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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: BURKINA FASO**

This document consists of the comments and recommendation 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

### Burkina Faso

<b>(I) PROJECT TITLE</b>	<b>AGENCY</b>
HCFC phase out plan (Stage I)	UNEP (lead), UNIDO

<b>(II) LATEST ARTICLE 7 DATA (Annex C Group I)</b>	Year: 2011	27.93 (ODP tonnes)
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<b>(III) LATEST COUNTRY PROGRAMME SECTORAL DATA (ODP tonnes)</b>								<b>Year: 2012</b>	
Chemical	Aerosol	Foam	Fire fighting	Refrigeration		Solvent	Process agent	Lab Use	Total sector consumption
				Manufacturing	Servicing				
HCFC-123									
HCFC-124									
HCFC-141b									
HCFC-142b									
HCFC-22					26.6				26.6

<b>(IV) CONSUMPTION DATA (ODP tonnes)</b>			
2009 - 2010 baseline:	28.9	Starting point for sustained aggregate reductions:	28.9
<b>CONSUMPTION ELIGIBLE FOR FUNDING (ODP tonnes)</b>			
Already approved:	10.11	Remaining:	18.79

<b>(V) BUSINESS PLAN</b>		2013	2014	2015	2016	2017	2018	2019	2020	Total
UNEP	ODS phase-out (ODP tonnes)	1.5			1.5		1.2		1.0	5.2
	Funding (US \$)	135,600			142,493		113,000		90,477	481,570
UNIDO	ODS phase-out (ODP tonnes)				1.2					1.2
	Funding (US \$)				108,891					108,891

<b>(VI) PROJECT DATA</b>		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total	
Montreal Protocol consumption limits		n/a	n/a	n/a	28.9	28.9	26.01	26.01	26.01	26.01	26.01	18.79	n/a	
Maximum allowable consumption (ODP tonnes)		n/a	n/a	n/a	28.9	28.9	26.01	26.01	26.01	26.01	26.01	18.79	n/a	
Agreed Funding (US\$)	UNEP	Project costs	120,000	0	0	120,000	0	0	126,100	0	100,000	0	80,068	546,168
		Support costs	15,600	0	0	15,600	0	0	16,393	0	13,000	0	10,409	71,002
	UNIDO	Project costs	150,000	0	0	0	0	0	99,900	0	0	0	0	249,900
		Support costs	13,500	0	0	0	0	0	8,991	0	0	0	0	22,491
Funds approved by ExCom (US\$)	Project Costs	270,000	0	0	0	0	0	0	0	0	0	0	270,000	
	Support Costs	29,100	0	0	0	0	0	0	0	0	0	0	29,100	
Total funds requested for approval at this meeting (US\$)	Project Costs	0	0	0	120,000	0	0	0	0	0	0	0	120,000	
	Support Costs	0	0	0	15,600	0	0	0	0	0	0	0	15,600	

<b>Secretariat's recommendation:</b>	Blanket Approval
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## PROJECT DESCRIPTION

1. On behalf of the Government of Burkina Faso UNEP, as the lead implementing agency, has submitted to the 70<sup>th</sup> 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 cost of US \$120,000 plus agency support costs of US \$15,600 for UNEP only. The submission includes a progress report on the implementation of the first tranche of the HPMP, and an implementation plan for the period 2013-2016.

### **Background**

2. Stage I of the HPMP for Burkina Faso was approved by the Executive Committee at its 62<sup>nd</sup> meeting to reduce HCFC consumption by 35 per cent by 2020 for joint implementation by UNEP and UNIDO. The total funding approved in principle was US \$796,068, plus agency support costs of US \$93,493. At its same meeting, the Executive Committee approved the first tranche of stage I of the HPMP at a total amount of US \$299,100, consisting of US \$120,000 plus agency support costs of US \$15,600 for UNEP, and US \$150,000 plus agency support costs of US \$13,500 for UNIDO for implementation of the first two years of the HPMP.

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

3. The train-the-trainers programme for customs and enforcement officers was completed, and the training course in good practices for service technicians initiated taking into account the use of hydrocarbon technologies. The Programme Management Unit (PMU) was also established. The Government of Burkina Faso through the NOU worked very closely with those experts whose capacity was built during CFC phase-out to carry out the training activities. During this period, a set of locally made equipment had also been made available to the training centre.

