



United Nations Environment Programme Distr. GENERAL

UNEP/OzL.Pro/ExCom/93/48 20 November 2023

**ORIGINAL: ENGLISH** 

EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL Ninety-third Meeting Montreal, 15-19 December 2023 Item 9(c) of the provisional agenda<sup>1</sup>

#### PROJECT PROPOSAL: COLOMBIA

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

# Phase-out

HCFC phase-out management plan (stage III, second tranche)

**UNDP** and Germany

<sup>&</sup>lt;sup>1</sup> UNEP/OzL.Pro/ExCom/93/1

# PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS

# Colombia

(I) PROJECT TITLE	AGENCY	MEETING APPROVED	CONTROL MEASURE
HCFC phase-out plan (stage III)	UNDP (lead), Germany	88 <sup>th</sup>	100% phase-out by 2030

(II) L	ATEST ARTICLE-7 DATA (	(Annex C Group I)	Year: 2022	17.88 ODP tonnes
--------	------------------------	-------------------	------------	------------------

(III) LATEST COUNTRY PROGRAMME SECTORAL DATA (ODP tonnes)									Year: 2022
Chemical	Aerosol	Foam	Fire- fighting	Refriger	ation	Solvent	Process agent	Lab use	Total sector consumption
				Manufacturing	Servicing				
HCFC-22					17.84				17.84
HCFC-123			0.01		0.03				0.04

(IV) CONSUMPTION DA	TA (ODP tonnes)				
2009-2010 baseline:	225.60	Starting point for sustained aggregate reductions:	225.60		
CONSUMPTION ELIGIBLE FOR FUNDING					
Already approved:	225.53	Remaining:	0.00		

(V) ENDORSE	ED BUSINESS PLAN	2023	2024	2025	Total
LINIDD	ODS phase-out (ODP tonnes)	4.48	0.00	0.00	4.48
UNDP	Funding (US \$)	446,350	0	0	446,350
Commons	ODS phase-out (ODP tonnes)	5.44	0.00	0.00	5.44
Germany	Funding (US \$)	513,266	0	0	513,266

(VI) PRO	JECT DAT	'A	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Total
Montreal I limits (OD	Protocol con Protonnes)	sumption	146.64	146.64	146.64	146.64	73.32	73.32	73.32	73.32	73.32	0	n/a
Maximum allowable consumption (ODP tonnes)		nnes)	78.96	42.91	42.91	30.21	30.21	30.21	30.21	14.19	14.19	0	n/a
	UNDP	Project costs	409,000	0	479,688	0	0	587,083	0	0	207,864	0	1,683,635
Funding agreed in	UNDI	Support costs	28,630	0	33,578	0	0	41,096	0	0	14,550	0	117,854
principle (US \$)	Germany	Project costs	0	0	395,000	0	0	0	0	0	0	0	395,000
		Support costs	0	0	51,350	0	0	0	0	0	0	0	51,350
Funds app ExCom (U		Project costs	409,000										409,000
Support costs		28,630										28,630	
Total funds recommended for		Project costs			874,688								874,688
approval a meeting (U		Support costs			84,928								84,928

Secretariat's recommendation:	Blanket approval
-------------------------------	------------------

#### PROJECT DESCRIPTION

1. On behalf of the Government of Colombia, UNDP as the lead implementing agency has submitted a request for funding for the second tranche of stage III of the HCFC phase-out management plan (HPMP), at a total cost of US \$959,616, consisting of US \$479,688, plus agency support costs of US \$33,578, for UNDP and US \$395,000, plus agency support costs of US \$51,350, for the Government of Germany.<sup>2</sup> The submission includes a progress report on the implementation of the fourth and final tranche of stage II of the HPMP, a progress report on the implementation of the first tranche of stage III of the HPMP, the verification report on HCFC consumption for 2021 to 2022, and the tranche implementation plan for 2024 to 2026.

