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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Thirty-seventh Meeting
Montreal, 17-19 July 2002

BILATERAL COOPERATION

The Fund Secretariat received the following requests for bilateral co-operation:

PROJECT TITLE	BILATERAL AGENCY
Terminal phase-out management plan for CFCs in Jamaica	Canada
Phase-out of ODS - help in introduction of non-ODS technologies in refrigeration and insulation in Albania	Czech Republic
ODS phase out in 50 existing centrifugal chillers units in Côte d'Ivoire	France
Implementation of the refrigerant management plan: monitoring the activities of the RMP and set up of an import/export licensing system in Côte d'Ivoire	France
Project preparation for projects in commercial refrigeration production facilities in Côte d'Ivoire	France
Phase-out of methyl bromide in the tobacco sector in Zimbabwe	France
Project preparation for the development of a foam sector strategy in Iran	Germany
Conversion from CFC-11 to fully water-based technology in the manufacture of flexible moulded PU foam at Sanayeh Dashboard in Iran	Germany
Conversion from CFC-11 to pentane technology in the manufacture of integral skin PU foam at Jahad Tahghihat Group in Iran	Germany
Conversion from CFC-11 to fully water-based technology in the manufacture of flexible moulded PU foam at Nikou Esfandj in Iran	Germany
Conversion from CFC-11 to fully water-based technology in the manufacture of flexible moulded PU foam at Phira Khodro in Iran	Germany
Conversion of the use of CFC to LCD in the manufacture of flexible foam at Abre Baspar foam company in Iran	Germany
Sectoral phase-out program: establishing a halon bank in Nigeria	Germany
Project preparation for the phase out of methyl bromide use in Mauritius	Germany
Project preparation for a refrigerant management plan update in Ethiopia	Germany
Project preparation for an RMP update in Lesotho	Germany

PROJECT TITLE	BILATERAL AGENCY
Project preparation for a refrigerant management update in Malawi	Germany
Project preparation for a refrigerant management plan update in Mozambique	Germany
Project preparation for a refrigerant management plan update in Seychelles	Germany
Project preparation for a refrigerant management plan update in Swaziland	Germany
Project preparation for a refrigerant management update in Tanzania	Germany
Project preparation for a refrigerant management plan update in Uganda	Germany
Project preparation for a refrigerant management plan update in Zambia	Germany
Project preparation for terminal ODS phase out management plan, excluding the refrigeration sector in Algeria	Germany
CFC phase out management plan in Cuba	Germany
Project preparation for a CFC terminal phase out management plan in Mauritius	Germany
Project preparation for a terminal ODS phase-out management plan in Namibia	Germany
Project preparation for a terminal ODS phase-out management plan in Zimbabwe	Germany
Phasing out ODS use in the refrigeration and air conditioning sector in Gambia	Germany
Training of refrigeration mechanics in the domestic & commercial refrigeration service sub-sectors in Brazil	Germany
Training of customs officers in Brazil	Germany
International methyl bromide compliance assistance workshop (Bosnia, China, Dominican Republic, Guatemala, Honduras, Albania, Nicaragua, Yugoslavia, Mexico and Brazil)	Israel
Phase out of CFC-11 by conversion to cyclopentane technology and CFC-12 by conversion to isobutane (600a) technology in the manufacture of domestic refrigerators at Guizhou Haier Appliance Co., Ltd. in China	Italy
Phase-out of CFC-11 by conversion to HCFC-141b in the manufacture of rigid polyurethane foam for insulating purposes at Aneka Citra Refrigeratama Co. in Indonesia	Japan
Phase-out of CFC-11 by conversion to HCFC-141b in the manufacture of rigid polyurethane foam for insulating purposes at Tempking Jaya Co. in Indonesia	Japan

1. A total of 35 requests amounting to US \$28,209,033 for bilateral co-operation were submitted for consideration at the 37th Meeting by Canadian, Czech, French, German, Israeli, Italian, and Japanese bilateral agencies. This document contains, by bilateral agency, those projects that are before the Executive Committee for its consideration.

2. Table 1 presents a summary of the value and number of requests by bilateral agency.

Table 1

**VALUE AND NUMBER OF PROJECTS FOR BILATERAL COOPERATION, BY
BILATERAL AGENCY (Including Agency Fees)**

Bilateral Agency	Amount Requested (US \$)	Number of Projects
Canada	US \$271,200	1
Czech	US \$40,000	1
France	US \$15,868,039	4
Germany	US \$9,830,407	25
Israel	US \$108,130	1
Italy	US \$1,802,106	1
Japan	US \$322,050	2
TOTAL	\$28,241,932.00	35

REQUEST FROM THE GOVERNMENT OF CANADA

Introduction

3. Table 2 presents a summary of Canada's request for bilateral co-operation. This request does not exceed 20 percent of Canada's contribution for 2002.

