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NÜRNBERG MESSE

Illegal trade in refrigerants – a substantial challenge for the entire value chain

European Fluorocarbon Technical Committee (EFCTC)
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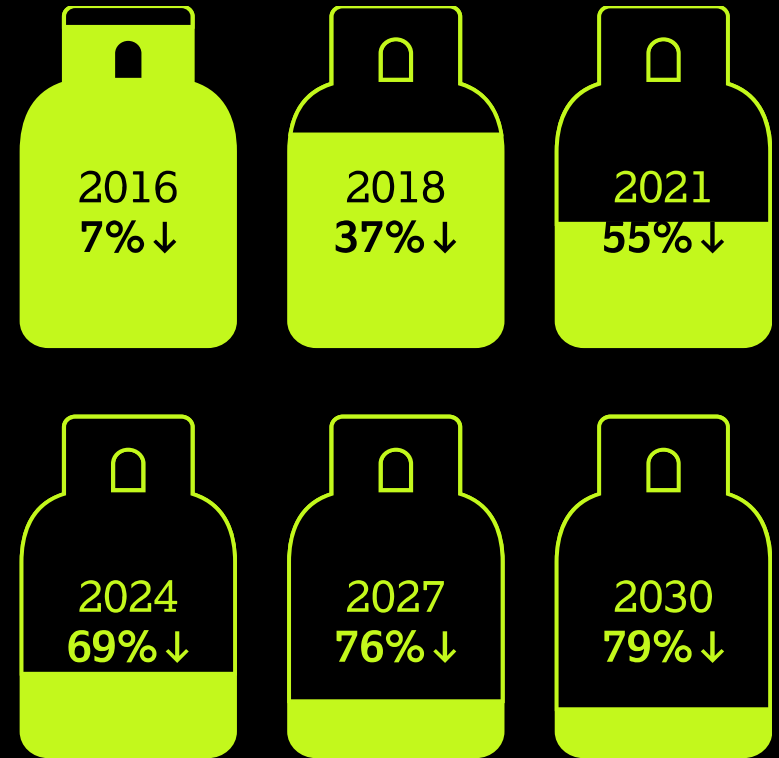
ABOUT US

The European FluoroCarbons Technical Committee is a sector group of the European Chemical Industry Council (Cefic) and is represented by the companies Arkema, Chemours, Daikin Chemical, Honeywell and Koura.



THE EU F-GAS REGULATION

- HFCs have a high average Global Warming Potential (GWP)
- To help combat climate change and stimulate the deployment of alternative solutions, the 2014 EU F-gas Regulation bound industry to gradually reduce HFC-based greenhouse gas emissions through a quota system



THE LEGITIMATE SUPPLY CHAIN FOR HFCS IS COMPLEX

- HFCs are imported in large tanks (15-20 T)
- **Importers** sell HFCs to **Distributors** or directly to large scale **Industrial Users**, either as straight product or after blending
- **Distributors** repackage HFCs in smaller cylinders (typically 5-60 L) and sell to **Wholesalers** or large **Contractors**
- **Contractors** service Refrigeration, (automotive) Air-Conditioning and Heat Pump equipment using HFCs
- **Distributors** charge a deposit on the cylinders which assures that they are returned after use



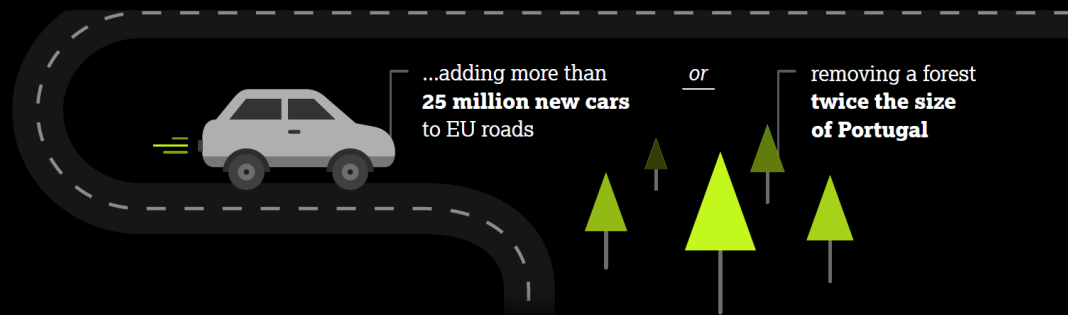
The challenge of illegal trade

IN TOTAL, THE ILLICIT TRADE VOLUME IN HFCS COULD BE AS HIGH AS:

