

UNEP GEF PIR Fiscal Year 2021

Reporting from 1 July 2020 to 30 June 2021

1. PROJECT IDENTIFICATION

1.1. Project details

Identification Table	GEF ID.: 9496	Umoja no.: SB-010317
Project Title	Leapfrogging Chilean's markets to more efficient refrigerator and freezers	
Duration months	Planned	36
	Extension(s)	47 (+11 months) N/A
Division(s) Implementing the project	Climate Change Mitigation Unit, Energy Branch, Economy Division	
Name of co-implementing Agency	N/A	
Executing Agency(ies)	Fundación Chile	
Names of Other Project Partners	United for Efficiency	
Project Type	Medium Size Project	
Project Scope	National	
Region	Latin America and Caribbean	
Countries	Chile	
Programme of Work	Programme of work 2020-2021, Subprogramme 1: climate change.	
GEF Focal Area(s)	Climate Change Mitigation	
UNSDCF / UNDAF linkages	Cooperation area 3: Environmental sustainability and risk reduction. Joint direct effects: 7. The State strengthens its capacities for adaptation and mitigation to climate change, especially considering vulnerable groups. 8. Public policies for sustainable management of natural and energy resources are strengthened with the participation of civil society and affected groups.	
Link to relevant SDG target(s) and SDG indicator(s)	SDG goal 7: Ensure access to affordable, reliable, sustainable, and modern energy for all. Target 7.3: By 2030, double the global rate of improvement in energy efficiency.	
GEF financing amount	US\$ 1,473,762	
Co-financing amount	US\$ 7,411,551	
Date of CEO Endorsement	18 January 2018	
Start of Implementation	25 May 2018	
Date of first disbursement	19 June 2018	
Total disbursement as of 30 June 2021	US\$ 1,035,654	

Total expenditure as of 30 June 2021 ¹		US\$ 867,550
Expected Mid-Term Review Date		N/A
Completion Date	Planned	31/05/2021
	Revised	30/4/2022
Expected Terminal Evaluation Date		30/11/2022
Expected Financial Closure Date		30/4/2023

1.2. Project description

The project is supporting Chile to increase the market share of high energy efficiency domestic refrigerators and freezers. It aims to achieve this by focusing on the development of supporting policies, standards and regulations as well as involving domestic consumers through replacement campaigns, and educational and sensitizing actions.

Fundación Chile executes the program in Chile in collaboration with the Ministry of Energy, Ministry of Environment and the Superintendency for Electricity and Fuels (SEC). Furthermore, national and international private sector actors are involved as project partners: including certification bodies, testing laboratories and domestic refrigerators and freezers producers. All project partners have an active role in supporting the development of governmental guidelines and incorporating specific actions directly into their working guidelines and services.

The project activities are arranged into four components:

Component 1: Revising regulatory mechanisms, including minimum energy performance standards (MEPS) and Energy Efficiency Labels;

Component 2: Enhancing monitoring, verification, and enforcement (MVE), mainly through the adoption of the testing protocol IEC 62552:2015 (specifies the essential characteristics of household refrigerating appliances, cooled by internal natural convection or forced air circulation, and establishes test methods for checking the characteristics);

Component 3: Developing supporting policies, involving a communication campaign and a replacement demonstration program;

Component 4: Enhancing environmentally sound management, expected to result in a Supreme Decree for the environmentally sound management of waste electrical and electronic equipment (WEEE).

1.3. History of project revisions

Version	Date	Main changes introduced in this revision
Rev0 (CEO ED)	18/01/2018	GEF approval
Rev1	07/05/2018	Re-formatting of the budget from IMIS to UMOJA format. Minor adjustments in the budget and the workplan.
Rev2	12/04/2021	Extension request, budget revision and adjustment in the workplan to reflect changes due to the pandemic

¹ Preliminary at the time of preparing this report.

2. OVERVIEW OF PROJECT STATUS

2.1. UNEP Subprogramme(s)

<p>Programme of Work 2020-2021, subprogramme 1: climate change.</p>	<p>Specify the relevant Accomplishment(s) & Expected Indicator(s)</p> <p><u>Expected accomplishment:</u> (b) Countries increasingly adopt and/or implement low greenhouse gas emission development strategies and invest in clean technologies</p> <p><u>Indicators:</u> (i) Number of countries supported by UNEP² that make progress in adopting and/or implementing low greenhouse gas emission development plans, strategies and/or policies (ii) Climate finance invested by countries or institutions for clean energy, energy efficiency and/or amount of decarbonized assets</p>
<p>The project is supporting Chile to adopt and implement low-emission development policies, standards and regulations. Such actions will increase investment in clean technologies and support it to achieve its NDC³. During the second year of the project, a detailed baseline on the national refrigerators fleet has been finalized (quantity and energy efficiency type) and socialized with main project partners. Further, the report on Minimum Energy Performance Standards (MEPS) and labelling proposals are finished as well as the report on MVE⁴ which includes detailed analysis of the national capacities and specific recommendations for Chile to adopt the new testing protocol (IEC62552:2015) in order to meet European testing standards. Replacement demo campaigns and communicational campaigns have been designed and developed, however due to the actual situation (social and health crisis) their “go live” had to be postponed for the second semester of 2020 (initially set for the last week of October 2019, when the protests in Chile started). In line with the demo programs, a detailed characterization was conducted among main recycling entities founding only one entity which effectively regenerates refrigerant gases. As a support for the implementation of the REP⁵ Law, guidelines are being developed in collaboration with the Ministry of Environment and UNEP specialist in order to develop the operational framework for the WEEE⁶ priority product group.</p> <p>[Section to be shared with relevant Regional and Global SubProgramme Coordinators]</p>	

