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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Seventy-sixth Meeting
Montreal, 9-13 May 2016

PROJECT PROPOSAL: CONGO (THE)

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

Phase-out

- HCFC phase-out management plan (stage I, third tranche) UNEP/UNIDO

PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS

Congo (The)

(I) PROJECT TITLE	AGENCY	MEETING APPROVED	CONTROL MEASURE
HCFC phase out plan (Stage I)	UNEP (lead), UNIDO	63 rd	35% by 2020

(II) LATEST ARTICLE 7 DATA (Annex C Group I)	Year: 2014	8.72 (ODP tonnes)
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(III) LATEST COUNTRY PROGRAMME SECTORAL DATA (ODP tonnes)								Year: 2014	
Chemical	Aerosol	Foam	Fire fighting	Refrigeration		Solvent	Process agent	Lab use	Total sector consumption
				Manufacturing	Servicing				
HCFC-22					8.72				8.72

(IV) CONSUMPTION DATA (ODP tonnes)			
2009 - 2010 baseline:	10.14	Starting point for sustained aggregate reductions:	10.14
CONSUMPTION ELIGIBLE FOR FUNDING (ODP tonnes)			
Already approved:	3.55	Remaining:	6.59

(V) BUSINESS PLAN		2016	2017	2018	2019	2020	Total
UNEP	ODS phase-out (ODP tonnes)	0.4		0.3		0.4	1.1
	Funding (US \$)	45,200		28,250		39,550	113,000
UNIDO	ODS phase-out (ODP tonnes)	0.8	0.0	0.0	0.0	0.0	0.8
	Funding (US \$)	81,750	0	0	0	0	81,750

(VI) PROJECT DATA			2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total	
Montreal Protocol consumption limits			n/a	n/a	10.14	10.14	9.13	9.13	9.13	9.13	9.13	6.59	n/a	
Maximum allowable consumption (ODP tonnes)			n/a	n/a	10.14	10.14	9.13	9.13	9.13	9.13	9.13	6.59	n/a	
Agreed funding (US\$)	UNEP	Project costs	45,000	0	30,000	0	0	40,000	0	25,000	0	35,000	175,000	
		Support costs	5,850	0	3,900	0	0	5,200	0	3,250	0	4,550	22,750	
	UNIDO	Project costs	100,000	0	0	0	0	75,000	0	0	0	0	0	175,000
		Support costs	9,000	0	0	0	0	6,750	0	0	0	0	0	15,750
Funds approved by ExCom (US\$)	Project costs		145,000	0	30,000	0	0	0.0	0	0	0	0	175,000	
	Support costs		14,850	0	3,900	0	0	0.0	0	0	0	0	0	18,750
Total funds requested for approval at this meeting (US\$)	Project costs		0	0	0	0	0	115,000	0	0	0	0	115,000	
	Support costs		0	0	0	0	0	11,950	0	0	0	0	11,950	

Secretariat's recommendation:	Blanket approval
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PROJECT DESCRIPTION

1. On behalf of the Government of the Congo, UNEP as the lead implementing agency, has submitted to the 76th meeting a request for funding for the third tranche of stage I of the HCFC phase-out management plan (HPMP), at a total cost of US \$126,950, consisting of US \$40,000, plus agency support costs of US \$5,200 for UNEP, and US \$75,000, plus agency support costs of US \$6,750 for UNIDO. The submission includes a progress report on the implementation of the second tranche and the tranche implementation plan for 2016 to 2018.

Report on HCFC consumption

HCFC-22 consumption

2. The Government of the Congo reported a consumption of 8.72 ODP tonnes of HCFC in 2014 and estimated a consumption of 8.72 ODP tonnes for 2015. The 2011-2015 HCFC consumption is shown in Table 1.

Table 1. HCFC consumption in the Congo (2011-2014 Article 7 data, 2015 estimate)

HCFC-22	2011	2012	2013	2014	2015	Baseline
Metric tonnes	192	179.4	170	158.5	158.5	184.4
ODP tonnes	10.56	9.87	9.35	8.72	8.72	10.14

3. HCFC-22 consumption shows a decreasing trend from 2011 to 2015 and is being used for servicing domestic and central air-conditioning units and commercial and industrial refrigeration equipment. The HCFC consumption for 2014 and 2015 are below the Montreal Protocol targets for these years.

Country programme (CP) implementation report

4. The Government of the Congo reported HCFC sector consumption data under the 2014 CP implementation report which is consistent with the data reported under Article 7. The 2015 CP report will be submitted by 30 April 2016.

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

Legal framework

5. The HCFC import/export licensing of ODS in the Congo is covered under the Regulation Framework Decree of 13 May 2002, which controls the imports, exports and re-exports of ODS and equipment containing ODS (including HCFC). This is further strengthened with a sub-regional regulation established by the Communauté Economique et Monétaire de l'Afrique Centrale (CEMAC) in November 2004, which aims at harmonization of the regulations relating to the importation, marketing, use and re-exportation of ODS and their containers. The CEMAC regulations also control HCFC and HCFC-based equipment.

Refrigeration servicing sector

6. The main activities implemented include:

- (a) Three training workshops for 62 customs officers and 36 trade officers for monitoring and controlling the import and distribution of HCFCs;
- (b) Three training workshops for 58 refrigeration technicians on good practices in

refrigeration and air-conditioning servicing, and safe handling of hydrocarbon-refrigerants; and

- (c) Completion of the purchase and delivery of the equipment and tools for the centres of excellence and training on their use under the first tranche.

