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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Eighty-eighth Meeting
Montreal, 15-19 November 2021¹

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, fourth tranche) UNEP

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

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: 2020	0.38 (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					0.38				0.38

(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		2021	2022	2023	Total
UNEP	ODS phase-out (ODP tonnes)	0.00	0.00	0.00	0.00
	Funding (US \$)	23,730*	0	0	23,730

*Deferred from 2020

(VI) PROJECT DATA		2012	2013-2014	2015	2016	2017	2018	2019	2020	2021	Total
Montreal Protocol consumption limits		n/a	0.70	0.63	0.63	0.63	0.63	0.63	0.46	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	0.46	n/a
Agreed funding (US \$)	UNEP Project costs	81,000	0	0	18,500	0	44,000	0	21,000	0	164,500
	Support costs	10,530	0	0	2,405	0	5,720	0	2,730	0	21,385
Funds approved by ExCom (US \$)	Project costs	81,000	0	0	18,500	0	0	44,000	0	0	143,500
	Support costs	10,530	0	0	2,405	0	0	5,720	0	0	18,655
Total funds requested for approval at this meeting (US \$)	Project costs	0	0	0	0	0	0	0	0	21,000*	21,000
	Support costs	0	0	0	0	0	0	0	0	2,730	2,730

*The fourth tranche should have been submitted in 2020.

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 fourth and final tranche of stage I of the HCFC phase-out management plan (HPMP), at the amount of US \$21,000, plus agency support costs of US \$2,730.² The submission includes a progress report on the implementation of the third tranche, and the tranche implementation plan for January to December 2022.

Report on HCFC consumption

2. The Government of Djibouti reported a consumption of 0.38 ODP tonnes of HCFC in 2020, which is 45.7 per cent below the HCFC baseline for compliance. The 2016-2020 HCFC consumption is shown in Table 1.

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

HCFC-22	2016	2017	2018	2019	2020	Baseline
Metric tonnes (mt)	9.87	9.30	8.70	8.18	6.91	12.7
ODP tonnes	0.54	0.51	0.48	0.45	0.38	0.7

3. The decrease in HCFC consumption is due to activities implemented under the HPMP, in particular implementation of the HCFC licensing and quota system, and the capacity building of refrigeration technicians. Reduction in consumption is also due to an increase of imports of non-HCFC based refrigeration and air-conditioning (RAC) equipment; in 2020, R-410A was the most imported alternative refrigerant (15.0 mt), followed by HFC-134a (14.2 mt), R-404A and R-407C combined (3.1 mt). A total of 0.26 mt of flammable refrigerants (R-290 and R-600a) were also imported in the same period.

Country programme (CP) implementation report

4. The Government of Djibouti reported HCFC sector consumption data under the 2020 CP implementation report, consistent with the data reported under Article 7 of the Montreal Protocol.

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

Legal framework

5. The Government of Djibouti continues to enforce the Presidential Decree Law (N° 48) on the regulations on the export, import and use of ODS including HCFCs, in place since May 2013. During implementation of the third tranche of the HPMP, 88 customs officers were trained through four training workshops, on the relevant aspects of the Montreal Protocol and requirements for licensing system for ODS; identification of ODS, ODS alternative refrigerants (e.g., HFCs, HFC-blends and flammable), and products containing ODS, including small cans of refrigerant. While there is no formal customs school in Djibouti, arrangements have been made with the relevant ministries (i.e., Ministry of Education, Ministry of Budget and Customs Authority) to ensure permanent professional training of customs officers with support from the HPMP.

Refrigeration servicing sector

6. Four training workshops for 95 refrigeration technicians were conducted on good practices in RAC servicing to support the phase-out of HCFCs, including recovery and recycling and safe handling of

² As per the letter of 31 August 2021 from the Ministry of Habitat, Urban Planning and Environment of Djibouti to the Secretariat.

flammable refrigerants.

7. The Association of refrigeration technicians assisted in the selection of trainees; delivery of training workshop for both technicians and customs officers; the selection and certification of repair workshops that received toolkits; and provided technical support for the National Ozone Office (NOO).

Project implementation and monitoring

8. The Ministry of the Environment through the National Direction of Environment houses the NOO which oversees the implementation of the Montreal Protocol. Monitoring of the progress of the HPMP activities and its implementation is coordinated by the NOO and the Association of refrigeration technicians. For the third tranche, US \$3,000 was spent on supplies and sundries and local travel.

Level of fund disbursement

9. As of September 2021, of the US \$143,500 approved so far, all funds have 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		Third tranche		Total	
	Approved	Disbursed	Approved	Disbursed	Approved	Disbursed	Approved	Disbursed
UNEP	81,000	81,000	18,500	18,500	44,000	44,000	143,500	143,500
Disbursement rate (%)	100		100		100		100	

Implementation plan for the fourth and final tranche of the HPMP

10. The following activities will be implemented between January and December 2022:
- (a) Three training workshops to train 60 customs officers and Department of Commerce officers on monitoring imports and exports of controlled substances and the country’s licensing system (US \$10,000); and
 - (b) Four training workshops to train 90 refrigeration technicians on good practices in refrigeration, reduced leakages of refrigerants during servicing and maintenance of RAC equipment, and safe handling of refrigerants (US \$11,000).

