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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Ninety-ninth Meeting
Montreal, 7–11 December 2026
Item 9(c) of the provisional agenda[1]

PROJECT PROPOSAL: EL SALVADOR

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)	UNDP and UNEP	Blanket approval

[1] UNEP/OzL.Pro/ExCom/99/1

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

El Salvador

PROJECT TITLE	AGENCY	MEETING APPROVED	CONTROL MEASURE
HCFC phase-out plan (stage II)	UNDP (lead), UNEP	87th	100% phase-out by 2030

ARTICLE 7 DATA (Annex C, Group I)	Year: 2025	0.96 ODP tonnes

COUNTRY PROGRAMME SECTORAL DATA (ODP tonnes)							Year: 2025
Substance	Aerosol	Foam	Firefighting	Refrigeration		Solvent	Total sector consumption
				Manufacturing	Servicing		
HCFC-22					0.96		0.96
HCFC-123							

CONSUMPTION DATA (ODP tonnes)			
2009–2010 baseline:	11.68	Starting point for sustained aggregate reductions:	16.62
CONSUMPTION ELIGIBLE FOR FUNDING			
Already approved:	16.62	Remaining:	0.00

ENDORSED BUSINESS PLAN		2026	2027	2028	Total
UNDP	ODS phase-out (ODP tonnes)	1.23	0.00	0.00	1.23
	Funding (US $)	133,477	0	0	133,477
UNEP	ODS phase-out (ODP tonnes)	0.04	0.00	0.00	0.04
	Funding (US $)	4,520	0	0	4,520

PROJECT DATA			2021	2022-2023	2024	2025	2026	2027	2028	2029	2030	Total
Consumption (ODP tonnes)	Montreal Protocol limits		7.59	7.59	7.59	3.80	3.80	3.80	3.80	3.80	0	n/a
	Maximum allowable		5.42	3.44	3.44	2.88	2.32	2.32	0.29	0.29	0	n/a
Amounts approved in principle (US $)	UNDP	Project costs	169,000	0	244,255	0	124,745	0	0	65,000	0	603,000
		Support costs	11,830	0	17,098	0	8,732	0	0	4,550	0	42,210
	UNEP	Project costs	26,000	0	17,000	120,000	4,000	0	0	0	0	167,000
		Support costs	3,380	0	2,210	15,600	520	0	0	0	0	21,710
Funds approved by ExCom (US $)		Project costs	195,000	0	261,255	120,000						576,255
		Support costs	15,210	0	19,308	15,600						50,118
Total funds recommended for approval at this meeting (US $)		Project costs					128,745					128,745
		Support costs					9,252					9,252

Secretariat's recommendation:	Blanket approval

PROJECT DESCRIPTION

1. On behalf of the Government of El Salvador, UNDP 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 $137,997, consisting of US $124,745, plus agency support costs of US $8,732, for UNDP and US $4,000, plus agency support costs of US $520, for UNEP.[2] The submission includes a progress report on the implementation of the second tranche and the tranche implementation plan for 2027 to 2029.

Report on HCFC consumption

2. The Government of El Salvador reported a consumption of 0.96 ODP tonnes of HCFCs in 2025, which is 92 per cent below the country's HCFC baseline for compliance. The 2021–2025 HCFC consumption is shown in table 1.

Table 1. HCFC consumption in 2021–2025 in El Salvador (Article 7 data)

HCFC	2021	2022	2023	2024	2025	Baseline
Metric tonnes (mt)						
HCFC-22	72	58.56	84.68	37.76	17.38	148.13
HCFC-123	0.32	0.23	0.00	0.00	0.00	2.65
Total (mt)	**72.32**	**58.79**	**84.68**	**37.76**	**17.38**	***186.51**
ODP tonnes						
HCFC-22	3.96	3.22	4.66	2.08	0.96	8.15
HCFC-123	0.01	0.00	0.00	0.00	0.00	0.05
Total (ODP tonnes)	**3.97**	**3.23**	**4.66**	**2.08**	**0.96**	***11.68**

* The baseline total also includes HCFC-124, HCFC-141b and HCFC-142b (fully phased out in the previous stage of the HPMP)

3. The HCFC consumption in El Salvador fluctuated between 2020 and 2024, as reported at the 96th and 97th meetings.[3] Under its accelerated phase-out schedule, the country committed to reduce HCFC baseline consumption by 54 per cent by 2021, 71 per cent by 2022 and 75 per cent in 2025. In 2023, the country had exceeded the maximum allowable consumption in its Agreement with the Executive Committee, but promptly returned to compliance with the Agreement in 2024, when the country reduced HCFC consumption by 82 per cent below its baseline and 40 per cent below the Agreement target. In 2025, El Salvador continued to reduce its HCFC consumption, achieving a 92 per cent reduction, which is 67 per cent below the Agreement target.

