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EXECUTIVE COMMITTEE OF
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Item 9(c) of the provisional agenda¹

PROJECT PROPOSAL: KYRGYZSTAN

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

Technical assistance

- Additional activities to maintain energy efficiency for the servicing sector under decision 89/6(b)

UNEP

¹ UNEP/OzL.Pro/ExCom/91/1

PROJECT DESCRIPTION

Background

1. Stage II of the HCFC phase-out management plan (HPMP) for Kyrgyzstan was approved at the 74th meeting² and revised at the 85th meeting³ at a total cost of US \$780,560, consisting of US \$400,000, plus agency support costs of US \$28,000 for UNDP and US \$312,000, plus agency support costs of US \$40,560 for UNEP.

2. The third and final tranche of the HPMP was approved at the 85th meeting.⁴ The Government of Kyrgyzstan has since completed implementation of its HPMP, submitted the project completion report and, as of 2020, reported zero HCFC consumption.⁵ In line with decision 90/32(a), UNDP will submit the verification report on the implementation of stage II of the HPMP to the 93rd meeting; the report will cover the years 2019-2022, in line with decision 85/22(a).

3. At its 89th meeting, the Executive Committee decided *inter alia* to consider a set of additional activities prescribed under decision 89/6(b) for inclusion in existing and future stages of HPMPs for low-volume-consuming (LVC) countries, when needed for the introduction of alternatives to HCFCs with low or zero global warming potential (GWP) and for maintaining energy efficiency in the refrigeration servicing sector, and to request bilateral and implementing agencies, when submitting an HPMP tranche request, to include in the tranche implementation plan the specific actions, performance indicators, and funding associated with those activities; and a progress report on implementation of those activities under the previous funding tranche. Further, at its 91st meeting, the Executive Committee decided that decision 89/6 applied to LVC countries that had already completed their HPMPs (decision 91/37(a)).

4. On behalf of the Government of Kyrgyzstan, UNEP, as the designated implementing agency, has submitted a request for funding additional activities to strengthen energy efficiency in RAC servicing and promote the use of energy-efficient, low-GWP refrigerants in line with decisions 89/6 and 91/37(a), at the amount of US \$100,000, plus agency support costs of US \$13,000.⁶ Since the HPMP had already been completed, this request was submitted as a stand-alone proposal. The submission includes a description of specific activities, targets, and performance indicators and an implementation plan for 2023 to 2024.

Report on HCFC consumption

5. The Government of Kyrgyzstan reported under country programme (CP) implementation report a consumption of zero ODP tonnes of HCFC in 2022, which is 100 per cent below the HCFC baseline for compliance. The Article 7 data for 2022 has not been reported yet.

Table 1. HCFC consumption in Kyrgyzstan (2018-2022 Article 7 data)

HCFC-22	2018	2019	2020	2021	2022	Baseline*
Metric tonnes (mt)	24.14	12.90	0.00	0.00	0.00	57.40
ODP tonnes	1.33	0.71	0.00	0.00	0.00	3.16

* Kyrgyzstan's baseline also included 0.73 ODP tonnes of HCFC-141b and 0.17 ODP tonnes of HCFC-142b. Consumption of those substances has been zero since 2011 and 2013, respectively.

² Annex XII of document UNEP/OzL.Pro/ExCom/74/56.

³ Annex V of document UNEP/OzL.Pro/ExCom/85/67.

⁴ Annex IV of document UNEP/OzL.Pro/ExCom/85/67.

⁵ In line with the Agreement between the country and the Executive Committee, and decision 74/40(a)(iii), the country may consume up to 0.10 ODP tonnes (2.5 per cent of its HCFC baseline) between 2020 and 2025.

⁶ As per the letter of 15 March 2023 from the Ozone Center of Kyrgyzstan to UNEP.

6. The Government of Kyrgyzstan has met its commitment under its Agreement with the Executive Committee for an accelerated HCFC reduction by 97.5 per cent in 2020.

Country programme implementation report

7. The Government of Kyrgyzstan reported HCFC sector consumption data under the 2021 CP implementation report that is consistent with the data reported under Article 7 of the Montreal Protocol.

Project description

8. Kyrgyzstan has successfully completed its HPMP and has been making efforts to enhance energy efficiency while sustaining the phase-out of HCFCs and preparing for the phase-down of HFCs in refrigeration, air-conditioning, and heat-pump (RACHP) equipment. The country ratified the Kigali Amendment on 8 September 2020.

