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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Eighty-second Meeting
Montreal, 3-7 December 2018

PROJECT PROPOSAL: SAINT LUCIA

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, fourth tranche)

UNEP

PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS

Saint Lucia

(I) PROJECT TITLE	AGENCY	MEETING APPROVED	CONTROL MEASURE
HCFC phase out plan (Stage I)	UNEP (lead), UNIDO	64 th	35 per cent by 2020

(II) LATEST ARTICLE 7 DATA (Annex C Group I)	Year: 2017	0.64 (ODP tonnes)
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(III) LATEST COUNTRY PROGRAMME SECTORAL DATA (ODP tonnes)								Year: 2017	
Chemical	Aerosol	Foam	Fire fighting	Refrigeration		Solvent	Process agent	Lab use	Total sector consumption
				Manufacturing	Servicing				
HCFC-123									
HCFC-124									
HCFC-141b									
HCFC-142b									
HCFC-22					0.64				0.64

(IV) CONSUMPTION DATA (ODP tonnes)			
2009 - 2010 baseline:		1.09	Starting point for sustained aggregate reductions:
			1.09
CONSUMPTION ELIGIBLE FOR FUNDING (ODP tonnes)			
Already approved:		0.38	Remaining:
			0.71

(V) BUSINESS PLAN		2018	2019	2020	Total
UNEP	ODS phase-out (ODP tonnes)	0.0		0.0	0.1
	Funding (US \$)	10,396		23,730	34,126

(VI) PROJECT DATA			2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total	
Montreal Protocol consumption limits			n/a	n/a	1.09	1.09	0.98	0.98	0.98	0.98	0.98	0.71	n/a	
Maximum allowable consumption (ODP tonnes)			n/a	n/a	1.09	1.09	0.98	0.98	0.98	0.98	0.98	0.71	n/a	
Agreed funding (US\$)	UNEP	Project costs	13,000	13,150	0	0	26,300	0	0	9,200	0	21,000	82650	
		Support costs	1,690	1,710	0	0	3,419	0	0	1,196	0	2,730	10,745	
	UNIDO	Project costs	88,850	11,000	0	0	27,500	0	0	0	0	0	0	127,350
		Support costs	7,997	990	0	0	2,475	0	0	0	0	0	0	11,462
Funds approved by ExCom (US\$)	Project costs		101,850	24,150	0	0	0	53,800	0	0	0	0	179,800	
	Support costs		9,687	2,700	0	0	0	5,894	0	0	0	0	0	18,281
Total funds requested for approval at this meeting (US\$)	Project costs									9,200			9,200	
	Support costs									1,196			1,196	

Secretariat's recommendation:	Blanket approval
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PROJECT DESCRIPTION

1. On behalf of the Government of Saint Lucia, UNEP, as the lead implementing agency, has submitted a request for funding for the fourth tranche of stage I of the HCFC phase-out management plan (HPMP), at the amount of US \$9,200, plus agency support costs of US \$1,196¹ for UNEP only. The submission includes a progress report on the implementation of the third tranche, and the tranche implementation plan for 2019.

Report on HCFC consumption

2. The Government of Saint Lucia reported a consumption of 0.64 ODP tonnes of HCFC in 2017, which is 41 per cent below the HCFC baseline for compliance. The 2013-2017 HCFC consumption is shown in Table 1.

Table 1. HCFC consumption in Saint Lucia (2013-2017 Article 7 data)

HCFC	2013	2014	2015	2016	2017	Baseline
Metric tonnes						
HCFC-22	10.24	15.13	8.54	11.89	11.62	19.49
HCFC-121	0.00	0.00	0.00	0.00	0.00	0.36
HCFC-123	0.27	0.00	0.00	0.00	0.00	0.00
HCFC-142b	0.00	0.00	0.00	0.00	0.00	0.06
Total (mt)	10.51	15.13	8.54	11.89	11.62	19.91
ODP tonnes						
HCFC-22	0.56	0.83	0.47	0.65	0.64	1.08
HCFC-121	0.00	0.00	0.00	0.00	0.00	0.01
HCFC-123	0.01	0.00	0.01	0.00	0.00	0.00
HCFC-142b	0.00	0.00	0.00	0.00	0.00	0.00
Total (ODP tonnes)	0.57	0.83	0.47	0.65	0.64	1.09

3. Saint Lucia does not have an ODS-based manufacturing sector and uses HCFCs primarily in the refrigeration servicing sector. The sustained low level of consumption in 2017 is associated with the implementation of the licensing and quota system, training of technicians in good servicing practices and the public awareness raising activities, under the HPMP, which limited imports and reduced demand for HCFCs.