4. For the investment component being implemented by UNIDO, a retrofit centre that would be the main partner in the training of technicians and the demonstration project on the use of alternatives for refrigeration servicing in Burkina Faso was identified. The specifications of the needed equipment, the bidding process were also completed and the procurement of the equipment. Tools and equipment were provided to the centre, and the demonstration project on retrofits commenced. A number of awareness and outreach activities as well as the dissemination of posters and videos with ozone protection messages were also launched during this period.

5. The PMU is now functional and provides support to the NOU on the implementation of the HCFC licensing and quota systems, and day-to-day management of the HPMP activities including administration and coordination with implementing agencies.

### *Level of funding disbursement*

6. The financial report submitted as part of the progress report indicated that out of the US \$270,000 approved for the first tranche, US \$248,700 has been disbursed (92 per cent). The balance of US \$21,300 will be disbursed in 2013.

### Annual plans for the second tranche of the HPMP

7. The main activities to be implemented between 2013 and 2016 are as follows:

- (a) Training of service technicians will continue with six workshops to be implemented in close cooperation with the refrigeration association in the country;

- (b) Further training of customs and other law enforcement agents and strengthening of centres of excellence for refrigeration will be undertaken. Six workshops are planned, and additional refrigerant identifiers will be provided.
- (c) The incentive programme for the conversion of refrigeration equipment will be implemented;
- (d) The demonstration project on the use of alternatives for retrofitting which is a sub-activity under the strengthening of excellence centres component will likewise be completed, and its results are envisaged to be used for the retrofitting programme linked to the incentive programme being undertaken by UNIDO; and
- (e) Monitoring activities of the PMU will continue to ensure that the targets set under the second tranche are met.

## SECRETARIAT'S COMMENTS AND RECOMMENDATION

### COMMENTS

#### Operational licensing system

8. In line with decision 63/17, the Government of Burkina Faso 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/Baseline

9. The HCFC baseline for compliance has been established at 28.9 ODP tonnes, based on the actual consumption reported under Article 7 of the Montreal Protocol for 2009 and 2010 as shown in Table 1. This figure is 1.11 ODP tonnes higher than that of 27.79 ODP tonnes estimated at the time the HPMP for Burkina Faso was approved at the 62<sup>nd</sup> meeting. The starting point will therefore be adjusted based on the established baseline, without any funding implications.

Table 1: HCFC Consumption in Burkina Faso

Year	Article 7 data	
	HCFC-22 (in mt)	HCFC-22 (in ODP tonnes)
2009	486	26.7
2010	564.25	31.0
2011	507.75	27.93
<b>Baseline</b>	<b>525.13</b>	<b>28.9</b>

#### Review of the 2011-2012 progress report

10. In the review of the progress report, the Secretariat noted that while activities had been completed, no details had been provided with regards to the number of workshops completed as well as number of officers trained and asked UNEP to provide this information. It also sought information on the tool kits provided to the technicians, as well as the number of refrigerant identifiers that were provided as part of the customs training. UNEP provided the information requested as well as a list of the training

held and the number of participants. It also indicated that twelve refrigerant identifiers were purchased and ten were distributed, the remaining two will be used for the training programme.

11. The Secretariat also asked UNEP for additional update on the component being implemented by UNIDO on the strengthening of centres of excellence and providing incentives for conversion of refrigeration equipment. In particular, it asked for more details on the progress of the demonstration project on retrofits to address technical and safety issues related to potential alternatives.

12. UNEP, on behalf of UNIDO, indicated that the demonstration project commenced in March 2012, and focused on the use of hydrocarbon (propane gas) as a retrofit alternative. The results of the initial work under this project are currently being compiled and analyzed and will be ready before the end of 2013. UNEP also satisfactorily addressed the other technical issues raised by the Secretariat and revised the progress report accordingly.

13. The Secretariat asked UNEP to confirm that the financial report submitted showed disbursements to the beneficiary country. It noted the high disbursement rate (above 90 per cent) and sought information on whether these were cash advances to the country or actual expenditures. UNEP advised that for its component these disbursements were done through a small scale funding agreement to the country, and the remaining balances will be paid once the outstanding activities are completed. UNEP also provided more details taking into account the comments of the Secretariat.

