



**United Nations
Environment
Programme**

Distr.
GENERAL

UNEP/OzL.Pro/ExCom/95/51
15 October 2024

ORIGINAL: ENGLISH



EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Ninety-fifth Meeting
Montreal, 4-8 December 2024
Item 9(c) of the provisional agenda¹

PROJECT PROPOSAL: DOMINICA

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

Phase-out

- | | | | |
|---|--|------|------------------|
| • | HCFC phase-out management plan
(stage I, third tranche) | UNEP | Blanket approval |
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¹ UNEP/OzL.Pro/ExCom/95/1

PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS

Dominica

(I) PROJECT TITLE	AGENCY	MEETING APPROVED	CONTROL MEASURE
HCFC phase-out plan (stage I)	UNEP	62 nd	35% phase-out by 2020

(II) LATEST ARTICLE 7 DATA (Annex C, Group I)	Year: 2023	0.01 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	0.00	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.01

(IV) CONSUMPTION DATA (ODP tonnes)			
2009-2010 baseline:	0.40	Starting point for sustained aggregate reductions:	0.23
CONSUMPTION ELIGIBLE FOR FUNDING			
Already approved:	0.08	Remaining:	0.15

(V) ENDORSED BUSINESS PLAN		2024	2025	2026	Total
UNEP	ODS phase-out (ODP tonnes)	0.01			0.01
	Funding (US \$)	18,588			18,588

(VI) PROJECT DATA			2010	2019	2020	2024	2025	Total
Montreal Protocol consumption limits (ODP tonnes)				0.36	0.26	0.26	0.26	n/a
Maximum allowable consumption (ODP tonnes)				0.21	0.15	0.15	0.15	n/a
Funding agreed in principle (US \$)	UNEP	Project costs	82,250	65,800	16,450		0	164,500
		Support costs	10,693	8,554	2,138		0	21,385
Funds approved by ExCom (US \$)		Project costs	82,250	65,800			0	148,050
		Support costs	10,693	8,554			0	19,247
Total funds recommended for approval at this meeting (US \$)		Project costs				16,450	0	16,450
		Support costs				2,138	0	2,138

Secretariat's recommendation:	Blanket approval
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PROJECT DESCRIPTION

1. On behalf of the Government of Dominica, UNEP as the designated implementing agency has submitted a request for funding for the third and final tranche of stage I of the HCFC phase-out management plan (HPMP), in the amount of US \$16,450, plus agency support costs of US \$2,138. The submission includes a progress report on the implementation of the second tranche, the verification report on HCFC consumption for 2019 to 2023, and the tranche implementation plan for 2025 to 2026.

2. The HPMP was approved by the Executive Committee at its 62nd meeting. Implementation was delayed owing to several changes of the National Ozone Officer (NOO) and the impact of a hurricane in September 2017. The Executive Committee approved an additional US \$20,000 at the 80th meeting² to assist in starting up the National Ozone Unit (NOU) after the hurricane.

3. The second tranche was approved at the 84th meeting on the understanding that the approval of the third tranche would be conditional, based on the introduction of the 2012 Harmonized System (HS) Code and the issuance of HCFC quotas to individual importers.³

Report on HCFC consumption

4. The Government of Dominica reported a consumption of 0.01 ODP tonnes of HCFCs in 2023, which is 97.5 per cent below the country's HCFC baseline for compliance. The 2019-2023 HCFC consumption is shown in table 1.

Table 1. HCFC consumption in Dominica (2019-2023 Article 7 data)

HCFC-22	2019	2020	2021	2022	2023	Baseline
Metric tonnes (mt)	2.36	0.18	0.18	0.54	0.14	7.27
ODP tonnes	0.13	0.01	0.01	0.03	0.01	0.40

5. Dominica has currently phased out 96 per cent of its starting point for sustained aggregate reductions of 0.23 ODP tonnes. The refrigeration servicing sector is the only sector consuming HCFCs, with HCFC-22 being the only substance used in the country. HCFC consumption in Dominica has steadily remained below the Montreal Protocol targets, and decreased between 2019 and 2023, with an observed total 92 per cent reduction in that span due to the enforcement of the licensing and quota system. There was an increase between 2021 and 2022 after the COVID-19 pandemic, corresponding to resumption of economic activity. There has been a slow transition to low-GWP energy-efficient alternatives to HCFCs.