4. Remaining HCFC-22 consumption is primarily in the commercial and industrial air-conditioning (AC) sectors, as well as in the refrigeration sector, specifically for servicing supermarket systems located outside of urban areas, in food manufacturing, and in other commercial refrigeration applications.

Country programme implementation report

5. The HCFC consumption data provided by the Government of El Salvador in its country programme implementation report for 2025 is consistent with the data reported under Article 7 of the Montreal Protocol.

[2] As per the letter of 18 September 2026 from the Ministry of Environment and Natural Resources of El Salvador to UNDP.

[3] UNEP/OzL.Pro/ExCom/96/33 and UNEP/OzL.Pro/ExCom/97/50

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

Legal framework

6. In January 2025 the Government of El Salvador issued Ministerial Decree No. 343, which modified Executive Agreement No. 52 to reflect the maximum allowable consumption stated in the Agreement for stage II approved at the 87th meeting of the Executive Committee. The decree updated the annual schedule of maximum imports of HCFCs for the years 2025 through 2030, as well as the annual import quota per enterprise between 2025 and 2029. The decree also bans the import of both new and used HCFC-based equipment as of 1 January 2025 and sustains the import ban on HCFC-141b for any application. Additionally, in 2024, Presidential Executive Decree No. 10 enacted the special regulations for the control of HFCs, and Ministerial Executive Decree No. 14 established the maximum import limits for substances with high global-warming-potential (GWP).

7. Organization of the training and workshops scheduled for the first quarter of 2027 is on track, with arrangements almost completed. The training for 20 customs officers and 40 importers and customs brokers will cover the updated control measures for HCFCs and HCFC-based equipment, and the stakeholder workshops will focus on procedures to enforce the ban on imports of HCFC-based equipment.

Refrigeration servicing sector

8. During the second tranche implementation, one training seminar for 20 trainers (including 2 women) was held, which focused on low-GWP refrigerant alternatives. Four national workshops were held for a total of 192 refrigeration and air-conditioning (RAC) technicians (including 16 women) on good servicing practices and also covering low-GWP refrigerant alternatives. The procurement process was initiated, and bids were received for 12 equipment kits for good servicing practices, including recovery and recycling (R&R) tools, which are to be distributed to selected servicing technicians.[4]

9. In support of the development of a certification scheme for RAC technicians, a technical cooperation agreement was signed between the Ministry of Environment and Natural Resources (MARN) and ITCA-FEPADE.[5] Under this agreement, tools and equipment have been delivered to support labor competency evaluations.[6] In addition, three labor competency standards and their corresponding evaluation instruments were drafted in collaboration with RAC stakeholders (academia, importers, distributors, service enterprises, and technicians). The standards cover installation, diagnosis, and maintenance of RAC systems

[4] Each kit contains a refrigerant recovery machine with two 30 lb cylinders for recovered refrigerant storage, a recycling station, a vacuum pump and vacuum gauge, a digital charging scale, a portable oxy-fuel welding torch and an electronic refrigerant leak detector.

[5] Specialized School of Engineering, which is offering a RAC technical training curriculum in good RAC servicing practices and is accredited to perform training and evaluation for certification purposes by the Pedagogical Training and Educational Innovation Centre (CEFOPED) of Mexico.

[6] Including four R-410A floor-ceiling split air conditioners and two R-410A wall-mounted inverter split air conditioners, two R-600a domestic inverter refrigerators and two R-290 chest freezers, and three of each of the following: 47.6 lb refrigerant recovery cylinders, with overfill protection sensor/float switch connector; 47.7 lb refrigerant recovery cylinders, without overfill protection sensor; dual-stage vacuum pumps; high-precision digital vacuum gauges; digital charging scales; electronic refrigerant leak detectors; oxy-acetylene welding kits; refrigerant recovery stations; portable refrigerant recovery units; pipe flushing kits; digital manifolds; digital thermometers; AC system analyzers; and digital clamp-on ammeters.

using non-toxic, non-flammable refrigerants.[7] The standards received technical endorsement and approval by the National Institute for Training and Development (INCAF)[8] of El Salvador.

