

Highlights of the discussion

Message in a Label:

The value of communications in energy efficiency and climate change reduction

12 November 2014



This brown bag case discussion is part of a how-to series that the DER Project Communication group regularly conducts for operations staff. Project leaders share practical strategies on how communication was effectively designed and used to engage stakeholders, change behavior, mitigate risks and criticisms from civil society - for better project results.

Speaker:

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Project Background:

Policy and Advisory Technical Assistance (PATA) on Promoting Energy Efficient Products by Strengthening the Energy Labeling Scheme (2012 -2014)

- Strengthen the China Energy Labeling (CEL) through:
 - Assessment of the current system
 - Development of a comprehensive technical and regulatory policy brief to strengthen the CEL evaluation system
- From 2005-2012, the People's Republic of China (PRC) saved 420 TWh of electricity = 30 million tons of CO₂e reduction through energy efficiency programs
 - With a grant of US\$500 thousand, ADB sought to help increase the PRC's cumulative power savings

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Technical Assistance on Communication

The Communication Action Plan for the China Energy Label is an awareness-raising and behavior change communication (BCC) intervention designed to boost the demand-side needs of the Policy and Advisory Technical Assistance (PATA) on Promoting Energy Efficient Products by Strengthening the Energy Labeling Scheme.

The original PATA focused on supply-side support to strengthen the testing and evaluation of the energy efficiency performance of selected household consumer appliances. Demand-side activities were limited to the enhancement of the energy label.

In mid-2013, ADB's departments – East Asia Energy Division (EAEN) and External Relations (DER) – agreed to pilot the project which was already in the early stage of implementation to strengthen the demand-side of the energy labeling scheme which was critical for project success.

ADB infused additional US\$26 thousand to integrate communication activities into the PATA.

DER provided technical assistance to the government of the People's Republic of China (PRC) to incorporate communication in its CEL implementation. The communication TA showcases three important areas that contributed to the outcome of the original PATA, and helped sustain project gains beyond 2014:

- (1) Even in a centralized political environment, development communication planning processes enabled CEL stakeholders to participate, building their commitment to the project and forging more in-depth collaboration for an advocacy that impacts all of them (i.e., decreasing air pollution, savings from energy-efficient products)
- (2) Through a multi-stakeholder collaboration, a Communication Action Plan was developed to provide practical demand-side behavior change communication interventions to strengthen technical aspects (supply-side) of CEL
- (3) The engagement of stakeholders from the onset provided the impetus to their implementation of the Communication Action Plan

The Communication Question: Verifying the extent of project's communication needs

The PATA recognized the lack of awareness-raising among consumers, manufacturers and retailers as a major limitation in CEL implementation. As a result of this limitation, the PATA listed the following behavioral barriers that needed to be addressed by communication interventions:

- Consumers prefer low-cost but high energy-consuming products
- The insufficient demand deters manufacturers from innovating and producing energy-efficient products

The PATA Report (September 2012) acknowledged that if these communication needs were not addressed, "it will not be possible to achieve the cost reduction benefits resulting from economies of scale and technological improvement."

DER provided EAEN with a preliminary roadmap of development communication processes to address the initial communication gaps identified in the PATA report and complement the supply-focused TA. The activities include:

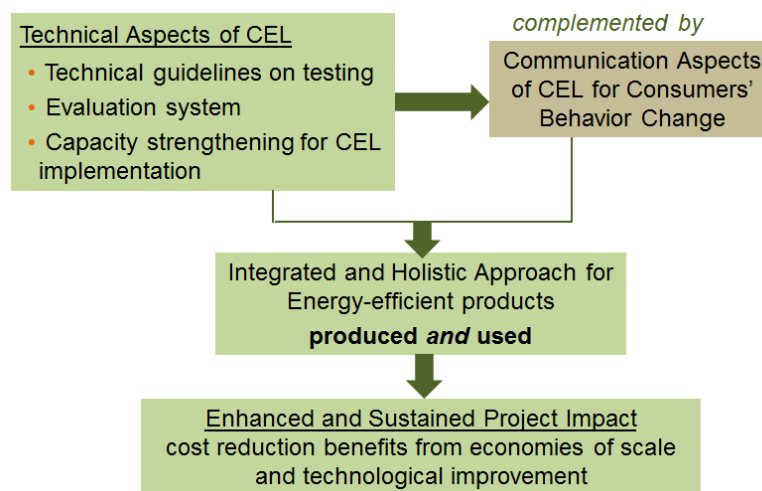
- **Meetings with the government ministries** responsible for executing and implementing the PATA to incorporate a communication framework into the energy labeling scheme and lead in facilitating demand-side interventions
- **Stakeholder engagement sessions** to promote the project and gain support from CSOs, media and the private sector
- **Communication planning sessions** with multi-stakeholders to integrate and coordinate various demand-side efforts, and sustain implementation

How they did it:

Incorporating a communication framework to complement the original project focus

With the Administration of Quality Supervision, Inspection and Quarantine (AQSIQ) and China National Institute of Standardization (CNIS), the Executing Agency (EA) and Implementing Agency (IA), respectively, ADB facilitated the drafting and adoption of a framework to integrate communication into the original PATA (Figure 1).

