

03/01/2014

## **Notes on European Parliament/Council agreement on the revision of the F-Gas Regulation (842/2006/EC)**

### **On-going process**

An agreed text was approved on 18<sup>th</sup> December 2013 by COREPER (the European Member States' ambassadors). It will be published and sent to the Parliament and Council for final approval. This will require a vote in the Parliament Environment Committee and then the Parliament plenary which will probably be in February or March 2014. It will, afterwards, require approval by the European Council. Neither approvals are likely to be controversial.

### **Main Headlines**

The Regulation establishes the following:

1. Cap and phase-down for the placing on the market of HFCs
2. Bans or restrictions based on GWP in some new equipment, such as refrigerators and air conditioners.
3. Reporting on the placing on the market of products and equipment containing or relying upon F-gases
4. Future restrictions on servicing/maintenance of equipment using HFCs
5. Rules regarding containment, use, recovery and destruction of HFCs
6. The Regulation will apply from 1 January 2015 but reviews will follow.

The aim of the agreed regulation is to reduce F-gas emissions by two-thirds of today's levels by 2030 and to encourage the use of viable and more "climate-friendly" alternatives where they are readily available.

## Relevant Detail

### 1. Phase-down steps

The regulation introduces a phase-down mechanism involving a gradually declining cap on the total placement of bulk HFCs (in tonnes of CO<sub>2</sub> equivalent) on the market in the EU.

Base line: 2009-12 average placed on the market into the EU.

Year	
2015	100%
2016-17	93%
2018-20	63%
2021-23	45%
2024-26	31%
2027-29	24%
2030	21%

### 2. Restrictions/Bans (Annex III)

The regulation also introduces bans on the placing on the market of the following:

- Refrigerators and freezers for commercial use (hermetically sealed) containing HFCs with a GWP of 2500 or more from 1 January 2020, and containing HFCs with a GWP of 150 or more from 1 January 2022
- Stationary refrigeration equipment that contains or relies upon for its functioning HFCs with a GWP of 2500 or more from 1 January 2020
- Centralised refrigeration systems for commercial use with a capacity of 40kW or more that contain or rely upon their functioning, fluorinated gases with a GWP of 150 or more, from 1 January 2022, except in the primary circuit of a cascade system where a GWP of less than 1500 may be used.
- Single split air-conditioning systems containing less than 3 kg of F-gases that contain F-gases with a GWP of 750 or more from 1 January 2025

## Important Exemption from Annex III Bans (Article 9.3)

*“The Commission may, exceptionally, and taking into account the objectives of this Regulation and following a substantiated request by a competent authority of a Member State, by means of implementing acts, authorise a time-limited exemption of up to four years to allow the placing on the market of products and equipment listed in Annex III containing, or whose functioning relies upon, fluorinated greenhouse gases, where it is demonstrated that, for a particular application, technically feasible alternatives are not available, or cannot be used for technical or safety reasons, or where the use of such alternatives would entail disproportionate costs. These implementing acts shall be adopted in accordance with the examination procedure referred to in Article 21.”*

## 3. HFC Import quota reporting

The Commission shall allocate quotas for placing HFCs on the market for each producer and importer for each year beginning with the year 2015, applying the allocation mechanism laid down in Annex VI (Article 14, paragraph 5).

A detailed traceability process has been established for the import of equipment containing HFCs. From 1 January 2017 refrigeration, air conditioning and heat pump equipment charged with HFCs shall not be placed on the market unless the HFCs charged into this equipment **are accounted for within the HFC quota system**. An annual declaration of conformity by equipment manufacturers/producers, verified by an external auditor, is required.

## 4. Servicing (Article 11, paragraph 3)

A number of provisions on servicing have been introduced.

The use of fluorinated greenhouse gases with a GWP > 2500 to service or maintain refrigeration equipment with a charge size of 40 tonnes of CO<sub>2</sub> equivalent or more, shall be prohibited from 1 January 2020. This provision shall not apply to military equipment or equipment intended for applications designed to cool products to temperatures below -50°C

## 5. Recovery

Until 1 January 2030, this provision shall not apply to reclaimed fluorinated greenhouse gases with a GWP > 2500 used for the maintenance or servicing of existing refrigeration equipment, provided that they have been labelled in accordance with Article 10 (4a) to Article 9 (3).

Until 1 January 2030 this provision shall not apply to recycled fluorinated greenhouse gases with a GWP>2500 used for the maintenance or servicing of existing refrigeration equipment provided they have been recovered from such equipment. Such recycled gases may only be used by the undertaking which carried out their recovery as part of maintenance or servicing or the undertaking for which the recovery was carried out as part of maintenance or servicing.

## 6. Review clauses:

- 1 July 2017: Report on the Annex III, point 11b (the multipack centralized systems) to see if alternatives are available and viable.
- Report assessing the quota allocation method, including the impact of grandfathering and the costs of implementing this Regulation in Member States and of a possible international agreement on HFCs.
- In view of this, a legislative proposal may be presented to amend the quota allocation method (fees, auctioning, etc)
- 1 July 2020: Report on Annex III, single split AC and the availability of alternatives
- 31 December 2020: Report on the availability of HFCs on the Union market
- 31 December 2022: A comprehensive report on the effects of this Regulation

Footnote;

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