period of regulatory stability. We have always advocated pragmatic solutions, which did not require a revision of the Low Voltage directive.

Where appropriate, for example in the area of market surveillance, which is an issue of importance in many New Approach directives, we have advocated that any necessary changes should be dealt with at a horizontal level in the framework of the ongoing review of the New Approach. This is underway at the present time.

Notwithstanding our participation in the present consultation and our appreciation at being consulted by the Commission on this issue, where our industry is the principal stakeholder, we still have strong reservations on the way public on-line consultations are conducted on the [Interactive Policy Making \(IPM\)](#) web pages of the Commission. In particular, our members are concerned that answers may not be screened and weighted according to the size and constituency of the respondent. Moreover we question the usefulness of holding such consultations for highly technical issues, which require a great deal of specialist knowledge.

Annex: Detailed answer as posted to the IPM Web pages of the Commission on 11/10/2005.

# Low Voltage Directive

<b>Identification of case</b>	
IPM Reference Number:	459138
Creation date	11-10-2005
Modification date	
<b>1. Identification of the respondent</b>	
<b>A. Is your answer reflecting the opinion of your Organisation?</b>	Yes; I coordinated the response internally
<i>My Company / Authority represents:</i>	European Industry Association
<i>Please specify the number of members:</i>	between 11-50 members
<b>B. Where is your residence, Head Office / Headquarters?</b>	EU 25
<i>Please specify the EU Country:</i>	
<b>C. Contact Data</b>	
Please specify your name, the name of your Organisation and contact details (name, phone no., e-mail, etc.) in case we need more information. <b>[1]</b>	
Adrian Harris, Secretary General (adrian.harris@orgalime.org) Philippe Portalier, Senior Adviser (mailto:philippe.portalier@orgalime.org) ORGALIME, The European Engineering Industries Association www.orgalime.org B-1030 Brussels Diamant Building, Bd A. Reyers 80 Tel. 32 2 706 82 35 - Telefax 32 2 706 82 50 ----- ----- Orgalime is the European federation representing the interests at the level of the EU institutions of the European mechanical, electrical, electronic and metal articles industries as a whole. Orgalime's member federations directly or indirectly represent some 130,000 companies of an industry which employs some 7 million people. The companies which are overwhelmingly small and medium-sized enterprises cover a broad industry cross-section in terms of product, market segment and geographical spread. The engineering industry is the largest industrial branch in the EU, with a turnover of over 1,235 billion euro per year. The industry accounts for some 27% of the EU's manufactured output and a third of manufactured exports. In the electrotechnical field, it represents the views of its national trade association members in the electrical and electronic engineering fields as defined by chapters 29.7; 30; 31; 32 and 33 of NACE Rev1.	
<b>2A. Background knowledge</b>	
<b>How would you describe your level of involvement as concerning the current rules which govern the manufacture and placing on the market of electrical equipment as far as product safety aspects are concerned?</b>	I apply them on a daily basis
<b>2B. Are you currently satisfied with the LVD? How would you rank its general impact?</b>	
<b>Economic Impact</b>	Positive
<b>Social Impact</b>	Positive
<b>Environmental Impact</b>	Neutral
<b>Could you please expand each of your above provided answers?</b>	
Social impact may be considered as positive due to availability of safe products on the market up to the last years, but the lack of market surveillance puts this achievement at risk. The LVD itself has positive impacts. However, due to insufficient market surveillance the quantity of non-complying products increases. Manufacturers are faced with unfair competition due to non compliant products.	
<b>3. External expertise; how to make a product compliant with the LVD</b>	

**A. When you are seeking to bring a product in compliance with the provisions of the LVD, do you generally use external expertise?**

**B. When you are seeking to bring a product in compliance with the provisions of the LVD, do you generally achieve this by...** Applying European harmonised standards listed under the LVD

**C. Do you apply voluntary certification marks to your products?**

#### 4. Legal interfaces to other sectors

**Based on your experience, do you consider there is a legal uncertainty (overlap, contradicting obligations, no defined interface, etc.) with respect to the interface of the LVD with other Directives (e.g. GPSD, Machinery, ATEX, Medical Devices, forthcoming Directive on Energy-using Products, REACH, WEEE, RoHS)? [2]** Yes

***If you consider there is legal uncertainty, please provide more details:***

The current version of the Machinery Directive (MD) leads to a scope overlap due to grey zones in the interpretation of MD Article 1(5). It is hoped that the MD revision will provide for clearer borderline for certain products (e.g. IT, household appliances, electrical motors, etc.). For matters of safety, low voltage products should be subject to only one directive.