10. One training seminar dedicated to HCFC-22 R&R was delivered with 15 participants (including 1 woman). The procurement process was initiated, and bids were received for tools and equipment to establish an HCFC recovery centre.[9]

11. A joint outreach meeting was organized with a distributor of commercial refrigeration and AC equipment with 98 participants (including 19 women). The session targeted end users of HCFC and HFC-based systems, including ice-cream manufacturers, restaurants, and RAC installation enterprises, and focused on the accelerated phase-out of HCFCs, the import ban on HCFC-based equipment, low-GWP refrigerant alternatives for commercial refrigeration and residential and commercial AC, and R&R activities. One awareness session was conducted at a local private technical training centre with 48 RAC technicians (including 5 women), focusing on Montreal Protocol regulations, environmentally friendly alternative refrigerants, and R&R promotion. Another seminar was held for 61 technical engineering students from two local universities (including 19 women) to raise awareness of the Montreal Protocol, ozone layer preservation, and climate change impacts, and the environmental benefits of selecting ODS-free and HFC-free technologies.

Project implementation and monitoring

12. The national ozone unit (NOU) and UNDP have been monitoring activities, reporting on progress, and working with stakeholders to phase out HCFCs. Of the US $15,717 approved for project monitoring activities under the second tranche, US $2,000 was disbursed for a project coordinator.

Level of fund disbursement

13. As of September 2026, of the US $550,130 approved so far,[10] US $229,281 had been disbursed (US $205,205 for UNDP and US $24,076 for UNEP), as shown in table 2. The balance of US $320,849 will be disbursed during the third tranche.

[7] Standards included: 1. Standard on installation, diagnosis, and maintenance of AC systems using non-toxic, non-flammable refrigerants. 2. Standard on diagnosis and maintenance of domestic and commercial refrigeration systems (up to ½ HP) using non-toxic and non-flammable refrigerants. 3. Standard on installation, diagnosis, and maintenance of refrigeration systems (above ½ HP) using non-toxic, non-flammable refrigerants.

[8] Instituto Nacional de Capacitación y Formación

[9] Including a spare parts kit for the recycling machine, an electronic refrigerant identifier and analyzer (including spare parts), a refrigerant recovery machine and twelve 30 lb storage cylinders, a vacuum pump, a micron vacuum gauge, a digital charging scale, an electronic refrigerant leak detector, ten 100 lb storage cylinders for waste-grade refrigerant or temporary storage of refrigerant awaiting recycling, an analog manifold gauge set, and an acidity and contamination test kit.

[10] Including the approved amounts in the Agreement minus the penalty applied in decision 96/34(b): To apply a reduction of 10 per cent to the funding for the second tranche of stage II of the HPMP for El Salvador, resulting in a reduction of US $28,056, consisting of US $24,425, plus agency support costs, for UNDP and US $1,700, plus agency support costs, for UNEP, in line with paragraph 11 and Appendix 7-A of the Agreement between the Government of El Salvador and the Executive Committee for stage II of the HPMP.

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

Tranche		UNDP	UNEP	Total	Disbursement rate (%)
First	Approved	169,000	26,000	195,000	92.3
	Disbursed	155,925	24,076	180,001	
Second	*Approved	219,830	15,300	235,130	21.0
	Disbursed	49,280	0	49,280	
Additional activities under decision 89/6	Approved	0	120,000	120,000	0
	Disbursed	0	0	0	
Total	**Approved**	**388,830**	**161,300**	**550,130**	**41.7**
	Disbursed	**205,205**	**24,076**	**229,281**	
	Balance	**183,625**	**137,224**	**320,849**	

***** The amounts represent the approved amounts in the Agreement minus the reduction applied in decision 96/34(b).

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

14. The following activities will be implemented between January 2027 and December 2029:

(a) *Strengthening ODS and ODS-based equipment trade control*: Two capacity-building workshops for 20 customs officers (40 per cent women) to strengthen borders and import licensing enforcement; delivery of training for 20 customs officers and 40 importers and customs brokers (UNEP) (US $4,000, plus funds from previous tranches);

(b) *Training in good servicing practices, R&R and flushing*: Ten training sessions for a total of 300 servicing technicians (7 per cent women) on good servicing and R&R practices and flushing techniques; procurement of specialized tools and equipment to facilitate and enhance these hands-on training sessions;[11] finalization of the procurement and distribution of the good servicing practice tool sets for 12 technicians (UNDP) (US $46,117, plus funds from previous tranches);

