

Project Communication Case Presentation

**TA 8174-PRC: Promoting Energy
Efficient Products by Strengthening
the Energy Labeling Scheme**

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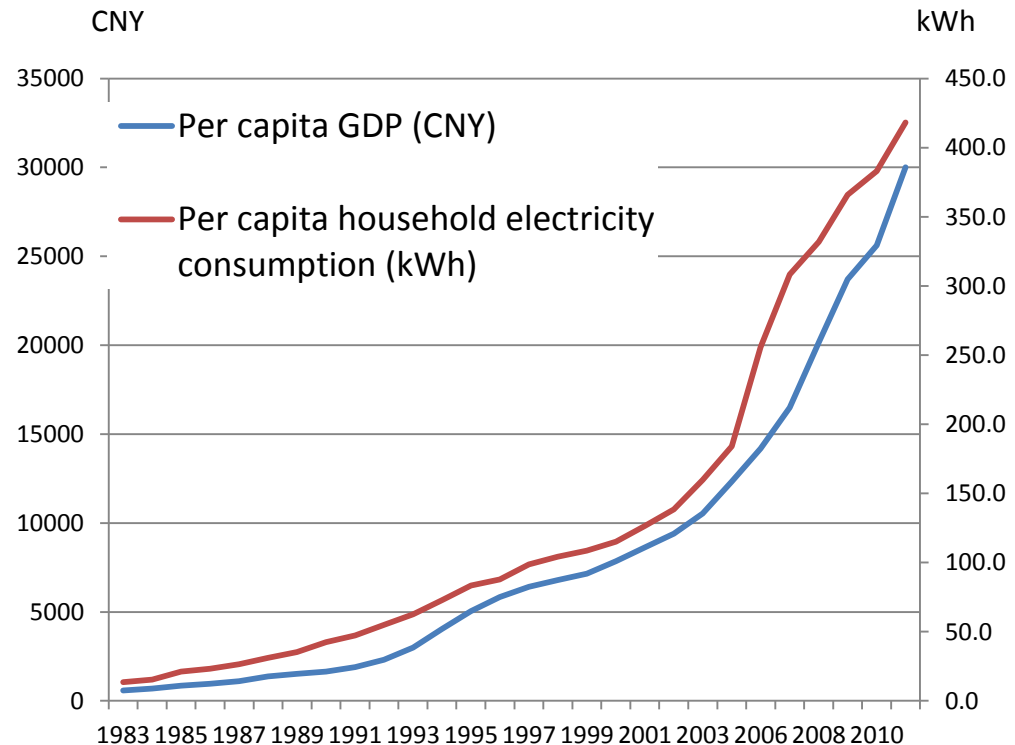
Content

- Introduction to TA 8174-PRC:
 - Background
 - Project Design
- Process of integrating communications into project
- Case specific lessons
- Key factors in project communications
- Interim results



Household Energy Consumption in the PRC

- Development Challenge in the PRC: How to direct production and consumption patterns into resource conserving and energy-efficient growth
- Household electricity consumption: **12%** of the total electricity consumption in 2011 (**3.5%** in 1980)
- Average annual growth rate of “per capita household electricity consumption”: **13%** (13.4 kWh in 1983 to 418.1 kWh in 2011.)
- Home appliances ownership rates in urban PRC went **from almost 0% in 1980 to over 100% in 25 years**: nearly 190 million urban households owned more than one color TV, washing machine, refrigerator and air conditioner



China Energy Labelling (CEL)

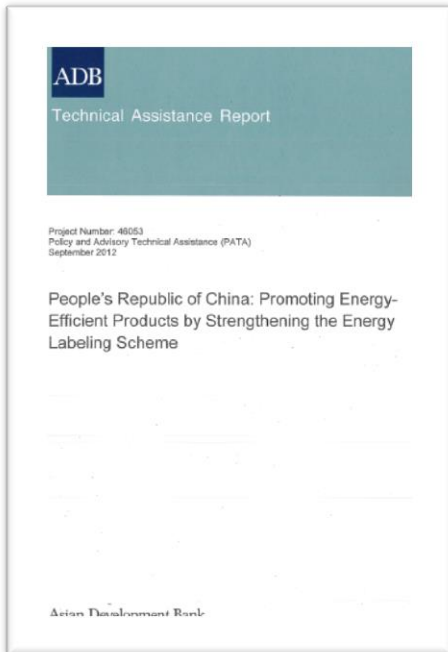
- (Minimum energy performance standards - 1989)
- Mandatory CEL is introduced in 2005.
- CEL covers 28 products groups.(7,400 manufacturers and 460,000 products registered)