# Report on HCFC consumption

2. The Government of Colombia reported a consumption of 17.88 ODP tonnes of HCFCs in 2022, which is 92 per cent below the HCFC baseline for compliance. The 2018-2022 HCFC consumption is shown in table 1.

Table 1. HCFC consumption in Colombia (2018-2022 Article 7 data)

HCFC	2018	2019	2020	2021	2022	Baseline
Metric tonnes (mt)						
HCFC-22	769.29	765.23	391.66	460.71	324.45	1,292.6
HCFC-123	32.50	10.50	14.59	2.50	1.82	110.4
HCFC-141b	319.91	345.27	376.13	0.00	0.00	1,379.5
Total (mt)	1,121.70	1,121.00	782.38	463.21	326.27	2,791.7*
HCFC-141b in imported	12.37	3.36	0.79	0.00	0.00	n/a
pre-blended polyols**						
ODP tonnes						
HCFC-22	42.31	42.09	21.54	25.34	17.84	71.1
HCFC-123	0.65	0.21	0.29	0.05	0.04	2.2
HCFC-141b	35.19	37.98	41.38	0.00	0.00	151.7
Total (ODP tonnes)	78.15	80.28	63.21	25.39	17.88	225.6*
HCFC-141b in imported pre-blended polyols**	1.36	0.37	0.09	0.00	0.00	n/a

<sup>\*</sup> Total baseline includes 1.80 mt (0.04 ODP tonnes) of HCFC-124 and 7.50 mt (0.49 ODP tonnes) of HCFC-142b. Consumption of those substances has been zero since 2016 and 2018, respectively.

3. Consumption of HCFC-22 increased in 2021 following its substantial fall in 2020 due in part to the COVID-19 pandemic but resumed its downward trajectory in 2022. The overall trend of decreasing HCFC-22 consumption is due to reductions in servicing needs due to the implementation of activities under the HPMP, the increased uptake into the market of R-410A-based equipment, and possibly also the use of R-507A for servicing. There was no HCFC-141b consumption, either pure or in HCFC-141b in imported pre-blended polyols, in 2021 or 2022 following the ban on imports from 1 January 2021. There were no recorded exports of HCFC-141b in imported pre-blended polyols in those years. Consumption of HCFC-123, which is used in the fire protection sector and to service chillers, decreased by 86 per cent from 2020 to 2022 due to the utilization of alternative substances in the fire protection sector (CO<sub>2</sub>, chemical powder, and to a lesser extent, HFC-125, HFC-227ea, and HFC-236fa).

# Country programme implementation report

4. The Government of Colombia reported HCFC sector consumption data under the 2022 country CP implementation report that is consistent with the data reported under Article 7 of the Montreal Protocol.

<sup>\*\*</sup> Country programme (CP) data.

<sup>&</sup>lt;sup>2</sup> As per the letter of 5 October 2023 from the Ministry of Environment of Colombia to UNDP.

### Verification report

- 5. The verification report confirmed that the Government was implementing a licensing and quota system for HCFC imports and exports, that the total consumption of HCFCs reported under Article 7 of the Montreal Protocol for 2021 to 2022 was correct (as shown in table 1 above), and that Colombia had achieved the targets specified in the Agreement between the country and the Executive Committee for 2021 and 2022. The verifier noted the good communication between the institutions involved in the implementation of HCFC import controls, that the Environmental Licensing Authority and the Ministry of Trade, Industry and Tourism are working on the digitization of quota information, and that customs is improving its platform for import controls.
- 6. The verifier noted that in 2021, two enterprises were able to import HCFC-22, although neither had a quota. A similar situation had occurred in 2020,<sup>3</sup> and the NOU met with the National Authority for Environmental Licensing, the Ministry of Commerce, Industry and Tourism, and the National Tax and Customs Authority to take steps to avoid imports without permits. A legal loophole that allowed the import of HCFCs into special customs regime zones<sup>4</sup> without a licence was identified, and the Customs Authority issued a Memorandum obligating importers in these special zones to apply the corresponding legal provisions for the import of substances controlled under the Montreal Protocol. No quotas were requested by enterprises in special zones in 2023.
- 7. The verification report recommended to continue strengthening inter-institutional work and communications to control HCFCs and finalize the update of Resolution 2749 of 2017 to include the accelerated HCFC phase-out schedule for 2030, including the adjustment to the import quotas for HCFC-22 and HCFC-123 and the establishment of quota sharing among importers (90 per cent for traditional importers and 5 per cent for non-traditional importers, with 5 per cent reserved for the Government of Colombia). UNDP confirmed that the country will implement recommendations not yet addressed under the first or second tranches of stage III.

