

PRESS RELEASE

Fluorinated gas vote: Immediate ban on servicing with HFCs will make all refrigeration equipment obsolete if proposals by the Environment Committee of the European Parliament are supported.

Brussels, 18 October, 2005: The European Fluorocarbon Technical Committee (EFCTC) urges the European Parliament to reject 'banning amendments' supported by the Environment Committee. Most notably the amendment that would prevent servicing of all existing refrigeration and air-conditioning equipment, making it obsolete as soon as the Regulation enters into force (Amendment 26). This arbitrary ban would be implemented irrespective of cost or timescale required to change existing equipment and will effectively shut down large parts of industry. The ban also takes no account of the environmental impact that would result from such a change as energy requirements increase.

"Those on the Environment Committee who voted for Amendment 26, must have overlooked the immediate and catastrophic effects that this proposed ban will have. There will be a significant and devastating impact on all manner of companies and parts of society that rely on refrigeration and air-conditioning, from the day the Regulation enters into force," said Nick Campbell Chairman of EFCTC. "The only other explanation is that those on the Committee did not understand the broad implications of the Amendment they supported."

On 11 October 2005, the Environment Committee of the European Parliament voted on a second reading report concerning the Regulation on Fluorinated Gases (F-Gas Regulation). On the face of it, the vote is intended to strengthen actions to protect the climate and the environment but this is not the case. The proposed extension of 'use bans' are arbitrary and are not justified by rigorous assessment of cost, safety and energy related benefits of alternative technologies and therefore will run counter to their intended aims. In reality the bans will significantly impact many parts of society that rely on the benefits of refrigeration and air-conditioning - for no environmental gain.

The Environment Committee have chosen to sideline the Common Position agreed at the first reading, which was based on extensive scientific and objective stakeholder consultation within the ECCP (European Climate Change Programme). In the absence of any new information, it has taken it upon itself to propose a series of arbitrary bans. One example of these is Amendment 26 that states 'Fluorinated greenhouse gases shall only be used where other safe, technically feasible and environmentally acceptable alternatives do not exist.'

This takes no account of energy efficiency and overall environmental impact. It assumes, wrongly, that HFCs are not environmentally acceptable even when used in well-contained highly efficient best in class systems. Significantly because there is no cost effectiveness test in the Amendment, F-Gases could not be used whatever the cost to implement the conversion to an alternative refrigerant, irrespective of the impact to the organisation involved.

It is estimated that there is around €60 billion of installed commercial and industrial refrigeration and stationary air-conditioning equipment in the EU, most of which relies on HFCs. This equipment is part of the fabric of society and is vital to its functioning, for food preservation throughout the supply chain, medical storage, hospital, educational and commercial building air-conditioning. Amendment 26 would immediately prevent the use of HFCs to produce and service commercial and industrial refrigeration and stationary air-conditioning equipment if it can be replaced or

modified, whatever the cost, and irrespective of the effect on energy consumption and overall environmental impact.

"The impact of this Amendment extends much further than refrigeration and air-conditioning, probably to every other use of HFCs and other F-Gases that provide value to society including HFC use for metered dose inhalers (MDIs) for treatment of asthma," added Campbell.

"The vote by Environment Committee in favour of Amendment 26 emphasises that this Regulation deals with highly complex issues. It is essential that those of us in the refrigeration and Airconditioning sector use our understanding of our industry to make the facts. MEPS are urged to support the Common Position, based on containment and a built in Review to assess progress, rather than wide ranging use bans". He concludes, "the current draft of the F-Gas Regulation is backed by extensive scientific and objective stakeholder consultation. It is ambitious and will significantly benefit the environment.

Ends.

Further information:

Nick Campbell

Véronique Garny

Chairman EFCTC

CEFIC

nick.campbell@arkemagroup.com

32 2 676 7232

vga@cefic.be

Editors Notes:

- 1. HFCs are used in many applications upon which society depends, e.g. transportation and storage of fresh food; storage of bio-medical products and vaccines; maintaining optimum temperatures in operating theatres and computer centres.
- 2. Such arbitrary bans are unrealistic and will be impossible to implement. Furthermore, the upheaval and cost to industry would seriously damage the EU refrigeration and air-conditioning industry, many of which are SMEs, and its exports, and call into question the ability of the contracting/installing industry to deal with the upheaval.
- 3. To assess the total effect on climate of HF-Gases in their current and future applications (refrigeration, domestic and industrial air-conditioning, thermal insulation of buildings and transport facilities, etc.), the only scientifically reasonable and objective approach would be to consider the overall effect across their whole of their lifespan. A number of studies have already shown that, for the applications covered by the Environment Committee's decision (thermal insulation foams, commercial refrigeration and electrical insulation gases), the use of HFCs would, overall, have a lesser global effect on climate than some alternative solutions. This is due to the greater energy efficiency when using HFCs, resulting in smaller emissions of CO₂ related to the consumption of energy.