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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
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Montreal, 26-30 May 2025
Item 9(c) of the provisional agenda[1]

PROJECT PROPOSAL: HONDURAS

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

Phase-out

• HCFC phase-out management plan (stage II, third tranche)	UNIDO and UNEP	Blanket approval

[1] UNEP/OzL.Pro/ExCom/96/1

PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS

Honduras

(I) PROJECT TITLE	AGENCY	MEETING APPROVED	CONTROL MEASURE
HCFC phase-out plan (stage II)	UNIDO (lead), UNEP	86th	100% phase-out by 2030

(II) LATEST ARTICLE 7 DATA (Annex C, Group I)	Year: 2023	6.16 ODP tonnes

(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					6.16				6.16

(IV) CONSUMPTION DATA (ODP tonnes)			
2009–2010 baseline:	19.90	Starting point for sustained aggregate reductions:	20.70
CONSUMPTION ELIGIBLE FOR FUNDING			
Already approved:	20.70	Remaining:	0.00

(V) ENDORSED BUSINESS PLAN		2025	2026	2027	Total
UNIDO	ODS phase-out (ODP tonnes)	2.71	0.00	1.43	4.14
	Funding (US $)	319,395	0	167,990	487,385
UNEP	ODS phase-out (ODP tonnes)	0.33	0.00	0.39	0.72
	Funding (US $)	41,245	0	48,590	89,835

(VI) PROJECT DATA			2020	2021	2022	2023	2024	2025	2026	2027	2028-2029	2030	Total
Montreal Protocol consumption limits (ODP tonnes)			12.94	12.94	12.94	12.94	12.94	6.47	6.47	6.47	6.47	0.00	n/a
Maximum allowable consumption (ODP tonnes)			12.94	12.94	9.91	9.91	9.91	6.47	6.47	6.47	2.70	0.00	n/a
Funding agreed in principle (US $)	UNIDO	Project costs	197,000	0	0	244,500	0	298,500	0	157,000	0	177,500	1,074,500
		Support costs	13,790	0	0	17,115	0	20,895	0	10,990	0	12,425	75,215
	UNEP	Project costs	26,500	0	0	76,500	0	36,500	0	43,000	0	33,000	215,500
		Support costs	3,445	0	0	9,945	0	4,745	0	5,590	0	4,290	28,015
Funds approved by ExCom (US $)		Project costs	223,500	0	0	321,000	0	0	0	0	0	0	544,500
		Support costs	17,235	0	0	27,060	0	0	0	0	0	0	44,295
Total funds recommended for approval at this meeting (US $)		Project costs						335,000					335,000
		Support costs						25,640					25,640

Secretariat's recommendation:	Blanket approval

PROJECT DESCRIPTION

1. On behalf of the Government of Honduras, UNIDO as the lead implementing agency has submitted a request for funding for the third tranche of stage II of the HCFC phase-out management plan (HPMP), at a total cost of US $360,640, consisting of US $298,500, plus agency support costs of US $20,895, for UNIDO and US $36,500, plus agency support costs of US $4,745, for UNEP.[2] The submission includes a progress report on the implementation of the second tranche, and the tranche implementation plan for 2025 to 2027.

Report on HCFC consumption

2. The Government of Honduras reported a consumption of 6.16 ODP tonnes of HCFCs in 2023, which is 69.0 per cent below the country's HCFC baseline for compliance. The Article 7 and country programme (CP) data for 2024 have not been reported yet. The 2020-2023 HCFC consumption is shown in table 1.

Table 1. HCFC consumption in Honduras (2020-2023 Article 7 data)

HCFC-22	2020	2021	2022	2023	Baseline*
Metric tonnes (mt)	134.46	61.21	61.21	111.92	327.40
ODP tonnes	7.40	3.37	3.37	6.16	19.90

* Baseline comprises 18.00 ODP tonnes of HCFC-22 and 1.90 ODP tonnes of HCFC-141b.

3. HCFC-22 is imported into Honduras only to service refrigeration and air-conditioning (RAC) equipment. Consumption has been generally decreasing due to activities of the HPMP; a steep decline was experienced in 2021 and 2022 due to the impact of the COVID-19 pandemic, followed by an increase in 2023 as economic activity resumed and pandemic restrictions were lifted. Imports of HCFC-141b pure and contained in pre-blended polyols have been banned since January 2017.