<u>Progress report on the implementation of the fourth and final tranche of stage II of the HCFC phase-out management plan</u>

- 8. In accordance with decision 88/40, the Government of Colombia, UNDP, UNEP and the Government of Germany submitted a progress report on the implementation of the work programme associated with the fourth and final tranche of stage II of the HPMP. Administrative and accounting changes within UNDP had delayed the availability of funds for the final tranche of stage II and as a result the completion date of stage II was extended to June 2023 (decision 91/20(b)).
- 9. The following activities in the servicing sector were undertaken under the final tranche of stage II up to June 2023:
  - (a) Participation in the informal Prior Informed Consent (iPIC) mechanism (19 reviews); monitoring visits to 37 refrigerant distributors; a workshop to present the results of the project on the use of refillable cylinders (42 participants); updating of the online customs training course on ODS trade; and advanced the development of an application to control quotas of controlled substances in accordance with the Montreal Protocol;
  - (b) Training of 46 trainers in two workshops in the safe use of R-290 hydrocarbon refrigerant in commercial refrigeration; two reports and four meetings on the installation and

<sup>&</sup>lt;sup>3</sup> Paragraph 6 of UNEP/OzL.Pro/ExCom/88/44.

<sup>&</sup>lt;sup>4</sup> Special customs regime zones are delimited areas of the national territory in which enterprises are set up for the purpose of producing goods and providing services to foreign markets as a priority. Enterprises in these zones benefit from incentives in customs matters, among others.

- maintenance of hydrocarbon-based refrigeration equipment; and three R-290-based training units were provided to the National Learning Service (SENA);
- (c) Seventeen awareness meetings were carried out in 13 cities to promote the certification process to 584 technicians; and 15,475 certifications for good refrigeration practices were granted between 2015 and 2022 (752 technicians in 2022);
- (d) Two strategy meetings on the recovery, recycle, and reclaim (RRR) network, and two workshops for 50 refrigeration and air-conditioning (RAC) technicians in RRR centres; completion of a feasibility study to assemble refrigerant recovery machines; and provision of nine refrigerant identifiers for the RRR network;
- (e) Development of a strategy document for the national ozone unit (NOU) to promote end-user technology transition in the food, health, and flower sectors; study to calculate the environmental impact of refrigeration systems in the meat derivatives sector; tool to assist end-users access tax incentives for RAC systems; three workshops (40 participants) on the use of R-290 in agro-industrial refrigeration systems; and three workshops (29 participants) to promote the uptake of low-global-warming-potential (GWP), energy-efficient RAC equipment by end-users; and
- (f) One public awareness-raising campaign on the Montreal Protocol and ozone/climate protection through social and online media.

Project implementation and monitoring unit

10. During the fourth tranche, the project implementation and monitoring unit (PMU) prepared monthly monitoring reports of consultants, field visits, monitoring meetings with stakeholders, the final mission to verify the results of activities, monthly meetings of the PMU, quarterly implementation reports, an annual report of the project, and the final report of stage II of the HPMP. Of the US \$588,317 approved for the PMU under stage II, US \$577,292 was disbursed for consultants (US \$434,779), monitoring meetings (US \$49,257), travel (US \$68,523), miscellaneous (US \$1,143), and independent verification (US \$23,590), as shown in table 2. The balance of US \$11,025 will be returned.

