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EXECUTIVE COMMITTEE OF  
THE MULTILATERAL FUND FOR THE  
IMPLEMENTATION OF THE MONTREAL PROTOCOL  
Ninety-fourth Meeting  
Montreal, 27-31 May 2024  
Items 9(c) and (d) of the provisional agenda<sup>1</sup>

**PROJECT PROPOSALS: SAINT LUCIA**

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

Phase-out

- HCFC phase-out management plan (stage II, second tranche) UNEP and UNIDO

Phase-down

- Kigali HFC implementation plan (stage I, first tranche) UNEP and UNIDO

<sup>1</sup> UNEP/OzL.Pro/ExCom/94/1

Pre-session documents of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol are without prejudice to any decision that the Executive Committee might take following issuance of the document.

## PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS

## Saint Lucia

(I) PROJECT TITLE	AGENCY	MEETING APPROVED	CONTROL MEASURE
HCFC phase-out plan (stage II)	UNEP (lead), UNIDO	87 <sup>th</sup>	100% phase-out by 2030

(II) LATEST ARTICLE 7 DATA (Annex C Group I)	Year: 2022	0.27 ODP tonnes
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(III) LATEST COUNTRY PROGRAMME SECTORAL DATA (ODP tonnes)							Year: 2023		
Chemical	Aerosol	Foam	Fire-fighting	Refrigeration		Solvent	Process agent	Lab use	Total sector consumption
				Manufacturing	Servicing				
HCFC-22					0.09				0.09

(IV) CONSUMPTION DATA (ODP tonnes)			
2009-2010 baseline:	1.09	Starting point for sustained aggregate reductions:	1.09
CONSUMPTION ELIGIBLE FOR FUNDING			
Already approved:	1.09	Remaining:	0.00

(V) ENDORSED BUSINESS PLAN		2024	Total
UNEP	ODS phase-out (ODP tonnes)	0.14	0.14
	Funding (US \$)	118,650	118,650
UNIDO	ODS phase-out (ODP tonnes)	0.18	0.18
	Funding (US \$)	183,610*	183,610*

\*Including US \$32,100 for UNIDO for additional activities to maintain energy efficiency (decision 89/6)

(VI) PROJECT DATA			2021	2022-2023	2024*	2025-2026	2027	2028-2029	2030	Total
Montreal Protocol consumption limits (ODP tonnes)			0.71	0.71	0.71	0.35	0.35	0.35	0.00	n/a
Maximum allowable consumption (ODP tonnes)			0.71	0.53	0.53	0.35	0.35	0.35	0.00	n/a
Funding agreed in principle (US \$)	UNEP	Project costs	81,000	0	175,000	0	78,000	0	54,000	388,000
		Support costs	10,530	0	22,750	0	10,140	0	7,020	50,440
	UNIDO	Project costs	83,000	0	169,000	0	0	0	0	252,000
		Support costs	7,470	0	10,170	0	0	0	0	17,640
Funds approved by ExCom (US \$)		Project costs	164,000	0	0	0	0	0	0	164,000
		Support costs	18,000	0	0	0	0	0	0	18,000
Total funds recommended for approval at this meeting (US \$)		Project costs	0	0	344,000	0	0	0	0	344,000
		Support costs	0	0	32,920	0	0	0	0	32,920

\*Funding for 2024 includes US \$70,000, plus agency support costs of US \$9,100, for UNEP and US \$30,000, plus agency support costs of US \$1,805, for UNIDO, for additional activities to maintain energy efficiency (decision 89/6)

<b>Secretariat's recommendation:</b>	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 second tranche of stage II of the HCFC phase-out management plan (HPMP), at a total cost of US \$376,920, consisting of US \$175,000, plus agency support costs of US \$22,750, for UNEP and US \$169,000, plus agency support costs of US \$10,170, for UNIDO.<sup>2</sup> The submission includes a progress report on the implementation of the first tranche, a request for funding additional activities to maintain energy efficiency in the refrigeration servicing sector,<sup>3</sup> and the tranche implementation plan for 2024 to 2027.

### Report on HCFC consumption

2. The Government of Saint Lucia reported under the country programme (CP) implementation report a consumption of 0.09 ODP tonnes of HCFCs in 2023, which is 91.7 per cent below the country’s HCFC baseline for compliance. The Article 7 data for 2023 has not been reported yet. The 2019-2023 HCFC consumption is shown in table 1.

**Table 1. HCFC consumption in Saint Lucia (2019-2022 Article 7 data)**

HCFC-22	2019	2020	2021	2022	2023*	Baseline
<b>Metric tonnes (mt)</b>	5.62	0.48	4.28	4.90	1.58	19.91
<b>ODP tonnes</b>	0.31	0.03	0.24	0.27	0.09	1.09

\* CP data

3. The overall reduction in HCFC consumption can be attributed to the implementation of supporting policy and legislative measures and other activities relating to the promotion of recovery and reuse of refrigerants; training and certification of refrigeration service technicians in the adoption of good servicing practices; provision of tools and equipment to support the recovery and reuse of refrigerants with the intention of extending the life cycle of refrigerants in use; and the introduction of alternatives to HCFCs in air-conditioning and commercial refrigeration. The increase in HCFC consumption in 2021 and 2022 was due to a temporary policy to encourage growth in the economy following a stagnant economy resulting from the COVID-19 pandemic which in turn resulted in a temporary increase in servicing needs for HCFC-22.

### *Country programme implementation report*

4. The Government of Saint Lucia reported HCFC sector consumption data under the 2022 CP implementation report that is consistent with the data reported under Article 7 of the Montreal Protocol.

### Status of implementation of stage I of the HCFC phase-out management plan

5. Stage I of the HPMP was completed on 31 December 2022 in line with the extension approved by the Executive Committee in decision 87/28(a).<sup>4</sup> The project completion report was submitted in May 2023.

<sup>2</sup> As per the letter of 14 March 2024 from the Ministry of Education, Sustainable Development, Innovation, Science, Technology and Vocational Training of Saint Lucia to the Secretariat.

<sup>3</sup> In line with decision 89/6, low-volume-consuming countries can include in their HPMPs 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.

<sup>4</sup> Blanket approval decision.

Progress report on the implementation of the first tranche of stage II of the HCFC phase-out management plan

*Legal framework*

6. The HCFC licensing system is established through the Montreal Protocol (Substances that Deplete the Ozone Layer) Act of 2001 (“Montreal Protocol Act”) and “the Substances that Deplete the Ozone Layer (Control) Regulations” of January 2002. It was amended in 2011 to strengthen the licensing and quota system. In 2015, the ODS regulations were further amended by Statutory Instrument no. 39 to extend licensing system to HFCs and natural refrigerants.

7. In August 2023, the national ozone unit (NOU) hired a legislative consultant for the review and update of the Montreal Protocol legislation following the recommendations from the verification report in 2021, to include amendments to address gaps related to penalties for selling refrigerants to uncertified technicians, require mandatory reporting by importers, and extend the licensing and quota system to HFCs. The training of customs officers on HCFC import/export regulations and prevention of illegal trade that would cover the amendments in the legislation is currently being planned; the terms of reference have been prepared for the hiring of a consultant to review and update the customs desk book which serves as a key resource for customs training.

*Refrigeration servicing sector*

8. A training of refrigeration and air-conditioning (RAC) technicians on good servicing practices and safe use of low-global-warming-potential (GWP) alternatives is being organized: a formal meeting with representatives from the Sir Arthur Lewis Community College (SALCC) was held in February 2024 to initiate the review of the training curriculum of the RAC technicians training programme to align it with the requirements for the introduction of low- or zero-GWP alternative refrigerants in the RAC sector; this review was completed and the revised curriculum would be used for training technicians.

9. The tools for the handling of flammable refrigerants were purchased and are expected to be delivered early April 2024. Among others, recovery units, vacuum pumps, leak detectors, manifolds and personal protective equipment were purchased. A national expert was hired to support the HPMP activities and training. Preparatory work for the establishment of the reclamation centre has commenced and the options are being evaluated with local experts.