- CEL contribution to energy savings: cumulative power savings during 2005-2012, **420 TWh of electricity saved = 30 million tons of CO₂e reduction.**

Design of TA-8174-PRC

- EA: General Administration of Quality Supervision, Inspection, and Quarantine (AQSIQ);
 - IA: China National Institute of Standardization (CNIS);
 - ADB TA Budget: USD 400,000
- Challenges identified:
 - Overrating of product energy efficiency
 - Inadequate technical testing instructions led to inaccuracy and poor reliability of energy efficiency testing results
 - Project Key Outputs:
 - comprehensive assessment of CEL; international experiences and lessons; identification of success factors for good compliance
 - **Regulatory and technical policy proposal** to strengthen the CEL compliance system



Testing Communication Needs of Project

- EAEN and DER collaboration initiated
- Communication session at the TA interim workshop (Nov. 2013): Invited key players from civil society groups – NGOs and Media to present their experiences
- Stakeholder feedbacks received at the TA interim workshop
 - ✓ Recognizing the importance of consumer behavior and communication: Insufficient demand=low motivations for producers to innovate
 - ✓ Need to engage proactive civil societies to activate consumers
 - ✓ Need to support CNIS activities on CEL communication strategy

Integrating a Communication Strategy into the Project

Technical Aspects of CEL

- Improving a compliance regime
- Introducing detailed testing instructions
- Capacity strengthening for CEL implementation

complemented by

Communication Aspects of CEL for Consumers' Behavior Change

Integrated and Holistic Approach for Energy-efficient products
produced *and* used

Enhanced and Sustained Project Impact
cost reduction benefits from economies of scale
and technological improvement

TA Communication Activities



Identification of communication output, as a part of project outputs – A Communication Action Plan of CNIS

Engagement of a NGO to draft CNIS' communication action plan (April, 2014)

International Workshop (June, 2014)

- Day-long planning session for CSO inputs to Action Plan
- Introduced communication aspects of CEL to technical specialists

Next Step:

- Final Workshop (Planned on 16-17 Dec. 2014) – The Communication Action Plan will be presented at TA final workshop
- CNIS to bring the communication action plan to ACSIQ
- CNIS to roll-out 10 year activities

CLASP- Communication Research considered for Action Plan

- **Label recognition and awareness**
Quite high, but uneven across demographics and product categories
- **Knowledge about how to read the label**
Consumers are unclear on how to read the label or interpret ratings
- **Label credibility and attitudes towards energy-efficient products**
Consumers trust in the label needs to be promoted and the benefits of purchasing efficient appliances
- **Purchasing behavior**
More consumer research needed on factors influencing purchasing decisions and key target markets



- CLASP Consumer Research , 2013

Key Elements of CNIS's Communication Action Plan

- **Better understanding of consumer behavior:** who are key purchasers, what are key factors influencing online and offline purchase. Consumer research from manufacturers can be beneficial.
- **Strategic approach for larger impact:**
 - ✓ Narrow down **priority audiences** based on market research.
 - ✓ Narrow down **priority objectives** through market research (awareness, understanding, purchase behavior, or all three).
- **Logo re-design** to promote readability, comprehension and brand-affinity.
- **Sales person training:** Emphasis on educating consumers.

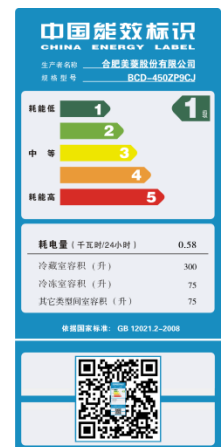


Key Factors in Project Communications

- **The role of EA and IA:**
 - Supportive
 - Proactive
- **Planning and developing a project communication strategy:**
 - **Use of existing** communication research and knowledge
 - Engagement of a frontrunner
 - Make a communication strategy **practical**
- **Providing a platform to multi-stakeholders**
 - Invite active CSO players to do own networking and create synergy in communication actions
 - Engage producers for better market understanding
 - Activate potential groups, such as consumer associations, retailers, through awareness campaign and training

