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EXECUTIVE COMMITTEE OF  
THE MULTILATERAL FUND FOR THE  
IMPLEMENTATION OF THE MONTREAL PROTOCOL  
Fifty-third Meeting  
Montreal, 26-30 November 2007

**PROJECT PROPOSAL: GEORGIA**

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

Phase-out

- Terminal phase-out management plan (second tranche)

UNDP

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## PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS

### Georgia

<b>(I) PROJECT TITLE</b>	<b>AGENCY</b>
CFC phase out plan	UNDP

<b>(II) LATEST ARTICLE 7 DATA (ODP Tonnes)</b>				<b>Year: 2006</b>	
CFC: 5.8	CTC: 0	Halons: 0	MB: 7.2	TCA: 0	

<b>(III) LATEST COUNTRY PROGRAMME SECTORAL DATA (ODP Tonnes)</b>							<b>Year: 2006</b>						
Substances	Aerosol	Foam	Halon	Refrigeration		Solvent	Process Agent	MDI	Lab Use	Methyl Bromide		Tobacco fluffing	Total Sector Consumption
				Manufacturing	Servicing					QPS	Non QPS		
CFC					5.8								5.8
CTC													0
Halons													0
Methyl Bromide										6.	7.2		13.2
TCA													0

<b>(IV) PROJECT DATA</b>		2006	2007	2008	2009	2010	Total
<b>Maximum Allowable Consumption (ODP Tonnes)</b>	CFC	8	3	3	3	0	
	<b>Project Costs (US\$)</b>						
	UNDP	Project Costs	216,180	<b>108,820</b>			325,000
		Support Costs	16,214	<b>8,162</b>			24,376
<b>Total Funds Approved in Principle (US\$)</b>		Project Costs	216,180	<b>108,820</b>			325,000
		Support Costs	16,214	<b>8,162</b>			24,376
<b>Total Funds Released by the ExCom (US\$)</b>		Project Costs	216,180	<b>0</b>			216,180
		Support Costs	16,214	<b>0</b>			16,214
<b>Total Funds Requested for Current Year (US\$)</b>		Project Costs		<b>108,820</b>			108,820
		Support Costs		<b>8,162</b>			8,162

<b>(V) SECRETARIAT'S RECOMMENDATION:</b>	<b>Blanket approval</b>
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## **PROJECT DESCRIPTION**

1. On behalf of the Government of Georgia, UNDP has submitted to the 53rd Meeting of the Executive Committee a progress report on the implementation of the first work programme of the Georgia terminal phase-out management plan (TPMP). UNDP has also submitted a request for funding for the second and final work programme at a total cost of US \$108,820 plus agency support cost of US \$8,162.

### **Background**

2. The TPMP for Georgia was approved in principle at the amount of US \$325,000 plus agency support costs of US \$24,376 for UNDP by the Executive Committee at its 50th Meeting, to completely phase out CFC consumption in the country by 2009. At the same meeting, the Executive Committee approved US \$216,180, plus agency support costs of US \$16,214, for the implementation of the first work programme.

### **Progress report on the implementation of the first work programme**

3. A number of activities were implemented during the first work programme. ODS regulations and standards were reviewed. The national code of good servicing practices is expected to be completed by the end of 2007. The technician training programme has been reviewed, training materials are being prepared and the procurement of training equipment is underway. The customs officer training programme has been designed and 25 officers have been trained so far. Servicing equipment and equipment to upgrade the existing infrastructure to reuse CFC refrigerants will be distributed by the end of 2007. Finally, the project management unit has been set up and staffed.

4. By the end of 2007, US \$216,180 will have been disbursed or committed, with a balance of US \$66,180 to be utilized in 2008.

### **Plan of action for the second work programme**

5. The Government of Georgia commits to implementing a number of activities under the second work programme of the TPMPs. These consist of continuing to work on the ODS legislation and policy options; providing additional training to refrigeration technicians; implementing the code of good servicing practice and disseminating these principles among refrigeration associations and educational institutions; continuing operating the recovery/recycling/reuse use scheme and initiating conversions of CFC-based refrigeration equipment; implement awareness-raising activities; implementing the MDI transition strategy; and continuing to monitor progress in the implementation of the sub-projects contained in the TPMP. Annex I contains the overview tables for this multi-year project.

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

### **COMMENTS**

6. The 2006 CFC consumption reported by the Government of Georgia under Article 7 of the Protocol of 5.8 ODP tonnes was already 5.5 ODP tonnes below the Protocol's maximum allowable level of consumption of 11.3 ODP tonnes for that year. Considering that a further

reduction of 2.4 ODP tonnes would be needed to achieve the 2007 allowable level of 3.4 ODP tonnes, the Secretariat asked UNDP whether the Government of Georgia would be able to meet the 2007 target. The Government of Georgia informed UNDP that the country will achieve the 2007 consumption target partially because of the assistance being provided through the TPMP.