10. In February 2022, the NOU procured and distributed various technical brochures, promotional notebooks and other materials with a new HPMP II logo. A brochure including information about stage II of the HPMP was shared with stakeholders during the launch; 33 participants, including 15 women, attended the workshop.

*Project implementation and monitoring*

11. A total of US \$2,761 has been disbursed to hire a consultant to perform monitoring, evaluation and reporting services.

Level of fund disbursement

12. As of March 2024, of the US \$164,000 approved so far (US \$81,000 for UNEP and US \$83,000 for UNIDO), US \$54,728 (33 per cent) had been disbursed (US \$26,185 for UNEP and US \$28,543 for UNIDO). The balance of US \$109,272 is expected to be disbursed by December 2024.

Implementation plan for the second tranche of stage II of the HCFC phase-out management plan

13. The following activities will be implemented between June 2024 and May 2027:

- (a) *Enforcement of the licensing and quota system and the regulatory and standards framework:* Conduct training of 60 customs officers and enforcement officers on HCFC import/export regulations and prevention of illegal trade (UNEP) (US \$18,000);
- (b) *Training and capacity building:* Training of 80 RAC technicians on good servicing practices and safe use of low-GWP alternatives (UNEP) (US \$36,000);
- (c) *Provision of tools and equipment:* Procurement and distribution of equipment and tools (e.g., refrigerant cylinders, vacuum pump, servicing tools) to training institutions for training on good refrigeration servicing practices and handling of flammable low-GWP refrigerants (UNIDO) (US \$78,000);
- (d) *Establishment of a reclamation centre:* Finalize the preparatory work for the establishment of the reclamation centre by identifying a suitable reclaiming unit option with the local experts and procurement of equipment and tools for reclamation centre (e.g., reclamation unit, recovery cylinders, recovery machines) (UNIDO) (US \$61,000);
- (e) *Awareness campaign:* Develop and deliver technical material on HCFC phase-out and HCFC-free and low-GWP alternative technologies; education and awareness programmes on the HPMP, good servicing practices including recovery and reclamation of refrigerants and adoption of low-GWP alternatives through seminars, presentations, messages on local media and social media, technical and information print and electronic publications; promotional material for ozone layer protection and emerging technologies (UNEP) (US \$35,000);
- (f) *Activities to maintain energy efficiency:* these activities are described in detail in the following section (UNEP) (US \$70,000) and (UNIDO) (US \$30,000); and
- (g) *Project monitoring* (UNEP) (US \$16,000): costs will be allocated to staff/consultant to assist in developing a work plan for the second tranche and monitoring and reporting of activities.

*Activities to maintain energy efficiency in the refrigeration servicing sector*

14. The project related to energy efficiency, submitted in line with decision 89/6, has been designed to focus on increasing the use of low- or zero-GWP alternative technologies while phasing out HCFCs, introduce competence-based Recognition of Prior Learning (RPL) certification system for RAC servicing technicians to ensure quality of service and safe handling of flammable and toxic refrigerants, facilitate the implementation and enforcement of upcoming energy labelling requirements and minimum energy performance standards (MEPS) for RAC equipment, and end-user awareness raising on energy saving, energy efficiency and good practices related to RAC equipment operation. The description and proposed cost breakdown of activities to maintain energy efficiency in the sector include:

- (a) *Market study and strengthening of policy and regulations:* Market study on the challenges and market penetration of low- or zero-GWP-based RAC equipment and safe use of these refrigerants to further improve the safety and legal environment of these substances and promote the safe transition to the new technologies; update of policies related to public procurement to incorporate the requirements for energy labelling and MEPS for RAC

equipment and explore the possibilities to set limits on the GWP of refrigerants of the RAC appliances that are subject to these policies (UNEP) (US \$21,000);

- (b) *End-user demonstration programme*: Procurement and installation of 15 units of HC-290-based air-conditioners or commercial refrigerating equipment in public building to demonstrate the environmental benefit of zero-GWP technologies; development by technical experts of the manual for the energy consumption monitoring and good energy efficiency practices programme to determine the measuring metrics and good practices to be applied together with detailed schedule (UNEP) (US \$12,000) and (UNIDO) (US \$30,000);
- (c) *Competence-based RPL certification system of RAC servicing technicians*: Review of occupational standards and development of necessary competency modules related to the energy efficient and safe operations of flammable and toxic refrigerants and good servicing and maintenance practices; training of 10 assessors and assessment and certification of 20 technicians based on the developed RPL (UNEP) (US \$25,000);
- (d) *Stakeholders' engagement and capacity building on energy labelling and MEPS*: Stakeholder workshop for the implementation and enforcement of the energy labelling requirements and MEPS to understand the scope of the standards and each other's role and responsibility in MEPS implementation; two information dissemination workshops for RAC importers and two workshops for customs officers and brokers to introduce the technical details of the standards, labelling requirements and procedures for MEPS testing of equipment so that RAC equipment importers/distributors/dealers who need to get their product tested and meet the labelling requirements are aware of the energy efficiency requirements and customs officers who need to enforce it are well trained on the technical details of the standards (UNEP) (US \$10,000);
- (e) Project monitoring and implementation (UNEP) (US \$2,000).

## SECRETARIAT'S COMMENTS AND RECOMMENDATION

### COMMENTS

#### Progress report on the implementation of the first tranche of stage II of the HCFC phase-out management plan

##### *Legal framework*

15. The Government of Saint Lucia has already issued HCFC import quotas for 2024 at 0.41 ODP tonnes, which is lower than the Montreal Protocol control targets.

##### *Refrigeration servicing sector*

16. The Secretariat requested clarifications on the slow implementation of customs training and service sector training activities. UNEP explained that in the case of customs, the delays were due to changes in the legislation which were to be covered under the training programme. The NOU is currently updating and finalising the customs training documents; the first batch for training is expected to be held in April 2024. Regarding technician training activities, following the review and adoption of the technician training contents, the training activities under stage II would be conducted beginning June 2024; the RAC association will be involved in training and capacity building, advocacy and awareness and networking and mentorship activities. The equipment for supporting technical institutions were procured in April 2024 and would be used for the training on good service practices to the technicians.

17. UNEP confirmed that no retrofit of equipment using flammable refrigerants is undertaken in the country and that the Government is aware of the relevant Executive Committee decisions; the training programmes include information on the safe use of flammable refrigerants while servicing RAC equipment.

*Activities to maintain energy efficiency in the refrigeration servicing sector*

18. In line with decision 89/6(d), UNEP and UNIDO have included in the tranche implementation plan the specific actions, performance indicators and funding associated with additional activities to maintain energy efficiency.

19. On the market for different air-conditioning equipment, UNEP explained that HFC-32-based equipment are currently being imported in the country and the imports are expected to increase; the implementation of MEPS and activities to promote energy efficiency will promote the adoption of low-/lower-GWP alternatives; the Government is planning to implement measures that limit the GWP of refrigerants for qualifying for Government incentives. The MEPS, after due consultation process, are expected to be adopted in 2024 and would be periodically upgraded and updated.

20. On the adoption of low-GWP refrigerants, the Government is taking steps under the HPMP and the Kigali HFC implementation plan (KIP) to promote the adoption of these refrigerants in a sustainable manner; the training programmes for service technicians and awareness activities are expected to facilitate the process of adoption of these refrigerants; in addition, controls on servicing of equipment using low-GWP refrigerants only by certified technicians is being considered for implementation in future.

21. On the public procurement policy, UNEP informed that the Government would continue to work with relevant public procurement authorities for including standards on energy performance and GWP of refrigerants in RAC equipment; this is expected to be adopted for public sector procurement after necessary consultations.

