

Strasbourg, 5.4.2022 SWD(2022) 100 final

## COMMISSION STAFF WORKING DOCUMENT EXECUTIVE SUMMARY OF THE IMPACT ASSESSMENT REPORT

Accompanying the document

## Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on substances that deplete the ozone layer and repealing Regulation (EC) No 1005/2009

 $\{COM(2022) \ 151 \ final\} - \{SEC(2022) \ 157 \ final\} - \{SWD(2022) \ 98 \ final\} - \{SWD(2022) \ 99 \ final\}$ 

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Emissions from ozone depleting substances (ODS) result both in **climate warming** and a 'hole' in the ozone layer, with adverse impacts on our health, the biosphere and climate change, as well as having large economic implications. Preventing such impacts is key for the **European Green Deal** and the *Paris Agreement on Climate Change* and for the EU's compliance with the **Montreal Protocol on substances that deplete the ozone layer.** 

EU-wide legislation has prevented significant amounts of ODS emissions for three decades. Today only very few ODS uses are allowed in the EU and they must be controlled tightly to avoid illegal use. The focus has thus shifted from phasing out production and consumption of ODS to sustaining important emission reductions that are already locked in by the EU Regulation.

This assessment is the basis for **reviewing Regulation** (EC) 1005/2009 on substances that deplete the ozone layer. An evaluation found that it was generally fit-for-purpose and a strictly controlled EU ODS policy has avoided a recurrence of emissions. However, the few remaining uses could be controlled in a slightly more efficient, coherent and clear manner. Therefore, this review is firstly about fine-tuning the design of the existing measures. Secondly, in the light of the Green Deal, it is examined if any of the remaining emissions could be reduced further at proportionate costs.

The measures to address these issues are bundled into three different packages. Option 1 includes measures resulting in cost savings or very low costs only. It focuses on simplifications, better coherence and clarifications as well as a low-cost emission reduction measures that will prevent emissions from metal-faced panels of insulation foams during renovation or demolition activities. Option 2 includes, in addition, ODS recovery from more types of insulation foams and more comprehensive monitoring and control, associated with moderate costs. Option 3 includes all measures that were considered feasible, including high-cost measures. Option 2 is the preferred combination of measures, because it achieves significantly more emission savings than Option 1 and is therefore more coherent with the European Green Deal. The third package, on the other hand, appears to be too costly compared to the benefits it would generate.

The most effective emission reduction measure in Option 2 will make it mandatory to recover and destroy ODS from two types of insulation foams<sup>2</sup> when renovating or taking down old buildings. Until 2050 such action may in total save emissions that are equivalent to almost 180 million tonnes of carbon dioxide (tCO2e). For comparison, this is the amount reported by the Netherlands (UNFCCC) for all greenhouse gases in the year 2019. Abatement costs were estimated to be below  $20\text{-/tCO}_2$ e abated in countries where rules and infrastructure on demolition activities are in place and will be well below  $230\text{-/tCO}_2$ e in all Member State. Costs are therefore proportionate to what other

<sup>2</sup> In addition to foam as metal-faced panels also some laminated boards depending on where they are installed

<sup>&</sup>lt;sup>1</sup> SWD(2019) 407 final. <a href="https://ec.europa.eu/clima/document/download/62a6fb28-0df8-4abb-b3e8-373933f97191">https://ec.europa.eu/clima/document/download/62a6fb28-0df8-4abb-b3e8-373933f97191</a> en

sectors need to contribute to achieve climate neutrality, in the context of the EU long-term strategy<sup>3</sup>. The option will stimulate R&D and may result in additional jobs in the recycling sector. For measures increasing efficiency, coherence and clarity, businesses, SMEs, Member States and the Commission will be saving costs. Low costs will be associated with more comprehensive monitoring and control.

In the preparation of the impact assessment **stakeholders were consulted extensively.** They generally supported the measures in Option 2, but business were opposed to some of the additional measures in Option 3 due to very high estimated costs.

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<sup>3 &</sup>lt;u>https://ec.europa.eu/clima/eu-action/climate-strategies-targets/2050-long-term-strategy\_en</u> (europa.eu)