Country programme (CP) implementation report

4. The Government of Saint Lucia reported HCFC sector consumption data under the 2017 country programme implementation report which is consistent with the data reported under Article 7 of the Montreal Protocol.

Progress report on the implementation of the third tranche of the HPMP

Legal framework

5. Saint Lucia revised the regulations related to the Montreal Protocol in 2015 to provide legal endorsement for the import and export licensing system; stipulate the mandatory requirement of licenses for the import and export of all refrigerants including HCFCs, HFCs and other refrigerants; require issuance of HCFC quotas to all registered importers; limit refrigerant sale to certified technicians; and prohibit imports of HCFC-based equipment.

¹ As per the letter of 16 August 2018 from the Department of Sustainable Development (Ministry of Education, Innovation, Gender Relations and Sustainable Development) of Saint Lucia to the Secretariat.

6. A total of 30 customs officers were trained in four workshops on the implementation of the licensing and quota system, the identification of ODS and ODS-based equipment, and prevention of illegal trade; the customs desk books and the UNEP Customs Quick Tool, were distributed to all trainees. Two refrigerant identifiers purchased for the National Ozone Unit (NOU) are used to facilitate Customs training and inspections. The target of 80 customs officers trained was not reached due to some administrative challenges including a storm warning which impacted the attendance.

Refrigeration servicing sector

7. The following activities have been implemented:

- (a) In total 30 technicians were trained in good servicing practices, refrigerant recovery, reuse, and containment; use of alternatives and safe handling of flammable refrigerants. Following the training, 25 servicing technicians were certified. Tools and equipment purchased were sold at subsidized prices to technicians;
- (b) Four technicians participated in the train the trainers workshop on flammable refrigerants, as part of the demonstration project on flammable refrigerants being implemented by UNIDO in the Caribbean region;
- (c) Two hydrocarbon compatible refrigerant identifiers were procured to help with the training of customs officers and refrigeration technicians;
- (d) Public awareness and education materials were developed to promote the HCFC-phase out and the transition to low-global warming potential (GWP), energy efficient technologies, including an ozone/climate brochure; meetings with stakeholders were held to provide updates on revised regulations.

8. The UNEP training component was delayed due to administrative difficulties and challenges to identify a trainer. In addition, despite publicity on workshops, there were challenges to identify technicians for training, particularly those from the informal sector, and as a consequence the original target of 80 trained technicians could not be met. The NOU plans to advertise training opportunities more widely in the future.

9. The UNIDO component for training technicians in refrigeration leakage control and the use and management of natural refrigerants was not carried out due to the lack of suitable equipment at the community college training facility including hydrocarbon air-conditioners, electronic leak detectors for hydrocarbons, portable charging station, electronic manifold gauge, and a suitable refrigerant recovery, recycling, and reclamation unit. UNEP informed that two hydrocarbon air-conditioners were currently being procured for the training facility under the UNIDO demonstration project.

Project implementation and monitoring unit (PMU)

10. Project implementation and monitoring was conducted by the NOU through the hiring of a monitoring and evaluation consultant under the project.

Level of fund disbursement

11. As of September 2018, of the US \$179,800 approved so far, US \$155,105 had been disbursed (US \$45,597 for UNEP and US \$109,508 for UNIDO) as shown in Table 2. The balance of US \$24,695 will be disbursed in 2019.

Table 2. Financial report of stage I of the HPMP for Saint Lucia (US \$)

Agency	First tranche		Second tranche		Third tranche		Total approved	
	Approved	Disbursed	Approved	Disbursed	Approved	Disbursed	Approved	Disbursed
UNEP	13,000	13,000	13,150	10,500	26,300	22,097	52,450	45,597
UNIDO	88,850	88,850	11,000	11,000	27,500	9,658	127,350	109,508
Total	101,850	101,850	24,150	21,500	53,800	31,755	179,800	155,105
Disbursement rate (%)	100		89		59		86	