Table 2

SUBMISSION FROM THE GOVERNMENT OF CANADA AND RECOMMENDATION

Project Title	Country	Amount Requested (US\$)	Amount Recommended (US\$)
Terminal phase-out management plan for CFCs	Jamaica	240,000	(1)
Agency Fee		31,200	
TOTAL		271,200	

(1) Under UNEP/OzL.Pro/ExCom/37/42

JAMAICA: Terminal phase out management plan (US \$240,000)

4. The comments and recommendations of the Fund Secretariat are found in UNEP/OzL.Pro/ExCom/37/42.

REQUEST FROM THE GOVERNMENT OF CZECH REPUBLIC

Introduction

5. Table 3 presents a summary of Czech Republic's request for bilateral co-operation. This request does not exceed 20 percent of the Czech Republic's contribution for 2002.

Table 3

SUBMISSION FROM THE GOVERNMENT OF CZECH REPUBLIC AND RECOMMENDATION

Project Title	Country	Amount Requested (US\$)	Amount Recommended (US\$)
Phase-out of ODS - help in introduction of non-ODS technologies in refrigeration and insulation	Albania	40,000	0
Agency Fee			
TOTAL		40,000	0

ALBANIA: Phase-out of ODS - help in introduction of non-ODS technologies in refrigeration and insulation (US \$40,000)

Project Description

6. The project is to provide technical assistance and training to manufacturers of domestic refrigerators in foam insulation.

Secretariat's comments

7. The Secretariat pointed out to the Government of the Czech Republic that the Executive Committee at its 36th Meeting decided that a phase out plan for Albania should be prepared by UNIDO with the understanding that it will be submitted together with the Albania country programme, and will address all ODSs used in the country, including the refrigeration service sector; the implementation of the projects and activities identified in the national phase out plan will be co-ordinated with UNEP; and that no additional funding will be requested from the Multilateral Fund for the preparation of project proposals. Therefore. The project proposal was not eligible (as of the time of the finalisation of this document, the Secretariat had not received a response from the Government of the Czech Republic.

Secretariat's recommendation

8. On the basis of the decision taken by the Executive Committee at its 36th Meeting, the technical assistance programme in introduction of non-ODS technologies in refrigeration and insulation proposed by the Government of the Czech Republic as bilateral assistance is not eligible for funding.

REQUEST FROM THE GOVERNMENT OF FRANCE

Introduction

9. Table 4 presents a summary of France’s request for bilateral co-operation. This request does not exceed 20 percent of France’s contribution for 2002.

Table 4

SUBMISSION FROM THE GOVERNMENT OF FRANCE AND RECOMMENDATION

Project Title	Country	Amount Requested (US\$)	Amount Recommended (US\$)
Project preparation for projects in commercial refrigeration production facilities	Côte d’Ivoire	15,000	(1)
Implementation of the refrigerant management plan: monitoring the activities of the RMP and set up of an import/export licensing system	Côte d’Ivoire	77,000	(1)
ODS phase out in 50 existing centrifugal chillers units	Côte d’Ivoire	1,000,000	(1)
Phase-out of methyl bromide in the tobacco sector	Zimbabwe	13,205,035	(2)
	Agency Fee	1,571,004	
	TOTAL	15,868,039	

(1) Under UNEP/OzL.Pro/ExCom/37/34

(2) Under UNEP/OzL.Pro/ExCom/37/56

CÔTE D’IVOIRE: Project preparation for projects in commercial refrigeration production facilities (US \$15,000)

Implementation of the refrigerant management plan: monitoring the activities of the RMP and set up of an import/export licensing system (US \$77,000)

ODS phase out in 50 existing centrifugal chillers units (US \$1,000,000)

10. The comments and recommendations of the Fund Secretariat are found in UNEP/OzL.Pro/ExCom/37/34.

ZIMBABWE: Phase-out of methyl bromide in the tobacco sector (US \$13,205,035)

11. The comments and recommendations of the Fund Secretariat are found in UNEP/OzL.Pro/ExCom/37/56.

REQUEST FROM THE GOVERNMENT OF GERMANY

Introduction

12. Table 5 presents a summary of Germany's request for bilateral co-operation. This request does not exceed 20 percent of Germany's contribution for 2002.

Table 5

SUBMISSION FROM THE GOVERNMENT OF GERMANY AND RECOMMENDATION

Project Title	Country	Amount Requested (US\$)	Amount Recommended (US\$)
I. Foam sector			
Project preparation for the development of a foam sector strategy	Iran	51,850	51,850
Conversion from CFC-11 to fully water-based technology in the manufacture of flexible moulded PU foam at Sanayeh Dashboard	Iran	292,976	(1)
Conversion from CFC-11 to pentane technology in the manufacture of integral skin PU foam at Jahad Tahghihat Group	Iran	367,222	(1)
Conversion from CFC-11 to fully water-based technology in the manufacture of flexible moulded PU foam at Nikou Esfandj	Iran	261,880	(1)
Conversion from CFC-11 to fully water-based technology in the manufacture of flexible moulded PU foam at Phira Khodro	Iran	259,928	(1)
Conversion of the use of CFC to LCD in the manufacture of flexible foam at Abre Baspar foam company	Iran	470,616	(1)
II. Halon sector			
Sectoral phase-out program: establishing a halon bank	Nigeria	499,000	(2)
III. Fumigant sector			
Project preparation for the phase out of methyl bromide use	Mauritius	11,000	11,000
IV. Refrigeration sector			
IV.1 Project preparation for a refrigerant management plan update			
Project preparation for a refrigerant management plan update	Ethiopia	15,000	15,000
Project preparation for a refrigerant management plan update	Lesotho	15,000	15,000
Project preparation for a refrigerant management plan update	Malawi	15,000	15,000
Project preparation for a refrigerant management plan update	Mozambique	15,000	15,000
Project preparation for a refrigerant management plan update	Seychelles	15,000	15,000

