

EPEE



NEWS

A Newsletter from The European Partnership for Energy and the Environment (EPEE)

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Norway: The Parliament approves White Paper on Climate Change 3

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EPEE is a business partnership committed to responsible global energy and environmental policy.

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Denmark: adoption of a Statutory Order on HFC phase-out

The Danish Environment Minister Hans Christian Schmidt signed on 2 July 2002 the Statutory Order regulating certain industrial Greenhouse Gases, including a general phase-out of HFCs

The Minister approved several changes to the April draft version sent to consultation. The final, signed, version prohibits most uses of HFCs, PFCs and SF₆ from 1 January 2006, with some applications targeted earlier (in many cases already from 1 September 2002) and includes several exemptions. It is stricter in terms of exemptions than the previous draft.

The Order includes exemptions for HFCs in air conditioning in vehicles and planes and in low temperature freezers (temperature below -50°C). Moreover, the final text *exempts "cooling systems for heat recovery, primarily connected by welding or brazing in a factory assembled compact cabinet, and with a charge of or less than 50 kg"*. Thus, the wording of the previous version air conditioning plants in which the industrial greenhouse gases are used in a hermetically closed system and with a charge of less than 50-kg) is no longer valid.

As it is a Statutory Order only and not a "law", the text does not have to go through the Danish Parliament. Denmark intends to send a response to the European Commission in early July to inform the Commission that the Minister has signed the Order and has taken into consideration the Commission's comments.

The Minister announced also his intentions to look at emissions from existing equipment. He said that he could see a great potential of reducing these emissions. An overall plan for reducing these emissions will be prepared together with the Minister

of Employment, Claus Hjort Frederiksen.

The Statutory Order will enter into force on 15 July 2002.

The ministerial statement on the signing can be consulted at:
http://www.mim.dk/UK_News/drivhusgasser.htm

Danish Environment Minister speaks in the European Parliament

Mr. Hans Christian Schmidt, the Danish Environment Minister, spoke at the European Parliament Environment Committee on Tuesday, 9 July, in Brussels. He presented the Danish Presidency priorities and answered MEPs questions on various issues.

The Minister emphasised the following issues:

- Sustainable development and the Johannesburg World Summit as well as the EU's sustainability strategy;
- Greenhouse gas emissions trading;
- Environmental liability;
- GMO traceability and labelling;
- Biosecurity and the Rotterdam Convention.

On sustainable development, Mr. Schmidt emphasised the EU's key role in the Johannesburg negotiations. Mr. Schmidt also mentioned that the WEEE/RoHS proposals should soon be going to conciliation. He supports the European Parliament position but is concerned that it is difficult for small and medium-sized enterprises to comply with the WEEE provisions.

The Minister did not make any reference to the recently adopted Danish phase-out Statutory Order or the forthcoming Commission proposal on fluorinated gases.

A number of MEPs spoke after the Minister's speech. The discussions centred on the European Parliament involvement in the Johannesburg World Summit for Sustainable Development, emissions trading, negotiations on GMO traceability and labelling proposals, and forthcoming chemicals' legislation.

Hulthén report on ECCP first phase communication adopted in Committee

The draft report on the Commission Communication on the first phase of the implementation of the ECCP by Anneli Hulthén (PES, Sweden) was adopted by the Environment Committee on 18 June 2002. The amendment tabled by Karl Heinz Florenz (EPP, Germany) was adopted, despite three competing amendments tabled by the Greens and Socialists. This means a softening of the draft wording on the planned F-gases proposal. In addition, an amendment by the Industry Committee adding a phrase to the end of the paragraph was adopted.

The wording on fluorinated gases now states:

"[The European Parliament] welcomes the Commission's intention to submit a proposal for a framework directive on fluorinated gases aimed at reducing emissions across all sectors, through containment and monitoring of these gases and marketing and use restriction for certain new applications;

Considers the forthcoming reductions in emissions of fluorinated gases and improved monitoring as a cost-effective and environmentally efficient measure."

The amendments on the F-gases Directive were the only ones discussed during the debate ahead of the vote. Several MEPs stated their views on the issue:

The Rapporteur, Anneli Hulthén (PES, Sweden) stated before the vote that one industry, which so far has been fairly 'calm', has become active during this report - the fluorinated gases industry. Hulthén mentioned the fact that four competing amendments were tabled on the issue. She came out against the amendment by Florenz. John Bowis (EPP, UK) sought clarification from the Commission on the use of fluorinated gases and availability of alternatives. Peter Liese (EPP, Germany) expressed his support for the amendment by Florenz. Caroline Jackson (EPP, UK), the Committee Chair, asked the Commission to give a written answer to the question on the availability of alternatives to fluorinated gases in view of the European Parliament plenary vote.