22. On the demonstration project for R-290-based energy efficient air-conditioning, UNEP explained that this activity is planned to be implemented to promote the adoption of low-GWP refrigerant-based energy efficient technologies; to promote the adoption of equipment using R-290, awareness activities targeting different stakeholders, policy advocacy with policy makers and industry representatives on promoting the adoption of R-290-based air-conditioners and training and capacity building of safe installation, operation and maintenance of R-290-based air-conditioners would be undertaken under different projects; the Government is also considering implementation of incentive mechanisms (e.g., lower import duty of R-290-based equipment) after consultations with relevant Government authorities.

23. The Secretariat had consultations with UNEP on the cost components relating to awareness and outreach for the implementation of MEPS and the need for a project management and monitoring unit given that the HPMP is currently under implementation. Based on further consultations with the Government, UNEP revised the funding for different components to levels indicated in table 2 to provide for additional resources to awareness and information outreach activities.

**Table 2. Revised budget for activities to maintain energy efficiency (decision 89/6)**

Particulars	As submitted (US \$)	Revised (US \$)
Market study and strengthening of policy and regulations	21,000	21,000
End-user demonstration programme	30,000	30,000
Energy consumption monitoring at identified two end-users	12,000	12,000
Assessment of RAC service technicians based on prior experience using RPL system	25,000	19,000
Awareness and information outreach on stakeholder engagement and MEPS and energy labelling capacity building	10,000	18,000
Project monitoring and implementation	2,000	0
<b>Total</b>	<b>100,000</b>	<b>100,000</b>

24. UNEP confirmed that there are no other activities being implemented with non-Multilateral Fund-funding sources that could be overlapping with the activities planned under this project.

#### Gender policy implementation

25. The Government of Saint Lucia and UNEP are fully committed to implementing the operational policy on gender mainstreaming of the Multilateral Fund. SALCC is providing scholarships to women to encourage their participation in different training and capacity building activities. The participation of women would also be encouraged in all aspects of the planning and implementation of activities to maintain energy efficiency in the refrigeration servicing sector. Gender disaggregated data on activities will be collected during project implementation. The Government would work with the training institutions and other stakeholders to maximise women participation in different activities under this project including policy and regulations development, training programmes and awareness and outreach activities. The impact of these different initiatives would be monitored, and they would be adjusted to maximise women participation in HPMP activities.

#### Updated Agreement

26. In view of the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector and the accordingly revised funding schedule, the Agreement between the Government of Saint Lucia and the Executive Committee has been updated. Specifically, Appendix 2-A has been revised and paragraph 17 has been added to indicate that the updated Agreement supersedes that reached at the 87<sup>th</sup> meeting, as contained in annex I to the present document. The full updated Agreement will be appended to the final report of the 94<sup>th</sup> meeting.

#### Sustainability of the HCFC phase-out and assessment of risks

27. The Government of Saint Lucia continues to control and monitor the implementation of national regulations relating to HCFC licensing and quotas; through ongoing training of customs and enforcement officers, the consumption of HCFCs is controlled and is below the HPMP targets. The Government would also implement training for technicians in close collaboration with the RAC association once the training curriculum is finalized and this is expected to train technicians, expeditiously, on good service practices including recovery and reuse of refrigerants and safe adoption of alternatives. The Government is also implementing a certification programme for technicians and controlling the sale of refrigerants to certified technicians. Further, the Government will continue to implement awareness activities to maximise the adoption of low-GWP alternative-based RAC equipment. Through controls on supply of HCFCs, capacity building of stakeholders on safe adoption of alternatives to HCFCs as well as good servicing practices, implementation of HCFC recovery and reuse programmes and promoting adoption of alternatives to HCFCs, the risks associated with sustainable HCFC phase-out will be minimised. The activities planned under the project component pursuant to decision 89/6, once approved and implemented, would further strengthen the adoption of sustainable energy efficient low-GWP alternatives. The above activities, combined with other activities under stage I of the KIP, are expected to contribute to the further reduction of HCFC consumption and accelerate the adoption of sustainable alternatives.

#### Conclusion

28. The Government of Saint Lucia has reduced its consumption of HCFCs to 0.27 ODP tonnes in 2022 which is 75.2 per cent below the HCFC baseline for compliance and 61.9 per cent below the consumption target for that year. The Government is implementing the licensing and quota system for HCFCs and is working closely with customs and enforcement authorities on strengthening the implementation of the HCFC licensing and quota system and transitioning to an electronic system; though the activities relating to training and capacity building of service technicians including certification system,



and of customs and enforcement were delayed due to longer time taken in finalising the training curriculum, they would be implemented expeditiously from June 2024. Awareness and outreach activities relating to HPMP implementation including promoting the adoption of good service practices and recovery and reuse of HCFCs and adoption of low-GWP technologies are ongoing. Of the total funds approved under the first tranche, 33.4 per cent was disbursed. Under the second tranche, the Government would continue to implement training activities for service technicians, implement refrigerant recovery and reuse programme, customs and enforcement officers training for controlling and monitoring HCFC imports and exports and awareness and outreach activities covering the adoption of low-GWP alternative technologies. The proposed project being submitted in line with decision 89/6(b) would assist the country in implementing MEPS and labelling programmes.

## RECOMMENDATION

29. The Fund Secretariat recommends that the Executive Committee:

(a) Note:

- (i) The progress report on the implementation of the first tranche of stage II of the HCFC phase-out management plan (HPMP) for Saint Lucia;
- (ii) The submission of additional activities to maintain energy efficiency in the refrigeration servicing sector in the amount of US \$111,800, consisting of US \$70,000, plus agency support costs of US \$9,100, for UNEP and US \$30,000, plus agency support costs of US \$1,805, for UNIDO; and
- (iii) That the Fund Secretariat has updated the Agreement between the Government of Saint Lucia and the Executive Committee, as contained in annex I to the present document, specifically: Appendix 2-A, based on the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector referred to in subparagraph (a)(ii) above; and paragraph 17 that has been added to indicate that the updated Agreement supersedes that reached at the 87<sup>th</sup> meeting.

30. The Fund Secretariat further recommends blanket approval of the second tranche of stage II of the HPMP for Saint Lucia, and the corresponding 2024-2027 tranche implementation plan, at the funding levels shown in the table below.

	<b>Project title</b>	<b>Project funding (US \$)</b>	<b>Support costs (US \$)</b>	<b>Implementing agency</b>
(a)	HCFC phase-out management plan (stage II, second tranche)	175,000	22,750	UNEP
(b)	HCFC phase-out management plan (stage II, second tranche)	169,000	10,170	UNIDO

**PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS**

**Saint Lucia**

<b>PROJECT TITLE</b>	<b>AGENCY</b>
Kigali HFC implementation plan (stage I)	UNEP (lead), UNIDO

<b>LATEST ARTICLE 7 DATA (Annex F)</b>	<b>Year: 2022</b>	46.22 mt	120,179 CO <sub>2</sub> -eq tonnes
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<b>SECTORAL HFC CONSUMPTION DATA (CO<sub>2</sub>-eq tonnes) AND ACTIVITIES</b>									
	Aerosol	Foam	Fire-fighting	AC and refrigeration			Servicing	Solvent	Other
				Manufacturing					
				Refrigeration	AC	Other			
Latest CP report (2023)							95,858		
KIP stage I activities as agreed (Y/N)							Y		

<b>AVERAGE 2020-2022 HFC CONSUMPTION IN SERVICING</b>	26.56 mt	60,723 CO <sub>2</sub> -eq tonnes
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<b>BASELINE CONSUMPTION DATA (CO<sub>2</sub>-eq tonnes)</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>Average 2020-2022</b>
HFC annual consumption	32,643	29,346	120,179	60,723
HCFC baseline (65%)				23,013
HFC baseline				83,735

<b>HFC CONSUMPTION ELIGIBLE FOR FUNDING</b>	
Starting point for sustained aggregate reductions	n/a
Previously approved HFC phase-down investment projects	No
Aggregate reductions from previously approved projects (CO <sub>2</sub> -eq tonnes)	n/a

