



**EC HCFC Phase-out Technical Meeting
IA Roundtable Discussion
5-6 April 2008, Montreal, Canada**

**Accelerated Phase-out of HCFCs
TECHNO-ECONOMIC ASPECTS AND PHASE-OUT
APPROACHES**

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1. Introduction

- **The freeze and 10% reduction targets are closer than we think! Focus on that.**
- **Not everything can be done and we will need to prioritize using what is available and search for solutions.**
- **Uncertainties exist as they did when we started with CFCs. Industry can do a lot and bring innovation.**
- **A strong MLF is critical to finance HCFC conversion**



1. Introduction

Initial needs for HCFC management/reductions:

- **License/regulatory framework in place. Bending the growth**
- **Validate emerging/ available alternatives in specific A5 contexts/situations**
- **Design phase-out strategies taking into account CFC phase-out lessons**
- **Accounting for climate impact/benefits through cross-convention initiatives**
- **Clear MLF guidelines for all activities/sectors**
- **Time is of essence!**



2. Key Lessons Learnt from Implementing CFCs...

Technology

- **Techno-economic viability of alternatives may differ from country to country or from region to region**
- **Additional investments on parameters such as energy efficiency may need to be considered to maximize environmental benefits of the selected alternative**

Industry Structure

- **Predominance of SMEs in A5 countries and related issues**
- **Importance of accounting for country-specific industry/sector**
- **Group projects on sub-sectoral basis especially for SMEs produced good results, due to common alternative technology and economy of scale**



2. Key Lessons Learnt.... (cont)

Phase-out Approaches

- **Validating emerging/available technology (pilots) and establishing commercial viability (demonstrations) in country-specific situations save costs**
- **Well-designed phase-out management plans considering national priorities**
- **Proper sequencing of phase-out activities – upstream to downstream (i.e. addressing systems houses/compressor manufacturers first).**
- **Strengthen servicing sector now! Reduce/manage growth/demand through policy, regulatory, awareness, training and technical assistance.**
- **Cross-convention financing options (CDM/GEF)**
- **Leveraging management and other infrastructures created during CFC phase-out programmes, for HCFC management**



3. Conclusions & Recommendations

- **Emerging/available HCFC alternatives need to be validated thoroughly in individual A5 situations through pilot (to validate technical performance) and demonstration projects (to validate commercial viability)**
- **Freeze/10% reduction Phase-out management plans/strategies need to be designed reflecting the specific priorities of individual A5 countries.**
- **Proper sequencing and prioritizing of phase-out activities is crucial.**



3. Conclusions & Recommendations

- **Time is of essence! The first control step is the 1/1/2013 freeze.**
- **Given the significant growth rates in HCFC consumption, the demand curve needs to be bent soonest to meet the freeze. Licensing/Regulatory measures a must!**
- **Substantive phase-out actions need to be completed by end-2012. Projects need 2-3 years for results.**
- **Preparation of HCFC phase-out management plans must start by mid 2008 the latest, so that subsequent actions have enough time to produce results.**