

F-Gas Mandate Lacks Sufficient Precision *Risk to Europe's Energy Transition Remains*

Brussels, 6th April 2023: An alliance of 10 leading European associations and global partners responded to the European Council's <u>announcement</u> yesterday on the agreed mandate to begin negotiations on the F-gas Regulation Revision.

"While some market prohibitions are postponed, our concern with the lack of granularity remains. The bans must account for the various applications, in particular multi-family and industrial buildings, and environments in which equipment is installed. These systems are not 'one size fits all' and failure to be precise will lead to complications implementing the regulation at best, and serious safety risks at worst.

"It is critical that time is allowed to ensure widespread technician training and certification to avoid accidents involving systems with alternative refrigerants, and that periodic inspections and leak checks take place to ensure safe and energy-efficient operation.

"Regarding the phase downs, the risk of a shortage of refrigerant remains as there is not enough quota added to support the postponement of some equipment bans. The safety clause for heat pumps deployment is well noted, but the process for releasing additional quantities and inclusion of a maximum value still causes serious supply chain and business planning complications for industry, and putting such clause into motion will take too long to react to market shortages."

The alliance has reiterated its support to further phase down higher global warming potential HFCs, and support of new technologies, and already uses alternative fluorinated and non-fluorinated options (ex. in stationary refrigeration applications).

In advance of the COREPER I, the alliance <u>shared its concerns</u> with Parliament's proposal in light of several provisions that could jeopardise the REPowerEU targets on heat pump deployments and slow down the energy transition. The alliance urged the trilogues negotiators from the Council, the European Parliament and the European Commission to:

- **Make it right:** include sufficient quotas, with achievable, clear, granular bans with reasonable timelines;
- **Make it precise:** use clear definitions for banned products, which is an extremely technology-prescriptive measure that cannot work without clarity;

- **Make it pragmatic:** adjust the laws to market realities of product development times, service needs, safety concerns and a skilled workforce; and
- **Make it consistent:** do not create a programmed obsolescence of existing equipment affecting all sectors.

APPLiA - Home Appliance Europe represents home appliance manufacturers from across Europe. By promoting innovative, sustainable policies and solutions for EU homes, APPLiA has helped build the sector into an economic powerhouse, with an annual turnover of EUR 50 billion, investing over EUR 1.4 billion in R&D activities and creating nearly 1 million jobs. https://www.applia-europe.eu/

AREA - the European association of refrigeration, air conditioning and heat pump (RACHP) contractors. Established in 1989, AREA voices the interests of 24 national associations from 21 countries representing 13,000 companies employing 110,000 people and with an annual turnover approaching € 23 billion. https://area-eur.be/

ASERCOM, the Association of European Component Manufacturers is the platform for dealing with scientific and technical topics and their challenges, promoting standards for performance rating, methods of testing and product safety, focusing on improved environmental protection, serving the refrigeration and air conditioning industry and its customers. It is the aim of ASERCOM to be the platform for dealing with scientific and technical topics and their challenges, promoting standards for performance rating, methods of testing and product safety, focusing on improved environmental protection, serving the refrigeration and air conditioning industry and its customers. Asternation and are conditioned and product safety, focusing on improved environmental protection, serving the refrigeration and air conditioning industry and its customers. ASERCOM addresses top issues and communicates relevant opinions of its members to the industry, the public, governmental bodies and non-governmental organisations. https://www.asercom.org/

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. https://www.fluorocarbons.org/

EHPA is the European Heat Pump Association. In a fully decarbonised Europe, heat-pump technologies are the number one heating and cooling solution, being a core enabler for a renewable, sustainable and smart energy system. They integrate multiple energy sources, bridging the electric and thermal sector on a local and regional level (micro grids, DHC). Heat pumps are easy to install and widely used in all thermal applications (buildings, transport, white goods) and industrial processes. Refrigerants and other components are available in sufficient quantities. The technology is recognised for its merits in legislation and existing energy models. EHPA is a forward-looking association aiming at putting heat pumps at the centre of the energy system by communicating the benefits of heat pumps, providing relevant information and being a reference point and integrator to all stakeholders. https://www.ehpa.org

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 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 realise 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. https://epeeglobal.org/

EPFA, the European Phenolic Foam Association includes companies that share an interest in the use of phenolic foam products within the insulation industry. The members are either producers of phenolic foam insulation resin suppliers or are companies closely linked with the industry through the provision of raw materials. https://epfa.org/

Japan Business Council in Europe (JBCE) is a leading European organization representing the interests of about 100 multinational companies of Japanese parentage active in Europe. Our members operate across a wide range of sectors, including information and communication technology, electronics, chemicals, automotive, machinery, wholesale trade, precision instruments, pharmaceutical, textiles and glass products. For more information: https://www.jbce.org/

JRAIA is the industry association representing over 160 manufacturers of refrigeration and air conditioning equipment in Japan. We, the members of JRAIA, have so far been dedicated to offering quality products to the markets of EU. JRAIA aims to promote and improve production, distribution and consumption of refrigeration and air conditioning equipment and their applied products, as well as auxiliary devices and components, automatic controls and accessories and thereby contribute to the steady development of Japanese industry and the improvement in people's standard of living. For more information, please see JRAIA's website: www.jraia.or.jp.

PU Europe is the voice of European voice of the polyurethane (PUR / PIR) insulation industry, whose products are widely used in residential and commercial buildings with an estimated European market share of over 11%. There are more than 110 manufacturing sites in Europe accounting for more than 20,000 direct jobs. https://www.pu-europe.eu