Project Title	Country	Amount Requested (US\$)	Amount Recommended (US\$)
Project preparation for a refrigerant management plan update	Swaziland	15,000	15,000
Project preparation for a refrigerant management update	Tanzania	15,000	15,000
Project preparation for a refrigerant management plan update	Uganda	15,000	15,000
Project preparation for a refrigerant management plan update	Zambia	15,000	15,000
IV.2 Project preparation for terminal ODS phase out management plan			
Project preparation for terminal ODS phase out management plan, excluding the refrigeration sector	Algeria	53,700	42,000
CFC phase out management plan	Cuba	70,000	Issue
Project preparation for a CFC terminal phase out management plan	Mauritius	15,000	15,000
Project preparation for a terminal ODS phase-out management plan	Namibia	50,250	Issue
Project preparation for a terminal ODS phase-out management plan	Zimbabwe	62,760	Issue
IV.3 Implementation of refrigerant management plan			
Phasing out ODS use in the refrigeration and air conditioning sector	Gambia	76,700	76,700
V. Implementation of sector plans			
Training of refrigeration mechanics in the domestic and commercial refrigeration service sub-sectors	Brazil	5,968,790	(3)
Training of customs officers	Brazil	225,200	(3)
Agency Fee		958,535	
TOTAL		9,830,407	

(1) Under UNEP/OzL.Pro/ExCom/37/41

(2) Under UNEP/OzL.Pro/ExCom/37/49

(3) Under UNEP/OzL.Pro/ExCom/37/30

I. FOAM SECTOR

IRAN: Project preparation for the development of a foam sector strategy (US \$51,850)

Project Description

13. The project is to gather technical information on the remaining enterprises in the foam sector and propose measures for a final phase out in the sector. The resulting foam sector strategy will be a planning document for achieving ODS phase out in the foam sector.

14. The project preparation stage will aim to: develop a database of the total quantities of ODS used in the foam sector; identify the different foam sub-sectors where ODSs are used; identify the main stakeholders that could be involved in the development of the strategy; establish a timeframe for implementation of phase out investment projects; develop specific project proposals.

Secretariat's recommendation

15. The Fund Secretariat recommends blanket approval of the above project with associated support costs at the funding level indicated below:

	Project Title	Project Funding (US\$)	Support Cost (US\$)	Implementing Agency
(a)	Project preparation for the development of a foam sector strategy	51,850	6,740	Germany

IRAN: Conversion from CFC-11 to fully water-based technology in the manufacture of flexible moulded PU foam at Sanayeh Dashboard

Conversion from CFC-11 to pentane technology in the manufacture of integral skin PU foam at Jahad Tahghihat Group

Conversion from CFC-11 to fully water-based technology in the manufacture of flexible moulded PU foam at Nikou Esfandj

Conversion from CFC-11 to fully water-based technology in the manufacture of flexible moulded PU foam at Phira Khodro

Conversion of the use of CFC to LCD in the manufacture of flexible foam at Abre Baspar foam company

16. The comments and recommendations of the Fund Secretariat are found in UNEP/OzL.Pro/ExCom/37/41.

II. HALON SECTOR

NIGERIA: Sectoral phase-out program: establishing a halon bank (US \$499,000)

17. The comments and recommendations of the Fund Secretariat are found in UNEP/OzL.Pro/ExCom/37/49.

III. FUMIGANT SECTOR

MAURITIUS: Project preparation for the phase out of methyl bromide use (US\$11,000)

Project description

18. The activity is to assist the Government of Mauritius to prepare a MB phase out investment project used in the fumigation of stored grains. MB is used in Mauritius by the Ministry of Agriculture, Food Technology and Natural Resources (60 ODP kg annually for quarantine and pre-shipment applications) and Les Moulins de la Concorde, the only flour mill in the country (420 ODP kg).

Secretariat's comments

19. The Government of Germany sought clarification from the Secretariat on whether or not it could submit a request for a project preparation to phase out MB in Mauritius, since this request was not included in Germany's 2002 business plan. Taking into consideration that Mauritius might not achieve compliance with the 2002 MB freeze, the Secretariat concluded that the Government of Germany could submit the project as part of its 2002 business plan provided that it replaced another project. The Government of Germany informed the Secretariat that the project for Mauritius was submitted in exchange of a project for Bangladesh.