2.2. GEF Core Indicators (for all GEF 6 and later projects):

GEF Core Indicators	Indicative expected Results	
Please refer to the discussion in section 3.1.		
Indicator	Expected values at	
	Mid-term	End-of-project
Greenhouse gas emissions mitigated (metric tons of carbon dioxide equivalent)	n.a.	547,462 tCO2e

² UNEP: United Nations Environmental Program
³ NDC: National Determined Contribution
⁴ MVE: Monitoring, Verification and Enhancement
⁵ REP: Producer Extended Responsibility
⁶ WEEE: Waste of Electric and Electronical Equipment

2.3. Implementation status and risk

	FY 2019	FY 2020	FY 2021	FY 2022
PIR #	1 st	2 nd	3 rd	4 th
Rating towards outcomes (section 3.1)	S	S	S	
Rating towards outputs (section 3.2)	S	MS	S	
Risk rating (section 3.3)	M	M	L	

The overall **rating towards outcomes** for the present reporting period is stated as **satisfactory (S)**. The market share of highly efficient domestic refrigerators and freezers has increased constantly since project implementation started. Furthermore, proposed new minimum energy performance standards (MEPS) and energy efficiency (EE) labelling standards have been adopted by the Ministry of Energy and should start being implemented during 2022. National decision makers, certification bodies and testing laboratories have actively participated in various training activities carried out by the project to comply and prepare for the new testing protocol IEC 62552:2015 which has been drafted and approved by the Superintendency for Electricity and Fuels (SEC) and will undergo a public consultancy process during the second semester of 2021. For the development of the Supreme Decree on Waste of Electric and Electronical Equipment (WEEE) the project has an ongoing consultancy which will deliver central technical inputs to the Ministry of Environment to include specific requirements on declaration schemes and prevention actions.

For the present reporting period the projects overall **rating towards outputs is stated as satisfactory (S)**. Most projects outputs have been accomplished or the implementation process is ongoing and in its final phase. During the last reporting period, due to the uncertainty around the COVID pandemic, the project focused on developing technical inputs for the Ministry of Environment, Ministry of Energy and SEC to be considered in the development of specific standards and policies towards EE, extended producer responsibility (REP) schemes and testing protocols. In addition, in the wake of social and political changes in parallel to the pandemic, the project focused on the re-design of the communicational messages, actions, and channels as well as adjusting the replacement campaign model to the “new normal”. This replacement campaign, expected for November 2021, is planned after a careful process of selecting the retailer under strict competitive and transparency guidelines to assure a fair selection process was conducted, in which SODIMAC, a major player in the Latin America market, presented the best proposal. The accomplishment of the pending outputs requires specific data which will be available during and after the implementation of the replacement campaign.

For the present reporting period the **overall risk of this project is stated as low (L)**. Major risks during the last reporting period existed because of the national social outbursts and international health situation and the uncertainty both generated. The project adjusted to the “new” reality and developed new executing arrangements to keep the project on track independently of future lockdown scenarios. These adjustments have minimized project risks identified previously, stating them in the actual period as low. As for the country’s adoption of recommended policies, there is a strong involvement and commitment from the fuel and electricity authority, as well as line ministries, leading to the expectation that most policies will come into effect in 2022.

2.4. Co-financing

<p>Planned Co-finance Total: USD 7.411.551</p> <p>Actual to date: To date:</p>	<p>In-kind co-finance of project collaborating partners has been less than initially expected due to the following main reasons:</p> <ol style="list-style-type: none"> 1. Impossibility to execute main activities during last reporting period which involved collaborating partners due to social outburst and the health situation. 2. Partner “Midas” with a compromised contribution of USD 1.700.000 has stepped down of the project by the first semester of 2019. No justification was provided.
--	---

<p>USD 2.590.613 (preliminary figures up to 30/06/2021) 34.9% of total⁷</p> <p>*When considering total co-finance without the initially compromised contribution of MIDAS (see 2.), the total contribution to date raises to 45.3%</p>	<p>3. Activities which involve a strong collaboration of project partners are being developed at the present which will reflect in-kind contributions during the next reporting period (2022).</p> <p>4. Adjustment of main project’s activities onto a virtual modality has decreases considerably implementations and execution costs, leading to a consequential reduction in in-kind co-financing requirements.</p>
---	---

2.5. Stakeholder engagement

<p>Stakeholder engagement</p>	<p>The Ministry of Energy, Ministry of Environment and the Superintendence of Electricity and Fuels (SEC) have actively participated and supported the development and implementation of all activities corresponding to the four components of the project.</p> <p>The main national certification entities, testing laboratories and refrigerators and freezer producers (Samsung, Mabe, Whirlpool, Hisense, among others) have been actively involved in the proposed MEPS (Minimum Energy Performance Standards) and new EE labelling, supporting the process with revision, comments and training instances. The same actors have participated in trainings, revisions and comments concerning the current system of monitoring, verification, and enforcement (MVE) and the ongoing actualization process of the energy efficiency testing protocol IEC62552:2015⁸.</p> <p>For the main replacement campaign planned for November 2021, main retailers of the country have shown high interest in participating. After a simple tendering process the project has partnered with SODIMAC, one of the main retailers in the country with over 70 stores alongside Chile and presence in Latam with over 250 stores. SODIMAC has stated that producers are very interested in participating in the replacement campaign and will contribute with special discounts for the campaign.</p>
--------------------------------------	---

2.6. Gender

<p>Gender mainstreaming</p>	<p>All projects’ activities consider a general gender mapping (male/female participation, male/female project counterparts and male/female reached by specific actions). For example, see participants list under Annex 3 of the full PIR or communicational outreach of activities developed within the Top Ten Program under Annex 12 of the PIR.</p> <p>Further, a revision of methodologies to measure gender aspects on energy programs has been carried out resulting in specific methodologies to be incorporated during the replacement campaign set for the second semester of 2021. For more information, please refer to Annex 9 of the full PIR.</p>
------------------------------------	--

⁷ At the time of submitting this PIR, co-financing reporting of some project partners had been compromised but not delivered yet: Ministry of Environment, MABE and Regener. Other project partners did not respond to the requirement of reporting co-finance (after contacting them twice): Intertek, Ashrae, Lenor. Whirlpool stated to have no co-finance contribution to report in this period.