Implementation plan for the fourth tranche of the HPMP

12. The following activities will be implemented between January 2019 and December 2019:
- (a) Training of at least 15 customs brokers in the identification of ODS, refrigerants including HFCs and HFC blends, and their products, and the Automated System for Customs Data (ASYCUDA) (UNEP) (US \$2,000);
 - (b) Certification of at least 25 servicing technicians after training in good refrigeration service practices including recovery, reuse, and containment of refrigerants, managing flammable refrigerants, and code of practice and standards (UNEP) (US \$4,000);
 - (c) Purchase of equipment, including electronic leak detectors, charging station, manifold gauge, and a refrigerant recovery, recycling, and reclamation unit, to upgrade and equip the training facility and training of 30 technicians for the introduction of hydrocarbons (UNIDO) (balance of third tranche);
 - (d) Awareness raising of HCFC phase-out, policies and the transition to low-GWP, energy efficient alternative technologies and the HFC phase-down for key stakeholders and the general public (UNEP) (US \$1,000); and
 - (e) Project coordination, monitoring and reporting (US \$2,200) (UNEP).
13. The four technicians trained under the UNIDO sub-project to demonstrate the introduction of low-GWP alternatives in the Caribbean region would assist in training of other technicians on flammable refrigerants.
14. Awareness activities would be supplemented through activities under the institutional strengthening (IS) project, enabling activities, and the Caribbean Cooling Initiative Project, which have complimentary objectives in terms of public education and awareness on flammable and alternative refrigerants and technologies.

SECRETARIAT'S COMMENTS AND RECOMMENDATION**COMMENTS**Progress report on the implementation of the third tranche of the HPMP*Legal framework*

15. The Government of Saint Lucia has issued HCFC import quotas for 2018 at 0.785 ODP tonnes, which is lower than the Montreal Protocol control targets.

Refrigeration servicing sector

Implementation plan for the fourth tranche of the HPMP

16. At the 76th meeting, the Executive Committee considered the request of the third tranche of the HPMP for Saint Lucia,² where it was reported that training activities for retrofitting equipment and safe handling and use of hydrocarbon refrigerants had been implemented under the HPMP. It was also noted that the Government was fully aware on relevant decisions on retrofitting HCFC-based equipment to hydrocarbon refrigerants³. Accordingly, the Executive Committee approved (under the list of blanket approval), the third tranche, on the understanding that if Saint Lucia 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.

17. The main barriers to introduce alternative refrigerants and technologies include the lack of availability of such technologies on the market (especially air-conditioners), the lack of knowledge of technicians and their reservations due to safety, flammability or toxicity issues. Saint Lucia will address these barriers through specific training for technicians on flammable refrigerants at the enhanced training facility including training for informal technicians. Furthermore, the country also plans an alternative technology seminar/symposium as part of its enabling activities, as well as other public education and awareness activities on alternative technologies.

18. The long-term sustainability of training in good practices of refrigeration and in the safe use of flammable or toxic alternatives will be ensured by incorporating the training into the curriculum of the community college training facility. UNEP also reported that there were initial discussions on developing national standards for hydrocarbon-based equipment and that work on standards would commence in 2019.

Conclusion

19. The implementation of the third tranche is progressing well despite some delays. The Government of Saint Lucia continues to enforce the licensing and quota system and HCFC consumption is 41 per cent below the HCFC baseline for compliance. The training of customs officers has facilitated better control of HCFC imports entry. Training courses for technicians and a certification programme are being implemented, including efforts to reach the informal sector. Saint Lucia's training facility has benefitted from the UNIDO regional demonstration project in terms of the training of trainers and some hydrocarbon-based equipment and the country is planning to complete the upgrade to the training facility in order to train technicians in the use of hydrocarbon refrigerants. The country is also exploring standards for hydrocarbon equipment. Integration of technician training into the curriculum of the community college will ensure long-term sustainability of capacity development. The importance of awareness raising is recognized and activities are being aligned with those in the IS project and enabling activities. The overall funding disbursement for stage I of the HPMP had reached 86 per cent.

RECOMMENDATION

20. The Fund Secretariat recommends that the Executive Committee takes note of the progress report on the implementation of the third tranche of stage I of the HCFC phase-out management plan of (HPMP) for Saint Lucia; and further recommends blanket approval of the fourth tranche of stage I of the HPMP for

² UNEP/OzL.Pro/ExCom/76/44

³ Decisions 72/17, 72/41 and 73/34.

Saint Lucia, and the corresponding 2019 tranche implementation plan, at the funding level shown in the table below:

	Project title	Project funding (US \$)	Support cost (US \$)	Implementing agency
(a)	HCFC phase-out management plan (stage I, fourth tranche)	9,200	1,196	UNEP