CLIMATE & CLEAN AIR COALITION
TO REDUCE SHORT-LIVED CLIMATE POLLUTANTS

a UNEP convened initiative

TACKLING ENVIRONMENTAL DUMPING

of Cooling Appliances

Dumping of old and new appliances

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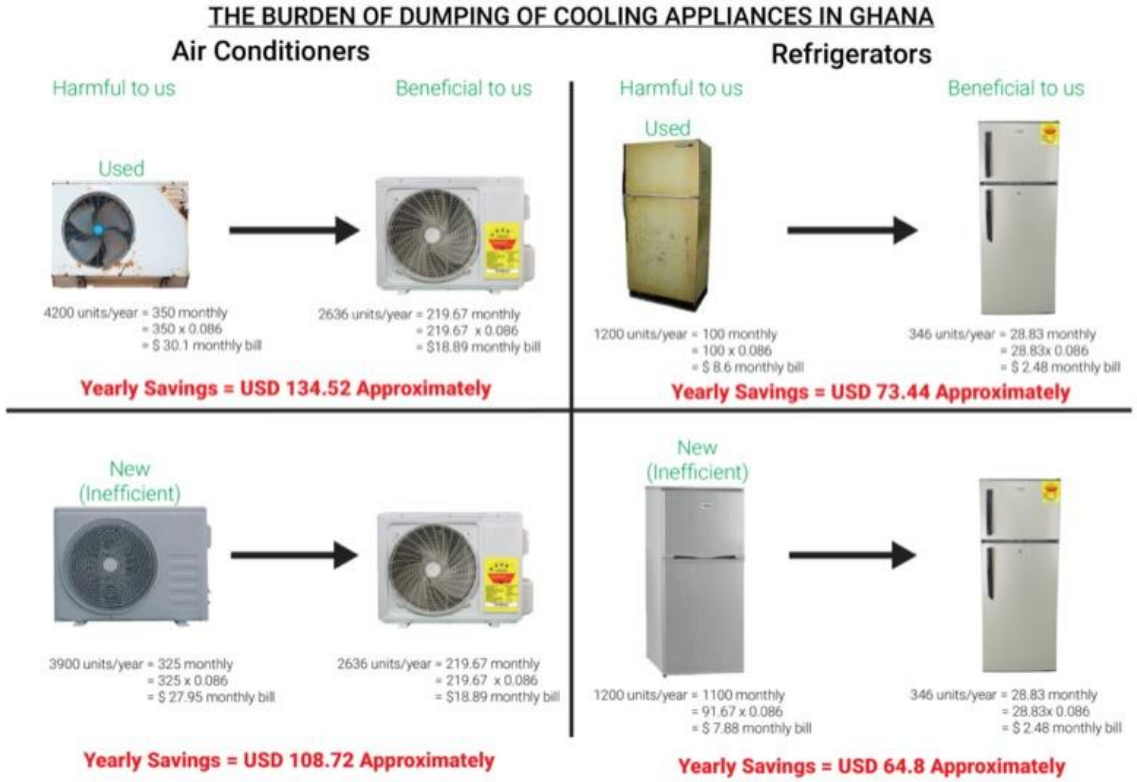
OLD – USED OR WASTE

NEW but inefficient and with banned/soon to be banned chemicals



FLIP the SCRIPT
Need for shared responsibility

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Challenges:

- Finance
- Timeframes
- Enforcement
- Effectiveness (e.g. Ghana)

Topic is Above the Radar

New EU F-Gas Regulation 2024/573

Multilateral Fund for the Implementation of the Montreal Protocol

Operational framework on energy efficiency

UN Secretary-General's Call to Action on Extreme Heat (25 July 2024)

Wilmington Declaration (2024)

POLITICAL ASK

Anchoring the concept of **SHARED RESPONSIBILITY** to prevent dumping of cooling appliances