Country programme implementation report

4. The Government of Honduras reported HCFC sector consumption data under the 2023 CP implementation report that is consistent with the data reported under Article 7 of the Montreal Protocol.

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

Legal framework

5. The Government of Honduras ratified the Kigali Amendment to the Montreal Protocol on 29 January 2019. The General Regulation on the use of ODS (Executive Agreement 006-2012) makes it mandatory to obtain import and export licences for substances controlled by the Montreal Protocol, including HFCs, and to report the information on the imports and sales of HCFCs, HFCs and their alternatives.

6. Under the second tranche, to strengthen the regulatory framework, the General Regulation on the use of ODS was reviewed and updates were issued by the national ozone unit (NOU) through official circular UTOH-001-2024, which outlines import restrictions on used HCFC-22-based RAC equipment. Regulations were drafted to strengthen the final disposal process of RAC equipment and substances; guidelines were developed and implemented on the proper handling and disposal of used oil, HCFC-based foams, and refrigerants coming from RAC equipment; and discussions were held on the development of guidelines on the recovery and disposal of cyclopentane-based and HCFC-based foams as well as CFC,

[2] As per the letter of 28 February 2025 from the Ministry of Natural Resources and the Environment of Honduras to UNIDO.

HCFC and HFC refrigerants. Discussions with stakeholders also took place to address the technician certification programme, development of a refrigerant collection centre, and enforcement of regulations related to the management of refrigerants.

7. To strengthen the national capacity of customs and trade control, a workshop was held to train 24 customs agents (including 12 women) on the tariff classification of substances controlled by the Montreal Protocol and on laboratory and risk systems, as well as a workshop to train 28 customs agents (including 13 women) on regulations governing the control of substances and RAC equipment under the Montreal Protocol and the Kigali Amendment; and four training sessions were held to train 166 customs and enforcement officers, brokers and importers (including 55 women) on ODS import control. At least two meetings per year continued to be held with the customs administration to strengthen NOU processes under the Montreal Protocol, and inspections took place at importers and main customs agencies.

Refrigeration servicing sector

8. The following activities have been implemented in the refrigeration servicing sector under the second tranche:

(a) *Capacity-building through technician training and certification:* Two workshops were held to train 20 trainers and 40 RAC technicians (including six women) on good refrigeration servicing practices and the safe handling of flammable refrigerants, and two representatives from the NOU attended a conference to participate in discussions related to energy efficiency, low-impact alternative refrigerants and the implementation of the Kigali Amendment. Progress on the certification programme and the labour competency standard includes the development of a standardized 32-hour training curriculum on good refrigeration practices and low-global-warming-potential (GWP) technologies, whose completion is mandatory before undertaking assessments on labour competencies; development of the Honduran occupational competency Standard on Good Practices in Refrigeration and Air-Conditioning, which was endorsed by the National Institute of Vocational Training (INFOP) as the basis for assessing RAC technicians under the national certification framework; and promotion of the programme through meetings with the RAC association;

(b) *Adoption of safety codes and technical procedures for flammable and low-GWP refrigerants:* Two workshops were held to train an additional 114 RAC technicians (including 24 women) on the safe handling of flammable refrigerants and good servicing practices with hydrocarbons (HCs), with further trainings planned in 2025 to train at least 36 technicians; RAC training laboratories in 10 vocational institutes and technical schools were upgraded with toolkits[3] for the safe handling of HC refrigerants; and a specialized HC training centre was established within INFOP with the provision of an extra tool kit (two in total) and two commercial HC-based freezers, as well as safety updates to the facility, expected to be operational in 2025;

(c) *Improvements to the refrigerant recovery, recycling and reclamation (RRR) network:* A workshop was held at an engineering college for 40 RAC technicians (including five women) to demonstrate refrigerant reclamation using specialized equipment; seven awareness-raising meetings took place to promote RRR practices and discuss recovery operational challenges and sustainable models for the RRR network centres; annual meetings to follow up on the implementation of activities were held with a total of 50 participants comprising the RAC association and relevant stakeholders; a waste

[3] Each kit contained an electronic scale, digital vacuum gauge, vacuum pump, ammeter clamp, thermometer, pressure gauges, and personal protection equipment.

management enterprise was certified to oversee reception and processing of residual refrigerants and RAC equipment, and will also manage waste from large enterprises; and a business model was developed to support the long-term sustainability of the RRR network;

