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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Eighty-third Meeting
Montreal, 27– 31 May 2019

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, third 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)	66 th	35% by 2020

(II) LATEST ARTICLE 7 DATA (Annex C Group I)	Year: 2017	0.51 (ODP tonnes)
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(III) LATEST COUNTRY PROGRAMME SECTORAL DATA (ODP tonnes)							Year: 2017		
Chemical	Aerosol	Foam	Fire fighting	Refrigeration		Solvent	Process agent	Lab use	Total sector consumption
				Manufacturing	Servicing				
HCFC-22					0.51				0.51

(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		2018	2019	2020	Total
UNEP	ODS phase-out (ODP tonnes)	0.06	0.00	0.03	0.09
	Funding (US \$)	49,720	0	23,730	73,450

(VI) PROJECT DATA		2012	2013-2014	2015	2016	2017	2018	2019	2020	Total
Montreal Protocol consumption limits		n/a	0.70	0.63	0.63	0.63	0.63	0.63	0.46	n/a
Maximum allowable consumption (ODP tonnes)		n/a	0.70	0.63	0.63	0.63	0.63	0.63	0.46	n/a
Agreed funding (US \$)	UNEP Project costs	81,000	0	0	18,500	0	44,000	0	21,000	164,500
	Support costs	10,530	0	0	2,405	0	5,720	0	2,730	21,385
Funds approved by ExCom (US \$)	Project costs	81,000	0	0	18,500	0	0	0	0.0	99,500
	Support costs	10,530	0	0	2,405	0	0	0	0.0	12,935
Total funds requested for approval at this meeting (US \$)	Project costs	0	0	0	0	0	0	44,000*	0	44,000
	Support costs	0	0	0	0	0	0	5,720	0	5,720

*The third tranche should have been submitted in 2018.

Secretariat's recommendation:	Blanket approval
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PROJECT DESCRIPTION

1. On behalf of the Government of Djibouti, UNEP as the designated implementing agency, has submitted a request for funding for the third tranche of stage I of the HCFC phase-out management plan (HPMP), at the amount of US \$44,000, plus agency support costs of US \$5,720.¹ The submission includes a progress report on the implementation of the second tranche, the verification report on HCFC consumption for 2013 to 2018 and the tranche implementation plan for 2019 to 2020.

Report on HCFC consumption

2. The Government of Djibouti reported a consumption of 0.51 ODP tonnes of HCFC in 2017 and estimated a consumption of 0.48 ODP tonnes for 2018, which is 31 per cent below the HCFC baseline for compliance. The 2014-2018 HCFC consumption is shown in Table 1.

Table 1. HCFC consumption in Djibouti (2014-2018 Article 7 data)

HCFC-22	2014	2015	2016	2017	2018*	Baseline
Metric tonnes	10.40	10.11	9.87	9.30	8.70	12.7
ODP tonnes	0.57	0.56	0.54	0.51	0.48	0.7

*Data from the verification report on HCFC consumption.

3. The consumption of HCFC has been decreasing due to the implementation of the import licensing and quota systems as well as the training of technicians and technical assistance included under stage I of the HPMP.

Country programme (CP) implementation report

4. The Government of Djibouti reported HCFC sector consumption data under the 2017 CP implementation report which is consistent with the data reported under Article 7 of the Montreal Protocol. The 2018 CP report will be submitted by 30 April 2019.

Verification report

5. The verification report confirmed that the total HCFC consumption for 2013 to 2017 was accurately reported under Article 7 of the Montreal Protocol, and that the consumption for 2018 was 0.48 ODP tonnes. The report confirmed that the Government is implementing a licensing and quota system for HCFC imports and exports and that Djibouti is in compliance with the Montreal Protocol. The verification report provided recommendations to improve the training of Customs officers on the implementation of national and sub-regional regulations on ODS imports and distribution, to strengthen Customs monitoring of HCFCs through the provision of refrigerant identifiers; and to encourage the introduction of alternative refrigerants including making available training modules on the use of HCFC alternatives to vocational schools.

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

Legal framework

6. The Ministry of the Environment through the National Direction of Environment and the National Ozone Office (NOO) continues to oversee the implementation of the Montreal Protocol. The import quota

¹ As per the letter of 17 March 2019 from the Ministry of Habitat, Urban Planning and Environment of Djibouti to the Secretariat.

and licensing system to better control export, import and use of ODS including HCFCs had been in place since May 2013, through Presidential Decree Law (N° 48).

7. Four training workshops on identification and control of HCFCs and HCFC-based refrigeration and air-conditioning (RAC) equipment, and requirements of the Montreal Protocol were conducted for 101 enforcement officers. These trainings built the capacity of Customs and enforcement officers on the policies related to the import/export licensing system, and equipped them with the knowledge to identify all ODS, ODS alternatives, and products containing ODS.