The draft report by Anneli Hulthén was adopted as a whole by 37 votes for and 0 votes against. Most of the other amendments that the Rapporteur objected to were not adopted. The Report is scheduled to be voted on in European Parliament plenary session in September 2002.

Norway: The Parliament approves White Paper on Climate Change

The Norwegian Parliament approved the main proposals of the Bondevik government White Paper on climate change on 19 June 2002, including the proposal for taxation on imports of HFCs and PFCs. The Ministry of Environment will follow-up with concrete proposals for the October 2002 State budget negotiations.

The Government recommends the introduction of taxation on imports of HFCs and PFCs at a tax rate similar to that of the CO₂ tax on fuel oils. The tax should come into effect from 1 January 2003. According to the White Paper, the Government will also look at solutions on a refund scheme for HFCs and PFCs that are delivered to reception

centres when taken out of use. A refund system would promote the re-use and destruction of these gases, and thus provide the same incentive as a tax on emissions. In addition, provisions for a system of quota trading would be established that would enable companies to buy and sell the right to emit greenhouse gases was approved.

During the Parliamentary Committee discussions, the members of the Norwegian Labour party and the extreme right Fremskrittspartiet Party stated that the cooling and heating pumps sector have made clear that it would rather have a volunteer agreement within the sector. This sector has already a refund system for HFCs and PFCs. If the Government introduces another tax this would undermine the current system.

The members of the Norwegian Socialist Party wanted to see the end of the imports, use or sales of HFCs and PFCs in new products by 1 January 2006. In the plenary vote, the above proposals by the different parties were not adopted. The majority of the parties in the government, Christian Democrats and the Liberals, supported the original government proposal. They were backed by Socialists. The government proposal is available (in Norwegian) at:
<http://odin.dep.no/md/norsk/publ/stmeld/022001-040014/index-dok000-b-n-a.html>

Austria: Government response to Commission's comments still awaited

According to European Commission officials, a response is still awaited to the comments sent by the Commission and the five Member States (Italy, Spain, Belgium, France, and The Netherlands) on the notified Austrian Proposal on HFC phase-out. The standstill period in which the Austrian government can respond these comments (you will recall in the Danish case the Danes never responded) runs until 24 July.

Environment Council discusses fluorinated gases

The Environment Council met on 25 June 2002 in Luxembourg. The key issue of interest to EPEE discussed at the Council was an intervention from the UK (in the form of a question to the Environment Commissioner) on the future F-gases legislation. The UK delegation asked Commissioner Margot Wallström if her services were considering an amendment to the Ozone-depleting Substances (ODS) Regulation to include F-gases rather than the Framework Directive, as the Commission had announced in the recent Communication on ECCP implementation.

Commissioner Wallström replied that the amendment of the ODS Regulation was one option, amongst others, DG Environment are currently considering. The UK delegation made it very clear that this was an option it opposed, as did the Italian delegation.

In addition, Ministers expressed their satisfaction with the internal ratification by Member States of the Kyoto Protocol and the fact that the instruments of ratification were deposited at the UN by 31 May. They also reiterated the point that the Kyoto Protocol is the only available instrument for combating climate change.

Ministers also called upon all parties to the United Nations Framework Convention on Climate Change to live up to their responsibilities under this Convention and to reduce their greenhouse gas and also that those states which accepted the comprehensive and balanced package of decisions adopted in Bonn and Marrakesh, to ratify the Kyoto Protocol as soon as possible.

Update on the Swiss fluorinated gases proposal

Switzerland is currently finalising a new document based on the results of the consultation period on the proposed Ordinance to modify parts of its existing Regulation on dangerous substances for the environment concerning ozone-depleting substances and stable substances in the air, which covers fluorinated gases.

A new document will be produced by the end of July 2002, taking into account the various differences of positions. This document will not be published but it will be sent to internal consultation within the Government, starting in August 2002.

The Swiss Federal Council plans to adopt the Ordinance after the internal consultation during the Autumn 2002, after which the new text will be made public.

ECCP Stakeholder Meeting on 27 June

The working group on Fluorinated Gases of the European Climate Change Programme met in Brussels 27 June to further discuss the future EU F-gases legislation. The meeting was split into two parts: a morning session with industry representatives and an afternoon session with Member States representatives. The meeting agendas covered presentations of the initial finding of studies examining the regulatory impact of containment, the business impact of possible marketing and use restrictions and containment in mobile air conditioning.