#### 5. Extension of the scope of the LVD

##### 5A. Extension of the scope with regard to voltage

**Social impact** No social impact

**Economic impact** Economic impact on...

***Economic impact on:*** Administrative requirements  
Costs of product design  
Other direct or indirect costs  
Competitiveness

**Environmental impact**

**Please provide more details on your answers above and any other impacts you have identified, rating the impacts: positive/negative, increase/decrease.**

Increase of administrative costs (CE marking; generate, store, maintain, provide declarations of conformity), product design and manufacturing. Increase of product design costs (if the proposed health requirements of LVD Update 5 will be implemented). Increase in manufacturing costs due to revised design. The economic impact has a negative effect on the competitiveness of manufacturers. The social impact of the current LVD is positive: product safety has never been better. The revision of the LVD will not improve this impact if market surveillance does not improve with more staff and financial resources.

##### 5B. Extension of the scope with regard to "simple" electrical equipment

**Social impact** Social impact on...

***Social impact on:*** Employment and labour market access

**Economic impact** Economic impact on...

***Economic impact on:*** Administrative requirements  
Other direct or indirect costs  
Competitiveness

**Environmental impact** No environmental impact

**Please provide more details on your answers above and any other impacts you have identified, rating the impacts: positive/negative, increase/decrease.**

All electrical products should be submitted to a risk assessment. Increase of administrative costs (CE marking; generate, store, maintain, provide declarations of conformity). Increase of other costs due to required training on how to perform the risk assessment, which is necessary to determine the benign character of the product. The economic impact has a negative effect on the competitiveness of the EU-manufacturers.

### 5C. Extension of the scope with regard to electrical equipment into motor vehicles

<b>Social impact</b>	No social impact
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<b>Economic impact</b>	Economic impact on...
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<i>Economic impact on:</i>	Administrative requirements Costs of product design Other direct or indirect costs Competitiveness
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<b>Environmental impact</b>	No environmental impact
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**Please provide more details on your answers above and any other impacts you have identified, rating the impacts: positive/negative, increase/decrease.**

Increase of administrative costs (CE marking; generate, store, maintain, provide declarations of conformity). Increase of product design costs (if all of the proposed requirements of LVD Update 5 will be implemented). Increase in manufacturing costs due to revised design. The economic impact has a negative effect on the competitiveness of the EU-manufacturers.

### 6. Essential Requirements

<b>Social impact</b>	No social impact
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<b>Economic impact</b>	Economic impact on...
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<i>Economic impact on:</i>	Administrative requirements Costs of product design Other direct or indirect costs Competitiveness
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<b>Environmental impact</b>	Environmental impact on...
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<i>Environmental impact (each of the following options have to be seen throughout total life-cycle of the product) in terms of emissions to:</i>	water soil air
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**Please provide more details on your answers above and any other impacts you have identified, rating the impacts: positive/negative, increase/decrease.**

The question is not correct; there are NEW requirements introduced. Existing essential requirements were sufficient to cover all health and safety aspects Negative impact of new requirements: 1. on administrative requirements: investigate the explicit health requirements; replies on customer enquiries about potential health issues. 2. on costs of product design: ageing of equipment has to be taken into account in order to fulfil ALL health and safety requirements during lifetime 3. on other direct and indirect costs: training of employees with regard to new requirements. 4. on competitiveness: Other markets do not require such requirements. 5. on standards IEC standards might get European deviations so that they are no longer global standards.. Moreover the new annex can lead to some misunderstanding: - the lifetime could be understood as a guarantee - ergonomics could be understood as comfort exceeding health and safety aspects; - any requirements on ergonomics should be restricted to health and safety aspects.

### 7. Harmonised Standards

<b>Social impact</b>	
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<b>Economic impact</b>	
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<b>Environmental impact</b>	
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**Please provide more details on your answers above and any other impacts you have identified, rating the impacts: positive/negative, increase/decrease.**

In cases where harmonised European standards did not exist, have you used international standards or national standards in order to gain from a presumption of conformity with the requirements of the LVD?