9. The present proposal builds upon the success of the HPMP and activities to raise awareness and promote energy-efficient equipment with low-GWP refrigerants implemented as part of the enabling activities for HFC phase-down undertaken through the Ministry of Natural Resources, Ecology, and Technical Oversight. Kyrgyzstan has neither Minimum Energy Performance Standards (MEPS) nor mandatory labelling requirements for RACHP equipment, and there is no manufacturing of RACHP equipment in the country.

10. The activities to maintain energy efficiency in the servicing sector comprise two components:

- (a) Improving the coordination and collaboration between stakeholders, the relevant energy authorities, and the national ozone unit (NOU) through capacity-building on promoting energy efficiency and the use of low-GWP refrigerants in RACHP equipment; and
- (b) Implementing outreach and awareness activities to the public and consumers on energy-efficient, low-GWP-based RACHP equipment.

11. An output of the project includes the development of a draft resolution for approval by the Cabinet of Ministers prior to the start of the country’s Kigali HFC implementation plan (KIP). The requested funding is provided in table 2 below:

Table 2: Requested funding for activities to maintain energy efficiency for the servicing sector for Kyrgyzstan

Activity	Sub-activity description	Budget (US \$)
Capacity-building of staff and stakeholders	Coordination and collaboration with relevant agencies through a study tour and capacity-building workshops	25,000
	Training of importers	14,000
	Training of customs and trade authorities	16,000
	Information session	3,000
Activity total		58,000
Outreach and impact assessment	Development and dissemination of outreach materials	27,000
	Consumer behaviour study	15,000
Activity total		42,000
Grand total		100,000

Implementation plan

12. The project is expected to be completed in 18 months after approval; the following activities will be implemented between July 2023 and December 2024:

- (a) A five-day study tour with 10 participants from the NOU and relevant authorities to a country with similar imports to Kyrgyzstan and that has developed labelling standards and an energy efficiency rating. The lessons learned and recommendations from the study tour will be compiled into a strategy paper that will form the basis of the draft resolution to be considered by the Cabinet of Ministers (US \$25,000); two workshops for 30 importers to raise awareness on energy-efficient RACHP equipment based on low-GWP alternatives (US \$14,000); two workshops for 60 customs officers on monitoring the import of labelled products, with an emphasis on the GWP of the refrigerant (US \$16,000); and development of informational materials and an information session for 50 utility agencies, building designers, developers, and construction enterprises promoting the use of energy-efficient and low-GWP refrigerants in RACHP equipment (US \$3,000).
- (b) Awareness-raising activities will target end-users and consumers on the availability and benefits of energy-efficient products and equipment. Building on publications developed under the enabling activities for HFC phase-down, outreach materials will include two videos and two infographics on energy efficiency ratings and refrigerant ODP and GWP values (US \$27,000); a consumer behaviour study will collect data from at least 1,000 households on the impact of the project and identify how to strengthen the energy efficiency labelling programme before it becomes mandatory; the study will assess the feasibility and impact of a financially incentivized programme for labelled appliances, and an assessment of barriers for adopting energy-efficient and low-GWP-based RACHP equipment may also be included (US \$15,000).

SECRETARIAT'S COMMENTS AND RECOMMENDATION

COMMENTS

13. The proposed activities build on the success of the HPMP, awareness-raising activities implemented as part of the enabling activities for HFC phase-down, and an energy efficiency project in the civil engineering sector implemented through the European Bank for Reconstruction and Development.

14. Noting that Kyrgyzstan did not manufacture but instead imported RACHP equipment, the Secretariat sought additional information from UNEP on whether countries in the region had MEPS in place and whether there had been coordination on energy efficiency-related issues in the Eurasian Economic Union (EEU). UNEP clarified that, like Kyrgyzstan, other countries in the region did not have MEPS for RACHP equipment, nor was this a topic of coordination within the EEU.

15. While the project included activities the Secretariat considered meaningful, the absence of MEPS or labelling requirements for RACHP equipment might make the training of customs premature. Further, the project did not include activities related to strengthening the training of servicing technicians on good practices and energy efficiency during assessment, installation, maintenance and servicing of RACHP equipment, an eligible activity in line with decision 89/6(b)(ii). Accordingly, the Secretariat suggested the country consider rationalizing some of the activities related to training of customs and importers to allow implementation of activities related to strengthening the training of servicing technicians.

