

MINUTES OF THE 44TH MEETING OF THE EMPOWERED STEERING COMMITTEE (ESC) FOR IMPLEMENTATION OF THE MONTREAL PROTOCOL HELD ON 27TH DECEMBER 2021 IN KAVERI CONFERENCE HALL, PRITHVI BLOCK, MINISTRY OF ENVIRONMENT, FOREST AND CLIMATE CHANGE, INDIRA PARYAVARAN BHAWAN, JORBAGH ROAD, NEW DELHI 110003

The 44th meeting of the Empowered Steering Committee (ESC) for implementation of the Montreal Protocol was held on 27th December, 2021 at 4.30 P.M. in Kaveri Conference Hall, Prithvi Block, Ministry of Environment, Forest and Climate Change (MoEF&CC), Indira Paryavaran Bhavan, Jorbagh Road, New Delhi under the Chairmanship of Shri R. P. Gupta, Secretary (EF&CC). The list of participants is attached at ***Annexure-I***.

Member Secretary, Shri Jigmet Takpa, Joint Secretary, MoEF&CC initiated the discussions and gave a brief of the Empowered Steering Committee. He said that the Union Cabinet, during 1994, approved the constitution of the ESC under the Chairmanship of Secretary, MoEF&CC comprising members from nodal line Ministries/departments and experts associated with the Montreal Protocol, to oversee the implementation of the Montreal Protocol in the country. He also said that ESC reviews the progress of implementation of various Montreal Protocol activities and the current meeting will review the progress since the last meeting of the ESC held during January 2020. He then requested the Chairman to give the opening remarks.

The Chairman welcoming the members said that one of the key achievements during the year is the Ratification of the Kigali Amendment to the Montreal Protocol by India during September 2021 and the Ministry will be working towards development of a National Strategy for phase down of Hydrofluorocarbons (HFCs) in consultation with the nodal line Ministries/departments and other concerned stakeholders. He also mentioned about the progress on the implementation of the recommendations of the India Cooling Action Plan (ICAP), launched in 2019, which has been appreciated internationally as an important policy initiative, having potential to provide socio-economic and environmental benefits related to reduced refrigerant use, climate change mitigation and Sustainable Development Goals. He further highlighted the contributions of India in protecting the interests of developing countries during policy formulation and finalization, through representation in the Executive Committee (Ex-Com) of the Multilateral Fund (MLF). In conclusion, he said that the consultative process in the ESC should strengthen the framework for implementation of the Montreal Protocol in the country. He then requested for initiating discussions on the agenda.

A presentation was made on each agenda item, including the proposal there upon, for consideration of the ESC. A copy of the presentation is enclosed at ***Annexure-II***.

The details of agenda items considered and the observations and decisions of the ESC are as follows:

Agenda Item No. 1: Confirmation of Minutes of the 43rd meeting of the Empowered Steering Committee (ESC) held on 21st January 2020

Minutes of the 43rd meeting of the ESC held on 21st January 2020 were confirmed.

Agenda Item No. 2: Action taken report on the decisions of the 43rd meeting of the Empowered Steering Committee (ESC)

The Committee noted that the action on the decision of the 43rd meeting has been taken and completed only recently. Expressing unhappiness for the delay in taking action on the decision of the last meeting, Chairman said that henceforth action on the decisions of the ESC meeting should be initiated soon after the meeting and timely completed.

Agenda item No. 3: Report on Ratification of Kigali Amendment to the Montreal Protocol for phase down of Hydrofluorocarbons (HFCs) by India

The ESC was briefed that the Kigali Amendment to the Montreal Protocol was finalized at the 28th Meeting of the Parties (MOP) to the Montreal Protocol held on 15th October 2016 in Kigali, Rwanda, to phase down Hydrofluorocarbons (HFCs) under the Montreal Protocol at an agreed timeline and for gradual reduction by 80-85 per cent by the late 2040s. India, as Party to the Montreal Protocol ratified the Kigali Amendment on 27th September after approval of the Union Cabinet.

Regarding a query from Chairman on the next steps, it was said that in line with the Cabinet Decision, National strategy for phase down of HFCs will be developed by 2023 after required consultation with all the industry stakeholders and work on the same will commence from January 2022. Regarding the current status of alternatives and the price implications for phase down of HFCs, it was said that hydrocarbons, natural refrigerants and hydrofluoroolefins (HFOs) are the currently available alternatives. While HFOs are mostly patented and have significant price difference with HFCs, hydrocarbons and natural refrigerants have safety related issues and may not be suitable for all types of applications. Representatives from Indian Institute of Technology (IIT) Delhi and the Indian Society of Heating, Refrigerating and Air Conditioning Engineers (ISHRAE) said that the alternatives to be used for phasing down HFCs depends upon the sub-sector, application and use. Regarding further query from Chairman on the costs of transition from HFCs to non-HFCs technologies including the changes in equipment and non-HFC substitutes, it was said that the changes in technology conversion including the alternative non HFC technology used is around 35% to 40%, and is dependent upon the subsector, application and use.

Noting that HFCs is one of the Green House Gas (GHG) covered under the United Nations Framework Convention on Climate Change (UNFCCC) and its Kyoto Protocol, Chairman proposed that the Ozone Cell shall work with the Climate Change division in the MoEF&CC while framing the above said HFC phase down strategy, including on the issue of reporting of HFCs, both under the Montreal Protocol and the Kyoto Protocol.

The ESC noted the Ratification of the Kigali Amendment to the Montreal Protocol for phase-down of HFCs by India.

Agenda item No. 4 (i): Technology conversion in Foam and air-conditioning manufacturing Sectors – United Nations Development Program (UNDP) implementing agency and lead agency for HPMP Stage-II

The ESC was briefed on the Hydrochlorofluorocarbon (HCFC) Phase out Management Plan (HPMP) Stage-II, its components, target to be achieved, the implementing agencies associated and the progress of implementation on each component.

The investment component comprising technology conversion from HCFC to non HCFC and low global warming potential technologies in both foam and air-conditioning manufacturing sectors was presented. UNDP is the implementing agency for the investment component.

Regarding technology conversion in the foam manufacturing sector, it was informed that as per the decision of the Executive Committee of the Multilateral Fund, approving HPMP Stage-II, a phase out of 3166 MT tonne of HCFC 141b was to be achieved against a funding of US\$ 24 million at a cost effectiveness of US\$ 7.58 per kg. As the third party verified consumption worked out to 2630.11 MT, the funding of US\$ 19.94 million was finally allocated by the Executive Committee of the Multilateral Fund while approving the third tranche of funding during November 2020, after adjusting US\$ 4.06 million for the shortfall in consumption of 536 MT of HCFC 141b. Out of the allocated US\$ 19.94 million, till date US\$ 16.02 million has been allocated to the 160 participating enterprises. The balance US\$ 3.92 will be allocated during 2022, which includes technical assistance to finance research scholars in leading Government academic and research institutions to work on sustaining the foam sector and work on low global warming potential alternatives for considering under HPMP Stage-III and implementation of the Kigali Amendment.

Out of the 160 participating enterprises in the foam manufacturing sector, 133 enterprises have completed the technology conversion activities. A third party appointed by UNDP, the lead implementing agency, carries out physical site verification and confirms that all activities and milestones as per Memorandum of Agreement (MoA) signed with the enterprises have been met. Based on the technical review of the third-party physical site verification reports by UNDP Montreal Protocol Unit, final disbursements to the enterprises are endorsed to UNDP. The Ozone Cell and the UNDP are working closely with the remaining 27 enterprises to get the technology conversion activities completed.

