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The timetable for the adoption of the future F-gases legislative proposal has slipped further. The drafting process has been enlarged as a result of a European Commission's Summit on Mobile Air Conditioning (MAC), which concluded mobile air-conditioning should be covered by the future proposal.

Germany **3**

The German Ministry of Environment organised a series of meetings on its paper "The Transition of the Climate Protection Programme in the Sector of F-Gases" in Bonn in late January. The meetings touched on all the applications covered by this paper including stationary and mobile air-conditioning and refrigeration as well as foams and switchgear. EPEE attended the stationary and mobile air-conditioning and refrigeration meetings and presented its views.

Austria **4**

Austria officially adopted the HFC Statutory Order on 10 December 2002. The Order entered into force on 1 January 2003. It includes a ban on HFC-use in air conditioning appliances, refrigerators and freezers and mobile refrigerators and air conditioning systems from the start of 2008. The order includes a provision for a review of the specific refrigeration and air-conditioning provisions in 2005.

Norway **5**

On 1 January 2003, an environmental tax to regulate emissions of HFC and PFC gases entered into force in Norway. The regulation covers the taxation of imported products or the import of bulk amounts of HFC and PFC. The taxes are not refundable and will amount to 180 Norwegian Krone (24 Euro) per tonne of CO2 equivalent.

EUE – Workshop **5**

On 18 November 2002, the European Commission organised a public meeting with various stakeholders to discuss its working document on Eco-design and End-Use-Equipment. EPEE members participated in the meeting and presented EPEE's position.

EU greenhouse gas Monitoring system **6**

The Commission adopted in February a proposal for a new decision on an EU greenhouse gas monitoring system, replacing the existing Regulation. Currently, Member States have to report annually, but in the future they would have to do so only every two years.

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EPEE's Voice

Dear Members/Readers,

2003 will be the year that the European Commission proposes the long-awaited legislative measure to regulate the use of HFCs in Europe. EPEE is fully committed to a pan-European measure which provides clear rules on the containment and monitoring of HFCs with the direct effect of reducing their emissions.

This measure is all the more important as individual Member States – Denmark and Austria – have legislated in advance of EU rules and in a totally different approach. One that EPEE cannot abide to, which is the phasing-out of HFCs. We are witnessing a piecemeal approach creating a patchwork of rules across the European Union when what is needed for industry and, in particular for consumer safety, is one pan-European rule which sets in place strict control for the reduction of HFCs emissions and their containment, but not their phase-out.

There is no perfect gas for all applications: EPEE advocates freedom of choice, allowing users to use the best gas for each application.

EPEE calls upon the European Commission to table its proposal as soon as possible and for the Member States and the European Parliament, the two co-decision makers in the process, to adopt a clear pan-European rule for the containment, not phase-out, of HFCs thereby ensuring that we have a win-win-win solution for manufacturers, users and consumers.

A handwritten signature in black ink that reads "Friedrich P. Busch". The signature is written in a cursive, slightly slanted style.

Friedrich Busch
Director General

F-gases future legislation and decision to include mobile air-conditioning

The timetable for the adoption of the future F-gases legislative proposal has slipped further. The drafting process has been further enlarged as a result of a European Commission's Summit on Mobile Air Conditioning (MAC) held in Brussels on 10-11 February, which concluded Mobile air-conditioning should be covered by the future proposal.

The Summit concluded:

- that the growing amount of HFC 134a in car a/c systems cannot be ignored by policy makers and thus MAC will be included in the Fluorinated Gases legislation;
- that alternative technologies for MAC, especially CO₂, are apparently practical in the relative short-term and that some car suppliers will want to enter this market backed up with a EU phase out date; and
- that an effective responsible use policy is not a practicable option for cars.

With the political emphasis turning to phase outs in MAC, this will inevitably have a negative impact on the containment consensus achieved so far for stationary applications. This will be compounded or eased by parallel developments in Germany.

