



The Voice of European Air-Conditioning, Refrigeration and Heat Pumps Contractors

Consultation on the revision of the F-gas Regulation

AREA POSITION

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The F-gas Regulation is arguably the most important and impactful piece of EU legislation for the European refrigeration, air conditioning and heat pump (RACHP) contracting sector. Its provisions dictate the conditions under which RACHP contractors - the vast majority of whom are very small companies with a local market – carry out most of their operations.

The 2014 revision has had a tremendous impact on our industry, bringing opportunities but also unprecedented challenges that put many of our companies - in particular the smallest ones - to a tough test as regards refrigerants prices, available technical alternatives and of course skills. The current revision comes earlier than expected as a result of ambitious climate objectives and whilst many of our companies are still struggling with the effects of the current legislation. The revision is also taking place at unprecedented times with a global pandemic that is affecting our industry as much as others even though it has certainly put cooling in the spotlight, the vital importance of refrigeration now being well understood.

In such a context, AREA does not question the objectives pursued by the F-gas Regulation, which we continue to support. Nevertheless, as the revision ought to take into account all the impacts of the current F-gas Regulation, it is important to have a clear picture of our sector's current situation.

On that basis, and according to our members' experience with the current legislation, AREA feels that the revision should pursue two main objectives:

- ⇒ Preserving the Regulation's core provisions
- ⇒ Filling the gaps, i.e. complementing/clarifying where necessary

1- Preserving the Regulation's core provisions

The F-gas Regulation's main objective is to reduce HFC emissions. The latest F-gas report published by the European Environment Agency (EEA)¹ shows that this is indeed happening with total F-Gas emissions in 2018 decreasing by 11 % from their peak in 2014. The F-gas Regulation does contribute to achieving EU's Green Deal climate objectives, even though HFCs represent a small part of all EU greenhouse gases emissions.

At international level, the EU is already forging ahead. The EEA report indicates that for 2019, the first compliance year of the HFC phase-down under the Montreal Protocol, the HFC consumption of the EU-28 was only 45 % of the permitted amount.

¹ EEA Report 15/2020: [Fluorinated greenhouse gases 2020](#)
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All this goes to show that the Regulation is effective from an environmental point of view. Consequently, we see no immediate reason to review the Regulation's core provisions, and in particular the phase-down calendar until 2030 and the accompanying bans. Given the challenges that our industry has faced and continues to face as a result of these provisions, any further tightening would most certainly result in disproportionate adverse effects for our small companies.

2- Filling the gaps

From our industry's experience, the F-gas Regulation has generated its share of challenges. We would like to highlight a few of those, which we feel would need to be addressed with the revision.

- **Skill gap**

As intended by the legislator, the combination of the phase-down scheme, the product and service bans have resulted in higher demand for alternative low GWP solutions. At the time of the first revision of the F-gas Regulation, AREA identified a high risk of a skill gap on alternative refrigerants and pleaded for an extension of the mandatory training and certification scheme to alternative refrigerants. Unfortunately, our request was not heard.

6 years later, AREA's concerns have unfortunately become reality. There are not enough contractors competent on alternative refrigerants to cope with the increased demand resulting from the Regulation. This has become a clear obstacle to the achievement of the Regulation's full potential, in addition to the safety risks inherent to these alternatives.

The revision of the current legislation provides an opportunity to address the issue and integrate alternative refrigerants in the existing mandatory training and certification scheme. AREA is preparing concrete proposals in support of this request.

- **The energy factor**

One of the challenges faced by contractors when dealing with the Regulation's impact is of a technical nature. Members often report difficulties in finding suitable alternatives despite many reportedly available on the market. A major challenge is to maintain the same level of energy efficiency with an alternative refrigerant. The multi-pack ban certainly provides a good example of this issue.

Referring to article 21, paragraph 2(d), we feel that the revision ought to bring more coherence and better consideration of energy efficiency aspects, notably with regards to bans. The "energy efficiency first" principle should always prevail, as it directly affects the Total Equivalent Warming Impact (TEWI) of the measure.

- **Illegal trade of refrigerants**

As the phase-down multiplied refrigerants prices tenfold, illegal trade took alarming proportions, undermining the Regulation's effects and creating important distortions of competition on the market. The problem is well-known, and measures are under consideration to tackle the issue. This must be one of the priorities of the revision.