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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: DJIBOUTI

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, second tranche)

UNEP

**PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS**

**Djibouti**

(I) PROJECT TITLE	AGENCY	MEETING APPROVED	CONTROL MEASURE
HCFC phase out plan (Stage I)	UNEP (lead)	66th	35% by 2020

(II) LATEST ARTICLE 7 DATA (Annex C Group I)	Year: 2014	0.57 (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-123									
HCFC-124									
HCFC-141b									
HCFC-142b									
HCFC-22					0.57				0.57

(IV) CONSUMPTION DATA (ODP tonnes)			
2009 - 2010 baseline:	0.70	Starting point for sustained aggregate reductions:	0.70
CONSUMPTION ELIGIBLE FOR FUNDING (ODP tonnes)			
Already approved:	0.24	Remaining:	0.46

(V) BUSINESS PLAN		2016	2017	2018	2019	2020	Total
UNEP	ODS phase-out (ODP tonnes)	0.0		0.1		0.0	0.1
	Funding (US \$)	20,905		49,720		23,730	94,355

(VI) PROJECT DATA			2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
Montreal Protocol consumption limits			n/a	0.7	0.7	0.63	0.63	0.63	0.63	0.63	0.46	n/a
Maximum allowable consumption (ODP tonnes)			n/a	0.7	0.7	0.63	0.63	0.63	0.63	0.63	0.46	n/a
Agreed funding (US\$)	UNEP	Project costs	81,000	0	0	0	18,500	0	44,000	0	21,000	164,500
		Support costs	10,530	0	0	0	2,405	0	5,720	0	2,730	21,385
Funds approved by ExCom (US\$)	UNEP	Project costs	81,000	0	0	0	0.0	0	0.0	0	0	81,000
		Support costs	10,530	0	0	0	0.0	0	0.0	0	0	10,530
Total funds requested for approval at this meeting (US\$)	UNEP	Project costs	0	0	0	0	18,500	0	0	0	0	18,500
		Support costs	0	0	0	0	2,405	0	0	0	0	2,405

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

1. On behalf of the Government of Djibouti, UNEP as the designated implementing agency, has submitted to the 76<sup>th</sup> meeting a request for funding for the second tranche of stage I of the HCFC phase-out management plan (HPMP), at the amount of US \$18,500, plus agency support costs of US \$2,405. The submission includes a progress report on the implementation of the first tranche and the tranche implementation plan for 2016 to 2018.

### Report on HCFC consumption

#### *HCFC consumption*

2. The Government of Djibouti reported a consumption of 0.57 ODP tonnes of HCFC in 2014 and estimated a consumption of 0.55 ODP tonnes for 2015 which are below the maximum allowable consumption of 0.70 ODP tonnes and 0.63 ODP tonnes respectively. The 2011-2015 HCFC consumption is shown in Table 1.

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

HCFC	2011	2012	2013	2014	2015	Baseline
<b>Metric tonnes</b>						
HCFC-22	12.0	11.6	11.3	10.4	10.0	12.7
<b>ODP tonnes</b>						
HCFC-22	0.66	0.64	0.62	0.57	0.55	0.7

\*Estimated.

3. HCFC consumption data shows a decreasing trend from 2011 to 2015.

#### *Country programme (CP) implementation report*

4. The Government of Djibouti 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 15 April 2016.

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

#### *Legal framework*

5. The Ministry of the Environment through the National Direction of Environment and the National Ozone Office (NOO) oversee the implementation of the Montreal Protocol. A Presidential Decree Law (N° 48) was issued in May 2013 to better control export, import and use of ODS including HCFCs through an import quota and licensing system. The Government ratified the Beijing Amendment on 6 February 2013.

