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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Eighty-fifth Meeting
Montreal, 25-29 May 2020
Postponed to 19-22 July 2020*

PROJECT PROPOSAL: RWANDA

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, fifth tranche) UNEP and UNIDO

* Due to coronavirus disease (COVID-19)

Pre-session documents of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol are without prejudice to any decision that the Executive Committee might take following issuance of the document.

PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS

Rwanda

(I) PROJECT TITLE	AGENCY	MEETING APPROVED	CONTROL MEASURE
HCFC phase-out plan (stage I)	UNEP (lead), UNIDO	64 th	35% by 2020

(II) LATEST ARTICLE 7 DATA (Annex C Group I)	Year: 2018	2.10 (ODP tonnes)
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(III) LATEST COUNTRY PROGRAMME SECTORAL DATA (ODP tonnes)								Year: 2019	
Chemical	Aerosol	Foam	Fire fighting	Refrigeration		Solvent	Process agent	Lab use	Total sector consumption
				Manufacturing	Servicing				
HCFC-22					1.89				1.89
HCFC-141b									
HCFC-142b									

(IV) CONSUMPTION DATA (ODP tonnes)			
2009 - 2010 baseline:	4.10	Starting point for sustained aggregate reductions:	4.10
CONSUMPTION ELIGIBLE FOR FUNDING (ODP tonnes)			
Already approved:	1.44	Remaining:	2.66

(V) BUSINESS PLAN		2020	Total
UNEP	ODS phase-out (ODP tonnes)	0.14	0.14
	Funding (US \$)	31,640	31,640

(VI) PROJECT DATA			2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
Montreal Protocol consumption limits			n/a	n/a	4.10	4.10	3.69	3.69	3.69	3.69	3.69	2.67	n/a
Maximum allowable consumption (ODP tonnes)			n/a	n/a	4.10	4.10	3.69	3.69	3.69	3.69	3.69	2.67	n/a
Agreed funding (US \$)	UNEP	Project costs	42,000	0	40,000	0	0	30,000	0	30,000	0	28,000	170,000
		Support costs	5,460	0	5,200	0	0	3,900	0	3,900	0	3,640	22,100
	UNIDO	Project costs	55,000	0	0	0	0	55,000	0	0	0	0	110,000
		Support costs	4,950	0	0	0	0	4,950	0	0	0	0	9,900
Funds approved by ExCom (US \$)	Project costs	97,000	0	40,000	0	0	85,000	0	30,000	0	0	252,000	
	Support costs	10,410	0	5,200	0	0	8,850	0	3,900	0	0	28,360	
Total funds requested for approval at this meeting (US \$)	Project costs	0	0	0	0	0	0	0	0	0	0	28,000	28,000
	Support costs	0	0	0	0	0	0	0	0	0	0	3,640	3,640

Secretariat's recommendation:	For blanket approval
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PROJECT DESCRIPTION

1. On behalf of the Government of Rwanda, UNEP as the lead implementing agency, has submitted a request for funding for the fifth and final tranche of stage I of the HCFC phase-out management plan (HPMP), at the amount of US \$28,000, plus agency support costs of US \$3,640 for UNEP only.¹ The submission includes a progress report on the implementation of the fourth tranche and the tranche implementation plan for 2020 to 2021.

Report on HCFC consumption

2. The Government of Rwanda reported under country programme implementation report a consumption of 1.89 ODP tonnes of HCFC in 2019, which is 54 per cent below the HCFC baseline for compliance. The 2015-2019 HCFC consumption is shown in Table 1.

Table 1. HCFC consumption in Rwanda (2015-2019 Article 7 data)

HCFC	2015	2016	2017	2018	2019*	Baseline
Metric tonnes						
HCFC-22	57.00	32.90	30.85	37.86	34.40	68.32
HCFC-123	5.80	0.00	0.00	0.00	0.00	3.00
HCFC-141b	2.00	7.20	5.70	0.07	0.00	1.47
HCFC-142b	2.20	2.50	2.10	0.10	0.00	1.98
Total (mt)	67.00	42.60	38.65	38.03	34.40	74.77
ODP tonnes						
HCFC-22	3.13	1.81	1.70	2.08	1.89	3.75
HCFC-123	0.12	0.00	0.00	0.00	0.00	0.06
HCFC-141b	0.22	0.79	0.63	0.01	0.00	0.16
HCFC-142b	0.14	0.16	0.13	0.01	0.00	0.13
Total (ODP tonnes)	3.61	2.76	2.46	2.10	1.89	4.10

*Country programme data

3. An increase in HCFC-22 consumption was experienced from 2017 to 2018 due to higher imports needed in 2018 to manage shortage of HCFC supply in that year. Despite that slight increase, the overall HCFC consumption continued to decrease in the period between 2015 and 2019, due to the effectiveness of the country's licensing and quota system, which has been operational since 1 July 2013, the ban on the import of HCFC-based equipment since 1 January 2015, continued implementation of HPMP activities and the introduction of HCFC-free alternatives in refrigeration and air-conditioning (RAC) applications, mainly based on HFC-based refrigerants (e.g., R-410A, R-407C, HFC-134a, R-404A).