The immediate impact is on the timing of the EU legislation. Phil Callaghan was due to begin his drafting in early February with a view to completion by July. He aims to have a first draft with his Deputy Head of Unit (Marianne Wenning) by mid-February – to allow her to review the issues before she takes up her new position in DG External Relations. The Head of the Unit (Jos Delbeke) is also changing jobs to become

Director of Directorate C (Environment and Health). It is expected he will continue to follow the f-gases issues – in particular since the Climate Change Unit is moving to become a part of Directorate C. There has been no indication, as of yet, to who Delbeke's and Wenning's replacements will be.

The proposal will definitely be later this year as DG Environment and even the UK (who wanted draft legislation quickly) prefer to have a 2-3 month delay in order to accommodate MAC.

On the German front, the message was not encouraging either. An Environment Ministry official speaking at the summit stated that "despite a tricky debate (in the consultations) we were successful and will propose our policy (to promote alternative technologies) and plan to have measures proposed by the Summer and then pursue this policy at EU level." The delay in the preparation of EU legislation will obviously work in their favour.

Consultation paper on the issues also launched

I also attach a link to a Consultation paper launched by the Commission on the issue for the summit (http://europa.eu.int/comm/environment/air/mac2003/consultation_paper.pdf). It asks for interested parties' comments by 11 March.

The key conclusion of the paper is that it is possible to phase out- HFC use as a refrigerant in MAC applications without excessive costs.

Germany

The German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety held a series of hearings in January on a framework paper "The

on a framework paper "The Transition of the Climate Protection Programme in the Sector of F-Gases." EPEE attended the hearings focused on stationary and mobile RAC.

Around 50 experts from all the German RAC industry attended the meeting. Various participants criticised the premise of a phase out as ideologically driven, when the Kyoto Protocol required emission reduction, not a phase out of any of the GHGs. This point was conceded with one official stating that a phase-out was not under consideration. The EPA expressed serious doubts on the enforceability of containment.

At these consultations, the Ministry and EPA announced, as a follow-up, that it would draw conclusions and determine which policy instruments to pursue. Participants were encouraged to submit views as a result from the consultation. One option mentioned was to submit the German conclusions and policy implications to the Commission as a model for a community-wide approach. No real time-line for next actions was given, but it was felt that by the second quarter of 2003 concrete proposals would be on the table.

Although the next steps were unclear, most attendees felt the regulators were in a selective listening mode despite industry's strong, balanced and untied approach against phase-out. The nature of the consultation meetings lead to a focus on technical feasibility of HFC substitution, rather than on the merits of the substitution itself. There was no doubt in most attendants' mind that the Ministry will submit a proposal for a use ban, possibly supplemented with a cap.

In related moves, the German based Wuppertal-Institut für Umwelt-Klima-Energie published a statement (timed to coincide with a stakeholder meeting of the Environment ministry) on the impact on the environment of mobile air conditioning in cars. According

to the article, 80% of new cars in Germany have a mobile air conditioning system which is harmful to the environment. In a short period of time, this figure could rise to 100%.

The current thinking of the Federal Government and the European institutions to reduce CO₂- and F-Gas-emissions could be less effective than envisaged, as they do not take into specific consideration mobile air conditioning systems. They would result in the commitment of the Auto industry to reduce the average consumption of fuel by a third by 2010 not being met, as the additional consumption of fuel due to the use of air conditioning is not reflected in existing figures.

Austria

Austria officially adopted the HFC Statutory Order on 10 December 2002. The Order entered into force on 1 January 2003. It foresees that for air conditioning appliances, refrigerators and freezers, including those for domestic use, HFCs are banned as of 1 January 2008, except if the appliances are destined for export.

For mobile refrigerators and air conditioning systems, HFCs are also banned as of 1 January 2008, except if these appliances are destined for export. Fully fluorinated gases are not banned for direct contact cooling of high performance electronic systems, including their maintenance. The use of fully and partly-fluorinated gases as refrigerants for the maintenance of the appliances mentioned above are not banned under three conditions.

In the course of 2005, the Federal Minister of Agriculture and Environment will review the deadlines and examine whether further exceptions specifically on the RAC applications are needed in light of the best available

technology. The text also includes an obligation, as of 21 January 2003 for companies that repair and maintain the covered RAC applications to notifying in writing the Environment Ministry by 31 March 2003 of the type and quantity of HFC and PFC used during the previous year.

