

# ***EPEE*** ***NEWS***

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

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## **EPEE News Headlines:**

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- HFC DEVELOPMENTS IN AUSTRIA
- EUROPEAN CLIMATE CHANGE PROGRAMME (ECCP)
- DIRECTIVE ON HAZARDOUS SUBSTANCES FROM ELECTRIC & ELECTRICAL EQUIPMENT/WEEE
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- ENERGY EFFICIENCY
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**EPEE is a business partnership committed to responsible global energy and environmental policy**

Following the notification on 5<sup>th</sup> March 2001 of the Danish proposed Statutory Order to phase out the use of HFCs from 2006 onwards, EPEE has strongly voiced its concerns to Commission officials as well as the press. EPEE developed a position paper in which it explains why the proposed ban will be counterproductive in environmental terms, is detrimental to the objective of energy efficiency, constitutes a potential barrier to the free movement of goods and possibly discriminates against non-Danish manufacturers. In addition, EPEE underlines that the Danish initiative also preempts work currently undertaken within the framework of the European Climate Change Programme. EPEE stresses that HFCs are viable and safe refrigerants, provided their emissions are reduced through responsible use and end-of-life recovery. Within the framework of the European Climate Change Programme (ECCP), EPEE has submitted a proposal for a policy framework to reduce the emissions of HFCs.

To clarify EPEE's concerns, the secretariat organised and prepared for its Director General Friedrich Busch and its Member Carrier, a high level meeting programme with Commission officials in DG Enterprise, Internal Market, Competition and the Environment. The Commission informed EPEE that it attached great importance to this matter and that it was now examining the information it had received from industry and others.

It became clear, however, that a stronger link between the Danish measure and the ECCP programme (and an eventual Directive) was not realistic because the EU policy process on climate change is moving too slowly to have an effect on the Danish HFC policy.

During an internal inter-services meeting on 3 May, the Commission discussed their future actions and EPEE was informed that it can expect a reaction before the deadline of 6<sup>th</sup> June (when the standstill period expires). EPEE is in the process of developing its legal arguments to reinforce its position and to provide further input to the Commission. It is also clear that it is crucial that Member States raise their concerns within the very limited time available.

Both its Members and the EPEE secretariat have started to approach the press on this issue with some encouraging results: the national and the European press have published articles on the Danish initiatives and the ECCP

#### Danish HFC Tax Act up-date

During the meetings, EPEE was also informed that, following EPEE's complaint, the Commission had requested further information from the Danish authorities. The Commission is now examining the very detailed reply from Denmark. Meanwhile, the secretariat has received confirmation that the Danish Tax on HFCs has entered into force as of 1<sup>st</sup> March 2001.

## HFC DEVELOPMENTS IN AUSTRIA

Following Denmark's example, the Austrian Environmental Ministry has recently presented a draft proposal to phase-out HFCs. This draft still has to be agreed within the Government and in particular the Ministry for Economic Affairs. It seems that industry has the possibility to submit its observations until mid May. A meeting took place on 24<sup>th</sup> April between representatives of the Austrian refrigeration association and representatives of the environmental ministry. The Environmental Ministry indicated its willingness to examine proposals by the industry to assess and limit/reduce HFC emissions. It is expected that as a first step, the Austrian refrigeration association will file an official objection to the phase out. In a second step, industry will provide a set of measures concerning HFCs emissions.

The main goal of the Austrian Environmental Ministry is to limit total F-gas emissions by 2008 at the 1300000 ton CO<sub>2</sub> eqv. as outlined in the Austrian Climate Change programme. The Austrian refrigeration association has indicated its interest to cooperate with EPEE on the development of measures and on the monitoring system.

The following phase-out dates are foreseen in the current proposal:

- 1.1.2002 HFC use as refrigerant in new stationary refrigeration and air-conditioning equipment, produced after 31/01/01 (for domestic and smaller business use)
- 1.1.2004 Mobile air conditioning (produced after 31/12/03)
- 1.1.2005 In all other new refr. and AC equipment, produced after 31/12/04 (for large, middle sized and industrial equipment)
- 1.1.2010 Use of HFCs for maintenance and repair of existing equipment

Between 1.1.2002 and 2005 HFC use ban as blowing agent.

