

Annex II

Report on how significant cases of illegal production and consumption have been addressed and the causes, in accordance with decision XXXI/3 paragraph 5(d)

Please kindly follow the guidance provided in italic text in each column to ensure that information is consistent and complete.

Party: ___United States_____

Date of incident	Nature of incident i.e. illegal production and consumption (name substances and volume)	Description of the case <i>1. How the illegal activity was detected;</i> <i>2. Causes of illegal activity, if known; and</i> <i>3. The legal basis for considering the activity to be illegal.</i>	Action taken to address the case <i>Please describe what immediate legal measures were taken in relation to the illegal activity. If possible, please specify any additional legal measures taken after the seizure.</i>	Other remarks <i>Please provide any additional information on causes of illegal activity, best practices, lessons learned on the means identification, addressing, prevention and combating of illegal production, and consumption in controlled substances.</i>
Effective 09/29/2023	After January 1, 2022, AFK & Co. imported regulated HFCs without expending the requisite number of allowances	1. Review of data reported to the U.S. government 3. American Innovation and Manufacturing (AIM) Act, 42 U.S.C. § 7675, and the regulations promulgated thereunder at 40 C.F.R. Part 84, especially 40 C.F.R. § 84.5(b)	For calendar year 2024, the U.S. government retired 5,701.9 MTEVe of consumption allowances and revoked and redistributed to other allowance holders 2,851.0 MTEVe (i.e., MTCO ₂ e) of consumption allowances for a total downward allowance adjustment of 8,552.9 MTEVe (i.e., MTCO ₂ e) for AFK & Co.	This action is an example of an “administrative consequence” established in the U.S. licensing and quota system regulations promulgated under 40 C.F.R. Part 84, especially 40 C.F.R. § 84.35
Effective 09/29/2023	After January 1, 2022, American Air Components imported regulated HFCs without expending the requisite number of allowances	1. Review of data reported to the U.S. government 3. American Innovation and Manufacturing (AIM) Act, 42 U.S.C. § 7675, and the regulations promulgated thereunder at 40 C.F.R. Part 84, especially 40 C.F.R. § 84.5(b)	For calendar year 2024 and future years as needed, the U.S. government will retire 208,516.5 MTEVe (i.e., MTCO ₂ e) of consumption allowances. For calendar year 2025 and future years as needed, the U.S. government will revoke and redistribute to other allowance holders 104,258.3 MTEVe (i.e., MTCO ₂ e) of consumption allowances for a total downward adjustment of 312,774.8 MTEVe (i.e., MTCO ₂ e) for American Air Components	This action is an example of an “administrative consequence” established in the U.S. licensing and quota system regulations promulgated under 40 C.F.R. Part 84, especially 40 C.F.R. § 84.35
Effective 09/29/2023	After January 1, 2022, Artsen imported regulated HFCs without expending the requisite number of allowances	1. Review of data reported to the U.S. government 3. American Innovation and Manufacturing (AIM) Act, 42 U.S.C. § 7675, and the regulations	For calendar year 2024, the U.S. government retired 346.7 MTEVe (i.e., MTCO ₂ e) of consumption allowances and revoked and redistributed to other allowance holders 173.4 MTEVe (i.e.,	This action is an example of an “administrative consequence” established in the U.S. licensing and quota system regulations promulgated under 40 C.F.R. Part 84, especially 40 C.F.R. § 84.35.

