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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Eighty-fourth Meeting
Montreal, 16–20 December 2019

PROJECT PROPOSAL: BARBADOS

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, third tranche) UNEP and UNDP

PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS

Barbados

(I) PROJECT TITLE	AGENCY	MEETING APPROVED	CONTROL MEASURE
HCFC phase out plan (Stage I)	UNEP (lead), UNDP	69 th	35% by 2020

(II) LATEST ARTICLE 7 DATA (Annex C Group I)	Year: 2018	1.37 (ODP tonnes)

(III) LATEST COUNTRY PROGRAMME SECTORAL DATA (ODP tonnes)								Year: 2018	
Chemical	Aerosol	Foam	Fire fighting	Refrigeration		Solvent	Process agent	Lab use	Total sector consumption
				Manufacturing	Servicing				
HCFC-142b									0.0
HCFC-22					1.37				1.37

(IV) CONSUMPTION DATA (ODP tonnes)			
2009 - 2010 baseline:	3.69	Starting point for sustained aggregate reductions:	3.69
CONSUMPTION ELIGIBLE FOR FUNDING (ODP tonnes)			
Already approved:	1.29	Remaining:	2.40

(V) BUSINESS PLAN		2019	2020	Total
UNEP	ODS phase-out (ODP tonnes)	0.19	0.13	0.32
	Funding (US \$)	47,460	31,640	79,100

(VI) PROJECT DATA			2013	2014	2015	2016	2017	2018	2019*	2020	Total
Montreal Protocol consumption limits			3.69	3.69	3.32	3.32	3.32	3.32	3.32	2.40	n/a
Maximum allowable consumption (ODP tonnes)			3.69	3.69	3.32	3.32	3.32	3.32	3.32	2.40	n/a
Agreed funding (US\$)	UNEP	Project costs	74,000	0	0	48,000	0	42,000	0	28,000	192,000
		Support costs	9,620	0	0	6,240	0	5,460	0	3,640	24,960
	UNDP	Project costs	50,000	0	0	38,000	0	0	0	0	88,000
		Support costs	4,500	0	0	3,420	0	0	0	0	7,920
Funds approved by ExCom (US\$)		Project costs	124,000	0	0	0	86,000	0	0	0	210,000
		Support costs	14,120	0	0	0	9,660	0	0	0	23,780
Total funds requested for approval at this meeting (US\$)		Project costs	0	0	0	0	0	0	42,000	0	42,000
		Support costs	0	0	0	0	0	0	5,460	0	5,460

* The third tranche should have been submitted in 2018.

Secretariat's recommendation:	Blanket approval
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PROJECT DESCRIPTION

1. On behalf of the Government of Barbados, UNEP as the lead implementing agency, has submitted a request for funding for the third tranche of stage I of the HCFC phase-out management plan (HPMP), at the amount of US \$42,000, plus agency support costs of US \$5,460 for UNEP only.¹ The submission includes a progress report on the implementation of the second tranche and the tranche implementation plan for 2019 to 2020.

Report on HCFC consumption

2. The Government of Barbados reported a consumption of 1.37 ODP tonnes of HCFC in 2018, which is 63 per cent below the HCFC baseline for compliance. The 2014-2018 HCFC consumption is shown in Table 1.

Table 1. HCFC consumption in Barbados (2014-2018 Article 7 data)

HCFC	2014	2015	2016	2017	2018	Baseline
Metric tonnes						
HCFC-22	29.60	26.09	40.66	33.91	24.92	64.68
HCFC-142b	0.19	0.76	0.17	0.64	0.00	2.06
Total (mt)	29.79	26.85	40.83	34.55	24.92	66.74
ODP tonnes						
HCFC-22	1.63	1.43	2.24	1.87	1.37	3.56
HCFC-142b	0.01	0.05	0.01	0.04	0.00	0.13
Total (ODP tonnes)	1.64	1.48	2.25	1.91	1.37	3.69

3. The consumption has decreased over the last five years except in 2016 due to a growth in the construction sector. The overall decrease is mainly due to transition of the market to HCFC-free refrigeration and air-conditioning (RAC) equipment; implementation of the HPMP including regulatory measures to control and monitor HCFCs, and training and other capacity building activities on good servicing practices that have reduced leakage of refrigerants and facilitated the process of adoption of alternatives. The main alternatives to HCFCs in the market are HFCs (e.g., HFC-134a) and HFC blends (e.g., R-410A, R-407C); however, there is no known availability of R-290-based air-conditioners.