Regarding the Air-conditioning manufacturing sector, the Committee was apprised that under the HPMP Stage-II, 6 large air-conditioning manufacturing enterprises have to transition from HCFC-22 to HFC-32, to achieve the phase out of 1140 MT of HCFC-22. Out of the 6 enterprises, 3 enterprises have completed technology conversion and implementation is in progress by the 4th enterprise. It was informed to the Committee that two enterprises viz. M/s Videocon Industries Ltd. and M/s Leel Electricals (formerly Lloyd Electric & Engineering Limited) are under corporate insolvency resolution process. In

case of Leel Electricals, the MoA has been signed and an amount of US\$ 195,470 has already been released towards first instalment of 20% of the incremental capital cost, which is on signing of MoA as per schedule of payments and milestones of the MoA. Ozone Cell has taken up the matter with the Interim Resolution Professional to take appropriate action on an urgent basis for refund of US\$ 195,470 and the matter is being followed up. As a way forward on this, it was proposed that the matter may be taken up with the Ministry of Corporate Affairs.

Noting the challenges relating to default, non-performance, non-achievement of milestones as per Memorandum of Agreement or the risk of becoming insolvent by the participating enterprises and the processes involved in recovery of fund disbursed in stages prior to completion of all the conversion activities and considering that there are no incentives for early movers, Chairman proposed that there is a need to have a clear framework for securing the funding provided by the Multilateral Fund for the participating enterprises for carrying out the technology conversions. While developing the said framework, the possibility of reimbursement to the participating enterprises after completion of all the activities associated in the technology conversion, considering principles and guidelines of the Multilateral Fund for allocating the funding should also be explored. In addition, Chairman proposed that provisions in the Memorandum of Agreement signed with the participating enterprise should also be examined for safeguarding the interests of the government, in terms of securing funding.

Noting the progress of implementation of Technology conversion in foam and air-conditioning manufacturing sectors under HPMP Stage-II including the funding allocation to the participating enterprises in the foam manufacturing sector, the ESC accorded ex-post facto approval for the third tranche funding request for HPMP Stage-II along with the tranche implementation plan submitted for consideration of the 86th meeting of the Executive Committee of the Multilateral Fund held in November 2020 with the approval of Secretary, MoEF&CC and Chairman, ESC.

Agenda Item No. 4 (ii): Review of Progress of Implementation of HCFC Phase out Management Plan (HPMP) Stage-II for the enabling activities, for which UN Environment Program (UNEP) is the implementing agency

The ESC was briefed about the enabling activities forming part of HPMP Stage-II which comprise awareness and capacity building for the servicing sector, building sector interventions, enforcement training, trade controls, framing of policy and regulation. Under tranche-1, a total of 7 activities have been undertaken which includes study on public procurement, cold chain sector, building sector, publication of awareness material for Refrigeration and air-conditioning service technicians, capacity building activities for customs and enforcement officials and simulation study for Bureau of Indian Standards (BIS). Out of which, 4 activities have been completed and 3 activities will be completed in 2022 as per the schedule given in the presentation. The plan of activities for funding tranches 2 and 3 and the progress thereon was also presented.

Noting the Progress of implementation of enabling activities under HPMP Stage-II and the ESC accorded ex-post facto approval for the Project Cooperation Agreement signed between Ozone Cell and UNEP for USD 252,000 for tranche 2, Small Scale Funding Agreement (SSFA) for the amount of USD 180,000 for tranche 3 and amendments to SSFAs signed under tranche 1 for implementing the enabling activities under HPMP Stage-II.

Agenda Item No. 4 (iii): Refrigeration and Air-Conditioning (RAC) Servicing Sector for which Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) Proklima, Government of Germany is the Implementing agency

The ESC was briefed about the Refrigeration and Air-Conditioning (RAC) Servicing Sector under HPMP Stage-II. The progress on the training of RAC service technicians and other capacity building initiatives undertaken were presented.

Noting the progress of implementation of activities in the RAC servicing sector under HPMP Stage-II, the ESC accorded ex-Post facto approval of the amendment to the agreement signed between GIZ Proklima and Ozone Cell, MoEF&CC, for extending the duration of implementation of the project, which was initially for 3 years, which expired in April 2021, till December 2022, the timeline for completing the HPMP Stage-II Project.

Agenda Item No. 5: Status Report on complete Phase out of Hydrochlorofluorocarbon (HCFC) 141-b, an Ozone Depleting Chemical, in manufacturing of rigid polyurethane foam as on 1st January 2020, in line with the Ozone Depleting Substances (Regulation and Control) Rules 2000, as amended in 2014 and 2019

The ESC was apprised that in line with the Ozone Depleting Substances (Regulation and Control) Rules, 2000 as amended in 2014, use of HCFC 141b in all types of rigid foam manufacturing should be stopped by 1.1.2020, which has also been stipulated in the agreement with the Executive Committee of the Multilateral Fund, forming part of HPMP Stage-II approval. As HCFC 141b is not manufactured in India and all the domestic requirements are met through imports, with the 2019 Amendment of the Ozone Depleting Substances (Regulation and Control) Rules, a gazette notification, prohibiting the import of HCFC 141b was published, through which the use of HCFC 141b by foam manufacturing industry has been closed as on 1st January 2020. The ESC was also informed that Directorate General of Foreign Trade (DGFT), Ministry of Commerce and Industry amended the import policy to ban the import of HCFC 141b in the country.

It was brought to the notice of the Committee that India Mart, online B2B marketplace is displaying information on selling/trading HCFC-141b, which is not in accordance with the national regulations and India's commitment under the Montreal Protocol. The progress on the action taken in the matter was also appraised. Noting that the selling/trading of HCFC 141b on Mart, online B2B marketplace is still displayed, Chairman proposed that the existing Ozone Depleting Substances (Regulation and Control) Rules 2000 need to be examined and appropriate modifications to be incorporated to overcome gaps, if any.

It was also proposed that accordingly, a communication may be sent from Secretary, MoEFCC to Secretary, Revenue, Ministry of Finance to restrain the display of selling/trading of prohibited item.

Regarding the issue relating to import of 100 MT of HCFC 141b during 2021, reported by the Directorate General of Commercial Intelligence and Statistics (DGCIS), is not in accordance with the Ozone Depleting Substances (Regulation and Control) Rules 2000, as amended in 2019 and could lead to compliance related issues for the country, the Committee was apprised that data reconciliation between the Directorate General of Foreign Trade (DGFT) and DGCIS is pending in spite of several efforts. The representative of Department of Commerce agreed to extend the required facilitation in getting transaction wise data and other required support to close the issue. Chairman advised that a communication to be sent from Secretary, MoEFCC to Secretary, Revenue in this regard. It was also proposed that necessary action may be taken as per the provisions of the Environment (Protection) Act, 1986.

Agenda Item No. 6: Status report on implementation of the recommendations of the India Cooling Action Plan (ICAP)

The ESC was briefed on the action taken towards operationalizing the recommendations for the thematic area Space cooling in buildings, the most important among the 6 thematic areas identified in the ICAP. Space cooling in buildings can significantly contribute to achieving the ICAP goals and accordingly has been prioritized for implementation. It was also informed that the finalised action points for implementing the recommendations for the thematic area space cooling in buildings was published and widely disseminated.

The ESC noted the progress on implementation of the recommendations in the ICAP for the thematic area space cooling in buildings.

Agenda Item No. 7: Ex-post facto approval for the projects submitted to the Multilateral Fund (MLF) for Implementation of the Montreal Protocol for consideration and approval by the Executive Committee (Ex-Com) of the MLF.

The ESC was apprised about the following projects submitted to the Multilateral Fund for consideration by the Executive Committee, with the approval of Secretary, MoEF&CC and Chairman, ESC.

