

PRESS RELEASE No 1/2020

24 January 2020

Conference on the fight against illegal imports of refrigerant gases into the EU

Brussels – 23/24 January 2020

A conference on the fight against illegal imports of refrigerant gases into the EU took place in Brussels on 23-24 January. It was organised by the European Anti-Fraud Office (“OLAF”) in close cooperation with two Commission departments, DG TAXUD and DG CLIMA. The fight against the illegal imports of hydrofluorocarbons (HFCs) into the EU is one of the operational priorities for the European Anti-Fraud Office. It fully matches one of the key priorities of the new Commission: making Europe the first climate neutral continent by 2050, “the European Green Deal”.

Refrigeration is an essential part of everyday life. Food is chilled, frozen, stored, transported and displayed in refrigerated units. Houses, offices, cars, trains, planes are refrigerated. The gases used in refrigeration equipment are often HFCs. These gases were introduced as replacements for ozone depleting substances. HFCs do not deplete the ozone layer but are potent greenhouse gases, often with a high global warming potential.

To address this issue, an EU Regulation adopted in 2014 established a phase-down to progressively reduce the quantity of HFCs placed on the market. Since 2015, the climate impact of the HFCs sold on the Union market has already been reduced by almost half.

The phase-down is having an expected side effect: the market shortage created by the phase-down has increased the price of HFCs. This situation has generated opportunities for parallel trade and the emergence of a black market.

However, the biggest attraction for criminals is the market of counterfeit refrigerants. These are often impure, hazardous and are sold at discounted prices. Trade in counterfeit refrigerants is on the rise and brings adverse consequences: poor performance, costly damage to machinery and equipment and, most worryingly, safety hazards resulting in explosions and loss of human life - some years ago, a number of refrigerated shipping containers, containing counterfeit refrigerant gas, exploded killing several port workers.

Such illegal activities harm the environment, generate illicit profits and losses of tax revenues and create unfair competition for legitimate business.

The conference brought together representatives from EU industry, experts from the EU national customs administrations and from the ministries of environment. The objective was twofold:

- to listen and gather information from industry and other stakeholders that could help us with our work;
- to share experience and strengthen the exchange of information among customs authorities and the competent environmental authorities.

To handle cross-border fraud, customs and environmental authorities as well as industry need to work together with the support of the European Commission.

The fight against the illegal import of HFCs into the EU is one of the operational priorities for the European Anti-Fraud Office. It also fully matches one of the key priorities of the new Commission: making Europe the first climate neutral continent by 2050, “the European Green Deal”.

The conference was funded from the Hercule III financial programme managed by OLAF, which is specifically dedicated to fighting fraud, corruption and any other illegal activities affecting the financial interests of the EU.

OLAF mission, mandate and competences:

OLAF’s mission is to detect, investigate and stop fraud with EU funds.

OLAF fulfils its mission by:

- carrying out independent investigations into fraud and corruption involving EU funds, so as to ensure that all EU taxpayers’ money reaches projects that can create jobs and growth in Europe;
- contributing to strengthening citizens’ trust in the EU Institutions by investigating serious misconduct by EU staff and members of the EU Institutions;
- developing a sound EU anti-fraud policy.

In its independent investigative function, OLAF can investigate matters relating to fraud, corruption and other offences affecting the EU financial interests concerning:

- all EU expenditure: the main spending categories are Structural Funds, agricultural policy and rural development funds, direct expenditure and external aid;
- some areas of EU revenue, mainly customs duties;
- suspicions of serious misconduct by EU staff and members of the EU institutions.

For further details:

Jana CAPPELLO

Spokesperson

European Anti-Fraud Office (OLAF)

Phone: +32 2 29 85549

E-mail: olaf-media@ec.europa.eu

http://ec.europa.eu/anti_fraud

