

EPEE feedback on Öko-Recherche's briefing paper: HFC availability on the EU market

20 April 2020

Introduction

EPEE, representing the refrigeration, air-conditioning and heat pump industry in Europe, welcomes the opportunity to comment on the European Commission's briefing papers on "HFC availability on the EU market".

The review process as set out under article 21 of the EU F-Gas Regulation provides a useful framework to take stock and evaluate whether the current provisions work or require adaptation to market developments. Representing the majority of manufacturers active on the European market, EPEE welcomes the opportunity to provide feedback and share its experience from the market.

EPEE concurs with Öko-Recherche that "according to latest feedback (...) almost no problems as regards the availability of HFC refrigerants occurred in 2019" (Section 2.1. of the paper). Overall, feedback from EPEE members confirms that no major issues related to availability of refrigerants have occurred recently. This observation is not only valid for higher GWP refrigerants, it is also for lower GWP alternatives. It should be noted nevertheless that the situation may differ from one market to another, and from one type of HFC to another.

However, EPEE would like to emphasize the following points, which play an important role in the context of availability of HFCs and fulfilment of phase-down steps.

1. Illegal trade of refrigerants

Illegal trade represents a risk for health, safety and the achievement of the CO₂-equivalent reduction goals set by the F-Gas Regulation. Appropriate measures need to be implemented to counter this threat. A unified approach across EU Member States is essential to tackle the issue.

Several EU Member States, along with the European Commission, have been putting a lot of efforts in tackling illegal trade of refrigerants, which EPEE very much welcomes. EPEE, however, regrets that the level of engagement on the issue is not equal across Member States and would welcome a more unified approach to address this issue.

In this context, EPEE, together with three other leading associations in the heating, ventilation, air conditioning and refrigeration (HVACR) sector – AREA, ASERCOM and EFCTC – has published an informative leaflet to highlight the risks of illegal trade of refrigerants and to call on all market players to only buy refrigerants from reputable sources in order to ensure the safe and efficient operation of HVACR equipment.

Indeed, illegally imported refrigerant can present a major risk for the health and safety of installers and users and for the reliability of equipment. They may also jeopardize the achievement of the ambitious CO₂-equivalent reduction goals set by the F-Gas Regulation.

2. The importance of refrigerant recovery, recycling and reclaim

Recovery, recycling and reclaim have a huge potential to help achieve the ambitious EU F-Gas phase-down and should be supported by a strong framework to make the most of its potential.

The phase down mechanism fosters a circular approach to refrigerant supply, reducing the demand for high GWP virgin refrigerants: According to the EEA report 'Fluorinated greenhouse gases 2019', the EU F-Gas Regulation has had a significant impact on reclaim contributing to improving availability of HFCs in the EU market. Reclaimed quantities showed a 6 fold increase (tonnes) and an 8 fold increase (tonnes CO₂e) between 2007 and 2018.

According to the EPEE modelling results, the potential for recycling and reclaim is higher. To tap into this potential, EPEE has identified several needs, such as:

- Ensuring best practice:
 - No illegal venting of refrigerants
 - Maximising effectiveness of recovery
 - Maximising re-use versus destruction when technically possible and feasible
- Ensuring a better understanding of the market:
 - How much refrigerant is being recycled?
 - How comprehensive is reported data for reclaim and destruction?
- Providing stimulus for more recovery and re-use:
 - And to facilitate cross border shipments and treatments in the EU through a network of certified operators
- Alignment with the new waste framework directive
 - Set up mandatory take back schemes in Member States
 - Properly implement the WEEE Directive, particularly for HVACR equipment

We also note that the fragmentation in the supply chain (increase from 100 actors to appr. 2500) may act as a barrier to the effective utilisation of recovery & reclamation infrastructure developed by some large distributors who have made considerable investment and face declining sales volumes of virgin HFCs.

3. Stockpiling and scarcity of bottles

The evidence showing that “gas bottles became sparse in 2017” is not anecdotal and was observed in a consistent manner across Member States.

EPEE would like to stress that the evidence showing that “gas bottles became sparse in 2017 as distributors/users were stocking them in large amounts rather than using the gas and returning the bottles for refilling” is not anecdotal as mentioned in the paper. It was observed in a consistent manner across EU Member States.

About EPEE

The European Partnership for Energy and the Environment (EPEE) represents the refrigeration, air-conditioning and heat pump industry in Europe. Founded in the year 2000, EPEE's membership is composed of over 50 member companies as well as national and international associations from three continents (Europe, North America, Asia). With manufacturing sites and research and development facilities across the EU, which innovate for the global market, EPEE member companies realize a turnover of over 30 billion Euros, employ more than 200,000 people in Europe and also create indirect employment through a vast network of small and medium-sized enterprises such as contractors who install, service and maintain equipment. Please see our website (<http://www.epeeglobal.org>) for further information.