- i. Project Preparation funding request for Preparation of Stage-III of the Hydrochlorofluorocarbon (HCFC) Phase out Management Plan (HPMP Stage-III) for US\$ 490,000 for consideration at the 87th meeting held in June 2021.
- ii. Institutional Strengthening Project (ISP) (Phase 13) for US\$ 477,000 for consideration at the 88th Ex-Com meeting held in November 2021.
- iii. Funding request for the Implementation of Enabling Activities for Phase down of Hydrofluorocarbons (HFCs) under the Kigali Amendment to the Montreal Protocol submitted for US\$ 250,000 for consideration at the 88th meeting of the Ex-Com.

The Committee was also apprised that all the 3 project proposals have been approved in the respective meetings of the Executive Committee of the Multilateral Fund.

The ESC accorded Ex-Post Facto approval for the above 3 project proposals submitted to the ExCom of the MLF.

Agenda Item No. 8: Ex-Post facto approval for the following research projects submitted to the Secretariat of the Vienna Convention and Montreal Protocol – The Ozone Secretariat, as part of the financing research and systematic observation activities related to the Vienna Convention in developing countries

The ESC was informed that based on a communication from the Ozone Secretariat inviting project proposals as part of the financing research and systematic observation activities related to the Vienna Convention in developing countries with funding upto US\$ 50,000 per project, the following two project proposals have been submitted to the Ozone Secretariat with the approval of Secretary MoEF&CC and Chairman, ESC:

- i. Impact of trace gases emissions changes on the stratospheric ozone layer and the present day and future climate over South Asia.
- ii. Capacity Building and Awareness Workshop on Stratospheric and Tropospheric Ozone Measurements and Calibration of Ozone Measuring Equipment.

The Committee was also informed that both the proposals are under consideration by the Advisory Committee. The ESC accorded Ex-Post Facto approval for the above 2 project proposals submitted to the Ozone Secretariat.

Agenda Item No. 9: Ex-Post Facto approval of data on production, import, export and consumption of Ozone Depleting Substances (ODSs) submitted to the Ozone Secretariat under Article 7 of the Montreal Protocol and Country Programme Progress Report (CPPR) comprising ODS-wise data to the Multilateral Fund (MLF) Secretariat for the year 2019 submitted during September 2020 and for the year 2020 submitted during September 2021

The ESC was briefed on the data that needs to be submitted each year by India to the Ozone Secretariat under Article 7 of the Montreal Protocol and to the Multilateral Fund Secretariat which comprises the Country Program Progress Report, which is the substance and application wise data of each controlled substance. The data relates to production, consumption, import and export of controlled substances and accordingly data has been submitted for the year 2019 and 2020 after review by the Standing Committee on Monitoring, Chaired by Ex-Officio, Chairman, Central Pollution Control Board and approval of Secretary, MoEF&CC and Chairman, ESC.

The Committee was also informed regarding the enterprises registered under the Ozone Depleting Substances (Regulation and Control) Rules, 2000, as amended from time, based on the recommendations of the Working Group and review by the Standing Committee on Monitoring.

The Committee noted the above and accorded Ex-Post Facto approval for submission of Article 7 of the Montreal Protocol to the Ozone Secretariat and CPPR to the Multilateral Fund Secretariat for the years 2019 and 2020.

Agenda Item No. 10: Ex-Post Facto approval of the customs and excise duty exemption granted to five enterprises under the Fiscal Incentive Scheme

The ESC was briefed about the fiscal incentive scheme comprising concessions in excise and customs duty for adoption of substitutes for Ozone Depleting Substances (ODSs), thus making the import of technology and machinery eligible for concessional customs and excise duty, which was approved by the Union Cabinet in 1994. The Committee was also informed that Technology and Finance Standing Committee (TFSC), a standing Committee of the ESC, in its meeting held on 15th October 2019 and 10th August 2020 recommended for grant of customs duty exemption for the following 5 applicants:

1. M/s Lloyd Insulations (India) Ltd., Pithampur, Madhya Pradesh
2. M/s Sudarshan Saur Shakti Pvt. Ltd., Aurangabad
3. M/s Shree Venus Energy System Private Limited, Chennai
4. M/s Havells India Limited, Rajasthan
5. M/s Varivar Plast Products Pvt. Ltd., Kanpur, Uttar Pradesh

Duty exemption certificates were issued to the above 5 applicants with the approval of the recommendations of the TFSC by Secretary, MoEF&CC and Chairman, ESC.

The ESC accorded Ex-post facto approval for grant of duty exemption for the above mentioned 5 applicants

Agenda Item No. 11: Status report on implementation of the Project on Upskilling of air-conditioner service technicians, implemented through a Memorandum of Agreement (MoA) between the Ministry of Environment, Forest & Climate Change (MoEF&CC) and the Ministry of Skill Development and Entrepreneurship (MSDE), under the Pradhan Mantri Kaushal Vikas Yojana (PMKVY)

The ESC was briefed about the project relating to upskilling and certification of 100,000 Refrigeration and Air-Conditioning (RAC) service technicians on good servicing practices and knowledge of alternative refrigerants to ozone-depleting chemicals, being implemented through a Memorandum of Agreement (MoA) between the MoEF&CC and the Ministry of Skill Development and Entrepreneurship (MSDE) under the Pradhan Mantri Kaushal Vikas Yojana (PMKVY). The project is implemented by the

Electronics Sector Skill Council of India (ESSCI), a not-for-Profit Organization, registered under the Indian Companies Act, 1956 with financial support by National Skill Development Corporation (NSDC), in close cooperation with the Ozone Cell, MoEF&CC. The Committee was also informed that after upskilling and certification of 38,886 RAC technicians the scheme was closed on 31st March 2020 and hence all allocations under the scheme were suspended. Considering the importance of completing the project, which is also one of the goals in the India Cooling Action Plan, the Committee was briefed on the follow up action of the MoEF&CC with the MSDE including a personal meeting between the Joint Secretary, MoEF&CC and Additional Secretary, MSDE.

Noting the progress of the project and further action taken, the representative from IIT Delhi enquired whether there is an overlap in the trained RAC technicians between trainings imparted by GIZ Proklima under the HPMP Stage-II and the trainings under the PMKVY. It was clarified that the implementation framework of both GIZ and the ESSCI ensures that there is no overlap in the trained technicians.

Agenda Item No. 12: Report on outcomes of the Montreal Protocol Meetings

The ESC was briefed on the significant outcomes including the contributions of the Indian representatives in the Montreal Protocol meetings held since the last meeting of the ESC, comprising meetings of the Executive Committee of the Multilateral Fund, the Meeting of the Parties to the Montreal Protocol and the Open-Ended Working Group (OEWG) of the Parties to the Montreal Protocol. The ESC noted the same.

Agenda Item No. 13: Reporting items

The following items were reported to the ESC:

- i. Issuance of quota order for Hydrochloroflourocarbon (HCFC)-22 Production for non-feedstock applications for the years 2020 and 2021 in line with the Montreal Protocol phase out schedule and as per the provisions of Ozone Depleting Substances (Regulation and Control) Rules 2000, as amended in 2014, to adhere to the phase out schedule by the Country, as Party to the Montreal Protocol. The Committee was further informed that the Production Quota is issued to the producers of HCFC-22 in the country based upon the average of the non-feedstock HCFC-22 production reported under the Montreal Protocol, for the years 2009-2010 (which constitutes the baseline, from which phase out is to be done and reduction target is to be achieved by the producers of HCFC-22 in line with the phase out schedule of the Montreal Protocol). The HCFC-22 production for non-feedstock uses is apportioned on pro-rata basis among the HCFC-22 producers. Quota for HCFC-22 production was issued to the HCFC-22 producers for the years 2020 and 2021 with the approval of Secretary, MoEF&CC and Chairman, ESC.