(c) *Installation of a recycling centre and integration of an R&R network*: Two specialized technical training for a total of 40 RAC technicians (7 per cent women) focusing on HCFC R&R operations to support the expanding national network; finalization of the procurement, delivery and installation of equipment and operationalization of the ODS recycling centre (UNDP) (US $11,750, plus funds from previous tranche);

(d) *Development of a certification scheme for RAC sector technicians*: Continue the implementation of the national technician certification process; workshop on the certification process among stakeholders in the RAC sector; certification services by a centre accredited by INCAF based on labor competencies; certification of 80 RAC technicians (15 per cent women) under the labor competency-based framework (UNDP) (US $39,650, plus funds from previous tranches);

(e) *Public awareness and education*: Two specialized meetings for a total of 100 participants (20 per cent women), one targeting industrial and commercial end users operating HCFC-based systems to increase awareness regarding the retirement and replacement of old equipment with ODS-free and low-GWP alternative technologies, and one targeting

[11] A technical training kit consisting of two wall-mounted split air conditioners with inverter technology, designed for R-454B refrigerant, two manifold gauges scaled for R-454B, two torque wrenches and two spark-proof vacuum pumps, to support GRP training using low-GWP technologies.

practicing RAC servicing technicians to reinforce and promote R&R practices for HCFC refrigerants (UNDP) (US $24,500, plus funds from previous tranches);

(f) *Activities to maintain energy efficiency*: Implementation of the activities as described in table 2 of document UNEP/OzL.Pro/ExCom/97/50 (UNEP) (funds approved under decision 89/6); and

(g) *Project monitoring*: (US $2,728, plus funds from previous tranche) Coordination of activities between the NOU and UNDP and quarterly meetings to monitor implementation progress and tranche target, covering consultants (US $2,000) and stakeholder meetings (US $728) (UNDP).

SECRETARIAT'S COMMENTS AND RECOMMENDATION

COMMENTS

Report on HCFC consumption

15. The Secretariat sought clarification on the legal instruments that had been adopted to ensure that the country´s HCFC reduction commitments agreed after having exceeded the maximum allowable consumption under the Agreement with the Executive Committee would be met. UNDP clarified that Ministerial Decree No. 343 constitutes the governing legal instrument. The context of its adoption stems from the mandate of MARN as the leading regulatory authority for the implementation of the Montreal Protocol. Ministerial Decree No. 343 amends the maximum import limits established for HCFCs under Executive Agreement No. 52. It entered into force upon its publication in the Official Gazette on 3 January 2025.

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

Legal framework

16. The Government of El Salvador has issued HCFC import quotas for 2026 and 2027 each at 31.22 mt (1.67 ODP tonnes),[12] which are lower than the Montreal Protocol control targets and the maximum allowable consumption in the country's HPMP Agreement.

Refrigeration servicing sector

17. On the procurement and distribution of the tool kits for good servicing practices for selected technicians and an HCFC recycling machine and related equipment for the establishment of a dedicated HCFC recycling centre, UNDP clarified that bids have been received and are currently undergoing evaluation. The tool kits and equipment are estimated to arrive in the country and be distributed during the first half of 2027, and the HCFC recycling centre is also expected to be established during the same period.

18. Regarding the recycling centre and integration of an R&R network, UNDP explained that while the training seminar on the R&R of HCFC-22 was not part of the activities originally planned under the second tranche, it was an important milestone for strengthening the knowledge of the RAC sector in the country and for identifying possible beneficiaries of the R&R centre. Synergy was sought with other project components and as a result the activity did not have any financial impact on the allocated budget for the procurement of the R&R equipment.

[12] The quota for years 2026 and 2027 amounts to 31.22 mt, allocating 29.62 mt for HCFC-22, 0.98 mt for HCFC-124, 0.09 mt for HCFC-142b, and 0.53 mt for HCFC-123.

Certification

19. To the question on the status and next steps in the operationalization of a technician certification scheme, UNDP reported that on 21 October 2026, ITCA-FEPADE officially received its formal accreditation as a labor competency certification authority. It is expected that this will trigger the subsequent technician evaluations, as ITCA-FEPADE has already been fully equipped and provided with tools to facilitate the evaluation process, targeting the certification of the first 80 technicians by the end of 2026 or early 2027. On the labor competency standards, UNDP explained that the NOU, in consultation with the implementing agency, developed labor competency standards on good servicing practices. The standards do not include the handling of toxic and flammable refrigerants, as separate standards for these refrigerants will be developed under stage I of the KIP.