Table 2. PMU disbursement by activity and tranche

Activity	Disbursement (US \$)									
Activity	First tranche	Second tranche	Third tranche	Fourth tranche	Total					
Consultants	185,132	6,088	171,754	71,805	434,779					
Monitoring meetings	21,562	0	18,734	8,961	49,257					
Travel expenses	30,265	697	21,869	15,692	68,523					
Miscellaneous	751	0	392	0	1,143					
Independent verification	7,615	8,975	7,000	0	23,590					
Total	245,325	15,760	219,749	96,458	577,292					

Level of fund disbursement

11. As of June 2023, of the US \$5,221,481 approved funds for stage II, US \$5,206,750 had been disbursed as shown in table 3, and the project completed. The remaining balances of US \$14,731 from the fourth tranche will be returned by the 95<sup>th</sup> meeting.

Table 3. Financial report of stage II of the HPMP for Colombia (US \$	Table 3	. Financial	report of stage	e II of the	e HPMP for	Colombia	(US \$)
---	---------	-------------	-----------------	-------------	------------	----------	---------

Agency	First tranche		Second tranche		Third t	ranche	Fourth	
	Approved Disbursed		Approved	Disbursed	sbursed Approved Dis		Approved	Disbursed
UNDP	2,342,591	2,342,591	1,268,007	1,268,007*	635,749	635,749	257,134	242,403
UNEP	50,000	50,000	50,000	50,000	50,000	50,000	25,000	25,000
Germany	325,800	325,800	162,900	162,900	0	0	54,300	54,300
Total	2,718,391	2,718,391	1,480,907	1,480,907	685,749	685,749 685,749		321,703
Disbursement rate (%)	10	00	100 100		00	96		

<sup>\*</sup> Including US \$542,962, plus agency support costs of US \$38,007, returned to the 93<sup>rd</sup> meeting.<sup>5</sup>

# Completion of stage II of the HPMP

12. Stage II of the HPMP was completed on 30 June 2023 in line with the extension approved by the Executive Committee in decision 91/20(b). The project completion report was submitted on 20 October 2023.

<u>Progress report on the implementation of the first tranche of stage III of the HCFC phase-out management plan</u>

#### Legal framework

13. The Ministry of Environment, together with the Ministry of Industry and Commerce, issued Resolution 0634 of 17 June 2022 that addresses controlled substances in Annexes A, B, C, E and F of the Montreal Protocol. Following the resolution, bans are in force for all uses of HCFC-141b pure and contained in imported pre-blended polyols, and the manufacture and import of packaged type and condensed air-conditioning (AC) equipment that uses HCFC-22 with a cooling capacity of less than 5 tonnes. The manufacture and import of HCFC-123-based fire extinguishers will be allowed until December 31, 2029.

Refrigeration and air-conditioning servicing sector

- 14. The following activities have been implemented under the first tranche:
  - (a) HCFC phase-out policy and regulations: Meetings and workshops to disseminate information on Resolution 0634 of 2022, including meetings with the national licensing authority, customs, and regional authorities, and workshops with importers and the business sector; a committee, comprising representatives of the Ministry of Commerce, Industry and Tourism, Customs and the National Environment Licence Authority was formed to examine adjustments to the regulatory processes, including modifying Resolution 2749 of 2017;
  - (b) ODS customs and enforcement training: Designed a customs training course; held three virtual courses on trade in controlled substances for 67 customs officers (37 women) and 23 customs importers; development of an application to control quotas and enhanced interoperability with the Single Foreign Trade Window; initiation of the procurement process for five refrigerant analysers for customs; review of 15 iPIC queries; reviewed and updated the customs system to align it to the current control measures; and updated information on controlled substances for importers (Circular 018/2020);
  - (c) RAC technician certification and tools: Two training sessions for 36 assessment and certification leaders (two women) on the safe handling of R-290-based commercial