- ii. Renomination of Mr. Rajendra Shende, Chairman, TERRE Policy Centre and former Head, Ozon Action Branch, UNEP, to the TEAP for the years 2021 & 2022.
- iii. Participation of India in the Asia-Pacific Regional Ozone-2- Climate Art contest 2021-2022 organized by UN Environment Program (UNEP).
- iv. Celebration of World Ozone Day for the year 2021.
- v. Relocation of office of the Ozone Cell, Ministry of Environment, Forest & Climate Change (MoEF&CC) from India Habitat Centre to 1st Floor, 9, Institutional Area, Lodhi Road, New Delhi.

The ESC took note of the above.

Agenda Item No. 14: Other item discussed

It was noted that several proposals on which action has been taken after approval of Secretary, MoEF&CC as Chairman, ESC, have been brought to the Committee for Ex-Post Facto approval. Noting that it may not be feasible for convening the meeting of the ESC for every proposal and considering the timelines involved for various actions including submission of proposals, the ESC decided to authorize Secretary, MoEF&CC and Chairman, ESC to accord approval for all the proposals to be considered by the ESC. All such proposals will be put up to the ESC for information and to take note of the same.

The meeting ended with thanks to the Chair.

LIST OF PARTICIPANTS

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| 1. | Shri Rameshwar Prasad Gupta Secretary Ministry of Environment, Forest and Climate Change Indira Paryavaran Bhawan JorBagh Road New Delhi 110003 |
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| 13. | Shri Shikhar Jain, Deputy Head, CII-ITC Centre of Excellence for Sustainable Development Email: shikhar.jain@cii.in |

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| 14. | <p>Shri Richie Mittal National Past President Indian Society of Heating Refrigeration and Air Conditioning Engineers (ISHRAE) ISHRAE HQ, 1103-1104, 11th Floor, Chiranjiv Tower, 43, Nehru Place, New Delhi-110019, India Email: immpastpresident@ishraehq.in , richiemittal@gmail.com</p> |
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| 16. | Ozone Cell |
| | <p>Shri S.V. Subba Rao National Programme Manager, Ozone Cell Ministry of Environment, Forest and Climate Change</p> |
| | <p>Shri Fahad Naim Ozone Cell Ministry of Environment, Forest and Climate Change</p> |
| | <p>Ms Chanchal Sharma Technical Officer, Ozone Cell Ministry of Environment, Forest and Climate Change</p> |
| | <p>Shri Sharad Chouraha MIS Coordinator, Ozone Cell Ministry of Environment, Forest and Climate Change</p> |

Annexure - II

**44TH MEETING OF THE
EMPOWERED STEERING COMMITTEE
FOR IMPLEMENTATION OF THE
MONTREAL PROTOCOL**

27th December 2021

**OZONE CELL
MINISTRY OF ENVIRONMENT, FOREST & CLIMATE CHANGE
GOVERNMENT OF INDIA**



AGENDA ITEM NO 1

Confirmation of Minutes of the 43rd meeting of the Empowered Steering Committee (ESC) held on 21st January 2020

No comments received on Minutes of 43rd meeting of the ESC

Proposal for consideration of the ESC

To confirm the Minutes of the 43rd meeting of the ESC



AGENDA ITEM NO 2

Action taken report on the decisions of the 43rd meeting of the ESC

| Subject Matter | Decision of the 43 rd ESC | Action taken |
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| Release of balance payment of Rs 22 Lakhs to M/s Indian Polyurethane Association (IPUA) for undertaking survey of enterprises in the foam sector under HPMP Stage-II | To seek clarification from IPUA on how only 91 enterprises were found to be eligible out of the list of 413 enterprises provided by IPUA during re-verification carried out by a third party (M/s Pricewaterhouse Coopers Ltd. Based on the satisfactory response from IPUA, the balance payment of Rs.22 Lakhs out of the Contract Value of Rs 55 lakhs, may be released to IPUA. | After receiving satisfactory clarification from IPUA, UNDP has been requested to release the balance payment. |

Proposal for consideration of the ESC

To note the action taken in the matter.

3



AGENDA ITEM NO 3

Report on Ratification of Kigali Amendment to the Montreal Protocol for phase down of Hydrofluorocarbons (HFCs), by India

- The Kigali Amendment to the Montreal Protocol was finalized at the 28th Meeting of the Parties (MOP) to the Montreal Protocol held on 15 October 2016 in Kigali, Rwanda, to phase down Hydrofluorocarbons (HFCs).
- HFCs have high global warming potential ranging from 12 to 14,000 and were used as alternatives for phase out of Chlorofluorocarbons(CFCs) and Hydrochlorofluorocarbons (HCFCs).
- India has ratified the Kigali Amendment to the Montreal Protocol on 27 September 2021 after approval of the Union Cabinet.
- India will complete its phase down of HFCs in 4 steps from 2032 onwards with cumulative reduction of 85% of production and consumption of HFCs by 2047.
- National Strategy for HFC phase down to be developed in consultation with all the concerned stakeholders by 2023. Action initiated for seeking financial assistance from MLF.

Proposal for consideration of the ESC

To note the Ratification of the Kigali Amendment to the Montreal Protocol for phase-down of HFCs by India.

4



AGENDA ITEM NO 4(i)

**Implementation of HCFC Phase out Management Plan (HPMP) Stage-II
Technology conversion in foam and air-conditioning manufacturing Sectors – UNDP is the
implementing agency and lead agency for HPMP Stage-II.**

Foam Manufacturing Sector

- Technology conversion in foam manufacturing from HCFC 141b to non-Ozone Depleting and low global warming potential alternative technology to be implemented from January 2017 to December 2022 with an approved funding of US\$24 million by the Executive Committee of the Multilateral Fund for phase out of 3166 MT of HCFC 141b.
- Further third party verified the consumption of HCFC-141b to be 2630.11 MT. Accordingly, MLF adjusted US\$4.06 million from the US\$24 million to 19.94 million while approving third tranche due to shortfall in consumption, equivalent to 535.89 MT of HCFC 141b.
- 160 participating enterprises to phase out 2630.11 MT of HCFC 141b, with the approved funding of US\$19.94 million.
- 133 enterprise completed technology conversion. Third party on boarded for onsite verification to ensure technology conversion.



AGENDA ITEM NO 4(i) (Contd...)

- Ozone Cell and UNDP to work closely with remaining enterprises to get the technology conversion activities completed in time.
- Allocated funding of US\$16,022,234 to the 160 enterprises till 31 December 2019, the date on which use of HCFC 141b by foam manufacturing industry has closed as per the Ozone Depleting Substances (Regulation and Control) Rules, 2000, as amended in 2014 and in line with the agreement between the Executive Committee of the Multilateral Fund and the Government of India.
- Balance amount of US\$3,914,000 to be allocated during 2022. This amount includes US\$626,142 towards assistance to leading academic and research institutions for supporting research scholars to work on development of low global warming potential alternatives, activities for sustaining the phase out of HCFC 141b and preparing foam industry for HFC phase down under the Kigali Amendment.



AGENDA ITEM NO 4(i) (Contd...)