#### Work plan 2013-2016

14. After reviewing the work plan submitted jointly by UNEP and UNIDO, the Secretariat requested UNEP to provide quantitative targets for the activities proposed (i.e. level of training to be held, number of trainees, etc). It also asked UNEP to ensure that those activities from the previous tranche as well as the remaining funding balance were fully reflected in the current work plan as they will be implemented at the same time. This work plan was revised and submitted to the Secretariat.

#### Revision to the Agreement of the HPMP

15. Stage I of the HPMP for Burkina Faso was approved prior to the establishment of the HCFC baseline for compliance. Accordingly, in approving the HPMP the Executive Committee requested the Secretariat to, *inter alia*, update Appendix 2-A to the Agreement to include the figures for the maximum allowable consumption, and to notify the Committee of the resulting levels accordingly (decision 62/48(d)). Based on the data reported by the Government of Burkina Faso under Article 7 and its revised phase-out schedule, the relevant paragraphs of the Agreement have been updated, and a new paragraph has been added to indicate that the updated Agreement supersedes that reached at the 62<sup>nd</sup> meeting, as shown in Annex I to this document. The full revised Agreement will be appended to the final report of the 70<sup>th</sup> meeting.

#### **RECOMMENDATION**

16. 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 (HPMP) in Burkina Faso;
- (b) Notes that the Fund Secretariat had updated paragraph 1, Appendices 1-A and 2-A of the Agreement between the Government of Burkina Faso and the Executive Committee, based on the established HCFC baseline for compliance, and that a new paragraph 16 had been added to indicate that the updated Agreement superseded that reached at the

62<sup>nd</sup> meeting, as contained in Annex I to the present document; and

- (c) Further notes that the revised starting point for sustained aggregate reduction in HCFC consumption was 28.9 ODP tonnes, calculated using consumption of 26.7 ODP tonnes and 31 ODP tonne reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol.

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

	<b>Project Title</b>	<b>Project Funding (US \$)</b>	<b>Support Cost (US \$)</b>	<b>Implementing Agency</b>
(a)	HCFC phase-out management plan (stage I, second tranche)	120,000	15,600	UNEP

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**Annex I**

**TEXT TO BE INCLUDED IN THE UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF BURKINA FASO 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 Burkina Faso (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 **18.79** 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 Burkina Faso and the Executive Committee at the 62<sup>nd</sup> meeting of the Executive Committee.**

**APPENDICES**

**APPENDIX 1-A: THE SUBSTANCES**

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	<b>28.9</b>

**APPENDIX 2-A: THE TARGETS, AND FUNDING**

		2010	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	n/a	<b>28.9</b>	<b>28.9</b>	<b>26.01</b>	<b>26.01</b>	<b>26.01</b>	<b>26.01</b>	<b>26.01</b>	<b>18.79</b>	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	n/a	<b>28.9</b>	<b>28.9</b>	<b>26.01</b>	<b>26.01</b>	<b>26.01</b>	<b>26.01</b>	<b>26.01</b>	<b>18.79</b>	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	120,000	0	0	120,000	0	0	126,100	0	100,000	0	80,068	546,168
2.2	Support costs for Lead IA (US \$)	15,600	0	0	15,600	0	0	16,393	0	13,000	0	10,409	71,002
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	150,000	0	0	0	0	0	99,900	0	0	0	0	249,900
2.4	Support costs for Cooperating IA (US \$)	13,500	0	0	0	0	0	8,991	0	0	0	0	22,491
3.1	Total agreed funding (US \$)	270,000	0	0	120,000	0	0	226,000	0	100,000	0	80,068	796,068
3.2	Total support costs (US \$)	29,100	0	0	15,600	0	0	25,384	0	13,000	0	10,409	93,493
3.3	Total agreed costs (US \$)	299,100	0	0	135,600	0	0	251,384	0	113,000	0	90,477	889,561
4.1.1	Total phase-out of HCFC-22 under this agreement (ODP tonnes)												<b>10.11</b>
4.1.2	Phase-out of HCFC-22 in previously approved projects (ODP tonnes)												0.0
4.1.3	Remaining eligible consumption for HCFC-22												<b>18.79</b>

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