

Annex XXIX

OUTSTANDING ISSUES FOR FURTHER DISCUSSION BY THE EXECUTIVE COMMITTEE ON THE COST GUIDELINES FOR THE PHASE-DOWN OF HFCs

I. In relation to the cost guidelines

Sustained aggregate reductions

- (a) To use the following methodology [to be proposed by the Executive Committee] for determining the starting point for sustained aggregate reduction in HFC consumption and production, noting that the starting point should be expressed in [[CO₂ equivalents] and/or [metric tonnes]]
- (b) [add text for production]

Eligible incremental cost

Refrigeration servicing sector

- (c) [Consideration of paragraph 16 of decision XXVIII/2.]

Energy efficiency

- (d) [To continue discussing how it wishes to develop cost guidance associated with maintaining and/or enhancing the energy efficiency of low-GWP or zero-GWP replacement technologies and equipment, when phasing down HFCs, after reviewing additional relevant information, including the information provided by the TEAP in its assessment of energy efficiency at the 40th OEWG;]

Capacity building to address safety

- (e) [To note that capacity-building to address safety is being addressed in the context of the consumption manufacturing and the refrigeration servicing sectors;]

Disposal

- (f) [To consider whether to further discuss matters related to disposal at a future meeting.]

II. Additional work to be requested to the Secretariat as contained in paragraph 46 of document UNEP/OzL.Pro/ExCom/80/55

In relation to the consumption manufacturing sector

- (a) [The Executive Committee decided to consider at a future meeting to request the Secretariat to undertake additional work, including to determine cost-effectiveness thresholds and thresholds for IOCs for HFC-phase-down activities in the consumption manufacturing sector once progress in the implementation of HFC investment projects has been made;]

In relation to energy efficiency

- (b) [To request the Secretariat to contract an independent consultant to:
 - (i) Prepare, for the [82nd meeting], a document on issues associated with maintaining and/or enhancing the energy efficiency of low-GWP or zero-GWP replacement technologies and equipment when phasing down HFCs, including:
 - a. Incremental costs for maintaining and/or enhancing energy efficiency in the manufacturing and servicing of refrigeration and air-conditioning equipment, including in situ manufacturing;
 - b. Pay-back periods and economic benefits associated with energy-efficiency improvements in the refrigeration and air-conditioning sector;
 - c. Possible modalities for funding, including operational modalities for co-funding with other institutions at the national and global level, in order to maintain and/or enhance energy efficiency and address associated challenges in the refrigeration and air-conditioning sector;
 - d. Requirements for establishing minimum energy-efficiency standards, including the testing and verification of energy efficiency in equipment;
 - e. The institutional and regulatory framework needed in Article 5 countries to support and monitor improvements in energy efficiency, including in the refrigeration and air-conditioning servicing sector;
 - (ii) Consider, when preparing the document, appropriate standards and directives, such as the four European Union directives for reducing greenhouse gas emissions in Europe on Energy Efficiency, Ecodesign, Energy Performance of Buildings and Industrial Emissions, to determine the best available technologies;
- (c) To allocate US \$XXX for the preparation of the study; and]
- (d) To consider the Conference Room Paper submitted by the Government of Austria to the 80th meeting (Appendix to the present Annex).

III. Other general matters related to HFC phase-down as contained in paragraph 43 of document UNEP/OzL.Pro/ExCom/80/55)

- (a) To agree on the following prerequisites for an Article 5 country to access Multilateral Fund funding other than for enabling activities for the phase-down of HFC consumption and production:
 - (i) Ratification, acceptance, or accession to the Kigali Amendment;
 - (ii) Establishment of an agreed starting point for a sustained aggregate reduction in HFC consumption and production, on the understanding that any phase-down of HFCs

resulting from any project that might be approved by the Executive Committee would be deducted from the country's starting point;

- (b) [To agree that institutions and capacities in Article 5 countries developed with Multilateral Fund assistance for the phase-out of ODS should be used to the extent possible for the phase-down of HFCs];
- (c) [To agree that the existing policies and guidelines of the Multilateral Fund [where applicable] for funding the phase-out of ODS would be applicable to the funding of HFC phase-down [unless decided otherwise][as long as agreed upon] by the Executive Committee [taking into account in particular decision XXVIII/2];]

Appendix

TEXT FOR DISCUSSION RELATED TO THE DEVELOPMENT OF THE COST GUIDELINES FOR THE PHASE-DOWN OF HFCS IN ARTICLE 5 COUNTRIES:

DRAFT CRITERIA FOR FUNDING

(DECISIONS 78/3(i) AND 79/44(b))

(A Conference Room Paper submitted by the Government of Austria)

Energy Efficiency

1. The Executive Committee may wish to consider the following elements when requesting the Secretariat to do additional work on energy efficiency as proposed by the Government of Austria based on the summary document prepared by the Chair at the 78th meeting.

- (a) Prepare, for the [81st meeting], a document on issues associated with maintaining and/or enhancing the energy efficiency of low-GWP or zero-GWP replacement technologies and equipment when phasing down HFCs, including:
 - (i) Inventory of energy efficiency activities already undertaken and /or funded by GEF and GCF and implementing agencies, in the refrigeration, heat-pump, and air-conditioning and production sectors; including typical level of funding, co-financing committed Pay-back periods and economic benefits associated with energy-efficiency and estimate or range of cost effectiveness;
 - (ii) Cost guidance, methodologies, processes, monitoring, verification associated with energy efficiency interventions of other institutions, especially GEF and GCF;
 - (iii) Identification of costs for maintaining and/or enhancing energy efficiency in the manufacturing and servicing of refrigeration and air-conditioning equipment, including in situ manufacturing;
 - (iv) Possible modalities for funding, including operational modalities for co-funding and/or cooperation/coordination with other institutions at the national and global level, in order to maintain and/or enhance energy efficiency and address associated challenges and address associated challenges in the production sector and the refrigeration and air-conditioning sectors;
 - (v) Examples of minimum energy-efficiency standards and labelling, including the Requirements for establishing them and ensuring the testing and verification of energy efficiency in equipment;
 - (vi) The institutional and regulatory framework needed in Article 5 countries to support and monitor improvements in energy efficiency, including in the refrigeration and air-conditioning servicing sector; and
- (b) To consider, when preparing the document, appropriate standards, such as LEED and BREEAM, and directives, such as the four European Union directives for reducing greenhouse gas emissions in Europe on Energy Efficiency, Eco-design, Energy Performance of Buildings and Industrial Emissions, to determine the best available technologies.