<b>PROJECT DATA AS AGREED</b>		<b>2024*</b>	<b>2025-2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>Total</b>	
Consumption (CO <sub>2</sub> -eq tonnes)	Montreal Protocol limits	83,735	83,735	83,735	83,735	75,362	n/a	
	Maximum allowable	83,735	83,735	83,735	83,735	75,362	n/a	
	Maximum allowable (%)	100	100	100	100	90	n/a	
Amounts recommended in principle (US \$)	UNEP	Project costs	43,000	0	38,000	0	13,000	94,000
		Support costs	5,590	0	4,940	0	1,690	12,220
	UNIDO	Project costs	27,000	0	24,000	0	0	51,000
		Support costs	3,510	0	3,120	0	0	6,630
	Total project costs		70,000	0	62,000	0	13,000	145,000
	Total support costs		9,100	0	8,060	0	1,690	18,850
	Total funds		79,100	0	70,060	0	14,690	163,850

\* Recommended for approval at the present meeting

Reduction from stage I in CO <sub>2</sub> -eq tonnes	8,374
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<b>Secretariat's recommendation:</b>	Individual consideration (Secretariat presentation not required)
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## PROJECT DESCRIPTION

31. The present document contains the following sections:
- I. Summary of the proposal as submitted
  - II. Background: Implementation status of the country's HCFC phase-out management plan and previous HFC-related projects
  - III. HFC consumption: Overview of the country's HFC consumption levels, trends, and sectoral uses
  - IV. Stage I of the Kigali HFC implementation plan, as submitted: Overarching strategy and plan of implementation for the first tranche
  - V. Secretariat's comments, including the agreed cost of activities
  - VI. Recommendation

### I. Summary of the proposal as submitted

32. On behalf of the Government of Saint Lucia, UNEP as the lead implementing agency has submitted a request for stage I of the KIP, at a total cost of US \$163,850, consisting of US \$94,000, plus agency support costs of US \$12,220 for UNEP and US \$51,000, plus agency support costs of US \$6,630 for UNIDO, as originally submitted.<sup>5</sup>

~~33.~~ The implementation of stage I of the KIP will assist the Government of Saint Lucia in meeting the target of 10 per cent reduction from its HFC baseline consumption by 1 January 2029.

34. The first tranche of stage I of the KIP being requested at this meeting amounts to US \$79,100, consisting of US \$43,000, plus agency support costs of US \$5,590 for UNEP and US \$27,000, plus agency support costs of US \$3,510 for UNIDO, as originally submitted, for the period of July 2024 to March 2027.

### II. Background

#### Status of implementation of the HCFC phase-out management plan

35. Table 3 presents information on the HPMP in Saint Lucia as of May 2023.

**Table 3. HPMP implementation status for Saint Lucia**

	<b>Stage I</b>	<b>Stage II</b>
Meetings when HPMP was approved/updated	64 <sup>th</sup> /68 <sup>th</sup> /76 <sup>th</sup> /87 <sup>th</sup>	87 <sup>th</sup>
Reduction from baseline	35% by 2020	67.5 % by 2025 and 100% by 2030
<b>Total project cost (US \$)</b>	210,000	540,000
<b>Date of completion (actual/planned)</b>	1 December 2022	31 December 2031

<sup>5</sup> As per the letter of 29 January 2024 from the Ministry of Education, Sustainable Development, Innovation, Science, Technology and Vocational Training of Saint Lucia to the Secretariat.

Status of implementation of previous HFC-related activities

36. Table 4 presents an overview of activities implemented in Saint Lucia in the context of the Kigali Amendment that have been funded by the Multilateral Fund.

**Table 4. Previously approved HFC-related activities in Saint Lucia**

Approval meeting	Project title	Implementing agency	Cost (US \$)	Date of completion
75 <sup>th</sup>	Survey of ODS alternatives	UNEP	40,000	December 2020
80 <sup>th</sup>	Enabling activities for HFC phase-down	UNEP	95,000	June 2022

**III. HFC consumption overview**

HFC consumption levels

37. Saint Lucia only imports HFCs for use in the servicing sector. The most consumed substances in 2022 were R-404A (59.8 per cent of total HFC consumption in CO<sub>2</sub>-equivalent (CO<sub>2</sub>-eq) tonnes), R-410A (23 per cent), HFC-134a (16.8 per cent), and other HFCs (0.4 per cent). Table 5 presents the country's HFC consumption as reported to the Ozone Secretariat under Article 7 of the Montreal Protocol.

**Table 5. HFC consumption in Saint Lucia (2019–2022 Article 7 data)**

HFC	GWP	2019	2020	2021	2022	2023*
<b>Metric tonnes (mt)</b>						
HFC-23	14,800	0.02	0.00	0.00	0.00	0.00
HFC-32	675	0.00	0.18	0.00	0.48	0.00
HFC-134a	1,430	6.66	11.88	8.24	14.12	10.81
R-404A	3,922	1.12	1.78	1.25	18.34	17.20
R-407A	2,107	0.00	0.00	0.05	0.00	0.00
R-407C	1,774	0.28	0.03	0.05	0.00	0.00
R-410A	2,088	18.90	3.86	5.80	13.24	6.07
R-438A	2,264	0.12	0.19	0.18	0.05	0.11
R-448A	1,386	0.00	0.00	0.00	0.00	0.02
<b>Total (mt)</b>		<b>27.11</b>	<b>17.92</b>	<b>15.55</b>	<b>46.22</b>	<b>34.22</b>
<b>CO<sub>2</sub>-eq tonnes</b>						
HFC-23	14,800	266	0	0	0	0
HFC-32	675	0	118	0	321	0
HFC-134a	1,430	9,524	16,988	11,776	20,190	15,458
R-404A	3,922	4,404	6,988	4,886	71,926	67,452
R-407A	2,107	0	0	95	0	0
R-407C	1,774	502	51	80	0	0
R-410A	2,088	3,9452	8,060	12,097	27,641	12,671
R-438A	2,264	281	437	412	102	249
R-448A	1,386	0	0	0	0	28
<b>Total (CO<sub>2</sub>-eq tonnes)</b>		<b>54,429</b>	<b>32,643</b>	<b>29,346</b>	<b>120,179</b>	<b>95,858</b>

\* CP data

*Established HFC baseline*

38. The Government of Saint Lucia reported the Article 7 data for 2020-2022. The country's HFC consumption baseline was established at 83,735 CO<sub>2</sub>-eq tonnes by adding 65 per cent of its HCFC baseline (expressed in CO<sub>2</sub>-eq tonnes) to its average HFC consumption in 2020-2022, as shown in table 6.

**Table 6. HFC baseline calculation for Saint Lucia (CO<sub>2</sub>-eq tonnes)**

Baseline calculation components	2020	2021	2022	Average 2020-2022
HFC annual consumption	32,643	29,346	120,179	60,723
HCFC baseline (65%)				23,013
<b>HFC baseline</b>				<b>83,735</b>

#### Country programme implementation report

39. The sectoral HFC consumption data provided by the Government of Saint Lucia in its CP implementation report for 2022 is consistent with the data reported under Article 7 of the Montreal Protocol.

#### HFC consumption trends

40. The HFC consumption in Saint Lucia experienced growth in 2019 primarily driven by an increase in HFC use in different RAC applications. The decrease in consumption in 2020 and 2021 is attributable to the impact of the COVID-19 pandemic; the consumption from the year 2022 is experiencing high growth due to the country's economic recovery following the pandemic and growth in different RAC applications.

#### HFC consumption by sector

41. HFCs are mainly consumed for servicing in commercial refrigeration (42.4 per cent in mt and 59.4 per cent in CO<sub>2</sub>-eq tonnes), followed by residential and commercial air-conditioning (30.0 per cent in mt and 23.4 per cent in CO<sub>2</sub>-eq tonnes), mobile air-conditioning (MAC) (17.1 per cent in mt and 9.4 per cent in CO<sub>2</sub>-eq tonnes), transport refrigeration (5.1 per cent in mt and 4.8 per cent in CO<sub>2</sub>-eq tonnes), and domestic refrigeration (5.3 per cent in mt and 2.9 per cent in CO<sub>2</sub>-eq tonnes), as shown in tables 7 and 8.

