



19 November 2013

Dear Minister,

This week, COREPER will decide on a Council mandate for negotiations on the revision of the EU regulation on fluorinated gases (F-gases). We are writing to urge you to support stronger measures including a more rapid phase-down, additional new equipment bans and quota pricing.

As you will be aware, hydrofluorocarbons (HFCs) are the only greenhouse gas experiencing significant growth in Europe. Indeed, the fifth assessment report of the Intergovernmental Panel on Climate Change (IPCC) has just confirmed that radiative forcing from HFCs has almost doubled since its last assessment.

It is therefore of great concern to us that the draft Council position is lacking the ambition and policy mechanisms to reverse this trend. The currently proposed revision of the regulation will needlessly stifle our economy and enterprise while locking in fluorochemical dependency for decades. The fluorochemical market is dominated by primarily American and Japanese multinationals, with production of equipment largely occurring in China, whereas over 400 European and EU-based companies are providing climate friendly replacement technologies and stand to benefit from strong regulatory action.

The HFC phase-down schedule is too slow to help stimulate the required transition to climate-friendly alternatives, with up to 36% annual over-allocation of HFC permits on average according to independent consultants.ⁱ Despite this, Council has proposed to weaken the phase-down schedule further.

The need for bans to signpost a technology shift and avoid locking in HFC infrastructure measures is paramount. A wealth of highly reputable technical studiesⁱⁱ from international bodies, Member States, and the Commission show that alternative technologies are technically feasible, energy-efficient and cost-effective, and that the transition away from HFC chemicals in new equipment can occur by 2020 in all key sectors –to the benefit of EU economy and enterprise.

The regulation should therefore include the following measures:

- a phase-down schedule based on the best available technical evidence;
- bans on new HFC-based equipment in subsectors where HFCs are no longer needed; and
- HFC quota pricing to cover administrative and implementation costs in Member States.

Europe's green economy is the strongest in the world and future growth is dependent upon policies that support it. With growing momentum for a global HFC phase-down, the time could not be better for Member States to place Europe's manufacturing industry at the forefront of an inevitable green cooling revolution. We therefore urge you to strengthen the Council's position.

Thank you for taking into account these considerations in your decisions.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'J Newman', with a long, sweeping flourish extending to the right.

Julian Newman
Campaign Director
Environmental Investigation Agency (EIA)

On behalf of:

CAN-Europe
ECODES
Elliniki Etairia
European Environmental Bureau (EEB)
Deutsche Umwelthilfe (DUH)
Greenpeace
Legambiente
Levegő Munkacsopor
Quercus
Worldwide Fund for Nature (WWF)

ⁱ Öko-Recherche and SKM Enviros HFC demand forecasts show over-allocation of 36% and 12% respectively within the Commission's proposed phase-down schedule, in the coming decade up to 2023, which will be the key period for the phase-down to influence a technology shift which ensures that new HFC equipment is not installed unnecessarily.

ⁱⁱ For example, UNEP Technology and Economic Assessment Panel (TEAP) report, September 2013, Volume 2. Decision XXIV/7 Task Force Report. Additional Information on Alternatives to ODS; Öko-Recherche *et al.*, *Preparatory Study for a Review of Regulation (EC) No 842/2006 on Certain Fluorinated Greenhouse Gases, Final Report* (September 2011); Umweltbundesamt, *Avoiding Fluorinated Greenhouse Gases: Prospects for Phasing Out* (June 2011, English Version).