SECRETARIAT’S COMMENTS AND RECOMMENDATION

COMMENTS

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

11. UNEP explained that the delay in submitting the fourth tranche request was because of the delay in the implementation of the third tranche request, which was approved in 2019, due to constraints brought about by the COVID-19 pandemic. However, the Government of Djibouti is committed to doing its utmost to complete all the activities related to stage I of the HPMP including those included in the fourth and final tranche, by the end of 2022.

Legal framework

12. The Government of Djibouti has issued import quotas for 2021 and 2022 at 0.39 ODP tonnes and 0.33 ODP tonnes, respectively; both quotas are lower than the Montreal Protocol control targets.

13. Upon a request for information on the implementation of activities resulting from the recommendations of the verification on the HCFC consumption submitted to the 83rd meeting (i.e., training of customs officers on the implementation of national and sub-regional regulations on ODS imports, and making training materials for service technicians available for vocational schools³ UNEP explained that, during the third tranche, the training module was upgraded to include new concepts particularly focusing on border control and monitoring illegal imports, and that training material for service technicians was provided to the only vocational school in Djibouti. The provision of additional refrigerant identifiers would be included in the proposal for stage II of the HPMP.

Refrigeration servicing sector

14. The Secretariat noted that the training of refrigeration technicians has been completed but only 95 from the target of 125 were trained. UNEP indicated that due to difficulties in gathering the technicians in one place as a result of the COVID-19 pandemic, not all the technicians had been trained; training for the remaining 30 technicians will be completed by December 2021 with funds already obligated for the purpose; UNEP is committed to complete this training through virtual means if not in person.

Completion of stage I

15. The completion date for stage I of the HPMP is 31 December 2021. The Government of Djibouti is requesting an extension of the date of completion to 31 December 2022 due to the delays in the implementation of the previous two tranches due to the constraints imposed by the pandemic. The Secretariat supports this extension on the understanding that no further extension will be requested. Stage II of the HPMP is expected to be submitted to the 91st meeting in 2022.

Gender policy implementation⁴

16. The country has initiated identifying gender-disaggregated data during customs and technicians training in line with decision 84/92(d). The implementation of the fourth tranche will include activities to further disseminate information about the gender policy and develop specific target indicators for participants of training workshops.

Sustainability of the HCFC phase-out

17. To ensure the sustainability of training of service technicians, the Government of Djibouti is working closely with the refrigeration association to ensure that training reaches as many technicians as possible, and are putting in place plans to develop a system to monitor the service workshops to ensure that technicians apply the skills learned during the trainings. The continued capacity building of customs officers, through trainings on the policies related to the import/export licensing system, and equipping them with the knowledge to identify all ODS, ODS alternatives, and products containing ODS, in collaboration with the relevant ministries and the Directorate General of Customs and Excise, has resulted in the integration of customs training into the programme for continued professionalization of government officials which will ensure that the customs training curriculum can be sustained beyond the HPMP. The Government is expecting to ratify the Kigali Amendment in 2022, and will integrate HCFC phase-out with

³ Decision 83/49 (a), Annex VI of UNEP/OzL.Pro/ExCom/83/48

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

the HFC phasedown to achieve synergy in a sustainable manner to address both the ozone and climate issues.

Conclusion

18. The HPMP implementation is progressing. The country’s import licensing and quota system is operational, and the country’s HCFC consumption in 2020 is already 45.7 per cent below the baseline and 17 per cent below the targets of the Montreal Protocol and its Agreement with the Executive Committee for that year. The delay in the submission of the third tranche and the challenges brought by the COVID-19 pandemic resulted in the delay of the submission of the fourth tranche; UNEP confirmed that the Government is committed to ensuring that the activities will be implemented by the end of 2022. Recommendations in the verification report submitted to the previous tranche have been addressed. Customs training has been 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 continuously implemented. The level of fund disbursement is 100 per cent. The activities to be implemented as part of the fourth and final tranche will further strengthen the refrigeration servicing sector and ensure the long-term sustainability of the activities proposed in stage I of the HPMP. Stage II of the HPMP will be submitted to the 91st meeting in 2022.

RECOMMENDATION

19. 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 Djibouti; and
- (b) Extends, on an exceptional basis, the date of completion of stage I of the HPMP for Djibouti to 31 December 2022 given delay in implementing phase-out activities due to the COVID-19 pandemic, on the understanding that no further extension would be requested.

20. The Fund Secretariat further recommends blanket approval of the fourth and final tranche of stage I of the HPMP for Djibouti, and the corresponding 2021-2022 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, fourth tranche)	21,000	2,730	UNEP