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EXECUTIVE COMMITTEE OF  
THE MULTILATERAL FUND FOR THE  
IMPLEMENTATION OF THE MONTREAL PROTOCOL  
Fifty-sixth Meeting  
Doha, 8-12 November 2008

**PROJECT PROPOSAL: THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA**

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

Phase-out

- Terminal phase-out management plan for CFCs (fourth tranche)

UNIDO

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

**The former Yugoslav Republic of Macedonia**

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

<b>(II) LATEST ARTICLE 7 DATA (ODP Tonnes)</b>					<b>Year: 2007</b>
CFC: 0	CTC: 0	Halons: 0	MB: 0	TCA: 0	

<b>(III) LATEST COUNTRY PROGRAMME SECTORAL DATA (ODP Tonnes)</b>											<b>Year: 2007</b>		
Substances	Aerosol	Foam	Halon	Refrigeration		Solvent	Process Agent	MDI	Lab Use	Methyl Bromide		Tobacco fluffing	Total Sector Consumption
				Manufacturing	Service					QPS	Non QPS		
CFC													0.
CTC													0.
Halons													0.
Methyl Bromide													0.
TCA													0.

<b>(IV) PROJECT DATA</b>			2004	2005	2006	2007	2008	2009	2010	Total
<b>Montreal Protocol Consumption Limits</b>		CFC	519.7	259.9	259.9	78.	78.	78.	0.	
<b>Maximum Allowable Consumption (ODP Tonnes)</b>		CFC	49.3	25.	15.	10.	5.	0.	0.	
<b>Project Costs (US\$)</b>	UNIDO	Project Costs		154,210.	79,871.	15,000.	15,000.	15,000.		279,081.
		Support Costs		11,566.	5,990.	1,125.	1,125.	1,125.		20,931.
<b>Total Funds Approved in Principle (US\$)</b>		Project Costs		154,210.	79,871.	15,000.	15,000.	15,000.		279,081.
		Support Costs		11,566.	5,990.	1,125.	1,125.	1,125.		20,931.
<b>Total Funds Released by the ExCom (US\$)</b>		Project Costs		154,210.	79,871.	15,000.	0.	0.		249,081.
		Support Costs		11,566.	5,990.	1,125.	0.	0.		18,681.
<b>Total Funds Requested for Current Year (US\$)</b>		Project Costs					15,000.			15,000.
		Support Costs					1,125.			1,125.

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

1. On behalf of the Government of The former Yugoslav Republic of Macedonia (Macedonia, FYR), UNIDO has submitted the fourth tranche of the terminal phase-out management plan for CFCs for consideration by the Executive Committee at its 56<sup>th</sup> Meeting. The total amount requested is US \$15,000 plus agency support costs of US \$1,125.

### Background

2. The terminal CFC phase-out management plan (TPMP) for Macedonia, FYR, was approved in April 2005 at the 45<sup>th</sup> Meeting of the Executive Committee. The total funds approved in principle amount to US \$279,081 plus US \$20,931 in support costs. The objective of the plan is to enable the Government of Macedonia, FYR to phase out its CFC consumption mainly in the refrigeration and air-conditioning service sectors by 31 December 2008. In order to achieve this target, a series of investment, non-investment, technical assistance and capacity building activities will be and are being implemented by UNIDO.

### Verification report

3. As determined in the Agreement, the annual consumption limit for 2007 is 10 ODP tonnes. UNIDO has submitted a verification report for 2007, which describes the institutional and legal set-up for establishing import quotas, import control and a licensing system. The Government determined the 2007 import quota equal to 10.00 ODP tonnes. Each year all interested importers are invited, through a call in newspapers, to apply for import permits for CFCs for the following year. There was no request for import for CFCs for the year 2007. According to the data provided from the National Ozone Unit and the Custom Office there was also no import of CFCs to the country in 2007. Since Macedonia, FYR has no CFC production facilities, the consumption of CFCs was zero in 2007.

### Annual programmes

4. UNIDO reported on the implementation of the 2007-2008 annual programme. The Government of Macedonia, FYR has a long standing licensing system for import of ODS and equipment containing ODS. Since 2005, a system has been established imposing environmental taxes on imports of ODS and goods containing ODS. In 2006, the Government introduced legislation banning imports of used refrigeration equipment. The focus of the 2007 implementation programme was on the continuation of training and certification of refrigeration servicing technicians, delivery of the recovery and recycling equipment and training of customs officers. Two more training courses for refrigeration technicians have been organized in the reporting period. The total number of trained and certified technicians reached 227. Two last training workshops were conducted at the border entry points for custom officers. Altogether, 103 customs officers have been trained and received certificates. The last batch of recovery and recycling equipment and sets of servicing tools have been delivered to training centres and servicing workshops. The progress report provides the list of vocational schools and refrigeration servicing shops with their addresses and inventory of equipment supplied to them under the TPMP.

5. The next tranche is requested at a cost of US \$15,000 to cover management, monitoring, auditing and reporting to ensure the continuation of compliance with targets identified the Montreal Protocol and the Agreement.

## SECRETARIAT'S COMMENTS AND RECOMMENDATION

### COMMENTS

6. The Secretariat noted that the Government of Macedonia, FYR has reported its 2007 CFC consumption both to the Fund Secretariat (under country programme reporting) and to the Ozone Secretariat (under Article 7 of the Montreal Protocol). The Secretariat also noted that 2007 CFC consumption was zero ODP tonne, well below the maximum allowable consumption established in the Agreement for 2007.

7. The verification report covers all the required areas and confirms zero consumption for the year 2007. The verification report makes a note of the implementation of recommendations made in the previous report on initiating the legislation banning imports of CFCs as of 1 January 2009, and banning imports of equipment containing CFCs. Both pieces of legislation are already in place. It is noted in the verification report that Customs Administration does not have a direct access to the ODS database established in the NOU. The Secretariat sought clarification on undertakings that have been planned to improve the access to the database. UNIDO clarified that the delay in access of the Custom Office to the database was caused by relocation of the Custom Office to another building and the required connection will be established in near future.

8. The 2007 annual work programme was successfully implemented. The activities foreseen for Macedonia, FYR, for future years are exclusively related to monitoring.

### RECOMMENDATION

9. The Fund Secretariat recommends blanket approval of the fourth tranche of the TPMP for Macedonia, FYR 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 management plan for CFCs (fourth tranche)	15,000	1,125	UNIDO

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