⁸ The participants list, presentation held, the video of the workshops as well as main comments gathered during the workshop can be seen under Annex 3, 4 and 5 respectively.

2.7. Environmental and social safeguards management

<p>Environmental and social safeguards management</p>	<p>This is a low-risk project according to its Environmental, Social and Economic Review Note (ESERN), included as Annex N of its CEO Endorsement Document. Thus, there are no specific elements that are being monitored as part of this project. Nonetheless, the project has undertaken activities that can have a positive impact on the environment.</p> <p>For instance, a specific report on refrigerant gases treatment technologies existent in Latin America and potential for introducing in Chile is being conducted. Further, recycling entities have been visited on-site to state their sound management processes and disposal of refrigerant gases. Technology introduction/upgrade is being evaluated for the national market.</p> <p>On social and economic impacts, due to the social and health crisis that began in Chile in late 2019, the project has focused deeply in redesigning messages, its focus and models in order to meet new local realities and sensibilities aroused since that time.</p>
--	--

2.8. Knowledge management

<p>Knowledge activities and products</p>	<p>Among the knowledge activities and products delivered by the project in the last year, the following can be mentioned:</p> <ul style="list-style-type: none"> • Qualitative report on low private sector request for the recognition of foreign certifications (Annex 2) • MEPS and labelling proposal for Chile (Annex 1) • Trainings on new IEC 62552:2015 testing protocol (Annex 3, 4 and 5) • Report on national and international refrigerant gases market market share, classification, and final disposal technologies (Annex 10) • Summary of methodologies for gender and energy mapping (Annex 9) • International experiences and recommendations to promote reuse of WEEE within the Chilean REP Law (Annex 11) <p>These documents have been included as annexes to the full PIR.</p>
---	--

2.9. Stories to be shared

<p>Stories to be shared</p>	<p>The project has re-designed its activities and incorporated new actors due to the need to continue project execution independently of the COVID pandemic and related future uncertainty.</p> <p>The project team was positively surprised about the good reception and interest among private and public partners to continue with the fulfilment of the main projects activities and the high interest and involvement of the private sector to participate in initiatives with a strong environmental focus. Domestic refrigerators and freezers actors are very conscious on the importance of offering energy efficient products and assume a relevant role in educating population on sound management of their old appliances. Further stories will be available in the next PIR, when the majority of project activities have been completed.</p>
------------------------------------	---

3. PROJECT PERFORMANCE AND RISK

3.1 Rating of progress towards achieving the project outcomes

Project objective and Outcomes	Indicator	Baseline level	Mid-term target ⁹	End-of-project target	Summary by the EA of attainment of the indicator & target as of 30 June 2021	Progress rating ¹⁰																				
<p>Objective: Accelerating transformation of Chile's markets to more energy efficient (EE) residential refrigerators/freezers thereby achieving reduction of GHG¹¹ emissions and contributing to improved energy access and energy security.</p>	<p>Increase in market share of more energy efficient refrigerators/freezers</p>	<p>Market share in 2015: A++ = IEE¹² < 30 = 5% A+ = 30 ≤ IEE < 42 = 39% A = 42 ≤ IEE < 55 = 44% B = 42 ≤ IEE < 55 = 9% C = 75 ≤ IEE < 90 = 3%</p>	<p>n.a</p>	<p>Market share in 2025: A = IEE < 15 = 50% B = 15 ≤ IEE < 22 = 40% C = 22 ≤ IEE < 30 = 10% D = 30 ≤ IEE < 42 = 0% E = 42 ≤ IEE < 55 = 0%</p>	<p>Market share analysis of 2018: A++ = IEE < 30 = 5% A+ = 30 ≤ IEE < 42 = 71% A = 42 ≤ IEE < 55 = 24%</p> <p>Market share analysis of 2019 A++ = IEE < 30 = 4% A+ = 30 ≤ IEE < 42 = 84% A = 42 ≤ IEE < 55 = 12%</p> <p>Market share analysis of 2020 A++ = IEE < 30 = 22% A+ = 30 ≤ IEE < 42 = 68% A = 42 ≤ IEE < 55 = 10%</p> <div data-bbox="1226 683 1839 1029"> <table border="1"> <caption>Market Share EE Classes Data</caption> <thead> <tr> <th>Year</th> <th>A++ (%)</th> <th>A+ (%)</th> <th>A (%)</th> </tr> </thead> <tbody> <tr> <td>Baseline 2015</td> <td>5%</td> <td>39%</td> <td>44%</td> </tr> <tr> <td>2018</td> <td>5%</td> <td>71%</td> <td>24%</td> </tr> <tr> <td>2019</td> <td>4%</td> <td>84%</td> <td>12%</td> </tr> <tr> <td>2020</td> <td>22%</td> <td>68%</td> <td>10%</td> </tr> </tbody> </table> </div> <p>Fundación Chile based on information provided by the SEC on yearly certificated refrigerators/freezers.</p> <p>Information provided by the SEC¹³.</p>	Year	A++ (%)	A+ (%)	A (%)	Baseline 2015	5%	39%	44%	2018	5%	71%	24%	2019	4%	84%	12%	2020	22%	68%	10%	<p>S</p>
Year	A++ (%)	A+ (%)	A (%)																							
Baseline 2015	5%	39%	44%																							
2018	5%	71%	24%																							
2019	4%	84%	12%																							
2020	22%	68%	10%																							

⁹ There are no mid-term targets for this project.