(d) *Technical assistance to RAC end users:* A "Zero Leaks" pilot project was carried out at a large refrigerant user,[4] which included conducting an assessment of RAC equipment and refrigerant usage, creating an inventory of units, advising on refrigerant leak prevention measures, developing a plan to replace 35 air-conditioning units from HCFC-22 to R-290, and formulating a disposal strategy for decommissioned RAC units; inspections took place at end users' to ensure compliance with ODS regulations; development of the leak-control guide began, with finalization expected by end of 2025; and an online consultation centre was created for large end users through a quick response (QR) code system that includes the list of substances controlled under the Montreal Protocol, phase-out schedules, information on circulars detailing equipment and substance control measures, and manuals on best practices;

(e) *Raising awareness:* An awareness-raising campaign on responsible refrigerant consumption that included outreach to 114 large end users on good refrigeration practices, the certification programme and refrigerant recovery was implemented, as well as outreach to RAC technicians and the general public through the Government's social media channels on information related to the HPMP, HFC phase-down, certification programme, and RRR network; and the NOU participated in three seminars to disseminate information on the Montreal Protocol and the Kigali Amendment, including on controlled substances and collaboration with customs; and

(f) *Activities to maintain energy efficiency:* A review for updating the training curriculum and defining the tools and equipment necessary to carry out training for students and technicians from the RAC sector on determining RAC systems' performance and energy efficiency was carried out. Foundational activities have been implemented towards building capacity between policy makers and industry stakeholders and creating awareness on energy efficiency standards and labels; a workshop with 32 participants (including five women) representing RAC companies, equipment procurement specialists, importers, technicians and trainers was held focusing on technical standards for green cooling solutions, and the NOU participated in related events, workshops and an exposition.

Project implementation and monitoring

9. Project monitoring included monitoring trends in the use of HCFCs and substitutes; reporting on project progress; and organizing regular monitoring visits to stakeholders and partner institutions to ensure compliance and the sustainability of implemented activities. Of the allocated US $18,000 for the second tranche, US $3,247 has been disbursed for staff costs, with the remaining funds committed as planned.

Level of fund disbursement

10. As of March 2025, of the US $544,500 approved so far, US $309,304 had been disbursed (US $278,044 for UNIDO and US $31,260 for UNEP), as shown in table 2. The balance of US $1,120 (US $880 for UNIDO and US $240 for UNEP) from the first tranche will be returned to the 96th meeting, and the balance of US $234,076 from the second tranche will be disbursed by December 2025.

[4] Cervecería Hondureña

Table 2. Financial report of stage II of the HPMP for Honduras (US $)

Agency	First tranche		Second tranche		Total		
	Approved	Disbursed	Approved	Disbursed	Approved	Disbursed	Balance
UNIDO	197,000	196,120	244,500	81,924	441,500	278,044	163,456
UNEP	26,500	26,260	76,500	5,000	103,000	31,260	71,740
Total	**223,500**	**222,380**	**321,000**	**86,924**	**544,500**	**309,304**	**235,196**
Disbursement rate (%)	**99**		**27**		**57**		

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

11. The following activities will be implemented between September 2025 and December 2027:

(a) *Strengthening the regulatory framework:* Adopt and implement a ban on the import of new HCFC-based equipment and a ban on disposable cylinders by 1 January 2028; adopt measures for the inclusion of minimum energy performance standards (MEPS) and refrigerant labelling criteria as part of the RAC equipment import licensing system, and carry out two consultation meetings with stakeholders to discuss such inclusion; and conduct two outreach meetings to disseminate the import regulatory measures on MEPS and labelling to associations, importers, consumers and RAC enterprises (US $11,000) (UNEP);

(b) *Strengthening the national capacity of customs and trade control:* Conduct three workshops to train at least 60 customs and enforcement officers (including 18 women) on import controls of Montreal Protocol substances and the equipment containing them; conduct a five-day international study mission to Colombia or Mexico for eight customs officers (including two women) to update knowledge, share lessons learned, perform site visits to customs checkpoints and inspection facilities, and discuss risk profiling and the detection of illegal trade; and hold one meeting with enforcement institutions and continue monitoring the local refrigerant market (US $25,500) (UNEP);

