

Commission sets the stage for the next cut in HFC quotas for 2021, enforcement will be critical

The European Fluorocarbons Technical Committee (EFCTC)¹ welcomes the **European Commission's recent Implementing Decision 2020/1604²** which lists companies which have placed Hydrofluorocarbons (HFCs) on the EU market. **This will enable these companies to receive HFC quotas for the period 2021-2023.** Since the introduction of the F-gas Regulation, the EU market has seen a surge in illegally imported HFCs, estimated at 33% more than the legal quota allowance.

"This is an important part of the process that enables companies to import and sell HFCs legally in the EU," said Dr Nick Campbell, Chairman of EFCTC, "**EFCTC has been raising concerns for over two years over the large quantities of HFCs that are illegally entering the EU.**" Starting 2021, the total HFC quota will be reduced to 45% of the baseline (down from 63% in 2020).

"By rigorously implementing the Ultimate Beneficial Owner principle, the European Commission has taken action to ensure that legitimate companies receive HFC quotas to control illegal imports that have major economic and environmental consequences." He added, "**Now is the time for Member States to play their part. National Competent authorities must rapidly**, before the end of 2020, and check individually that all the 1,386 companies listed in the Commission Decision are in compliance with REACH and can legitimately import and sell HFCs in the EU. Having an HFC quota is only one criterion for the legal importation and sale of HFCs in the EU, REACH is another one."

With the large number of incumbents included in the Implementing Decision as well as the large number of incumbents included in the Implementing Decision, a substantial number of companies are expected to apply for quota under the New Entrant Reserve to import HFCs, the quotas received are expected to be low. It will also, therefore, be vital that **National Competent Authorities and Inspectorates ensure that HFCs are imported in legitimate refillable containers and properly labelled.** Non-refillable containers have been banned in the EU since 4th July 2007 but have been shown to be readily available in the EU market, especially via e-commerce platforms.

EFCTC has opened a confidential **Action Line** which is available in 14 languages to help the fight against illegal trade. If you have seen any possible instances of illegally imported HFCs being offered for sale, please contact us at <https://efctc.integrityline.org/>.

¹ <https://www.fluorocarbons.org/>

² <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32020D1604&qid=1604391676619>

To find out more about the **#SayNoToIllegalHFCs pledge** for organisations and individuals to commit to doing their part to eradicate the black market for HFCs, please visit: <https://stopillegalcooling.eu/pledge/>³.

About EFCTC

The European FluoroCarbons Technical Committee is a Cefic Sector Group that monitors legislation related to HFCs (hydrofluorocarbons), and HFOs (hydrofluoro-olefins) in the EU and at global level. Fluorocarbons are used as feedstock, as refrigerants, as solvents and as blowing agents for insulation plastic foams.

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³ EFCTC has created a pledge for companies and individuals to commit to stopping illegal HFCs, to date over 150 signatories have been received showing that the issue of illegal HFCs is taken extremely seriously by the many businesses across the supply chain.

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