Secretariat's recommendation

20. The Fund Secretariat recommends blanket approval of the above project with associated support costs at the funding level indicated below:

	Project Title	Project Funding (US\$)	Support Cost (US\$)	Implementing Agency
(a)	Project preparation for the phase out of methyl bromide use	11,000	1,430	Germany

IV. REFRIGERATION SECTOR**IV.1 Project preparation for a refrigerant management plan update****ETHIOPIA, LESOTHO, MALAWI, MOZAMBIQUE, SEYCHELLES, SWAZILAND, TANZANIA, UGANDA, AND ZAMBIA: Request for preparation of RMP updates (US \$15,000 each)**Project description

21. In accordance with Decision 31/48, the Government of Germany is submitting a request to update the RMPs of Ethiopia, Lesotho, Malawi, Mozambique, Seychelles, Swaziland, Tanzania, Uganda, and Zambia. As per Decision 33/13, this request was accompanied by a progress report on the status of work being undertaken on the sub-projects approved within the RMP project of each country.

Secretariat's comments

22. The Secretariat reviewed the project preparation requests for RMP updates in light of Decisions 31/48, 32/10 and 33/13. The Secretariat noted that the reports submitted by the Governments concerned through the Government of Germany only provided basic data on the status of implementation of the sub-projects (i.e., number of trained refrigeration technicians and customs officers; a list of regulations that were drafted, an indication that the recovery and recycling sub-project was implemented and the equipment was distributed). Subsequently, the Government of Germany resubmitted comprehensive and well documented reports on the implementation of the original RMPs in these countries. In addition, the Governments of these countries submitted official letters of transmittal for the preparation of their respective RMP update.

Secretariat's recommendations

23. The Fund Secretariat recommends blanket approval of the RMP updates for Ethiopia, Lesotho, Malawi, Mozambique, Seychelles, Swaziland, Tanzania, Uganda, and Zambia at the funding levels indicated below:

	Project Title	Project Funding (US\$)	Support Cost (US\$)	Implementing Agency
(a)	Project preparation for a refrigerant management plan update in Ethiopia	15,000	1,950	Germany
(b)	Project preparation for an RMP update in Lesotho	15,000	1,950	Germany
(c)	Project preparation for a refrigerant management in Malawi	15,000	1,950	Germany
(d)	Project preparation for a refrigerant management plan update in Mozambique	15,000	1,950	Germany
(e)	Project preparation for a refrigerant management plan update in Seychelles	15,000	1,950	Germany
(f)	Project preparation for a refrigerant management plan update in Swaziland	15,000	1,950	Germany
(g)	Project preparation for a refrigerant management update in Tanzania	15,000	1,950	Germany
(h)	Project preparation for a refrigerant management plan update in Uganda	15,000	1,950	Germany
(j)	Project preparation for a refrigerant management plan update in Zambia	15,000	1,950	Germany

IV.2 Project preparation for terminal ODS phase out management plan**ALGERIA: Project preparation for terminal ODS phase out management plan, excluding the refrigeration sector (US \$53,700)**Project description

24. The project proposal is to prepare a terminal phase out management plan to ensure that Algeria is not only in compliance with the Montreal Protocol obligations but also achieves early phase out. It will serve as a strategy document, outlining a combination of policy-based actions, a locally managed action plan and performance based contracts to implement activities identified as well as monitor progress. It will also provide the overall operational and implementation arrangements, relying principally on performance-based contracts for specific phase out actions; including the annual reduction in CFC imports and consumption that are to be achieved.

25. The sectors that the project will address are the foam and aerosols but will incorporate the results of the solvent sector strategy being developed into the final phase out plan. The refrigeration and air conditioning sector will not be covered through the terminal phase out project given the fact that UNIDO is currently working in this sector. However, Germany will work in close consultation with UNIDO and its efforts with CFC phase out in the refrigeration sector.

Secretariat's comments

26. The Secretariat pointed out that the Executive Committee has approved requests for project preparation in the aerosol sector (36th Meeting), the solvent sector (33rd Meeting) and the flexible foam sub-sector (33rd Meeting). The latter was approved on the understanding that the Government of Algeria should update the foam sector ODS consumption data in the country programme and submit, with the project proposal, the revised figures and detailed explanation of the reason for the variation. Moreover, a recent evaluation mission by Secretariat's Monitoring and Evaluation Officer on aerosol projects could not confirm that there are further aerosol projects in Algeria; in addition, the very low price of HAP in the market, will result in incremental operating savings larger than any likely capital cost. Therefore, the request is not fully justifiable.

27. The Government of Germany advised the Secretariat that the request for the preparation of the terminal phase out plan will assist to overcome and comprehensively address the issue of data discrepancies, which is necessary to successfully develop a workable terminal phase out plan for Algeria. The country, when opting for a terminal phase out plan, is fully aware that this would be the final funds available for the phase out of CFCs and therefore shows its commitments to the activities. Subsequently, The Government of Germany agreed to adjust the cost of the project to US \$42,000.

Secretariat's recommendation

28. The Fund Secretariat recommends blanket approval of the above project with associated support costs at the funding level indicated below:

	Project Title	Project Funding (US\$)	Support Cost (US\$)	Implementing Agency
(a)	Project preparation for terminal ODS phase out management plan, excluding the refrigeration sector	42,000	5,460	Germany

CUBA: Project preparation for a CFC phase-out plan (US \$70,000)Project description

29. The project proposal is to develop a CFC management phase out plan with involvement of all relevant stakeholders, preparation of sub-project proposals and drafting of an agreement for the total phase out of CFC between the Government of Cuba and the Executive Committee. The preparation of the plan will be co-ordinated with UNDP, as the agency selected by the Government of Cuba for phasing out CFCs in the MDI sub-sector.

