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Kigali Amendment Economic Impact Study Released

American Businesses Overwhelmingly Support Ratification & 33,000 New U.S. Jobs

Washington, DC (May 3, 2018): Today, the Alliance for Responsible Atmospheric Policy (The Alliance) and The Air-Conditioning, Heating, and Refrigeration Institute (AHRI), released their comprehensive study: [*Economic Impact of Kigali Ratification & Implementation*](#), supporting the ratification of the Kigali Amendment to the Montreal Protocol which calls for a phase down in the production and consumption of hydrofluorocarbons (HFCs) worldwide.

The Kigali Amendment gives American companies an advantage in technology, manufacturing, and investment which will lead to job creation. The economic analysis indicates that U.S. implementation of the Kigali Amendment is good for American jobs. It will both strengthen America's exports and weaken the market for imported products, while enabling U.S. technology to continue its world leadership role.

According to the study:

- The Kigali amendment is projected to increase U.S. manufacturing jobs by 33,000 by 2027, increase exports by \$5 billion, reduce imports by nearly \$7 billion, and improve the HVACR balance of trade.
- With Kigali, U.S. exports will outperform, increasing U.S. share of global market from 7.2% to 9.0%.
- Fluorocarbon-based manufacturing industries in the U.S. directly employ 589,000 Americans, with an industry-wide payroll of more than \$39 billion per year. The fluorocarbon industry in the U.S. indirectly supports 494,000 American jobs with a \$36 billion annual payroll.
- According to the analysis, the U.S. fluorocarbon using and producing industries contribute more than \$205 billion annually in direct goods and services and provide employment to more than 2.5 million individuals and overall economic activity of \$620 billion to the U.S. economy.

“U.S. ratification of the Kigali Amendment is good for American jobs, good for the economy, and crucial for maintaining U.S. leadership across the globe, said John Hurst, Chairman of The Alliance and Vice President of Lennox International. He added, “Over thirty countries have ratified the amendment. America cannot afford to be on the sideline. America must continue to lead.”

The HVACR industry historically has been the global leader, building on a strong domestic base and expanding the use of new technology around the world. The changes driven by the Montreal Protocol have strengthened and expanded that U.S. leadership. Ratification of Kigali is crucial to continuing that pattern and maintaining U.S. leadership. Without Kigali ratification, growth opportunities will be lost, along with the jobs to support that growth; the trade deficit will grow, and the U.S. share of global export markets will decline.

“This study illustrates in a very concrete way the fact that U.S. ratification of the Kigali Amendment is good for American jobs, good for the economy, and crucial for maintaining U.S. leadership across the globe,” said AHRI President & CEO Stephen Yurek. “It will help American companies capture a large portion of the projected \$1 trillion global market for the next generation of innovative, energy efficient products and equipment.”

Both Republicans and Democrats recognize the benefits of global refrigerant policies outlined in the Kigali Amendment, and have for more than 30 years. Five U.S. presidents from both parties have supported the policies outlined in the Montreal Protocol, first negotiated during the Reagan Administration in 1987, which have helped keep the U.S. a global leader in HVACR technologies.

Click here to read the [Full Report](#) and [Presentation](#).

The Alliance for Responsible Atmospheric Policy: [The Alliance](#) is an industry coalition organized in 1980 to address the issue of stratospheric ozone depletion. It is the primary voice of manufacturers, businesses and trade associations who make or use fluorinated gases for the global market. Today, the Alliance coordinates industry participation in the development of economically and environmentally beneficial international and domestic policies.

The Air-Conditioning, Heating, and Refrigeration Institute (AHRI): [AHRI](#) is the trade association representing manufacturers of HVACR and water heating equipment within the global industry. AHRI’s 315 member companies manufacture quality, efficient, and innovative residential and commercial air conditioning, space heating, water heating, and commercial refrigeration equipment and components for sale in North America and around the world, and account for more than 90 percent of HVACR and water heating residential and commercial equipment manufactured and sold in North America.

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