



**United Nations
Environment
Programme**

Distr.
GENERAL

UNEP/OzL.Pro/ExCom/77/48
26 October 2016

ORIGINAL: ENGLISH



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

PROJECT PROPOSAL: GUINEA-BISSAU

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 and UNIDO

PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS

Guinea-Bissau

(I) PROJECT TITLE	AGENCY	MEETING APPROVED	CONTROL MEASURE
HCFC phase-out plan (Stage I)	UNEP(lead), UNIDO	65 th	35% by 2020

(II) LATEST ARTICLE 7 DATA (Annex C Group I)	Year: 2015	2.48 (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-22					2.48				2.48

(IV) CONSUMPTION DATA (ODP tonnes)			
2009 - 2010 baseline:	2.83	Starting point for sustained aggregate reductions:	2.83
CONSUMPTION ELIGIBLE FOR FUNDING (ODP tonnes)			
Already approved:	0.99	Remaining:	1.84

(V) BUSINESS PLAN		2016	2017	2018	2019	2020	Total
UNEP	ODS phase-out (ODP tonnes)	0.18				0.10	0.28
	Funding (US \$)	56,500				31,640	88,140
UNIDO	ODS phase-out (ODP tonnes)	0.27					0.27
	Funding (US \$)	81,750					81,750

(VI) PROJECT DATA			2011	2012	2013	2014	2015	2016	2017 - 2018	2019	2020	Total
Montreal Protocol consumption limits			n/a	n/a	2.83	2.83	2.55	2.55	2.55	2.55	1.84	n/a
Maximum allowable consumption (ODP tonnes)			n/a	n/a	2.83	2.83	2.55	2.55	2.55	2.55	1.84	n/a
Agreed Funding (US\$)	UNEP	Project costs	35,000	0	52,000	0	0	50,000	0	0	28,000	165,000
		Support costs	4,550	0	6,760	0	0	6,500	0	0	3,640	21,450
	UNIDO	Project costs	40,000	0	0	0	0	75,000	0	0	0	115,000
		Support costs	3,600	0	0	0	0	6,750	0	0	0	10,350
Funds approved by ExCom (US\$)		Project Costs	75,000	0	52,000	0	0	0	0	0	0	127,000
		Support Costs	8,150	0	6,760	0	0	0	0	0	0	14,910
Total funds requested for approval at this meeting (US\$)		Project Costs	0	0	0	0	0	125,000	0	0	0	125,000
		Support Costs	0	0	0	0	0	13,250	0	0	0	13,250

Secretariat's recommendation:	For blanket approval
--------------------------------------	----------------------

PROJECT DESCRIPTION

1. On behalf of the Government of Guinea-Bissau, UNEP as the lead implementing agency, has submitted to the 77th 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 \$138,250, consisting of US \$50,000, plus agency support costs of US \$6,500 for UNEP, and US \$75,000, plus agency support costs of US \$6,750 for UNIDO¹. The submission includes a progress report on the implementation of the second tranche and the tranche implementation plan for 2017 to 2019.

Report on HCFC consumption

HCFC consumption

2. The Government of Guinea-Bissau reported a consumption of 2.48 ODP tonnes of HCFC in 2015, which is below the Montreal Protocol target of 2.55 ODP tonnes for that year. The 2011-2015 HCFC consumption is shown in Table 1.

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

HCFC-22	2011	2012	2013	2014	2015	Baseline
Metric tonnes	52.00	49.00	42.00	51.00	45.10	51.00
ODP tonnes	2.86	2.70	2.31	2.81	2.48	2.83

3. HCFC consumption has been decreasing since 2011 with a temporary increase in 2014 explained by additional imports in preparation for the 2015 control measure.

Country programme (CP) implementation report

4. The Government of Guinea-Bissau reported HCFC sector consumption data in the 2015 CP implementation report that is consistent with the data reported under Article 7 of the Montreal Protocol.

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

5. The activities implemented under the second tranche of the HPMP are summarized as follows:

- (a) Sixty-five customs officers received training on control and identification of ODS and ODS-based equipment. An additional 70 customs officers, importers and distributors received a one-day workshop on HCFC import regulations, including the licensing and quota system;
- (b) Twenty-five trainers and 77 refrigeration technicians received training on good refrigeration practices, refrigerant containment in refrigeration and air-conditioning equipment, and safe handling of flammable refrigerants;
- (c) Three air-conditioning units, three refrigerant recovery machines and service tools (e.g., vacuum pumps, leak detectors, manifolds, refrigerant identifiers, electronic scales, charging stations and welding equipment) were purchased and delivered to the training centre in Bissau; and
- (d) One refrigeration and one customs expert were recruited to assist in monitoring the implementation of all the HPMP activities, and to collect accurate data.

¹ As per the letter from the Secretaria de Estado do Ambiente of Guinea-Bissau to UNEP received on 1 October 2016 by the Multilateral Fund Secretariat.

Level of fund disbursement

6. As of September 2016, of the US \$127,000 approved so far, US \$126,138 had been disbursed (US \$87,000 for UNEP and US \$39,138 for UNIDO). The balance of US \$862 will be disbursed in 2016 (Table 2).

