

HALON BANKING IN THE UK

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Introduction

As the world's first operational Halon Bank, I believe the Halon Users National Consortium Limited (HUNC) has a great deal of experience to offer. In this presentation I will explain the UK's approach to this issue in the hope that our experiences will be of use and interest to others.

I have approached the subject by trying to anticipate your questions. I also believe there are some 'do's and don'ts' but these will be obvious as I go through the various issues.

I will end with a few personal concerns for Halon in the future. Hopefully some of my more controversial thoughts will provoke a lively debate in the question period.

So, without further ado:

What is a Halon Bank?

Everyone's idea of a Halon Bank is different. For example: Will the Halon be stored at a central point? Will the Halon be owned by the Bank but be stored by the last owner? Will it remain in its current state or will it be reclaimed before being put on the market? Will it stay in system bottles or will it be decanted into larger tanks? Will the bank become involved in the commercial aspects of trading in Halons?

After examining the options, it was decided that the UK Halon Bank would not own or have title to the Halon. It would not be stored in a central point. The Bank would handle Halon in its current condition and not require it to be cleaned before being put on the market. The UK Bank does not get involved in the commercial aspects. It merely puts those that have in touch with those that need. We do however make sure that both parties understand the regulations and are adhering to the relevant Codes of Practice. If we have any doubts about the companies involved, we arrange for an independent check to be carried out.

Why did the UK need a Halon Bank?

The UK Government commissioned an independent firm of consultants to look into the whole Halon problem and their findings were very helpful in helping to determine the way ahead. Their research revealed: that 1211 and 1301 were used extensively, that there were critical/essential users, that little had been done to switch to Halon alternatives, that little was known about Halon alternatives by the medium sized companies, that shortages were likely to occur, and that a need existed for a focal point for all Halon matters. Against this background, it was decided to form a Halon Bank. A Working Group examined the options and studied the proposals that were being put forward in other countries. In the end the UK bank was launched.

Where did we start?

The main aim was to get the three major players (Government, fire industry and the major Halon users) to support the idea of a Bank and commit funds. A key factor in the success of the UK Bank was that it appeared to be a Government initiative. The UK Government lent its support through statements by ministers, by permitting the use of Government logos, by chairing the initial meetings and by generally adding credibility to the project. The Government also provided 60% of the start-up funds on condition that industry and the major users put up the rest.

Did we need some terms of reference?

Even before the UK Bank had a formal constitution, some general aims and objectives were agreed. Our basic aim was to make sure that **surplus** Halon found its way to responsible companies who in turn would make sure it was properly stored, used, recycled and destroyed. Those companies which used Halon but which had not yet been able to switch to an alternative must be able to find emergency supplies at reasonable prices. Users must be able to use the Bank as an independent and reliable source of advice on a whole range of Halon issues, including alternatives. The Bank would also be a forum for sharing experiences.

Where did we get more support?

The UK Bank had the support of the major fire companies - without their support the idea was doomed. The fire companies also provided additional start-up funds. Do not have any misconceptions: the fire companies will always be the main financial beneficiaries of the Halon Bank. Halon transactions inevitably have to be handled by the major fire companies. As you know, Halon cylinders are part filled with Halon and part with nitrogen and each cylinder is filled uniquely for the system in which it is used. It therefore follows that Halon cylinders cannot be transferred between systems or users without the involvement of a fire company.

The Bank also had the support of the major Halon users. In the UK the military is the largest holder/user of Halon, as it is used extensively in aircraft, ships, armoured vehicles and control centres. The UK Ministry of Defence supported the formation of the Bank even though they had a bank of their own. Other founder members were: telephone companies, oil and gas companies, railway companies, banks, the airlines, the defence industry and so on.

What services do we offer?