Project monitoring and evaluation

7. The National Ozone Unit (NOU) has been overseeing the implementation of the HPMP with the assistance of two consultants.

Level of fund disbursement

8. As of April 2016, of the US \$175,000 so far approved, US \$163,526 had been disbursed (US \$64,956 for UNEP and US \$98,570 for UNIDO) as shown in Table 2. The balance of US \$11,473 will be disbursed in 2016.

Table 2. Financial report of stage I of the HPMP for the Congo (US \$)

Agency	First tranche		Second tranche		Total approved	
	Approved	Disbursed	Approved	Disbursed	Approved	Disbursed
UNEP	45,000	45,000	30,000	19,956	75,000	64,956
UNIDO	100,000	98,570	0	0	100,000	98,570
Total	145,000	143,570	30,000	19,956	175,000	163,526
Disbursement rate (%)	99		67		93	

Implementation plan for the third tranche of the HPMP

9. During the implementation of the third tranche, UNEP will finalize the remaining activities under the second tranche relating to the training of additional customs officers and refrigeration technicians. The third tranche funding will enable the Government of Congo (the) to reinforce the capacities of the customs officers and refrigeration technicians by improving their knowledge on good practices in refrigeration and new technologies, and providing them with equipment and tools. The following activities will be implemented:

- (a) Four workshops for 80 customs officers on the identification and control of HCFCs and HCFC-based equipment (UNEP) (US \$15,000);
- (b) Five workshops for 100 refrigeration technicians on recovery and recycling of HCFCs and safe handling of hydrocarbon-refrigerants (UNEP) (US \$15,000);
- (c) Strengthening the centres of excellence through providing information on latest technology development, distribution of basic equipment and service tools (e.g., weighing scale, brazing outfit for propane and oxygen brazing, manifold and safety tools) to 50 refrigerant servicing workshops, and training of 200 technicians on the use of the equipment and tools (UNIDO) (US \$75,000); and
- (d) Monitoring of the implementation of all the HPMP activities and the collection data with the assistance from one refrigeration expert and one customs expert (UNEP) (US \$10,000).

SECRETARIAT'S COMMENTS AND RECOMMENDATION

COMMENTS

Verification report

10. By the time of issuance of this document, the verification report of HCFC consumption for the years 2013, 2014 and 2015 was still underway. Therefore, in line with decision 72/19, funds approved under the third tranche will not be transferred to the implementing agencies until the Secretariat has reviewed the verification report and confirmed that the Government of the Congo is in compliance with the Montreal Protocol and its Agreement with the Executive Committee.

Report on HCFC consumption

11. The reported HCFC consumption for the year 2013 of 9.35 ODP tonnes was above the established quota (8.8 ODP tonnes) but below the maximum allowable consumption (10.14 ODP tonnes) for that year. UNEP explained that this situation was due to the fact that some importers registered at the last minute and their import requests were authorized. The Government had confirmed that it would take all necessary actions to avoid such situation in the future and would inform all importers well in advance of the registration period.

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

Legal framework

12. The Government of the Congo has already issued HCFC import quotas for 2016 at 8.52 ODP tonnes.

Refrigeration servicing sector

13. With regard to the long-term sustainability of the training programmes, UNEP advised that the Congo is a CEMAC member and as such all customs officers are trained at the customs sub-regional training school based in the Central African Republic, which has included an ozone module into its curriculum. In addition, an agreement with the main training institute in Brazzaville has been signed to ensure a continuous training session in good practices in refrigeration servicing and the safe handling of hydrocarbon refrigerants which has been included in its curriculum.

14. Concerning the retrofitting activities to hydrocarbon refrigerants UNEP reported that the Government is well aware of the relevant decisions of the Executive Committee¹. According to UNEP, no organized retrofits of HCFC-22 based equipment to hydrocarbon refrigerants is taking place in the Congo. The country does not have regulations or codes in place allowing the use of hydrocarbon-based refrigeration and air-conditioning systems, or a policy to promote the use of more climate-friendly alternatives. Besides HCFC-22, the other refrigerants currently available in local market are HFC-410A and HFC-407C, and HC-290.

Conclusion

15. The HPMP is progressing. The country's import licensing and quota system is operational. Although, the amount of HCFC imported into the country in 2013 was above the established quota (but

¹ Decisions 72/17 and 73/34.

below the maximum allowed consumption) for that year, the Government took immediate actions to avoid such situation in future, and the 2014 and 2015 reported consumption are below the maximum allowable levels. The activities so far implemented under the first two tranches and those planned under the third tranche including the strengthening of the centres of excellence, the national capacities for the control of HCFCs and the procurement and distribution of refrigeration servicing equipment will further strengthen the servicing sector and ensure the long term sustainability of the activities proposed under stage I of the HPMP.

RECOMMENDATION

16. The Fund Secretariat recommends that the Executive Committee takes note of the progress report on the implementation of the second tranche of stage I of the HCFC phase-out management plan of (HPMP) in the Congo; and further recommends blanket approval of the third tranche of stage I of the HPMP for the Congo, and the corresponding 2016-2018 tranche implementation plan, at the funding levels shown in the table below, on the understanding that the approved funds would not be transferred to UNEP and UNIDO until the Secretariat had reviewed the verification report and confirmed that the Government of the Congo 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, third tranche)	40,000	5,200	UNEP
(b)	HCFC phase-out management plan (stage I, second tranche)	75,000	6,750	UNIDO