Air conditioning Manufacturing Sector

- Technology conversion in 6 large air-conditioning manufacturing enterprises from HCFC-22 to HFC-32, to achieve a phase out of 1140 MT (62.72 ODP tons) of HCFC-22.
- 3 AC manufacturing enterprise completed technology conversion. Third party onsite verification to ensure completion of milestones and deliverables as per MOA, completed for all the 3 enterprises. Implementation is in progress by 4th enterprise.
- Two enterprises [Videocon Industries and Leel Electricals (formerly Lloyd Electric & Engineering Limited)] are under corporate insolvency resolution process.
- In case of LEEL Electricals, the MoA has been signed and an amount of US\$195,470 has been released towards first instalment of 20% of the incremental capital cost, which is on signing of MoA as per schedule of payments and milestones of the MoA.
- Ozone Cell has taken up the matter with the Interim Resolution Professional to take appropriate action on an urgent basis for refund of the amount of US\$ US\$195,470. Matter is being followed up

7



AGENDA ITEM NO 4(i) (Contd...)

Proposal for consideration of the ESC

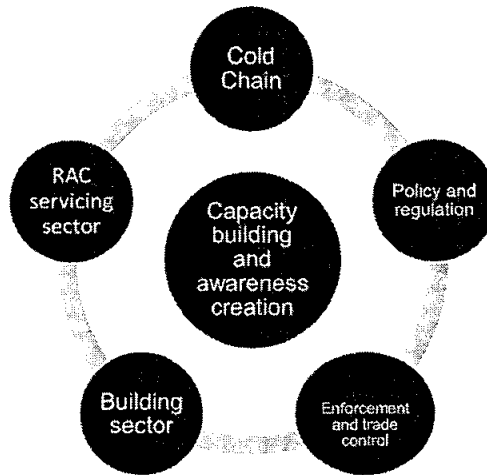
- To note the progress of implementation of Technology conversion in foam and air-conditioning manufacturing Sectors under HPMP Stage-II including the funding allocation to the participating enterprises in the foam manufacturing sector.
- To accord ex-post facto approval for the third tranche funding request for HPMP Stage-II along with the tranche implementation plan submitted for consideration of the 86th meeting of the Executive Committee of the Multilateral Fund held in November 2020.
- To propose the way forward in case of M/s LEEL Electricals Limited (formerly Lloyd Electric & Engineering Limited) for recovery of US\$195,470 released towards first instalment of 20% of the incremental capital cost, which is on signing of MoA as per schedule of payments and milestones of the MoA.

8



AGENDA ITEM NO 4(ii)

Implementation of HCFC Phase out Management Plan (HPMP) Stage-II
Enabling activities – UNEP is the implementing agency.



9



Progress on Implementation of tranche 1 of HPMP Stage-II

Tranche 1 amount - USD 245,000

| Activity | Implementing partner | Status |
|--|--|--|
| Capacity building of RAC Service sector for improving energy efficiency. ✓ 10 workshops for RAC dealers ✓ Published booklet on Good Servicing Practices for room air conditioners ✓ Awareness Materials i.e. Posters, Flyers and stickers | Energy Efficiency Services Limited (EESL) | Completed |
| Study on application of non-ODS and low GWP alternatives in Cold Chain sector | Pricewaterhouse Coopers Ltd. (PWC) | Completed |
| Study on Public Procurement Policies for RAC equipment using non-ODS based refrigerants | The Energy and Resources Institute (TERI) | Completed |
| Study on application of non-ODS and low GWP alternatives in Building sector | Alliance for Energy Efficient Economy (AEEE) | Completed |
| Survey report on RAC Service technicians in the state of Gujarat | NTPC School of Business | Draft report submitted. Final report by March, 2022. |
| Simulation study for development of national standards by Bureau of Indian Standard (BIS) for low-GWP Refrigerants. | Indian Institute of Technology (IIT), Delhi | Draft report submitted. |
| Enforcement and capacity building for Customs and enforcement officers. ✓ 3 Training of trainers (ToT) workshops for custom officers ✓ 6 Supervisory officers workshops ✓ 1 Border dialogue | National Academy of Customs Indirect Taxes and Narcotics (NACIN) | To be completed by June, 2022. |

10



Progress on Implementation of tranche 2 and 3 of HPMP Stage-II

Tranche 2 amount - USD 252,000

Tranche 3 amount - USD 180,000

- Signed a MOA with Construction Industry Development Council (CIDC) to implement the activities related to Good Management Practices for energy efficient buildings by introducing Passive Cooling designs, to reduce operational costs, improve health and comfort and promote use of non-HCFC and low-GWP alternatives.
- Requests for Proposals have been issued inviting project proposals for undertaking the following activities:
 - a) Study on Good Management Practices for Cold Storage (warehouse) infrastructure used in e-commerce business highlighting application of non-HCFC and low Global Warming Potential (GWP) refrigerant based energy efficient cooling systems.
 - b) Study on Public Procurement policies for hiring trained and certified Refrigeration and Air-conditioning (RAC) service technicians.
 - c) Promoting energy efficiency in RAC service sector by conducting awareness workshops and development of knowledge products
 - d) Development of quarterly e-newsletter for RAC service technicians (8 issues) on the importance of good servicing practices including handling of different types of refrigerants, related safety issues and updates on refrigerant transition under the Montreal Protocol.

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AGENDA ITEM NO 4(ii) (Contd...)

Proposal for consideration of the ESC

- To note:
 - Progress of implementation of enabling activities under HPMP Stage-II
 - Partner agencies associated in implementation of enabling activities under HPMP Stage-II through a Memorandum of Agreement signed between PMU, Ozone Cell and the concerned agency with the approval of Secretary MoEF&CC and Chairman, ESC.
 - To accord Ex-Post facto approval for the project cooperation agreement signed between PMU, Ozone Cell and UNEP for the amount of USD 252,000 for tranche 2 Small Scale Funding Agreement (SSFA) for the amount of USD 180,000 for tranche 3 and amendments to SSFAs signed under tranche 1 for implementing the enabling activities under HPMP Stage-II.

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AGENDA ITEM NO 4(iii)

Implementation of HCFC Phase out Management Plan (HPMP) Stage-II
Refrigeration and Airconditioning (RAC) Servicing Sector, – GIZ Proklima, Government of Germany is
the implementing agency.

Activities of HPMP Stage-II Project

Progress of Activities

Capacity Building / RAC Technicians Training

- ✓ Training of 17000 RAC service technicians by December 2022

Training of 9500 RAC service technicians completed. Training of balance 7500 RAC service technicians will be completed by December 2022.

- ✓ Training of Trainers (TOT) Programs

60 Trainers trained across the country.

- ✓ Development of knowledge products, printing and distribution

✓ Training material including handbook for RAC service technicians in English and Hindi developed and disseminated. Translation in other popular regional languages is in progress.

✓ Trainers and technicians handbooks on good service practices and installation of room air-conditioners with HCFC 22 and flammable refrigerants developed and disseminated.

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AGENDA ITEM NO 4(iii)

Activities of HPMP Stage-II Project

Progress of Activities

Design and development of a certification system for RAC service technicians

Developed concept note for implementation of a certification system and discussed in Stakeholder Consultation workshop. Further work on the recommendations of the workshop is in progress.

Institutional Strengthening Programs

- ✓ Industrial Training Institutes (ITIs) Instructors Training of Trainers (TOT)

Organized training program for RAC service trade instructors of Industrial Training institutes.

- ✓ Revision of ITI Syllabus

Syllabus for RAC service trade has been updated to include alternative refrigerants including flammable refrigerants and good service practices.

- ✓ Conducting training for technicians of institutions on good servicing practices:

Discussions initiated with institutions like CPWD and Delhi Metro for conducting training on good servicing practices. Modalities including structure of training are being worked out.

Delhi Metro
Central Public Works Department (CPWD)

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AGENDA ITEM NO 4(iii) (Contd...)

