



10 December 2018

Attn: GEMS Review team  
Appliance and Building Energy Efficiency Branch  
Department of the Environment and Energy  
GPO Box 787  
Canberra ACT 2601

By email: [GEMSreview@environment.gov.au](mailto:GEMSreview@environment.gov.au)

### **Submission to the GEMS Review**

The Fan Manufacturers Association of Australia and New Zealand (FMAANZ) welcomes the opportunity to provide this submission in response to the *Greenhouse and Energy Minimum Standards (GEMS) Act Review - Draft Report*.

FMAANZ is a collegiate body of the manufacturers and suppliers of non-domestic fan equipment. Our Association was established with a specific aim of working cooperatively with regulatory bodies to achieve the twin objectives of: delivering improvements in energy performance; and ensuring the ongoing viability of internationally competitive domestic fan industry.

FMAANZ reiterates the issues of concern raised in our earlier submission to the review, namely:

1. There are many thousands of fan models, each one with a distinct efficiency performance level. Many units are tested but some variants where sub components are often assembled on site are not tested by the manufacturer but are estimated by robust propriety software that has been shown to provide adequate results. This industry structure means that a registration process, even on a family basis, is simply unworkable. For MEPs to proceed there would need to be an alternative approach that did not require registration by model number. An approach similar to that used in the European Union, i.e. one of self-regulation, would significantly provide a solution to cover multiple product categories.
2. Many fans are used within heating and air conditioning and refrigeration equipment that is already covered by MEPs. Manufacturers of such equipment have expressed concern about the potential administrative and cost burden of registering a component of their equipment. If a self-certification process was enabled this would lead to a possible solution.





FMAANZ notes that the above concerns are supported by advice from the Department of the Environment per Ian McNicol of Sustainability Victoria, copied below, to the effect that:

#### Replacement spare parts

The only way to allow replacement spare parts which do not comply with MEPS to continue to be supplied would be via a detailed and pre-emptive approach to exemptions: listing specific models that would be exempt but only for particular end uses of the model. **This would make compliance very difficult and is administratively burdensome considering the large number of models that would need to be listed.**

#### Fan-units integrated into equipment already regulated

A similar pre-emptive approach would also be required to exempt fan-units incorporated into equipment that is already subject to GEMS requirements.

#### Registration

Fans-units are often customised to meet the requirements of a particular OEM. This leads to potentially thousands of combinations of models that could be offered for supply (triggering a GEMS registration obligation), but not sold. **This registration obligation could impose extremely high regulatory costs on the industry.**

**These issues with registration and exemptions would lead to difficulties determining registration compliance, and administration would be burdensome for industry and government.**

Given the potential significant adverse impact on the domestic fan manufacturing industry, FMAANZ strongly supports the following recommendations contained in the Draft Report

#### **RECOMMENDATION 10**

*The Commonwealth Government examine the appropriate use of supplier level registration.*

#### **RECOMMENDATION 35**

*The Commonwealth Government request that the COAG Energy Council to address the challenges associated with regulated products inside other products on a case by case basis.*

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FMAANZ further supports increased flexibility in registration of families of models to minimise imposition of burdensome compliance and administration costs on industry.

FMAANZ would welcome the opportunity to be closely engaged in further consultations and investigation of the issues outlined above.

Please do not hesitate to contact FMAANZ should you have any queries.

Yours sincerely

A handwritten signature in blue ink, appearing to be 'Kerry Domicich'.

*for*

Kerry Domicich  
Chairman