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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Eighty-seventh Meeting
Montreal, 28 June-2 July 2021¹

PROJECT PROPOSAL: TOGO

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

¹ Online meetings and an intersessional approval process will be held in June and July 2021 due to coronavirus disease (COVID-19)

PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS

Togo

(I) PROJECT TITLE	AGENCY	MEETING APPROVED	CONTROL MEASURE
HCFC phase-out plan (stage I)	UNEP (lead), UNIDO	62 nd	35% by 2020

(II) LATEST ARTICLE 7 DATA (Annex C Group I)	Year: 2020	10.88 (ODP tonnes)
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(III) LATEST COUNTRY PROGRAMME SECTORAL DATA (ODP tonnes)								Year: 2020	
Chemical	Aerosol	Foam	Fire-fighting	Refrigeration		Solvent	Process agent	Lab use	Total sector consumption
				Manufacturing	Servicing				
HCFC-22					10.65				10.65
HCFC-142b					0.23				0.23

(IV) CONSUMPTION DATA (ODP tonnes)			
2009 - 2010 baseline:	20.0	Starting point for sustained aggregate reductions:	20.0
CONSUMPTION ELIGIBLE FOR FUNDING (ODP tonnes)			
Already approved:	7.0	Remaining:	13.0

(V) BUSINESS PLAN		2021	Total
UNEP	ODS phase-out (ODP tonnes)	0.70	0.70
	Funding (US \$)	71,190	71,190
UNIDO	ODS phase-out (ODP tonnes)	0	0
	Funding (US \$)	0	0

(VI) PROJECT DATA			2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020*	2021	2022	Total	
Montreal Protocol consumption limits			n/a	n/a	n/a	20.0	20.0	18.0	18.0	18.0	18.0	18.0	13.0	13.0	13.0	n/a	
Maximum allowable consumption (ODP tonnes)			n/a	n/a	n/a	20.0	20.0	18.0	18.0	18.0	18.0	18.0	13.0	13.0	13.0	n/a	
Agreed funding (US \$)	UNEP	Project costs	70,000	0	0	45,000	0	0	62,000	0	40,000	0	63,000	0	0	280,000	
		Support costs	9,100	0	0	5,850	0	0	8,060	0	5,200	0	8,190	0	0	36,400	
	UNIDO	Project costs	200,000	0	0	0	0	0	150,000	0	0	0	0	0	0	0	350,000
		Support costs	15,000	0	0	0	0	0	11,250	0	0	0	0	0	0	0	26,250
Funds approved by ExCom (US \$)	Project costs		270,000	0	0	45,000	0	0	0	212,000	0	40,000	0	0	0	567,000	
	Support costs		24,100	0	0	5,850	0	0	0	19,310	0	5,200	0	0	0	54,460	
Total funds requested for approval at this meeting (US \$)	Project costs													63,000*		63,000	
	Support costs													8,190		8,190	

* The fifth tranche should have been submitted in 2020.

Secretariat's recommendation:	For blanket approval
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PROJECT DESCRIPTION

1. On behalf of the Government of Togo, 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 \$63,000, plus agency support costs of US \$8,190 for UNEP only.² The submission includes a progress report on the implementation of the fourth tranche and the tranche implementation plan for 2021 to 2023.

Report on HCFC consumption

2. The Government of Togo reported a consumption of 10.88 ODP tonnes of HCFC in 2020, which is 46 per cent below the HCFC baseline for compliance. The 2016-2020 HCFC consumption is shown in Table 1.

Table 1. HCFC consumption in Togo (2016-2020 Article 7 data)

HCFC	2016	2017	2018	2019	2020	Baseline
Metric tonnes (mt)						
HCFC-22	280.00	272.00	258.00	248.26	193.61	362.60
HCFC-142b	0	0	0	6.19	3.60	-
Total (mt)	280.00	272.00	258.00	254.45	197.21	362.60
ODP tonnes						
HCFC-22	15.40	14.96	14.19	13.66	10.65	20.00
HCFC-142b	0	0	0	0.40	0.23	-
Total (ODP tonnes)	15.40	14.96	14.19	14.06	10.88	20.00

3. Until 2019, HCFC-22 was the only substance consumed in the country and was used solely in the refrigeration servicing sector. That consumption has been steadily decreasing given the implementation of HPMP activities resulting in improved servicing practices, and a reduction in the import of HCFC-22-based equipment. In contrast, the import of R-410A-based equipment has been increasing. Starting in 2019, the country also reported consuming small quantities of HCFC-142b, contained in R-406a³ and used as a drop-in for CFC-12-based equipment.

