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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Fifty-eighth Meeting
Montreal, 6-10 July 2009

PROJECT PROPOSAL: ALBANIA

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

Phase-out

- National ODS phase out plan (sixth and seventh tranches)

UNIDO

PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS

Albania

(I) PROJECT TITLE	AGENCY
ODS phase out plan	UNEP, UNIDO

(II) LATEST ARTICLE 7 DATA (ODP Tonnes)					Year: 2008
CFC: 0	CTC: 0	Halons: 0	MB: 0	TCA: 0	

(III) LATEST COUNTRY PROGRAMME SECTORAL DATA (ODP Tonnes)											Year: 2008		
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
Others													0
TCA													0

(IV) PROJECT DATA			2003	2004	2005	2006	2007	2008	2009	Total
Montreal Protocol Consumption Limits		CFC, CTC, MB	40.8	40.8	20.9	20.9	6.6	6.6	6.6	
Maximum Allowable Consumption (ODP Tonnes)		CFC, CTC, MB	68.	61.2	36.2	15.2	6.2	2.2	0.	
Project Costs (US\$)	UNEP	Project Costs	118,125.							118,125.
		Support Costs	15,356.							15,356.
	UNIDO	Project Costs	181,068.	172,322.	72,322.	42,322.	22,322.	22,322.	22,322.	535,000.
		Support Costs	13,580.	12,924.	5,424.	3,174.	1,674.	1,674.	1,674.	40,124.
Total Funds Approved in Principle (US\$)		Project Costs	299,193.	172,322.	72,322.	42,322.	22,322.	22,322.	22,322.	653,125.
		Support Costs	28,936.	12,924.	5,424.	3,174.	1,674.	1,674.	1,674.	55,480.
Total Funds Released by the ExCom (US\$)		Project Costs	299,193.	0.	172,322.	72,322.	0.	64,644.	0.	608,481.
		Support Costs	28,936.	0.	12,924.	5,424.	0.	4,848.	0.	52,132.
Total Funds Requested for Current Year (US\$)		Project Costs							44,644.	44,644.
		Support Costs							3,348.	3,348.

(V) SECRETARIAT'S RECOMMENDATION:	For blanket approval
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PROJECT DESCRIPTION

1. On behalf of the Government of Albania UNIDO, as the lead implementing agency, has submitted to the 58th Meeting of the Executive Committee a request for funding for the sixth and seventh tranches (2008 and 2009) of the national ODS phase-out plan (NPP) at a total cost of US \$44,644 plus agency support costs of US \$3,348 for UNIDO; the seventh tranche is the final tranche of this NPP. There are no funds to be disbursed for UNEP, the only cooperating agency, under any other but the first tranche of this phase-out plan. The submission also includes a progress report on the implementation of the NPP during the year 2008, the implementation programme for 2009, verification report for the years 2007 and 2008 and multi-year agreement tables

Background

2. The NPP for Albania was approved by the Executive Committee at its 39th Meeting to completely phase-out consumption of all ODS under Annex A Group I, Annex B Group II, and Annex E by 1 January 2009. Total funding of US \$653,125 plus agency support costs of US \$55,480 was approved in principle by the Executive Committee. At the same meeting, the Executive Committee approved US \$181,068 plus agency support costs of US \$13,580 for UNIDO and US \$118,125 plus agency support costs of US \$15,356 for UNEP for the implementation of the first tranche of the NPP.

Verification

3. The verification report indicates that the licensing quota system has been in force since 2005. According to the recent Memorandum of Understanding between the Ministry of Environment and UNEP signed in June 2008 the licensing system and ODS legislation will be improved. The licence for ODS imports for 2007 was approved by the Ministry of Environment, Forestry and Water Management, and only one company out of two that have received licences imported ODS in 2007. The amount of ODS imported in 2007 was 4.1 ODP tonnes of CFC-12, as compared to an agreed maximum consumption of 6.2 ODP tonnes. There were no applications for licences to import CFC-12 for 2008 and no ODS covered by the NPP were imported in 2008.

2008 progress report

4. A significant part of the activities foreseen for the current NPP have been completed. Activities are ongoing in the refrigeration servicing sector as well as in monitoring. During the reporting period strengthening of vocational schools continued. Training of teachers from vocational institutes was organized in June 2008 and covered several topics, including recovery and recycling, alternative refrigerants, and hydrocarbon technology. Another workshop was organized in the beginning of 2009. Two vocational schools received training equipment. Based on a need assessment it was decided to provide more tools for service workshops; delivery of the related equipment is expected in July 2009.

5. An end-user programme was developed in 2008 and includes implementation of demonstration projects and trainings. The objective of the programme is to demonstrate retrofitting of ODS based systems to non-CFC and non-HCFC alternatives. It is planned to start retrofit activities in July/August provided that the tranches will be approved as requested. Monitoring activities continued from previous years, including a monitoring system for ODS-use by sector. The unspent balance of the approved funding as of 1 January 2009 is US \$22,656, equivalent to 4 per cent of the funding approved so far.

2009 Implementation programme

6. A number of activities are foreseen for 2009, among those, training and demonstration equipment to vocational schools is planned for the 3rd quarter of 2009. The end-user programme aims to support the retrofitting of between two and five air-conditioning and refrigeration systems in the 4th quarter of 2009. Whereas these activities are planned to be finalized in 2009, project assessment and monitoring will continue until end of 2010.

SECRETARIAT'S COMMENTS AND RECOMMENDATION**COMMENTS**

7. The NPP project in Albania has entered its final phase. The verification shows that the country has achieved compliance with the agreement one year ahead of schedule, phasing out CFC consumption at the end of 2007. The planned activities have been almost completely implemented, and the remaining ones are foreseen to be implemented next year. UNIDO requested that the 2008 and 2009 tranches be approved at this meeting. This would be consistent with the funding approval schedule, releasing the final tranche as scheduled and in time to allow the funding to be used for implementation activities before the total phase-out. The funding approved in previous tranches has almost completely been spent.

RECOMMENDATION

8. The Secretariat recommends that the Executive Committee:

- (a) Takes note of the progress report on the implementation of the National ODS phase out plan (fourth and fifth tranches) in Albania during the years 2007 and 2008 and the verification report for the years 2007 and 2008; and
- (b) Approves the implementation programme for 2009.

9. The Secretariat further recommends blanket approval of the sixth and seventh, final tranches (2008 and 2009) of the National ODS phase out plan for Albania with associated support costs at the funding level shown in the table below:

	Project Title	Project Funding (US\$)	Support Cost (US\$)	Implementing Agency
(a)	National ODS phase out plan (sixth tranche)	22,322	1,674	UNIDO
(b)	National ODS phase out plan (seventh tranche)	22,322	1,674	UNIDO