- 1.1.2002 HFC in aerosols (except for uses in inhalers and in the electronic industry)
- 1.1.2002 HFC in solvents (as of 1.1.2006 when used in closed systems)
- 1.1.2002 In fire extinguishers (if produced after 31.12.2001) and 1.1.2005 for all other fire extinguishers

## EUROPEAN CLIMATE CHANGE PROGRAMME (ECCP)

### *ECCP WG5 - Industry Fluorinated Gases sub-group meeting 26<sup>th</sup> April 2001*

The purpose of this last meeting of the ECCP Fluorinated gases (f-gases) Sub-group of the Industry Working Group 5 was to approve the final report which will be submitted to the ECCP Industry Working Group and subsequently to the overall ECCP Steering Committee for incorporation into the final ECCP report which covers all sectors and Working Groups. The final report of ECCP will contain 2 pages on f-gases and this will be expanded to 8 pages in the extended ECCP Final Report.

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In its contribution to the draft final ECCP f-gases report, EPEE and EUCRAR welcomed the approach chosen, which shows that the Commission wishes to tackle emissions of fluorinated gases with a co-ordinated EU-wide policy focused on improved containment of F-gases in energy efficient products and systems. In this sense, it addresses both direct and indirect emissions of greenhouse gases from the use of air conditioning and refrigeration equipment. EPEE and EUCRAR also called upon the Commission to prepare a Directive for refrigerant gases as a matter of priority.

As was expected, a heated discussion took place between the EPEE/EUCRAR and the NGOs, resulting in a number of changes. Both industry and Member States made great efforts to maintain the balance and consensus. It is expected that the ECCP Report on fluorinated gases remains reasonably balanced, although the pages on f-gases for the ECCP final and extended reports need to be carefully monitored.

The overall ECCP Report (of all the Working Groups) with all recommendations will be discussed on 2-3 July during a general ECCP Stakeholders' meeting. EPEE will organise a press event around this date to communicate its views on HFCs. In October/November the Commission will present a Communication with proposals to the European Parliament and Council of Ministers.

## **DIRECTIVE ON HAZARDOUS SUBSTANCES FROM ELECTRIC & ELECTRICAL EQUIPMENT/WEEE**

On 24<sup>th</sup> April, the Committee on the Environment, Public Health, and Consumer Policy voted on the Report by Mr Florenz (Germany, Christian Democrat) concerning the proposed Directive on the elimination of hazardous substances from electric and electrical equipment. Most of the amendments proposed by the Greens were rejected. Two amendments which affect HFCs, proposed by MEP Chris Davies (UK, Liberal Democrat), were adopted. These concern the need to examine the feasibility of substituting HFCs and requires the Commission to put forward proposals.

EPEE will continue to oppose these amendments on the grounds that HFCs are not hazardous, their recovery and recycling are covered in the proposed Directive on Waste from Electric and Electrical Equipment, and thirdly, the Commission is developing climate change policy under ECCP. The vote for the first reading will take place during the plenary session of 14th May and the deadline for tabling amendments will be 10th May.

It is unlikely that the Commission and Council will agree with these amendments. This means that a compromise will have to be sought between the two institutions during the second or third reading of the Parliament.

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## CLIMATE CHANGE: EU SAYS KYOTO PROTOCOL IS WELL ALIVE

The European Union has said it will stand by the Kyoto Protocol, with or without the United States. The European Union Troika, composed of EU Environment Commissioner Ms Walström, the Swedish Environment Minister Kjell Larsson and Olivier Deleuze, the Belgian Minister of Energy and Sustainable Development, expressed concern and disappointment over the US Administration's withdrawal from the Kyoto Protocol.

In an official statement the European Union said that it considers climate change to be a central issue in international politics today. It said that:

- The Kyoto Protocol is well alive and is the only international instrument available;
- CoP 6 bis is expected to lead to results which will make the Protocol ratifiable;
- It will stick to the target of EU ratification by Rio+10 2002 and call upon other parties to do the same;
- preparations for ratification and speed up work on European Union's internal policies and measures, i.a. through ECCP will be intensified.

