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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Seventieth Meeting
Bangkok, 1-5 July 2013

PROJECT PROPOSAL: BENIN

This document consists of the comments and recommendations of the Fund Secretariat on the following project proposal:

Phase-out

- HCFC phase-out management plan (stage I, second tranche)

UNEP/UNIDO

PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS

Benin

(I) PROJECT TITLE	AGENCY
HCFC phase out plan (Stage I)	UNEP (lead), UNIDO

(II) LATEST ARTICLE 7 DATA (Annex C Group I)	Year: 2011	23.75 (ODP tonnes)
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(III) LATEST COUNTRY PROGRAMME SECTORAL DATA (ODP tonnes)								Year: 2011	
Chemical	Aerosol	Foam	Fire fighting	Refrigeration		Solvent	Process agent	Lab Use	Total sector consumption
				Manufacturing	Servicing				
HCFC-22					23.75				23.75

(IV) CONSUMPTION DATA (ODP tonnes)			
2009 - 2010 baseline:	23.80	Starting point for sustained aggregate reductions:	23.80
CONSUMPTION ELIGIBLE FOR FUNDING (ODP tonnes)			
Already approved:	8.33	Remaining:	15.47

(V) BUSINESS PLAN		2013	2014	2015	2016	2017	2018	2019	2020	Total
UNIDO	ODS phase-out (ODP tonnes)	0.5	0.0	0.0	0.7	0.0	0.5	0.0	0.5	2.1
	Funding (US \$)	43,000	0	0	53,750	0	37,625	0	37,625	172,000
UNEP	ODS phase-out (ODP tonnes)	1.1			1.0		0.9		0.8	3.7
	Funding (US \$)	96,050			84,750		73,450		67,800	322,050

(VI) PROJECT DATA			2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
Montreal Protocol consumption limits			n/a	n/a	23.80	23.80	21.42	21.42	21.42	21.42	21.42	15.47	n/a
Maximum allowable consumption (ODP tonnes)			n/a	n/a	23.80	23.80	21.42	21.42	21.42	21.42	21.42	15.47	n/a
Agreed Funding (US\$)	UNEP	Project costs	85,000	0	85,000	0	0	75,000	0	65,000	0	60,000	370,000
		Support costs	11,050	0	11,050	0	0	9,750	0	8,450	0	7,800	48,100
	UNIDO	Project costs	100,000	0	40,000	0	0	50,000	0	35,000	0	35,000	260,000
		Support costs	7,500	0	3,000	0	0	3,750	0	2,625	0	2,625	19,500
Funds approved by ExCom (US\$)		Project Costs	185,000	0	0	0	0	0	0	0	0	0	185,000
		Support Costs	18,550	0	0	0	0	0	0	0	0	0	18,550
Total funds requested for approval at this meeting (US\$)		Project Costs	0	0	125,000	0	0	0	0	0	0	0	125,000
		Support Costs	0	0	14,050	0	0	0	0	0	0	0	14,050

Secretariat's recommendation:	Blanket approval
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PROJECT DESCRIPTION

1. On behalf of the Government of Benin UNEP, as the lead implementing agency, has submitted to the 70th meeting of the Executive Committee a request for funding for the second tranche of stage I of the HCFC phase-out management plan (HPMP) at a total cost of US \$139,050, consisting of US \$85,000 plus agency support costs of US \$11,050 for UNEP, and US \$40,000 plus agency support costs of US \$3,000 for UNIDO. The submission includes a progress report on the implementation of the first tranche of the HPMP, and implementation plans for the period of 2013-2016.

Background

2. The stage I of the HPMP for Benin was approved by the Executive Committee at its 63rd meeting to meet the 35 per cent reduction in HCFC consumption by 2020. The total funding approved in principle was US \$697,600, comprising US \$370,000 plus agency support costs of US \$48,100 for UNEP, and US \$260,000 plus agency support costs of US \$19,500 for UNIDO. The first tranche of the stage I of the HPMP approved at the same meeting amounts to US \$203,550, consisting of US \$85,000 plus agency support cost of US \$11,050 for UNEP, and US \$100,000 plus agency support costs of US \$7,500 for UNIDO.