(c) *Capacity-building through technician training and certification:* Conduct six courses to train 200 RAC technicians (including 20 women) on good refrigeration practices,[5] and three training courses targeted to female RAC technicians including the provision of toolkits to two female RAC technicians; continue strengthening the designed certification scheme and enforce it; certify 200 RAC technicians according to the RAC labour competency standard and issue 200 licences; validate the labour competency standard for the safe handling of flammable refrigerants, to come into effect by 30 June 2026; and organize at least three awareness meetings among technicians and end users on the certification scheme (30 participants including three women per meeting) (UNIDO) (US $18,000);

(d) *Adoption of safety codes and technical procedures for flammable and low-GWP refrigerants:* Conduct six training courses to train a further 180 RAC technicians (including 18 women) on the safe handling of flammable refrigerants; provide 10 additional toolkits to RAC training laboratories in vocational institutes; operationalize the specialized HC training centre within INFOP; and develop a specialized course to train 20 engineers (including four women) responsible for the design and assembly of RAC systems based on low or zero-GWP based refrigerants (UNIDO) (US $98,500);

[5] In addition to the 40 technicians already trained and 460 technicians remaining to be trained from the previous tranches (for 700 total trained technicians).

(e) *Improvements to the refrigerant RRR network:* Operationalize the RRR network using the developed business plan; establish two reclamation centres in the second and third largest cities (San Pedro Sula and La Ceiba); hold two meetings to promote RRR practices (30 participants including six women per meeting) among RAC technicians, vocational trainers, servicing entities managers, and sectoral stakeholders; and hold one annual meeting to follow up on the implementation of activities (10 participants including two women) among representatives from RAC servicing entities, reclaiming centres, waste management entities and Government agencies (UNIDO) (US $142,000);

(f) *Technical assistance to RAC end users:* Organize a regional seminar for 60 end users and other stakeholders (including 18 women) on the "Zero Leaks" pilot project, including dissemination of results (UNIDO) (US $5,000);

(g) *Raising awareness:* The NOU to participate in two RAC events such as conferences, trade fairs, guilds events or exhibitions to raise awareness through direct interaction with RAC sector actors on the HCFC phase-out, alternative technologies, good refrigeration practices, technician certification, the RRR network and regulatory updates (UNIDO) (US $10,000);

(h) *Activities to maintain energy efficiency:* To complete the following activities from the second tranche:

(i) Prepare a new training curriculum for the RAC vocational training institutes to include concepts related to energy efficiency in the sector and specifying criteria for improvement; formulate a guide for technicians on procedures to check the energy performance of RAC systems, including diagnosing and correcting the systems' functions to improve energy efficiency, and conduct four training workshops for 20 trainers and technicians each on these procedures; and deliver 10 kits to vocational training institutes to support the training of technicians in determining the RAC system's performance and its energy efficiency[6] (UNIDO) (funds from the previous tranche);

(ii) Undertake a study to identify and assess best practices, lessons learned and additional opportunities for improving energy efficiency in the RAC servicing sector in Honduras; conduct two information sessions for 40 energy efficiency policymakers on refrigerant GWP values in labelling; conduct two training workshops (15 participants each) for importers on the registration, application for and inspection of equipment charged with low-GWP refrigerants and their energy efficiency classification; and conduct two workshops for customs and trade authorities (30 participants each) on the monitoring and inspection reading of energy-efficiency labels, understanding the ODP and GWP values of refrigerants (UNEP) (funds from the previous tranche); and

(i) *Project monitoring:* Implement HPMP activities, monitor trends in the use of HCFCs and alternatives, report on progress, and organize regular monitoring visits to stakeholders and partner institutions to ensure compliance and the sustainability of implemented activities (UNIDO) (US $25,000, including US $15,000 for staff costs and US $10,000 for monitoring visits and meetings).

[6] Including phase power quality analyzers, power meter clamps, pipe-clamp thermometers, infrared thermometers, refrigeration system analyzers, anemometers for air velocity, smart wireless pipeline pressure measuring instruments, and thermal imaging cameras.