#### *Refrigeration servicing sector*

6. The main activities implemented include:

- (a) Three training workshops for 65 customs officers, 23 commerce officers and eight officers from Statistics Department on the monitoring and control of HCFC imports and distribution;
- (b) Four training workshops for 102 refrigeration technicians in good refrigeration and air-conditioning servicing practices;

- (c) Procurement and delivery of three refrigerant identifiers for customs and 25 toolkits for refrigeration technicians; and
- (d) Recruitment of an expert to assist the NOU to monitor the effectiveness of the activities in the HPMP.

#### Level of fund disbursement

7. As of March 2016, of the US \$81,000 so far approved, US \$76,038 (94 per cent) had been disbursed. The balance of US \$4,962 will be disbursed in 2016.

#### Implementation plan for the second tranche of the HPMP

8. The Government's strategy consists of reinforcing the capacities of the customs and other enforcement officers and promoting good refrigeration practices including recovery and recycling as well as safe use of hydrocarbon with the view of using the trained technicians to train the remaining technicians. Accordingly, the following activities will be implemented during the second funding tranche of the HPMP:

- (a) Two training workshops for at least 40 customs and Department of Commerce officers in the identification of imported refrigerants such as HCFCs, HFCs, hydrocarbons or mixtures (US \$5,000);
- (b) Three training workshops for at least 75 refrigeration technicians in good practices in refrigeration, recovery and recycling technics, and safe handling of hydrocarbons (US \$11,000); and
- (c) Monitoring and evaluation of the implementation of HPMP (US \$2,500).

### **SECRETARIAT'S COMMENTS AND RECOMMENDATION**

#### **COMMENTS**

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

###### *Legal framework*

9. In line with decision 63/17, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and exports is in place and that the system is capable of ensuring compliance with the Montreal Protocol.

10. The HCFC import quota for 2016 has been established at 0.50 ODP tonnes. For subsequent years, the annual quota will be based on the levels allowed under the Montreal Protocol.

###### *Refrigeration servicing sector*

11. Overall, activities are being implemented as planned. According to UNEP, of the 150 customs and enforcement officers, and 200 technicians that were to be trained under stage I, 88 and 102 received training, respectively.

12. With regard to the long-term sustainability of the training programmes, UNEP advised that it had requested the support of the customs training institute in ensuring that all newly graduated customs officers are trained on the control and identification of ODS. UNEP also ensured that most of the service

technicians from the existing workshops have been trained with the support of the refrigeration association.

13. Upon a request for information on whether retrofits to hydrocarbon are being promoted by the HPMP or taking place outside of the HPMP, UNEP indicated that no natural refrigerants and alternatives technologies is being promoted; however, R-290 technology is included in technicians training programme despite warnings from UNEP on the potential risks in retrofitting HCFC-based refrigeration and air-conditioning equipment to flammable or toxic refrigerants. Currently, there are no retrofits to hydrocarbon-based refrigerants taking place outside of the HPMP in Djibouti, and there are no regulations/codes in place allowing the use of hydrocarbon-based refrigeration and air-conditioning systems. The Government of Djibouti is aware of the relevant decisions on retrofitting<sup>1</sup> through the workshops and network meetings.

Conclusion

14. The HPMP implementation is progressing and the country is in compliance with the Montreal Protocol and its Agreement with the Executive Committee. The country’s import licensing and quota system is operational and will enable HCFC consumption reductions in line with the Montreal Protocol’s phase-out schedule. A large number of customs, commerce and Statistics Department officers and refrigeration technicians have been trained while equipment and tools have been distributed. The level of fund disbursement is 94 per cent. The activities implemented under the first tranche and those planned under the second tranche will further strengthen the refrigeration servicing sector and ensure the long-term sustainability of the activities proposed in stage I of the HPMP.

**RECOMMENDATION**

15. The Fund Secretariat recommends that 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) for Djibouti; and further recommends blanket approval of the second tranche of stage I of the HPMP for Djibouti, and the corresponding 2016-2018 tranche implementation plan, at the funding level 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)	18,500	2,405	UNEP

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<sup>1</sup> Decisions 72/17 and 73/34.