30. Since the approval of the Cuba country programme in 1994, the Executive Committee has approved 14 projects and related activities to phase out 88.4 ODP tonnes of CFCs and allocated about US \$789,000 for their implementation.

31. In 2000, CFC consumption reported by the Government of Cuba was 533.6 ODP tonnes, which is below the CFC baseline (621.9 ODP tonnes). The CFC phase out plan will be developed instead of a country programme update, and will describe the necessary activities for the refrigeration sector, in order to phase out the CFC consumption before 2010. Cuba will not request any further funding for CFC phase out from the Multilateral Fund.

32. The project proposal has identified the following sub-sectors where large amounts of CFCs are still being used:

Hospitals	62 hospitals with almost 35 ODP tonnes/year
Domestic refrigerators	1.5 million domestic refrigerators; 100,000 are serviced every year (100 ODP tonnes consumption)
Cold rooms in supermarkets, hotels, restaurants, food processing and storage	100 ODP tonnes consumption used in 100,000 cold rooms with average 2 kg charge and 50% leakage rate
AC systems for office buildings	50 ODP tonnes (CFC-11 and CFC-12 chillers)
MAC	60 ODP tonnes in MAC units in cars and busses

Secretariat's comments

33. The Executive Committee has approved the RMP for Cuba (at a cost of US \$379,000) under current implementation by the Government of Canada and UNDP (recovery and recycling project). The RMP address the consumption related to the servicing of domestic refrigerators, commercial refrigeration equipment (cold rooms, restaurants, hotels), and MAC units. In addition, the Executive Committee has also approved US \$50,000 for the preparation of an investment project (hospitals) in the commercial refrigeration sector for UNIDO's implementation.

34. The Secretariat sought a clarification from the Government of Germany on whether or not Canada was consulted during the project preparation stage. Subsequently, the Government of Germany advised the Secretariat that the Government of Canada was aware of the involvement of Germany in the preparation of the Cuba phase out strategy. Furthermore, all activities included in the proposal were based on the recommendation of the Ozone Unit.

Secretariat's recommendation

35. The Executive Committee may wish to consider this project proposal in light of the above comments.

MAURITIUS: Project preparation for a CFC phase-out plan (US \$15,000)

Project description

36. The project proposal is to assist the Government of Mauritius to develop a terminal phase out management plan that will ensure that all CFC use in the country is phased out well before the deadline set by the Montreal Protocol.

37. The CFC consumption in Mauritius has declined over time. The 2000 CFC consumption was 19.1 ODP tonnes, used primarily in the servicing of existing refrigeration and air conditioning equipment.

38. The Executive Committee has approved an RMP for Mauritius which is currently under implementation by the Government of Germany. The following activities have been carried out:

- (a) In August 1999, the regulation Consumer Protection controlling the use of ODS came into force (i.e., all ODS entering into the country require an import permit; ban on the import of CFC-based refrigeration equipment including MACs; prohibition of aerosols using CFCs as propellant except pharmaceutical products; fiscal incentives have been put in place, taxes on ODS have been increased by 40 per cent and a tax exemption has been put on non-ODS alternatives).
- (b) Two trainers were trained on good practices in refrigeration and air conditioning in Germany. Subsequently, 32 technicians were trained in 2001.
- (c) The recovery and recycling scheme is under implementation. A total of 37 recovery kits have been made available at a nominal price to ensure that the equipment is used. No recycling equipment was provided, instead a small reclamation unit was set up where the recovered CFC can be cleaned and reused.
- (d) Customs officers training was implemented in April 2002.

39. In addition to the RMP project, four projects to phase out 45.7 ODP tonnes of CFCs in the aerosol (two projects) and refrigeration (two projects) sectors have been completed (two by the Government of Germany and two by UNDP).

Secretariat's comments

40. The Secretariat advised the Government of Germany that at its 37th Meeting, the Executive Committee will consider the issue of whether or not RMP activities could be submitted as new terminal phase-out management plans if countries requested agencies to do so (Decision 36/6). In advance of this consideration, the Secretariat will not be in a position to make a recommendation to the Executive Committee on the project.

Secretariat's recommendation

41. The Executive Committee may wish to consider the above request in light of its discussion on the issue of whether or not RMP activities could be submitted as new terminal phase-out management plans.

NAMIBIA: Project preparation for a terminal ODS phase-out plan (US \$50,250)Project description

42. The project proposal is to assist the Government of Namibia to develop a terminal phase out management plan that will serve as a strategy document, outlining a combination of policy-based actions, a locally managed action plan and performance based contracts to implement the identified activities and monitor progress.

43. The 2001 CFC consumption in Namibia was 22.1 ODP tonnes, which is above the CFC baseline (21.9 ODP tonnes). Namibia is in a situation of being in non-compliance and, therefore, has requested specific assistance for the preparation of a terminal phase out management plan as a comprehensive strategy document, which will ensure that Namibia complies not only with the freeze but also with the 2005 and 2007 reduction commitments.