SECRETARIAT'S COMMENTS AND RECOMMENDATION

COMMENTS

Verification report

12. With regard to the further implementation of the recommendations from the verification report,[7] UNIDO indicated that the Government has taken comprehensive steps to comply with these recommendations, and that such actions are part of a broader institutional commitment to maintain transparency and ensure continued compliance with the Montreal Protocol. The following actions were taken in accordance with the relevant recommendations:

(a) Export licences: The NOU issued circulars, communicated to all customs offices and the 31 border points, indicating that all exports and imports of HCFCs (and other ODS) must be accompanied by a valid licence issued by the NOU, without exception. The circular also applies to substances and equipment in transit, enhancing national control and traceability;

(b) Integration of authorization identifiers: The NOU implemented a QR code system that links each issued licence to a unique digital record. This QR code is required during the customs declaration process to validate the licence's authenticity and prevent forgery;

(c) Accuracy of customs declarations: A joint NOU/customs training programme has been implemented to improve the accuracy of net weight declarations for ODS and HFCs. The programme targets customs brokers and agents and includes modules on weight verification and legal obligations under the Montreal Protocol;

(d) Unique numerical identification: The NOU ensures that each import or export licence is assigned a unique identification code that also applies when a single importer handles different substances; and

(e) Accuracy of consumption reports: The NOU will launch, in 2025, an electronic registration platform that will digitalize the licence issuance and importer registration processes. This will enhance data accuracy and facilitate the preparation of reliable HCFC consumption Article 7 and CP data reports.

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

Legal framework

13. The Government of Honduras has already issued HCFC import quotas for 2025 at 5.90 ODP tonnes, which is lower than the Montreal Protocol control targets.

Refrigeration servicing sector

Certification scheme

14. Implementation of the certification scheme faced delays due to administrative and institutional changes that led to the suspension of operations in INFOP, the institution responsible for implementing the technician certification process. Despite this constraint, concrete steps are being taken to ensure full

[7] Paragraph 38 of document UNEP/OzL.Pro/ExCom/95/20 inter alia stated that the Secretariat will continue monitoring the implementation of recommendations from the verification report requested by decision 92/24, as part of the tranche progress reports to be included in future tranche requests, with the next one due at the 96th meeting.

implementation once the institute resumes normal operations. The NOU renewed its agreement with INFOP, updated the 136-question evaluation aligned with the competency labour standard on good RAC practices, and jointly revised the expired competency standard, presenting a new version in September 2023. A follow-up meeting in July 2024 reaffirmed INFOP's commitment to update the good practices standard. The NOU also assessed INFOP's facilities in La Ceiba and promoted the certification process among technicians and end users. The 32-hour training curriculum and evaluation tools were finalized. The goal remains to certify 500 technicians during stage II.

Control of intended emissions

15. Decision 86/71, in approving stage II of the HPMP, noted the commitment of the Government to adopt regulatory measures to control intended emissions of refrigerant during installation, servicing and decommissioning by 1 January 2024. The Secretariat enquired about the implementation of this commitment. UNIDO explained that although the Government has not yet adopted measures at the regulatory level for this specific control due to limited institutional resources and the necessary control infrastructure to implement and enforce such measures, the General Regulation on the use of ODS (Executive Agreement 006-2012), which mandates proper management and containment of refrigerants throughout the equipment lifecycle, is being enforced in the country and that the NOU has issued binding circulars (and relevant technical guidelines) that prohibit the release of refrigerants during installation, servicing and disposal; mandate the use of certified RAC service workshops for all installations and interventions; establish clear rules for importing and safely handling RAC equipment and refrigerants; and define the obligation for gas recovery and documentation for each intervention. UNIDO will continue supporting the Government towards the achievement of this commitment and reporting thereon as part of the tranche implementation reports.

Activities to maintain energy efficiency

16. While completion of the energy efficiency component was hampered due to delays in hiring the necessary consultants, UNIDO explained that UNEP's relevant administrative procedures are well advanced. Similarly, UNIDO is actively advancing the procurement of specialized equipment to enhance the capacity of the energy efficiency training centres. It is expected that all planned activities and deliverables will be completed by the end of 2025.

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

Refrigerant RRR network

17. On the operationalization of the RRR network a business model has been developed to support the long-term sustainability of the network in Honduras. This model is based on a dual-centre operational scheme: INFOP reclaiming centre in Tegucigalpa, to primarily focus on reclaiming refrigerants used during training and technical demonstrations; and Technicians' Association Centre in San Pedro Sula, managed by the local RAC technicians' association, designed to offer mobile reclaiming services. The reclaiming machine will be transferred to service locations where large quantities of refrigerants are present and suitable for reclamation. Technicians may also accumulate recovered refrigerants at their workshops and deliver them to the association's centre for reclamation. The business model includes a service fee structure that ensures the financial sustainability of the reclaiming centre. This model was designed to be practical, scalable, and aligned with the country's servicing conditions. Full implementation is expected during the third tranche, as reclaiming equipment becomes fully operational, and the centres start service delivery.

