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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Forty first Meeting
Montreal, 17 -19 December 2003

COUNTRY PROGRAMME: COLOMBIA

This document consists of:

- Comments and Recommendations of the Fund Secretariat
- Letter from the Government of Colombia
- Country Programme (Executive Summary)

COLOMBIA COUNTRY PROGRAMME UPDATE

1. The Government of Colombia submitted to the 41st Meeting of the Executive Committee the Colombia country programme update, prepared with the assistance from UNDP for whom US \$30,000 was approved at the 36th Meeting.

ODS phase out projects approved for funding

2. So far, the Executive Committee has approved 59 ODS projects and activities for Colombia at a total cost of US \$15,013,871, to phase out 1,053.5 ODP tonnes of ODSs. As of December 2002, a total of 770.3 ODP tonnes have been phased out and US \$11,026,457 has been disbursed. Annex I provides a list of Multilateral Fund projects and activities approved for Colombia.

ODS consumption

3. The ODS baselines for compliance in Colombia and allowable ODS consumption for 2005-2015 are as follows:

Allowable consumption (ODP tonnes)	CFC	Halon	MB	CTC	TCA
Baseline consumption	2,208.2	187.7	110.1*	6.1**	0.6**
2005	1,104.1	93.8	88.1	0.9	0.4
2007	331.2	93.8	88.1	0.9	0.4
2010	0	0	88.1	0	0.4
2015	0	0	0	0	0

*1995-1998 baseline

**1998-2000 baseline

4. In 2002, the consumption of Annex A and Annex B controlled substances reported by the Government of Colombia to the Ozone Secretariat was 1,042.36 ODP tonnes distributed as follows: 1,037.04 ODP tonnes of CFCs, 4.4 ODP tonnes of halons and 0.92 ODP tonnes of CTC. CFC consumption is distributed among the foam sector (142.4 ODP tonnes), the refrigeration sector (883.4 ODP tonnes), and the solvents sector (11.3 ODP tonnes). There is no consumption of methyl bromide (MB), since it has been phased out without assistance from the Multilateral Fund.

Policy measures

5. The Government of Colombia has developed the following legal instruments:

- (a) Resolution 526 (March 1989), by the Superintendence of Industry and Commerce, establishing the technical norm for aerosol packaging. This resolution (Article 4) banned the use of CFCs in aerosols;
- (b) Law 30 (1990) through which the Vienna Convention was adopted;
- (c) Law 29 (1992) through which the Montreal Protocol and the London amendment

were ratified;

- (d) Resolution 2152 (1996) by the Ministry of Health, banning the import, production and distribution of methyl bromide (MB), allowing its use only for quarantine applications;
- (e) Resolution 528 (1997) by the Ministry of Environment banning the production of domestic refrigeration equipment that contain CFCs, and the requisites for import of these equipment;
- (f) Resolution 3526 (1997) by the Ministry of Foreign Trade, establishing customs codes for import of domestic refrigeration equipment;
- (g) Law 488 (1998), issued by Congress establishing tax exemptions for equipment funded from the Multilateral Fund, establishing tax exemptions on occasional profit generated by the transfer of ownership of equipment to enterprises converted to non-CFC technology and beneficiaries of Multilateral Fund assisted projects;
- (h) Resolution 304 (2000) by the Ministry of Foreign Affairs establishing annual quotas for CFC imports, an import licensing system, and sanctions for non-compliance;
- (i) Resolution 1776 (2000), by the Ministry of Foreign Trade assigning separate customs codes for ODSs; and
- (j) Decree 1753 (1994) and Decree 1180 (2003) regulating the environmental licensing for the different productive sectors in the country. For ODSs, license to produce or import ODSs is required only for importers that started activities after 1993.

Unfunded CFC consumption

6. The Government of Colombia opted for Option 1 (1,456.9 ODP tonnes) as the starting point to determine the remaining CFC consumption eligible for funding, as adopted by the Executive Committee under Decision 35/57. Since the 35th Meeting, the Executive Committee has approved for funding an additional phase-out of 161.4 ODP tonnes of CFCs, resulting in a remaining unfunded CFC consumption of 1,295.5 ODP tonnes.

Projects submitted to the 41st Meeting

7. The Government of Colombia has submitted to the 41st Meeting a national phase-out plan (NPP) for Annex A (Groups I and II), to phase out a total consumption of 801.5 ODP tonnes of CFCs and 4.4 ODP tonnes of halons. The Fund Secretariat's comments and recommendations of the above projects could be found in document UNEP/OzL.Pro/ExCom/41/29.

