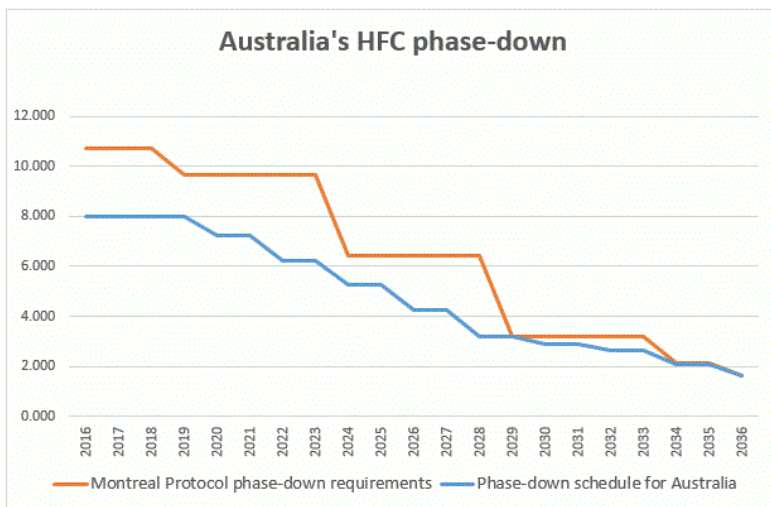




AUSTRALIA'S HFC PHASE-DOWN

What is the HFC phase-down? An international phase-down of hydrofluorocarbons (HFC) was agreed under the Montreal Protocol on Substances that Deplete the Ozone Layer in 2016. Australia started a gradual phase-down of HFC imports from 1 January 2018. The HFC phase-down is contributing to Australia's 2030 greenhouse gas emissions reduction target and is encouraging industry to move to alternative technologies using lower or zero global warming potential gases. The phase-down is being managed through an annual import quota that will gradually reduce over 18 years. The end point of the phase-down, 15% of the baseline level, will be reached on 1 January 2036.



What are HFCs? HFCs are synthetic greenhouse gases, primarily used in refrigeration and air-conditioning equipment, but also in fire protection, foam blowing and aerosols and for medical and veterinary uses.

What effect do HFCs have on the environment? HFCs do not deplete the ozone layer, however they generally have a high global warming potential.

What does the HFC phase-down cover? The phase-down applies to all commonly used high global warming potential HFCs, either alone or

contained in a blend with other chemicals. The phase-down only applies to bulk imports of HFCs such as in cylinders, and will not apply to gas imported in pre-charged equipment such as air-conditioners or refrigerators. Under the Montreal Protocol, HFCs contained in imported equipment are accounted for in the country of manufacture.

What alternative gases can replace HFCs? Several suitable alternatives with no or very low global warming potential are available in Australia, including ammonia, carbon dioxide, hydrocarbons and hydrofluoroolefins (HFOs). These gases are not regulated under the Ozone Protection and Synthetic Greenhouse Gas Management legislation unless they are in a blend containing an HFC.

Who will be immediately affected by the phase-down?

- Importers of bulk gas containing HFCs.

Who else will be affected by the phase-down?

- Technicians - Technicians will still be able to purchase HFCs to maintain equipment.
- HFC equipment importers and retailers - There will be no quota for HFCs in pre-charged equipment, such as air-conditioners and refrigerators. New equipment using alternatives to HFCs will be developed and enter the market over time.
- Other industries and applications that use HFCs, including foam blowing, aerosol propellants, fire protection and medical devices – the gradual phase-down and 15% residual will provide certainty in the transition to alternatives.
- Consumers - There is no requirement to replace the HFC in existing equipment. New equipment containing alternatives to HFCs will be developed and enter the market over time.