Figure 1: Integrating a communication framework in the CEL TA



CNIS acknowledged the communication gaps of CEL implementation and requested for ADB's technical assistance on communication to execute the preliminary roadmap. CNIS and ADB deemed that introducing communication to the first technical Interim Workshop was a strategic entry point for stakeholders to appreciate the supply-demand continuum.

This framework was presented and further enhanced by various stakeholders during the first workshop held in November 2013. Originally designed as a one-day technical session, CNIS agreed to incorporate a session to present the communication framework and need for demand-side interventions. Aside from this, a simultaneous workshop session was also conducted to engage stakeholders and get their support for communication.

Forging government buy-in for communication

Through email, teleconferences and a final planning session prior to the event, ADB helped CNIS design the Interim Workshop to incorporate a communication session during the technical meeting. The pre-negotiations were crucial to establish the following:

- From the onset, build buy-in among key government officials to lead, implement and sustain communication efforts (including stakeholder engagement) and invest in future demand-side components of energy projects

It helped that there were clear demarcation of roles between the EA and IA and a project manager from the IA was designated to facilitate the meetings between ADB and other stakeholders. Through the project manager, ADB ensured that key stakeholders were informed and consulted about the objectives of the communication TA and organizational responsibilities.

- Establish the value-added of development communication processes in energy projects to complement technical supply-side efforts

ADB conducted desk research on the impact of behavior change communication (BCC) and social marketing to showcase successful energy efficiency and labeling projects in Thailand, Korea and the Philippines. Analysis of the research results and the impact of communication on Asian energy efficiency projects were presented to key stakeholders to emphasize the following:

- All of the projects had dedicated components on BCC and/or social marketing that complemented the supply side components
 - Demand-side components were backed by policy instruments that ensured budgetary allocations to sustain and institutionalize communication programs
 - Without demand-side communication interventions, project outcomes (i.e., technical guidelines on testing, strengthened evaluation system, etc.) will not be fully achieved if the end user – consumers – do not use the China Energy Label (CEL) and do not purchase energy-efficient products.
- Institute the significance of stakeholder engagements to generate public support and contribute to project outcomes

Among the stakeholders that the EA and IA did not regularly engage in were CSOs given the political environment in the PRC. The following points were raised to emphasize the advantages of tapping multiple stakeholders to promote the CEL and influence consumer buying:

- CSOs enjoy a certain level of credibility which may be maximized to increase consumer confidence in the CEL
- CSOs have sectoral membership among women (i.e., users of household appliances), youth (i.e., pressure groups and the growing “new market”) and others.
- CSOs have untapped resources and vast networks that can penetrate consumers in areas which may not have access to the modern sources of information (e.g., mass media, social media, etc.)

- CSOs working on the environment and consumer welfare share similar agenda with the government and can be strong partners to promote the availability and use of energy-efficient products in mitigating carbon emission and increasing household savings

Conducting a stakeholders engagement session

The political and communication environment in the country did not encourage engagements between the government and CSOs despite similar advocacies. The government ministries responsible for carrying the PRC's energy efficiency agenda have worked with selected CSOs but not on a regular basis. After discussions with ADB, CNIS agreed that the CEL scheme, particularly its communication requirements will benefit from a multi-stakeholder platform.

ADB provided CNIS with a list of CSOs and donor groups working in the fields of environment / energy efficiency and labeling, consumer welfare and protection and social research and marketing. After reviewing and finalizing the list, ADB worked with CNIS to design the stakeholders' consultation to balance the CSOs' interests and expertise with the communication requirements of the CEL.

ADB and CNIS agreed that the objective of the stakeholders' consultation was to introduce the project and its communication needs as well as to determine the following:

- stakeholders' mapping
- extent of past and current CEL communication efforts by government, NGOs and private sector
- extent of interest in sustained involvement in CEL communication efforts
- available market research (i.e., attitude towards label, purchasing behavior, etc.)
- other aspects of CEL communication environment

An important feature in the design of the stakeholders consultation was a facilitated session where CSOs themselves collectively identified possible areas of partnership with CNIS, affirmed their significant role in energy efficiency labeling, joining the multi-stakeholder platform was beneficial for them. They also discussed possible mechanisms for sustained involvement.

Aside from CSOs, the consultation was also attended by representatives from government and media all of which confirmed the need to complement the CEL system by launching demand-side strategies with these parameters:

- A communication action plan is needed to:
 - coordinate separate communication campaigns launched by the government and NGOs on CEL for stronger impact
 - address behavioral barriers
 - improve actual label (this is based on the stakeholders' perception that the label is "too technical" for consumers)
- While there is available market research, there is still a need to determine the following behavioral barriers in order to address them:
 - Why do consumers continue to prefer low-cost but high energy-consuming products?
 - Are consumers aware of and trust the label? Of those who are aware of the label, did it impact on their purchasing decisions?