16. UNEP clarified that while there are no mandatory energy efficiency labelling requirements for RACHP equipment, the country has in place labelling requirements for other aspects, such as refrigerant type, charge quantity, GWP, and flammability. Further, Kyrgyzstan enacted a construction standard, "Heating, Ventilation and Air Conditioning," which is related to the construction of new buildings and modification of existing buildings; this standard specifies energy efficiency requirements for buildings and the criteria for selecting low-GWP refrigerants in the design of their cooling and heating systems, though it does not specify energy efficiency requirements for RACHP equipment. The intent of activities such as

the study tour and strategy paper is to discuss options and develop a strategy to set a foundation for future adoption of energy efficiency standards and ratings in the country.

17. UNEP noted that as part of the HPMP, Kyrgyzstan had already trained technicians on good servicing practices and containment, which contributed to the energy-efficient operation of RACHP equipment while reducing leakage rates and increasing equipment lifetime and agreed that additional training of trainers and technicians with an emphasis on energy efficiency, such as using devices to continuously monitor operation parameters and energy efficiency of RACHP equipment, would be useful. Accordingly, the following changes were agreed to the plan of action:

- (a) Add the preparation of updated training materials and two workshops for RAC technicians and trainers with 30 participants each on good practices and energy efficiency during the assessment, installation, maintenance, and servicing of RACHP equipment;
- (b) The two workshops for importers were reformulated to an awareness-raising session for 15 importers on labelling requirements for RACHP equipment and the importance and benefits of importing energy-efficient appliances; and
- (c) Rather than two workshops for customs officers, one workshop with 30 participants will be organized on monitoring imports of RACHP equipment, with a focus on ensuring that labelling requirements related to refrigerant type, charge quantity, GWP, and flammability are met.

18. The Secretariat also explored whether it might be meaningful as part of the activities to enhance coordination and cooperation to seek a formal confirmation (e.g., a memorandum of agreement or equivalent) with energy efficiency authorities on collaboration and information sharing while energy efficiency standards and associated regulations are developed for RACHP equipment. UNEP clarified that the NOU already had long-standing cooperation with the relevant government agencies and therefore considered there was no need for a formal confirmation of such further cooperation of energy efficiency authorities.

19. Table 3 provides the revised activities and agreed funding.

Table 3: Agreed funding for activities to maintain energy efficiency for the servicing sector for Kyrgyzstan

Activity	Sub-activity description	Budget (US \$)
Capacity building of key staff and stakeholders	Coordination and collaboration with relevant agencies through a study tour and capacity-building workshops	25,000
	Training of customs officers	8,000
	Update of training materials and training of RAC trainers and technicians	16,000
	Information session	3,000
Activity total		52,000
Outreach and impact assessment	Development and dissemination of outreach materials	25,000
	Awareness-raising workshop for importers	8,000
	Consumer behaviour study	15,000
Activity total		48,000
Grand total		100,000

Gender policy implementation⁷

20. In accordance with decisions 84/92(d) and 90/48(c), the Government of Kyrgyzstan and UNEP will incorporate gender mainstreaming into the implementation of project activities and will report on specific indicators developed for the project.

Conclusion

21. The project was submitted in line with decisions 89/6(b) and 91/37(a) and includes meaningful activities to strengthen coordination with energy efficiency authorities in the country; training of technicians and trainers on good practices and energy efficiency during the assessment, installation, maintenance and servicing of RACHP equipment; ensuring that existing labelling requirements for RACHP equipment are enforced; and support for a better understanding of consumer needs to enable the selection of energy-efficient, low-GWP products available in the market. It will also build the framework for considering energy-efficiency-related actions in the KIP currently under preparation and will support activities relating to the uptake of energy-efficient, low-GWP RACHP equipment.

RECOMMENDATION

22. The Fund Secretariat recommends blanket approval of the project for additional activities for the introduction of alternatives to HCFCs with low or zero global warming potential and for maintaining energy efficiency in the refrigeration servicing sector in Kyrgyzstan, and the corresponding 2023-2024 implementation plan, at the funding level shown in the table below, on the understanding that UNEP, on behalf of the Government of Kyrgyzstan, would submit a final report on the implementation of the project to the first meeting of 2025:

	Project title	Project funding (US \$)	Support costs (US \$)	Implementing agency
(a)	Additional activities for the introduction of alternatives to HCFCs with low or zero global warming potential and for maintaining energy efficiency in the refrigeration servicing sector in Kyrgyzstan	100,000	13,000	UNEP

⁷ In line with decision 84/92(d), decision 90/48(c) encouraged bilateral and implementing agencies to continue ensuring that the operational gender mainstreaming policy was applied to all projects, taking into consideration the specific activities presented in table 2 of document UNEP/OzL.Pro/ExCom/90/37.