SECRETARIAT'S COMMENTS AND RECOMMENDATIONS

COMMENTS

8. During the review of the Colombia country programme update, the Secretariat noted the thorough analysis of the remaining consumption of ODSs undertaken by the Government of Colombia with the assistance of UNDP. The Secretariat also noted that the 2002 consumption of each ODS as reported by the Government of Colombia under Article 7, is below the respective baselines for compliance.

9. The remaining consumption of CFCs eligible for funding (as at the 41st Meeting of the Executive Committee) is 1,295.5 ODP tonnes. However, based on the survey conducted for the preparation of the country programme update, the Government of Colombia estimated that the total CFC consumption currently used in the country and that has not been funded for phase out is 801.5 ODP tonnes. On the basis of this consumption, the Government of Colombia prepared the national phase out plan.

RECOMMENDATIONS

10. The Fund Secretariat recommends approval of the Colombia country programme update, noting that approval of the country programme does not denote approval of the projects identified therein or their funding levels.

Annex I
List of projects and activities approved by the Executive Committee for Colombia

Projects and activities	Agency	ODP funded	ODP phased out	US\$ approved	US\$ disbursed
Foam sector					
Elimination of CFC-11 in the manufacture of rigid polyurethane foam through the use of HCFC-141b technology at Rojas Hnos., Ltda.	IBRD	8.2	8.2	72,553	72,553
Preparation of a terminal programme in the foam sector	UNDP	-	-	28,250	19,698
Retroactive funding for the conversion from CFC-11 to water-based technology in the manufacture of flexible molded and integral skin foam at Espumlatex-Promicolda	UNDP	11.5	12.0	86,941	86,942
Conversion from CFC-11 to HCFC-141b and water based technology in the manufacture of various polyurethane foam applications at Olaflex with a technical assistance programme covering 10 small customers	UNDP	15.0	15.0	216,771	215,223
Preparation of a project in the rigid foam subsector	UNDP	-	-	16,950	13,935
Phase out of CFC-11 by conversion to HCFC-141b technology in the manufacture of rigid polyurethane foam at 29 Colombian enterprises	IBRD	56.6	-	659,047	70,438
Conversion from CFC-11 to HCFC-141b technology in the manufacture of rigid polyurethane foam at Dinalsa	UNDP	10.0	10.0	88,846	78,566
Terminal umbrella project for phase out of the use of CFC-11 in the manufacture of polyurethane foam	UNDP	123.2	-	942,589	-
Conversion from CFC-11 to HCFC-141b technology in the manufacture of rigid polyurethane foam (panels and sprayfoam) at Manilit, S.A.	UNDP	15.4	15.0	70,320	71,338
Project preparation in the rigid polyurethane foam sector	UNDP	-	-	16,950	14,966
Elimination of CFC-11 in the manufacture of rigid polyurethane foam through the use of HCFC-22 technology at Master Cooler and Cia Ltd.	IBRD	-	-	0	-
Elimination of CFC in manufacture of rigid polyurethane foam through the use of HCFC-141b technology at Indufrio	IBRD	9.6	-	85,369	15,820
Elimination of CFC-11 in manufacture of rigid polyurethane foam through the use of HCFC-141b technology at Friotermica S.A.	IBRD	8.6	8.6	76,092	76,092
Elimination of CFC-11 in the manufacture of rigid polyurethane foam through the use of HCFC-141b technology at Daniel J. Fernandez and Cia. Ltd.	IBRD	22.2	22.2	196,419	196,419
Project preparation for 2 projects in the foam sector	UNDP	-	-	28,250	28,250
Elimination of the use of CFC in the polystyrene foam sector at Industria Nacional de Desechables (Inaldes)	UNDP	-	-	8,187	8,187

