

Brussels, 25 October 2023

Compromise on the Revision of the F-Gas Regulation

After the Council and the Parliament negotiators reached a **provisional political agreement on the revision of the F- Gas regulation,** the compromise text was presented in the EP Environment Committee yesterday. This provisional agreement is an important step to in order to finalise negotiations on the revised fluorinated gases regulation.

The agreement has been made available by the ENVI Committee services, please see attachment.

The most important elements of the compromise are summarised below:

- Mandatory leaks checks for refrigerated transport
- Commission is to publish a report by 1 July 2027 assessing the feasibility of replacing F Gases in mobile refrigeration with alternatives
- A complete phase out of the consumption of hydrofluorocarbons (HFC) by 2050
- the production rights allocated by the Commission to produce HFCs, will be **phased down** to a minimum (15%) as of **2036**
- The deal includes specific phase-out dates for the use of F-gases in sectors where it is technologically and economically feasible to switch to alternatives that do not use F-gases, such as domestic refrigeration, air conditioning and heat pumps.
- The agreement also covers strict conditions and deadlines for the use of F-gases with high global warming potential for the servicing or maintenance of different types of equipment.
- The text introduces a full ban on placing the products and equipment containing HFC on the market for several categories, including certain domestic refrigerators, chillers, foams and
- The provisional agreement introduces a ban on some equipment needed to repair and service existing equipment.
- From 2025 servicing equipment for refrigeration equipment that use F-gases with high global warming potential will be banned unless the gases are reclaimed or recycled, in which case they benefit from a derogation until 2030.
- Establishing a connection between the WEEE Directive and the F Gas Regulation as well as introducing the polluter pays principle

There are several elements that are of specific interest sector. Please see them listed below.

A newly introduced point 10b in the Recitals makes specific reference to *Cooling and freezing appliances* (that) rely heavily on fluorinated greenhouse gases for their proper functioning and their relevance in the waste management of electrical and electronic equipment.

The text continues:

In line with the polluter pays principle, and to ensure the proper waste management of those harmful gases, it is important that obligations relating to the extended responsibility for producers in case of waste electric and electronic equipment cover also the management of the fluorinated greenhouse gases contained or used in waste electrical and electronic equipment (WEEE). Directive 2012/19/EC sets out financing obligations for producers of electrical and electronic equipment waste.



This Regulation (the F Gas Regulation) complements that Directive (WEEE Directive) by requiring the financing of the collection, treatment, recovery, environmentally sound disposal, recycling, reclamation or destruction of fluorinated greenhouse gases listed in Annexes I and II from the products and equipment, containing those gases or whose functioning relies upon those gases, which are electrical and electronic equipment.

As reference is made here to the polluter pays principle and the responsibilities of the producers of equipment and no direct mention is made of the end users of the cooling and freezing equipment, this point requires concrete clarification if operators of the quoted equipment will also be required to contribute to the requirements in the framework of the WEEE obligations listed above.

10c is also a new point in the Recitals that is of particular interest. It says:

Air conditioning, and **refrigeration equipment contained in means of transport** have particularly high leak rates due to the vibrations occurring during transport. This Regulation requires operators of most means of transport to carry out leak checks or to install leak detection systems and to recover fluorinated greenhouse gases for this mobile equipment.

Operators of equipment onboard ships, as **operators** of any other equipment covered by this Regulation, **are required to take precautionary actions to prevent the leakage of fluorinated greenhouse gases** and, where such a leakage is detected, to repair it without undue delay. (...)

<u>Article 5 - Leak detection - Paragraph 1</u> sets out that operators of equipment that contains 5 tonnes of CO2 equivalent or more of fluorinated greenhouse gases (listed in Annex I) or 1 kilogram or more of fluorinated greenhouse gases (listed in Annex II, Section I) shall ensure that the equipment is checked for leaks.

<u>Point 2a of this Article is new</u> and stipulates that **leak check obligation will apply to** the following **mobile equipment** that contains fluorinated greenhouse gases listed in Annex I or in Annex II, Section 1:

- (a) refrigeration units of refrigerated trucks and trailers;
- (b) **refrigeration units of refrigerated light-duty vehicles**, intermodal containers including reefers and train wagons;
- (c) air-conditioning equipment and heat pumps in heavy duty vehicles, vans, non road mobile machinery used in agriculture, mining and construction operations, trains, metros, trams and aircraft.

For equipment falling under points (b) and (c), the obligation for leak checks will become effective 3 years after the publication of the new Regulation.

Article 8 on recovery and destruction of F Gases stipulates in Paragraph 1:

Operators of equipment that contain fluorinated greenhouse gases, shall ensure that these substances are recovered and after the decommissioning of the equipment that these substances are recycled, reclaimed or destroyed.

<u>Point 1a – which is new,</u> clarifies that this obligation also applies to operators of any of the following **mobile equipment**:

(a) the cooling circuits of refrigeration units of refrigerated trucks and trailers;



- (b) the cooling circuits of refrigeration units of refrigerated light-duty vehicles, intermodal containers including reefers and train wagons;
- (c) the cooling circuits of air-conditioning and heat pumps in heavy duty vehicles, vans, non road mobile machinery used in agriculture, mining and construction operations, trains, metros, trams and aircraft.

Article 13 – Control of use Point 3 clarifies the date as of when the service ban enters into force: The use of fluorinated greenhouse gases, with a global warming potential of 2 500 or more, to service or maintain refrigeration equipment with a charge size of 40 tonnes of CO2 equivalent or more, is prohibited. From 1 January 2025, the use of fluorinated greenhouse gases, with a global warming potential of 2 500 or more, for the servicing or maintenance of all refrigeration equipment is prohibited.

This **ban shall not apply** to the following categories of fluorinated greenhouse gases until **1 January 2030:**

- (a) reclaimed fluorinated greenhouse gases listed in Annex I with a global warming potential of 2 500 or more used for the maintenance or servicing of refrigeration equipment
- (b) recycled fluorinated greenhouse gases listed in Annex I with a global warming potential of 2 500 or more used for the maintenance or servicing of existing refrigeration equipment provided they have been recovered from such equipment. Such recycled gases may only be used by the undertaking which carried out their recovery as part of maintenance or servicing or the undertaking for which the recovery was carried out as part of maintenance or servicing.

This is in line with the Commission proposal and the position of the Council and does not constitute a strengthening compared to the current Regulation.

<u>Article 35 – Transitional and final provisions</u>

Point 3 (new): Of particular importance for refrigerated transport

No later than 1 July 2027, the Commission shall publish a report assessing whether cost-effective, technically feasible, energy-efficient and reliable alternatives exist, which make the replacement of fluorinated greenhouse gases possible in mobile refrigeration, mobile air conditioning equipment and where appropriate, put forward a legislative proposal to the European Parliament and to the Council to amend the list set out in Annex IV.

Next steps

The ENVI Committee foresees a vote to endorse the compromise text in November.