The EU has called on others to join it in pressing forward in these negotiations so as to enable us to ratify the Protocol by 2002. According to the Presidency of the EU, extensive consultations with many countries in the rest of the world showed a lot of common ground for finalising the negotiations and for securing entry into force of the Kyoto Protocol by 2002. At the occasion of a meeting with Commissioner Patten on 20 April, Australian Foreign Minister Alexander Downer said, however, that his Government would still refuse to sign the protocol designed to limit greenhouse gas emissions, claiming that the United States' withdrawal from the process made it redundant.

The EU is now working on the new proposal by President Pronk. The EU underlined:

- That the implementation of the Convention and the Protocol requires substantial resources to be provided to developing countries.
- Its well-known concerns about scale, uncertainty and risks regarding sinks, in particular for the First Commitment Period.
- That it welcomes the structure suggested by the President for the section on sinks, which seems to provide more certainty regarding potential volumes. However, some further work is needed in order to improve the robustness of the rules.
- That the implementation of the Kyoto Protocol must lead to significant, real domestic reduction in Annex I countries.
- To be willing to discuss complementarity with other parties and to show flexibility about how to tackle this issue.
- Its willingness to support the suggestions made concerning consequences of non-compliance.

The renewed international talks to finalise rules for implementing the Kyoto climate protocol within the UN framework convention on climate change (UNFCCC), are still planned from 16 to 27 July in Bonn.

## **ENERGY EFFICIENCY**

On 25<sup>th</sup> April, the European Commission provisionally approved a proposal for a Directive on energy efficiency in buildings. The proposal still needs to be fine-tuned before the formal endorsement can be given by a group of five Commissioners: Margot Wallström (Environment), David Byrne (Consumer Affairs), Philippe Busquin (Research) and of course Energy Commissioner Loyola de Palacio. Commission President Romano Prodi assists this group.

The proposal will exist of four broad sections. It sets out a common methodology for developing minimum integrated energy efficiency standards to be adopted by Member States for each type of building. This type of integrated approach uses simple energy efficiency indicators to cover all the different aspects to be catered for when constructing new buildings. The annex of the draft Directive sets out a framework for the new methodology which should take account of differences in climate and include elements such as insulation, heating, ventilation, whether the building faces the sun, heat recovery and the use of renewable energy. The draft Directive then obliges Member States to set minimum standards using this methodology for both new buildings and the renovation of large existing buildings and to regularly update the standards.

The Commission also proposes to introduce energy efficiency certificates going back no more than five years. Last but not least, the proposal sets out specific requirements for regular check-ups of boilers and air-conditioning systems, and ad hoc assessments of the entire heating system, if the boilers are old.

The Commission believes that in this way some 22% of this energy could be saved (while maintaining good cost and efficiency conditions) by 2010.

## **EPEE STRATEGY TASK GROUP**

During the last Strategy Group meeting it was decided to establish a Strategy Task Group to develop a strategy framework for EPEE. Coordinated by Nick Campbell and the secretariat, the Task Group had a first working session on 2<sup>nd</sup> May. This resulted in a draft strategy document providing the elements of a pro-active approach towards promoting HFCs as part of the solution to meet the environmental goals of climate change. The strategy framework now needs to be approved and developed, with a focus on the implementation of the strategy.

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**UPCOMING EVENTS CALENDAR**

**EPEE Strategy Group Meeting:** (closed) 22<sup>nd</sup> May 2001 in Brussels

**EPEE Steering Committee Meeting:** (closed) 19<sup>th</sup> June 2001 in Brussels

**EPEE Company Working Group Meeting:** (closed) 21<sup>st</sup> June 2001 in Brussels

**ECCP General Stakeholders' Meeting:** 2-3 July 2001, Brussels

Topic: Discussion of the general ECCP recommendations

*Please submit items for EPEE NEWS and the UPCOMING EVENTS CALENDAR to:*  
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