**Table 7. HFC consumption in Saint Lucia in the refrigeration and AC servicing subsectors in mt (2022)**

Sector		HFC-134a	HFC-32	R-404A	R-410A	R-438A	Total	Share of total (%)
<b>Refrigeration and AC servicing</b>								
<b>Refrigeration subsectors</b>								
Domestic		2.47	0.00	0.00	0.00	0.00	2.47	5.3
Commercial	Stand-alone	1.53	0.00	0.00	0.00	0.00	1.53	3.3
	Condensing units	0.66	0.00	1.35	0.00	0.02	2.03	4.4
	Centralized systems	0.00	0.00	16.03	0.00	0.02	16.05	34.7
	<i>Subtotal</i>	<i>2.19</i>	<i>0.00</i>	<i>17.38</i>	<i>0.00</i>	<i>0.05</i>	<i>19.61</i>	<i>42.4</i>
Transport		1.41	0.00	0.96	0.00	0.00	2.37	5.1
<b>Air-conditioning subsectors</b>								
Stationary	Residential	0.00	0.48	0.00	1.92	0.00	2.39	5.2
	Commercial	0.14	0.00	0.00	11.33	0.00	11.47	24.8
	<i>Subtotal</i>	<i>0.14</i>	<i>0.48</i>	<i>0.00</i>	<i>13.24</i>	<i>0.00</i>	<i>13.86</i>	<i>30.0</i>
Mobile		7.91	0.00	0.00	0.00	0.00	7.91	17.1
<b>Total</b>		<b>14.12</b>	<b>0.48</b>	<b>18.34</b>	<b>13.24</b>	<b>0.05</b>	<b>46.22</b>	<b>100</b>

**Table 8. HFC consumption in Saint Lucia in the refrigeration and AC servicing subsectors in CO<sub>2</sub>-eq tonnes (2022)\***

Sector		HFC-134a	HFC-32	R-404A	R-410A	R-438A	Total	Share of total (%)
<b>Refrigeration and AC servicing</b>								
<b>Refrigeration subsectors</b>								
Domestic		3,532	0	0	0	0	3,532	2.9
Commercial	Stand-alone	2,188	0	0	0	0	2,188	1.8
	Condensing units	944	0	5,294	0	45	6,283	5.2
	Centralized systems	0	0	62,863	0	45	62,908	52.3
	<i>Subtotal</i>	<i>3,132</i>	<i>0</i>	<i>68,157</i>	<i>0</i>	<i>90</i>	<i>71,379</i>	<i>59.4</i>
Transport		2,016	0	3,764	0	0	5,780	4.8
<b>Air-conditioning subsectors</b>								
Stationary	Residential	0	324	0	4,008	0	4,332	3.6
	Commercial	200	0	0	23,651	0	23,851	19.8
	<i>Subtotal</i>	<i>200</i>	<i>324</i>	<i>0</i>	<i>27,659</i>	<i>0</i>	<i>28,183</i>	<i>23.4</i>
Mobile		11,311	0	0	0	0	11,311	9.4
<b>Total</b>		<b>20,191</b>	<b>324</b>	<b>71,921</b>	<b>27,659</b>	<b>90</b>	<b>120,185</b>	<b>100</b>

\* The small difference with Article 7 data reported under table 5 is due to rounding before conversion.

#### *Refrigeration and air-conditioning servicing sector*

42. There are approximately 424 technicians consuming HFCs in Saint Lucia. Details of the number of workshops and gender disaggregated data of the technicians are not available. The levels of qualification of service technicians vary; about 50 per cent of the service technicians have received formal training on good service practices and are certified under technicians training and certification programmes. Two vocational training schools provide service technicians training programmes.

#### *Domestic, commercial and transport refrigeration servicing*

43. It is estimated that in 2022, 99 per cent of the domestic refrigeration stock is based on HFC-134a and the other 1 per cent is based on R-600a. Though the entry of equipment based on R-600a is growing, HFC-134a technology continues to dominate the market.

44. Commercial refrigeration is the most important sector for the national consumption of HFCs, with R-404A as the main refrigerant, followed by HFC-134a; availability of R-290-based stand-alone commercial refrigeration equipment is increasing in the recent past. These equipment are experiencing high leakage due to the lack of preventive maintenance, lack of processes for refrigerant recovery and usage characteristics of these equipment. Due to existing and potential legislation and regulations that discourage high-GWP refrigerants, owners and users of this type of equipment will be increasingly interested in using lower-GWP refrigerant options.

45. The systems used for refrigerated transport are mostly imported equipment and include both small and large vehicles, mainly used for food distribution over short distances, intermodal containers that are transported by road, and vessels used for maritime transport that require refrigeration. The main refrigerants used are R-404A and HFC-134a. No low-GWP alternatives are present in this subsector.

Residential and commercial air-conditioning servicing

46. R-410A is the main HFC-based refrigerant used in residential and commercial air-conditioning equipment; R-290-based equipment are not in use in the country. Due to the implementation of the ban on the import of HCFC-22-based equipment and recent developments in tourism infrastructure, the demand for R-410A-based air-conditioning equipment and servicing for such equipment has increased significantly. HFC-32-based air-conditioning equipment are also being sold, though in very small quantities.

Mobile air-conditioning servicing

47. The only refrigerant used in this subsector is HFC-134a, which completely replaced CFC-12 that was used previously. There are about 78,000 vehicles, and it has been assumed that approximately 90 per cent of them have air-conditioning systems. The high consumption figure is consistent with the high levels of leakage in the air-conditioning systems of motor vehicles and the continuous maintenance they require, particularly in regions of the country with more extreme climatic conditions. The survey report indicates that the imports and sales of vehicles with MAC units based on HFO-1234yf are still negligible.

**IV. Stage I of the Kigali HFC implementation plan as submitted**Institutional, policy and regulatory framework

48. The NOU is part of the Department of Sustainable Development within the Ministry of Education, Sustainable Development, Innovation, Science, Technology and Vocational Training. The NOU is responsible for the implementation of all Montreal Protocol projects including KIP and has established the Montreal Protocol Technical Working Group comprising main stakeholders, to provide expert advice to and support the Department in implementing the Montreal Protocol including relevant legislations and regulations.

49. The Ministry of Commerce, specifically its Import Monitoring Unit, is responsible for the issuance of licenses for ODS including HCFCs, and HFCs, and for sending copies of licenses and reporting data to the NOU. There are 14 RAC importers who sell RAC equipment to end users. Additionally, the NOU database lists 48 refrigerant importers who both use and sell refrigerants to technicians and end users, though not all of them apply as registered importers in a given year.

50. The Customs and Excise Department, under the Ministry of Finance, Economic Development and the Youth Economy, supports the enforcement of refrigerant import and export regulations for all projects under the Montreal Protocol. There is a memorandum of cooperation on preventing and handling illegal trade between the Ministry of Education, Sustainable Development, Innovation, Science, Technology and Vocational Training, customs, Caribbean Customs Law Enforcement Agency, and the Marine Police Unit.

51. The National Climate Change Committee collaborates with the NOU on matters related to synergies between the Montreal Protocol and the United Nations Framework Convention on Climate Change. The NOU also works with the Climate Change Unit within the Department of Sustainable Development, Energy and Public Utilities Division within the Ministry of Infrastructure, Ports, Transport, Physical Development and Urban Renewal on, *inter alia*, issues related to energy efficiency.

52. The NOU cooperates with the National Air-Conditioning and Refrigeration Association (NARA) and two vocational schools, namely SALCC and Centre for Adolescent Renewal and Education (CARE), by identifying needs and providing training and equipment.