Interim Results

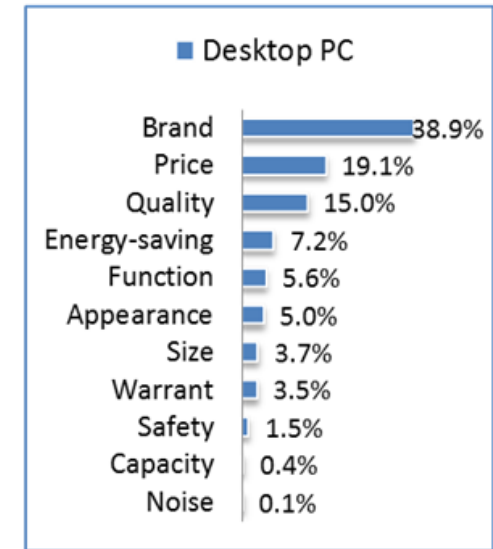
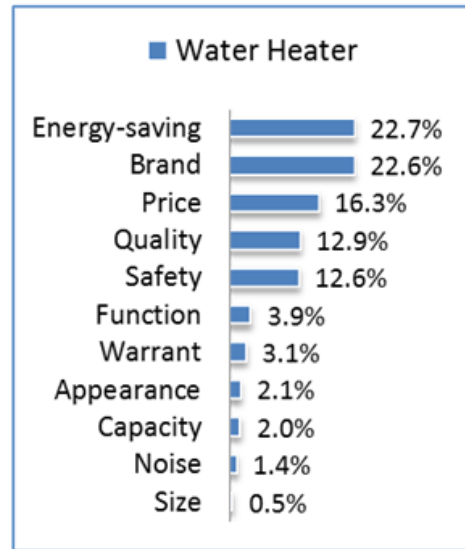
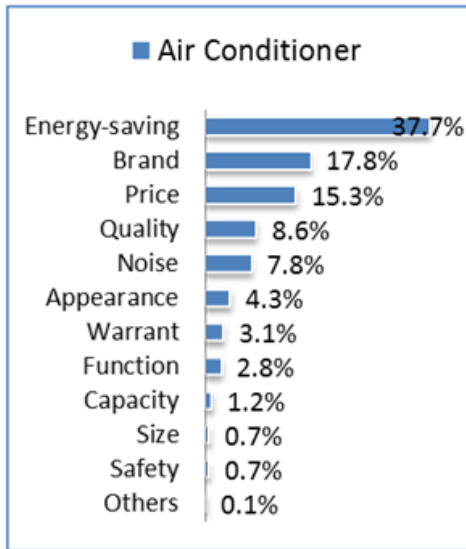
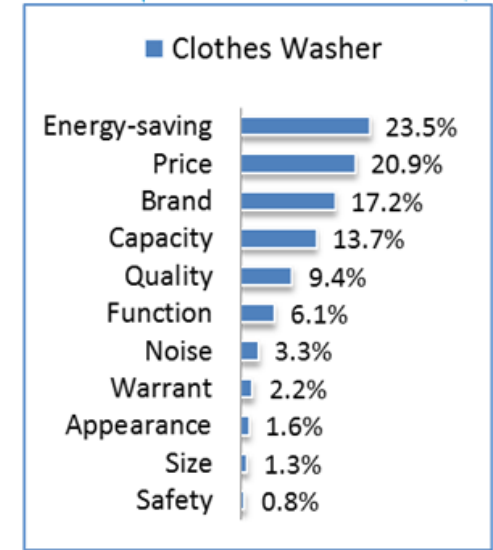
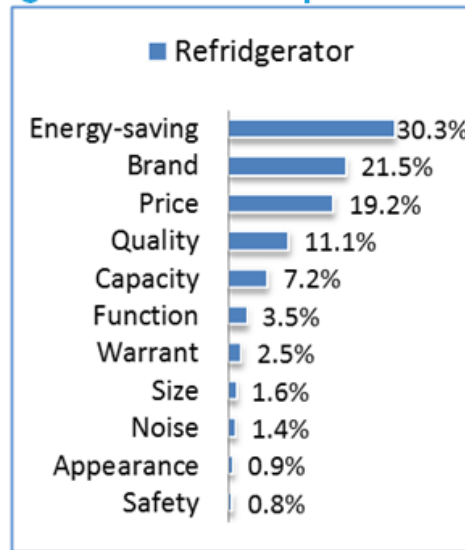
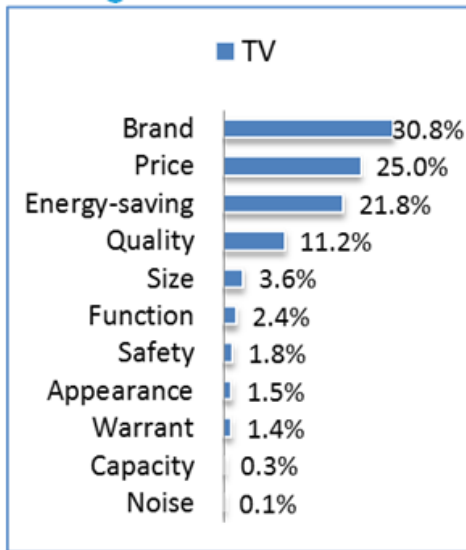
- AQSIQ and CNIS now recognize the importance of communication aspects of China Energy Labelling.
- Adopting a third –party initiative (bar-code system) into China Energy Labelling scheme.
- CNIS underwent consultation processes with other stakeholders and considered their inputs.
- CNIS advocates for resource allocation to implement Communication Action Plan.
- CNIS hired a company to design better CEL logo.



