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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Ninety-eighth Meeting
Montreal, 22–26 June 2026
Item 8(c) of the provisional agenda¹

PROJECT PROPOSAL: BAHAMAS (THE)

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, second tranche) UNEP and UNIDO Blanket approval

¹ UNEP/OzL.Pro/ExCom/98/1

PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS
Bahamas (the)

PROJECT TITLE	AGENCY	MEETING APPROVED	CONTROL MEASURE
HCFC phase-out plan (stage II)	UNEP (lead), UNIDO	90 th	100% phase-out by 2030

ARTICLE 7 DATA (Annex C, Group I)	Year: 2025	0.84 ODP tonnes
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COUNTRY PROGRAMME SECTORAL DATA (ODP tonnes)							Year: 2025
Substance	Aerosol	Foam	Firefighting	Refrigeration		Solvent	Total sector consumption
				Manufacturing	Servicing		
HCFC-22					0.84		0.84

CONSUMPTION DATA (ODP tonnes)			
2009–2010 baseline:	4.81	Starting point for sustained aggregate reductions:	4.81
CONSUMPTION ELIGIBLE FOR FUNDING			
Already approved:	4.81	Remaining:	0

ENDORSED BUSINESS PLAN		2026	2027	2028	Total
UNEP	ODS phase-out (ODP tonnes)	0.40	0.00	0.72	1.12
	Funding (US \$)	85,315	0	153,680	238,995
UNIDO	ODS phase-out (ODP tonnes)	0.70	0.00	0.00	0.7
	Funding (US \$)	145,057	0	0	145,057

PROJECT DATA			2022	2023-2024	2025	2026	2027	2028	2029	2030	Total
Consumption (ODP tonnes)	Montreal Protocol limits		3.13	3.13	1.56	1.56	1.56	1.56	1.56	0.00	n/a
	Maximum allowable		3.13	3.13	1.56	1.56	1.56	1.56	1.56	0.00	n/a
Amounts approved in principle (US \$)	UNEP	Project costs	81,200	0	75,500	0	0	136,000	0	68,900	361,600
		Support costs	10,556	0	9,815	0	0	17,680	0	8,957	47,008
	UNIDO	Project costs	97,000	0	133,080	0	0	0	0	0	230,080
		Support costs	8,730	0	11,977	0	0	0	0	0	20,707
Funds approved by ExCom (US \$)		Project costs	178,200	0							178,200
		Support costs	19,286	0							19,286
Total funds recommended for approval at this meeting (US \$)		Project costs				208,580					208,580
		Support costs				21,792					21,792

Secretariat's recommendation:	Blanket approval
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PROJECT DESCRIPTION

1. On behalf of the Government of the Bahamas, UNEP as the lead implementing agency has submitted a request for funding for the second tranche of stage II of the HCFC phase-out management plan (HPMP), at a total cost of US \$230,372, consisting of US \$75,500, plus agency support costs of US \$9,815, for UNEP and US \$133,080, plus agency support costs of US \$11,977, for UNIDO.² The submission includes a progress report on the implementation of the first tranche, the verification report on HCFC consumption from 2021 to 2025, and the tranche implementation plan for 2026 to 2028.

Report on HCFC consumption

2. The Government of the Bahamas reported a consumption of 0.84 ODP tonnes of HCFCs in 2025, which is 82.5 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 the Bahamas (Article 7 data)

HCFC-22	2021	2022	2023	2024	2025	Baseline
Metric tonnes (mt)	45.92	11.45	44.36	35.45	15.27	87.45
ODP tonnes	2.53	0.63	2.44	1.95	0.84	4.81

3. In the Bahamas, HCFCs are only used in the refrigeration and air-conditioning (RAC) servicing sector. The HCFC consumption has been fluctuating between 2021 and 2025, largely driven by economic conditions following the COVID-19 pandemic. Despite these fluctuations, the country exceeded its phase-out target of 67.5 per cent reduction from the baseline and remained within the allowable consumption limit of 1.56 ODP tonnes for 2025. At the same time, the transition to low-global warming potential (GWP), energy-efficient alternatives including R-454b, R-600a, and R-290 has progressed slowly, supported by government efforts to strengthen technician training and update the legislative framework to enable a faster adoption of alternatives to HCFCs and HFCs and their associated technologies.

Country programme implementation report

4. The HCFC consumption data provided by the Government of the Bahamas in its CP implementation report for 2025 is consistent with the data reported under Article 7 of the Montreal Protocol.

Verification report

5. The verification report confirmed that the Government was implementing a licensing and quota system for HCFC imports and exports and that the total consumption of HCFCs reported under Article 7 of the Montreal Protocol for 2021 to 2025 was correct (as shown in table 1 above). The verification further concluded that the Bahamas surpassed its commitment to reduce its consumption of HCFCs to 3.13 ODP tonnes during the period 2021–2024 and to 1.56 ODP tonnes (or less) in 2025. However, despite the transition to the Electronic Single Window (ESW) system and partial automation of the clearance process, a key issue that remains is the comparison of quotas, licenses, shipment applications, and invoices that is still performed manually, which introduces a risk of human error in data verification. The verification report recommended the development of an automated system to compare the quotas, licenses and invoices at the point of issuing the clearance authorization to reduce the possibility of errors in the data. UNEP confirmed that the Government will address the recommendation as part of stage II of the HPMP activities.