Banning HCFC-based equipment

18. On the ban on import of HCFC-22-based equipment, UNIDO explained that the country established import restrictions on second-hand RAC equipment containing HCFC-22 since 2012 as a transitional

measure towards a total ban; and that the Government has decided to postpone the originally agreed adoption date of 2025 for the ban of new equipment to 1 January 2028 due to the lack of technical capacity and monitoring personnel to ensure full enforcement of the ban upon adoption. UNIDO added that by the new date it is also expected that a wider range of RAC alternative technologies with low or zero GWP will be available.

Gender policy implementation

19. During the second tranche implementation, the incorporation of the gender perspective was fostered into all the activities, and throughout the tranche, both quantitative and qualitative data were gathered to analyze and monitor gender involvement and gender-related matters effectively. Specific actions were implemented, including prioritizing the inclusion of female technicians and professionals in training activities and consultation events; coordinating with women-led technical associations and vocational centres to ensure women's participation in the HPMP; ensuring gender representation among facilitators and speakers in awareness-raising events; disseminating training opportunities through women-focused networks and communication channels. UNIDO affirmed that during the implementation of the third tranche this approach will be strengthened through the organization of training sessions specifically targeted to female RAC technicians; the provision of toolkits to two female technicians to support their professional development; the inclusion of gender participation targets in all training and outreach activities; and collaboration with institutional partners, including INFOP and women's professional associations, to ensure gender-responsive implementation.

20. The NOU collected qualitative feedback through post-training surveys with female participants. The surveys captured insights on barriers to women's participation in the RAC servicing sector; perceived benefits of technical training and certification; and collected suggestions for improving access to tools, employment opportunities and visibility. This feedback is being used to implement ever more inclusive activities and guide the formulation of necessary support mechanisms to promote women's sustained engagement in the sector.

Sustainability of the HCFC phase-out and assessment of risks

21. The sustainability of HPMP activities is being ensured through institutional integration, regulatory anchoring and cost-recovery mechanisms that will allow continued operation beyond the closure of the HPMP. In this regard, training activities have been integrated into the national vocational training system through INFOP. The updated 32-hour curriculum on good refrigeration practices and low-GWP technologies is officially part of INFOP's RAC training offering. Instructors have been trained and toolkits delivered, ensuring that this content remains part of future technician training. The customs training module has been institutionalized through ongoing collaboration between the NOU and the National Customs School. Training materials are updated and adapted for regular use in customs personnel onboarding and refresher courses. Likewise, the technician certification scheme is tied to a national labour competency standard validated by INFOP and labour authorities. Technician certification will be a requirement for formal employment in the RAC sector, ensuring continued demand. The RRR network is designed around partnerships with training centres and the technicians' association, with operational costs covered through a service fee model. Overall, the project strategy has focused on embedding HPMP activities within national systems and building institutional ownership, thus enabling long-term impact and continuity beyond external funding.

22. Noting the active involvement of the NOU, which has ensured the engagement of and collaboration with the Government, training institutes and RAC association, the risk of delays in the implementation of the third tranche of stage II of the HPMP appears low. A wide range of Government institutions have been involved in the formulation and implementation of the HPMP strategy. UNIDO indicated that INFOP is expected to resume operations in the coming weeks. The Secretariat considers that the implementation of

the recommendations contained in the verification report is helping reduce the risk of errors in the recording of imports and reporting of consumption.

Conclusion

23. Honduras is in compliance with the maximum allowable consumption levels under its Agreement with the Executive Committee during the reporting period, the disbursement of funds approved for the second tranche is above 20 per cent, and despite some initial delays progress has continued to be made during the implementation of the tranche including the implementation of the recommendations from the verification report. The plan of action for the third tranche will continue preparing the country for full phase-out and the sustainability of results.

RECOMMENDATION

24. The Fund Secretariat recommends that the Executive Committee note the progress report on the implementation of the second tranche of stage II of the HCFC phase-out management plan (HPMP) for Honduras, and further recommends blanket approval of the third tranche of stage II of the HPMP and the corresponding 2025-2027 tranche implementation plan for Honduras at the funding levels shown in the table below.

	Project title	Project funding (US $)	Support costs (US $)	Implementing agency
(a)	HCFC phase-out management plan (stage II, third tranche)	298,500	20,895	UNIDO
(b)	HCFC phase-out management plan (stage II, third tranche)	36,500	4,745	UNEP