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

Agency	First tranche		Second tranche		Total	
	Approved	Disbursed	Approved	Disbursed	Approved	Disbursed
UNEP	35,000	35,000	52,000	52,000	87,000	87,000
UNIDO	40,000	39,138	0	0	40,000	39,138
Total	75,000	74,138	52,000	52,000	127,000	126,138
Disbursement rate (%)	99%		100%		99%	

Implementation plan for the third tranche of the HPMP

7. The following activities will be implemented:
- (a) Training of additional 80 customs officers in Bissau and several ports of entry on HCFC control measures and required interaction with the NOU; identification, codification and classification of HCFCs and products containing HCFCs; and improvement on recording and reporting of imports (UNEP) (US \$20,000);
 - (b) Training of additional 125 technicians on refrigerant recovery and recycling, safe handling of flammable refrigerants and related standards (UNEP) (US \$20,000);
 - (c) Distribution of tool-kits to refrigeration technicians and an estimated of three additional training centres; establishment of a center to test refrigerant quality (including HCFC-22 and alternatives); implementation of a retrofit incentive scheme and an incentive programme for end-users to reduce refrigerant leaking; and awareness on the adoption of low-GWP alternative technologies (UNIDO) (US \$75,000); and
 - (d) Monitoring and reporting on the implementation of the proposed activities (UNEP) (US \$10,000).

SECRETARIAT'S COMMENTS AND RECOMMENDATION**COMMENTS**Progress report on the implementation of the second tranche of the HPMP*Legal framework*

8. The Government of Guinea-Bissau has already issued the HCFC import quota for 2016 at 2.31 ODP tonnes, equivalent to approximately 82 per cent of the HCFC baseline for compliance. The 2017 quota will be set in December 2016.

Refrigeration servicing sector

9. In discussing the scope and sustainability of the training activities, UNEP confirmed that a total of 215 technicians and 177 customs officers will be trained once stage I is completed. Training of technicians and customs officers will continue to be provided by the same trainers at the main technical

training centre in Bissau, which is being upgraded with the required equipment for this purpose. The module on good refrigeration practices and safe use of flammable refrigerants introduced during the first tranche is included in the training centre's curriculum.

10. As reported by UNEP, refrigeration technicians are currently better organized and many of them are registered in the national association of refrigeration technicians of Bissau. Furthermore, there is a better understanding of the refrigerants in the local market as a result of the survey of ODS alternatives, which is nearly completed. While the safe handling of flammable refrigerants is one of the topics of the refrigeration training programme, the country is not promoting any retrofit of HCFC-based equipment to flammable refrigerants.

11. With regard to the retrofit incentive scheme, UNEP clarified that although the name of the activity refers to "retrofit", the scope of the activity is to ensure refrigerant containment, not replacement.

12. UNEP further indicated that there was a strong tendency in the region to retrofit HCFC-22-based systems to operate with hydrocarbon (HC); some trials were carried out and the lessons learned were shared with the stakeholders. Although there is no specific regulation in Guinea-Bissau preventing or allowing the practice of retrofitting, the replacement of HCFC-22 with HC via drop-in is not promoted by any activity in the HPMP, nor by the Government. The programme will continue to promote the introduction of HC as an alternative, with an emphasis on safety and good practices, but not as drop-in for equipment not designed for flammable refrigerants. It is possible that some technicians may still be using HCs as drop-in, therefore emphasis on safety has been strengthened in the training programmes as well as on public awareness. Since neither the Government nor UNIDO are promoting the practice, no responsibility for accidents should be attributed to them.

13. With regard to the activity for end-users to reduce refrigerant leakages, UNEP indicated that it will raise technicians', operators' and end-users' awareness regarding the additional costs incurred due to refrigerant leakage and associated equipment malfunctions; the environmental impact of leakage and venting of refrigerants; the safety hazards involved; and how to extend the useful life and efficiency of cooling equipment. The project will include a pilot demonstration of leakage reduction in a large refrigerant consumer, such as a supermarket or an industrial user.

Conclusion

14. The Secretariat noted that Guinea-Bissau is in compliance with the Montreal Protocol control measures and has continued implementing its HCFC import licensing and quota system. Activities in the refrigeration servicing sector also continued satisfactorily to promote good servicing practices including reduction of refrigerant leakages, preparing technicians for the safe use of flammable refrigerants, and discouraging the practice of retrofitting HCFC-22-based equipment with flammable refrigerants.

RECOMMENDATION

15. The Fund Secretariat recommends that the Executive Committee take note of the progress report on the implementation of the second tranche of stage I of the HCFC phase-out management plan of (HPMP) for Guinea-Bissau and further recommends blanket approval of the third tranche of stage I of the HPMP for Guinea-Bissau, and the corresponding 2017-2019 tranche implementation plan, at the funding levels shown in the table below, on the understanding that if Guinea-Bissau 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, third tranche)	50,000	6,500	UNEP
(b)	HCFC phase-out management plan (stage I, third tranche)	75,000	6,750	UNIDO