-

<sup>&</sup>lt;sup>5</sup> UNEP/OzL.Pro/ExCom/93/4

refrigeration systems and on flammable refrigerants in AC equipment; two awareness-raising workshops to promote the certification on labour competences to 89 technicians (10 women); and terms of reference were prepared for a national consultant to assist SENA to promote the certification on labour competencies. A total of 610 RAC technicians (10 women) were certified in 2023;

- (d) RRR network support: Terms of reference prepared for development of a business and economic model for the RRR network and to update the mobile application "Manage your refrigerant gas"; two meetings with stakeholders to identify challenges facing the RRR network are scheduled for the last quarter of 2023; and procurement initiated for five sets of tools for high boiling point refrigerant gases; and
- (e) Awareness-raising and education: Exhibition at EXPO ACAIRE to raise awareness of stage III of the HPMP; a seminar on the Montreal Protocol and stage III with 84 participants from the RAC sector and general public; and preparation of an educational campaign coordinated with the School Environmental Programs (PRAE).

Project implementation and monitoring unit

During the first tranche, the PMU prepared an annual report, organized one meeting with stakeholders, and facilitated preparation of the 2021-2022 verification report and the first tranche report. As of October 2023, of the US \$49,000 approved, 52 per cent (US \$25,853) had been disbursed for consultants (US \$15,850), monitoring meetings (US \$606), travel (US \$2,197), and independent verification of consumption (US \$7,200).

#### Level of fund disbursement

16. As of October 2023, of the US \$409,000 approved so far for UNDP, US \$106,948 (26 per cent) had been disbursed. The balance of US \$302,052 will be disbursed in 2024.

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

- 17. The following activities will be implemented between January 2024 and December 2026:
  - (a) HCFC phase-out policy and regulations: Awareness-raising and training sessions for the licensing authority, customs and the regional environmental authorities on legal measures to control and reduce ODS emissions and consumption; local legal counsel to support the review, adjustment, and update of control measures; and annual meetings and/or dissemination activities targeting primary stakeholders (10 participants) (UNDP) (US \$16,500 and US \$26,300 from the previous tranche);
  - (b) ODS customs and enforcement training: Update of training material on ODS controls; and two training sessions for 30 customs agents, tax and customs police, and environmental authorities on the control of HCFCs and HCFC-based equipment (UNDP) (US \$32,000 and US \$43,704 from the previous tranche);
  - (c) Technician training for natural refrigerants in commercial refrigeration: Updating training materials; and two trainer training workshops on the R-290 demonstration unit and safety measures for low-GWP refrigerants (30 trainers) (Germany) (US \$45,000);
  - (d) RAC technician certification and tools: Provision of tools for installation and servicing of hydrocarbon-based refrigeration equipment and systems to 150 RAC enterprises and technicians in the commercial refrigeration servicing sector; three training workshops for

- assessment and certification (30 participants per year); and workshops (four per year) for RAC technicians and end-users (200 participants per year) to promote labour competence certification for the RAC sector (UNDP) (US \$305,188 and US \$89,055 from the previous tranche);
- (e) RRR network support: At least two annual follow-up meetings with the members of the RRR network; and at least two annual technical workshops or events related to the national promotion or dissemination of services offered by the RRR network (UNDP) (US \$20,000 and US \$109,846 from the previous tranche);
- (f) Technical assistance to promote the uptake of low-GWP, energy-efficient technology: Procurement and installation of a commercial refrigeration (supermarket) demonstration unit with natural refrigerants (R-744 and R-290) in a SENA training facility and tool set (Germany) (US \$350,000);
- (g) Promoting low environmental impact alternatives for AC in the supermarket subsector: Establishing reference scenarios for HCFC consumption in AC systems in the supermarket subsector, including assessment of the number of equipment and AC systems, models, and equipment or systems setup (UNDP) (US \$20,000);
- (h) Awareness-raising and education: Consultancy to design the communication and dissemination strategy on gender and responsible consumption and production; preparation and dissemination of educational materials; two awareness-raising campaigns on the importance of preserving the ozone layer and the benefits of the HCFC phase-out; and one environmental education campaign coordinated with PRAE (UNDP) (US \$14,000 and US \$10,000 from the previous tranche); and
- (i) Project monitoring (UNDP) (US \$72,000 and US \$23,147 from the previous tranche) with the following breakdown: consultants (US \$79,564); meetings (US \$5,583); independent verification of consumption (US \$7,200); travel (US \$2,500); and miscellaneous (US \$300).