A THIRD
OF THE LEGAL EU MARKET

34 MILLION
TONNES OF CO₂ EQUIVALENT

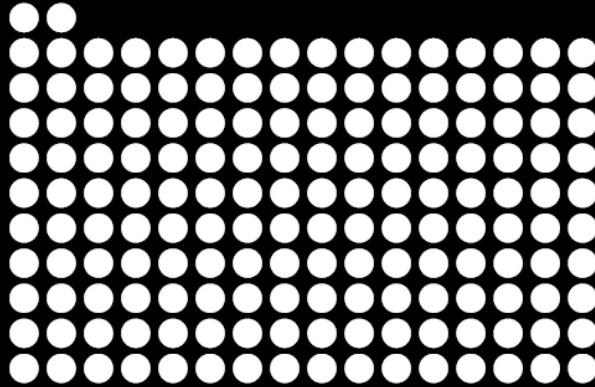
Source: Oxera report, figures for year 2018



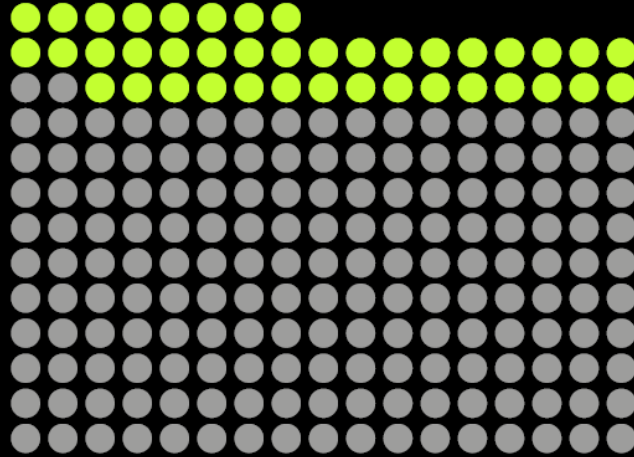
**STOP SMUGGLING.
START TRACING.**



EU: 19 million tonnes CO₂ equivalent in excess imports from China



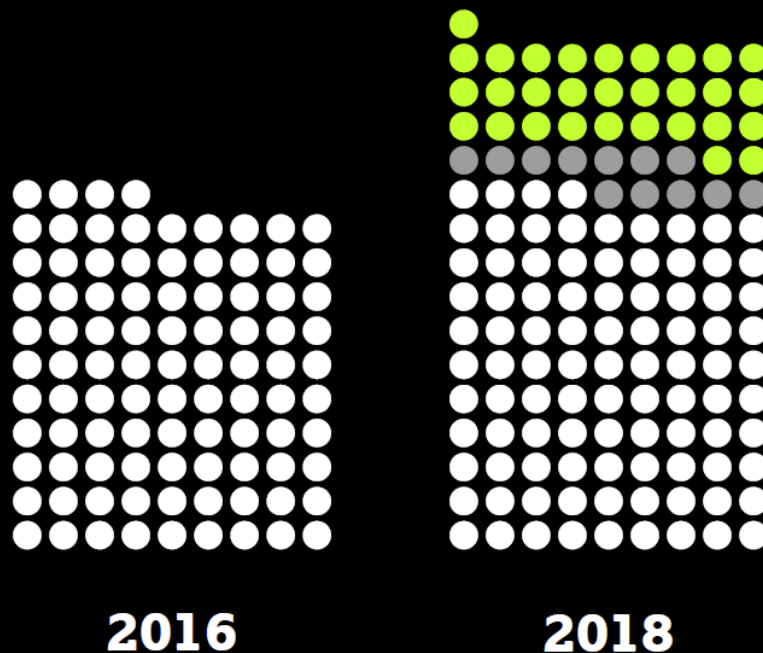
EU Import Data



Chinese Export Data



Neighbouring countries: 15 million tonnes of CO₂ equivalent in excess



- **2016 market baseline**
- **Market growth**
- **Excess imports**



A dark, high-contrast photograph of a person walking on a paved sidewalk at night. The person is mostly in shadow, with only their legs and feet clearly visible. A long, dark shadow is cast across the pavement. The text 'ASK YOURSELF, WHO BENEFITS FROM ILLEGAL IMPORTS?' is overlaid in white, bold, sans-serif font. The words 'WHO BENEFITS' are underlined with a bright green line.

