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Extended Eurovent Position on Replacement Parts

Background

Art. 1 (3, d) of the 'EU Fans Regulation' 327/2011 states that the regulation shall not apply to fans which are...

'placed on the market before 1 January 2015 as replacement for identical fans integrated in products which were placed on the market before 1 January 2013'.

Furthermore, Art. 3 (1, b - emphasis added) defines that

'from 1 January 2015, <u>all</u> fans shall not have a lower target energy efficiency than as defined in Annex I, Section 2, Table 2'.

This eventually implies that, as of 1 January 2015, fan suppliers and appliers are obliged to use ErP 2015 (Tier II) compliant fans also when replacing fans (stand-alone or integrated in another energy relevant product designed before 2015), Additionally, due to common commercial practices, fan suppliers and appliers have to be able to supply functionally identical replacement parts for 10 years (through having the respective documentations available).

Position and call to action

Eurovent strongly advises EU decision-makers and national experts to clarify this situation as the current interpretation would lead to significant consequences for the industry. A non-action on this issue would cause substantial costs and negative environmental consequences which outweigh any initially envisaged benefits (see also: <u>Eurovent case studies on 'replacement parts' and related ErP 2015 requirements</u> from 14 July 2014).

We ask decision-makers to modify the forthcoming legislation to allow the manufacturing and sale of fans intended for use as 'spare parts' to repair products formerly placed on the market. The replacement fans should be required to fulfil the Ecodesign requirements in force at the time of the sale of the original product. To help preventing misuse, such fans shall be required to clearly carry the label 'for repair purposes only'.

If this principle is accepted, a problem arises for repairs to be carried out between 1 January 2015 and the coming into force of any revised Regulation.

Reasoning

Non-compliant spare part fans will not keep on running forever. Quite the contrary, these parts will be phased out naturally at the end of their lifecycles of the products they are integrated in. This is a common process that should be maintained.

Recently, Oeko-Insitut e.V., a German consultancy, has performed a study for DG Environment on the spare parts provision in the 'EU legislation restricting the use of hazardous substances in electrical and electronic equipment' (RoHS Directive 2011/65/EU). This study concluded that



Page 2 of 3

'the impacts of enforcing these legal requirements <u>may result in costs which significantly outweigh the benefits of its implementation.</u> Such costs include costs for the environment, where products reach the end of their service life early, as well as costs for enterprises, where the value of products is affected in light of the limitations to circulation and reparability' (emphasis added).

Most of the products integrating fans are also in the scope of the RoHS directive. Accordingly, the conclusions offered with this study hold for the replacement fans provision in the fan measure. This is being further supported by the following argumentation:

- Products in the HVAC&R sector usually have a life cycle of more than ten years. With the current provisions on replacement fans, it will not be possible to replace fans integrated by exactly the same fan if the replacement fans are placed on the market after 1 January 2015.
- The requirements are as such that, in a majority of cases, there are no compliant drop-in replacements for fans integrated in products. Many factors need to be considered such as safety of the product (EMC requirements), design of the product, changes in size and/or control of the motor. As the Eurovent case studies showed, a change from AC to DC already ensures that the compliant replacement fan cannot be used in a number of existing products.

This leaves us with two critical cases:

- Case 1 No replacement part available
 - In case there is no replacement part available, the whole product would have to be removed and replaced with a new one. This results in products being scrapped well before the actual end of their usual life cycle. Manufacturers will not be able to guarantee quality or customer satisfaction, while there are no benefits for the environment (as outlined in the mentioned study of Oeko-Institut e.V.).
- Case 2 Provision of a necessary stock of replacement fans
 For the manufacturer, the only option left to ensure quality and customer satisfaction is to
 estimate the number of spare parts they have to buy-in, and stock these fans to comply with
 the requirement. Such an estimation is a very difficult task so soon after the first placing on
 the market. This option forces manufacturers into additional investment, storage capacity, and
 finally a lot of waste when the spare parts are not being used after all. Yet, this usually never
 happens very early after the first placing of the model on the market. Given the current
 interpretation of the concept of placing a fan on the market, it is not even certain that this
 practice would be legally allowed.

In both cases, the effects on the environment are negative (due to an early end of life of a product and waste of materials) as it increases waste generation instead of reducing it – which is also the aim of the EU's '7th Environment Action Programme (EAP)'. Last but not least, this also seems to be in violation with the Ecodesign Framework Directive, which states that

'[t]his Directive and the implementing measures adopted pursuant thereto shall be without prejudice to Community waste management legislation'.

Eurovent and its members believe that resources (money, material, surface area) could be spent in a more cost-efficient, resource-efficient and environmentally friendly way.



Page 3 of 3

About Eurovent

Eurovent, the European Committee of HVAC&R Manufacturers, is the representative of Europe's major national associations in the industry of heating, ventilation, air conditioning and refrigeration. Based on objective and verifiable data, its 20 members from 18 European states represent more than 1000 companies, the majority small and medium-sized. In 2013, these accounted for a combined annual turnover of around 21 billion euros and employed more than 120.000 people – making Eurovent one of the largest industry committees of its kind.

Eurovent's roots date back to 1958. Over the years, the Brussels-based umbrella association has become a well-respected and known stakeholder that builds bridges between companies it represents, legislators and standardisation bodies on a EU and international level. The association favours a level-playing field for the entire industry and strongly supports energy-efficient and environmental-friendly solutions. Eurovent holds in-depth relations with partner associations around the globe. It is a founding member of the ICARHMA network, supporter of REHVA and contributor to the EU's BUILD UP initiative.

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