It was decided to offer a basic service initially and extend it as experience was gained. The initial service looked something like this:

- Take Halon from companies with surplus
- Transfer surplus to companies with a shortage
- Provide information on a whole range of issues including Halon alternatives
- Be aware of the regulations - national and international
- Liaise with Government (particularly the environmental agencies)
- Liaise with the fire industry, Halon users and the trade associations

Liaise with other Halon Banks and the UNEP

At a later date these services were extended to include regular newsletters and a Halon handbook.

How was it organised?

The UK Bank was formally established (as a registered company) with a constitution. It is democratic with an elected but unpaid Board of Directors who are regularly rotated. It is independent from any other organisation both in policy making and funding, and the constitution reflects this position. It is not attached to an existing organisation with interests in the fire industry. It is non profit-making. It has clear and simple objectives. There are two permanent members of staff - a manager and a secretary.

How was it funded?

The UK Bank's running costs are solely met from membership fees. There is a 'once off joining fee of €300 (\$480) and an annual fee of E600 (\$960). The fees are set and adjusted regularly according to the number of members.

How did we audit the UK's Halon stocks?

There was **an** intensive campaign to draw the attention of Halon users to the legislation and the existence of the Halon **Bank**. This required publicity, press conferences, advertising, brochures and a questionnaire focusing on Halon stocks and usage. The mere filling-in of the questionnaire alerted Halon users to the potential difficulties ahead.

Were there any objections to the idea of a Halon Bank?

Initially there were doubts by environmental groups concerning the need and usefulness of a Halon bank. They believed that such an organisation had been established to prolong the use of Halon rather than phase it out - which was not true. HUNC feels that the Halon phase-out needs to be handled in a responsible way. HUNC believes it is vital that a situation is not reached where Halon users are tempted (despite the regulations) to vent excess Halon to atmosphere. HUNC also believes that if Halon owners ever get the idea that they will have to pay to have their Halon destroyed, the temptation to vent may be too great.

What were the secrets of success?

The UK Halon Bank has a hard core of committed enthusiasts, including one or two individuals who have given freely of their time to make it happen. It has solid moral **and** financial support from the UK Government, the fire industry and the major Halon users. The Bank is democratic, independent and non-profit-making.

Did we capitalise on the experience gained?

When the Montreal Protocol nations fixed a date for the ban on CFC production, the major refrigerant users in the UK decided that they too needed a Bank. It did not take long to come around to the view that the most cost effective way to proceed was to establish a CFC/HCFC Bank as an extension of the Halon Bank. As a result, the Refrigerant Users Group (RUG) was formed as a division of HUNC to provide an identical service to that offered to the Halon users. There were savings in set-up costs and annual running costs and the new organisation has benefitted from the experience that HUNC has gained over the last 3 years.

What has HUNC achieved?

HUNC now has **120** members. We have produced 10 newsletters and a Halon Handbook. In **3** years we have answered about 4000 telephone enquiries and been involved in **150** Halon transactions covering about **200** tons of Halon. Most importantly we have made significant contribution to the early and safe phase-out of Halon in the UK.

Do I have any concerns?

As Manager of the bank, I am in a unique position. Although I am fully aware of the views of all the interested parties including government, fire industry, users, environmentalists, alternative manufacturers, scientists and so on, we are an independent organisation with independent funding. We do not have a party line to follow. People talk to me freely and in confidence knowing that the information will not go any further. If nothing else I hope the following comments will spark-off a lively debate in the question period.

First I am worried about the speed that Halon legislation is being enacted. The main reason the ozone layer has been damaged was due to the fact that, in the early days, we did not know that Halon was one of the most potent - if not **the** most potent - cause of ozone depletion. No one bothered about how much found its way to atmosphere on a day-to-day basis. As a result, fire companies did a full test of each new system using Halon to prove the design. This Halon found its way to atmosphere. Similarly fire crews and airline cabin staff trained using Halon. Surplus Halon was also vented to atmosphere if not required. Clearly, the bulk of the Halon did not find its way to the ozone layer as a result of discharges following real fires. The main cause of ozone depletion has been training, testing and venting of Halon. The regulations are such that this can no longer happen. I personally do not believe that Halon discharges following fires were ever the main causes of ozone depletion.

