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EXECUTIVE COMMITTEE OF  
THE MULTILATERAL FUND FOR THE  
IMPLEMENTATION OF THE MONTREAL PROTOCOL  
Seventy-sixth Meeting  
Montreal, 9-13 May 2016

**PROJECT PROPOSAL: HAITI**

This document consists of the comments and recommendation of the Secretariat on the following project proposal:

Phase-out

- HCFC phase-out management plan (stage I, second tranche)

UNEP/UNDP

## PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS

## Haiti

(I) PROJECT TITLE	AGENCY	MEETING APPROVED	CONTROL MEASURE
HCFC phase out plan (Stage I)	UNEP (lead)	68 <sup>th</sup>	35% by 2020

(II) LATEST ARTICLE 7 DATA (Annex C Group I)	Year: 2014	2.65 (ODP tonnes)
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(III) LATEST COUNTRY PROGRAMME SECTORAL DATA (ODP tonnes)								Year: 2014	
Chemical	Aerosol	Foam	Fire fighting	Refrigeration		Solvent	Process agent	Lab use	Total sector consumption
				Manufacturing	Servicing				
HCFC-22					2.65				2.65

(IV) CONSUMPTION DATA (ODP tonnes)			
2009 - 2010 baseline:	3.63	Starting point for sustained aggregate reductions:	3.6
CONSUMPTION ELIGIBLE FOR FUNDING (ODP tonnes)			
Already approved:	1.26	Remaining:	2.34

(V) BUSINESS PLAN		2015	2016	2017	2018	2019	2020	Total
UNEP	ODS phase-out (ODP tonnes)				0.4		0.1	0.7
	Funding (US \$)				95,916		31,640	127,556
UNDP	ODS phase-out (ODP tonnes)	0.4						0.4
	Funding (US \$)	105,860						105,860

(VI) PROJECT DATA			2012	2013	2014	2015	2016	2017	2018	2019	2020	Total	
Montreal Protocol consumption limits			n/a	3.6	3.6	3.24	3.24	3.24	3.24	3.24	2.34	n/a	
Maximum allowable consumption (ODP tonnes)			n/a	3.6	3.6	3.24	3.24	3.24	3.24	3.24	2.34	n/a	
Agreed funding (US\$)	UNEP	Project costs	40,000	0	30,000	0	0	0	84,881	0	28,000	182,881	
		Support costs	5,200	0	3,900	0	0	0	11,035	0	3,640	23,775	
	UNDP	Project costs	0	0	97,119	0	0	0	0	0	0	0	97,119
		Support costs	0	0	8,741	0	0	0	0	0	0	0	8,741
Funds approved by ExCom (US\$)	Project costs	40,000	0	0	0	0	0.0	0	0	0	0	40,000	
	Support costs	5,200	0	0	0	0	0	0	0	0	0	5,200	
Total funds requested for approval at this meeting (US\$)	Project costs	0	0	0	0	127,119*	0	0	0	0	0	127,119	
	Support costs	0	0	0	0	12,641*	0	0	0	0	0	12,641	

Secretariat's recommendation:	Blanket approval
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\*Second tranche planned for 2014 but submitted to the 76<sup>th</sup> meeting.

## PROJECT DESCRIPTION

1. On behalf of the Government of Haiti, UNEP, as the lead implementing agency, has submitted to the 76<sup>th</sup> meeting a request for funding for the second tranche<sup>1</sup> of stage I of the HCFC phase-out management plan (HPMP), at a total cost of US \$139,760, consisting of US \$30,000, plus agency support costs of US \$3,900 for UNEP, and US \$97,119, plus agency support costs of US \$8,741 for UNDP. The submission includes a progress report on the implementation of the first tranche, and the tranche implementation plan for 2016 to 2018.

### 2. Report on HCFC consumption

#### *HCFC-22 consumption*

3. The Government of Haiti reported a consumption of 2.65 ODP tonnes of HCFC in 2014 and estimated a consumption of 3.06 ODP tonnes for 2015, as shown in Table 1.

**Table 1. HCFC consumption in Haiti (2011-2014 Article 7 data, 2015 estimate)**

HCFC-22	2011	2012	2013	2014	2015*	Baseline
Metric tonnes	77	93.67	35.37	48.19	55.65	66.0
ODP tonnes	4.24	5.15	1.95	2.65	3.06	3.63

\*Estimated

4. The high level of consumption in 2012 was due to stockpiling by importers in anticipation of the introduction of quotas in 2013. The low imports from 2013 to 2015 were due to the overstock in 2012.

#### *Country programme (CP) implementation report*

5. The Government of Haiti reported HCFC sector consumption data under the 2014 CP implementation report that is consistent with the data reported under Article 7. The 2015 CP report will be submitted by 1 May 2016.

#### Progress report on the implementation of the first tranche of the HPMP

#### *Legal framework*

6. The Government of Haiti issued a national decree in 2008 which, *inter alia*, established a licensing and quota system to control the imports of ODS including HCFCs. There were plans to amend the decree to include HCFC exports and HCFC-based blends in the licensing system. Due to the breakdown of Parliament, it has not been possible to amend the decree. However, the licensing and quota system is being implemented based on a ministerial order issued by the Ministry of Environment to three key government departments with the following responsibility assignment: the national ozone unit (NOU) is responsible for issuing licenses and quotas for HCFCs; the General Monitoring System (GMS) reviews the licenses and allows controls; and the General Customs Administration (GCA) checks the quantity of imports against the quota issued. The legislation will be submitted to the new Parliament for approval in 2016. There has not been any policy developed to address this issue of the control of imports of second-hand HCFC-based refrigeration equipment so far, as the decree for HCFC phase-out had not been amended. The Government of Haiti ratified the Beijing Amendment to the Montreal Protocol on 13 October 2013.

