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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Ninety-third Meeting
Montreal, 15-19 December 2023
Item 9(c) of the provisional agenda¹

PROJECT PROPOSAL: NAMIBIA

This document consists of the comments and recommendation of the Secretariat on the following project proposal:

Energy efficiency

- Additional activities to maintain energy efficiency for the servicing sector under decision 89/6(b) Germany

¹ UNEP/OzL.Pro/ExCom/93/1

PROJECT DESCRIPTION

Background

1. The HCFC phase-out management plan (HPMP) for Namibia was approved at the 63rd meeting² and revised at the 71st meeting³ at a total cost of US \$900,000, plus agency support costs, to completely phase out 8.40 ODP tonnes of HCFCs used in the refrigeration and air-conditioning (RAC) servicing sector by 2025, in advance of the Montreal Protocol phase-out schedule, with a servicing tail until 2030. The implementation of the HPMP is in progress, and the third tranche was approved at the 79th meeting.

2. On behalf of the Government of Namibia, the Government of Germany, as the designated bilateral implementing agency, has submitted a request for funding additional activities for the introduction of alternatives to HCFCs with low or zero global-warming potential (GWP) and for maintaining energy efficiency in the refrigeration servicing sector in line with decision 89/6, at the amount of US \$120,000, plus agency support costs of US \$13,771.⁴ The submission includes a description of specific activities and performance indicators and an implementation plan for 2024 to 2025.

Report on HCFC consumption

3. The Government of Namibia reported a consumption of 0.38 ODP tonnes HCFCs in 2022. The HCFC-141b consumption has been zero since 2016. The 2018–2022 HCFC consumption reported under Article 7 of the Montreal Protocol is shown in table 1.

Table 1. HCFC consumption in Namibia from 2018 to 2022 (Article 7 data)

HCFC	2018	2019	2020	2021	2022	Baseline
Metric tonnes (mt)						
HCFC-22	31.00	14.00	13.50	13.00	6.85	147.40
HCFC-141b	0.00	0.00	0.00	0.00	0.00	2.40
Total (mt)	31.00	14.00	13.50	13.00	6.85	149.80
ODP tonnes						
HCFC-22	1.71	0.77	0.74	0.72	0.38	8.10
HCFC-141b	0.00	0.00	0.00	0.00	0.00	0.30
Total (ODP tonnes)	1.71	0.77	0.74	0.72	0.38	8.40

4. The HCFC consumption is continuously decreasing well in advance of the Montreal Protocol phase-out schedule. Namibia has met the control targets set in its Agreement with the Executive Committee, which are lower than the Montreal Protocol control targets.

Country programme implementation report

5. The Government of Namibia reported HCFC sector consumption data under the 2022 country programme implementation report that is consistent with the data reported under Article 7 of the Montreal Protocol.

Project description

6. The Government of Namibia has been implementing its HPMP and making efforts to enhance energy efficiency during the phase-out of HCFCs and in preparation for HFC phase-down. The Government has banned the import of HCFC-containing equipment since 2013. The adoption of ISO standard 5149 on

² Decision 63/46

³ Decision 71/40

⁴ As per the letter of 8 December 2022 from the Ministry of Industrialization and Trade to the Secretariat.

the safe handling of low-GWP alternative technologies and the certification of technicians are in progress. Namibia ratified the Kigali Amendment in 2019.

7. Through the implementation of the enabling activities for HFC phase-down, the national ozone unit (NOU) organized two twinning workshops and strengthened its partnership with the Ministry of Mines and Energy for further cooperation on matters related to energy efficiency in the RAC sector.

8. Under the enhanced Nationally Determined Contribution (NDC) (2021), Namibia has committed to achieving net-zero emissions by 2050. The NDC includes initiatives in the RAC sector. The Government plans to establish and implement the labelling and minimum energy performance standards (MEPS) to curtail the growth of high-GWP refrigerants. The emphasis is on introducing low-GWP and energy-efficient (EE) appliances in the RAC sector by implementing the MEPS and labelling standards with the prohibition on high-GWP, low-EE equipment, so as to reduce both direct and indirect emissions.

9. The energy-efficiency project is being submitted specifically for activities listed in subparagraphs (i) to (v) of decision 89/6(b) and aims to develop and implement the MEPS and labelling system for RAC appliances. The country has implemented a ban on the import of second-hand RAC equipment; the enforcement of mandatory MEPS on all RAC equipment entering the country will ensure that the energy efficiency of RAC equipment increases. It is expected that the policy measures will reduce emissions in the RAC sector by 40 per cent compared to the business-as-usual scenario.