Country programme implementation report

6. The Government of Dominica reported HCFC consumption data under the 2019-2023 country programme (CP) implementation reports that was consistent with the data reported under Article 7 of the Montreal Protocol, except for 2021 as noted in the verification report. Hence, data corresponding to 2021 was revised to 0.01 ODP tonnes to reflect the amounts verified.

Verification report

7. The verification report identified inconsistencies in the total consumption of HCFCs reported under Article 7 of the Montreal Protocol for 2019 to 2023, which the verifier thought could be in part due to misclassification of HS codes, tariff or product description in the national database. The discrepancies were corrected and the Article 7 data as shown in table 1 is correct. The verification report confirmed that the Government was implementing a licensing and quota system for HCFC imports and exports, and concluded that Dominica's HCFC consumption has consistently stayed below the targets established in the Agreement

² Decision 80/82

³ Decision 84/55

between the country and the Executive Committee for the review period. The report recommended enhancing the data gathering processes and capabilities and UNEP confirmed that the activity referring to the training of customs officers will have a focus on data capture to enhance the country's data collection, verification, analysis and reporting processes.

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

Legal framework

8. Responsibility for the allocation of HCFC import quotas to licensed importers remains with the NOU, located within the Ministry of Environment. The HCFC licensing system is under the purview of the Ministry of Trade. Dominica introduced the 2012 HS codes, and the NOU issues HCFC quotas to individual importers in accordance with decision 84/55. Transition to 2022 HS codes is planned for January 2025. The process for Dominica to ratify the Kigali Amendment is currently ongoing.

Refrigeration servicing sector

9. The refrigeration and air-conditioning (RAC) servicing sector is a key player in supporting the reduction of national ODS consumption by reducing demand during servicing and repairs through recovery and reuse of refrigerants and the application of good servicing practices.

10. The following activities were implemented during the second tranche:

- (a) The NOU revised the electronic forms related to the licensing and quota system and circulated them to the relevant agencies; the list of updated importers was revised and confirmed by the NOU; three national consultations were held on the licensing and quota system and its implementation reaching a total of 31 attendees, 10 of which were women;
- (b) Three refrigerant identifiers for seaports of Roseau, Portsmouth, and the Douglas-Charles airport were procured and delivered;
- (c) All the arrangements for the planned training activities are in place, i.e., regional consultants have been hired, training materials have been prepared, necessary training equipment has been procured and delivered,⁴ and venues have been identified for the following trainings to take place during the first quarter of 2025:
 - (i) Training for customs and enforcement officers in the monitoring of trade in ODS, illegal trade prevention, risk management and identification of ODS, refrigerants and their products (for 20 participants: 13 male and 7 female);
 - (ii) Training of customs brokers on the identification the classification of ODS, refrigerants and their products (20 trainees: 13 male and 7 female);
 - (iii) Workshops for RAC technicians on good servicing practices, refrigerant recovery and reuse, and servicing RAC units with alternatives (30 participants: one female);

⁴ Including two refrigerant identifiers, refrigerant leak detectors, vacuum pumps, 20 lb. nitrogen tank with regulator, micron gauges, refrigerant scales, refrigerant recovery machines, recovery cylinders, manifold gauge sets, flaring/tubing kits, mini oxy/acetylene welding sets, mini fire extinguishers, multimeter/amprobe, screw turners sets, crescent wrenches 10" and 12", tube benders, copper connectors and tee joints, ¼ charging valves, ¼ and ½ copper flare nuts, refrigeration silver solders.

- (d) With support from UNEP and in coordination with the Government of Germany (GIZ Proklima), two RAC technicians (one male and one female) were selected and undertook training in September 2024 in Maintal, Germany, on application of zero/low-GWP refrigerants for commercial refrigeration systems with a focus on propane (R-290), carbon dioxide (R-744) and ammonia; and
- (e) The NOU conducted a public education and awareness campaign and is developing awareness and promotional material to further support HCFC phase-out and low-GWP energy-efficient alternatives. The NOU engaged one female RAC technician in its efforts towards encouraging more females to participate in the sector.

Project implementation and monitoring

11. Project implementation, coordination and monitoring were undertaken. The NOU continued meeting with both public institutions and private stakeholders. Missions to follow up on project implementation were conducted, and HPMP interim reports on the second tranche were prepared and presented to UNEP. A total of US \$7,959 was disbursed under this component, including staff, domestic travel/monitoring visits, and meetings and workshops.