#### SECRETARIAT'S COMMENTS AND RECOMMENDATION

#### **COMMENTS**

Progress report on the implementation of the fourth and final tranche of stage II of the HCFC phase-out management plan

Update on the status of manufacturing at Industrias Thermotar Ltda

18. At the 81<sup>st</sup> meeting, UNDP, on behalf of the Government of Colombia, had submitted the final report of the demonstration project for the use of R-290 as an alternative refrigerant in commercial AC manufacturing at Industrias Thermotar Ltda (Thermotar). At the 88<sup>th</sup> meeting, it was reported that Thermotar was able to manufacture and sell approximately 28 R-290-based units and had developed an R-290-based training unit. UNDP informed that another 21 units had been sold in the first semester of 2023 and that most sales were made nationally, although some were exported to Costa Rica, Cuba and Panama where the R-290-based training unit has been marketed to educational establishments. The main challenges in a broader uptake of the technology are the commercial price of the R-290 units, which is higher than R-410A models and even more so if energy efficiency improvements are added; the high cost of the compressors supplied from Europe; and user concerns about having flammable refrigerants in their facilities.

### Feasibility study to assemble refrigerant recovery machines

19. At the 88<sup>th</sup> meeting, it was reported that a feasibility study to develop a local, low-cost refrigerant recovery machine had been initiated and the development of a prototype was expected by November 2021. The selected enterprise, Thermotar, developed the refrigeration circuit for the prototype (one ¾ hp model and one 1 hp model) and selected the systems and components for a pilot refrigerant gas recovery machine. The machine has an oil separator in the condensing unit and uses an oil-free compressor, which had been a barrier to manufacturing the refrigerant recovery machine until a supplier was identified in China. The pilot model was tested as per ISO 11650 guidelines, and subsequently 20 prototype refrigerant recovery units have been manufactured and distributed to RAC enterprises for performance testing, with results expected in 2024. The cost of refrigerant recovery machines will be 26 per cent less for the ¾ hp model and 36 per cent less for the 1 hp model compared to commercial recovery machines.

# <u>Progress report on the implementation of the first tranche of stage III of the HCFC phase-out management plan</u>

20. Implementation of the activities planned for the first tranche of stage III, scheduled for January 2022 to December 2024, did not commence until May 2023 following signature of the project document on 15 April 2023. The cause of the delay, changes in administrative and accounting requirements and the corporate management system at UNDP, has been resolved and the first tranche is expected to be completed by July 2025. UNDP informed that following a review of the workplan for stage III, work on several activities under the first and second tranches will proceed in parallel in order to bring the project back on track. The delay in the start-up of the first tranche of stage III is not expected to affect the implementation of the following tranches.

### Legal framework

21. The Government of Colombia has already issued HCFC import quotas for 2023 at 30.76 ODP tonnes, which is lower than the Montreal Protocol control targets and in accordance with the maximum allowable consumption set in its Agreement with the Executive Committee. The HFC quota system is expected to be finalized by 31 December 2023 if the legal review process proceeds smoothly.