Proposal for consideration of the ESC

- To note the progress of implementation of activities in the RAC servicing sector under HPMP Stage-II
- To accord Ex-Post Facto approval of the amendment to the agreement signed between GIZ Proklima and Ozone Cell, MoEF&CC, for extending the duration of implementation of the project, which was initially for 3 years, which expired in April, 2021, till December 2022, the timeline for completing the HPMP Stage-II Project.

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AGENDA ITEM NO 5

Status Report on complete Phase out of HCFC 141-b in manufacturing of rigid polyurethane foam as on 1st January 2020, in line with the Ozone Depleting Substances (Regulation and Control) Rules 2000, as amended in 2014 and 2019.

- Ozone Depleting Substances (Regulation and Control) Rules 2000, as amended in 2014, which align domestic regulation with the accelerated phase-out of HCFCs with the Montreal Protocol, the use of HCFC-141b, a chemical used as a blowing agent in manufacturing of rigid polyurethane foam, needs to be phased out by 1.1.2020.
- All the domestic requirements were met through imports under license issued by Directorate General of Foreign Trade (DGFT), based on the recommendation of Ozone Cell.
- The third party appointed by UNDP, the lead implementing agency for HPMP Stage-II, carried out physical site verification for the completed foam sector projects under HPMP Stage-II and confirmed that HCFC 141b has been completely phased out in such enterprises and there is no stock of HCFC 141b available at their premises.
- The Directorate General of Foreign Trade (DGFT), Ministry of Commerce and Industry amended the import policy to ban the import of HCFC 141b in the country.

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AGENDA ITEM NO 5 (Contd...)

Status Report on complete Phase out of HCFC 141-b in manufacturing of rigid polyurethane foam as on 1st January 2020, in line with the Ozone Depleting Substances (Regulation and Control) Rules 2000, as amended in 2014 and 2019.

Selling/trading of HCFC-141b on the online portal of IndiaMART-reg.

- India Mart, online B2B marketplace is displaying information on selling/trading HCFC-141b, which is not in consonance as per India's commitment under the Montreal Protocol as well as national regulations.
- Communication from Ozone Cell, MoEF&CC was sent to Department for Promotion of Industry and Internal Trade (DPIIT) on 11th August 2021, requesting to take appropriate action
- DPIIT vide its communication dated 8th October 2021 informed that India-MART removed the advertisement related to HCFC-141b from their platforms.
- DPIIT also informed Ozone Cell that, the department has also directed India-MART for ensuring that no advertisement/listing of HCFC-141b is made on their website in future
- However, India Mart, online B2B marketplace is still displaying information on selling/trading of HCFC-141b.

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AGENDA ITEM NO 5 (Contd...)

Status Report on complete Phase out of HCFC 141-b in manufacturing of rigid polyurethane foam as on 1st January 2020, in line with the Ozone Depleting Substances (Regulation and Control) Rules 2000, as amended in 2014 and 2019.

Import of HCFC-141b reported by Directorate General of Commercial Intelligence and Statistics (DGCIS) in the year 2020:

- In accordance with the provisions of the Ozone Depleting Substances (Regulation and Control) Rules, 2000, as amended in 2019, the import of HCFC-141b is prohibited with effect from 1st January 2020. Accordingly, no recommendations were issued by Ozone Cell during the year 2020 for import of HCFC-141b
- DGCIS reported an import of 100 MT during 2020, also available on its portal.
- DGCIS was requested to provide the transaction wise data for import/export of ODS including HCFC-141 b and to take appropriate action against the unauthorized importer
- Matter still pending to be resolved.

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AGENDA ITEM NO 5 (Contd...)

Proposal for consideration of the ESC

- To note the status Report on complete Phase out of HCFC 141-b, an Ozone Depleting Chemical, in manufacturing of rigid polyurethane foam as on 1st January 2020, in line with the Ozone Depleting Substances (Regulation and Control) Rules 2000, as amended in 2014 and 2019.
- To note the action taken on selling/trading of HCFC-141b on the online portal of IndiaMART and propose way forward.
- To propose way forward on the data relating to ODS from DGCIS and DGFT.

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AGENDA ITEM NO 6

Status report on implementation of the recommendations of the India Cooling Action Plan (ICAP)

- India, first country in the world to launch a comprehensive cooling action plan in 2019 to provide an integrated vision towards cooling across sectors encompassing inter alia reducing cooling demand, refrigerant transition, enhancing energy efficiency and better technology options with a 20-year time horizon.
- Towards operationalizing the recommendations, six thematic working groups have been constituted, namely (i) Space Cooling in Buildings, (ii) Cold Chain, (iii) Domestic manufacturing and Production Sector – Alternative Refrigerants and technologies, (iv) Servicing Sector, (v) Transport Air conditioning (car, bus, train and Metro Air conditioning and (vi) Research and Development.
- Action points relating to implementation of the recommendations for Space Cooling in Buildings in the ICAP finalized and adopted for implementation.
- As part of the Implementation framework proposed in the ICAP, Secretary, MoEF&CC and Chairman, Empowered Steering Committee (ESC), approved the action points finalized by the Steering Committee for implementation.
- The publication on the Action points launched on the World Ozone Day held on 16th September 2021 and widely disseminated.
- A communication from Secretary, MoEF&CC was also sent to all the concerned line Ministries/Departments associated with implementation of the action points requesting to implement the proposed actions.

Proposal for consideration of the ESC

To note on the progress on implementation of the recommendations of the ICAP.

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AGENDA ITEM NO 7

Projects submitted to the Multilateral Fund (MLF) for Implementation of the Montreal Protocol for consideration and approval by the Executive Committee (Ex-Com) of the MLF.

- Project Preparation funding request for Preparation of Stage-III of the Hydrochlorofluorocarbon (HCFC) Phase out Management Plan (HPMP Stage-III) submitted to the MLF for consideration and approval at the 87th meeting held in June 2021
Status: Approved in the 87th meeting. Preparation commenced. HPMP Stage-III to be submitted during 90th meeting of Ex Com during November 2022. Implementation to be from 2023 to 2030
- Institutional Strengthening Project (ISP) (Phase 13) submitted to the Multilateral Fund (MLF) for consideration and approval at the 88th Executive Committee (Ex-Com) meeting held in November 2021
Status: Approved in the 88th meeting for the period Dec 2021 to Nov 2023
- Funding request for the Implementation of Enabling Activities for Phase down of Hydrofluorocarbons (HFCs) under the Kigali Amendment to the Montreal Protocol
Status: Approved in the 88th meeting. Work to commence from Jan 2022 till 2023

Proposal for consideration of the ESC

To accord Ex-Post Facto approval for the above 3 project proposals submitted to the ExCom of the MLF with the approval of Secretary, MoEF&CC as Chairman, ESC

I21



AGENDA ITEM NO 8

Research projects submitted to the Ozone Secretariat, as part of the financing research and systematic observation activities related to the Vienna Convention in developing countries:

- Impact of trace gases emissions changes on the stratospheric ozone layer and the present day and future climate over South Asia – by Indian Institute of Tropical Meteorology, an autonomous institute of the Ministry of Earth Sciences
- Capacity Building and Awareness Workshop on Stratospheric and Tropospheric Ozone Measurements and Calibration of Ozone Measuring Equipment – by CSIR National Physical laboratory, CSIR, Ministry of Science and Technology

Proposal for consideration of the ESC

To accord Ex-Post Facto approval for the above 2 project proposals submitted to the Ozone Secretariat with the approval of Secretary, MoEF&CC as Chairman, ESC

I22



AGENDA ITEM NO 9

Data on production, import, export and consumption of Ozone Depleting Substances (ODSs) submitted to the Ozone Secretariat under Article 7 of the Montreal Protocol and Country Programme Progress Report (CPPR) comprising ODS-wise data to the Multilateral Fund (MLF) Secretariat for the year 2019 submitted during September 2020 and for the year 2020 submitted during September 2021.

