

30<sup>th</sup> May 2013

Japanese Business Council in Europe and The Japan Refrigeration and Air Conditioning Industry Association communication on the Commission's proposal for the revision of the Regulation on Fluorinated Greenhouse Gases  
2012/0305(COD)

The Japanese Business Council in Europe (JBCE) which represents the interests of companies of Japanese parentage operating in Europe and The Japan Refrigeration and Air Conditioning Industry Association (JRAIA), welcome the Commission's proposal to revise the rules pertaining to fluorinated greenhouse gases (F-gases) and appreciate the opportunity to engage in the process.

1. Precharge-ban (Article 12)

As a first point, JBCE and JRAIA would like to reiterate that the pre-charging ban on equipment (as laid out in Article 12) is detrimental to businesses and society from economic, safety and environmental perspectives. For this reason, we fully support the idea explained by the Irish Presidency which sets out a traceability system for F-gas quota distribution.

As equipment manufacturers and importers, we believe that this is the most feasible of all solutions proposed thus far because it meets the following important key principles:

- 1) All HFCs sold in the EU and all imports into the EU, must be covered in the phase-down including inside pre-charged equipment
- 2) A level playing field must be guaranteed for all actors whether they are based inside or outside the EU
- 3) Cost and burden for industry and end-users must be minimised
- 4) Not only bulk HFC exports, but also exports of HFCs inside pre-charged equipment must be excluded from the European phase down

2. Baseline issue(Annex V)

In order to fully reflect the quantities of F-gases contained in imported pre-charged equipment and of gases (HCFC) contained in existing equipment which will need to be replaced to comply with the Ozone Depleting Substances Regulation, we also believe that the baseline of the phasedown should be raised by 20%.

3. New entrant reserve (Annex VI)

We would also propose a higher allocation than in the European Commission's proposal for new entrants: in fact we would suggest raising the quota for new entrants from 5% to at least 20%. Such an amendment is needed to facilitate the flexibility in supply of HFCs falling under the quota and phase-down to manufacturers and users of equipment using HFCs.

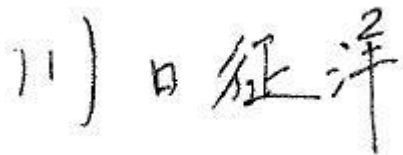
4. Placing on the market bans (Annex III)

Additionally, we would like to express our concern about suggested additional placing on the market bans on air conditioners, heat pumps, and chillers proposed by some Members of the European Parliament's Environment Committee. These products have to follow very strict energy efficiency targets set by the Ecodesign directive. They are also essential for the EU renewable energy targets. Moreover, equipment manufacturers have a product liability according to the General product safety directive.

The EU Commission impact assessment clearly indicates that a 100% replacement by non HFCs which can meet all these targets is not possible.

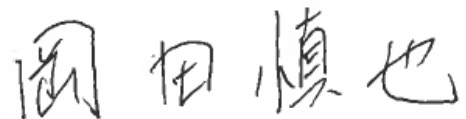
We remain at your disposal should you need further information and/or have any questions.

Yours sincerely,

A handwritten signature in black ink, reading '川口征洋' (Kawaguchi Yukihiro).

Yukihiro Kawaguchi

The Secretary General  
Japan Business Council in Europe

A handwritten signature in black ink, reading '岡田慎也' (Okada Shinya).

Shinya Okada

Chairman  
The Japanese Refrigeration and Air  
Conditioning Industry Association