7. In regard to the balance available from the first tranche, almost US \$49,000 is related to local and international consultants. The Secretariat suggested that this funding could be utilized for additional retrofits/replacement of CFC-based equipment, or the provision of additional tools. UNDP reported that an international consultant has been recruited on a part-time basis, and a mission to Georgia is planned in early 2008 when part of the equipment will be delivered in the country. The number of local consultants needed was determined on the basis of the activities planned for 2008. These consultants play a major role in monitoring the activities included in the TPMP.

### RECOMMENDATION

8. The Fund Secretariat recommends blanket approval of the second tranche of the plan with associated support costs at the funding level 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 management plan (second tranche)	108,820	8,162	UNDP

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Overview Tables for Multi-Year Agreements

Georgia

(1) PROJECT TITLE: CFC phase out plan

(2) EXECUTIVE COMMITTEE APPROVALS AND PROVISIONS

Code	Agency	Excom Provision	Fulfilled? (Yes/No)	Comments
GEO/PHA/50/INV/22	UNDP	Approved in accordance with the Agreement between the Government and the Executive Committee. UNDP was urged to take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the TPMP.		

(3) ARTICLE 7 DATA (ODP TONNES)

Substances	Baseline	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
CFC	22.5	13.1	23.5	30.9	26.	21.5	21.5	18.8	15.5	12.6	8.6	8.2	5.8
CTC	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
Halons	42.5	43.5	40.6	43.5	34.8	30.4	30.4	37.7	37.4	37.4	36.2	16.5	0.
Methyl Bromide	13.7	21.	14.4	10.8	8.4	10.5	13.2	10.8	10.5	10.2	9.9	8.6	7.2
TCA	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.

(4) LATEST COUNTRY PROGRAMME SECTORAL DATA (ODP TONNES)

Year: 2006

Chemical	Aerosol	Foam	Fire Fighting	Refrigerating		Solvent	Process Agent	MDI	Lab Use	Methyl Bromide		Tobacco fluffing	Total Sector Consumption
				Manufacturing	Servicing					QPS	Non QPS		
CFC						5.8							5.8
CTC													0
Halons													0
Methyl Bromide										6.	7.2		13.2
TCA													0

(5) PHASE-OUT (ODP TONNES)

Substances		2006	2007	2008	2009	2010	Total	Decision
CFC	Maximum Allowable Consumption (Agreement; per substance if valid)	8.2	3.4	3.4	3.4	0		
	Compliance Action Target (MOP)							
	Consumption Reported in Implementation Report submitted	5.8	0	0				
	Consumption Reported in the Verification Report							
	UNDP							
	Reduction Under Plan		4.8			3.4	8.2	
	Approved Phase-Out		4.8				4.8	
	Actual Phase-Out		0				0	
Remaining Phase-Out to be Achieved		5.8						

<b>(6a) PROJECT COSTS (US\$)</b>				
Calendar year		2006	2007	Total
UNDP	Funding as per Agreement	216,180	108,820	325,000
	Support Costs as per Agreement	16,214	8,162	24,376
	Funds Approved (Inventory)	216,180		216,180
	Estimated Disbursement in Previous Progress Report			
	Funds Disbursed in Current Progress Report			
	Funds Obligated in Current Progress Report			
	Estimated Disbursement in Current Progress Report	43,236		43,236
	Disbursement as per Annual Plan		13,724	13,724
	Funds Requested		108,820	108,820
	Support Costs Requested		8,162	8,162
	Comments			

<b>(6b) SUBMISSION SCHEDULES (planned and actual)</b>			
Submission Year as per Agreement		2006	2007
UNDP	Planned Submission	Nov-2006	Nov-2007
	Tranche Number	I	
	Revised Planned Submission		
	Date Approved	Nov-2006	

<b>(7) INFORMATION ON POLICIES FROM COUNTRY PROGRAMME AND VERIFICATION REPORTS</b>				
		Country Programme 2006		
TYPE OF ACTION / LEGISLATION		(Yes/No)	Since when (Date)	Verification Report(Yes/No)
1.	REGULATIONS:			
1.1	Establishing general guidelines to control import (production and export) of ODSs			
1.1.1	ODS import/export licensing or permit system in place for import of bulk ODSs			
1.1.1.1	ODS import licensing system in place for import of bulk ODSs	Yes	01/01/2002	
1.1.1.2	ODS export licensing system in place for export of bulk ODSs	Yes	01/01/2002	
1.1.1.3	Permit System in place for import of bulk ODSs	Yes	01/01/2002	
1.1.1.4	Permit System in place for export of bulk ODSs	Yes	01/01/2002	
1.1.2	Regulatory procedures for ODS data collection and reporting in place			
1.1.2.1	Regulatory procedures for ODS data collection in place	Yes	01/01/1999	
1.1.2.2	Regulatory procedures for ODS data reporting in place	Yes	01/01/1999	
1.1.3	Requiring permits for import or sale of bulk ODSs			
1.1.3.1	Requiring permits for import of bulk ODSs	Yes	01/01/2002	
1.1.3.2	Requiring permits for sale of bulk ODSs	Yes	01/01/2002	
1.1.4	Quota system in place for import of bulk ODSs	No		
1.2	Banning import or sale of bulk quantities of:			
1.2.1	Banning import of bulk quantities of:			
1.2.1.1	CFCs	No		