¹⁰ Use GEF Secretariat required six-point scale system: Highly Satisfactory (HS), Satisfactory (S), Marginally Satisfactory (MS), Marginally Unsatisfactory (MU), Unsatisfactory (U), and Highly Unsatisfactory (HU).

¹¹ GHG: Green House Gases

¹² IEE: Índice Eficiencia Energética (Energy Efficiency Index)

¹³ Note: The classes still contain the “A+” and “A++” since the energy label is not yet updated. However, recommendations for the new standards have been made by the project and approved by the Ministry of Energy. The implementation is foreseen for the first semester of 2022.

The presence of A++ models in the market increased 18% during the last year in detriment of the A+ class which decreased its market share by 16%. The A class has shown a constant diminution in the market share from 44% in the year 2015 to 10% by the 2020.

The socialization and work on new MEPS (performance standards) and EE Labels for the country is having a significant impact on the market share of more efficient refrigerators.

Project objective and Outcomes	Indicator	Baseline level	Mid-term target ⁹	End-of-project target	Summary by the EA of attainment of the indicator & target as of 30 June 2021	Progress rating ¹⁰
	Reduction of GHG emissions (direct project-related impact estimated based on GEF-STAP methodology)	N/A		547,462 tCO ₂ e ¹⁴	N/A. The greenhouse gasses reduction estimation is strongly dependent on the implementation of new MEPS, EE Labelling, market share and the replacement campaigns. This last activity is planned for November 2021 in which a strong monitoring process is planned to capture these metrics.	N/A
Outcome 1: Accelerated transformation of the market for EE residential refrigerators/freezers via implementation of advanced MEPS ¹⁵ and EE labels in line with international best practices and provision of associated capacity building	Status and level of new MEPS	MEPS currently allow only A-class products (IEE < 55)		New MEPS (IEE < 30) officially adopted	The proposal of new performance standards (MEPS) for the national market has been concluded and presented to the Ministry of Energy and SEC. The recommended option for Chile made by U4E has been adopted by the Ministry of Energy and will be implemented in Chile. At the present, the implementation action plan is being coordinated between the public and private sector and must be in line with the implementation of the new testing protocol IEC 62552:2015, since IEE standards differ between actual and future testing protocol.	S
	Status and level of new EE labels for residential refrigerators/freezers	Energy label exists with the following classes: A++ = IEE < 30 A+ = 30 ≤ IEE < 42 A = 42 ≤ IEE < 55 because B to G-class products has been phase out of the market by the producers and importers		New energy label adopted with the following classes: A = IEE < 15 B = 15 ≤ IEE < 22 C = 22 ≤ IEE < 30 D = 30 ≤ IEE < 42 E = 42 ≤ IEE < 55	The proposal of a new energy label for refrigerators/freezers has been concluded and adopted by the Ministry of Energy. The recommendations have been socialized with the Ministry of Energy, SEC, stakeholders and main project partners. The Ministry of Energy and SEC are coordinating a gradual adoption process for the national market.	S

Label	IEE actual	IEE targeted	IEE proposed and adopted (new testing protocol)	Approximated equivalent of IEE proposed and adopted considering former IEE standards*
A++	IEE < 30			
A+	30 ≤ IEE < 42			
A	42 ≤ IEE < 55	IEE < 15	IEE < 54	IEE < 17
B		15 ≤ IEE < 22	54 < IEE ≤ 64	17 < IEE ≤ 19
C		22 ≤ IEE < 30	64 < IEE ≤ 76	19 < IEE ≤ 23
D		30 ≤ IEE < 42	76 < IEE ≤ 90	23 < IEE ≤ 27
E		42 ≤ IEE < 55	90 < IEE ≤ 106	27 < IEE ≤ 32
F			106 < IEE ≤ 125	32 < IEE ≤ 38
G			125 ≤ IEE	38 ≤ IEE

*Consideration must be made that the new recommended testing protocol IEC62552:2015 has a different measuring method than the actual one. This results in different EEI ranges. These conversions are approximated and based on the European model. The final IEE standards for the Chilean Market will depend on the testing protocols included in the implementation of the IEC 62552:2015 which is on development at the present (June 2021).

¹⁴ tCO₂e: Tons of Carbon Dioxide Equivalent Emissions

¹⁵ MEPS: Minimum Energy Performance Standards

Project objective and Outcomes	Indicator	Baseline level	Mid-term target ⁹	End-of-project target	Summary by the EA of attainment of the indicator & target as of 30 June 2021	Progress rating ¹⁰
<p>Outcome 2: Actors comply with improved MVE labelling regulations, testing protocols and measurements methodologies to ensure residential refrigerators/freezers meet improved efficiency levels.</p>	<p>Time taken to get a certification for new products to be placed on the market</p>	<p>3 to 6 months</p>		<p>Less than 3 months.¹⁶</p>	<p>The ongoing implementation process of the new testing protocol IEC 62552:2015 will allow the recognition of international certification processes in the country. This is expected to reduce the certification time and costs for products in the national market considering that Chile is a refrigerators and freezers import country with no domestic production.</p>	<p>S</p>
	<p>Number of laboratories trained in the new protocol IEC 62552:2015 that are able to perform tests in their own dependencies.</p>	<p>Revised baseline: 0 (laboratories in Chile use currently the Energy Efficiency Testing Protocol IEC 62552:2015</p>		<p>At least 2 laboratories are trained in the new testing protocol IEC 62552:2015 and are able to use the new testing protocol in their own dependencies</p>	<p>Several activities have been developed to socialize and train national actors within the new IEC 62552:2015 testing protocol. Certification bodies, testing laboratories, producers and governmental actors have been involved in different training instances, site visits and technical roundtables to understand, suggest and comment on the proposed specific tests. During June 2021 a final draft on the details of the IEC 62552:2015 developed by the SEC and Ministry of Energy with technical support and guidance of an international consultant of the project was socialized with all involved actors in order to receive suggestions and comments. More than 57 actors representing the certification department of their companies participated actively and have been involved since 2019 in activities towards understanding and incorporating the new protocol into their working guidelines. The training with an international accredited laboratory is planned for the end of 2021 to accompany the pilot implementation phase of the new protocol. Existent digitally based training programs in Spanish focus on introductory aspects of the Norm which adds no value to national actors due to the various activities carried out by the project in this topic since 2019 and the high familiarization of national actors with the new norm.</p>	<p>HS</p>