² As per the letter of 19 March 2026 from the Ministry of Environment and Natural Resources of the Bahamas to the Secretariat.

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

6. Stage I of the HPMP was completed on 30 June 2023, in line with the extension approved by the Executive Committee by decision 88/40. The project completion report was submitted on 27 November 2023.

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

Legal framework

7. During the implementation of the first tranche, the Customs Department developed an ESW system for the import of all restricted goods. The national ozone unit (NOU) transitioned to the electronic licensing and quota system in 2022.

8. While there is currently no national certification system in place, training institutions such as the Bahamas Technical and Vocational Institute and the Refrigeration Service Engineers Society offer refrigeration training courses and issue certificates upon completion. These programmes are aligned with UNEP guidelines and are established by the NOU, focusing on good refrigeration management practices, as well as recovery, recycling, reuse, and alternative technologies.

9. The Bahamas ratified the Kigali Amendment on 30 May 2023.

Refrigeration servicing sector

10. The following activities were implemented during the first tranche of stage II of the HPMP:

- (a) *Improved policy and legal framework:* Prepared a legislative package to amend the ODS Act and the ODS regulations including ban on imports of HCFCs from 1 January 2030 except those required for service tail; developed an update code of practice for technicians on safe use of flammable refrigerants; and organized three consultative workshops;
- (b) *Control over import of HCFCs and HCFC-based equipment:* Reviewed and updated the “Ozone Module”; developed the import/export electronic licence and quota system (e-LQS) through the ESW; and conducted five training sessions for the NOU on the ESW system;
- (c) *Capacity-building for refrigeration technicians:* Conducted one meeting with the RAC association on the implementation plan of HPMP activities and training opportunities; organized three training sessions with 29 RAC technicians on good service practices and recovery and reuse of refrigerants; and carried out a market analysis, with the NOU conducting market checks which confirmed that R-22a was neither being imported nor used;
- (d) *Equipment support including recovery and reclamation:* Conducted a mission by the NOU to the A-Gas facility in Texas to gain familiarity with its operations, business model, and the tools and equipment used for recovery, recycling, and reclamation (RRR); recruited a national consultant to undertake a business viability assessment and develop a business model for recovery and reclamation activities; finalized and endorsed the technical specifications and terms of reference for the procurement of tools and equipment; and procured and delivered five refrigerant identifiers to the NOU; and
- (e) *Awareness campaign:* Prepared plans to print material for RAC technicians on good service practices and safe use of HCFC alternatives; and conducted an art competition.

Project implementation and monitoring

11. The NOU is responsible for coordinating activities under stage II of the HPMP and liaises, coordinates and cooperates with key stakeholders. Of the US \$10,000 approved for project implementation and monitoring under the first tranche, US \$4,000 was disbursed for consultants and US \$4,000 for office supplies and reporting.

Level of fund disbursement

12. As of April 2026, of the US \$178,200 approved so far (US \$81,200 for UNEP and US \$97,000 for UNIDO), US \$74,600 (42 per cent) had been disbursed (US \$34,600 for UNEP and US \$40,000 for UNIDO). The balance of US \$103,600 will be disbursed in 2026.

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

13. The following activities will be implemented between July 2026 and June 2028:

- (a) *Improved policy and legislative framework:* Continue organizing one awareness and consultative workshop with stakeholders and monitor the implementation of the e-LQS; and continue printing and disseminating the code of practice and other public awareness print material to all stakeholders and service shops (UNEP) (US \$8,400 from previous tranche);
- (b) *Control over import of HCFC and HCFC-based equipment:* Develop pocket cards for customs and enforcement officers (e-LQS information, HS codes for refrigerants and their dependent technologies and NOU contact information); conduct two trainings on the e-LQS to remaining agencies; and deliver two workshops to customs brokers on the e-LQS and ESW; and continue updating the ESW through the Customs (UNEP) (US \$10,500 plus US \$16,200 from previous tranche);
- (c) *Capacity-building:* Collaborate with the Department of Planning and Protection to ensure service workshops hire at least one certified technician; organize up to two consultations with the RAC association on the development of the RAC training workshops and certification; and conduct five trainings for a total of 50 RAC technicians on the safe handling of refrigerants with a focus on low-GWP alternatives; continue meetings with the Inland Revenue on implementation of the HPMP activities in the RAC servicing sector; and continue training of 21 RAC technicians on good service practices and recovery and reuse of refrigerants (UNEP) (US \$50,000 plus US \$17,000 from previous tranche);
- (d) *Equipment support including recovery and reclamation:* Continue finalization of business viability assessment and development of a business model for recovery and reclamation; continue procurement and delivery of tools and equipment for TVET institutions and servicing workshops³ for RAC technician's trainings; and continue training on the use of the identifiers for customs and enforcement officers (UNIDO) (US \$133,080 plus US \$57,000 from previous tranche);
- (e) *Awareness campaign:* Develop electronic versions of materials for sharing via social media platforms; continue to develop, print and disseminate materials for RAC technicians on good service practices and safe use of HCFC alternatives; and continue to develop awareness activities on implementation of HPMP and adoption of low-GWP alternatives (UNEP) (US \$3,000 plus US \$3,000 from the previous tranche); and

³ Includes manifold gauge, ATEX pumps, charging stations for HCs, scales, leak detectors, recovery machines, cylinders, locking, etc.