On marketing and use restrictions the discussion focused on the criteria for any such restrictions. These should cover the technical availability of alternatives, safety, economics, the ineffectiveness of no action or other instruments and trade issues. On con-

tainment the Commission presented the likely elements of any such legislative provisions. These are: recovery provisions, leakage prevention, reporting and the promotion of good practice. The group had a lengthy discussion on how to calculate fully the cost of any monitoring systems given that certain factors such as training are very hard to determine.

In the context of this meeting, EPEE presented a position paper on key issues discussed. It reiterated its comments on the planned legislation, saying that its preferred solution would be an instrument that treats all refrigerants and equipment equally. The rationale behind this stance is that there are no perfect refrigerants and because of this, legislation should be designed to enforce and monitor the responsible use of all refrigerants.

EPEE also warned that only considering direct greenhouse gas emissions would be a narrow approach. Overall environmental life cycle performance, societal benefits, safety, technical and economic feasibility need to be taken into account equally when adopting legislation in this area.

The next meeting of the F-gases sub-working group will take place on 25 September in Brussels. The items that will be discussed include the final drafts of the studies already discussed and a further discussion on marketing and use restrictions.

Commission Opinion on European Parliament's Position on WEEE/RoHS

The Commission adopted an opinion on the European Parliament's position at Second Reading on WEEE/RoHS. Overall, the Commission is largely supportive of the EP's position. While not binding, the opinions strengthen the EP to fight its case very hard

in Conciliation Committee. The Commission's support will make it tougher for the Council of Ministers to stick to its First Reading Common Position, which left much of the details to be decided via the principle of subsidiarity.

On the WEEE position, the Commission accepted fully the amendment, which replaces the specific reference to CFC, HCFC, HFC or HC in the selective treatment annex with 'Equipment containing gases that are ozone depleting or have a global warming potential (GWP) above 15') in principle, but felt the details should be verified ahead of final adoption of the amendment.

On the RoHS position, the Commission accepted the amendment which calls for the EP and the Council to have the power to decide on the prohibition of other hazardous substances and the substitution of more environmentally friendly alternatives to those in the finally agreed Directive - with the provision that the decision can only be made 'as soon as the necessary scientific data is available'.

The only amendment the Commission did not accept fully on the EP's position on the RoHS proposal was amendment 10 which now makes no mention to HFCs but does states that 'Particular attention shall be paid during the review to the impact on the environment and on human health of other hazardous substances and materials used in electrical and electronic equipment'. The Commission wants a reference to the EU chemical policy included in the amendment.

The positions of the Commission can be consulted at:

WEEE:

http://europa.eu.int/eurlex/en/com/pdf/2002/com2002_0353en01.pdf

RoHS

http://europa.eu.int/eurlex/en/com/pdf/2002/com2002_0354en01.pdf

European Parliament's Second Reading on energy efficiency in buildings

On 9 July, the Industry Committee of the European Parliament had a first exchange of views on the Council Common Position on the Commission Proposal for a Directive on Energy Performance in Buildings in Second Reading. The Rapporteur, Alejo Vidal-Quadras Roca (EPP/ED, Spain), presented his views on the submitted amendments. The major issue discussed during the debate was the transposition period of the Directive.

Mr. Vidal-Quadras Roca is expected to present his report for Second Reading on 26/27 August 2002.

14th Annual Earth Technologies Forum, April 22-24, 2003 In Washington, Dc

The 14th Annual Earth Technologies Forum (ETF), the pre-eminent conference and exhibition on global climate change and ozone protection technologies and policies, will take place from Earth Day, April 22, 2003 until April 24 2004 in Washington, D.C.

A "Call for Papers" will be published in late summer and be available on the Forum's website at www.earthforum.com. You may soon register on the site to receive notice when it is published. To purchase copies of past Forum "Proceedings," contact (703) 807-4052 or email at earthforum@alcaldefay.com.

Next EPEE General Assembly

The next Annual General Meeting of EPEE will take place on the afternoon of 30 October.

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

J u l y

24 Extended standstill period for Austrian proposal ends

A u g u s t

26-28 Zero Leakage – Minimum Charge Conference, Stockholm, Sweden

26 – 4 World Summit on Sustainable Development, Johannesburg, South Africa

S e p t e m b e r

5 Strategy Development Group meeting (closed)

O c t o b e r

17 Environment Council, Luxembourg

30 EPEE General Assembly (closed)

31 Steering Committee meeting (closed)

**Please submit items for EPEE NEWS and the UPCOMING EVENTS
CALENDAR to secretariat@epeeglobal.org**