Level of fund disbursement

12. As of September 2024, of the US \$148,050 approved so far, US \$136,526 had been disbursed for UNEP, as shown in table 2. The balance of US \$11,524 will be disbursed in 2025.

Table 2. Financial report of stage I of the HPMP for Dominica (US \$)

Funding tranche	Funds approved	Funds disbursed	Disbursement rate (%)	Fund balance
First	82,250	76,961	94	5,289
Second	65,800	59,565	91	6,235
Total	148,050	136,526	92	11,524

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

13. The following activities will be implemented between January 2025 and December 2026:
- (a) *Legal framework and training of customs officers:* Revising ODS legislation to broaden coverage, including the issuance of identity cards to RAC technicians who have successfully completed the training course in good refrigeration servicing practices, recovery and recycling, and alternative technologies; introducing a ban on import of HCFC-based equipment by 1 January 2026, and licensing for HFCs. Training two trainers, 15 customs and enforcement officers (5 female), and 10 customs brokers (3 female) in classification of refrigerants and their products including alternatives, with a focus on data capture to enhance the country's data collection, verification, analysis and reporting processes (US \$3,450);
 - (b) *Capacity-building:* Training 15 importers in documentation, identification and reporting requirements for ODS, alternatives and their products. Training 20 RAC technicians in good servicing practices, recovery, reuse and recycling, and alternative low-GWP refrigerant technologies (US \$4,800);
 - (c) *Technical assistance:* Negotiating and concluding a memorandum of understanding (MOU) with the Dominica State College (DSC) to facilitate training of RAC technicians, undertake an assessment of the training needs in the RAC servicing sector, and review the curriculum (US \$1,200);

- (d) *Outreach and awareness:* Enhancing the comprehensive stakeholder education and awareness campaign to continue promoting the transition from HCFCs to low-GWP energy-efficient alternatives, including more use of the NOU and Ministry's social media presence, development and promotion of electronic tools, and development of technical factsheets on the HPMP and alternatives. Continuing encouraging women to join the RAC servicing sector (US \$4,000); and
- (e) *Project implementation and monitoring:* Coordination, monitoring and reporting of activities, and engagement with stakeholders and implementing agencies (US \$3,000).

SECRETARIAT'S COMMENTS AND RECOMMENDATION

COMMENTS

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

Legal framework

14. The Government of Dominica has already issued HCFC import quotas for 2024 at 0.10 ODP tonnes (1.90 mt), and for 2025 at 0.08 ODP tonnes (1.45 mt), which are lower than the Montreal Protocol control targets and the target in the HPMP Agreement between the Government of Dominica and the Executive Committee.

15. UNEP confirmed the commitment of the Government regarding the adoption of a ban on the import of HCFC-based equipment, to be implemented by 1 January 2026.

Implementation of activities of the second tranche

16. The Secretariat noted that the conditions for the approval of the third tranche,⁵ i.e., the introduction of the 2012 HS codes and the issuance of HCFC quotas to individual importers, have been fulfilled. The Secretariat also noted decision 93/14 extending the completion of the first and second tranches of stage I of the HPMP for Dominica until 31 December 2024 to allow completion of the remaining ongoing activities and asked UNEP about the further delays in implementation since the 93rd meeting. UNEP indicated that it took longer than expected for logistical arrangements which were now completed, and training activities could start in the near future, and UNEP was confident that these activities could be completed by first quarter of 2025. In view of the need to avoid further delays, keep the momentum and build on progress being made, UNEP agreed with the Secretariat that the third tranche would be recommended for approval on the understanding that the Treasurer would transfer the approved funds to UNEP only after the Secretariat had received confirmation that the three trainings to be held during the first quarter of 2025 had been held and relevant details had been communicated to the Secretariat.

Extension of completion date of stage I of the HPMP

17. In view of the delays in requesting the present final tranche of stage I, it was agreed that the completion date of stage I of the HPMP for Dominica will be extended to 31 December 2026. The country plans to request stage II in the second meeting of 2025.