44. The Executive Committee has approved an RMP for Namibia which is currently under implementation by the Government of Germany. The following activities have been carried out:

- (a) A final draft of the regulations and licensing system has been drawn up by the Ozone Unit in consultation with relevant stakeholders; however, these regulations have to be incorporated into the national Act.
- (b) The training of trainers programme from local technical institutions in good refrigeration practices was conducted as part of the umbrella regional approach of the RMP for the 14 South East and West African countries. Three trainers were trained for three weeks at a German refrigeration training institute. In addition, 7 training courses for technicians were conducted in 2001. As attendance was low, it was decided to postpone the following course until the regulations are in place.
- (c) The customs officers training will be implemented in 2002 following a sub-regional approach within South East and West African countries.
- (d) The recovery and recycling project was approved as a bilateral project from the Government of Finland. The project has been implemented; technicians have been trained in recovery and recycling operations and the equipment has been provided.

45. In addition to the RMP project, Namibia is part of a regional halon phase out project, which aims to establish a halon bank in the region (this project was approved only at the 35th Meeting of the Executive Committee, thus implementation activities are now only being initiated). This project should ensure that Namibia's halons consumption/installed capacity is phased out and that the country complies with its commitments.

Secretariat's comments

46. The Government of Germany advised the Secretariat that Namibia is presently in non-compliance with respect to its obligations to the Montreal Protocol. Given this situation, the Government of Namibia requested assistance for the development of a terminal phase-out project

rather than an RMP update. According to Decision 31/48, Namibia would have to agree that with the additional funding available for the RMP update it will achieve the 85 per cent reduction in its CFC baseline consumption. However, "Namibia is not in a position to guarantee this and therefore requests a Terminal Phase-out Project. With the implementation of the terminal phase-out project, Namibia hope to not only be in compliance but also achieve complete phase-out by 2008".

Secretariat's recommendation

47. The Executive Committee may wish to consider the above request in light of its discussion on the issue of whether or not RMP activities could be submitted as new terminal phase-out management plans.

ZIMBABWE: Project preparation for a terminal ODS phase-out plan (US \$62,760)

Project description

48. The project proposal is to assist the Government of Zimbabwe to develop a terminal phase out management plan that will serve as a strategy document, outlining a combination of policy-based actions, a locally managed action plan and performance based contracts to implement the identified activities and monitor progress.

49. The 2000 CFC consumption in Zimbabwe was 145 ODP tonnes, which is about 306 ODP tonnes below its CFC Montreal Protocol baseline (451.4 ODP tonnes).

50. The Executive Committee has approved an RMP for Zimbabwe which is currently under implementation by the Government of Germany. The following activities have been carried out:

- (a) Draft regulations have been in place since 2000 and were waiting to be approved by the Ministry of Health when the process to develop the Environmental Management Bill started; however, the process is now on hold. There are is a proposal under current consideration to list the ODSs to be used by customs officers until the regulations are in place.
- (b) The training of trainers programme from local technical institutions in good refrigeration practices was conducted as part of the umbrella regional approach of the RMP for the 14 South East and West African countries. Six trainers were trained for three weeks at a German refrigeration' training institute. In addition, 9 training courses for technicians were conducted in 2001. The participants were charged about US \$45 (in local currency) for their participation in the course which dealt with the introduction of new refrigerants as well as good refrigeration practices. A further national training course will be carried out in June 2002.
- (c) The customs officers training will be implemented in 2002 where 60 officers will first be trained, who in turn will train other officers at the ports of entries.

- (d) The recovery and recycling project was approved in 1995 for UNIDO's implementation. The project has been implemented and all equipment provided; in addition, training was provided to technicians on recovery operations.

51. In addition to the RMP project, Zimbabwe is part of a regional halon phase out project, which aims to establish a halon bank in the region. This project should ensure that Zimbabwe's halons consumption/installed capacity is phased out and that the country complies with its commitments.

Secretariat's comments

52. The Secretariat pointed out that the CFC baseline for Zimbabwe is 451 tonnes, while the 2000 CFC consumption reported by the Ozone Secretariat is 145 tonnes. In this regard, the level of funding requested for a terminal phase-out plan (US \$62,750) was high. The Government of Germany advised that Zimbabwe opted for the terminal phase out project after several discussions on the appropriateness of such an approach for the unique situation existing in the country at the present time. The 2000 CFC consumption reported by Zimbabwe to the Ozone Secretariat was 145 ODP tonnes (while the consumption in 1999 was 229 ODP tonnes, and the starting point for determining remaining unfunded consumption is 430 ODP tonnes). The reduction in ODS consumption in the country can be correlated to the current political uncertainties; a CFC consumption of 430 ODP tonnes would be a more realistic figure as a significant amount of the ODS-based equipment is presently lying unused (if the situation in the country were to stabilise, this equipment could be in use with a subsequent increase in ODS consumption). In order to prevent such a situation, the terminal phase out project would provide the required flexibility for initiating proactive measures to address the issue of a possible increase in the ODS consumption in the future, which is not seen as possible, both financially and practically, under an RMP update.