- As per Montreal Protocol, Consumption = Production for controlled uses + Import for controlled uses – Export for controlled uses.
- Production data obtained from Producers registered with Ozone Cell
- Import and export data obtained from Directorate General of Commercial Intelligence and Statistics (DGCI&S). Import and export of ODS is through a license issued by the Directorate General of Foreign Trade (DGFT) based on recommendations of Ozone Cell
- Data collected and compiled by Ozone Cell reviewed by Standing Committee on Monitoring chaired by Ex-Officio, Chairman, Central Pollution Control Board and representatives from DGFT, DGCI&S and other concerned line Ministries.

Proposal for consideration of the ESC

- To accord Ex-Post Facto approval for the Article 7 data for 2019 and 2020 submitted to the Ozone Secretariat and CPPR data for the years 2019 and 2020 to the MLF Secretariat with the approval of Secretary, MoEF&CC as Chairman, ESC
- To note the registration of enterprises based on the recommendations of the Working Group and review by the Standing Committee.



AGENDA ITEM NO 10

Ex-Post Facto approval of the customs and excise duty exemption granted to five enterprises under the Fiscal Incentive Scheme

- Fiscal concessions in excise and customs duty for adoption of substitutes for Ozone Depleting Substances (ODSs), for import of technology and machinery approved by the Union Cabinet during 1994.
- The Technology and Finance Standing Committee (TFSC), one of the Standing Committees of ESC, is responsible for considering of project proposals for availing the fiscal incentive scheme and upon appraisal, recommend to the ESC for approval.
- Five Proposals were considered by the TFSC for grant of excise and customs duty exemption
- Duty exemption certificates were issued to the above mentioned five enterprises after approval of the recommendation of TFSC by Secretary MoEF&CC and Chairman, ESC

Proposal for consideration of the ESC

To accord Ex-post facto approval of the customs and excise duty exemption granted to five enterprises under the Fiscal Incentive Scheme as per the recommendations of the TFSC with the approval of Secretary MoEF&CC and Chairman, ESC.



AGENDA ITEM NO 11

Status report on implementation of the Project on Upskilling of air-conditioner service technicians, implemented through a Memorandum of Agreement (MoA) between the Ministry of Environment, Forest & Climate Change (MoEF&CC) and the Ministry of Skill Development and Entrepreneurship (MSDE), under the Pradhan Mantri Kaushal Vikas Yojana (PMKVY).

- Upskilling and certification of 100,000 Refrigeration and Air-Conditioning (RAC) service technicians on good servicing practices and knowledge of alternative refrigerants to ozone-depleting chemicals at a project cost of Rs.34 crores.
- The project is implemented by the Electronics Sector Skill Council of India (ESSCI), a not-for-Profit Organization, registered under the Indian Companies Act, 1956 with financial support by National Skill Development Corporation (NSDC), in close cooperation with the Ozone Cell, MoEF&CC.
- 38,886 technicians trained and certified in phase 1 and phase 2 of the project
- PMKVY scheme closed on 31st March 2020 and hence all allocations under the scheme were suspended

Need for continuation of the project

- Refrigerants leak out of air-conditioners during normal operation and due to poor servicing practices, causing adverse impacts to the environment.
- Good servicing practices would not only result in savings in refrigerant and consumption and emissions but also reduce electricity consumption in the serviced equipment
- The project would also help in achieving the goal of upskilling and certifying 1 lakh RAC technicians by 2023 listed in the India cooling Action Plan (ICAP). 125



AGENDA ITEM NO 11 (Contd...)

Status report on implementation of the Project on Upskilling of air-conditioner service technicians, implemented through a Memorandum of Agreement (MoA) between the Ministry of Environment, Forest & Climate Change (MoEF&CC) and the Ministry of Skill Development and Entrepreneurship (MSDE), under the Pradhan Mantri Kaushal Vikas Yojana (PMKVY).

- Follow up with MSDE for completion of the project.
- Two communications sent to MSDE by JS (Ozone Cell). Also meeting held with JS(Ozone Cell), MoEF&CC and Additional Secretary, MSDE

Proposal for consideration of the ESC

To note the progress made in implementation, further action taken for continuation and completion of the Project and prepare a way forward.



AGENDA ITEM NO 12

Report on outcomes of the Montreal Protocol Meetings

Executive Committee (Ex-Com) of the Multilateral Fund (MLF) for the Implementation of the Montreal Protocol.

- India, as second largest producer and consumer of Ozone Depleting Substances is represented in the ExCom of the MLF every year as member/coopted member

Significant outcomes of the Ex-Com meetings

- **Approval of Project Proposals for India**
 - The 86th meeting of the Ex-Com of the MLF held in November 2020 approved the third tranche funding request of US\$14,792,059 for HCFC Phase out Management Plan (HPMP) Stage-II and the corresponding 2021-22 tranche implementation plan.
 - Funding request of US\$490,000 for Preparation of Stage-III of the HPMP was approved at the 87th meeting of the Ex-Com of the MLF held in June 2021.
 - Funding request of US\$ 477,000 for renewal of Institutional Strengthening Project (ISP) (Phase 13) was approved at the 88th meeting of the Ex-Com of the MLF held in November 2021.
 - Funding request of US\$250,000 for the Implementation of Enabling Activities for Phase down of Hydrofluorocarbons (HFCs) under the Kigali Amendment .127



AGENDA ITEM NO 12 (Contd...)

Report on outcomes of the Montreal Protocol Meetings

Executive Committee (Ex-Com) of the Multilateral Fund (MLF) for the Implementation of the Montreal Protocol.

- Guidelines for preparation of HFC phase down plans by Article-5 (developing countries) under the Kigali Amendment were approved.
- MLF Secretariat to prepare a report identifying options for mobilizing financial resources for maintaining and/or enhancing energy efficiency when replacing HFCs with low global warming potential alternatives.
- Guidelines for funding for phase out of HCFC-22 in the production sector to be retained in the agenda and till an outcome on the issue of swing plants is reached under the issue relating to key aspects related to HFC-23 by-product control technologies and the related policy is finalized by the Ex-Com.
- Proposals for integration of activities relating to HCFC phase out and HFC phase down including limiting growth of HFCs to be considered in person meetings
- Framework for financing RAC servicing sector under HFC phase down should be clear for Article 5 and Non-Article 5 Countries.



AGENDA ITEM NO 12 (Contd...)

Report on outcomes of the Montreal Protocol Meetings

Meeting of the Parties to the Montreal held during 2020 and 2021

Significant outcomes

- To adopt an interim budget for the triennium 2021-2023 and to authorize use of rollover funds from the current triennium. The interim budget would be in effect till the parties adopted a decision for the replenishment of the MLF, which is for a 3-year cycle. The decision on replenishment could not be adopted by the Parties in 2020 in a absence of a physical meeting.
- To hold an extraordinary MOP for finalizing the replenishment or to adopt a decision for payment of national contributions to the MLF.
- To appoint Mr. Rajendra Shende, Chairman, TERRE Policy Center and former head, UNEP OzonAction, as Senior Expert Member of the Technology and Economic Assessment Panel (TEAP) of the Montreal Protocol for 2021 and 2022.
- India has been elected as member of the Ex-Com of the MLF for the year 2022 and for 2021, as coopted member.
- Discussions on Energy efficiency to be considered as cost element for financing under the Multilateral Fund and on unexpected emissions of chlorofluorocarbons (ODS which have been phased out) to continue.