## 8. Notified Bodies

<b>Social impact</b>	No social impact
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<b>Economic impact</b>	No economic impact
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<b>Environmental impact</b>	No environmental impact
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Please provide more details on your answers above and any other impacts you have identified, rating the impacts: positive/negative, increase/decrease.

## 9. Information requirements for Market Surveillance

### 9A. Market Surveillance: traceability of electrical equipment

<b>Social impact</b>	No social impact
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<b>Economic impact</b>	No economic impact
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<b>Environmental impact</b>	No environmental impact
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Please provide more details on your answers above and any other impacts you have identified, rating the impacts: positive/negative, increase/decrease.

Social: This kind of identification does not solve the problem of LVD infringement (See our comments below under points 9B & 11 on market surveillance); Economic: The new provisions, which will lead to additional costs for companies, will not help to chase ghost companies (one shot importers) and especially for small products (such as lamps, micro switches, etc) which do not have to fulfil the EMCD requirements, no extra information should be requested because it leads to practical problems.

### 9B. Market Surveillance: obligations and powers

<b>Social impact</b>	No social impact
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<b>Economic impact</b>	No economic impact
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<b>Environmental impact</b>	No environmental impact
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Please provide more details on your answers above and any other impacts you have identified, rating the impacts: positive/negative, increase/decrease.

Since the GPSD and its specific provisions already apply to all electro-technical products deemed to be used by consumers, there would be no further improvement on consumer use, if the LVD provisions were aligned with those of the GPSD. Furthermore the overall economic impact would be negative if all enforcement procedures and powers that are entrusted to national authorities for consumer products would be extended to professional products. While consumer products are in practice not easily traceable once put on the market, manufacturers of professional products do keep track of their customers and are able to take all necessary measures, if a product becomes dangerous beyond its normal conditions of use. Unlike the general public, professional users are well informed and trained users, according to the provisions on the conditions of use, usually provided for in the contract of sale (these sometimes include sanctions). Therefore, it is not necessary and would not increase the safety of users of professional electro-technical products to extend all the provisions of the General Product Safety Directive (GPSD) to the LVD.

## 10. Technical documentation (for manufacturers, retailers, importers and authorities)

<b>Social impact</b>	No social impact
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<b>Economic impact</b>	Economic impact on...
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<b>Economic impact on:</b>	Administrative requirements Other direct or indirect costs
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<b>Environmental impact</b>	No environmental impact
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**Please provide more details on your answers above and any other impacts you have identified, rating the impacts: positive/negative, increase/decrease.**

Aligning the requirements on the technical documentation for electrical equipment in the amended LVD with those set out in Annex IV of the new EMC Directive are the only ones that could have a positive economic impact, since the EMC directive focus on documents which are really useful for market surveillance purposes: for this reason the administrative costs may decrease. However, this issue is not specific to electro-technical products and would be better dealt with in the framework of the revision of the New Approach.

## **11. Open question**

**Are you aware of any other policy instruments to improve the functioning or application of the current Directive, other than by means of amending the legal text and hence national law?**

***(If yes, make a reference to the appropriate policy option)***

Based on our experience it is absolutely necessary to improve market surveillance of electro-technical products. In the short term, practical solutions would be much more cost/effective than the revision of the LVD, such as improved knowledge sharing among the member states authorities in charge of market surveillance, especially thanks to an increased use of ICT (e.g. an Extranet) and staff exchange programmes. On the long term, with the globalisation of both markets and manufacturing processes, it is more important today to ensure the traceability of the product to the person who has placed it for the first time on the European market than to find ways to trace back the responsibility from the product to the manufacturer. The new trading means, e.g. by Internet, should be taken into account by market surveillance authorities. Therefore, we recommend focusing on the revision of the New Approach, where market surveillance issues could be better dealt with than in a single directive like the LVD, if certain definitions and procedures were to be common to all New Approach directives. But we have to take into account that market surveillance requirements and practices are not the same for consumer products, such as those referred to in the General Product Safety Directive (GPSD) which are usually short-lived and produced in large series, and long-lived and more easily traceable professional products, such as machine tools. Furthermore, in the framework of better regulation, it is particularly important to ensure that the quality, effectiveness and simplicity of regulations be taken into account: where an industry has achieved a high degree of self regulation by developing fair conditions of trade and safety between companies through harmonised standards, the professional market should be left to regulate itself as far as possible. To interfere in this process will only lead to creating more unnecessary administrative burdens and therefore more costs.

**Thank you for your help!**