10. The following additional activities will be implemented:

- (a) Employing a local consultant to conduct a market survey on the large importers of RAC equipment to collect baseline data on the energy efficiency level of RAC equipment that the market is currently supplying (US \$10,000);
- (b) Establishing the MEPS by employing one national expert to review the MEPS from other countries (South Africa, Rwanda, Ghana and others), conducting technical meetings and stakeholder consultation workshops (the Ministry of Mines and Energy, the Centre for Renewable Energy and Energy Efficiency, and the National Standard Institution (NSI)), agreeing on the contents of the MEPS, developing implementation and enforcement modalities, and creating awareness among industry (importers and users of RAC appliances) about the MEPS (US \$48,000);
- (c) Employing one international expert to provide the required technical support for the development of the MEPS, labelling system and regulatory provisions; and providing training for the staff of the NSI in updating the MEPS (US \$25,000);
- (d) Developing draft regulations or amending provisions of the Energy Efficiency Act 2005 to mandate the MEPS; and developing a monitoring, reporting and verification system for MEPS enforcement (US \$27,000); and
- (e) Conducting awareness-raising activities among RAC industries (importers, distributors, retailers) and end-users of RAC equipment on the MEPS and labelling system (US \$10,000).

Total cost of the pilot project

11. The total cost of the project is estimated at US \$120,000. The project will be implemented over 18 months.

SECRETARIAT'S COMMENTS AND RECOMMENDATION

COMMENTS

12. The Secretariat has reviewed the project proposal in light of decision 89/6.

13. With regard to the range of products to be covered by the MEPS and labelling, it was clarified that the regional MEPS of the Southern African Development Community only include domestic refrigerators and single split air conditioners up to 12kW. However, there are other countries in Africa that have expanded their MEPS to cover all types of RAC equipment (e.g., multi-splits, ducted systems, condensing units). Namibia will discuss and determine whether it is able to widen the scope of its MEPS to include different sizes and types of RAC equipment through consultations with stakeholders. Possibly the MEPS will be implemented in a phased manner with the initial adoption of the regional MEPS only.

Updated Agreement

14. In view of the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector, the Agreement between the Government of Namibia and the Executive Committee has been updated. Specifically, Appendix 2-A has been revised and paragraph 16 has been updated to indicate that the updated Agreement supersedes that reached at the 71st meeting, as contained in Annex I to the present document. The full updated Agreement will be appended to the final report of the 93rd meeting.

Conclusion

15. The approach undertaken in the project design is expected to result in positive impacts on environmental sustainability due to the reduced energy consumption. The implementation of the project will have positive economic effects and promote social sustainability due to the payback from the use of efficient RAC appliances through reduced electricity consumption. The project has included a component for monitoring, reporting and verification to ensure the enforcement of the developed MEPS and labelling. Training of staff from the Standards Department and the NOU on MEPS will facilitate capacity development in updating the MEPS and labelling standards, which will ensure continuous improvement of the energy efficiency of RAC appliances.

RECOMMENDATION

16. The Fund Secretariat recommends blanket approval of the project for additional activities for the introduction of alternatives to HCFCs with low or zero global-warming potential and for maintaining energy efficiency in the refrigeration servicing sector in Namibia, and the corresponding 2024–2025 implementation plan, at the funding level shown in the table below, on the understanding that the Fund Secretariat has updated the Agreement between the Government of Namibia and the Executive Committee, as contained in annex I to the present document, specifically Appendix 2-A, based on the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector; and paragraph 16 that has been modified to indicate that the updated Agreement supersedes that reached at the 71st meeting.

	Project title	Project funding (US \$)	Support costs (US \$)	Implementing agency
(a)	Additional activities for the introduction of alternatives to HCFCs with low or zero global-warming potential and for maintaining energy efficiency in the refrigeration servicing sector	120,000	13,771	Germany

Annex I

TEXT TO BE INCLUDED IN THE UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF NAMIBIA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE PHASE-OUT OF HYDROCHLOROFLUOROCARBONS

(Relevant changes are in bold font for ease of reference)

16. This updated Agreement supersedes the Agreement reached between the Government of Namibia and the Executive Committee at the 71st meeting of the Executive Committee.

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020-2022	2023	2024	2025*	Total	
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	n/a	8.4	8.4	7.56	7.56	7.56	7.56	7.56	5.46	5.46	5.46	2.73	n/a	
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	8.87	8.40	7.22	6.64	5.88	4.20	2.94	1.68	0.76	0.76	0.76	0.76	0.21	n/a	
2.1	Lead IA (Germany) agreed funding (US \$)	300,000		240,000				270,000				120,000		90,000	1,020,000	
2.2	Support costs for Lead IA (US \$)	36,333		29,067				32,700				13,771		10,329	122,200	
3.1	Total agreed funding (US \$)	300,000		240,000				270,000				120,000		90,000	1,020,000	
3.2	Total support costs (US \$)	36,333		29,067				32,700				13,771		10,329	122,200	
3.3	Total agreed costs (US \$)	336,333		269,067				302,700				133,771		100,329	1,142,200	
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)															8.10
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)															n/a
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)															0.00
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)															0.30
4.2.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)															n/a
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)															0.00

*Note: The remaining HCFC consumption from 2025 to 2029 will be 0.21 ODP tonnes as servicing tail.