Refrigeration servicing sector

8. Four training workshops on good practices in RAC servicing were conducted for 129 technicians, including safe handling of flammable refrigerants. Consultation meetings with refrigeration associations that play a key role in the implementation of projects associated with the HPMP continued during the period.

Project implementation and monitoring unit (PMU)

9. The Ministry of the Environment through the National Direction of Environment houses the NOO which oversees the implementation of the Montreal Protocol. A refrigeration consultant was recruited to assist in the monitoring of the implementation of the HPMP activities and collect accurate data.

Level of fund disbursement

10. As of March 2019, of the US \$99,500 approved so far, all funds had been disbursed as shown in Table 2.

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

Agency	First tranche		Second tranche		Total approved	
	Approved	Disbursed	Approved	Disbursed	Approved	Disbursed
UNEP	81,000	81,000	18,500	18,500	99,500	99,500
Disbursement rate (%)	100		100		100	

Implementation plan for the third tranche of the HPMP

11. The following activities will be implemented between July 2019 and June 2020:
- (a) Four training workshops to train 80 enforcement officers on ODS regulations and identification of imported substances including HCFCs, HFCs, hydrocarbons or mixtures (UNEP) (US \$15,000);
 - (b) Five training workshops to train 125 refrigeration technicians on good servicing practices including reducing leakages during servicing; update training materials (UNEP) (US \$25,000); and
 - (c) Recruitment of a consultant to assist the NOO in project coordination and evaluation of the HPMP implementation until 2020 (UNEP) (US \$4,000).

SECRETARIAT'S COMMENTS AND RECOMMENDATION

COMMENTS

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

Legal framework

12. The Government of Djibouti has already issued HCFC import quotas for 2019 at 0.45 ODP tonnes, which is lower than the Montreal Protocol control targets.

13. UNEP confirmed that the recommendations provided in the verification report of HCFC consumption, will be included for implementation in the third tranche of the HPMP, including updating of materials for technician training and making them available to vocational schools, and continuation of Customs training. UNEP however indicated that refrigerant identifiers would be provided only in stage II of the HPMP as the funding approved for stage I did not include the costs for equipment as at the time the HPMP was submitted, a number of equipment (e.g. refrigerant identifiers, recovery machines, tool kits) had just been purchased under the terminal phase-out management plan (TPMP).

Refrigeration servicing sector

14. Overall, activities are being implemented as planned. It was noted with appreciation that the target number of technicians to be trained for the period was exceeded by around 75 per cent for both the Customs and enforcement officers and service technicians. UNEP explained that they had been able to maximize participation in the training courses without compromising the quality of the training delivered.

15. In responding to whether the increase in capacity of the service technicians and Customs and enforcement officers were measured after receiving training, UNEP explained that while there is currently no systematic way to monitor the impact of the technicians' training, it had been evident that service technicians currently apply good servicing practices, and that Customs officers are better equipped to monitor the entry of ODS and ODS-based equipment. The NOO will continue to work with the refrigeration association in order to determine whether the impact of training could be formally monitored. With regard to the Customs officers, the NOO will continue to work with the Customs training institute to ensure that new Customs officers are trained on the control and identification of ODS.

Conclusion

16. The HPMP implementation is progressing and the country is in compliance with the Montreal Protocol and its Agreement with the Executive Committee. The delay in the submission of the third tranche was due to the late completion of the verification report for HCFC consumption; UNEP confirmed that the last tranche will be submitted in 2020, as planned. The country's import licensing and quota system is operational as confirmed by the verification of HCFC consumption; and the reported 2018 HCFC consumption of 0.48 ODP tonnes was already 31 per cent below the country's baseline. Customs training will be integrated into the regular training programme of the Directorate General of Customs and Excise. Training of Customs and enforcement officers and refrigeration technicians have been successfully implemented. The level of fund disbursement is 100 per cent. The activities to be implemented under the third 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

17. 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) for Djibouti, and further recommends blanket approval of the third tranche of stage I of the HPMP for Djibouti, and the corresponding 2019-2020 tranche implementation plan, at the funding level shown in the table below, on the understanding that:

- (a) UNEP would include as part of the progress report on the implementation of the third tranche of the HPMP, an update on progress toward implementing the recommendations in the verification report submitted to the 83rd meeting, which included:
 - (i) Training of Customs officers on the implementation of national and sub-regional regulations on ODS imports and distribution;
 - (ii) Making available training modules on the use of HCFC alternatives to vocational schools; and
- (b) Additional refrigerant identifiers would be requested under stage II of the HPMP.

	Project title	Project funding (US \$)	Support cost (US \$)	Implementing agency
(a)	HCFC phase-out management plan (stage I, third tranche)	44,000	5,720	UNEP