Progress report on the implementation of the first tranche of the HPMP

3. The following activities were implemented during the first tranche of the HPMP:
- (a) A national workshop was conducted for key stakeholders including government officials, refrigerant importers and retailers, servicing workshops and the general public. The HPMP was launched at the workshop and the licensing and quota system for HCFCs and HCFC-based equipment was explained;
 - (b) Two training workshops were conducted and 50 law enforcement personnel were trained on monitoring of imports of ozone depleting substances (ODS) including HCFCs and on implementing the licensing and quota system. A training module has been incorporated into the curriculum of a customs training school. Another training workshop is planned for customs officers in July 2013. Five refrigerant identifiers were purchased and used for the training;
 - (c) Training of the trainers and refrigeration technicians was conducted. Fifteen trainers and 25 technicians were trained on good servicing practices, refrigerant recovery and reuse, retrofits, and working with alternatives including hydrocarbon refrigerants. Another training session is planned in July 2013 (25 technicians). The Refrigeration Association of Benin is assisting in conducting further training and implementing certification of technicians;
 - (d) Equipment, tools and spare parts were purchased and delivered to Benin. These are to be distributed among trained technicians to ensure appropriate use; and
 - (e) The national ozone unit (NOU) has been overseeing the implementation of all activities under the HPMP. Two consultants, with expertise in customs and refrigeration respectively, were employed on a short term basis to assist the NOU in data collection and monitoring the effective implementation of all HPMP activities.

Level of funding disbursement

4. As of April 2013, of the US \$185,000 approved for the first tranche, US \$160,024 had been disbursed. The balance of US \$24,976 is all obligated, and will be disbursed in 2013.

Annual plans for the second tranche of the HPMP

5. The main activities to be implemented in the period of 2013 to 2016 include:

- (a) Continuation of training of enforcement officers (100 officers to be trained) on application of HCFC licensing and quota system, and on enforcing regulations of HCFC controls in collaboration with police force and bureau of standards;
- (b) Continuation of training of technicians (125 to be trained) on good refrigeration servicing practices including refrigerant recovery and recycling focusing on large workshops, and servicing big installations, safe handling of hydrocarbon refrigerant and servicing equipment with alternatives, and provision of additional tools and equipment;
- (c) Further raising public awareness on HCFC phase-out, promoting the licensing and quota system and its enforcement, and providing information about annual quota to importers;
- (d) Certification of technicians with the assistance of Refrigeration Association of Benin;
- (e) Continuation of monitoring and evaluation, including conducting annual performance audits, assisting in the independent verification if required; producing annual progress report and implementation plan.

SECRETARIAT'S COMMENTS AND RECOMMENDATION

COMMENTS

Operational licensing system

6. In line with decision 63/17 and as required under the Agreement between the Government of Benin and the Executive Committee, the Government of the Benin through an official communication received by the Secretariat confirmed that an enforceable system of licensing and quotas for HCFC imports and exports is in place and that the system is capable of ensuring the country's compliance with the HCFC phase-out schedule.

HCFC consumption

7. The Secretariat noted that the HCFC baseline for compliance has been established at 23.8 ODP tonnes, based on the actual consumption reported under Article 7 of the Montreal Protocol for 2009 and 2010. The established baseline is 0.2 ODP tonnes higher than that of 23.6 ODP tonnes estimated at the time when the HPMP for Benin was approved. The starting point will therefore be adjusted based on the established baseline, without any funding implications to the Multilateral Fund.

8. The Secretariat noted that the HCFC consumption for Benin has been steadily decreasing since the HPMP was approved. The estimated consumption for 2012 was 23.6 ODP tonnes. The quota for 2013 has been set at 23.4 ODP tonnes. The implementation of the activities in the first tranche has been

satisfactory. The quota system is operational and will enable reductions in HCFC consumption in line with the Montreal Protocol's phase-out schedule.