- What can be done to increase demand and motivate manufacturers to produce energy-efficient products?
- What is the extent of online shopping in the PRC? How can online shoppers maximize the CEL when purchasing household appliances?
- China National Institute of Standardization (CNIS), the Implementing Agency (IA) responsible for delivery of the TA, is a technical agency with limited communication capability – and would benefit from stakeholder support for communication

Developing the Communication Action Plan (CAP)

Following the insights gained from the Interim Workshop including the stakeholders engagement session, ADB provided CNIS with a draft list of the priority activities and deliverables for developing the Communication Action Plan. It was agreed that CNIS needed technical assistance in accomplishing the activities so Terms of Reference were drafted to hire a consulting firm.

ADB and CNIS selected the NGO, Collaborative Labeling & Appliance Standards Program (CLASP), by single source selection (SSS) as guided ADB's guidelines on use of consultants. CLASP was identified during the stakeholders session and selected for its broad experience in energy labeling and consumer behavior, and for conducting small communication initiatives on the CEL.

ADB, CNIS and CLASP lined up the following activities to catalyze the development of the CAP:

- draft an Action Plan Discussion Paper for consultation to stakeholders
- design and facilitate a communication planning session to seek stakeholder inputs to the discussion paper (strategically timed during International Workshop in June 2014)
- develop CAP based on planning results
- present CAP to stakeholders for commitments and continued engagement (to coincide with Final Workshop in December 2015)
- integrate CAP to policy instrument as one of the outputs of the PATA

Based on the results of the communication planning session during the International Workshop in June 2014, CLASP incorporated the following elements into the CAP:

- CEL communication efforts for the past ten years
Pooling the sharings from multiple stakeholders during the engagement session and Interim Workshop, CLASP provided brief summaries of the communication activities of government ministries and other groups with the conclusion that most of the demand-side efforts were implemented separately without being synchronized in a formal communication strategy.
- Communication needs of the CEL
Available current market research by CLASP and All China Marketing Research (ACMR), a private company, demonstrated shifts in consumer awareness about energy-efficient products and labeling as well as changes in purchase preferences. While there are baseline trends, there are still a lot of individual behavioral barriers among the key audiences that needed to be thoroughly researched before they can be addressed by the CAP.

The lack of a coherent communication strategy also showed that majority of the demand-side efforts focused on label promotion to increase consumer awareness about it. There was little reinforcement to promote behavior change particularly on purchase and use of energy-efficient products beyond label awareness. Key audiences have not been systematically targeted as there were almost little or no activities for retailers and manufacturers.

- Stakeholders mapping
The stakeholders engagement session provided an initial mapping of CSOs and media who were currently involved in the CEL scheme. Participants there also provided leads to other groups who may be potential partners for CNIS.
- Key communication activities
The series of activities was designed to provide CNIS and other stakeholders with a road map to prioritize and pace the implementation of the CAP. It also allowed for stakeholders to continue and commit their involvement by staking their support to implement certain activities depending on their organization's thrust, interest and communication capacity.

Forging stakeholder commitments to the Communication Action Plan (CAP)

DER provided technical assistance to CNIS and CLASP in reviewing and finalizing the CAP. To catalyze its implementation, a half-day communication session was designed to coincide with the Final Workshop in December 2014 attended by both supply- and demand-side stakeholders.

CNIS and CLASP presented the CAP during the workshop and priority activities to which stakeholders committed to support. The communication session yielded the following key results:

- Through their sectoral networks, online platforms and media, stakeholders will extensively help promote the following:
 - redesigned energy label
 - Quick Response (QR) Code in the label that can be downloaded in mobile devices to get info about energy efficiency of household appliances
 - simplified messages on CEL
 - top ten energy-efficient household appliances as verified by third parties (i.e., CSOs, etc.)
 - 10-year CEL anniversary activities and messages
- CNIS will develop standard modules for stakeholders who committed to integrate the CEL scheme into the manufacturers' and retailers' (particularly marketing and sales representatives) regular in-house training
- Manufacturers and retailers will provide CNIS with exposure opportunities to present the CEL scheme during annual, high-profile exhibits and general assemblies to convince other manufacturers to produce and promote more energy-efficient products
- CNIS will incorporate the CAP in a policy proposal to be submitted to the government to fund its implementation

Highlights of lessons: The added value of communication in energy projects

- Even in a centralized political environment, development communication planning processes:
 - contribute to enhancing mutual accountability and political trust especially between the government and CSOs, and private groups
 - enhance stakeholder participation and voice, thereby building ownership and commitment to the project, and forging more in-depth collaboration
 - leverage resources and distribute the cost of implementation of communication activities
- Communication processes help achieve cost reduction benefits resulting from economies of scale and technological improvement – which will not be possible if only supply-side interventions are implemented
- Communication processes bridge knowledge gaps, ensures that plans are evidenced-based and made information accessible to all stakeholders