



25th April 2023

Dear Mr. [...], Ms. [...], Ms.[...],

In view of the upcoming interinstitutional negotiations on the F-gas Regulation Revision, we would like you to consider key concerns related to the adopted European Parliament Report.

We support the revision to further phase down higher global warming potential HFCs, and note our industry already uses alternative fluorinated and non-fluorinated options (e.g. as it is already the case in stationary refrigeration applications). We now call on decision makers to address the following critical issues with the amendments noted below:

- Banning all F-gases inside the timelines proposed by the EP will remove currently available and efficient heating solutions from the market. It is not realistic to assume that the potential application of non-fluorinated refrigerants such as propane in some heat pump solutions can be simply “extrapolated” to all types of heat pumps. (The same reasoning has been applied to thermal insulating foams). Although safeguard clauses such as “exempt when needed to meet safety requirements” are proposed for some bans, there was no impact assessment done to evaluate in how many cases these exemptions would apply. In addition, new refrigerants require upskilling to install and maintain equipment safely and efficiently. Today, only around 10% of technicians are trained to work with non-fluorinated alternatives. The current proposals provide insufficient time for technician training and assumes alternative refrigerants can be used in all applications, creating considerable safety risks. Finally, it is important that regulations not overlap, and in this case it should not be mixed with the REACH process, as not all HFOs are PFAS.
 - AMs 145, 153cp1, 157cp1, 153cp2 and 153cp4 (amendments on the product bans)
 - AMs 4 and 22: amendments on PFAS in the recitals
 - AM 139: amendment on the Article 35 (Review)
- Legal certainty and market surveillance can only work if the product bans are properly defined in an unambiguous and granular language. Many product bans lack specificity and do not grasp the diversity and complexity of the sectors. As a result,

several product bans are not executable from a safety, efficiency, affordability, and timing perspective.

- o AMs 145, 153cp1, 157cp1, 153cp2 and 153cp4 (amendments on the product bans)
- An export ban would create job losses for EU based factories. A ban on exports will not improve the climate on a global scale, which is the intention of the amendment, since it will benefit only the production and export in other parts of the world. It would also undermine the goals of the Net Zero Industry Act by preventing the export of heat pumps, an extremely efficient technology.
 - o AM 79
- The phase down and quota 'buffer' foreseen for heat pumps would not work in practice and would be extremely disruptive to market practices. The proposal does not consider actual sector needs and underestimates the quota necessary.
 - AM 101 (Article 17 Determination of reference values and allocation of quotas for placing hydrofluorocarbons on the market)

We would like to highlight that the European Parliament Report also contains positive ambition for the sector:

- While quota readjustment mentioned above is unrealistic in terms of practical implementation, the Parliament's proposal is favourable to the Council's, which imposes a cap on the amount of quota that can be added. Sufficient quota are essential for the servicing of existing equipment, for the "REPowerEU" growth of heat pumps and for EU-based factory investments.
- Extension of the certification and of the training programmes to all the refrigerants
 - o AMs 65, 69, 70 and 71 (Article 10 Certification and Training)
- Extended Producer Responsibility
 - o AM 58

In conclusion, without addressing these very serious concerns, there will be the risk of increased illegal imports of HFCs, lower investments in EU manufacturing, considerable burdens on members states for market surveillance, and most worrying – the continued burning of fossil fuels to provide needed heating due to insufficient heat pump and other solutions. A lack of affordable and diverse options will seriously challenge the goal of carbon neutrality by 2050 for the European Union and each individual member state. We, the undersigned, are fully committed to EU carbon neutrality by 2050 and represent the industries that will deliver on decarbonising buildings through innovative heating, cooling, refrigeration, and foam insulation solutions, as well as rolling out REPowerEU.

On behalf of the alliance, we thank you for your attention and consideration. We would direct you to our [joint industry proposals](#) offered last month with 12 leading European associations and global partners. Furthermore, we intend to invite you to an information session to further explain these issues and address any questions you may have. In the meantime, we would very

much appreciate the opportunity to meet and discuss these points in the coming weeks to provide sound and factual information to inform your negotiations.
Please do not hesitate to contact us at secretariat@epeeglobal.org.

With kind regards and on behalf of the alliance,

Russell Patten,
Director General.

EPEE – European Partnership for Energy and the Environment

The Voice of the Refrigeration, Air Conditioning and Heat Pump Industry in Europe

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The co-signers of this letter are:

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. 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/>

Eurovent is Europe's Industry Association for Indoor Climate (HVAC), Process Cooling, and Food Cold Chain Technologies. Its members from throughout Europe represent more than 1.000 organisations, the majority small and medium-sized manufacturers. Based on objective and verifiable data, these account for a combined annual turnover of more than 30bn EUR, employing around 150.000 people within the association's geographic area. This makes Eurovent one of the largest cross-regional industry committees of its kind. The organisation's activities are based on highly valued democratic decision-making principles, ensuring a level playing field for the entire industry independent from organisation sizes or membership fees.

<https://eurovent.eu/>

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