CP implementation report

4. The Government of Togo reported HCFC sector consumption data under the 2020 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 HCFC licensing and quota system is operating effectively, with quotas being established since 2013. Together with other members of the West-African Economic and Monetary Union, the Government is planning to implement, under stage II of the HPMP, a ban on the import of HCFC-based refrigeration and air-conditioning (RAC) equipment, first banning used equipment and then new equipment.

² As per the letter of 8 April 2021 from the Ministry of the Environment and Forest Resources of Togo to the Secretariat.

³ HCFC-142b (41 per cent), HCFC-22 (55 per cent) and R-600a (4 per cent).

6. The Government of Togo ratified the Kigali Amendment on 8 March 2018; an interministerial decree was adopted in March 2021 that includes provisions for licensing and data reporting for the import, export and distribution of HFCs. The national ozone unit (NOU) was preparing an assessment of training needs to implement those provisions, and will be finalized by July 2021.

Refrigeration servicing sector

7. The following activities were implemented during the fourth tranche of the HPMP:

- (a) Training of 45 customs and enforcement officers, of which 10 were women, on the identification of HCFCs, HFCs, hydrocarbon-based refrigerants (HCs) and blends, and on the licensing and quota system to control illegal trade of controlled substances. A second workshop to train a further 30 customs officers, of which six were women, was delayed due to the COVID-19 pandemic and was held on 29 May 2021;
- (b) Seven workshops where 175 refrigeration technicians including seven women were trained on good refrigeration servicing practices, including recovery and recycling; maintaining the energy efficiency of RAC equipment through good servicing practices; and safe handling of HCs, including the installation and servicing of R-290 air-conditioning (AC) units; and
- (c) Development of guidelines for the installation and use of R-290 AC units, and purchase and installation of 70 R-290 AC units to three beneficiaries of the financial incentive programme.

Project implementation and monitoring

8. Funding of US \$7,000 was disbursed for the recruitment of two consultants (one refrigeration and one customs expert) to assist the NOU in the monitoring of the implementation of the HPMP activities, including data collection.

Level of fund disbursement

9. As of March 2021, of the US \$567,000 approved so far, US \$555,736 had been disbursed (US \$207,000 for UNEP and US \$348,736 for UNIDO) as shown in Table 2. The balance of US \$11,264 will be disbursed in 2021.

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

Tranche		UNEP	UNIDO	Total	Disbursement rate (%)
First tranche	Approved	70,000	200,000	270,000	100
	Disbursed	70,000	200,000	270,000	
Second tranche	Approved	45,000	0	45,000	100
	Disbursed	45,000	0	45,000	
Third tranche	Approved	62,000	150,000	212,000	99
	Disbursed	62,000	148,736	210,736	
Fourth tranche	Approved	40,000	0	40,000	75
	Disbursed	30,000	0	30,000	
Total	Approved	217,000	350,000	567,000	98
	Disbursed	207,000	348,736	555,736	

Implementation plan for the fifth and final tranche of the HPMP

10. The following activities will be implemented between May 2021 and June 2023:
- (a) Six workshops to train a further 140 customs and enforcement officers on the identification of HCFCs, HFCs, HCs and blends, and on the licensing and quota system to control illegal ODS trade, of which two workshops for 40 customs and enforcement officers are planned for 28 and 30 June 2021 (UNEP) (US \$25,000, plus US \$7,000 from the previous tranche);
 - (b) Five workshops to train a further 200 refrigeration technicians on good refrigeration servicing practices, including recovery and recycling; maintaining the energy efficiency of RAC equipment through good servicing practices; and safe handling of HCs, including the installation and servicing of R-290 AC units (UNEP) (US \$25,000); and
 - (c) Project implementation and monitoring (UNEP): for the recruitment of two consultants (one refrigeration and one customs expert) (US \$10,000) and for staff travel, including travel and reporting on the training for customs officers (US \$3,000, plus US \$3,000 from the previous tranche).

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

11. The Government of Togo has already issued HCFC import quotas for 2021 at 10.01 ODP tonnes, which is lower than the Montreal Protocol control targets.

