



**United Nations  
Environment  
Programme**



Distr.  
GENERAL

UNEP/OzL.Pro/ExCom/51/28  
16 February 2007

ORIGINAL: ENGLISH

EXECUTIVE COMMITTEE OF  
THE MULTILATERAL FUND FOR THE  
IMPLEMENTATION OF THE MONTREAL PROTOCOL  
Fifty-first Meeting  
Montreal, 19-23 March 2007

**PROJECT PROPOSAL: DOMINICAN REPUBLIC**

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

Phase-out

- Terminal phase-out plan for Annex A (Group I) substances: UNDP  
(third tranche)

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**PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS  
DOMINICAN REPUBLIC**

**PROJECT TITLE****BILATERAL/IMPLEMENTING AGENCY**

Terminal phase-out plan for Annex A (Group I) substances: (third tranche)	UNDP
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**SUB-PROJECT TITLES**

(a) Licensing programme	UNDP
(b) Mobile air conditioning programme	UNDP
(c) Domestic refrigeration programme	UNDP
(d) Commercial refrigeration programme	UNDP
(e) Monitoring programme	UNDP

**NATIONAL CO-ORDINATING AGENCY:**

Ministry of environment and Natural Resources

**LATEST REPORTED CONSUMPTION DATA FOR ODS ADDRESSED IN PROJECT****A: ARTICLE-7 DATA (ODP TONNES, 2005, AS OF FEBRUARY 2007)**

CFC	204.3		

**B: COUNTRY PROGRAMME SECTORAL DATA (ODP TONNES, 2005, AS OF FEBRUARY 2007)**

ODS	Aerosol	Foam	Ref. Mfg.	Ref. Servicing	Solvents	Process agent	Fumigant
CFC-11				7.91			
CFC-12				194.53			
CFC-114				0.00			
CFC-115				1.87			

**CFC consumption remaining eligible for funding (ODP tonnes)****CURRENT YEAR BUSINESS PLAN:** Total funding US \$430,000: total phase-out 73.0 ODP tonnes.

PROJECT DATA		2006	2007	2008	2009	2010	Total
CFC (ODP tonnes)	Montreal Protocol limit	269.90	<b>81.00</b>	81.00	81.00	0.00	
	Annual consumption limit	252.00	<b>81.00</b>	81.00	53.00	0.00	
	Annual phase-out from ongoing projects	0.00	<b>0.00</b>	0.00	0.00	0.00	0.00
	Annual phase-out newly addressed	171.00	<b>0.00</b>	28.00	53.00	0.00	311.20
	Annual unfunded phase-out	0	<b>0</b>	0	0	0	0
<b>TOTAL ODS CONSUMPTION TO BE PHASED OUT</b>							
Total ODS consumption to be phased-in (HCFCs)							
<b>Final project costs (US \$):</b>							
Funding for Lead IA: UNDP		400,000	<b>400,000</b>	211,610	200,000	0	1,711,610
<b>Total project funding</b>		400,000	<b>400,000</b>	211,610	200,000	0	1,711,610
<b>Final support costs (US \$):</b>							
Support cost for Lead IA: UNDP		30,000	<b>30,000</b>	15,870	15,000	0	128,370
<b>Total support costs</b>		30,000	<b>30,000</b>	15,870	15,000	0	128,370
<b>TOTAL COST TO MULTILATERAL FUND (US \$)</b>		430,000	<b>430,000</b>	227,470	215,000	0	1,839,970
Final project cost effectiveness (US \$/kg)							5.5

**FUNDING REQUEST:** Approval of funding for the third tranche (2007) as indicated above.**SECRETARIAT'S RECOMMENDATION**

Blanket approval

## **PROJECT DESCRIPTION**

1. On behalf of the Government of the Dominican Republic, UNDP has submitted to the 51st Meeting of the Executive Committee, a funding request for the third tranche of the national CFC phase-out plan (NCPP) for the Dominican Republic, at a total cost of US \$400,000 plus agency support costs of US \$30,000.

### **Background**

2. The NCPP for the Dominican Republic was approved at the 45th Meeting of the Executive Committee, with UNDP as the implementing agency. The implementation of this NCPP supports the Government of the Dominican Republic in meeting its Montreal Protocol obligations, including the complete phase-out of CFCs by 2010. In order to achieve these targets, a series of investment, non-investment, technical assistance and capacity building activities will be, and are being, implemented by the Dominican Republic with the assistance of UNDP. The total funds approved in principle for the NCPP amounted to US \$1,711,610 plus agency support costs of US \$128,370.

3. There was a 21 per cent decrease in CFC imports in 2006. The quantity of imports fell from 204.52 ODP tonnes in 2005 to 161.2 ODP tonnes in 2006, a difference of 43.32 ODP tonnes. There was also a reduction in the maximum allowable consumption of CFCs, from 269.9 ODP tonnes in 2005 to 252 ODP tonnes in 2006. The compliance target for 2007 is 81 ODP tonnes, which is also the consumption limit under the agreement between the Government of the Dominican Republic and the Executive Committee.

### **2006 annual programme**

4. During the implementation of the 2006 annual programme, only limited progress was made, largely due to delays in the appointment of a head of the project management unit (PMU). The report points out that nevertheless 552 customs officers were trained. The milestones regarding the import and distribution of MAC and R&R equipment, and training and licensing of 50 per cent of service technicians, have so far not been achieved. A workshop held in 2006 indicated that major chemical manufacturers and suppliers might be interested to provide drop-in blends to the Dominican Republic.

### **2007 annual implementation programme**

5. The 2007 annual implementation programme foresees further customs training and activities in the MAC and refrigeration servicing subsectors. A major technician certification and training programme is planned during 2007.

## **SECRETARIAT'S COMMENTS AND RECOMMENDATION**

### **COMMENTS**

6. The verification report was comprehensive and addressed the 2005 consumption, in line with the requirements for this tranche. The verification also provided insight into the licensing

system. The consumption amounted to 204.858 ODP tonnes, well within the limits prescribed by the Agreement (269.9 ODP tonnes).

7. The Secretariat noted a slow pace in implementing the 2006 annual programme, similarly to that one year ago. This slow implementation is of some concern, since the (non-verified) consumption in 2006 was 161 ODP tonnes, which would have to be reduced by about 50 per cent to meet the 2007 targets. UNDP informed the Secretariat that, with the selection and introduction of a PMU manager in mid 2006, the speed of implementation had increased significantly in the last quarter and is now back on track. UNDP is confident that the objectives of the 2007 plan can be achieved.

8. The Secretariat discussed with UNDP a number of issues, among them the targets for technician training, the activities related to customs, and the purchase of recovery and recycling equipment. The Secretariat further pointed out that, depending on the experience with the first batch of recovery and recycling machines to be delivered in 2007, incentive programmes for retrofits or replacements might be options to be pursued in the 2008 programme.

## RECOMMENDATION

9. The Fund Secretariat recommends blanket approval of the third tranche of the phase-out plan with associated support costs at the funding levels shown in the table below:

	<b>Project Title</b>	<b>Project Funding (US \$)</b>	<b>Support Cost (US \$)</b>	<b>Implementing Agency</b>
(a)	Terminal phase-out plan for Annex A (Group I) substances: (third tranche)	400,000	30,000	UNDP