Country programme (CP) implementation report

4. The Government of Barbados reported HCFC sector consumption data under the 2018 CP implementation report which is consistent with the data reported under Article 7 of the Montreal Protocol.

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

Legal framework

5. The Government of Barbados passed Customs Order 2009 and Customs Order (amendment) 2010 to establish the licensing and quota system for the import/export of all ODS including HCFCs. The development of labelling and safety standards for the RAC sector is underway and is expected to be completed by 31 December 2020; enforcement would be completed after relevant national consultations. Policies relating to the ban on import of HCFC-based RAC equipment, implementation of technician certification, to regulate purchase of refrigerants only by certified technicians, and to promote non-HCFC-based equipment through tax incentives and good RAC design in buildings, are under review.

¹ As per the letter of 7 October 2019 from the Ministry of Environment and National Beautification (MENB) of Barbados to the Secretariat.

Refrigeration servicing sector

6. The following activities have been conducted:
- (a) Assigning and notification of annual import quotas for HCFC consumption for 2018 and 2019; dissemination of information on HCFC controls and alternatives to HCFCs to importers; identification of standards for safety and environmental requirements for refrigerants and RAC equipment; and review of regulations and incentives to promote adoption of HCFC-free alternatives;
 - (b) Six training sessions for 63 RAC technicians on matters related to the implementation of the Montreal Protocol; technical characteristics of HCFCs and of flammable, toxic and high-pressure refrigerants, and good practices in servicing equipment using these refrigerants; production and dissemination of good servicing practices guide for servicing and finalisation of the curriculum of Tertiary Training Institutions; and training of six technicians as Level IV Caribbean Vocational Qualification (CVQ) Assessors;
 - (c) Procurement and delivery of equipment to support the training of technicians in refrigerant recovery, recycling and reuse, and servicing with alternative refrigerants (e.g., refrigerant analysers, recovery machines, refrigerant leak detectors, recovery cylinders, charging scales, gauges, hand tools); and
 - (d) Awareness and outreach programmes through local newspapers, announcements on the radio on HCFC phase-out and HPMP activities, and four technical seminars with about 100 participants on HCFC-free alternative technologies and its adoption.

Project implementation and monitoring

7. The national ozone unit (NOU), established within the MENB, provide project management oversight and coordination for the implementation of activities under the HPMP. The NOU is assisted by a Project Coordinator and members of the National Ozone Steering Committee who are co-opted as appropriate to assist with project oversight. The activities include recruitment of consultants and monitoring their work; preparing monthly, quarterly and or annual reports as required; preparing tranche progress reports; and convening of team meetings to track the progress of implementation and to discuss challenges and solutions. Since there is no separate PMU, detailed budget and expenditure breakdown of the PMU does not exist.

Level of fund disbursement

8. As of October 2019, of the US \$210,000 approved so far, US \$171,782 had been disbursed (US \$83,782 for UNEP and US \$88,000 for UNDP) as shown in Table 2. The balance of US \$38,218 will be disbursed in 2020.

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

Agency	First tranche		Second tranche		Total approved	
	Approved	Disbursed	Approved	Disbursed	Approved	Disbursed
UNEP	74,000	60,000	48,000	23,782	122,000	83,782
UNDP	50,000	50,000	38,000	38,000	88,000	88,000
Total	124,000	110,000	86,000	61,782	210,000	171,782
Disbursement rate (%)	89		72		82	

Implementation plan for the third tranche of the HPMP

9. The following activities will be implemented between January 2020 and December 2020:
- (a) Development of labelling standards for the RAC sector (UNEP) (US \$5,000);
 - (b) Execution of two customs officers training workshops and one customs brokers training workshop in identification of ODS, refrigerants and refrigerant-based products, targeting 30 customs officers and 15 customs brokers (UNEP) (US \$5,000);
 - (c) Certification and licensing of RAC technicians: organize meetings and/or seminars for service agencies and associations to initiate their participation in the National Vocational Qualification (NVQ) and CVQ certification; and convene meetings with importers to discuss new and alternative refrigerants (UNEP) (US \$15,000);
 - (d) Development and distribution of public education and awareness material to support the implementation of the third tranche of the HPMP and the transition to HCFC- and HFC-alternatives (UNEP) (US \$12,000); and
 - (e) Project implementation and monitoring: continue monitoring, evaluating and reporting activities pertaining to the HPMP through the NOU, to ensure the smooth and effective delivery of activities (UNEP) (US \$5,000).