Technical issues

9. In responding to a question from the Secretariat, UNEP informed that currently hydrocarbon refrigerant supply is not available in Benin, only a few units of hydrocarbon-based equipment are being used. The Government of Benin is working together with other countries in the region on establishing the standards and codes for using hydrocarbon refrigerants. The training of technicians on servicing hydrocarbon-based equipment is expected to build their capacity and enable them to work with this flammable refrigerant when the equipment becomes available on the market.

Revision to the HPMP Agreement

10. The HPMP for Benin was approved prior to the establishment of the HCFC baseline for compliance. The approval contains a provision that requested the Secretariat to update Appendix 2-A to the Agreement with the figures for the maximum allowable consumption, and to notify the Committee of the resulting levels accordingly (decision 63/30(d)). Based on the data reported by the Government of Benin under Article 7, the relevant paragraphs of the Agreement have been updated, and a new paragraph has been added to indicate that the updated Agreement supersedes the original Agreement reached at the 63rd meeting, as shown in Annex I to this document. The full revised Agreement will be appended to the final report of the 70th meeting.

RECOMMENDATION

11. The Fund Secretariat recommends that the Executive Committee:

- (a) Takes note of the progress report on the implementation of the first tranche of stage I of the HCFC phase-out management plan of (HPMP) for Benin;
- (b) Notes that the Fund Secretariat had updated, Appendices 1-A and 2-A of the Agreement between the Government of Benin and the Executive Committee, based on the established HCFC baseline for compliance, and that a new paragraph 16 has been added to indicate that the updated Agreement superseded the Agreement reached at the 63rd meeting, as shown in Annex I to the present document; and
- (c) Further notes that the revised starting point for sustained aggregate reduction in HCFC consumption was 23.8 ODP tonnes, calculated using consumption of 23.6 ODP tonnes and 24.0 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol.

12. The Fund Secretariat further recommends blanket approval of the second tranche of stage I of the HPMP for Benin, and the corresponding 2013 to 2016 tranche implementation plans, with associated support costs at the funding level shown in the table below:

	Project Title	Project Funding (US \$)	Support Cost (US \$)	Implementing Agency
(a)	HCFC phase-out management plan (stage I, second tranche)	85,000	11,050	UNEP
(b)	HCFC phase-out management plan (stage I, second tranche)	40,000	3,000	UNIDO

Annex I

TEXT TO BE INCLUDED IN THE UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF BENIN AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS

(Relevant changes are in bold font for ease of reference)

1. This Agreement represents the understanding of the Government of Benin (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of **15.47** ODP tonnes prior to 1 January 2020 in compliance with Montreal Protocol schedules.

16. This updated Agreement supersedes the Agreement reached between the Government of Benin and the Executive Committee at the 63rd meeting of the Executive Committee.

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	23.80

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	n/a	23.80	23.80	21.42	21.42	21.42	21.42	21.42	15.47	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	23.80	23.80	21.42	21.42	21.42	21.42	21.42	15.47	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	85,000	0	85,000	0	0	75,000	0	65,000	0	60,000	370,000
2.2	Support costs for Lead IA (US \$)	11,050	0	11,050	0	0	9,750	0	8,450	0	7,800	48,100
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	100,000	0	40,000	0	0	50,000	0	35,000	0	35,000	260,000
2.4	Support costs for Cooperating IA (US \$)	7,500	0	3,000	0	0	3,750	0	2,625	0	2,625	19,500
3.1	Total agreed funding (US \$)	185,000	0	125,000	0	0	125,000	0	100,000	0	95,000	630,000
3.2	Total support costs (US \$)	18,550	0	14,050	0	0	13,500	0	11,075	0	10,425	67,600
3.3	Total agreed costs (US \$)	203,550	0	139,050	0	0	138,500	0	111,075	0	105,425	697,600
4.1.1	Total phase-out of HCFC-22 under this agreement (ODP tonnes)											8.33
4.1.2	Phase-out of HCFC-22 in previously approved projects (ODP tonnes)											0
4.1.3	Remaining eligible consumption for HCFC-22											15.47