# Gender policy implementation

22. During the first tranche of stage III, the following activities were undertaken: a national gender expert was contracted to assist the project team define gender activities; a review of international experiences in gender mainstreaming in the RAC sector was carried out to identify practices and strategies suitable for Colombia; a RAC gender mainstreaming guide was prepared for the HPMP technical team; and two awareness-raising workshops on gender mainstreaming in the RAC sector were attended by the HPMP project team and stakeholders, including female RAC technicians.

#### Sustainability of the HCFC phase-out and assessment of risks

23. UNDP identified the following risks to the sustainability of HCFC phase-out: technical difficulties and compliance with safety standards related to the conversion to new technologies; inappropriate use of low-GWP technologies by end-users; and the high cost and low availability of low-GWP alternatives in the country. To address these risks, direct contacts were established with low-GWP technology suppliers to coordinate training sessions and evaluate commercial agreements. Furthermore, enterprises will be obligated to implement activities related to training and qualification of end-users of low-GWP-based equipment. The Government of Colombia has some tax incentives to promote low-GWP alternatives, including for end-users or enterprises using a new RAC system with a refrigerant GWP of less than 100.

24. To ensure sustainability, the Government of Colombia has enacted Resolution 0634 of June 2022 which banned the manufacture and imports of polyurethane foams, polystyrene foams, formulated polyols and products manufactured from these foams, as well as HCFC-based RAC equipment. Furthermore, the Government has promoted coordination to its implementation of multilateral environmental agreements, including the Montreal Protocol, in order to sustain climate protection initiatives and integrate environmental and sectoral policies and goals. For example, the Nationally Appropriate Mitigation Action initiative project to reduce greenhouse gas emissions from domestic refrigeration contributes to the reductions in substances controlled by the Montreal Protocol. Through these interventions, risks to the successful implementation of stage III of the HPMP for Colombia are mitigated.

#### Conclusion

- 25. The verified consumption of the country was 92 per cent below the country's baseline for compliance and 58 per cent below the target in the country's Agreement with the Executive Committee, and the country's import licensing and quota system is operational and will enable HCFC consumption reductions in advance of the Montreal Protocol's phase-out schedule. Comprehensive legislation is now in place on substances controlled by the Montreal Protocol, including the ban on the use of HCFC-141b, both pure and contained in imported pre-blended polyols, and the import of RAC equipment. No HCFC-141b consumption has been reported since 2020. Despite the extension of stage II of the HPMP and the delay in the start up of stage III, a plan is in place to bring implementation of stage III back on track and the level of disbursement for the first tranche of stage III has reached 26 per cent.
- 26. The activities undertaken in the servicing sector continue to be well-planned and form a coherent framework to strengthen the sector and facilitate the introduction of low-GWP alternatives, which will ensure the long-term sustainability of the activities and continue to enable the country to meet its compliance obligations under the Protocol. The NOU has demonstrated that it works effectively with the National Authority for Environmental Licensing, the Ministry of Commerce, Industry and Tourism, and the National Tax and Customs Direction to swiftly and efficiently resolve issues raised in the verification report, such as the import of HCFCs into special customs regime zones without a licence.

### RECOMMENDATION

- 27. The Fund Secretariat recommends that the Executive Committee note:
  - (a) The final progress report on the implementation of the work programme associated with the fourth and final tranche of stage II of the HCFC phase-out management plan (HPMP) for Colombia, submitted by the Government of Colombia, UNDP, UNEP and the Government of Germany in line with decision 88/40 and contained in document UNEP/OzL.Pro/ExCom/93/48; and
  - (b) The progress report on the implementation of the first tranche of stage III of the HPMP for Colombia.
- 28. The Fund Secretariat further recommends blanket approval of the second tranche of stage III of the HPMP and the corresponding 2024-2026 tranche implementation plan for Colombia 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 III, second tranche)	479,688	33,578	UNDP
(b)	HCFC phase-out management plan (stage III, second tranche)	395,000	51,350	Germany