- **FOR IMPORTING COUNTRIES:** Developing countries receive financial support to develop Minimum Energy Performance Standards (MEPS) and other relevant policies on energy efficiency and to increase their capacity for enforcing these regulations and standards in tandem with refrigerant phase-out/down programs supported by the Multilateral Fund.
- **FOR EXPORTERS:** Exporting countries ban the export of air-conditioners and refrigerators that they are not allowed to put in their domestic market, or at least ban the export of cooling appliances are below China (inverter) MEPS level3 and U4E model regulations for air conditioners and contain refrigerants above the 750 GWP threshold recommended in the U4E model regulations

CCAC Project on Dumping of Climate-Harming ACs

- **A region-wide RAC market study and a review of trade practices, policy landscapes, and other factors** to gather detailed evidence on environmental dumping and the underlying factors that enable it in LAC, Building on previous studies in Africa (2020) and SEA (2023).
- Aims to spur action at national level across LAC region to increase availability of next-generation RAC technologies for consumers and stop dumping of inefficient cooling technologies using high-GWP refrigerants.

Countries
1. Mexico
2. Argentina
3. Barbados
4. Brazil
5. Chile
6. Colombia
7. Uruguay
8. Panama
9. Dominican Republic
10. Jamaica
11. Grenada

Overall findings from Africa and Southeast Asia studies

- Low efficiency* units are **both imported and locally** manufactured (in most cases by multinational companies).
- Most of imported room air conditioners (RACs) in three regions (Africa, Southeast Asia, and expected in Latin America and the Caribbean) come from **China that is the largest RAC producer globally**.
- The RACs including low efficiency RACs are manufactured in China by Chinese manufacturers as well as the companies based in other countries such as **Japan, South Korea and the U.S.**

*Note: thresholds differ for both studies

Preliminary findings for LAC (1)

- **There is evidence of environmental dumping of inefficient RACs with high GWP refrigerants in the LAC region**. Most countries have set low minimum efficiency levels (MEPS, i.e. below China MEPS) or have yet to introduce them (4 countries), allowing units with lower efficiencies to dominate the markets and potentially infiltrate neighboring markets.
- **All LAC project countries import RACs almost exclusively from China and there is minimal intraregional trade.** Brazil, Mexico, and Argentina are major RAC manufacturing countries in the region. Brazil and Argentina manufacture RACs mainly for their domestic markets and have limited imports, while Mexico exports most of its manufactured units to the United States and imports RACs from China for its domestic market.