Austria has now submitted its adopted Order to the Commission with its justification. EPEE has made a formal request to the Commission to receive this documentation with a view to preparing a dossier of information to support the Commission and/or EPEE in taking further action against Austria.

Austria also published figures in January whereby greenhouse gas emissions rose by 4.8% in 2001.

Norway

On 1 January 2003, an environmental tax to regulate emissions of HFC and PFC gases entered into force in Norway, following a positive vote on the measure in the Norwegian Parliament. The regulation covers the taxation of imported products or the import of bulk amounts of HFC and PFC. The taxes are not refundable and will amount to 180 Norwegian Krone (24 Euro) per tonne of CO₂ equivalent.

The Norwegian Department of Finance earlier considered emissions of HFC and PFC as inappropriate to be included in an emissions trading programme and subsequently recommended these gases should be regulated through the means of taxation.

The Norwegian Department for Environment is currently working on guidelines comprising a recommendation to include a system of refund for gases returned at the end of

life. This was not included in Norway's National Budget for 2003. There are no official documents regarding the exact terms of such a refund system available yet. However, a first draft is expected to be presented at the Norwegian Parliament "Stortinget" in May 2003, in parallel with a debate on an eventual revised national budget.

It remains unclear how the new taxes will fit with the already existing deposit schemes – which took effect on 1 January 2002.

Eco-design of End use Equipment (EUE) Workshop

On 18 November 2002, the European Commission organised a public meeting with various stakeholders to discuss its working document on Eco-design and End-Use-Equipment. EPEE members participated in this meeting. As a follow-up, EPEE submitted comments to the Commission.

EPEE's main concern is that the status and the future development of this proposal are currently very unclear. In particular, EPEE would like to see clarification about the relationship between EUE and the expected Integrated Product Policy (IPP) proposal. In addition, EPEE stated during the meeting that the Commission should also clarify the product categories that it plans to target.

On the particular issue of assessment, the Commission should adopt an approach aligned with international mechanisms or internationally recognized standards, such as ISO.

These concerns were shared by other industry and environmental groups as well as by various national ministries (i.e. France and UK). The European Commission indicated that it could circulate a draft proposal inter-

nally for approval by other departments. The various stakeholder positions can be consulted on-line at: http://europa.eu.int/comm/enterprise/electr_equipment/eee/comments/index.htm

EU greenhouse gas Monitoring system – new proposal

On 5 February, the Commission adopted a proposal for a new Decision on an EU greenhouse gas Monitoring system, replacing existing regulation. Currently Member States have to report on their climate change programmes and emission projections annually. In future they would have to do so only every two years, but the data required will be substantially refined through the new monitoring system.

The Commission also proposes to strengthen the surveillance of emissions forecasting. The proposal reflects the reporting obligations and guidelines for the implementation of Kyoto - as set out in decisions taken at COP6 and COP7. There will also be further harmonisation of emission forecasts at Member State and EU-level.

Finally, the proposal widens the scope of Greenhouse Gas Monitoring in the EU which, in future, will cover areas such as the flexible mechanisms and registries established under the Kyoto Protocol. As a result, the emissions of the six greenhouse gases will be monitored and emission rights will also come under surveillance.

EEA emissions report

The European Environment Agency (EEA) published in December 2002 its report "Greenhouse gas emission trends and pro-

jections in Europe." According to the report, policy measures taken so far by Member States to curb their emissions of greenhouse gases fall well short of enabling the EU to meet its obligations under the Kyoto climate change protocol.

The latest projections provided by Member States show that existing policies and measures will generate a total EU emissions cut of 4.7% by 2010. This is 3.3 percent less than the Kyoto requirement. Most of the projected 4.7% decrease from existing measures would be due to Germany, Sweden and the UK cutting emissions by more than they are required to do under the burden-sharing deal.

Where these three countries merely met their burden-sharing targets, instead of "over-complying", the overall EU emissions decrease by 2010 would be minimal, at only around 0.6%. Based on policies and measures implemented so far, 12 Member States are projected to have emissions in 2010 above their burden-sharing targets.