Refrigeration servicing sector

12. The financial incentive programme to facilitate the introduction of R-290 AC units at three beneficiaries has been operationally completed. UNIDO had been unable to procure the R-290 AC units from an Article 5 manufacturer that had established an R-290 AC manufacturing line with support from the Multilateral Fund; the equipment was instead procured from an Article 5 manufacturer that had established its manufacturing line without support from the Multilateral Fund. With the completion of the financial incentive programme, UNEP was not aware of any other end-users that purchased or expressed an interest in purchasing R-290 AC units, though private consumers in the country had purchased R-290 AC units. In line with decision 84/84(d), UNIDO will submit a detailed report on the results of the financial incentive programme as part of the stage II submission.

Completion of stage I

13. The completion date for stage I of the HPMP is 31 December 2021. However, due to delays resulting from the COVID-19 pandemic, the Government of Togo was only able to submit the funding request of the last tranche (due in 2020) to the 87th meeting. On this basis, the Government is requesting an extension of the date of completion to 31 December 2023. The Secretariat supports this extension on the understanding that no further extensions will be requested, and notes the efforts by the Government, UNEP and UNIDO to implement activities under the HPMP notwithstanding the challenges brought about by the COVID-19 pandemic. Stage II of the HPMP will be submitted by the 89th meeting.

Gender policy implementation⁴

14. The country has started tracking gender in the trainings of customs officers and refrigeration technicians during the implementation of the fourth tranche, which will continue during the implementation of the fifth tranche. The Government intends to increase the integration of gender in the implementation of the HPMP activities.

Sustainability of the HCFC phase-out

15. The Government has included the compliance obligations under the Montreal Protocol, including those related to HCFCs and other ODS that have already been phased out, in the curricula of environment inspectors and customs officers. The country implemented a ban on the import of ODS that have already been phased out and equipment containing such substances; training of customs officers and awareness activities for importers and the public are undertaken to ensure the implementation of the ban and that licenses and quotas are not provided for ODS that have already been phased out. At the 83rd meeting, it was reported that customs had found numerous instances of counterfeit refrigerants, where HCFC-22 or HFC-134a were mislabelled; since then, customs, which continues to monitor imports of refrigerants, has not found any further such instances of counterfeit refrigerants. While the country does not yet have an RAC technician certification programme, expected to be established under stage II, the capacity of technicians has been strengthened at seven training institutions and one centre of excellence for which equipment was provided under the HPMP; that training includes the safe handling of flammable refrigerants. The implementation of the financial incentive programme is intended to facilitate the introduction into the market of a long-term, sustainable alternative through the introduction of R-290 AC units at selected beneficiaries.

Conclusion

16. The Government of Togo has established a licensing and quota system for the control of HCFC imports and exports and the system is being effectively enforced. Togo has been in compliance with the control targets set in its Agreement with the Executive Committee, with 2020 consumption already 46 per cent below the HCFC baseline for compliance. Training has been provided to technicians to enable good servicing practices and the servicing of equipment using low-GWP alternatives. Notwithstanding the challenges of the COVID-19 pandemic and an associated delay in the implementation of some activities, implementation has continued and the disbursement rate has reached 98 per cent for the total funds approved and 75 per cent for the fourth tranche. The approval of the fifth tranche and extension of stage I of the HPMP will allow continued successful implementation of the HPMP and compliance of the country with its targets under the Montreal Protocol.

RECOMMENDATION

17. The Fund Secretariat recommends that the Executive Committee:
- (a) Takes note of the progress report on the implementation of the fourth tranche of stage I of the HCFC phase-out management plan (HPMP) for Togo; and
 - (b) Approves, on an exceptional basis, the extension of the date of completion of stage I of the HPMP for Togo to 31 December 2023, given delay in implementing phase-out activities due to the COVID-19 pandemic, and on the understanding that no further extension of project implementation would be requested.

⁴ Decision 84/92(d) requested bilateral and implementing agencies to apply the operational policy on gender mainstreaming throughout the project cycle.

18. The Fund Secretariat further recommends blanket approval of the fifth and final tranche of stage I of the HPMP for Togo, and the corresponding 2021-2023 tranche implementation plan, at the funding level shown in the table below, noting that UNIDO will submit a detailed report on the results of the financial incentive programme as part of the stage II submission in line with decision 84/84(d):

	Project title	Project funding (US \$)	Support cost (US \$)	Implementing agency
(a)	HCFC phase-out management plan (stage I, fifth tranche)	63,000	8,190	UNEP