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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Seventy-second Meeting
Montreal, 12-16 May 2014

PROJECT PROPOSAL: GUINEA

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 and UNIDO

PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS

Guinea

(I) PROJECT TITLE	AGENCY
HCFC phase-out management plan (stage I)	UNIDO, UNEP (lead)

(II) LATEST ARTICLE 7 DATA	Year: 2012	22.2 (ODP tonnes)
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(III) LATEST COUNTRY PROGRAMME SECTORAL DATA (ODP tonnes)							Year: 2012		
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					23.45				23.45

(IV) CONSUMPTION DATA (ODP tonnes)			
2009 - 2010 baseline:	22.6	Starting point for sustained aggregate reductions:	22.6
CONSUMPTION ELIGIBLE FOR FUNDING (ODP tonnes)			
Already approved:	7.91	Remaining:	14.69

(V) BUSINESS PLAN		2014	2015	2016	2017	2018	2019	2020	Total
UNEP	ODS phase-out (ODP tonnes)	0.73	0	0.79	0	0.61	0	0.82	2.95
	Funding (US \$)	67,800	0	73,450	0	56,500	0	75,710	273,460
UNIDO	ODS phase-out (ODP tonnes)	0	0	1.96	0	0	0	0	1.96
	Funding (US \$)	0	0	172,000	0	0	0	0	172,000

(VI) PROJECT DATA		2012	2013	2014	2015	2016	2017	2018	2019	2020	Total	
Montreal Protocol consumption limits		n/a	22.60	22.60	20.34	20.34	20.34	20.34	20.34	14.69	n/a	
Maximum allowable consumption (ODP tonnes)			22.60	22.60	20.34	20.34	20.34	20.34	20.34	14.69	n/a	
Agreed Funding (US\$)	UNEP	Project costs	85,000	0	60,000	0	65,000	0	50,000	0	67,000	327,000
		Support costs	11,050	0	7,800	0	8,450	0	6,500	0	8,710	42,510
	UNIDO	Project costs	160,000	0	0	0	160,000	0	0	0	0	320,000
		Support costs	12,000	0	0	0	12,000	0	0	0	0	24,000
Funds approved by ExCom (US\$)		Project Costs	245,000	0	0	0	0	0	0	0	0	245,000
		Support Costs	23,050	0	0	0	0	0	0	0	0	23,050
Total funds requested for approval at this meeting (US\$)		Project Costs	0	0	60,000	0	0	0	0	0	0	60,000
		Support Costs	0	0	7,800	0	0	0	0	0	0	7,800

Secretariat's recommendation:

For blanket approval

PROJECT DESCRIPTION

1. On behalf of the Government of Guinea UNEP, as the lead implementing agency, has submitted to the 72nd meeting of the Executive Committee a request for funding for the second tranche of stage I of the HCFC phase-out management plan (HPMP)¹ at the amount of US \$60,000 plus agency support costs of US \$7,800 for UNEP only. The submission includes a progress report on the implementation of the first tranche of the HPMP and the tranche implementation plan for the period 2014-2016.

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

2. The following activities have been implemented during the first tranche: enforcement of HCFC licensing and quota system started from January 2013; a total of 102 customs officers were trained in ODS regulations and detection of ODS, and two refrigerant identifiers were provided for training purpose; 15 trainers and 252 technicians were trained in good practices and safety use of hydrocarbon refrigerant, 33 refrigeration service tool kits were provided to technicians during the training; equipment and tools for conversion were also provided to 73 workshops to facilitate refrigerant recovery and good practice in retrofits, 36 trainers were trained; project monitoring and coordination were conducted to ensure efficient implementation according to the plan.

Level of funding disbursement

3. As of February 2014, of the total funds approved of US \$245,000 for the first tranche, US \$230,234 (94 per cent) had been disbursed. The balance of US \$14,766 will be disbursed in the first half of 2014.

Annual plans for the second tranche of the HPMP

4. The main activities to be implemented during the second tranche of the HPMP include:
- (a) Training of 148 customs officers in identification of ODS and control of illegal trade (UNEP) (US \$25,000);
 - (b) Training of 125 technicians in good practices, refrigerant recovery and recycling, safe use of hydrocarbon refrigerants (UNEP) (US \$20,000);
 - (c) Provision of technical support to 150 workshops in refrigerant recovery and recycling, and retrofitting of equipment (UNIDO, using the funds from the first tranche); and
 - (d) Project monitoring and coordination to ensure efficient implementation of the components of the HPMP; verification of 2013 consumption (UNEP) (US \$15,000).

SECRETARIAT'S COMMENTS AND RECOMMENDATION

COMMENTS

Operational licensing system

5. In line with decision 63/17, the Government of the Guinea has provided an official letter to confirm that an enforceable system of licensing and quotas for HCFC imports and exports is in place and the system is capable of ensuring the country's compliance with the HCFC phase-out schedule. The

¹ The HPMP for Guinea was approved by the Executive Committee at its 66th meeting to reduce HCFC consumption by 35 per cent of the baseline by 1 January 2020.

estimated consumption in 2013 is 22.6 ODP tonnes, equalling to the baseline. The quota for 2014 has been set at 22.6 ODP tonnes.