Country programme (CP) implementation report

4. The Government of Rwanda reported HCFC sector consumption data under the 2018 CP implementation report which is consistent with the data reported under Article 7 of the Montreal Protocol.

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

Legal framework

5. The Government of Rwanda has established a licensing and quota system, and banned, effective 1 January 2015, the import of HCFC-based equipment. An electronic monitoring system for ODS and non-ODS import is being developed and will be added to the new legislation on controlled substances under the Montreal Protocol that will be adopted by the end of 2020. With funds approved under enabling

¹ As per the letter of 9 March 2020 from the Rwanda Environment Management Authority (REMA) to the Secretariat.

activities for phase-down of HFCs, the Government is undertaking steps to facilitate implementation of the ratified Kigali Amendment *inter alia*, support for developing a regulatory framework for import/export licensing systems for HFCs and HFC alternatives.

Refrigeration servicing sector

6. The main activities carried out include:

- (a) One training workshop for 16 enforcement officers on the improved customs training manual including the identification or cross-checking of the quality and the quantity of imported ODS; two training and validation workshops for 34 participants on the electronic registry and reporting tool;
- (b) One workshop for 12 refrigerants suppliers, RAC equipment suppliers, Rwanda Standards Bureau officials and Rwanda Revenue Authority officials on alternative to HCFCs, and raising awareness on HCFC phase-out activities, the Kigali Amendment, and the new online registry of ODS and reporting system;
- (c) One workshop for 11 trainers on Refrigerant Driving License (RDL) Programme for capacity building of local technicians in the RAC sector on good service practices and adoption of low-global-warming potential (GWP) alternatives. Additional training workshops were proposed to be implemented between March and June 2020 to train 83 technicians, which may be delayed due to the COVID-19 situation; and
- (d) Strengthening of the three regional centres of excellence through provision of technical assistance and equipment and service tools (e.g. recovery/recycling unit, recovery cylinder, electronic charging scale, electronic leak detector, vacuum pump, vacuum gauge, 4-way manifold and general servicing tools); equipment was delivered to one center and would be provided to the other two centres in the next few months.

Project implementation and monitoring unit (PMU)

7. The National Ozone Unit (NOU), under the supervision of the Single Project Implementation Unit coordinator in the Rwanda Environment Management Authority, is responsible for the implementation and monitoring of the HPMP, and supports preparation of stage II of the HPMP. The PMU expenditures amounted to US \$20,000 for staff and consultant expenses, US \$5,000 for travel, US \$12,000 for meetings and US \$5,000 for other expenses; this is less than the funding allocated for the PMU (i.e., US \$50,000).

Level of fund disbursement

8. As of February 2020, of the US \$252,000 approved so far, US \$242,000 had been disbursed (US \$132,000 for UNEP and US \$110,000 for UNIDO) as shown in Table 2. The balance of US \$10,000 will be disbursed in 2020.

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

Tranche		UNEP	UNIDO	Total	Disbursement rate (%)
First	Approved	42,000	55,000	97,000	100.0
	Disbursed	42,000	55,000	97,000	
Second	Approved	40,000	0	40,000	100.0
	Disbursed	40,000	0	40,000	
Third	Approved	30,000	55,000	85,000	100.0
	Disbursed	30,000	55,000	85,000	

Tranche		UNEP	UNIDO	Total	Disbursement rate (%)
Fourth	Approved	30,000	0	30,000	66.7
	Disbursed	20,000	0	20,000	
Total	Approved	142,000	110,000	252,000	96.0
	Disbursed	132,000	110,000	242,000	

Implementation plan for the fifth and final tranche of the HPMP

9. The following activities will be implemented between June 2020 and December 2021:
- Further training of 30 customs and enforcement officers in two workshops on enforcement of HCFC licensing and quota system; strengthening of the customs training school by providing additional information on ODS regulations; and dissemination of the amended ODS regulations to enforcement agencies and other stakeholders (UNEP) (US \$10,000);
 - Strengthening of technical colleges by providing technical information in good servicing practices and safe use of alternative refrigerants; further training of 60 refrigeration technicians in three workshops; and continue supporting the RAC association on matters related to the implementation of the HPMP (UNEP) (US \$10,000); and
 - Coordination, monitoring and reporting of the activities under the HPMP with the assistance of one consultant (US \$5,000 for staff and consultants, US \$1,000 for travel and US \$2,000 for meetings) (UNEP) (US \$8,000).