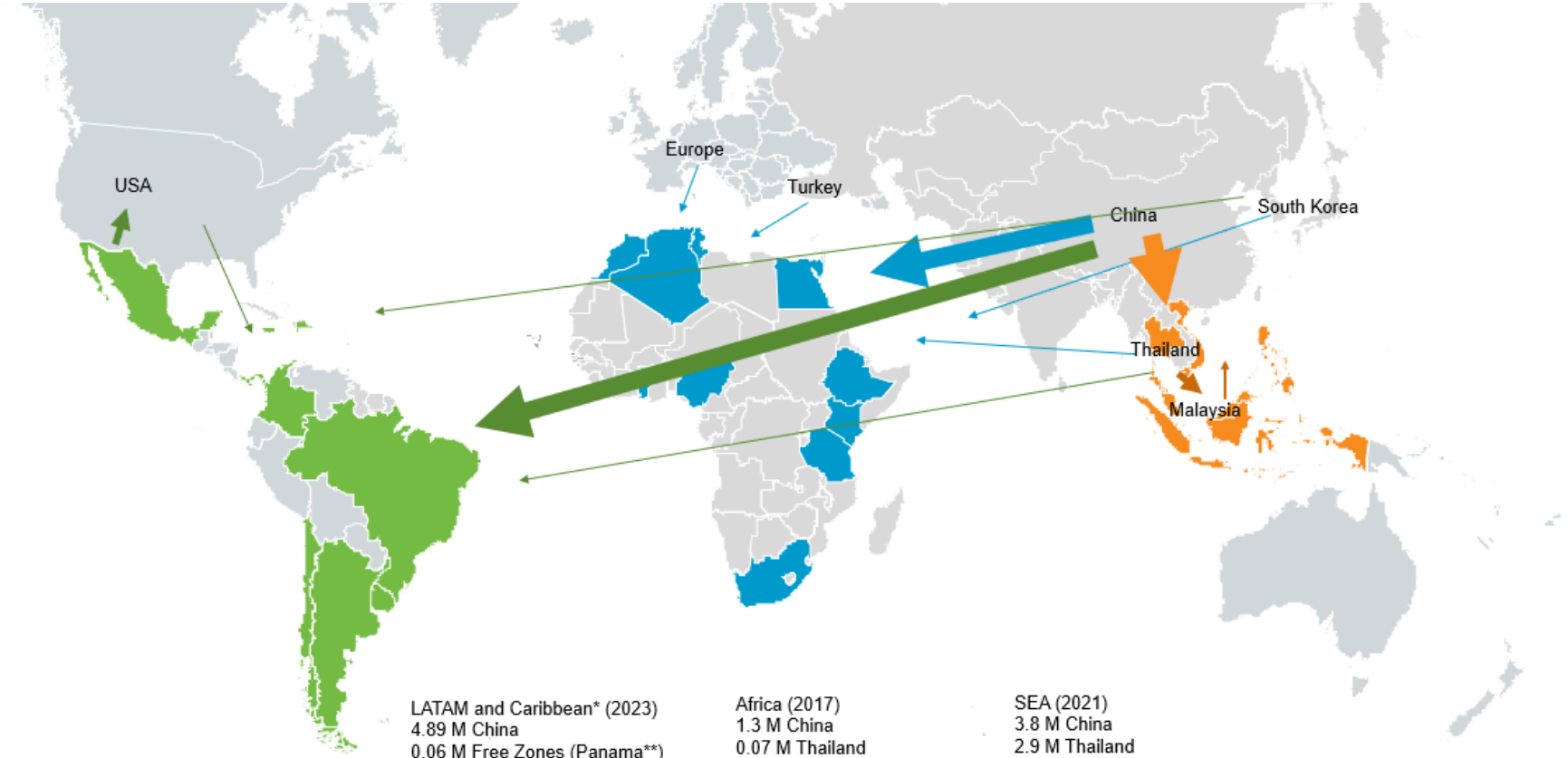
*Note: thresholds differ for both studies

Preliminary findings for LAC (2)

- **Many LAC project country consumers prioritize price when purchasing RACs.** Chinese manufacturers dominate the 11 markets offering competitively priced products. South Korean and U.S. brands have substantial market shares in certain of the LAC project countries including Chile, Colombia, Dominican Republic, Mexico, Panama.
- **Brazil and the Dominican Republic have the largest cooling access gap** (i.e., the number of households (60%) that need but do not have adequate cooling). We expect similar gaps in Caribbean

*Note: thresholds differ for both studies

Trade flows in 3 studied regions



LATAM and Caribbean* (2023)
4.89 M China
0.06 M Free Zones (Panama**)
0.06 M Thailand
0.04 M USA
0.02 M South Korea

Africa (2017)
1.3 M China
0.07 M Thailand
0.05 M Europe
0.05 M Turkey
0.03 M South Korea

SEA (2021)
3.8 M China
2.9 M Thailand
1.3 M Malaysia

COMTRADE data

* To be validated
**To be confirmed

Examples of Key Events & Potential Milestones

Milestone	Events	Date
Engaging stakeholders in RAC Dumping and present project	Climate and Clean Air Conference 2025 in Brasilia, Brazil	March 16-21, 2025
Engaging HVAC industry, local and multinational companies	CONBRAVA Conference in São Paulo, Brazil	September 10-12, 2025
Report launch	**MOP37, Nairobi**	**November 3-7, 2025**
Engaging countries importing and exporting RAC equipment	COP30 in Belém, Brazil	November 10-21, 2025