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		promulgated thereunder at 40 C.F.R. Part 84, especially 40 C.F.R. § 84.5(b)	MTCO ₂ e) of consumption allowances for a total downward adjustment of 520.1 MTEVe (i.e., MTCO ₂ e) for Artsen.	
Effective 09/29/2023	After January 1, 2022, Bluon imported regulated HFCs without expending the requisite number of allowances	1. Review of data reported to the U.S. government 3. American Innovation and Manufacturing (AIM) Act, 42 U.S.C. § 7675, and the regulations promulgated thereunder at 40 C.F.R. Part 84, especially 40 C.F.R. § 84.5(b)	For calendar year 2024 and future years as needed, the U.S. government will retire 575,800.7 MTEVe (i.e., MTCO ₂ e) of consumption allowances. For calendar year 2025 and future years as needed, the U.S. government will revoke and redistribute to other allowance holders 288,855.8 MTEVe (i.e., MTCO ₂ e) of consumption allowances for a total downward adjustment of 864,656.5 MTEVe (i.e., MTCO ₂ e) for Bluon.	This action is an example of an “administrative consequence” established in the U.S. licensing and quota system regulations promulgated under 40 C.F.R. Part 84, especially 40 C.F.R. § 84.35.
Effective 09/29/2023	After January 1, 2022, Electronic Fluorocarbons imported regulated HFCs without expending the requisite number of allowances	1. Review of data reported to the U.S. government 3. American Innovation and Manufacturing (AIM) Act, 42 U.S.C. § 7675, and the regulations promulgated thereunder at 40 C.F.R. Part 84, especially 40 C.F.R. § 84.5(b)	For calendar year 2023, the U.S. government retired 64,931.9 MTEVe (i.e., MTCO ₂ e) of consumption allowances. For calendar year 2024, the U.S. government revoked and redistributed to other allowance holders 32,466.0 MTEVe (i.e., MTCO ₂ e) of consumption allowances for a total downward adjustment of 97,397.9 MTEVe (i.e., MTCO ₂ e) for Electronic Fluorocarbons	This action is an example of an “administrative consequence” established in the U.S. licensing and quota system regulations promulgated under 40 C.F.R. Part 84, especially 40 C.F.R. § 84.35.
Effective 09/29/2023	After January 1, 2022, Fluorofusion imported regulated HFCs without expending the requisite number of allowances	1. Review of data reported to the U.S. government 3. American Innovation and Manufacturing (AIM) Act, 42 U.S.C. § 7675, and the regulations promulgated thereunder at 40 C.F.R. Part 84, especially 40 C.F.R. § 84.5(b)	For calendar year 2024, the U.S. government revoked and redistributed to other allowance holders 5,502.2 MTEVe (i.e., MTCO ₂ e) of consumption allowances for Fluorofusion.	This action is an example of an “administrative consequence” established in the U.S. licensing and quota system regulations promulgated under 40 C.F.R. Part 84, especially 40 C.F.R. § 84.35.

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Effective 09/29/2023	After January 1, 2022, Resonac America imported regulated HFCs without expending the requisite number of allowances	1. Review of data reported to the U.S. government 3. American Innovation and Manufacturing (AIM) Act, 42 U.S.C. § 7675, and the regulations promulgated thereunder at 40 C.F.R. Part 84, especially 40 C.F.R. § 84.5(b)	For calendar year 2024 and future years as needed, the U.S. government will retire 200,070.5 MTEVe (i.e., MTCO ₂ e) of consumption allowances. For calendar year 2025 and future years as needed, the U.S. government will revoke and redistribute to other allowance holders 100,035.3 MTEVe (i.e., MTCO ₂ e) of consumption allowances for a total downward adjustment of 300,105.8 MTEVe (i.e., MTCO ₂ e) for Resonac America.	This action is an example of an “administrative consequence” established in the U.S. licensing and quota system regulations promulgated under 40 C.F.R. Part 84, especially 40 C.F.R. § 84.35.
Effective 09/29/2023	After January 1, 2022, Honeywell International produced and imported regulated HFCs without expending the requisite number of allowances	1. Review of data reported to the U.S. government 3. American Innovation and Manufacturing (AIM) Act, 42 U.S.C. § 7675, and the regulations promulgated thereunder at 40 C.F.R. Part 84, especially 40 C.F.R. § 84.5 (a) and (b).	For calendar year 2024, the U.S. government revoked and redistributed to other allowance holders 231,334.0 MTEVe (i.e., MTCO ₂ e) of consumption allowances. For calendar year 2025, the U.S. government will revoke and redistribute to other allowance holders 462,668.1 MTEVe (i.e., MTCO ₂ e) of consumption allowances. For calendar year 2026, the U.S. government will revoke and redistribute to other allowance holders 925,336.2 MTEVe (i.e., MTCO ₂ e) of consumption allowances. For calendar year 2027, the U.S. government will revoke and redistribute to other allowance holders 1,388,004.3 MTEVe (i.e., MTCO ₂ e) of consumption allowances. For calendar year 2028, the U.S. government will revoke and redistribute to	This action is an example of an “administrative consequence” established in the U.S. licensing and quota system regulations promulgated under 40 C.F.R. Part 84, especially 40 C.F.R. § 84.35.

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			<p>other allowance holders 1,619,338.4 MTEVe (i.e., MTCO₂e) of consumption allowances.</p> <p>The total downward adjustment will be 4,624,681 MTEVe (i.e., MTCO₂e) for Honeywell International.</p>	