Against this background I am concerned that the legislators are going too far too fast. My plea is that they take a more measured approach. They have stopped the main causes of Halon emissions, please wait and see what short term impact these regulations will have. **Do not rush** ahead with more good ideas until you see what effect the current regulations are having. I know that environmental protection is an emotional and highly political issue but common sense must prevail. We must not take action unless there are sound scientific reasons for doing *so*.

In Europe we do not manufacture Halon nor is it imported. If the legislators put in place use controls and require users to dismantle or some existing non-critical systems without making provision for destruction or storage or banking at no cost, I believe unscrupulous companies might be tempted to vent unwanted Halon to atmosphere. Companies are not required to report their current Halon stocks and *so* we will not know when they have vented their surplus Halon. As Halon discharges cannot be detected, how do the legislators propose to police their no venting laws. Yes, there is a need to take steps to stop Halons damaging the environment as quickly as possible. I believe that the most important legislation is already in place.

This leads me to my second concern. Why haven't the legislators developed a destruction policy. Why is there no guidance on what **to** do when we get to a situation where we have a surplus of Halon or when the phase out of existing systems becomes mandatory. It might sound fine to say the polluter must pay and not the government but companies wishing to destroy Halon are trying to avoid polluting and therefore I believe users should be given some guidance and financial assistance towards destroying surplus Halon. No one is to 'blame' for allowing Halon to come to the market - originally the link between Halon and ozone depletion was not known. It seems to me that governments have a duty not only to legislate and offer good advice but also to put in place arrangements that help with the financial burden. Do not forget: in the end, the cost of destruction must be passed on to the customer in higher commodity prices - so that means that the only person who can pay for Halon destruction is the man in the street. I believe governments have a duty to help with Halon destruction. If they cannot help, surely we can devise a system whereby fire companies fitting alternatives to Halon fire fighting systems will be obliged take away the surplus Halon **free of charge**.

My third concern is that illegal imports will become a major problem unless we take some positive action now. In general terms it is more expensive to switch to an alternative than it is to refill a with Halon following a discharge. It might *make* sense to switch to an alternative for environmental reasons but there are no compelling financial reasons. The legislators have banned the manufacture and trade in Halons and therefore if history repeats itself the next thing that will develop is a black market. I applaud HARC for helping to set up an illegal imports committee. I have been trying to get the UK Government to do the same. I would like to see all the intelligence pooled *so* that we can help those such as the Customs departments to police the regulations.

Finally I **am** concerned about a significant increase in complaints that alternatives salesmen being economical with the truth. I get reports almost daily that a company has been visited by a salesman or even an officer from the fire brigade/department who has said (quite wrongly) that this Halon extinguisher or this Halon system is or will be banned. I do not blame them. I blame the poor way in which new regulations, whether they come from the Montreal Protocol or EC, are publicised. It is very easy to make the rules of the game but you have to tell the players in plain language what the new rules are. I **am** sure if I asked the 50 people in this room what **phase-out** meant or what **banned** meant or what **use** controls mean I would get at least 51 different opinions. Please let **us** have more publicity, more government flyers, more advertising on TV, more advertising in trade magazines. But most of all please put it in plain language - the majority of Halon users are not fire experts they are simple folk doing their best in difficult circumstances to protect the planet.

Finale

On this note I will end. I will not attempt to summarise what I have said except to say that the UK Halon Bank - HUNC - has been a very successful venture. Its success has hinged on the solid support given by the Government, the fire industry and the major Halon users. Its success has also been due to the efforts of half a dozen unpaid, committed individuals. Finally it has been a success because it is independent, non-profit-making and democratic. HUNC would be more than happy to share our experiences and to help other countries set up a Halon Bank. But my worries for the handling of Halon issues in the future remain!

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May 1996