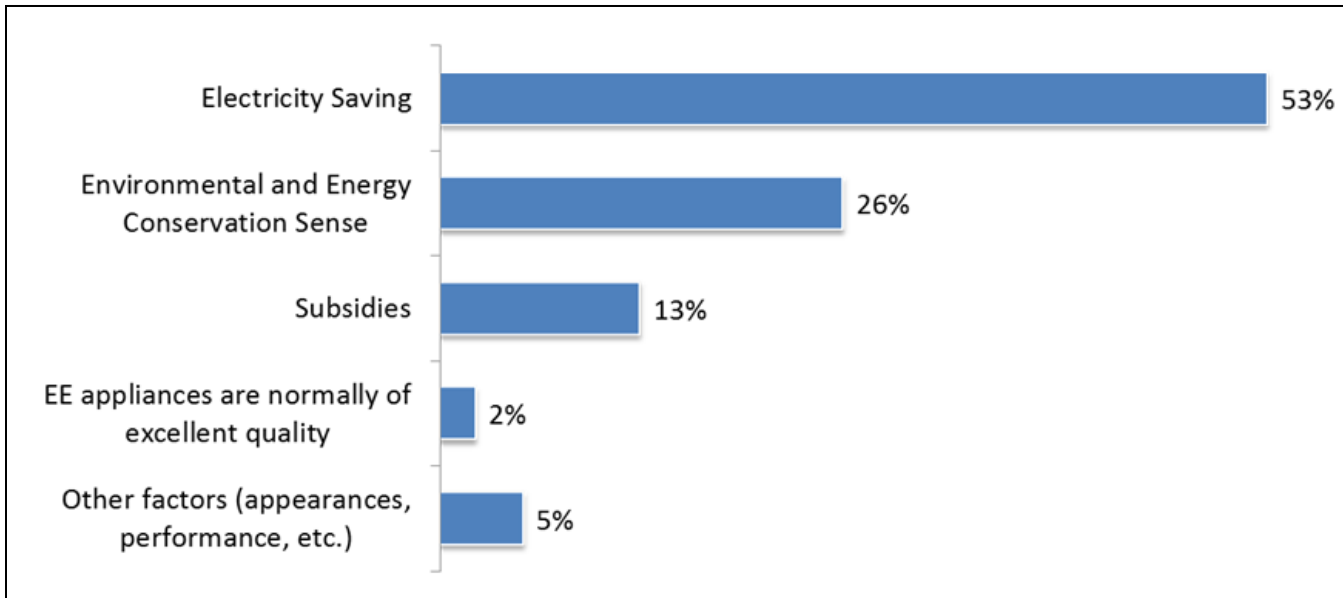
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Factors affecting consumers' purchasing decisions (2013 survey)



Primary reason for consumer to choose EE products (2013 survey)



Willingness to Pay for EE products (2013 survey)

