

WORKSHOP  
2 JULY 2023  
BANGKOK

# HFCs Quota System

*the experience of Kuwait*

Eng. Yaqoub Almatouq

# Lessons learned from CFCs and HCFCs

- ❑ During CFC and other ODS era (excluding HCFCs), the coordination and collaboration process with customs was established and strengthened.
- ❑ Dealing with production, trade and consumption of few chemicals including blends.
- ❑ Production was in few countries and hence, controlled through respective national processes.
- ❑ ODS contained in pre-blended polyols was addressed progressively during HCFC era;
  - ❑ challenging as this is not a controlled substance.

# Lessons learned from CFCs and HCFCs (concluded)

- ❑ Feedstock uses were exempted from controlled schedules
  - ❑ but monitored and reported through national process.
- ❑ Critical and essential use processes and processes for handling essential use exemptions were handled through capacity building support and national processes.
- ❑ The era of HCFC involved continuing the strengthening of the above mechanisms – essentially built on existing processes.

# HFCs Pose Unique Challenges

- ❑ CO<sub>2</sub> emission-based controls need to be carefully designed to avoid unintended growth in HFCs that can be phased-down earlier and faster.
- ❑ Priorities quota for sector/subsector rather than total importation.
- ❑ Flexible quota system consumption of blends could exceed consumption of pure Annex F group I substances.
- ❑ HFC blends offer an opportunity for reducing high-GWP HFC consumption growth.
  - ❑ Considering refrigerant blends or pure or low/High GWP refrigerant.

# HFCs Pose Unique Challenges (Continued)

- ❑ Establishing annual HFC country quotas for RRR according to the Montreal Protocol provisions imports or exports of used (recovered, recycled or reclaimed) HFCs are not included in the calculation of Parties' HFC consumption.
- ❑ The “Proof of RRR” issued for the shipment of a particular substance or mixture.

# HFCs Pose Unique Challenges (Concluded)

- ❑ Establishing annual HFC country quotas for exempted uses importation HAT exemption (allowed levels of consumption shall be calculated save to the extent that HAT exemption applies).
- ❑ Generation of HFC-23 also needs to be controlled in line with Kigali Amendment;
  - ❑ one can learn from processes for monitoring and reporting used by CDM.

# Main Messages

- ❑ Building a strong foundation for controlling and monitoring HFCs,
  - ❑ adequate resources need to be provided for capacity building of NOUs and relevant national institutions
- ❑ Training and learning-by-doing / learning from each other – critical.
  - ❑ This needs to be addressed on priorities in the next 3 to 5 years.
  - ❑ There may be a need to share information on the processes adopted by A2 countries.

# More Main Messages

- ❑ No new controls and additional burden should be added.
  - ❑ they will pose a significant burden on NOUs.
- ❑ Periodic stock-take of the ways HFCs controls and monitoring is being managed is important.
- ❑ Energy efficiency and ODS end-use management – new areas.
- ❑ Controls and monitoring need to be carefully designed and managed to avoid unmanageable burden on NOU.