53. The Bureau of Standards is responsible for the development and enforcement of national standards, including labeling standards for substances controlled under the Montreal Protocol and energy efficiency standards for controlled equipment, and is expected to support the HFC phase-down.

54. The Labour Department is responsible for introducing provisions for the protection of technicians and others involved the handling, transportation and storage of flammable and/or toxic low-GWP alternatives.

#### Phase-down strategy for stage I of the Kigali HFC implementation plan

##### *Overarching strategy*

55. The primary focus of the strategy is achievement of the freeze and the 10 per cent reduction step by 2029, considering provisions of decision XXXV/16 of the Meeting of the Parties<sup>6</sup> as relevant. Given the complex challenges related to HFC phase-down, particularly the adoption of low-GWP refrigerants and their limited availability, the strategy focuses on the urgent need to upgrade the knowledge and capacity of technicians and training institutes, establish a mandatory certification of service technicians and engaging industry association to support the work of the NOU to catalyse adoption of low-GWP refrigerants. Further, for controlling and monitoring HFC supply, there is a need to further strengthen cooperation with customs on different aspects relating to HFC licensing and quota system and other controlling and monitoring issues.

##### *Proposed activities*

56. The different elements of the KIP for Saint Lucia with their cost breakdown are presented below:

- (a) *Policy and legislation:* Strengthen the licencing system; review and upgrade safety standards and codes and energy efficiency standards, including SLNS 47 and SLNS 43, to address labelling, storage and transportation of refrigerants; finalization of minimum energy performance standards; hire a consultant to review the Labour Act and discussions with relevant stakeholders to include in the Act provisions on safe working environments in the context of KIP and on the safe use of flammable/toxic refrigerants; development of health and safety procedures and protocols for RAC technicians; ban the import of HFC-134a-based domestic refrigerators by 2030 and energy efficiency programme review (UNEP) (US \$12,000);
- (b) *Customs capacity building:* Development of a mobile application linked to the e-licensing system for customs officers to handle refrigerant import; training of 60 customs officers on HFC phase-down; capacity building for importers and 12 customs brokers (including information product development, refresher training for importers and customs brokers); equipment procurement (one portable refrigerant identifier, consumables, spare parts, and protective equipment) (UNEP) (US \$23,000) and (UNIDO) (US \$7,000);
- (c) *Technicians capacity building and support to vocational schools:* Upgrade of training equipment in two vocational schools for the training of technicians on good service practices and safe servicing of equipment using low-GWP alternatives; one train-the-trainer's course for 10 lead instructors for professors of CARE and SALCC and for the representatives of NARA; upgrade of schools' curriculum and scholarship support for the new SALCC lecturer; training and certification of 60 technicians on good servicing practices; establishment of a national certification programme to make the certification of technicians mandatory; reorganization of NARA, including consultations, capacity

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<sup>6</sup> To address the impacts of the COVID-19 pandemic on HFC baseline consumption for certain Article 5 countries including Saint Lucia, the Meeting of the Parties *inter alia* decided that the Implementation Committee under the Non-Compliance Procedure of the Montreal Protocol should defer, until 2026 data becomes available, any consideration of compliance status with regard to control measures for consumption of Annex F substances on the understanding that the countries will continue to make every effort to comply with these control measures.



building and outreach, in order to actively reengage the association in project implementation (UNEP) (US \$22,000) and (UNIDO) (US \$ 44,000);

- (d) *Gender mainstreaming*: Public campaign to promote female technicians; one-day job fair (two shows under KIP); gender mainstreaming action plan development (UNEP) (US \$10,000); and
- (e) *Public education and awareness*: Lectures in schools, primary school material development, competitions and debates; dedicated website, general public awareness, targeted awareness to technicians and to suppliers and retailers (UNEP) (US \$15,000).

#### *Project implementation, coordination and monitoring*

57. With support from UNEP, all reporting and monitoring activities will be carried out by the NOU. Building on the experience under the HPMP, a consultant will be hired to conduct an independent review of project performance and monitoring and reporting. The total cost is US \$12,000.

#### *Gender policy implementation*

58. The Government of Saint Lucia is committed to implementing the Multilateral Fund's operational policy on gender mainstreaming during the KIP. The RAC servicing sector has not traditionally attracted female technicians. In the last years, in an attempt to increase female participation, the vocational schools have implemented a scholarship programme, including providing transportation for female students. However, the results have not been satisfactory.

59. The representatives of the vocational schools interviewed during KIP preparation indicated that the main challenge with attracting female students is the lack of employment opportunities after graduation. To overcome such a challenge, the KIP proposes two tailored activities with a focus on female students: a public campaign to promote female technicians and showcase their ability to perform servicing tasks; and a one-day job fair bringing together potential employees from servicing workshops with prospective female students.

60. In addition, the NOU will discuss internally with the relevant department at the Ministry of Education, Sustainable Development, Innovation, Science, Technology and Vocational Training, potential ways to promote female participation and based on this, a gender mainstreaming action plan will be developed with assistance from a consultant, and further reassessed throughout the KIP. Gender-disaggregated data would be collected and reported and based on feedback/inputs received from the implementation of the gender mainstreaming policy and other activities for promoting participation of women throughout project implementation, KIP activities would be adapted, and lessons learned would be reported as part of the progress reports.

#### *Coordination of activities in the servicing sector under HCFC phase-out and HFC phase-down plans*

61. Service sector activities under stage II of the HPMP and stage I of the KIP would be coordinated to maximise complementarity and avoid duplication. During HPMP implementation, a range of activities relating to training of RAC service technicians and support to training facilities would be carried out, including safe handling of flammable low-GWP refrigerants. During the KIP, activities will focus on training technicians in refrigeration applications and the MAC sector on minimising wastage of HFCs and safe adoption of low-GWP technologies. Further, under both the KIP and the HPMP, activities relating to awareness and information outreach would be designed in a holistic manner to maximise understanding of the different target audiences, including on the adoption of low-GWP energy efficient technologies; gender mainstreaming activities would also be implemented in a synergistic manner.

Total cost of stage I of the Kigali HFC implementation plan

62. The budget for stage I has been proposed at US \$145,000. The costs of activities in the refrigeration servicing sector have been proposed in line with decision 92/37.

63. The proposed activities and cost of stage I of the KIP are summarized in table 9.

**Table 9. Proposed cost of activities to be implemented in stage I of the KIP for Saint Lucia (US \$)**

<b>Particular</b>	<b>Implementing agency</b>	<b>Cost (US \$)</b>
Policy and legislation	UNEP	12,000
Customs capacity building	UNEP and UNIDO	30,000
Technicians capacity building and support to vocational schools	UNEP and UNIDO	66,000
Gender mainstreaming	UNEP	10,000
Public education and awareness	UNEP	15,000
Project implementation, coordination and monitoring	UNEP	12,000
<b>Total</b>		<b>145,000</b>

Implementation of the first tranche of stage I of the Kigali HFC implementation plan

64. The first funding tranche of stage I of the KIP, in the total amount of US \$70,000, will be implemented between July 2024 and March 2027 and will include the following activities:

- (a) *Policy and legislation*: Review safety standards and codes and energy efficiency standards to address labelling, storage and transportation of refrigerants (UNEP) (US \$5,000);
- (b) *Customs capacity building*: Development of a mobile application for customs officers for the handling of refrigerant import; training of 20 customs officers on HFC phase-down; capacity building for importers and six customs brokers; equipment procurement (UNEP) (US \$15,000) and (UNIDO) (US \$7,000);
- (c) *Technicians capacity building and support to vocational schools*: Equipment upgrade support to vocational schools; training and certification of 20 technicians on good servicing practices; reorganization of NARA (UNEP) (US \$6,500) and (UNIDO) (US \$20,000);
- (d) *Gender mainstreaming*: Social media posts, articles, local newspaper articles; one job fair (UNEP) (US \$2,500);
- (e) *Public education and awareness*: Education material development for primary schools; awareness website development on the KIP and alternatives to HFCs (UNEP) (US \$10,000); and
- (f) Project coordination and monitoring (UNEP) (US \$4,000).

