

## PROJECT CONCEPT - Chile

### MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL HPMP PROJECT PREPARATION REQUEST FORM HPMP (Overarching + Inv)

#### Part I: Project Information

<b>Project title:</b>	CHILE HPMP STAGE III PREPARATION	
<b>Country:</b>	CHILE	
<b>Lead implementing agency:</b>	UNIDO	
<b>Cooperating agency (1):</b>	UNEP	
<b>Implementation period:</b>	2021-2030	
<b>Funding requested:</b>		
<b>Agency</b>	<b>Sector</b>	<b>Funding requested (US \$)*</b>
UNIDO	Overarching	45,000
UNEP	Overarching	15,000

\*Details should be consistent with information provided in the relevant sections below.

#### Part II: Prerequisites for submission

Item	Yes	No
1. Official endorsement letter from Government specifying roles of respective agencies (where more than one IA is involved)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Written confirmation – balances from previous PRP funding approved for stage II HPMP had been returned / will be returned (decision 71/42(i))	<input type="checkbox"/>	<input checked="" type="checkbox"/>
UNIDO and UNEP returned remaining fund balances from previous PRPs at the 79 <sup>th</sup> meeting in July 2017.	Click or tap here to enter text.	

#### A. Information required to support PRP funding (Overarching strategy)

<b>1. Montreal Protocol compliance target to be met in <input type="checkbox"/> stage II / <input checked="" type="checkbox"/> stage III of the HPMP</b>			
<b>Phase-out commitment (%)</b>	100%	<b>Year of commitment</b>	2030
<input checked="" type="checkbox"/> Servicing only		<input type="checkbox"/> Manufacturing only	<input type="checkbox"/> Servicing and manufacturing
<b>2. Brief background on previous stage of the HPMP</b> (i.e., when the HPMP was approved; a description of the progress in implementation of the previous stage of the HPMP to demonstrate that substantial progress had been made.)			
Chile's HPMP stage II was approved by the ExCom during its 76th meeting in May 2016 (Decision 76/37) to reduce the HCFC consumption in the period 2016-2021 by 45% from 2020 and 65% from 2021. UNDP participates in its execution as the lead implementing agency (US \$ 2,145,047), UN Environment (US \$ 218,270) and UNIDO (US \$ 1,030,700) as cooperating implementing agencies and the Ministry of the Environment, through its Ozone Unit, as executing agency. All funds were approved in principle by the MLF and ExCom to assist Chile in complying with the 2020 control measures for HCFCs under the Montreal Protocol comprising of annual/biennial HCFC consumption and phase-out targets as: reducing HCFC consumption by 45 per cent of its baseline by 2020, and 65 per cent of its baseline by 2021; by January 2020, a ban on the import and use of HCFC-141b for the polyurethane			

foam manufacturing sector and on imports and exports of HCFC-141b contained in imported pre-blended polyols. Tranche 1 was approved for UNDP, UNEP and UNIDO agencies in May 2016, by a total amount of US\$ 1,075,646 plus support costs. Tranche 2 was approved by the ExCom during its 81st meeting in May 2019 for UNDP, UNIDO and UNEP as Implementing Agencies. Tranche 3 was submitted to ExCom 85 and is scheduled to be implemented during 2020-2021. Chile is in compliance with the Montreal Protocol provisions and the Agreement with the Executive Committee and the country has an enforceable import/export licensing and quota system for HCFCs in place, which is operational, effective and capable of ensuring compliance with the Montreal Protocol phase-out provisions for HCFCs. UNDP as well as UNIDO and UNEP's preparatory funds for HPMP stage II have fully been disbursed. The HPMP-II contains five strategic lines that are implemented by these implementing agencies. The endorsement from the Government requesting UNIDO as lead agency and UNEP as cooperating agency to prepare HPMP stage III has been received. The remaining eligible consumption of HCFCs is of 15.98 ODP according to document ExCom 76/66, Annex VIII.