Projects and activities	Agency	ODP funded	ODP phased out	US\$ approved	US\$ disbursed
Elimination of the use of CFC in the polystyrene foam sector at Manufacturas Ajoer Ltda.	UNDP	190.0	190.0	756,055	756,055
Conversion from CFC-11 to HCFC-141b technology in the manufacture of rigid polyurethane foam at Industrias Refridcol, Ltda.	UNDP	15.0	15.0	132,718	116,918
Conversion from CFC-11 to HCFC-141b and water based technology in the manufacture of various polyurethane foam applications at 25 small enterprises centered around their systems house Espumlatex	UNDP	38.4	-	376,028	91,038
Fumigant sector					
Alternatives to the use of methyl bromide in banana growing at Cenibanano	UNIDO	-	-	139,216	132,022
Project formulation of investment projects in the methyl bromide sector	UNIDO	-	-	7,426	7,426
Refrigeration sector					
Project preparation in the commercial refrigeration sector	IBRD	-	-	101,700	101,700
Training programme for customs officers	Canada	-	-	119,949	-
Conversion of CFC-12 to HFC-134a technology in the production of MAC systems at Thermo-coil, Calaires, Auto Aires, and Servi Aires	IBRD	-	-	1,518,098	349,544
Technical assistance for RMP survey and preparation	UNDP	-	-	45,200	31,400
Project preparation in MACs and compressors project category	IBRD	-	-	28,250	28,250
Preparation of projects in the commercial refrigeration subsector	IBRD	-	-	22,600	22,600
Replacement of CFC-11 foam blowing agent with HCFC-141b and CFC-12 refrigerant with HFC-134a in the manufacture of commercial refrigerators and polyurethane sandwich panels at Polares Ltda.	IBRD	4.6	4.6	65,663	65,663
MAC emissions reduction demonstration programme	USA	11.5	12.0	120,000	120,000
Elimination of CFC-11 and CFC-12 in the manufacture of commercial refrigeration equipment at Refrigeracion Supernordico Ltda.	UNDP	10.8	11.0	183,625	182,220
Elimination of CFC-11 and CFC-12 in the manufacture of domestic refrigerators at Unilemh Ltd. (Challenger)	UNDP	17.0	17.0	173,782	173,782
Training programme in good practices in refrigeration	UNEP	-	-	168,483	124,300
Implementation of a national programme for recovery and recycling of refrigerant	UNDP	111.0	111.0	879,914	889,338
Elimination of CFC in the manufacture of domestic refrigerators at Corporacion de Electrodomesticos, S.A. (Corelsa)	UNDP	22.0	22.0	776,684	776,684
Replacement of CFC-11 foam blowing agent with HCFC-141b and CFC-12 refrigerant with HFC-134a in the manufacture of commercial	IBRD	9.6	9.7	145,071	145,071

Projects and activities	Agency	ODP funded	ODP phased out	US\$ approved	US\$ disbursed
refrigerators and polyurethane sandwich panels at Industrias Supernórdico					
Elimination of CFC-11 and CFC-12 in the manufacture of unitary commercial refrigeration equipment at Industrias Westell Ltd.	UNDP	20.0	20.0	257,190	257,191
Conversion of CFC-12 to HFC-134a compressors at Compresores Andinos, S.A.	UNDP	-	-	328,006	328,007
Elimination of CFC in the manufacture of domestic refrigerators at Icasa, S.A.	UNDP	72.0	72.0	1,189,389	1,189,389
Elimination of CFC in the manufacture of domestic refrigerators at Industrias Haceb, S.A.	UNDP	69.0	69.0	1,181,682	1,181,682
Elimination of CFC in the manufacture of domestic refrigerators at Polarix Electrodomesticos, S.A.	UNDP	63.0	63.0	722,768	722,768
Elimination of CFC-11 and CFC-12 in the manufacture of unitary commercial refrigeration equipment at Friomix, S.A.	UNDP	10.0	10.0	12,595	829
Elimination of CFC-11 and CFC-12 in the manufacture of unitary commercial refrigeration equipment at Industrias Wonder S.A.	UNDP	7.0	7.0	283,986	283,988
Project preparation in the commercial refrigeration sector	UNDP	-	-	28,250	1,618
Elimination of CFC-11 and CFC-12 in the manufacture of unitary commercial refrigeration equipment at Industrial Colombia S.A. (Inducol)	UNDP	16.0	16.0	389,926	389,925
Umbrella project designed to phase out of the refrigerant CFC-12 by conversion to HFC-134a and replacement of the blowing agent CFC-11 by HCFC-141b in the manufacture of commercial refrigeration systems in 17 enterprises	IBRD	25.8	-	239,149	-
Elimination of CFC 11 and 12 in the manufacture of unitary commercial refrigeration equipment at Industrias de Refrigeracion Comercial S.A. (Indufrial)	UNDP	30.0	30.0	490,169	490,169
Solven sector					
Project preparation in the CTC solvent sector	IBRD	-	-	22,600	9,040
Replacement of CFC-113 as solvent in the silicone coating process of needles and catheters at Laboratorios Rymco	IBRD	7.6	-	92,184	55,370
Severall sector					
Project preparation assistance	UNDP	-	-	113,000	113,000
Project preparation assistance	UNDP	-	-	33,900	33,900
Project preparation assistance	UNDP	-	-	31,640	31,640
Project preparation identification	IBRD	-	-	16,950	16,950
Renewal of institutional strengthening project for the phaseout of ozone depleting substances	UNDP	-	-	239,560	239,560
Preparation of projects in the foam, commercial refrigeration and solvent sectors	IBRD	-	-	42,940	42,940
Country programme preparation	UNDP	-	-	-	-
Country programme update	UNDP	-	-	33,900	2,436
Institutional strengthening for implementation of	UNDP	-	-	359,103	359,103