Gender policy implementation

18. Under the outreach and awareness component of the project, the Government has been encouraging

⁵ Decision 84/55

women to join the RAC servicing sector, in this way demonstrating its commitment towards the implementation of the Fund's gender mainstreaming policy. The NOU has been encouraging females to apply to all vacant positions and consultancies within the NOU and more widely within the Department of Environment. The NOU has been engaging with a female technician for the promotion of women in the sector. This technician has been actively participating in the regional informal group for female RAC technicians and in awareness-raising activities organized by the NOU. She participated in the Women in RAC workshop, organised by UNEP and held in November 2023 in Trinidad and Tobago, and will be attending the training being organized by the NOU. The NOU is committed to use more imagery of women in the RAC sector in its publications and outreach campaign. The NOU will be collecting and reporting gender-disaggregated data and striving for meeting the indicators that have been set regarding female participation in the various activities of the project.

Sustainability of the HCFC phase-out and assessment of risks

19. The Ministry of Environment, Rural Mobilisation, Kalinago Upliftment and Constituency Empowerment is committed to the long-term sustainability of the results of the HPMP. The HPMP is part of the Ministry's work programme and, by extension, of its sustainable deliverables. The Ministry puts emphasis on capacity development and training, with the objective of enabling the Ministry to sustainably provide support in the different areas of its work. To this end, it supports the training of trainers among technicians. Collaboration with the Customs Department has improved and this is a commitment expected to be maintained. The NOU is therefore engaged with the Government, and the training institutes and the private sector. A wide range of Government departments and institutions are involved in the implementation of the HPMP, and assessment tools used in national reports have been integrated to identify the environmental, economic, and social effects and benefits for the country. The conclusion of and MOU with the DSC, that will facilitate an assessment of the training needs in the RAC servicing sector, is expected to lead to the institutionalisation of the training of RAC technicians and the incorporation of good refrigeration practices in the Basic National Curriculum for training programmes for RAC students. In addition to the licensing and quota system, in place since 2006, the ban on imports of HCFC-based equipment will support the phase-out of HCFCs.

Conclusion

20. The verification report for the years 2019-2023 confirmed that the Government is in compliance with the Montreal Protocol limits and that the 2019-2023 HCFC consumption was below the maximum allowable consumption under the Agreement with the Executive Committee for those years. The enforceable national system of licensing and quotas for HCFC imports and exports is capable of ensuring compliance with the Montreal Protocol. The quota for 2024 is below the control targets under the Montreal Protocol and the Agreement with the Executive Committee. Delays in implementation are being overcome after a complex situation in the country and it is expected that the delay in holding the training activities planned under the second tranche will be completed during the first quarter of 2025. Training for technicians is being provided and will continue, to enable them to conduct better equipment servicing, and capacity building is being offered to customs and enforcement officers to ensure proper control of illegal trade on HCFCs. Furthermore, the implementation of the licensing and quota system will be enhanced to ensure that HCFCs imports are kept under controlled, and the import of HCFC-based equipment will be banned from 1 January 2026, ensuring that the phase-out of HCFCs is sustained beyond 2030. To avoid further delays in implementation, the Secretariat recommends that UNEP continue to provide assistance for the full implementation of the remaining activities of the second tranche and all the activities of the third tranche, and that the completion date of stage I of the HPMP be extended to 31 December 2026. The third tranche is agreed on the understanding that the Treasurer would transfer the approved funds to UNEP only after the Secretariat had received confirmation that the three trainings to be held during the first quarter of 2025 had been held.

RECOMMENDATION

21. The Fund Secretariat recommends that the Executive Committee:

- (a) Note:
 - (i) The progress report on the implementation of the second tranche of stage I of the HCFC phase-out management plan (HPMP) for Dominica;
 - (ii) The commitment of the Government of Dominica to ban the import of HCFC-based equipment by 1 January 2026;
 - (iii) The extension of the completion date of stage I of the HPMP for Dominica to 31 December 2026;
- (b) Request the Government of Dominica and UNEP to submit a final progress report on the implementation of the work programme associated with the final tranche and the project completion report to the first meeting of 2027.

22. The Fund Secretariat further recommends blanket approval of the third and final tranche of stage I of the HPMP for Dominica and the corresponding 2025-2026 tranche implementation plan at the funding level shown in the table below, on the understanding that the Treasurer would transfer the approved funds to UNEP only after the Secretariat has received confirmation that the three trainings to be held during the first quarter of 2025 have been held and relevant details have been communicated to the Secretariat.

	Project title	Project funding (US \$)	Support costs (US \$)	Implementing agency
(a)	HCFC phase-out management plan (stage I, third tranche)	16,450	2,138	UNEP