- (f) *Project monitoring, coordination and reporting:* US \$6,000 for a consultant; US \$3,000 for monitoring implementation progress and reporting; and US \$3,000 for travel (UNEP) (US \$12,000, plus US \$2,000 from previous tranche).

SECRETARIAT'S COMMENTS AND RECOMMENDATION

COMMENTS

Submission delays

14. The submission of the second tranche of stage II of the HPMP, originally scheduled for 2025, was delayed due to personnel changes in the Government resulting in administrative challenges for project implementation and preparation of the verification report. The challenges have been resolved which is evidenced by the present submission including the verification report.

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

Legal framework

15. The Government of the Bahamas has issued HCFC import quotas for 2026 at 1.43 ODP tonnes, which is lower than the Montreal Protocol control targets.

16. With regard to the ban on import of new and second-hand HCFC-based equipment from 1 January 2023, UNEP informed that the implementation was delayed due to elections and ministerial appointments in the country, and that it is now planned to be enforced at the end of 2026a. Due to potential administrative changes in the Government, the NOU will, with support from UNEP Compliance Assistance Programme (CAP), reengage with the new high-level Government representatives/stakeholders to present the Montreal Protocol portfolio and key priority areas for immediate actions.

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

17. With regard to the activity on equipment support including recovery and reclamation, UNIDO reported that the country could not identify a suitable host for the establishment of a recovery and reclamation centre after various consultations. UNIDO further clarified that the NOU has engaged a national consultant to prepare a comprehensive recovery and reclamation study report. This report will include an analysis of the RAC sector, stakeholder consultations, and an assessment of potential host institutions. The report is expected to be finalized in mid-2026. Should the findings indicate that establishing a recovery and reclamation centre is not feasible, an alternative approach will involve further strengthening the capacity of TVET institutions, trained technicians, and servicing workshops. Additionally, the possibility of developing recovery networks may be explored within the broader context of establishing a regional recovery and reclamation scheme in the Caribbean.

Gender policy implementation

18. The NOU is actively promoting the participation of women in the servicing sector by encouraging women applicants for vacant positions and consultations within the Department of Environmental Services at the Ministry and within the NOU. Efforts have also been made to strengthen women's involvement in the sector, including the participation of women technicians in the UNEP women in RAC workshop. During the implementation of stage II of the HPMP, the NOU will further enhance gender mainstreaming by increasing the visibility of women in its publications and collecting and reporting on sex-disaggregated indicators.

Sustainability of the HCFC phase-out and assessment of risks

19. The sustainability of the HCFC phase-out in the Bahamas is ensured through institutional ownership and integration into national systems, with the HPMP embedded in the Ministry's work programme and capacity-building activities progressively transferred to national training institutions. In the customs sector, sustainability is reinforced through the integration of ozone-related training into routine programmes and planned additional support under the future Kigali HFC implementation plan. Potential risks include the limited availability and high cost of alternatives, as well as safety concerns and impacts on vulnerable populations, which may slow the transition; these are mitigated through targeted capacity-building and continuous technical support. Another risk relates to possible shifts in national priorities affecting implementation, which is addressed through UNEP's CAP team support and country missions to get the concerns of the NOU and ensure sustained progress.

Conclusion

20. The Government of the Bahamas is in compliance with the maximum allowable consumption levels during the reporting period. In 2025, HCFC consumption was 46 per cent below the annual target and 83 per cent below the country's HCFC baseline for compliance. The level of disbursement of the first tranche is at 42 per cent and progress has been achieved during the implementation of the tranche, including *inter alia* the ban on the import of HCFC equipment which is expected to be enforced by the end of 2026, and the ban on imports of HCFCs except those required for the servicing tail will be established by 1 January 2030, development of an ESW system for the import of all restricted goods and capacity building for RAC technicians. Implementation of the second tranche activities will help the country sustain the results already achieved and ensure full phase-out by 2030.

RECOMMENDATION

21. The Fund Secretariat recommends that the Executive Committee note the progress report on the implementation of the first tranche of stage II of the HCFC phase-out management plan (HPMP) for the Bahamas, and further recommends blanket approval of the second tranche of stage II of the HPMP for the Bahamas, and the corresponding 2026–2028 tranche implementation plan, at the funding level shown in the table below.

	Project title	Project funding (US \$)	Support costs (US \$)	Implementing agency
(a)	HCFC phase-out management plan (stage II, (second tranche)	75,500	9,815	UNEP
(b)	HCFC phase-out management plan (stage II, (second tranche)	133,080	11,977	UNIDO