

BREXIT COULD DISRUPT HFC PHASE DOWN

The UK's decision to leave the European Union could force a rethink of the programme for phasing down HFC refrigerants.

Currently, the UK is tied into a programme that sees a reduction this year to 93% of the amount of HFCs that were on the market in 2015 falling steeply to just 63% of the 2014 figure by the end of 2017. However, by then the UK's departure from the EU should be well advanced prompting some observers to call for a 'pause' in the phase down programme.

For purposes of the phase down, the amount of HFC refrigerant is calculated on CO2 equivalent global warming impact and the restrictions only apply to the EU market. So, if the UK is no longer in that market, the target would no longer apply.

There would also be a potential impact on the EU market itself as it would be smaller due to the departure of the UK and, therefore, the amount of refrigerant allowed would be proportionately larger for each remaining member. This would, in theory, allow EU members to lengthen the phase down process.

"There is unlikely to be any immediate impact – it is more a case of watch this space," said Graeme Fox, senior mechanical engineer at the Building Engineering Services Association (BESA). "However, this is potentially significant and we will be seeking an early indication from the government how it intends to play this."

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However, he also pointed out that until Article 50 of the Lisbon Treaty is triggered, formally signalling the UK's intention to leave, then nothing changes. Of more immediate concern could be the impact on the price of HFC refrigerants, which will start to rise quite rapidly as the market anticipates the changes. As production of HFCs falls in line with the phase down, so the price will rise and a devalued pound will add further cost pressures on imported refrigerant supplies.

"Ultimately, the market will drive this," said Mr Fox. "The UK may decide to impose its own phase down schedule as part of the Brexit process, but any attempt to put the brakes on would be an abdication of its environmental responsibility to tackle global warming."

He added that there were unlikely to be any substantive changes to the registration and training requirements for the safe handling of refrigerants imposed on the UK industry by the EU's F-Gas Regulation as that had already been transposed into British law.

Australia has also announced that it will begin its own phase down of HFC refrigerants in January 2018 in a bid to reduce HFC emissions by 85% by 2036. The phase-down is more ambitious than those in the current Montreal Protocol proposals for a global phase-down. It has a lower baseline, reflecting Australia's current demand, and has more frequent reduction steps.

Provisions for future bans on the import of new equipment containing high GWP HFCs will also be included along with domestic and automotive air conditioners.