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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Seventy-seventh Meeting
Montreal, 28 November - 2 December 2016

PROJECT PROPOSAL: ANGOLA

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, fourth tranche) UNDP

PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS

Angola

(I) PROJECT TITLE	AGENCY	MEETING APPROVED	CONTROL MEASURE
HCFC phase-out plan (Stage I)	UNDP (lead)	65 th	10% by 2015

(II) LATEST ARTICLE 7 DATA (Annex C Group I)	Year: 2015	13.78 (ODP tonnes)

(III) LATEST COUNTRY PROGRAMME SECTORAL DATA (ODP tonnes)								Year: 2015	
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					13.78				13.78

(IV) CONSUMPTION DATA (ODP tonnes)			
2009 - 2010 baseline:	15.95	Starting point for sustained aggregate reductions:	15.95
CONSUMPTION ELIGIBLE FOR FUNDING (ODP tonnes)			
Already approved:	1.59	Remaining:	14.36

(V) BUSINESS PLAN		2016	2017	2018	Total
UNDP	ODS phase-out (ODP tonnes)	0.18	0	0	0.18
	Funding (US \$)	21,316	0	0	21,316

(VI) PROJECT DATA			2011	2012	2013	2014	2015	2016	Total
Montreal Protocol consumption limits			n/a	n/a	15.95	15.95	14.36	14.36	n/a
Maximum allowable consumption (ODP tonnes)			n/a	n/a	15.95	15.95	14.36	14.36	n/a
Agreed funding (US\$)	UNDP	Project costs	86,222	39,111	0	0	31,111	19,556	176,000
		Support costs	7,760	3,520	0	0	2,800	1,760	15,840
Funds approved by ExCom (US\$)		Project costs	86,222	39,111	0	0	31,111	0	156,444
		Support costs	7,760	3,520	0	0	2,800	0	14,080
Total funds requested for approval at this meeting (US\$)		Project costs	0	0	0	0	0	19,556	19,556
		Support costs	0	0	0	0	0	1,760	1,760

Secretariat's recommendation:	Blanket approval

PROJECT DESCRIPTION

1. On behalf of the Government of Angola, UNDP as the designated implementing agency has submitted to the 77th meeting a request for funding for the fourth and final tranche of stage I of the HCFC phase-out management plan (HPMP), at the amount of US \$19,556, plus agency support costs of US \$1,760. The submission¹ includes a progress report on the implementation of the third tranche, and the tranche implementation plan for 2016 to 2017.

Report on HCFC consumption

HCFC consumption

2. The Government of Angola reported a consumption of 13.79 ODP tonnes of HCFC in 2015. The 2011-2015 HCFC consumption is shown in Table 1.

Table 1. HCFC consumption in Angola (2011-2015 Article 7 data)

HCFC-22	2011	2012	2013	2014	2015	Baseline
Metric tonnes (mt)	210.00	120.00	280.52	240.20	250.66	290.0
ODP tonnes	11.55	6.60	15.43	13.21	13.78	15.95

3. While the HCFC consumption has slightly increased in 2015 due to the continuous increase in the demand for refrigeration and air-conditioning equipment, it was already 10.34 mt (0.57 ODP tonnes) below the allowable level of consumption for the year.

Country programme (CP) implementation report

4. The Government of Angola reported HCFC sector consumption data under the 2015 CP implementation report that is consistent with the data reported under Article 7.

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

Legal framework

5. The HCFC licensing and quota system has been continuously enforced by the Ministry of Environment in collaboration with other stakeholders to ensure compliance with the Montreal Protocol.

Refrigeration servicing sector

6. The following activities have been implemented:

- (a) The Government has established differentiated tariffs to create incentives for the introduction of refrigerants with low-global warming potential (GWP);
- (b) Tools and equipment have been purchased for technicians to enable good servicing practices in refrigerant recovery and reuse. Equipment distribution and training in their use will be conducted during the fourth tranche; and

¹ As per the letter of 28 September 2016 from the Ministry of Environment of Angola to UNDP.

- (c) Awareness-raising materials have been developed in Portuguese and distributed to technicians.