Activities to maintain energy efficiency in the refrigeration servicing sector

20. The Secretariat enquired about the implementation of the additional activities to maintain energy efficiency in the refrigeration servicing sector, approved at the 97th meeting of the Executive Committee, which has not been included in the progress report. UNEP clarified that implementation has started, following completion of relevant legal arrangements in October 2026, and will continue throughout the third tranche; the progress of these activities will be included in the next tranche implementation report.

Level of fund disbursement

21. Regarding the level of disbursement from the second tranche of 21 per cent, UNDP explained that this was due to the substantial part of the second tranche budget allocated to the procurement of tools and equipment. The procurement processes are underway, and it is expected that funds will be committed before the end of the year for US $105,000, which represents 60 per cent of the balance of the second tranche. Another contributing factor was the administrative delay by INCAF in approving the accreditation of ITCA-FEPADE as a labor competency certification entity, which only happened in October 2026, as explained above. This accreditation is expected to immediately trigger the subsequent technician evaluations and accelerate disbursements under the relevant component.

22. UNDP further explained that the low rate of disbursement for the project monitoring activities was due to the use of remaining balances from the first tranche, and due to the contract of the project coordinator, which is structured so that their deliverables for 2026 are scheduled for submission and formal payment processing only at the end of the year.

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

23. The Secretariat sought clarification on the concrete operations that would be implemented to support the expanding national R&R network. UNDP explained that lead refrigeration technicians with recognized leadership skills would be strategically selected across the country to mentor, promote, and drive refrigerant R&R practices. These lead technicians will actively engage with new service workshops and smaller workshops lacking recovery infrastructure, providing hands-on operational support and technical assistance during refrigerant R&R operations. Further, the R&R centre is expected to be operational by June 2027 to support the network.

Gender policy implementation

24. In line with decisions 84/92(d) and 90/48(c), the policies of the Multilateral Fund have been applied throughout the implementation of the second tranche. During the implementation of the second tranche, the NOU reported that women made up 8 per cent of the participants in the technician training activities and 21 per cent of the participants in the awareness-raising on alternatives to HCFC-22 in AC. As part of the third tranche implementation, the project aims to actively encourage women to consider technical training

to become certified RAC instructors, and a process has been launched to promote the participation of women in all activities of the HPMP. Disaggregated data was recorded and reported for the different activities and will continue during third tranche implementation.

Sustainability of the HCFC phase-out and assessment of risks

25. The sustainability of the results of the HPMP is anchored on a comprehensive and legally binding regulatory framework, complemented by active market-monitoring mechanisms and inter-institutional coordination. Enforcement is achieved through robust controls executed by the import licensing single window system established by MARN, in close coordination with customs to verify and clear all refrigerant shipments. Training of customs officers and servicing technicians is a continuous activity, as will be the technician certification system once operationalized.

26. Recognizing the inherent compliance risks associated with the reduction of HCFC import quotas, which often correlates with a potential rise in illegal trade, the country will continue implementing proactive enforcement measures. Random inspections targeting businesses and individuals advertising refrigerants on social media platforms and e-commerce websites will continue to be conducted unannounced. These operations aim to verify whether the HCFCs offered for sale originate from authorized, registered importers or represent smuggled substances with no legal trace of entry into the country.

Conclusion

27. In 2025, consumption of HCFCs in El Salvador was below the Montreal Protocol compliance targets and lower than the maximum allowable consumption specified in its Agreement with the Executive Committee. The country has a functioning licensing and quota system and has banned the importation of HCFC-based equipment as of 1 January 2025, and the level of disbursement from the second tranche is above 20 per cent. The Government of El Salvador, with the assistance of UNDP and UNEP, implemented an extensive set of activities to strengthen the national capacity to control trade in HCFCs and HCFC-based equipment, and provided training to technicians. The Secretariat recommends approval of the third tranche at the present meeting as a meaningful mechanism to ensure continued implementation of planned activities. The activities so far implemented and those planned under the third tranche will continue to help the country meet its commitments.

RECOMMENDATION

28. 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 El Salvador and further recommends blanket approval of the third tranche of stage II of the HPMP and the corresponding 2027–2029 tranche implementation plan for El Salvador 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)	124,745	8,732	UNDP
(b)	HCFC phase-out management plan (stage II, third tranche)	4,000	520	UNEP