**ASK YOURSELF, WHO BENEFITS
FROM ILLEGAL IMPORTS?**



**ILLEGAL IMPORTS OF HFCS
ONLY BENEFIT ORGANISED CRIME**

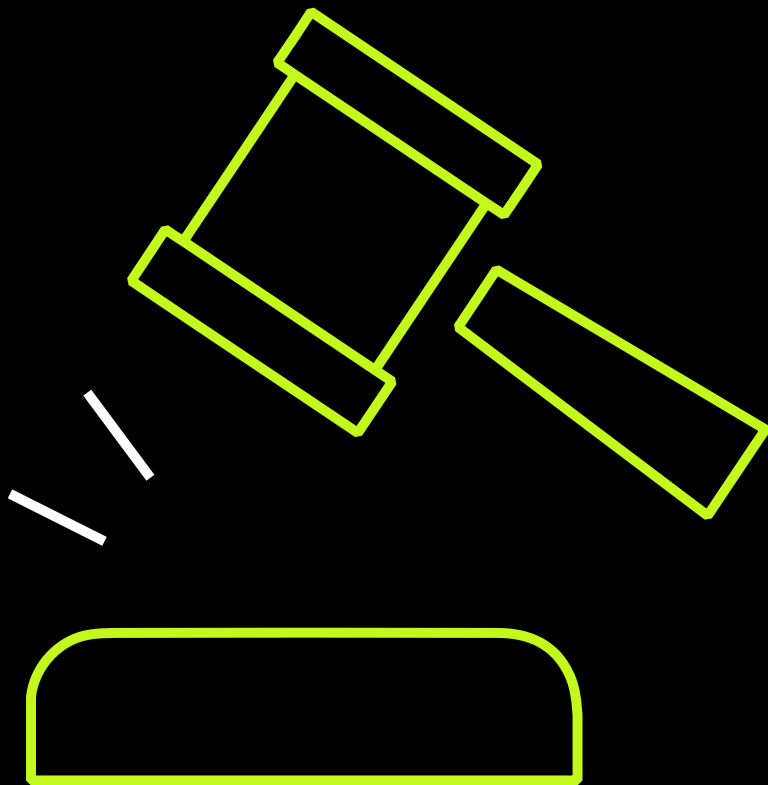
Substantial challenge for the entire value chain

Producers – distributors – service providers – operators

- **Legal challenge** – who is responsible when illegal refrigerants affect installations or even harm humans?
- **Environmental challenge** – undermining the F-Gas Regulation means significant setbacks for climate protection.
- **Economic challenge** – illegal trade undermines investment in new, environmentally efficient refrigerants and plant technology, while organised crime makes enormous profits.



LET'S WORK TOGETHER AND TAKE ACTION NOW



- **REPORTING
ILLEGAL ACTIVITY**

The EFCTC Action Line allows everyone to report illegal activity, anonymously

- **APPLYING MORE
STRINGENT MEASURES**

Harmonisation and consistent application of (higher) fines are key to ensure a better regulation

- **BETTER ENFORCEMENT**

EFCTC supports customs to better identify illegal HFCs and calls for a system that connects customs data to the HFC registry



The role of EFCTC

Active in fighting against the problem of illegal HFC imports by:

- Raising awareness around the issue through a PR campaign
- Engaging with policy-makers on a national and EU level
- Collecting data on illegal import volumes
- Collecting evidence of criminal activity and following up with enforcement authorities
- Engaging with customs authorities to improved enforcement of the regulation



THE ACTION LINE

Through EFCTC's Action Line, anyone can anonymously report suspicious activity related to the issue of illegal HFCs.

Between March and December 2019, 228 reports were submitted.

Use the Action Line at:
<https://efctc.integrityline.org>



CHECK CANISTERS FOR THE:



Producer Name



**π stamp, showing
TPED approval**



EN 13322-1 Standard



Safety data sheet

What else can you do?

Sign up for the **pledge** –starting today!

www.stopillegalcooling.eu/pledge

“Say NO to illegally traded refrigerants.” – with a simple signature!

The pledge allows you to profit by a positive distinction, communicated by high quality marketing material:

- High res. logo (e.g. for your website, email signature, workshop)
- Additional content for your own channels (e.g. posters, social media)
- PR efforts, e.g. trade press communications

Support it - for free! More details on www.stopillegalcooling.eu/pledge



WE SAY NO TO ILLEGAL HFCs DO YOU?

Illegal HFC refrigerants expose
you to serious safety risks

Join us and make the pledge at:
stopillegalcooling.eu/pledge

SAY NO
TO ILLEGAL HFCs

WE SAY NO TO ILLEGAL HFCs DO YOU?

Buying HFC refrigerants on the
black market is illegal and puts the
reputation of your business on the line

Join us and make the pledge at:
stopillegalcooling.eu/pledge

SAY NO
TO ILLEGAL HFCs

WE SAY NO TO ILLEGAL HFCs DO YOU?

The black market for HFC refrigerants
has links to organized crime

Join us and make the pledge at:
stopillegalcooling.eu/pledge

SAY NO
TO ILLEGAL HFCs



**STOP SMUGGLING.
START TRACING.**

**Thank you for your
attention.**

**CONNECTING
EXPERTS.**