¹⁶ It must be considered that, even though the new testing protocol, actualized MEPS and EE labelling standards are in process of formal approval in the country which will have a considerable impact on the certification process and recognition of international certifications, the actual implementation process will take between 1 – 1,5 years since formally approved. Further, a learning period by involved actors must be considered. These circumstances might delay figures and results on this outcome beyond project’s lifetime.

Project objective and Outcomes	Indicator	Baseline level	Mid-term target ⁹	End-of-project target	Summary by the EA of attainment of the indicator & target as of 30 June 2021	Progress rating ¹⁰
<p>Outcome 3: Enhanced awareness among consumers (by gender) and market players in Chile to understand, afford, and purchase EE refrigerators/freezers</p>	<p>Increase in the % of consumers (by gender) who understand the EE labelling for refrigerators, including % of those who make their consumer decisions based on EE label</p>	<p>As of 2016: 50% of consumers are aware about EE labels and 70% of those make their consumer decision based on information in the label</p>		<p>By 2025¹⁷: 80% of consumers are aware about EE labels and 80% of those make their consumer decision based on information in the label</p>	<p>During the last reporting period the project has developed different communicational channels in order to educate and sensitize consumers on the importance of considering energy consumption of refrigerators/freezers within the decision-making factors. Through the inverse logistic pilot campaign developed with Reciclapp (Annex 7) several messages and educational posts were published to explain information given on EE labels and its implications. Further, the ongoing communicational campaign through Top Ten and it's social media channels have targeted informing and incentivizing consumers to incorporate Energy consumption levels within their purchasing decision. Top Ten also gives information on which information is shown within the EE Label, what it implies and the average monthly cost in money of different energy consumptions.</p>	<p>S</p>
<p>Outcome 4: Voluntary implementation of the national framework for environmentally sound management of refrigerators/freezers started</p>	<p>Number of companies involved in the Collection and Recycling Service Organization (CRSO) business model for refrigerators</p>	<p>There is not any work group about CRSO business model for refrigerators.</p>		<p>5 main companies involved in the CRSO business model.</p>	<p>The Clean Production Agreement (APL in Spanish) between the Santiago Chamber of Commerce (CCS) and the Sustainability Agency, has been signed by 16 stakeholders (producers, retail, business associations, municipalities) representing the majority of market share. The main objective of the clean production agreement is the creation of a CRSO.</p> <p>The project collaborates continuously with the CCS within the Clean Production Agreement in accomplishing many common targets (environmentally friendly sound management, communication, and awareness activities).</p>	<p>HS</p>

¹⁷ The baseline (2016) was constructed with information from the survey “Attitudes towards the Environment” conducted on a yearly basis by the “Universidad Andrés Bello”. However, the specific information consulted differs from one year to another, emphasizing on actual topics towards environmental issues. Information on understanding EE labelling and it’s incidence on consumption decisions has not been collected since 2016 by this source. The projects’ executing agency is evaluating alternative sources to report this outcome that can show consistency with older and actual data such as to outline real improvements in these matters.

Project objective and Outcomes	Indicator	Baseline level	Mid-term target ⁹	End-of-project target	Summary by the EA of attainment of the indicator & target as of 30 June 2021	Progress rating ¹⁰
	Supreme Decree on WEEE Management within Law 20.920 (REP Law) is drafted and incorporates best international practices.	Supreme Decree on WEEE is not elaborated		WEEE Supreme Decree is drafted incorporating best international practices on implementation methods, declaration system, incentives to reuse WEEE and reduce its generation.	<p>The Ministry of Environment is developing at the present the Supreme Decree on WEEE with strong technical support and input from the program. At the present studies on the following topics are being developed with support of an international consultancy:</p> <ol style="list-style-type: none"> 1. International experiences for WEEE within REP schemes. 2. Best international experiences towards territorial requirements for WEEE recollection Schemes. 3. Identification of best international experiences towards reducing WEEE generation (Annex 11). 	HS