HCFC consumption and verification of compliance

6. The 2008-2012 HCFC consumption in Guinea is presented in Table 1. Based on preliminary data obtained from customs department, the HCFC consumption in Guinea in 2013 has been estimated at 22.6 ODP tonnes, similar to the baseline. The established HCFC baseline for compliance is the same as that estimated at the time the HPMP for Guinea was approved.

Table 1: HCFC consumption (2008-2012, Article 7, 2013 estimated)

Year	2008	2009	2010	2011	2012	2013*
HCFC-22 (MT)	370.15	395.88	426.3	445.95	403.56	410.91
HCFC-22 (ODP tonnes)	20.4	21.8	23.4	24.53	22.20	22.60

*Estimate, not yet officially submitted to the Ozone Secretariat.

7. Guinea is a non-low-volume-consuming (LVC) country hence subjects to annual verification. The Secretariat noted that a verification report has not been included into the submission and asked UNEP about the verification report and the prospect of compliance of Guinea with the freeze target in 2013. UNEP indicated that the 2013 consumption data is still being collated and verified by the country. More accurate data for 2013 will be available in May 2014, which could be much lower than the estimated consumption of 22.6 ODP tonnes. The verification report will be submitted to the Secretariat in July 2014. Based on the above, Secretariat has included a provision in the recommendation which would allow the Executive Committee to approve the tranche request, but would delay the transfer of funding to UNEP until the verification report has been received and it concludes that Guinea has met the compliance target for 2013.

Review of the 2012-2013 progress report

8. The Secretariat queried the Government of Guinea on what specific measures had been taken to reduce leakage rate since the approval of the HPMP². UNEP advised that policy and regulatory measures were implemented to reduce leakage rate, including certification of technicians and encourage large companies to work with certified technicians. Furthermore, the Government had prioritized the training of technicians in good servicing practices and provision of basic servicing tools to facilitate implementation. A large number of technicians had been trained in good servicing practices, leakage control and better containment of refrigerant, both in theory and practical skills. ODS issues had been integrated into the curriculum of the main vocational institution. In the second tranche, Guinea will continue the training of technicians in good practices and encouraging good practices through a technician certification programme. These activities will facilitate technicians performing good servicing practices and reducing refrigerant emission while conducting repair, maintenance and charging of refrigeration and air-conditioning equipment.

Work plan 2014-2016

9. After reviewing the work plan, the Secretariat requested UNIDO to provide more details on the retrofit incentive programme. UNIDO indicated that this activity is still being discussed as priority had been given to the training of technicians and provision of tools and equipment. The implementation of

² At the 66th meeting, the Executive Committee approved the first tranche of the stage I of the HPMP for Guinea and requested the Government to give priority to the implementation of a code of good service practice, and to strengthen the technical capacity of refrigeration service technicians in order to reduce the high leakage rate of HCFC refrigerants during service practices (decision 66/44)

this component will depend on the funding available after the completion of training of technicians and equipment delivery.

Revision of the HPMP Agreement

10. In line with decisions 66/17(c) and 67/15(b)(i), the agency fee for the second and third tranche of the HPMP needs to be adjusted to reflect the new administrative cost regime for UNIDO. However, noting that no funding is being requested by UNIDO at this meeting and the next tranche for UNIDO was scheduled in 2016, while the administrative cost regime will be reviewed at the 74th meeting (decision 67/15 (c)) where potential changes could be introduced, the Secretariat agreed not to adjust the support cost for UNIDO in the Agreement at this meeting. The Agreement will be adjusted when the second tranche for UNIDO is submitted in 2016.

Conclusion

11. The Secretariat noted that the implementation of the first tranche of the HPMP is progressing. The import licensing and quota system is operational and will enable the country to achieve compliance with the Montreal Protocol’s phase-out schedule for HCFCs. The activities in the servicing sector are progressing and are being implemented in close coordination with stakeholders. As reported by UNEP and UNIDO, training of trainers and technicians and providing them with tools will enable good practices and reduce refrigerant demand. The integration of ODS issues into the curriculum of vocational training institutions for customs officers and technicians will ensure continuous capacity improvement and long-term sustainability of HCFC reduction achieved in stage I of the HPMP.

RECOMMENDATION

12. The Fund Secretariat recommends the Executive Committee 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) in Guinea, and further recommends blanket approval of the second tranche of stage I of the HPMP for Guinea, and the corresponding 2014-2015 tranche implementation plan, with associated support costs at the level shown in the table below, on the understanding that the approved funds will not be transferred to UNEP until the Secretariat has received a verification report confirming that in 2013 the Government of Guinea was in compliance with the Montreal Protocol and the Agreement between the Government and the Executive Committee.

	Project Title	Project Funding (US \$)	Support Cost (US \$)	Implementing Agency
(a)	HCFC phase-out management plan (stage I, second tranche)	60,000	7,800	UNEP