### **3. Current progress in implementation of previous stage of the HPMP**

<b>Activity</b>	<b>Description</b>	<b>Implementing agency</b>
Manufacturing-Foam PU	Individual conversion projects of manufacturers of discontinuous PU foam panels under progress. Five individual projects have finalized and two are on their final implementation stage (Refricentro and Termointustrial Paneles -ex-Danica) and will finalize its conversion process in the second semester of 2020. One company remains is analyzing the technology and alternatives (Superfrigo).	UNDP
Manufacturing-Foam PU	Group conversion projects of manufacturers of discontinuous panels and PU foam spray applications continue with the conversion of the individual projects. One of the two group projects (Austral Chemicals) has finalized. The second group project (Ixom) began on August 2020 and will finalize on 2021.	UNDP
Refrigeration servicing sector	Training on Good Refrigeration Practices (GRP) and certification of technicians: Training and outreach programme for technicians. Train-the-trainers courses (3) on GRP of alternatives to HCFC. Procurement of training / servicing equipment / tools. Trainings on GRP (32 courses, 746 technicians), Leaks detection (2 courses, 16 technicians), GRP using flammable refrigerants (4 courses, 36 technicians; and 3 international trainings for 14 technicians), and trainings on transcritical CO2 (28 courses, 484 attendees, 3 training levels). Manual on GRP on design, assembly, installation and maintenance of R&HVAC systems elaborated and distribution among technicians in progress. Manual on GRP on installation and maintenance of R&HVAC systems using flammable refrigerants in progress.	UNIDO
Refrigeration servicing sector	Technical assistance for R&AC sector: Technical workshops (2 workshops, 112 participants) with	UNIDO

	stakeholders, about alternatives to HCFCs in agro-industrial sector.	
Refrigeration servicing sector	Recovery, recycling and reclaiming programme: Support to the implementation of regional centres (consultant, equipment, materials). The technical specifications of the machines were defined and a unique bidding process to select the three reclaiming centres will be carried out. Regional centres under bidding process and their implementation is estimated to the first semester of 2021 (3 centres).	UNIDO
Legal/regulatory framework	Strengthening of the enforcement capacities of the National Customs Service through training on HCFC-related regulations for National Customs Service staff and Customs agents (2 trainings, 75 officers). Tariff codes for fully formulated polyols with HCFC, HFC, HFO was updated	UNEP
Others, specify.	Awareness raising programme ongoing, through monthly bulletins, posts in social media and web page ( <a href="https://ozono.mma.gob.cl">https://ozono.mma.gob.cl</a> )	UNEP

**4. Overview of current HCFC consumption in metric tonnes by substance (last three years)**

**\*substance reported in the table below is HCFC-225**

Substance	Sector	2017	2018	2019
HCFC-22	RAC servicing	39.05	31.39	24.01
HCFC-141b	Manufacturing-Foam PU	24.86	6.03	7.40
HCFC-141b	RAC servicing	2.06	0.50	0.61
HCFC-141b in imported pre-blended polyols	Manufacturing-Foam PU	3.17	3.58	3.03
HCFC-142b	RAC servicing	0.21	0.06	0.11
HCFC-123	RAC servicing	0.02	0.21	0.05
HCFC-124	RAC servicing	0	0	0.01
HCFC-225ca	Solvent	0*	0*	0*

**5. Based on the consumption data given above, please provide a description of the sector/sub-sector that use HCFCs in the country, including a short analysis and explanation of the consumption trends (i.e., increasing or decreasing)**

Chile does not produce HCFCs and the national consumption is based in imports. On 2019, imports of HCFC-22 and HCFC-141b are 74% and 25% of the total imports and small amounts of HCFC-123 and HCFC-124 as pure substances are imported, as well HCFC-142b contained in blends as R-406a, R-409a and/or FX-10. The RAC servicing sector is using mainly HCFC-22 and small amounts of HCFC-123, HCFC-124 and HCFC-142b. HCFC-22 consumption has been decreasing slowly since 2016 and the consumption of HCFC-123, HCFC-124 and HCFC-142b remains very low. The foam sector is converting from HCFC-141b into HFO-1233zf and hydrocarbons through MLF projects. The increasing in the consumption of HCFC-141b between 2018 and 2019 is explained by the prohibition of imports and exports of this substance, HCFC-141b since January 1st of 2020, which resulted in a stockpile. This prohibition applies to HCFC-141b as pure substance and that contained in fully formulated polyols. The second explanation is related to the historic imports of the main importer, Ixom. This company did not request quota on 2016 and according to the national quota distribution system, they imported a small amount on 2017. Then on 2018 and 2019, the company increased its imports to keep their customers. It is important to note that Ixom is a system house who produces fully formulated polyols with HCFC-141b

for export and local use, which began its conversion process on August 2020. In Chile, the solvent sector uses HCFC-225 and refers a blend “Asahikin AK-225R”, which contains HCFC-225ca (CAS 422-56-0; 39.6%-49.5%), HCFC-225cb (CAS 507-55-1; 49.5%-59.4%) and various solvents (<1%). The ODP was calculated according to the average percentage content of each isomer (average ODP value of 0.029) which is used in the table below. The imports of HCFC-225 cannot be banned although it has not been imported on the last years, due to this sector (solvents) was not considered under HPMP neither other projects. The country considers that it could be a passive use that has to be afford in the HPMP III.

