













# PROJECT AT-A-GLANCE

Regional Project for Leapfrogging to Energy-Efficient and Climate Friendly Air Conditioners in Cuba, El Salvador and Honduras.

# **GEOGRAPHICAL SCOPE**

Latin America and the Caribbean

Cuba, Honduras, El Salvador

For more information, please visit: www.united4efficiency.org

### STATUS ACTIVE

STARTING DATE
SEPTEMBER

CLOSING DATE
DECEMBER
2022

**TOTAL PROJECT COST** 



DONOR

Green Climate Fund (GCF)

IMPLEMENTING PARTNER

**United Nations Environment Programme** 

**TEAM LEADERS** 

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#### OTHER EXECUTING PARTNERS

**Cuba:** National Office for the Control of the Rational Use of Energy (Oficina Nacional para el Control del Uso Racional de la Energía – ONURE)

**Honduras:** Secretariat of National Resources and Environment (Secretaría de Recursos Naturales y Medio Ambiente – MiAmbiente)

El Salvador: National Energy Council (Consejo

Nacional de Energía - CNE)



### **KEY PROJECT OBJECTIVES**

Based on U4E's Country Saving Assessments, the reduction potential range in electricity consumption, monetary savings and GHG emissions mitigation in Cuba, Honduras and El Salvador due to a market transformation to energy-efficient room air conditioners (2020 values) is very significant by 2030:



More than **1.56** TWh in direct annual energy savings (avoided investment costs for 3 power plants of 100MW)



Over \$ **281** million
USD monetary savings in annual electricity costs



**1.4** million tonnes of CO<sub>2</sub> avoided annually (equivalent to more than 900 thousand cars)



## THE CHALLENGE

Cuba, El Salvador and Honduras are three countries situated in the Caribbean/Central American Region, which together represent a surface area of 250,000 km², with approximately 28 million inhabitants. Given their particular geographical, biophysical and topographic characteristics, their economic development is closely linked to each other, and they are extremely vulnerable to global climate change, especially temperature rise. There is a particular need and interest to address growing demand for cooling, and the consequent energy consumption. For example, although just 12% of Salvadoran homes have air conditioning equipment, this represents about 50% of the total residential energy consumption. In 2012, almost 15% of the residential homes in urban areas of Cuba had air conditioning equipment, leaving a large margin for growth. Domestic demand for room air conditioners in Cuba, El Salvador and Honduras is expected to increase steadily to 3.5 million units by 2030 – a 51% increase from 2020 installed stock. The growing demand for cooling products will increase electricity consumption, which will, in turn, strain the electrical grid of the three countries (already heavily dependent on fossil fuels), and intensify direct and indirect CO<sub>2</sub> emissions. The importation of inefficient room air conditioner appliances and the large local market for second-hand products is also among the biggest hurdles to pursuing more sustainable cooling solutions.

Although multiple efforts have been made to advance energy efficiency in each country, there remains several gaps in their regulatory frameworks to achieve a sustainable market transformation. Therefore, it is critical to establish a strong policy and regulatory framework and promote higher efficiency appliances. Cuba, El Salvador and Honduras are already exploring minimum energy performance standards (MEPS) and labels for room air conditioners. Still, it has been observed that the MEPS currently in place are outdated and/or do not fully cover the scope of the products imported into the market. Also, efforts undertaken in the region towards energy efficiency have been isolated or stand-alone approaches to address common challenges and barriers. Coordinating national activities through regional cooperation and peer learning will enable Cuba, Honduras and El Salvador to work together on cross-border issues and encourage them to adopt similar robust policies (i.e. harmonization of MEPS, common product labelling) and share resources (test facilities and/or procedures for product evaluation), which ultimately will help them to efficiently use limited resources and achieve greater impact.

## WHAT WE DO

United for Efficiency's team of experts, following the U4E Integrated Policy Approach, provides technical assistance to Cuba, Honduras and El Salvador in order to achieve the promotion, demonstration, deployment, and transfer of innovative low-carbon technologies, particularly high efficiency and climate-friendly room air conditioners.

The Project will seek to achieve concrete objectives, such as:

- Development of a National Market Assessment in the three countries to support the development/update of MEPS and labels for room air conditioners in line with international best practices.
- Develop specific technical recommendations to implement MEPS and energy label regulation for room air conditioners and delivery of capacity building to local stakeholders on the subject.
- Establish a monitoring, verification and enforcement (MVE) framework in line with the recommended MEPS and labelling policy and provide training to related stakeholders (e.g., customs officers, certifying national bodies, supervisory agencies, importers, etc.) on the upcoming legislative changes.
- Develop recommendations/guidelines on sustainable public procurement to support institutional procurers to drive the purchase of higher performance room air conditioning products.
- Delivery of a regional workshop to inform neighbouring countries of the new MEPS and labels for room air conditioners in Cuba, Honduras and El Salvador, so they can leverage on the content, approach and lessons learned.







## **UN ENVIRONMENT'S ROLE**

Through their in-house experts and specialized partners, United for Efficiency provides developing and emerging economies with tailored technical support to transform their markets by accelerating the adoption of energy-efficient lighting, appliances, and equipment. Currently it is present in more than 30 countries worldwide. Based on each country's circumstances, United for Efficiency works with any of the following products: lighting, refrigerators, room air conditioners, motors and transformers – five products that together consume over half of the world's electricity.

By following United for Efficiency's Integrated Policy Approach and covering crucial elements from the transformational pathway, such as Standards and Regulations; Labelling and Communication strategies; Financial Mechanisms; Monitoring, Verification and Enforcement; and Environmental Sound Management, countries achieve a lasting market transformation, allowing monetary savings on their utility bills, helping businesses thrive through greater productivity, enabling utilities to meet growing demand for electricity, and assist governments in reaching their economic and environmental ambitions. Such support is available at three levels: Global, Regional and National providing several tools and resources to support committed countries in their efforts, such as Policy Guides, multiple assessments (country level, street lighting, etc.), regional policy roadmaps and harmonization process recommendations, development of training for policymakers and practitioners and National Action Plan implementation support.

