WRITTEN QUESTION E-1628/00 by Jonathan Evans (PPE-DE) to the Council

Subject: HRP Refrigerants Ltd. - imminent adoption of new Regulation to replace Regulation 3093/94 on substances that deplete the ozone layer - HCFC import quota

The Council and the European Parliament are soon to adopt a new regulation to replace Regulation 3093/94¹ on substances that deplete the ozone layer. The new regulation will bring about a change in the way in which HCFC import quotas will be allocated. From 1 January 2001 the total available import quota will be shared out between individual importers in the same proportions as their market shares in 1996 (Article 4(3)(i)(h)). As a result, with effect from the end of this year, those companies which started importing HCFCs after 1996 will be arbitrarily deprived of their quota. This could result in job losses across the EU. It will result in unnecessary interference in the HCFC market and may be a breach of EC law. Reliance on 1996 as the reference year will put jobs needlessly at risk and could result in claims against the European Community for damages. The reference year should be the most recent year for which market figures are available. Using 1999 as the reference year instead of 1996 would not result in any diminution in the level of environmental protection afforded by the regulation.

I have been informed that, in 1999, 32 companies from almost every Member State of the European Union were allocated import quotas by the European Commission. Only five of those companies imported HCFCs in 1996. HRP Regrigerants Ltd. (HRPR), an SMU based in South Wales, distributed EU-produced HCFCs in 1996 but did not import any HCFCs that year. HRPR was allocated an import quota by the European Commission in 1998, 1999 and 2000. As the new regulation is currently worded, HRPR is one of some 27 companies which will be deprived of its HCFC import quota from the end of 2000.

What is the Council doing to resolve this problem as a matter of urgency and to ensure that European Community legislation enables the Commission to allocate HCFC import quotas in the future without infringing the rights of EU-based businesses?

412650.EN PE 291.616

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<sup>&</sup>lt;sup>1</sup> OJ L 333, 22.12.1994, p. 1.