## SECRETARIAT'S COMMENTS AND RECOMMENDATION

### V. Comments

#### Institutional, policy and regulatory framework

##### *HFC licensing and quota system*

65. The Government is currently implementing the HFC licensing system and preparing for the implementation of the HFC quota system, which is expected to be enforced by 16 September 2024. Various proposals are being revised including the proposal to allocate HFC quotas in metric tonnes and CO<sub>2</sub>-eq tonnes based on HFC consumption levels in the baseline years. Given the complexity of the situation, the Government wishes to follow a cautious approach to determine the best course of action to ensure compliance with the HFC consumption targets. In the interim period, it has been closely monitoring its HFC consumption. The Government emphasized that, as one of the Parties listed in decision XXXV/16 of the Meeting of the Parties, it is sensitive towards ensuring it remains compliant with its HFC phase-down commitments.

66. Regarding the reduction in dependence on HFC-134a-based domestic refrigerators, UNEP informed that the Government would continue to explore the possibility of establishing a ban on such equipment as soon as possible, based on availability of affordable domestic refrigerators using R-600a. In addition, the Government would also consider the possibility of providing incentives for cost-effective imports of these equipment to promote their adoption. It was agreed that during the submission of each tranche, UNEP would provide an update on the status of implementation of regulations relating to prohibition of HFC-134a-based domestic refrigerators. UNEP also informed that the Government would continue consultations with national stakeholders on the availability of low-GWP refrigerant-based stand-alone commercial refrigeration equipment; based on cost-effective availability, the Government would define future steps in reducing dependence on HFC-based stand-alone commercial refrigeration equipment.

#### Risk of non-compliance and flexibility provided by the Meeting of the Parties (decision XXXV/16)

67. As shown in table 5 above, HFC consumption in Saint Lucia decreased substantially in the baseline years of 2020-2021, and is expected to decrease through implementation of activities under the KIP. At the 35<sup>th</sup> Meeting of the Parties to the Montreal Protocol, the parties addressed the impact of the COVID-19 pandemic on the HFC baseline of countries that (a) have experienced demonstrated reductions in their respective levels of consumption of HFCs during the years 2020-2022, as compared to 2018-2019; (b) are expected to have calculated levels of consumption of HFCs in 2024 that exceed their respective calculated baselines; and (c) have expressed concern in writing to the Ozone Secretariat regarding the impact of the COVID-19 pandemic on their baselines. Accordingly, as mentioned above, decision XXXV/16 established *inter alia* that the Implementation Committee under the Non-Compliance Procedure of the Montreal Protocol should defer, until 2026 data becomes available, any consideration of compliance status with regard to control measures for consumption of HFCs for eight countries, including Saint Lucia, on the understanding that the countries will continue to make every effort to comply with these control measures.

68. The Secretariat notes that the Government of Saint Lucia intends to make every effort to comply with the Montreal Protocol control measures and that it has proposed in its KIP that its annual HFC consumption levels do not surpass the Montreal Protocol targets.

69. In light of decision XXXV/16, the Secretariat would seek guidance from the Executive Committee on the procedure to be followed if the HFC consumption level in any of the years 2024 to 2025 is above the Montreal Protocol target.

### Technical and cost-related issues

70. On the certification system, UNEP explained that the current certification programme, conducted by both the NOU and the Caribbean Vocational Qualification, is voluntary; the technicians who have taken up the certification programme, that includes theory and practical components, and have been certified are issued a certification identification card and only they can purchase refrigerants in the country; under stage I of the KIP, the existing certification programmes will be assessed and a mandatory certification programme would be developed.

### Total project cost

71. At the total cost of US \$145,000, stage I of the KIP for Saint Lucia will result in a reduction of 8,374 CO<sub>2</sub>-eq tonnes from the country's HFC consumption eligible for funding, as summarized in table 9 above.

72. Stage I of the KIP will be implemented in three tranches. The first tranche has been agreed as submitted based on the country's needs. The schedule of HFC phase-down and HCFC phase-out commitments and of the KIP and HPMP tranches is presented in annex II to the present document, while activities to be implemented under the HPMP and the KIP are listed in annex III.

### Co-financing

73. UNEP indicated that the Government of Saint Lucia will provide in-kind contributions in the form of office space, utilities, communication and secretarial support.

### 2024-2026 business plan of the Multilateral Fund

74. UNEP and UNIDO are requesting US \$145,000, plus agency support costs, for the implementation of stage I of the KIP for Saint Lucia. The total value of US \$79,100, including agency support costs, requested for the period of 2024–2026, is US \$10,283 above the amount in the business plan.

### Sustainability of the HFC phase-down and assessment of risks

75. The Government of Saint Lucia would continue to train RAC service technicians and strengthen the capacity of national training institutions on the safe adoption of HFC alternatives and minimising HFC consumption; the Government would closely monitor HFC imports through the licensing and quota system and continuously work with customs and enforcement authorities on HFC import monitoring and control. Awareness and outreach programmes under stage I of the KIP would not only publicise activities undertaken under stage I but also increase awareness among different end users on HFC alternatives. Activities to maximise women participation in different activities and continued reporting on gender-disaggregated data during the implementation of stage I would strengthen the country's capacity to implement the operational policy on gender mainstreaming. Further, HPMP activities would be implemented in a complementary manner with KIP activities, and this would ensure that low-GWP alternatives are adopted to the extent feasible while replacing HCFC-based equipment. Through a combination of the above activities after assessment of risks, the Government ensures sustainability of the HFC phase-down.

### Impact on the climate

76. The activities proposed, including adoption of good service practices that would reduce emission of HFCs, efforts to promote adoption of low-GWP alternatives, indicate that the implementation of stage I of the KIP will reduce HFC refrigerant emissions into the atmosphere, resulting in climate benefits. While the Secretariat is not able to provide an estimate of the avoided emissions from the implementation of the

KIP at the present meeting,<sup>7</sup> by 2029 Saint Lucia will have reduced its annual emissions by approximately 8,374 CO<sub>2</sub>-eq tonnes of HFCs, calculated as the difference between the HFC baseline for compliance and the 2029 target, assuming that all HFCs consumed would be eventually emitted.

#### Draft Agreement

77. A draft Agreement between the Government of Saint Lucia and the Executive Committee for stage I of the KIP has not been prepared as the Agreement template is still under consideration by the Executive Committee.

78. If the Executive Committee so wishes, the funds for stage I of the KIP for Saint Lucia could be approved in principle, and funds for the first tranche could be approved on the understanding that the Agreement would be prepared and presented at a future meeting, before the submission of the second tranche, and once the Agreement template has been approved.

### **VI. Recommendation**

79. The Executive Committee may wish to consider:

- (a) Approving, in principle, stage I of the Kigali HFC implementation plan (KIP) for Saint Lucia for the period 2024-2029 to reduce HFC consumption by 10 per cent of the country's baseline by 2029, in the amount of US \$163,850, consisting of US \$94,000, plus agency support costs of US \$12,220, for UNEP and US \$51,000, plus agency support costs of US \$6,630, for UNIDO, as reflected in the schedule contained in annex II to the present document;
- (b) Noting that:
  - (i) If the HFC consumption level for Saint Lucia in any of the years 2024 to 2025 was above the Montreal Protocol control limits or the maximum allowable consumption in the future Agreement between the Government of Saint Lucia and the Executive Committee, on the understanding that the Government of Saint Lucia would continue to make every effort to meet those control limits, the Secretariat would inform and seek guidance from the Executive Committee on the procedure to follow in light of decision XXXV/16;
  - (ii) UNEP and the Government of Saint Lucia will include an update on the status of development and enforcement of regulations to prohibit the import and sale of HFC-134a-based domestic refrigeration equipment as part of the request for the second tranche of stage I of the KIP;
- (c) Approving the first tranche of stage I of the KIP for Saint Lucia and the corresponding tranche implementation plan, in the amount of US \$79,100, consisting of US \$43,000, plus agency support costs of US \$5,590, for UNEP and US \$27,000, plus agency support costs of US \$3,510, for UNIDO; and
- (d) Requesting the Government of Saint Lucia, UNEP, UNIDO and the Secretariat to finalize the draft Agreement between the Government of Saint Lucia and the Executive Committee for the reduction in consumption of HFCs, including the information contained in the annex

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<sup>7</sup> As noted in document 94/14, the Secretariat was in the process of developing a methodology to estimate the avoided emissions from the implementation of HFC phase-down projects supported by the Multilateral Fund.

referred to in subparagraph (a) above, and to submit it to a future meeting once the KIP Agreement template has been approved by the Executive Committee.