SECRETARIAT'S COMMENTS AND RECOMMENDATION**COMMENTS**Report on HCFC consumption

10. At the 80th meeting, the verification report submitted with the second tranche request of the stage I of the HPMP recommended that additional capacity building be provided to Customs officers to prevent future data discrepancies.² At that meeting, UNEP informed that the licensing and quota system would be strengthened through collaboration with the Customs Department and the Department of Commerce and Consumer Affairs, to improve data accuracy.³ Noting that the training workshops for customs officers planned under the second tranche had not taken place, the Secretariat requested additional information relating to steps undertaken for enforcement strengthening, since the second tranche. UNEP informed that customs training that could not be undertaken during the second tranche was due to challenges associated with release of customs officers for training; however, the NOU is pursuing the matter with the Customs and Excise Department and the training sessions will be conducted in 2020; UNEP also informed that training and capacity building activities will be carried out during implementation of the third tranche; implementation of updated Automated System for Customs Data (ASYCUDA) World in September 2019 that includes 2017 HS codes, and HCFC import data verification by the Department of Commerce, would continue to strengthen data reporting. With this, the country would be able to strengthen its HCFC monitoring and reporting systems.

² Paragraph 6 of document UNEP/OzL.Pro/ExCom/80/33

³ Paragraph 12 of document UNEP/OzL.Pro/ExCom/80/33

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

Legal framework

11. The Government of Barbados has already issued HCFC import quotas for 2019 at 2.57 ODP tonnes, which is lower than the Montreal Protocol targets.

12. The Secretariat requested clarifications on why actual imports of HCFC-22 were significantly lower than the annual quotas issued for that year (for example, for 2018, HCFC-22 quota was 50.06 mt (2.75 ODP tonnes) and the actual import was 24.92 mt (1.37 ODP tonnes)). UNEP clarified that the NOU notifies importers about their quotas two years prior to a specific calendar year; the quotas are issued based on the HPMP Agreement targets and the assessment of demand of HCFC-22 (“national quota”) for that year. Ninety per cent of this national quota is allocated to importers and 10 percent is set aside for emergencies and/or transient imports. The Secretariat suggested that UNEP could work with the country to issue national quotas closer to the actual demand for HCFC-22 to avoid excess HCFC-22 demand.

Refrigeration servicing sector

13. UNEP clarified that there is no reported availability of low-global warming potential alternatives such as R-290 and HFC-32 in the country and no reported retrofit of HCFC-based equipment with flammable refrigerants. As to the retrofitting activities in air-conditioning applications from HCFC-22 to R-290, UNEP reported that the Government of Barbados is fully aware of the relevant decisions of the Executive Committee on retrofitting.⁴ While the training programmes cover safe use of flammable refrigerants and certification process covers safe use of flammable refrigerants while servicing equipment, they do not encourage retrofitting of HCFC-based equipment with flammable alternatives.

Conclusion

14. The implementation of the HPMP is progressing despite the delayed submission for the third tranche. The country’s import licensing and quota system is operational; the current consumption is 58.7 per cent below the 2018 targets. Customs and enforcement officers training would be continued to ensure that the enforcement capacity and data reporting processes are strengthened. Training programmes on good practices and safe use of alternative refrigerants for technicians will continue to be implemented. Training activities in close cooperation with the RAC association (the Samuel Jackman Prescod Institute of Technology offering the diploma in RAC servicing and serving as an Assessment Centre for the CVQ, and the Barbados Vocational Training Board and the MENB hosting training workshops) ensures continuity and sustainability of the training programmes. The activities planned for the third tranche would enable the country to meet its compliance obligations under the Protocol. The disbursement of the funding for the second tranche has reached 72 per cent.

RECOMMENDATION

15. The Fund Secretariat recommends that the Executive Committee takes note of the progress report on the implementation of the second tranche of stage I of the HCFC phase-out management plan (HPMP) for Barbados; and further recommends blanket approval of the third tranche of stage I of the HPMP for Barbados, and the corresponding 2019–2020 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, third tranche)	42,000	5,460	UNEP

⁴ Decisions 72/17 and 73/34

