

Comments on the PFAS proposal

Zhejiang Quhua Fluor- Chemistry Co., LTD.

We, Zhejiang Quhua Fluor-Chemistry Co., LTD., would like to make a comment on the current PFAS proposal, As a chemicals manufacturer, We have been making unremitting efforts to comply with domestic and international regulations, and continue to conduct strict self-review of products exported to the EU for compliance. We have long supported ambitious attempts by the EU to reduce the risks caused by toxic and hazardous substances and to take practical measures in good faith to meet the requirements of EU chemicals regulations, including that of REACH.

Zhejiang Quhua Fluor-Chemistry Co., Ltd. is a manufacturer of fluorinated gases. The HFCs and HFOs produced by our company are included in the restricted list of the EU PFAS proposal. As a stakeholder, we intend to put forward our views in the public consultation of ECHA. We believe that:

The published PFAS proposal is overly broad in scope and contradicts existing regulations

Under the PFAS proposal, fluorinated gases include HFCs, HFOs and HFEs, and the manufacture, use and import of these substances will be

restricted.

Currently, global HFC substances are regulated under the Kigali Amendment Framework, which has been ratified by more than 150 countries. The amendment sets out different, detailed schedules for HFCs reductions for developing and developed countries. Developing countries should freeze the production and use of HFCs for controlled uses at baseline levels from 2024, and no more than 90% of the baseline from 2029, no more than 70% of the baseline from 2035, no more than 50% of the baseline from 2040 and no more than 20% of the baseline from 2045. The timetable fully takes into account the actual situation of developing countries, conforms to the law of new product development in the chemical industry, and the new product development process should be protected.

In the European Union, HFCs substances are specifically regulated by the F-gas Regulation, which proposes to replace HFCs mainly with HFOs. The PFAS proposal restricts the manufacture, import and use of HFOs substances together with HFCs substances, which contradicts the ongoing F-gas regulation. At the same time, in order to comply with F-gas regulations, fluorinated gas users in European countries have made technical changes to the equipment that currently contains F-gas in order to apply HFOs substances. If the PFAS regulation is implemented, it will discourage them.

On April 5, 2022, the EU F-gas Regulation also proposed new laws to update and achieve higher targets, such as reducing the number of HFCS on the market by 98%(compared to 2015) by 2050 through a more stringent quota system for HFCS (phasing out HFCS).

The new F-gas law addresses climate-friendly alternatives to products and equipment containing fluorine gases, and emission reduction targets can be achieved at a relatively low cost, providing an opportunity to drive innovation in the refrigeration and air conditioning industry. The new F-gas law is expected to come into effect in 2023. The F-gas regulation is widely considered to be the "right European legislation" to regulate the use of refrigerants.

The PFAS proposal on fluoridated gases, particularly HFCs and HFOs, should not conflict with the Kigali regulations and F-gas regulations. Otherwise, it will cause confusion in management and control and seriously disrupt the international order.

In addition, for the refrigerants which is not included in PFAS proposal, in addition to R32, many of them are alternatives that is in the development stage, such as R41, HFO-1132a, HFO-1132E, HFO-1132Z, HFO-1123,HFO-1141, HCFOS -1233yd and FIC1311.

Some of these new products have not yet been registered, some have only been developed new formulations, and none have been put into industrial use. The need for industrial use will increase the burden

on consumers and may limit their choices.

If Restrictions on PFAS as proposed, trade in basic commodities using PFAS will be considerably restricted and supply chains around the world will be disrupted.

Therefore, we believe that HFCs gases are still regulated in accordance with the Kigali Amendment and F-gas regulations. Because of the extremely low GWP and zero ODP, HFOs in fluorine-containing gases replace the original greenhouse gases with high GWP value, and make great contributions to improving the climate environment. It is recommended that the fluorinated gases HFCs and HFOs be removed from the PFAS proposal.