3.2 Rating of progress implementation towards delivery of outputs

Outputs/Activities ¹⁸	Expected completion date ¹⁹	Implementation status as of 30 June 2020 (%)	Implementation status as of 30 June 2021 (%)	Progress rating justification ²⁰ , description of challenges faced and explanations for any delay	Progress rating ²¹
COMPONENT 1: Revising regulatory mechanisms, including minimum energy performance standards (MEPS)					
Output 1.1: National MEPS and EE Labels for refrigerators updated and implementation plan developed	April 2022	90%	95%	Refrigerators/freezers baseline finalized. Studies and recommendations for updated national performance standards (MEPS) and new EE Labels have finalized and delivered to the Ministry of energy which have stated that these recommendations will be ultimately adopted for the national market (expected date for the public consultancy process and official approval: 2022). accepted by the Ministry of Energy. Through an international consultancy the project is supporting the Ministry of Energy and the SEC within the public consultancy process which is required before publishing the new standards. The project's consultant will deliver the document with the proposed adjusted MEPS and EE Labelling standards in the required format for the public consultancy process based on the recommendations made by the project and adopted by the Ministry of Energy. The consultant will analyse and incorporate comments raised through the public consultancy process and develop a final draft of the new MEPS and EE labelling standards for the Ministry of Energy to publish the Supreme Decree. This consultancy is ongoing and finishes in February 2022.	HS
COMPONENT 2: Enhancing monitoring, verification, and enforcement (MVE)					
Output 2.1: MVE scheme assessed, and improvements documented to ensure products' compliance with EE labels and MEPS	December 2019	100%	100%	Study on monitoring, verification and enforcement MVE finalized and socialized with main public partners.	HS

¹⁸ Outputs and activities (or deliverables) as described in the project logframe (and workplan) or in any updated project revision.

¹⁹ The completion dates should be as per latest workplan (latest project revision).

²⁰ As much as possible, describe in terms of immediate gains to target groups, e.g. access to project deliverables, participation in receiving services; gains in knowledge, etc.

²¹ To be provided by the UNEP Task Manager

Outputs/Activities ¹⁸	Expected completion date ¹⁹	Implementation status as of 30 June 2020 (%)	Implementation status as of 30 June 2021 (%)	Progress rating justification ²⁰ , description of challenges faced and explanations for any delay	Progress rating ²¹
Output 2.2: National laboratories strengthened to verify compliance with updated standards and protocols	February 2022	60%	95%	<p>Through an ongoing international consultancy, the project is supporting the Ministry of Energy and SEC in defining contents and details for the different tests within the testing protocol IEC 62552:2015.</p> <p>Main new norms of the IEC 62552:2015 have been socialized during different instances throughout the project's lifetime. During the first semester of 2021, with the support of an international consultant, the SEC and the Ministry of Energy have worked in defining the specific contents and details for the implementation of the new norm in Chile. During the first week of July 2021 a technical roundtable with national laboratories, certification organisms, public actors and producers is planned to detail scope and socialize specifications for the national implementation. Raised comments and suggestions will be revised and considered before the public consultancy process needed to publish formally the proposed standards and protocols for the national market.</p>	S
Output 2.3: Monitoring and verification procedures and methodology to measure energy savings from the removal of old-but-operable refrigerators from service developed	April 2022	40%	50%	<p>The project monitors yearly the market share and tendencies towards more efficient refrigerators/freezers (based on certification data of products entering the country provided by SEC).</p> <p>During the replacement campaign (output 3.2) planned for November 2021, a deep product traceability is considered which will allow estimations on this and other similar programmes.</p>	S
COMPONENT 3: Developing supporting policies					

Outputs/Activities ¹⁸	Expected completion date ¹⁹	Implementation status as of 30 June 2020 (%)	Implementation status as of 30 June 2021 (%)	Progress rating justification ²⁰ , description of challenges faced and explanations for any delay	Progress rating ²¹
<p>Output 3.1: Communication campaign developed, and its impact evaluated to increase user acceptance and understanding of high efficiency products and updated labelling and MEPS, taking gender-sensitive perspective into account</p>	<p>April 2022</p>	<p>50%</p>	<p>80%</p>	<p>The project has undertaken different initiatives and activities in order to increase user acceptance and understanding of EE labelling, sound management and its importance. Despite the big replacement campaign set for November 2021, there have been 2 major activities that have contributed considerably towards increasing users' consciousness on these topics (refer as well to output 4.2):</p> <p>1. <u>Reciclapp</u></p> <p>Implementation of a collection and recycling campaign for 65 old-but operable refrigerators and freezers. This campaign included communicational actions and messages to promote an environmentally sound management of refrigerators and freezers as well as sensitize on the potential environmental consequences of not doing so. These activities were carried out on social media (Facebook and Instagram) reaching a total of 397.990 accounts with 239.660 total visualizations. For further information please refer to Annex 7.</p> <p>Due to the environmentally rational sound management of the collected refrigerators during the Reciclapp campaign, interesting data could be collected to use for future communication and educational activities. For the analysis of the sound management data please refer to Annex 8.</p> <p>2. <u>Top Ten Chile</u></p> <p>The Project also collaborated with the digital platform "Top Ten Chile" which informs and educates consumers on the most energy efficient appliances in the national market and its benefits for the family budget. Refrigerators are one of the most consulted appliances, which makes Top Ten Chile a good platform to disseminate projects objectives and sensitize objective groups. Top Ten carries out a social media communicational and educational campaign, with good outreach on objective groups. Detailed monthly reports on the communicational activities on Top Ten social media can be found under Annex 12.</p>	<p>S</p>

Outputs/Activities ¹⁸	Expected completion date ¹⁹	Implementation status as of 30 June 2020 (%)	Implementation status as of 30 June 2021 (%)	Progress rating justification ²⁰ , description of challenges faced and explanations for any delay	Progress rating ²¹
Output 3.2: Replacement demonstration programmes on energy efficient refrigerators implemented in the residential sector	April 2022	65%	70%	<p>The first demo campaign was fully developed and ready to launch the first week of November 2019. Due to the social outburst and the following international health crisis, the replacement campaign had to be cancelled the last October 2019 week.</p> <p>After over 12 months of lock-down the project decided to re-design the replacement campaign completely in order to assure implementation independently on the future uncertainty.</p> <p>The re-design of the replacement campaign focused on a fully digitally based campaign, with a new replacement model that involved the retail as main campaign partner. The communicational campaign, channels, messages, and overall focus were adjusted considering the “new” reality.</p> <p>All main retailers were invited to participate in a simple tender process. This should assure a competitive and transparent process for all market actors. SODIMAC presented the best offer, and a Collaboration Agreement is being drafted to develop the replacement campaign jointly. Brands will be invited directly from SODIMAC assuring also a competitive and transparent process. The replacement campaign is set for November 2021.</p> <p>At the present all details for the campaign are being jointly developed to out roll a massive and nation-wide replacement and educational campaign.</p>	S
COMPONENT 4: Enhancing environmentally sound management					