These figures show that without additional measures, possibly combined with use of the Kyoto mechanisms and/or carbon sequestration, further reductions up to 2010 will be relatively small. The report further demonstrates that five countries in Central and Eastern Europe that are expected to join the EU in 2004 are on track to meet their own Kyoto commitments on the basis of existing policies and measures alone, according to the most recent information they have provided. These are the Czech Republic, Estonia, Latvia, Poland and the Slovak Republic. The other five countries in the region did not provide projections.

The full report and a summary are posted on the EEA website at http://reports.eea.eu.int/report_2002_1205_091750. Printed copies will be available on request from next month.

Electrical and electronic waste scope questions

The EU Commission and Member States are currently discussing the question of what products are covered by the EU electronic waste laws (WEEE and RoHS). The UK raised the question in a technical working group and the Commission has now asked Member States to respond with their views on the scope of the laws and possible "borderline" products by the end of February, with a view to the Commission developing EU "guidelines" on the scope of the electronic waste laws.

Commission officials are aware of the problems for "installed equipment" in buildings where there is a grey area between portable, "plug-in" appliances (that are covered by the law) and installed systems in buildings and supermarkets (that are not included). "Borderline" products would be equipment like window units that involve installation work.

Directive on energy performance of buildings adopted

The Directive on energy performance of buildings was adopted and published in the official in December 2002. The Directive requires that Member States establish by 4 January 2006 a scheme to certify the energy performance of all buildings and carry out regular inspections of boilers and air conditioning systems. In addition, by the same date, all building construction, sale and rental transactions must be accompanied by a certificate on energy performance not more than 10 years old, except temporary buildings, religious buildings, holiday homes and protected historic buildings. Member

States are also responsible for setting their own national minimum energy efficiency levels.

The deadline of 4 January 2004 can be extended by a further three years for building certification, the control of heating systems and air conditioning systems where a Member State lacks qualified and/or accredited experts in these fields.

The Greek Presidency

The Greek Presidency took over from Denmark on 1 January 2003. It will face the major challenge of dealing successfully with a number of crucial issues for the EU, such as common economic policy issues, political and defence issues, immigration, sustainable development and the follow-up of the World Summit on Sustainable Development.

It will chair EU's rotating presidency during six significant months including the possible signature in April 2003 of the accession treaties for EU eastward enlargement. It will also hold the Presidency during the last phase of the Convention on the future of Europe, which is expected to present a draft constitution for the EU in June 2003. Developments on the world scene, such as the growing instability in the Middle East, will also influence the work programme of the Greek Presidency.

Concerning environmental issues, maintaining the momentum of the EU's sustainable development strategy is on the Greek Presidency's agenda. This is echoed by the European Commission's work programme for 2003, which states that integrating economic, social and environment policy is essential for EU policy. Other issues which

might be addressed during the Greek chair include the EU agricultural policy, possible reform of the EU chemicals policy, environmental liability (polluter pays principle) and further actions to meet the EU's commitments accordingly to the Kyoto Protocol such as a proposal on the clean development Mechanism.

It is not now expected that the Greek government will have to deal with the F-gases proposal during its presidency.

Portugal

According to Portugal's Environment Institute, Portugal faces an even tougher battle to contain greenhouse gas emissions than previously thought.

Based on a recalculation of available data, the institute forecasts that emissions could be 61% over 1990 levels by 2010. Portugal is committed under the Kyoto protocol to limit any increase to 27%. Currently, the best case forecast for emissions is 55% higher in 2010 than in 1990. An earlier draft of the plan issued in 2001 predicted a lower increase of 52%. The main cause for this increase in emissions is the recalculation of data concerning transport emissions.

Belgium

The Belgian Federal Environment Ministry has recommended that Flanders spend €159.6m, Wallonia just €31.5m and Brussels €14m, in each case to cut emissions by 5.9% between 1990 and 2010. The Federal Government should spend an additional €22.5m to bring the national emissions cut to 7.5%.

U P C O M I N G E V E N T S C A L E N D A R

F e b r u a r y

18 EPEE Steering Committee (closed)

M a r c h

4 Environment Council

11 Deadline for comments on the MAC discussion paper

18 EPEE Strategy Development Group meeting (closed)

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