

## **Contributing to the Review of the F-gas Regulation**

JBCE and JRAIA strongly support Europe's environmental policies and their continuous development. We see the F-gas regulation as one of the key environmental regulations for the air conditioning and refrigeration sector. Our member companies have committed significant resources into implementing it comprehensively and effectively. In the same vein, they have been fully involved in the implementation of what is recognized as probably the most successful international environmental agreement: the Montreal Protocol on Substances that Deplete the Ozone Layer. We have always actively pursued a fundamentally sustainable refrigeration and air conditioning industry, and we will continue to do so.

That is why we would like to express our concerns about two specific but crucial aspects of the ongoing Review of the F-gas Regulation.

But first of all, we want to thank and convey our appreciation to Oeko Recherche and its associated team of researchers and research institutes for the efforts they have made so far. Assessing the impact of a Regulation on an entire industrial sector is, and probably always will be, a formidable challenge. This is in particular the case if the Regulation is still fairly recent, like the F-gas Regulation, which makes it difficult to properly quantify and assess whatever impact may or may not yet have been generated.

Our two key concerns focus on the need for access to the data that underpin the simulation model, and on potential input the Expert Group can provide and its timing.

### **Access to data**

We very much welcome the European Commission's initiative to set up the Expert Group, and the invitation it has extended to JRAIA to become involved in its work. JRAIA has taken up the invitation, and has already submitted numerous comments on various aspects of the documents that have been made available so far.

However, we regret that full disclosure of the draft chapters, and the data on which they are based, has not proven to be possible yet. This puts the experts in a difficult position. Although the information we have been given is a first and necessary start, it is by no means sufficient. We cannot form a reliable and comprehensive opinion on the results of the analysis that has been carried out with the AnaFgas simulation model as long as we cannot verify the validity of the data and calculation methods that have been used.

The experts have been asked to assist the Commission in the preparation of the Review of the Regulation. However, whatever opinion is formed on the basis of what is currently available could eventually turn out to be misguided. Erroneous advice can lead to bad policy making, and this should obviously be avoided.

### **Involvement of the Expert Group & timing**

At the conclusion of the first meeting of the Expert Group on 11 October 2010, it was announced that the second meeting would not be convened until May 2011. This seems an unnecessary long period of inactivity for the experts, in particular in light of the fact that the study should be ready by June/July 2011.

As a matter of fact, according to the tender specifications that underpin the contract with Oeko Recherche, a second meeting with the advisory /expert group was foreseen to be held in the course of January 2011. We understand that Oeko Recherche is currently putting the finishing touches, or has already finalized, the chapter on Task 4. This chapter will set out and examine the policy options and recommendations for the review of the Regulation.

Why does the Commission not want to consult in a meaningful way, and on such a crucial part of the F-gas Review, the experts whom it invited itself? If the Expert Group is only able to provide some opinions at the last minute in the course of May 2011, its establishment will not have served its purpose.

We believe it is essential that experts can properly contribute insights and knowledge about technical and market facts and developments. And we are convinced this can provide significant added value to the bigger picture analysis.

### **Conclusion**

As a result of our concerns about the validity of the data on which the AnaFgas model is built, and in view of the fact that the Expert Group is about to become practically redundant, unfortunately we cannot agree with or support the draft study as it stands right now, nor will we be able to concur with any conclusions that may be derived therefrom.

JBCE and JRAIA believe that only full access to the draft study and its underlying data and model allow for a verifiable, and therefore reliable and peer-reviewed study on which good policy can be based.

The Expert Group should not be reconvened only in May 2011, by which time the study will already be basically ready, but in January 2011.



## **ABOUT JBCE**

The Japan Business Council in Europe was established in 1999 as the representative organization of Japanese companies operating in the European Union. Our membership consists of more than 60 leading multinational corporations that are active across a wide range of sectors, including electronics, automotive, and chemical manufacturing. The key goal of JBCE is to contribute to EU public policy in a positive and constructive way. In doing this, we can draw upon the expertise and experience of our member companies.

## **ABOUT JRAIA**

The Japanese Refrigeration and Air conditioning Industry Association is an originally Japanese industry association. Its member companies and subsidiaries are very active in Europe. Their investments and commitments in Europe are significant, and they are responsible for a considerable share of the EU market in air conditioners, heat pumps, and refrigeration equipment.