Outputs/Activities ¹⁸	Expected completion date ¹⁹	Implementation status as of 30 June 2020 (%)	Implementation status as of 30 June 2021 (%)	Progress rating justification ²⁰ , description of challenges faced and explanations for any delay	Progress rating ²¹
Output 4.1: Strategy proposal for a national framework and an environmentally sound management of refrigerators/freezers developed and communicated to local stakeholders	April 2022	50%	100%	<p>The base line report on domestic refrigerators and freezers for the national market was delivered and presented to the steering committee in January 2020. During the second semester of 2020 a new study was conducted under the requirement of the Ministry of Environment to include and detail some specific information concerning national capacities, actors and technologies being used at national and international level for an environmentally sound management of refrigerators and freezers including refrigerant gases. This new report “<i>Análisis de la gestión ambientalmente responsable de refrigeradores y congeladores de uso doméstico en Chile</i>” was handed over to the Ozone Department of the Ministry of Environment in November 2020 and socialized with project partners. This report analyzes actual environmental, economic and policy gaps and includes specific recommendations for the Ministry of Environment to consider within the Supreme Decree for WEEE. This study is a direct input for the fulfillment of Output 4.3. This report can be found under Annex 10.</p>	HS
Output 4.2: Awareness raising and communication campaigns to promote collection and recycling of refrigerators conducted	April 2022	50%	100%	<p>During December 2020, the project developed, in collaboration with Reciclapp, a collection and recycling campaign for 65 old-but operable refrigerators and freezers. This campaign included communicational actions and messages to promote an environmentally sound management of refrigerators and freezers as well as sensitize on the potential environmental consequences of not doing so. These activities were carried out on social media (Facebook and Instagram) reaching a total of 397.990 accounts with 239.660 total visualizations. For further information please refer to Annex 7.</p> <p>The Project also collaborated with the digital platform “Top Ten Chile” which informs and educate consumers on the most energy efficient appliances in the national market and its benefits for the family budget. Refrigerators are one of the most consulted appliances, which makes Top Ten Chile a good platform to disseminate projects objectives and sensitize objective groups.</p> <p>Top Ten carries out a social media communicational and educational campaign, with good outreach on objective groups. At the following table main outreach indicators can be found. Detailed monthly reports on the communicational activities on Top Ten social media can be found under Annex 12.</p>	S

Outputs/Activities ¹⁸	Expected completion date ¹⁹	Implementation status as of 30 June 2020 (%)	Implementation status as of 30 June 2021 (%)	Progress rating justification ²⁰ , description of challenges faced and explanations for any delay	Progress rating ²¹
Output 4.3: Supreme Decree on waste electrical and electronic equipment (WEEE) is elaborated taking into account best international practices.	April 2022	0%	90%	<p>The Ministry of Environment is developing at the present the Supreme Decree on WEEE with strong technical support and input from the program. The report “<i>Análisis de la gestión ambientalmente responsable de refrigeradores y congeladores de uso doméstico en Chile</i>” (see Output 4.1 – Annex 10) has finalized and at the present the following specific studies are being developed with support of an international consultancy:</p> <ol style="list-style-type: none"> 1. International experiences for WEEE within REP schemes. 2. Best international experiences towards territorial requirements for WEEE recollection Schemes. 3. Identification of best international experiences towards reducing WEEE generation. 4. International experiences and recommendations to promote reuse of WEEE within the REP Law. (Annex 11) <p>This consultancy is ongoing at the time of this report and should be finished by August 2021.</p>	S

3.3. Risk Rating

Table A. Risk-log

Risk	Risk affecting:	Variation respect to last rating							Δ	Justification
	Outcome outputs /	CEO ED	PIR 19	PIR 20	PIR 21 (this PIR)	PIR 22	PIR 23			
<p><u>Political prioritization</u> A shift in political priorities results in recommended policies not getting implemented.</p>	Outcome 1 (output 1.1) and outcome 4 (output 4.3)	M	M	M	L				↓	<p>During the previous reporting period, the COVID pandemic and the 2019 social crisis in Chile had shifted government priorities away from the implementation process of proposed MEPS, new EE label standards, the adoption of new testing protocol by certification bodies and the development of replacement campaigns.</p> <p>However, this risk has been successfully mitigated during this reporting period:</p> <ul style="list-style-type: none"> - The Project has redesigned replacement campaigns focusing on collaborating directly with the private sector (retail) due to the need to focus project activities on digitally based actions. In this line, municipalities will no longer be the main partner of the replacement campaign but the retail, through which the project will approach consumers directly and assure the direct involvement of producers. Thus, the project is less dependent on the cooperation with municipalities during the pandemic. - As for policies prepared for adoption, Supreme Decree on WEEE should be developed by the second semester of 2021 to undergo the public consultancy process. Actualized MEPS and Standards have been developed, as well as the new Certification Protocol IEC 62552:2015. All these are also in the final stages of adoption (i.e. the public consultancy). - The fuel and electricity authority (Superintendencia de Electricidad y Combustibles, SEC) has worked closely with the project and has committed to implement the new certification norm by the end of 2021. Through several technical roundtables and socialization of the new protocols within main national actors, and the public consultancy process planned for the second semester of 2021, the new norm and standards are expected to come into effect in 2022.
<p><u>Contributions from stakeholders (inc. co-finance)</u> Reduced commitment from local laboratories prevents improvement in the quality of certification and adoption of new standards</p>	Outcome 2	M	M	M	L				↓	<p>Through several technical roundtables and socialization of the new protocols with main national actors, and the public consultancy process planned for the second semester of 2021, laboratories have big interest in adopting and complying with the new norm and standards since the new norm will come into effect by 2022.</p>