Projects and activities	Agency	ODP funded	ODP phased out	US\$ approved	US\$ disbursed
the Montreal Protocol in Colombia					
Renewal of the institutional strengthening (phase 4)	UNDP	22.8	-	311,428	-
Renewal of institutional strengthening: phase 3	UNDP	-	-	239,560	194,511
Total		1,053.4	770.3	15,013,871	11,026,458



Ministerio de Ambiente, Vivienda y Desarrollo Territorial
Despacho del Viceministro de Ambiente
República de Colombia

Bogotá, D.C., Colombia

Doctor
OMAR EL - ARINI
Jefe
Secretaría Fondo Multilateral
Protocolo de Montreal
Montreal, Canada

Apreciado Doctor El-Arini:

En nombre del gobierno colombiano, autorizo al Programa de Naciones Unidas para el Desarrollo (PNUD), como agencia de ejecución, a someter la Actualización del Programa País y Plan Nacional de Eliminación de Sustancias del Anexo A Grupos I y II (PNE) de Colombia, para la consideración en la reunión 41 del Comité Ejecutivo que tendrá lugar en Montreal el próximo mes de diciembre.

Colombia ha preparado detalladamente la Actualización de Programa País, y con base en ésta, su Plan Nacional de Eliminación de Sustancias del Anexo A Grupos I y II (PNE) que permitirá el cumplimiento del país con las metas de eliminación de estas sustancias, programadas para los años 2005, 2007 y 2010.

Para el desarrollo de este trabajo, Colombia contó con el apoyo del PNUD como agencia de ejecución y con un riguroso plan de trabajo coordinado por los profesionales de la Unidad Técnica Ozono, con la participación de funcionarios de otras entidades del estado, técnicos y gremios de los diferentes sectores, así como algunas de las principales universidades. Igualmente se hicieron consultorías en los diferentes sectores consumidores de SAO, obteniendo como producto final un conocimiento detallado de la situación nacional en el uso y consumo de dichas sustancias.

A partir de estos resultados, se ha elaborado nuestro PNE, el cual estamos presentando a su consideración, optimistas de su aprobación en la reunión 41 del Comité Ejecutivo el próximo mes de diciembre.

Agradecemos la atención y valiosa guía del Secretariado y su equipo de trabajo mediante la revisión de este proyecto y quedamos en espera de su amable respuesta.

Cordialmente,



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Director de Proyecto

C.C. Dra. Suely Carvalho
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UTO/Jsánchez

EXECUTIVE SUMMARY

This document presents the Update of the "Country Programme for the Phase Out of Ozone Depleting Substances" for Colombia. It has the objective of determining the country's situation with regard to ODS consumption and establishing the future strategy and course of action needed to ensure compliance with the Montreal Protocol obligations. This future course of action is laid out in the National Phase Out Plan for Annex A (Group I and II) Substances, also included in this document.

The "National Phase Out Plan for Annex A (Group I and II) Substances" (NPP) for Colombia establishes the strategy and action plan for total elimination of CFC and halons consumption in Colombia in order to enable the country to maintain compliance with the 2005 Montreal Protocol CFC reduction obligation, and further comply with the 2007 and 2010 Montreal Protocol reduction obligations concerning CFCs and halons. After approval of the NPP by the Executive Committee, the country will not request any further funding for the CFC and halons sectors.