AGENDA ITEM NO 12 (Contd...)

Report on outcomes of the Montreal Protocol Meetings

Open Ended Working Group (OEWG) of the Parties to the Montreal held during 2020 and 2021

Significant outcomes

- During these meetings the CFC-11 Task force, Replenishment Task Force and energy efficiency task force presented their respective reports for consideration by the Parties.
- The structure of the meeting was only to present the report by the Task Force after which participants can pose questions and make comments during question-and-answer sessions and seek clarifications.
- Indian representatives participated in the deliberations on all the three issues and sought the required clarifications.

Proposal for consideration of the ESC

To note the outcomes of the meetings Montreal Protocol held during 2020 and 2021



AGENDA ITEM NO 13 (i)

Reporting Items

Issuance of quota order for Hydrochlorofluorocarbon (HCFC)-22 Production for non-feedstock applications for the years 2020 and 2021 in line with the Montreal Protocol phase out schedule and as per the provisions of Ozone Depleting Substances (Regulation and Control) Rules 2000, as amended in 2014

- In accordance with sub rule 4 of Rule 3 of the Ozone Depleting Substances (Regulation and Control) Rules, 2000, and its amendments, Quota for production of controlled substances needs to be issued by the MoEF&CC, to adhere to the phase out schedule by the Country, as Party to the Montreal Protocol.
- To enable the country to be in compliance with the Montreal Protocol schedule, the HCFC-22 production needs to be phased out in a step wise manner starting 10% reduction from baseline production as on 1.1.2015, 35% as on 1.1.2020, 67.5% as on 1.1.2025 and 97.5% as on 1.1.30, with 2.5% of the baselines constituting the service tail, the annual average during the period 2030-2040.
- Production Quota is issued to the producers of HCFC-22 in the country based upon the average of the non-feedstock HCFC-22 production reported under the Montreal Protocol, for the years 2009-2010 (which constitutes the baseline, from which phase out is to be done and reduction target is to be achieved by the producers of HCFC-22 in line with the phase out schedule of the Montreal Protocol).
- The HCFC-22 production for non-feedstock uses is apportioned on pro-rata basis among the HCFC-22 producers, considering the phase out target as per the Montreal Protocol reduction schedule, which constitutes the quota, the limit for which each producer can produce during a year. Quota for HCFC-22 production was issued to the HCFC-22 producers for the years 2020 and 2021 with the approval of Secretary, MoEF&CC and Chairman, ESC.

Proposal for consideration of the ESC

To note the issuance of Issuance of quota order for HCFC-22 Production for non-feedstock applications for the years 2020 and 2021 with the approval of Secretary, MoEF&CC and Chairman, ESC.

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AGENDA ITEM NO 13 (ii)

Reporting Items

Nomination of Mr. Rajendra Shende, Former Head, UN Environment Program (UNEP) OzonAction branch as senior expert member to the Technology and Economic Assessment Panel (TEAP) of the Montreal Protocol, for the years 2021 and 2022.

- The TEAP is the technology and economics advisory body to the Montreal Protocol Parties, which provides, at the request of Parties, technical information related to the alternative technologies that have been investigated and employed to make it possible to phase out/phase down and virtually eliminate use of substances controlled under the Montreal Protocol.
- The TEAP comprises members from both Article 5 (developing) and Non-Article-5 (developed countries).
- Nominations to the TEAP are decided in the Meeting of the Parties each year.
- The TEAP in its annual progress report indicates the matrix of needed expertise.
- Mr. Rajendra Shende Former Head, UN Environment Program (UNEP) OzonAction branch was renominated during 2021 and 2022.
- To have wider representation in the TEAP from India, the Ministry of Environment, Forest and Climate Change (MoEF&CC) has send communication to all the scientific research and academic institutions, inviting names of suitable persons, in line with the matrix of needed expertise defined by the TEAP.

Proposal for consideration of the ESC

To note the renomination of Mr. Rajendra Shende, Chairman, TERRE Policy Centre and former Head, Ozon Action Branch, UNEP, to the TEAP for the years 2021 & 2022.

.32



AGENDA ITEM NO 13 (iii)

Reporting Items

Participation of India in the Asia-Pacific Regional Ozone-2- Climate Art contest 2021-2022 organized by UN Environment Program (UNEP)

- UNEP, Asia and the Pacific Office is organizing a "Asia-Pacific Regional Ozone2Climate Art Contest" to commemorate the success of the Montreal Protocol
- The objectives of the Art Contest are as follows:
 - To promote the linkage of ozone layer and climate change protection, as well as achievements made under the Montreal Protocol
 - To promote outreach for continuous mobilization of public support on the phase-out of Ozone Depleting Substances (ODS) and phase-down of Hydrofluorocarbons (HFCs).
- India confirmed its participation in the above contest with the approval of Secretary, Ministry of Environment, Forest & Climate Change (MoEF&CC) and Chairman, ESC.

Proposal for consideration of the ESC

To note the participation of India in the Asia-Pacific Regional Ozone2Climate Art Contest, organized by UNEP, with the approval of Secretary, MoEF&CC and Chairman, ESC.

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AGENDA ITEM NO 13 (iv)

Reporting Items

Celebration of World Ozone Day for the year 2021

- The World Ozone Day is celebrated on 16th September each year to commemorate the signing of the Montreal Protocol on this day in 1987.
- World Ozone Day is celebrated every year to spread awareness among people about the depletion of Ozone Layer and the measures taken/ to be taken to preserve it.
- The Ozone Cell, MoEF&CC has been celebrating the World Ozone Day since 1995 at the National and State levels.

World Ozone Day 2021 – key highlights

- Theme - *"Montreal Protocol - Keeping us, our food and vaccines cool"*.
- Release of awareness material
 - Winning entries of Poster and slogan competitions
 - 23rd edition of "The Montreal Protocol: India's Success Story"
 - Short video Film on phasing out of Ozone Depleting Substance in India.
- Release of Publications
 - Action Plan for implementing the recommendations of the India Cooling Action Plan (ICAP) for the thematic Area Space Cooling in Buildings
 - Study Report on Public Procurement Policies for Refrigeration and Air-Conditioning (RAC) Equipment using non-ODS based refrigerants
 - Study Report on Cold Chain sector in India for Promoting non-ODS and Low-GWP Refrigerants
 - Booklet on Good Servicing Practices for Energy Efficient operation of Room Air conditioners

Proposal for consideration of the ESC

To note the celebration of the World Ozone Day 2021 and the activities undertaken.

.34



AGENDA ITEM NO 13 (v)

Reporting Items

Relocation of office of the Ozone Cell, Ministry of Environment, Forest & Climate Change (MoEF&CC) from India Habitat Centre to 1st Floor, 9, Institutional Area, Lodhi Road New Delhi

- Ozone Cell which was functioning from the premises of Consultancy Development Centre (CDC)s, an autonomous institution of the Department of Scientific and Industrial Research (DSIR), Ministry of Science and Technology at India Habitat Centre.
- In order to sustain the Ozone Cell in the long run and keeping in view the funding available under the Institutional Strengthening Project and the service charges (rent) to be paid annually, Ozone Cell was relocated to 1st floor, 9 Institutional Area, Lodhi Road from 21 June 2021 with the approval of Secretary MoEF&CC and Chairman, ESC and functioning from there since then.

Proposal for consideration of the ESC

To note the relocation of the Ozone Cell from the premises of CDC in the India Habitat Centre to 1st floor, 9 Institutional Area, Lodhi Road, New Delhi from 21 June 2021.

.35



THANK YOU

.36