Secretariat's recommendation

53. The Executive Committee may wish to consider this project proposal in light of the above comments.

IV.3 Implementation of refrigerant management plan

GAMBIA: Phasing out ODS use in the refrigeration and air conditioning sector (US \$76,700)

Project description

54. The Government of Gambia has submitted a request for additional activities for the RMP project as per Decision 31/48. The Gambia RMP was approved in 1999 and included the following sub-projects: policy development and establishment of an import/export licensing system; training of trainers and technicians in good refrigeration servicing practices and training of customs officers. Also, in 1997, a recovery and recycling sub-project was approved under UNIDO's work programme.

55. The National Environment Management Act was enacted by the Gambia parliament in 1994. Provision was made under Section 37 for the National Environment Management Council to promulgate laws to control the consumption of ODS including MB. Regulations were prepared and

approved in 1999, and include, among others, a ban on re-filling halon fire extinguishers as of 1 July 1999; a ban on imports of CFC-12 based MAC units as of 1 March 1999; a ban on import of refrigeration systems designated to use ODS as of 1 March 2000; a ban on bulk import of CFC refrigerant by 2002; and implementation of an import permit system for ODS as of 1 March 2000.

56. The customs officers training was approved in 1996 under UNEP's work programme. The training programme for trainers was held in early 2001; 26 customs trainers, customs officers and other stakeholders were trained; and the Montreal Protocol-related training module was included in the training curricula for new customs officers. Also, the customs department was provided with ODS identifier kits to assist them in their tasks in controlling the ODS entering the country. However additional battery-powered identifier kits are required for entry points without electricity. Another 40 customs officers were trained in March 2002.

57. The train the trainers for refrigeration technicians was conducted in April 2001 (23 participants). Since then, 60 technicians in good refrigeration practices were trained. Retrofitting of a domestic refrigerator to liquefied petroleum gas (LPG) was considered to be the highlight of the training course, since LPG is much cheaper than other alternative refrigerants available in the market. However, additional training to local technicians is needed.

58. Under the recovery and recycling sub-project, 10 recovery machines (of the 30 units in the proposal), 4 recycling units and 10 refrigeration tools kits (of the 50 units in the proposal), were delivered to refrigeration service technicians. The small number of units delivered was due to the level of the project budget approved (prior to Decision 31/48, UNIDO made an attempt to submit a complimentary project for the remaining recovery and recycling units; however the project was not approved).

59. Additional training in refrigerant handling and recovery and recycling operations was provided to 10 trainers. The recovery and recycling scheme, however, entered in operation only recently since CFC prices were too low to allow a successful implementation of the programme.

60. The Ozone Unit has also initiated a bidding to provide for additional equipment where interested parties would have to meet part of its costs. It is expected that the collected money would be sufficient to purchase additional recovery units.

61. The additional activities that the Government of Gambia is requesting (under Decision 31/48) are: additional training for refrigeration service technicians (good service practices, recovery and recycling operations, retrofit/drop-in operations to non-CFC refrigerants); training workshops addressing the informal sector; and an end-user incentive programme. The total cost of the RMP update is US \$76,700.

Secretariat's comments

62. Upon a request by the Secretariat, the Government of Gambia submitted a written justification for additional activities, explaining how the additional activities were related to the RMP and the country's phase-out commitments.

63. Some of the sub-projects in the original RMP were implemented by UNEP and UNIDO. In this regard, the Secretariat sought a clarification from the Government of Germany on whether the two implementing agencies were consulted during the project preparation stage. Subsequently, the Government of Germany advised the Secretariat that UNIDO and UNEP were fully aware of the involvement of Germany in the preparation of the Gambia RMP update. Furthermore, all activities included in the proposal were based on the recommendation of the Ozone Unit.

Secretariat’s recommendation

64. The Fund Secretariat recommends blanket approval of the above projects with associated support costs at the funding level indicated below:

	Project Title	Project Funding (US\$)	Support Cost (US\$)	Implementing Agency
(a)	Phasing out ODS use in the refrigeration and air conditioning sector	76,700	9,971	Germany

V. IMPLEMENTATION OF SECTOR PLANS

BRAZIL: Training of refrigeration mechanics in the domestic and commercial refrigeration service sub-sectors (US \$5,968,790)

Training of customs officers (US \$225,200)

65. The Government of Brazil submitted for consideration of the Executive Committee at its 37th Meeting a national CFC phase out plan at a total cost, as submitted, of US \$42,568,640. The following two projects included in the national CFC phase out plan will be implemented by the Government of Germany: (i) Technician training in the refrigeration servicing sector at a cost of US \$5,968,790, and (ii) Customs training programme at a cost of US \$225,000. The Government of Germany is requesting about US \$1 million as the first tranche.

66. The comments and recommendations of the Fund Secretariat are found in UNEP/OzL.Pro/ExCom/37/30.

REQUEST FROM THE GOVERNMENT OF ISRAEL

Introduction

67. Table 5 presents a summary of Israel's request for bilateral co-operation. This request does not exceed 20 percent of Israel's contribution for 2002.