<p><u>Coordination of baseline activities</u> Delays in the implementation of activities that are baselines for specific incremental activities of the proposed project result in delays in execution</p>	Outcome 1	M	M	M	L			↓	By the time of this reporting period all activities required for fulfilling projects outputs and outcomes have been/are being developed successfully.
<p><u>Stakeholder engagement</u> External factors create a negative environment for engaging with stakeholders, reducing the effectiveness of communication campaigns and the participation of private sector actors, including refrigerators technology manufacturers and distributors.</p>	Outcome 3 (output 3.2)	M	L	M	L			↓	<p>In the previous PIR, the social crisis and the pandemic had created reputational risks (i.e. undertaking a replacement campaign in such conditions could result in the sector seeming unsensitive to the social and sanitary crisis.). Over the course of this reporting period, however, this risk was mitigated mainly through the following internal and external elements:</p> <ul style="list-style-type: none"> - The project has managed to actively involve private sectors actors which have shown great interest in participating in initiatives towards energy efficiency and environmentally friendly sound management. Further, all communicational and socialization activities have encountered a very good reception and interest among private sector actors. - All communicational, educational and awareness raising activities have been re-designed to assure messages focused on the relevance of energy efficiency considerations and the importance of assuring an environmentally friendly sound management. The communicational campaign for the replacement campaign the project will work with a communicational agency in collaboration with SODIMAC (retail) in which guidelines for the messages are being carefully revised to assure good reception by consumers - Reduction of covid cases following the national vaccination campaign.
<p><u>Social, cultural and economic factors</u> A social, cultural, or economic crises reduces the purchase power of the population targeted through the demonstration campaigns.</p>	Outcome 3 (output 3.2)	N/A	N/A	M	L			↓	<p>The 2019 social crisis in Chile compromised the purchase power of the population and created a potentially hostile environment for the replacement campaigns, an effect that was further magnified by the pandemic. Even tough an important economic contraction has accompanied the country in 2019 and part of 2020, a rebound effect has been reported in the first semester of 2021. As reported by projects partners, consumption of home appliances has raised considerably during the last months of 2020 and the first half of 2021. Moreover, the grant element in the replacement campaign (funded by the project and with co-finance from the producers) will allow for a very convenient final price for consumers. By the time of this report, the project is developing the replacement campaign with the commitment of different producers which have shown high interest in participating in initiatives concerning energy efficiency and environmentally friendly sound management. Therefore, this risk has lowered since the last PIR.</p>
<p><u>Political stability</u></p>	All outcomes & outputs	M	M	M	L			↓	Although presidential elections are scheduled for November 2021, most of the interaction with the Ministry counterparts has already taken place.

Changes of staff in policy-making bodies, especially after election time, may cause delays.									The change in the administration is unlikely to change the adoption of policies, as both candidates in the presidential election embrace energy efficiency measures and are therefore unlikely to dismiss policies that will be almost at the end of their approval process by the time they assume functions. Moreover, the policies / standards recommended by the project are perceived as technical rather than political. Lastly, although political authorities may change, technical counterparts are likely to remain. Therefore, this risk is now deemed as low.
<u>Environmental & sanitary conditions</u> Delays resulting from the COVID-19 pandemic (e.g. implementation of replacement campaigns, training on new testing protocol), due to the quarantine and travel restrictions.	Outcome 2 (output 2.2), Outcome 3 (output 3.2)			M	L			↓	This risk has been mitigated mainly through the following factors: - Replacement campaigns have been re-designed with a strong digital basis in order to assure implementation independently of the national and international health situation. - The international training protocol will be held on-line. This minimizes the overall development risk of this activity due to the ongoing travel prohibition and future uncertainty. - On the external front, the number of cases and hospitalizations are starting to fall as a result of Chile's vaccination campaign. This allowed for reduced stringency of the lock down.
Consolidated project risk		N/A	M	M	L			↓	For the present reporting period the projects overall risk is stated as low (L). Major risks during the last reporting period aroused because of the national social outbursts and international health situation and the uncertainty both generated. The project adjusted to the “new normal”, developing new executing alternatives to keep the project on track independently of future lock down scenarios. These adjustments have minimized all project risks identified previously, stating them in the actual period as low. As for the country's adoption of recommended policies, there is a strong involvement and commitment from the fuel and electricity authority, which expects most policies coming into effect during 2022.

Table B. Outstanding medium & high risks

Risk	Actions decided during the previous reporting instance (PIR-1, MTR, etc.)	Actions undertaken this reporting period	effectively reporting	Additional mitigation measures for the next periods		
				What	When	By whom
N/A (all identified risks are low risk)						

High Risk (H): There is a probability of greater than 75% that **assumptions** may fail to hold or materialize, and/or the project may face high risks.
Significant Risk (S): There is a probability of between 51% and 75% that **assumptions** may fail to hold and/or the project may face substantial risks.

Medium Risk (M): There is a probability of between 26% and 50% that **assumptions** may fail to hold or materialize, and/or the project may face only modest risks.
Low Risk (L): There is a probability of up to 25% that **assumptions** may fail to hold or materialize, and/or the project may face only modest risks.