**6. Description of information that needs to be gathered and updated. Explain why this has not been undertaken during preparation for the previous stage of the HPMP.**

Information needed	Description	Agency
Updated data on HCFC consumption in manufacturing/servicing sector	Review available data and update existing information on designer and installation services in cold rooms and end-user with different technologies for remaining installation capacities in Chile. It is a dynamic sector and is located along the country. The information collected during HPMP-II preparation has to be completed and updated, in order to identify refrigerant's large users. The characterization of heat pumps sector is also considered into this project, which is present in the country and it has not been identified and evaluated previously. Data collection and evaluation of relevant information on servicing sector to understand and plan the actions on servicing tail (if applicable).	UNIDO
Analysis of the types of equipment using HCFCs	Review available data and collect additional equipment data through questionnaires and interviews, in line with the identification of large HCFC users. It will create the pillars for an integrated register of cold installations.	UNIDO
Updated sectoral consumption information	New information is required on large cold rooms, in food sector, as dairy products, meat, fisheries, wineries, between others which use full time refrigeration. Data collection and analysis will be carried out about remaining use of HCFC-225 in solvent sector.	UNIDO
Others, specify.	Gender equality and women empowerment – baseline assessment including initial gender analysis for selected sectors, capacity building for NOU and monitoring plan a) Information related to build an initial diagnosis of Gender Mainstreaming in RAC	UNIDO

	sector, considering information available in MLF projects and between others: b) Number of students (women and men) that studied R&AC. c) Number of technicians (women and men) trained in good refrigeration practices. d) Identification of barriers for the inclusion of women in RAC sector.	
Others, specify.	Collect additional data as needed to determine didactic, technical and technological needs for training and awareness raising, supporting the HCFC phase-out activities.	UNEP
New information on ODS regulations	Identification of local manufacturers, importers and exporters of controlled products and equipment containing HCFC, in order to include them in the registry of controlled substances under the Montreal Protocol and in compliance with art. 8 of Decree 03/2019. Identification of the updates needed for the registry system of controlled products and related information to elaborate a regulation to control the use of HCFC under the Ministry of Health, in compliance of art. 14 of Ozone Law No 20096/2006.	UNEP
<b>7. Activities to be undertaken for project preparation and funding</b>		
<b>Activity</b>	<b>Indicative funding (US \$)</b>	<b>Agency</b>
Consultant(s) to conduct surveys, interviews, site visits and consultations in the targeted sectors and matters indicated below; organize and conduct workshops with key stakeholders including importers, wholesalers, service workshops, end-users, technology providers. A Specialist will be hired to conduct gender baseline.	45,000	UNIDO
Consultant(s) to draft the customs capacity building and awareness raising components of the HPMP stage III overarching strategy and tranche 1 request in consultation with the Montreal Protocol focal point, other stakeholders and lead implementing agency.	15,000	UNEP
<b>TOTAL</b>	<b>60,000</b>	
<b>8. How will activities related to implementation of the Kigali Amendment to phase down HFCs be considered during project preparation for stage II of the HPMP?</b>		