<sup>1</sup> The second tranche was originally planned for 2014 but was only submitted to the 76<sup>th</sup> meeting.

7. A National Ozone Committee (COGO), comprised of about 12 Ministries and public institutions, has also been established to provide guidance to the NOU. This Committee will be further expanded to include private institutions.

*Refrigeration servicing sector*

8. The following activities were implemented during the first tranche of the HPMP:

- (a) Training of 127 custom officers on control of ODS imports, the use of Harmonized System (HS) codes and the use of identifiers for detecting illegal imports. Furthermore, the NOU staff and Customs authority received training on data collection, consumption monitoring, import control, data reporting, and approaches for HCFC quotas distribution;
- (b) Training of 65 technicians in good refrigeration servicing practices, in recovery and reuse operation, in retrofitting equipment to HFC-blends and in safety aspects of the use of flammable refrigerants;
- (c) Public awareness through lectures, conferences and presentations on ozone depletion issues, the HPMP, and the adoption of alternative with low global-warming-potential (GWP) and high energy efficiency; and
- (d) Monitoring and coordinating activities implemented under the HPMP.

Level of fund disbursement

9. As of March 2016, of the US \$40,000 approved so far for UNEP, US \$19,237 (48 per cent) had been disbursed. The balance of US \$20,763 will be disbursed in 2016.

Implementation plan for the second tranche of the HPMP

10. The following activities will be implemented:

- (a) Training of 40 customs and enforcement personnel and customs brokers, updating customs training manual and related training materials, provision of multi-refrigerant identifiers (UNEP) (US \$6,021);
- (b) Training of 60 technicians in good refrigeration servicing practices, in recovery and reuse operation, in retrofitting equipment to HFC-blends and in safety aspects of the use of flammable refrigerants (UNEP) (US \$15,833);
- (c) Provision of tools and equipment to facilitate refrigerant recovery and reuse; (UNDP) (US \$97,119);
- (d) Public awareness activities on HCFC phase-out, production and dissemination of leaflets, posters, brochures and other materials (UNEP) (US \$4,099); and
- (e) Project implementation, monitoring and reporting (UNEP) (US \$4,048).

## SECRETARIAT'S COMMENTS AND RECOMMENDATION

### COMMENTS

#### Verification report

11. At the time of issuance of this document, the verification report of HCFC consumption for the years 2013, 2014 and 2015 was still underway. Therefore, in line with decision 72/19, funds approved under the second tranche will not be transferred until the Secretariat has reviewed the verification report and confirmed that the Government of Haiti is in compliance with the Montreal Protocol and its Agreement with the Executive Committee.

#### Progress report on the implementation of the first tranche of the HPMP

##### *Legal framework*

12. The Government of Haiti has already issued HCFC import quotas of 3.24 ODP tonnes for 2016 in accordance with the Montreal Protocol control targets.

##### *Refrigeration servicing sector*

13. The second tranche was originally scheduled to be submitted to the 72<sup>nd</sup> meeting (2014) but was delayed due to the political instability in the country. In responding to a question about the sustainability of the technicians training, UNEP explained that the National Institute for Professional Training will ensure that refrigeration servicing will be integrated into the curriculum of training centers in Haiti. With regard to the retrofitting, UNEP informed that the Government of Haiti is fully aware of the relevant decisions<sup>2</sup> of the Executive Committee on retrofitting to hydrocarbon, and will pay special attention to the safety and health-related issues during the implementation of the HPMP. Currently policies and regulations are being developed for the use of alternatives including flammable refrigerants. Controls on the imports of second-hand HCFC-based refrigeration and air-conditioning equipment into Haiti, will be addressed through legislation after the decree is amended in 2016.

#### Conclusion

14. The implementation of the first tranche is progressing. Despite of the social and political challenges in the country, Haiti has been in compliance with the Montreal Protocol control targets. The Government has developed procedures to support an operational licensing and quota system. The training of customs officers has facilitated better control of HCFC imports. Training of technicians enables them to use good servicing practices, thus reducing demand for virgin refrigerants. Further integration of technician training into the curriculum of a professional training institute will ensure long-term sustainability of capacity development. The funding disbursement has also reached 48 per cent in the first tranche. The approved funding will only be released after the Secretariat receives a verification report for 2013, 2014 and 2015 confirming that Haiti was in compliance with the Montreal Protocol control targets for those years.

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<sup>2</sup> Decisions 72/17 and 73/34

**RECOMMENDATION**

15. The Fund Secretariat recommends the Executive Committee takes note of the progress report on the implementation of the first tranche of stage I of the HCFC phase out management plan of (HPMP) in Haiti, and further recommends blanket approval of the second tranche of stage I of the HPMP for Haiti, and the corresponding 2016-2018 tranche implementation plan, with associated support costs at the levels shown in the table below, on the understanding that:

- (a) The approved funds would not be transferred to UNEP and UNDP until the Secretariat had reviewed the verification report and confirmed that the Government of Haiti was in compliance with the Montreal Protocol and the Agreement between the Government and the Executive Committee; and
- (b) That if Haiti were to decide to proceed with retrofits and associated servicing to flammable and toxic refrigerants in refrigeration and air-conditioning equipment originally designed for non-flammable substances, it would do so assuming all associated responsibilities and risks and only in accordance with the relevant standards and protocols:

	<b>Project title</b>	<b>Project funding (US \$)</b>	<b>Support cost (US \$)</b>	<b>Implementing agency</b>
(a)	HCFC phase-out management plan (stage I, second tranche)	30,000	3,900	UNEP
(b)	HCFC phase-out management plan (stage I, second tranche)	97,119	8,741	UNDP