<b>(7) INFORMATION ON POLICIES FROM COUNTRY PROGRAMME AND VERIFICATION REPORTS</b>				
1.2.1.2	Halons	No		
1.2.1.3	CTC	No		
1.2.1.4	TCA	No		
1.2.1.5	Methyl Bromide	No		
1.2.2	Banning sale of bulk quantities of:			
1.2.2.1	CFCs	No		
1.2.2.2	Halons	No		
1.2.2.3	CTC	No		
1.2.2.4	TCA	No		
1.2.2.5	Methyl Bromide	No		
1.3	Banning import or sale of:			
1.3.1	Banning import of:			
1.3.1.1	Used domestic refrigerators using CFC	No		
1.3.1.2	Used freezers using CFC	No		
1.3.1.3	MAC systems using CFC	No		
1.3.1.4	Air conditioners using CFC	No		
1.3.1.5	Chillers using CFC	No		
1.3.1.6	CFC-containing aerosols except for metered dose inhalers	No		
1.3.1.7	Use of CFC in production of some or all types of foam	No		
1.3.2	Banning Sale of:			
1.3.2	MAC systems using CFC			
1.3.2.1	Used domestic refrigerators using CFC	No		
1.3.2.2	Used freezers using CFC	No		
1.3.2.3	MAC systems using CFC	No		
1.3.2.4	Air conditioners using CFC	No		
1.3.2.5	Chillers using CFC	No		
1.3.2.6	CFC-containing aerosols except for metered dose inhalers	No		
1.3.2.7	Use of CFC in production of some or all types of foam	No		
2.	ENFORCEMENT OF ODS IMPORT CONTROLS			
2.1	Registration of ODS importers (Yes/No)	Yes	01/01/2002	
D:	Qualitative assessment of the operation of RMP			
	The ODS import licensing scheme functions:	Not so well		
	The CFC recovery and recycling programme functions:	Not so well		

**(8) IMPLEMENTATION DETAILS**

	Completed tranche covered by report submitted							Tranche currently implemented (preliminary data)					
	Activities			Budget			Explanation	Activities		Budget		Explanation	
	Planned (annual)	Actual (annual)	Cumulative achievement as compared to overall plan [%]*	Planned (annual)	Actual (annual)	Cumulative achievement as compared to overall plan [%]*		Planned	Actual	Planned	Actual		
Customs Training													
Train the Trainers								25.	25.	11,000.	18.1	syllabus finalized	
Training of Customs Officers								80.	0.				
Good Practices in Refrigeration										44,000.	2,385.5	syllabus development	
Train the Trainers								10.	0.			null	
Training of Technicians by Trained Trainers								200.	0.			null	
Strengthening vocational schools												null	
Refrigeration Service investment component												null	
Recovery & Recycling, establish R&R Centers												null	
Service equipment supply other than R&R										26,400.	0.	pre-bidding in process	
Conversion													
Solvent Phase-Out Project													
Methyl Bromide Component													
Methyl Bromide Workshop													
PMU & Monitoring										30,500.	10,024.4	in process	
Unforeseen Activities													
Support to upgrade infrastructure to reuse ODS										85,580.	0.	pre-bidding in process	
dummy													
dummy													
Code of Practice										18,700.	1,295.8	under development	

\*Refers to latest revision of overall plan



**(9) ANNUAL PLAN SUBMITTED COMPARED TO OVERALL PLAN**

	Activities		Budget		Explanation
	Planned (future tranche)	Cumulative achievement as compared to overall plan [%]*	Planned (future tranche)	Cumulative achievement as compared to overall plan [%]*	
Customs Training					
Train the Trainers	0.				
Training of Customs Officers	0.				
Good Practices in Refrigeration					
Train the Trainers	0.				
Training of Technicians by Trained Trainers	0.				
Strengthening vocational schools	0.				
Refrigeration Service investment component					
Recovery & Recycling, establish R&R Centers					
Service equipment supply other than R&R					
Conversion					
Solvent Phase-Out Project					
Methyl Bromide Component					
Methyl Bromide Workshop					
PMU & Monitoring			28,500.	48.	
Unforeseen Activities					
Support to upgrade infrastructure to reuse ODS			6,600.	7.	
Demonstration Projects			43,720.	100.	
MDIs			30,000.	100.	

\*Refers to latest revision of overall plan

**(10) SECRETARIAT'S RECOMMENDATION:**