Annex I

**TEXT TO BE INCLUDED IN THE AGREEMENT BETWEEN THE GOVERNMENT OF SAINT LUCIA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS IN ACCORDANCE WITH STAGE II OF THE HCFC PHASE-OUT MANAGEMENT PLAN**

(Relevant changes are in bold font for ease of reference)

**17. This updated Agreement supersedes the Agreement reached between the Government of Saint Lucia and the Executive Committee at the 87<sup>th</sup> meeting of the Executive Committee.**

Row	Particulars	2021	2022-2023	2024	2025-2026	2027	2028-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	0.71	0.71	0.71	0.35	0.35	0.35	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	0.71	0.53	0.53	0.35	0.35	0.35	0.00	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	81,000	0	<b>175,000</b>	0	78,000	0	54,000	<b>388,000</b>
2.2	Support costs for Lead IA (US \$)	10,530	0	<b>22,750</b>	0	10,140	0	7,020	<b>50,440</b>
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	83,000	0	<b>169,000</b>	0	0	0	0	<b>252,000</b>
2.4	Support costs for Cooperating IA (US \$)	7,470	0	<b>10,170</b>	0	0	0	0	<b>17,640</b>
3.1	Total agreed funding (US \$)	164,000	0	<b>344,000</b>	0	78,000	0	54,000	<b>640,000</b>
3.2	Total support costs (US \$)	18,000	0	<b>32,920</b>	0	10,140	0	7,020	<b>68,080</b>
3.3	Total agreed costs (US \$)	182,000	0	<b>376,920</b>	0	88,140	0	61,020	<b>708,080</b>
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)								0.71
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)								0.38
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)								0.00

## Annex II

**SCHEDULE OF HFC PHASE-DOWN AND HCFC PHASE-OUT COMMITMENTS AND FUNDING TRANCHES  
UNDER THE KIGALI HFC IMPLEMENTATION PLAN AND THE HCFC PHASE-OUT MANAGEMENT PLAN FOR SAINT LUCIA**

**Kigali HFC implementation plan (stage I)**

Row	Particulars	2024	2025-2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances (CO <sub>2</sub> -eq tonnes)	83,735	83,735	83,735	83,735	75,362	n/a
1.2	Maximum allowable total consumption of Annex F substances (CO <sub>2</sub> -eq tonnes)	83,735	83,735	83,735	83,735	75,362	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	43,000	0	38,000	0	13,000	94,000
2.2	Support costs for Lead IA (US \$)	5,590	0	4,940	0	1,690	12,220
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	27,000	0	24,000	0	0	51,000
2.4	Support costs for Cooperating IA (US \$)	3,510	0	3,120	0	0	6,630
3.1	Total agreed funding (US \$)	70,000	0	62,000	0	13,000	145,000
3.2	Total support costs (US \$)	9,100	0	8,060	0	1,690	18,850
3.3	Total agreed costs (US \$)	79,100	0	70,060	0	14,690	163,850

**HCFC phase-out management plan (stage II)**

Row	Particulars	2021	2024	2025-2026	2027	2028-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	0.71	0.71	0.35	0.35	0.35	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	0.71	0.53	0.35	0.35	0.35	0.00	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	81,000	105,000	0	78,000	0	54,000	318,000
2.2	Support costs for Lead IA (US \$)	10,530	13,650	0	10,140	0	7,020	41,340
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	83,000	139,000	0	0	0	0	222,000
2.4	Support costs for Cooperating IA (US \$)	7,470	12,510	0	0	0	0	19,980
3.1	Total agreed funding (US \$)	164,000	244,000	0	78,000	0	54,000	540,000
3.2	Total support costs (US \$)	18,000	26,160	0	10,140	0	7,020	61,320
3.3	Total agreed costs (US \$)	182,000	270,160	0	88,140	0	61,020	601,320



## Annex III

**SIMULTANEOUS IMPLEMENTATION OF THE HCFC PHASE-OUT MANAGEMENT PLAN  
AND THE KIGALI HFC IMPLEMENTATION PLAN IN SAINT LUCIA**

Category of activity	HPMP – stage II		KIP – stage I		HPMP+KIP combined cost (US \$)
	Activity	Cost (US \$)	Activity	Cost (US \$)	
Support for associations			Reorganization of NARA	5,000	5,000
Provision of tools/support to vocational schools	Procurement and distribution of equipment and tools to training institutions for training on good refrigeration servicing practices and safe handling of flammable low-GWP refrigerants	153,000	Equipment upgrade to support transition to low-GWP alternatives; upgrade of schools' curriculum; scholarship co-financing for the new SALCC lecturer	49,000	202,000
Training of refrigeration technicians	Four training workshops and certification of 60 RAC service technicians on good servicing practices to reduce demand for virgin ODS; review and update of training curriculum; development of a guide on good servicing practices	80,200	Training of 60 technicians on low-GWP alternatives; establishment of mandatory national certification	12,000	92,200
Establishment of a reclamation centre	Acquisition of equipment and tools (e.g., reclamation unit, recovery machines, recovery refrigerant cylinders); recruitment of an international expert; delivery, installation, commissioning and training; consumables and operations	69,000			69,000
Strengthening of licensing	Strengthening of the policy, regulatory and institutional framework on imports of HCFCs and low-GWP refrigerants including implementing the recommendations of the verification report of stage I; stakeholders' consultations and workshop on regulations relating to import/export of HCFCs and additional measures for strengthening the HCFC licensing/quota system	15,000	Strengthening of the licencing system (mid-term review and upgrade of the licensing system); development and upgrade of safety standards and codes and energy efficiency standards; import restrictions and incentives (including a ban on the import of domestic refrigerators based on HFC-134a by 2030)	12,000	27,000

Category of activity	HPMP – stage II		KIP – stage I		HPMP+KIP combined cost (US \$)
	Activity	Cost (US \$)	Activity	Cost (US \$)	
Training of customs officers	Training of 270 customs officers on HCFC import/export monitoring and control regulations, and prevention of illegal trade; review and update of the customs desk book; printings of the customs poster and quick tool	46,000	Training of 60 customs officers on import of HFCs and alternatives; mobile app development; refresher training for importers and training of 12 customs brokers; procurement of identifiers and protective tools	30,000	76,000
Awareness	Awareness outreach programmes and design and distribution of publicity materials about emerging technology options to reduce HCFC consumption, environmental benefits of HCFC phase-out, including energy efficiency opportunities, health and safety issues	128,000	Educational activities for schools, website development for awareness raising, targeted awareness to technicians, equipment suppliers and retailers	15,000	143,000
Gender mainstreaming			Public campaign to promote female technicians, two one-day job fairs and gender action plan development	10,000	10,000
Coordination and monitoring	Reparation of detailed work plan and periodic progress and financial reports	48,800	Preparation of report, consultant to perform independent project review	12,000	60,800
<b>Total</b>		<b>540,000</b>		<b>145,000</b>	<b>685,000</b>
<b>Percentage of total (%)</b>		<b>78.8</b>		<b>21.2</b>	<b>100</b>