Colombia's reported consumption of Annex A and Annex B controlled substances for year 2002 was 1,042.36 ODP tonnes distributed as follows: 1,037.04 ODP tonnes of Annex A CFCs, 4.4 ODP tonnes of halons and .92 ODP tonnes of CTC. CFC consumption is distributed among the foam sector (142.39 ODP tonnes), the refrigeration sector (883.38 ODP tonnes), and the solvents sector (11.27 ODP tonnes). There is no consumption of Methyl Bromide (Annex E) in Colombia, as its use was phased out without assistance from the MF.

The Country Programme for the Phase out of ODS (CP) in Colombia was approved by the Executive Committee of the Multilateral Fund at its 12th Meeting in March 1994. Since then, the Ozone Technical Unit (UTO) within the Ministry of Environment, co-sponsored by the Institutional Strengthening Project, has managed its implementation.

The implementation of the CP in Colombia has been very successful and has enabled the country to be in compliance with the 1999 CFC freeze obligation, and even with the 2005 CFC reduction obligation, well in advance of the required date. The country is also in compliance with the 2002 halons freeze obligation and even with the 2005 halon reduction obligation, also in advance of the required date. Colombia has also achieved total phase out of MB and TCA and is already in compliance with the 2005 CTC reduction obligation.

Furthermore, all projects approved and completed under the MF for Colombia, account for a direct reduction of only 761.64 ODP tonnes of CFC, while total CFC reduction since 1992 until year 2002 amounts to approximately 1,181.24 ODP tonnes, or 53.12% of the total. In all sectors and sub-sectors, except one, the actual reduction has been greater than expected.

In order to ensure its compliance with future MP obligations, the Government of Colombia has developed, within the NPP, a compliance strategy and action plan. The strategy intends to continue, and complement its well-tested approach for implementation of the original Country Programme, which will be based on five building blocks:

- Control of supply of goods and services that use ODSs within the country, through direct technical and financial assistance to the national ODS consuming industry in order to facilitate its technological change,
- Control of demand of goods and services that use ODSs, through awareness raising of the general ODS consuming general public and industry, in order to promote changes in ODS consumption patterns,
- Regulation of import, distribution, commercialization and use of ODSs through the appropriate legal framework, in order to promote and uphold technological change,

- Promotion of an alternate market of converted equipment and recovery and recycling of refrigerants, and
- Regular and continuous monitoring and control of the activities proposed under the strategy, in order to ensure the desired results.

The National Phase Out Plan for Annex A (Group I and II) Substances to implement the above strategy will be composed of five separate action plans and their corresponding projects as follows:

- Action Plan for the Refrigeration Equipment Manufacturing Sector
 - Terminal Phase out of CFC's in the Commercial Refrigeration Manufacturing Sector
- Action Plan for the Refrigeration End User Sector
 - Incentive Programme for Centrifugal Chillers End-User Sector
 - Incentive Programme for Commercial Refrigeration End-User Sector
- Action Plan for the Refrigeration Servicing Sector
 - Technician-licensing programme for the Refrigeration and Air Conditioning Service Sector
- Action Plan for Technical Assistance (T.A.)
 - T.A. for Strengthening of Legal Framework
 - T.A. for Information and Awareness
 - T.A. for Implementation and Monitoring
- Action Plan for the halon sector

1. The National Halon Bank Management Programme (HBMP).

The table below summarizes the highlights of the projects.

<i>Project</i>	<i>Impact (ODP t.)</i>	<i>Length (Years)</i>	<i>Time frame</i>	<i>Funds requested (US\$)</i>
Refrigeration equipment manufacturing	45.00			
Terminal Phase out Of CFC's In the CRM Sector		2	2004-2005	638,820
Refrigeration equipment servicing	619.45			
Technician-licensing for the RAC Service Sector		5	2004-2008	3,152,300
Incentive for Centrifugal Chillers End-User Sector		4	2006-2009	500,000
Incentive for CR End-User Sector		6	2004-2009	1,310,000
Technical Assistance	137.00			
T.A. for Legal Framework		4	2004-2007	142,000
T.A. for Information and Awareness		7	2004-2010	320,000
T.A. for Implementation and monitoring		7	2004-2010	800,000
Halons sector	4.40			
Halon Bank Management Programme		4	2004-2007	58,000
TOTAL	805.85			6,921,120.00

The total funds being requested under this Country Programme Update are US\$ 6,921,120.