<p>Consultant(s) to conduct surveys, interviews, consultations and workshops with key stakeholders including importers, wholesalers, service workshops, end-users, technology providers, gender baseline</p>
<p>The overarching strategy will focus on the HCFC phase out while promoting ozone-friendly, climate-friendly and energy-efficient technologies to the extent that this is possible, supporting the activities developed under HPMP-II and finalizing the efforts to HCFCs phase-out. The strategy will also raise awareness of stakeholders on the Kigali Amendment and its future obligations, focusing in avoiding the increase of HFC use as HCFC's alternative. Regulations measures will be taken into consideration HFC conditions and possible awareness-actions in customs and governmental authorities. In this regard, the NOU is focusing the activities in line with the climate change activities, avoiding the increase of the carbon footprint in RAC sector.</p>
<p><b>9. How will the Multilateral Fund gender policy be considered during project preparation?</b></p> <p><b>Text to be adjusted accordingly</b></p> <p>Due consideration would be given to the gender policy of the Multilateral Fund during project preparation, and the gender baseline basement will be conducted in a line with best practices. The budget of each component of HPMP Stage III to be prepared will take into account allocations for the proposed gender activities (e.g., providing equal participation both women and men in project activities and providing conditions that increase access to capacity building activities for female technicians). In this regard, guidelines on gender mainstreaming from the MLF, UNIDO and Chile's Ministry of Environment, will be considered during the project preparation and implementation. Particularly during the project preparation, the following gender mainstreaming list will be considered:</p> <ul style="list-style-type: none"> <li>• Identify and address the different needs of women and men in RAC sector.</li> <li>• Integrate gender into project components (objective, outcomes, outputs) and reflect this in the log frame</li> <li>• Develop gender specific targets and/or sex disaggregated indicators that measure performance and impact</li> <li>• Identify and consult with women's groups associations or stakeholders concerned with gender issues</li> <li>• Allocate financial resources for activities that promoted gender equality and the empowerment of women</li> <li>• Identify any gender related risks or adverse impacts and provide measures to avoid or minimize them</li> </ul> <p>Gender indicators for the project implementation of HPMP III will be evaluated and proposed during project preparation based on documents and experiences reported in the MLF and in the following:</p> <ul style="list-style-type: none"> <li>• UNIDO (2015), Guide on gender mainstreaming – Montreal Protocol projects” <a href="https://www.unido.org/sites/default/files/2015-02/Gender_Guide_MP_0.pdf">https://www.unido.org/sites/default/files/2015-02/Gender_Guide_MP_0.pdf</a></li> <li>• UNIDO, “UNIDO Gender mainstreaming tools – Gender analysis for project design” <a href="https://www.thegef.org/sites/default/files/documents/UNIDO_Gender_Mainstreaming_Analysis_Tool.pdf">https://www.thegef.org/sites/default/files/documents/UNIDO_Gender_Mainstreaming_Analysis_Tool.pdf</a></li> <li>• Ministry of Environment of Chile, list on gender mainstreaming within climate change management instruments <a href="https://mma.gob.cl/wp-content/uploads/2020/06/GENERO-3.pdf">https://mma.gob.cl/wp-content/uploads/2020/06/GENERO-3.pdf</a></li> <li>• UNIDO (2019), Gender Analysis Report - Improvement of the Environmental Performance of the Foam Sector: Phase out and Management of Hexabromocyclododecane (HBCD) in China.</li> <li>• UNIDO (2016), “<i>Proyecto Eficiencia energética industrial en Colombia Transversalización del enfoque género</i>”(Report from the Industrial Energy Efficiency Project in Colombia – Gender mainstreaming)</li> </ul>

## Annex II<sup>1</sup>

### GENDER MAINSTREAMING CHECKLIST FOR PROJECTS

Project component	Question	Answer		
		Yes	No	Partially
Project preparation	Does the project concept include consideration of (a) the different situations of women and men, and (b) the impacts the project will have on these different societal groups?			X
	Does the project explicitly address one or more of the identified gender issues/ gender-differentiated project impacts? Please describe how, and if not provide an explanation. A gender baseline shall be conducted to identify and address gender issues	X		
Data and statistics	Where applicable, does the project require the collection of sex-disaggregated data and qualitative information to analyze and track gender issues?	X		
Results framework	Are outcomes, outputs and activities designed to meet the different needs and priorities of women and men?			X
	Does the results framework include gender responsive indicators, targets and baseline data to monitor gender equality results?	X(1)		
Budget	Has the budget taken into account allocations for the proposed gender activities (e.g., capacity building activities for female technicians)?	X		
Stakeholders and participation	Are women/gender-focused Ministries, groups, associations or gender units in partner organizations consulted/included in the project?	X(2)		
	Does the project ensure that both women and men can provide inputs, access and participate in project activities (e.g., through outreach / invitations of female technicians to participate in capacity building activities)?	X		
Gender capacities	Has a gender expert been recruited or does the project staff have gender knowledge and have gender related tasks incorporated in their job descriptions?			X(3)
	Will project staff and stakeholders be sensitized to gender (e.g., through completion of UN Women online training courses)?	X		
Implementation arrangement	Is there gender-balanced recruitment of project personnel and gender balanced	X		

<sup>1</sup> UNEP/OzL.Pro/ExCom/84/73.

Project component	Question	Answer		
		Yes	No	Partially
	representation in project boards and steering committees?			
Monitoring and evaluation	Does the monitoring and evaluation of the project require specific reporting on gender issues and progress made to address these (quantitatively and qualitatively)?			X

### Comments

- 1) Does the results framework include gender responsive indicators, targets and baseline data to monitor gender equality results? This dimension will be included in the gender analysis
- 2) Are women/gender-focused Ministries, groups, associations or gender units in partner organizations consulted/included in the project? Will be approached during the PR
- 3) Has a gender expert been recruited or does the project staff have gender knowledge and have gender related tasks incorporated in their job descriptions? Will be part of the analysis