Table 5

SUBMISSION FROM THE GOVERNMENT OF ISRAEL AND RECOMMENDATION

Project Title	Country	Amount Requested (US\$)	Amount Recommended (US\$)
International methyl bromide compliance assistance workshop (Bahamas, Barbados, Bosnia, Congo, Ecuador, Ethiopia, Moldova, Mexico, South Africa, Zambia)	Global	98,300	98,300
Agency Fee		9,830	9,830
TOTAL		108,130	108,130

GLOBAL: International methyl bromide compliance assistance workshop (Bahamas, Barbados, Bosnia, Congo, Ecuador, Ethiopia, Moldova, Mexico, South Africa, Zambia)

Project description

68. The Government of Israel is submitting, for the first time, a project proposal for the consideration of the Executive Committee as part of its bilateral contribution to the Multilateral Fund.

69. The project proposal aims at holding a 5-day workshop in Israel for Article 5 countries that require assistance in meeting the 2002 MB target and future reductions. The workshop will make Israeli experience in development and implementation of MB alternatives available to representatives of these countries through a combination of lectures, discussions and field visits. The workshop will begin with presentations of problem areas by country and will end with the formulation of country- and regional-specific strategies for freeze and phase-out solutions. The extended aim is to conclude with a number of bilateral partnerships between Israel and Article 5 countries. Up to 3 participants from each country will be invited to attend in order to encourage inter-disciplinary collaboration from the outset.

Secretariat's comments

70. The Government of Israel discussed with the Fund Secretariat the list of potential Article 5 countries that would most benefit from the workshop, taking into consideration their potential lack of compliance with freeze and phase-out targets, based on MB baseline and consumption data; and the level of existing or anticipated funding awarded to individual countries. Furthermore, the Government of Israel informed the Secretariat that for the preparation of this

project, they contacted UNIDO and UNEP regarding MB activities under their implementation. Taking this into consideration, a list of potential participating countries was prepared which includes: Bahamas, Barbados, Bosnia and Herzegovina, Congo, Ecuador, Ethiopia, Moldova, Mexico, South Africa and Zambia. This list includes countries with very low but growing use of methyl bromide, as well as those with higher uses.

71. The Government of Israel and the Secretariat also discussed costs related to the project. The cost of the project was revised to cover the costs of travel and per diem of the participants.

Secretariat's recommendations

72. The Fund Secretariat recommends blanket approval of the above project with associated support costs at the funding level indicated below:

	Project Title	Project Funding (US\$)	Support Cost (US\$)	Implementing Agency
(a)	International methyl bromide compliance assistance workshop (Bahamas, Barbados, Bosnia, Congo, Ecuador, Ethiopia, Moldova, Mexico, South Africa, Zambia)	68,392	6,839	Israel

REQUEST FROM THE GOVERNMENT OF ITALY

Introduction

73. Table 6 presents a summary of Italy's request for bilateral co-operation. This request does not exceed 20 percent of Italy's contribution for 2002.

Table 6

SUBMISSION FROM THE GOVERNMENT OF ITALY AND RECOMMENDATION

Project Title	Country	Amount Requested (US\$)	Amount Recommended (US\$)
Phase out of CFC-11 by conversion to cyclopentane technology and CFC-12 by conversion to isobutane (600a) technology in the manufacture of domestic refrigerators at Guizhou Haier Appliance Co., Ltd. in China	China	1,614,510	(1)
Agency Fee		187,596	
TOTAL		1,802,106	

(1) Under UNEP/OzL.Pro/ExCom/37/32

CHINA: Phase out of CFC-11 by conversion to cyclopentane technology and CFC-12 by conversion to isobutane (600a) technology in the manufacture of domestic refrigerators at Guizhou Haier Appliance Co., Ltd (US \$1,614,510)

74. The comments and recommendations of the Fund Secretariat are found in UNEP/OzL.Pro/ExCom/37/32.

REQUEST FROM THE GOVERNMENT OF JAPAN

Introduction

75. Table 7 presents a summary of Japan's request for bilateral co-operation. This request does not exceed 20 percent of Japan's contribution for 2002.

Table 7

SUBMISSION FROM THE GOVERNMENT OF ITALY AND RECOMMENDATION

Project Title	Country	Amount Requested (US\$)	Amount Recommended (US\$)
Phase-out of CFC-11 by conversion to HCFC-141b in the manufacture of rigid polyurethane foam for insulating purposes at Aneka Citra Refrigeratama Co.	Indonesia	142,361	(1)
Phase-out of CFC-11 by conversion to HCFC-141b in the manufacture of rigid polyurethane foam for insulating purposes at Tempking Jaya Co.	Indonesia	142,639	(1)
Agency Fee		37,050	
TOTAL		322,050	

(1) Under UNEP/OzL.Pro/ExCom/37/40

INDONESIA: Phase-out of CFC-11 by conversion to HCFC-141b in the manufacture of rigid polyurethane foam for insulating purposes at Aneka Citra Refrigeratama Co. (US \$142,361)

INDONESIA: Phase-out of CFC-11 by conversion to HCFC-141b in the manufacture of rigid polyurethane foam for insulating purposes at Tempking Jaya Co. (US \$142,639)

76. The comments and recommendations of the Fund Secretariat are found in UNEP/OzL.Pro/ExCom/37/40.