SECRETARIAT'S COMMENTS AND RECOMMENDATION

COMMENTS

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

Legal framework

10. The Government of Rwanda has already issued HCFC import quotas for 2020 at 1.76 ODP tonnes, which is 64 per cent below allowable level of consumption under the Montreal Protocol for that year.

Refrigeration servicing sector

11. The Secretariat requested clarifications on the lower number of service technicians trained (11) compared to what was originally planned (60). UNEP informed that the procurement of equipment required for training programmes was delayed, and, thus, the training activities could not be conducted earlier. Additional training for 83 technicians have now been planned between March and June 2020 with funding from the fourth tranche; however, this may be delayed due to the COVID-19 situation.

Return of balances from the first tranche of stage I of the HPMP

12. At the 82nd meeting, on behalf of the Government of Rwanda, UNEP submitted the request for third funding tranche of the HPMP for Rwanda; the financial report included therein indicated that the remaining balance of the first tranche amounting to US \$5,000 would be returned at the 83rd meeting.² During the discussion of the request for the fourth tranche submitted to the 85th meeting, clarification was sought on the return of the US \$5,000. In its response UNEP indicated that due to an inadvertent oversight, it had

² Paragraph 9 of document UNEP/OzL.Pro/ExCom/82/56

reported the return of the balance from the first tranche while that balance had already been committed to activities relating to the refrigeration servicing sector; the US \$5,000 had been fully disbursed.

Gender policy implementation³

13. UNEP informed that the Government of Rwanda and UNEP and UNIDO, are fully committed to implementing the gender policy. The Government will include gender equality and women's empowerment topics in the meetings that will be conducted during the implementation of the HPMP with *inter alia* customs officers, representatives from the Bureau of Standards, suppliers of refrigerants and RAC equipment, and representatives of RAC association. Details of number of women trained and involved in HPMP activities will be provided in future progress reports associated with the HPMP.

Sustainability of the HCFC phase-out

14. The refrigeration technicians are trained on good service practices; the infrastructure of the three centres of excellence have been further strengthened with equipment and service tools for training purposes; technicians' trainers have been trained on the RDL programme and will continue providing training to technicians on good service practices and safe use of flammable and toxic refrigerants; and the RAC association is actively involved in HPMP implementation. The training programmes for customs and enforcement officers, coupled with the electronic monitoring system for ODS and non-ODS import to be effective by 1 January 2021, would allow effective control of HCFC consumption. All these aforementioned efforts would ensure the sustainability of HCFC phase-out.

Conclusion

15. The Secretariat noted that the Government of Rwanda has an operational HCFC licensing and quota system, and the overall HCFC consumption is decreasing, with the consumption in 2019 54 per cent below the baseline of compliance. The Government banned the import of HCFC-based equipment, and has strengthened its HCFC phase-out efforts through systematic training and capacity building activities and promoting the uptake of low-GWP alternative technologies, training of technicians on good service practices including safe adoption of low-GWP alternatives, and capacity building of training institutions. The level of disbursement is at 96 per cent of the funds approved so far. The activities planned under the fifth tranche will further strengthen the refrigeration servicing sector further ensuring the long-term sustainability of stage I of the HPMP. The country will complete stage I of the HPMP in accordance with its Agreement with the Executive Committee and plans to submit its stage II of the HPMP in 2021.

RECOMMENDATION

16. The Fund Secretariat recommends that the Executive Committee takes note of the progress report on the implementation of the fourth tranche of stage I of the HCFC phase-out management plan of (HPMP) for Rwanda; and further recommends blanket approval of the fifth and final tranche of stage I of the HPMP for Rwanda, and the corresponding 2020-2021 tranche implementation plan, at the funding level shown in the table below:

	Project title	Project funding (US \$)	Support cost (US \$)	Implementing agency
(a)	HCFC phase-out management plan (stage I, fifth tranche)	28,000	3,640	UNEP

³ Decision 84/92(d) requested bilateral and implementing agencies to apply the operational policy on gender mainstreaming throughout the project cycle.