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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Fifty-ninth Meeting
Port Ghalib, Egypt, 10-14 November 2009

PROJECT PROPOSAL: BAHRAIN

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/UNEP

PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS
Bahrain

(I) PROJECT TITLE	AGENCY
CFC phase out plan	UNDP, UNEP

(II) LATEST ARTICLE 7 DATA (ODP Tonnes)				Year: 2008	
CFC: 11.7	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	Servicing					QPS	Non QPS		
CFC					11.7								11.7
CTC													0
Halons													0
Methyl Bromide										2.1			2.1
Others													0
TCA													0

(IV) PROJECT DATA			2006	2007	2008	2009	2010	Total
Montreal Protocol Consumption Limits		CFC	67.7	20.3	20.3	20.3	0.	
Maximum Allowable Consumption (ODP Tonnes)		CFC	58.7	20.3	20.3	20.3	0.	
Project Costs (US\$)	UNDP	Project Costs	272,500.		40,000.			312,500.
		Support Costs	20,437.5		3,000.			23,437.5
	UNEP	Project Costs	210,000.		120,000.			330,000.
		Support Costs	27,300.		15,600.			42,900.
Total Funds Approved in Principle (US\$)		Project Costs	482,500.		160,000.			642,500.
		Support Costs	47,737.5		18,600.			66,337.5
Total Funds Released by the ExCom (US\$)		Project Costs	482,500.		0.			482,500.
		Support Costs	47,737.		0.			47,737.
Total Funds Requested for Current Year (US\$)		Project Costs				135,000.		135,000.
		Support Costs				15,350.		15,350.

(V) SECRETARIAT'S RECOMMENDATION:	Blanket approval
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PROJECT DESCRIPTION

1. On behalf of the Government of Bahrain UNEP, as the lead implementing agency, has submitted to the 59th Meeting of the Executive Committee a request for funding for the second and final tranche of the terminal phase-out management plan (TPMP) at a total cost of US \$95,000 plus agency support costs of US \$12,350 for UNEP, and US \$40,000 plus agency support costs of US \$3,000 for UNDP. The submission also includes a progress report on the implementation of the TPMP during 2008 and 2009, and the implementation programme for 2010.

Background

2. The TPMP for Bahrain was approved by the Executive Committee at its 50th Meeting, to completely phase out CFC consumption in the country by 2009. Total funding of US \$642,500 plus agency support costs of US \$66,337 was approved in principle by the Executive Committee. At the same meeting, the Executive Committee approved US \$210,000 plus agency support costs of US \$27,300 for UNEP, and US \$272,500 plus agency support costs of US \$20,438 for UNDP, for the implementation of the first tranche of the TPMP.

Progress report on the implementation of the first tranche of the TPMP

3. Following the approval of the TPMP by the Executive Committee, 150 customs officers have been trained and ODS identification kits will be distributed by October 2009; coordination has taken place with Customs and other enforcement agencies to ensure effective control of ODS imports, and ODS has been included as an agenda item in the Green Customs Initiative between the Ministry of Environment and the Customs agency; a total of 180 refrigeration servicing technicians will be trained by the end of October 2009; 104 recovery machines and ancillary equipment have been purchased and are expected to be delivered during the implementation of the training programmes; the end-user awareness campaign is under preparation and is expected to be implemented by end of 2009/early 2010; the monitoring unit of the TPMP has been established.

4. As of July 2009, of the US \$482,500 approved for the first tranche, US \$463,019 had been disbursed or committed. The balance of US \$19,481 will be disbursed in 2010.

Plan of action for the second tranche of the TPMP

5. The Government of Bahrain commits to implementing the following activities under the second work programme of the TPMP including: additional training for refrigeration service technicians; enhancing the capacities of national institutions to disseminate a code of good practice among technicians; updating the national educational and vocational curricula and promoting the development of a technical certification scheme for refrigeration technicians; and providing small recovery machines, MAC recovery and recycling units, and basic tools to technicians. Technical assistance will also be provided (through a workshop) to large CFC-based end users to identify best available options for their equipment, and monitoring the effectiveness of TPMP implementation, including reductions of CFC consumption levels, and the impact of the training programmes on the overall phase-out strategy will continue.

SECRETARIAT'S COMMENTS AND RECOMMENDATION

COMMENTS

6. The 2008 CFC consumption reported by the Government of Bahrain under Article 7 of the Montreal Protocol of 11.7 ODP tonnes was already 8.6 ODP tonnes below that of 20.3 ODP tonnes allowed for that year. UNEP pointed out that the reduction in CFC consumption over the last 5 years is mainly due to the strict enforcement of the ODS licensing/quota system applied by the Government of Bahrain. CFC demand has also been reduced in the last few years due to the retirement of CFC-based MAC systems and large chillers. The market availability of low-quality CFCs forced technicians to examine drop-in replacement options for small applications. HFC-406A has started to be available on the local market.

7. Responding to a question on deferring the ODS legislation update, UNEP indicated that the current legislation allows for the efficient control of import/exports of ODS given the limited access point to the country (2 main ports only). During preparation of the HPMP, revision of the current legislation will address local trade, licensing of servicing companies/workshops, mandatory certifying of technicians, and monitoring, as well as issues related to complying with the HCFC control measures (including HCFC-blends, banning imports of HCFC-based systems where viable alternatives are available, and regulating the use of HCFC in relevant industries).

8. Upon a suggestion to revise the activities included in the second work programme of the TPMP, the agencies indicated that the main technical activities will focus on either retrofitting or replacing large CFC-based equipment. The suitability of drop-in substitutes will also be evaluated and discussed.

9. The level of funding being requested by UNEP for the second tranche of the TPMP is US \$25,000 below that specified in the agreement. This funding adjustment was proposed by UNEP after revising some of the activities contained in the original TPMP, and the difference will not be requested in the future.

10. The Secretariat also sought a clarification from the implementing agencies on whether the Government of Bahrain will be able to achieve the complete phase-out of CFCs by the end of 2009 and sustain that level of consumption through the activities proposed in the final tranche of the TPMP. UNEP confirmed the commitment by the Government in meeting the Protocol's CFC phase-out targets.

11. Noting that funding for the preparation of the HPMP was approved by the Executive Committee at its 55th Meeting, the Secretariat also suggested that, during the implementation of the final tranche of the TPMP, UNEP consider advising the Government on undertaking some preliminary actions to facilitate the phase-out of HCFCs in due time. In this regard, UNEP pointed out that it intends to do so, where applicable. The current review of ODS legislation is an example of addressing HCFCs within the implementation of the TPMP. UNEP will also examine whether the recovery and recycling equipment supplied through the TPMP can be used to handle part of the HCFC consumption, and will update the national technical curricula to address HCFC issues.

RECOMMENDATION

12. The Fund Secretariat recommends that the Executive Committee:

- (a) Takes note of the progress report on the implementation of the first tranche of the terminal phase-out management plan in Bahrain; and
- (b) Approves the 2010 annual implementation programme.

13. The Secretariat further recommends blanket approval of the second tranche of the TPMP for Bahrain, with associated support costs at the funding level shown in the table below, on the understanding that UNEP and UNDP will submit a progress report on the 2010 annual implementation programme to the 62nd Meeting of the Executive Committee:

	Project Title	Project Funding (US\$)	Support Cost (US\$)	Implementing Agency
(a)	Terminal phase-out management plan (second tranche)	95,000	12,350	UNEP
(b)	Terminal phase-out management plan (second tranche)	40,000	3,000	UNDP