Project implementation and monitoring unit (PMU)

7. Project monitoring and coordination of activities were conducted to ensure efficient and effective implementation of the HPMP.

Level of fund disbursement

8. As of September 2016, of the US \$156,444 approved so far, US \$137,354 had been disbursed. The balance of US \$19,090 will be disbursed in the last quarter of 2016 (Table 2).

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

Agency	First tranche		Second tranche		Third tranche		Total approved	
	Approved	Disbursed	Approved	Disbursed	Approved	Disbursed	Approved	Disbursed
UNDP	86,222	86,222	39,111	34,751	31,111	16,381	156,444	137,354
Disbursement rate (%)	100		89		53		88	

Implementation plan for the fourth tranche of the HPMP

9. The following activities will be undertaken:
- (a) Launching the online licensing and quota system for HCFC imports/exports to strengthen the national capacity for ODS monitoring (US \$3,000);
 - (b) Training of 80 technicians in good practices and refrigerant recovery, reuse and recycling, servicing with alternatives refrigerantes (e.g., hydrocarbons (HCs) and HFOs); developing a training module for end-users; distributing the equipment previously purchased and providing training in their use; (US \$10,000);
 - (c) Developing and distributing awareness-raising materials to provide information on HCFC alternatives, good practices and the safe handling of flammable refrigerants (US \$5,556); and
 - (d) Project coordination, monitoring and reporting (US \$1,000).

SECRETARIAT'S COMMENTS AND RECOMMENDATION

COMMENTS

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

Legal framework

10. The Government of Angola has already issued HCFC import quotas for 2016 in accordance with the Montreal Protocol control targets. The quota in 2017 will remain the same as in 2016.

Refrigeration servicing sector

11. With regard to the increase in HCFC consumption in 2015, UNDP explained that although the import of HCFC-based equipment is licensed, the quota for their import has not been applied. The Government is considering to control the import of HCFC-based equipment in the near future.

12. In responding to a query from the Secretariat, UNDP confirmed that drop-in or retrofit practices with flammable refrigerants are not being pursued at this stage in Angola. Training in servicing equipment using flammable refrigerants (HCs and HFOs) and equipment for personal protection, as well as equipment for detecting flammable gases will be provided to technicians to ensure a safe transition to these technologies; noting that new equipment based on HC-refrigerants might be imported into the country.

Conclusion

13. HCFC consumption in Angola was below the control targets set in the Agreement for 2015 and the import quota have been issued for 2016 and 2017. Angola has integrated the ODS issues into the customs training and the curriculum is reviewed regularly to integrate new requirements into the training manual; the launching of the online licensing and quota system will enhance the national capacity for ODS monitoring. The established training centers will provide on-going support to technicians to ensure sustainability. The disbursement rate has reached 88 per cent of overall funding. The progress achieved in implementation and the activities included in the proposed plan will enable the country to meet the Montreal Protocol targets. All the activities planned for stage I of the HPMP will be operational completed by the end of 2017 and an project completion report will be submitted in 2018. Stage II of the HPMP will be submitted in 2017.

RECOMMENDATION

14. The Fund Secretariat recommends that the Executive Committee:

- (a) Takes note of the progress report on the implementation of the third tranche of stage I of the HCFC phase-out management plan of (HPMP) for Angola; and
- (b) Requests the Government of Angola and UNDP to submit the project completion report to the second meeting of the Executive Committee in 2018.

15. The Fund Secretariat further recommends blanket approval of the fourth tranche of stage I of the HPMP for Angola, and the corresponding 2016-2017 tranche implementation plan, at the funding level shown in the table below, on the understanding that if Angola were to decide to proceed with retrofits and associated servicing to flammable and toxic refrigerants in refrigeration and air-conditioning equipment originally designed for non-flammable substances, it would do so assuming all associated responsibilities and risks and only in accordance with the relevant standards and protocols:

	Project title	Project funding (US \$)	Support cost (US \$)	Implementing agency
(a)	HCFC phase-out management plan (stage I, fourth tranche)	19,556	1,760	UNDP