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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Forty-first Meeting
Montreal, 17 - 19 December 2003

PROJECT PROPOSALS: NIGERIA

This document consists of the comments and recommendations of the Fund Secretariat on the following project proposals:

Phase-out

- National CFC phase-out plan (second tranche)

UNDP, UNIDO

**PROJECT EVALUATION SHEET
NIGERIA**

SECTOR: Multiple ODS use in sector (2002): 3,667.5 ODP tonnes

Sub-sector cost-effectiveness thresholds: Aerosol US \$4.22/kg
Flexible slabstock foam US \$6.23/kg
Domestic Refrigeration US \$13.76/kg

Project Titles:

(a) National CFC phase-out plan (second tranche)

Project Data	Multiple	
	National Plan	
Enterprise consumption (ODP tonnes)	3,254.6	58.0
Project impact (ODP tonnes)	215.7	58.0
Project duration (months)	12	24
Initial amount requested (US \$)	2,976,827	255,000
Final project cost (US \$):		
Incremental capital cost (a)		
Contingency cost (b)		
Incremental operating cost (c)		
Total project cost (a+b+c)	2,976,827	255,000
Local ownership (%)		
Export component (%)		
Amount requested for second tranche (US \$)	2,976,827	255,000
Cost effectiveness (US \$/kg.)	13.85	4.40
Counterpart funding confirmed?		
National coordinating agency	Ministry of Environment	Ministry of Environment
Implementing agency	UNDP	UNIDO

Secretariat's Recommendations		
Amount recommended (US \$)	2,976,827	255,000
Project impact (ODP tonnes)	215.7	58.0
Cost effectiveness (US \$/kg)	13.85	4.40
Implementing agency support cost (US \$)	264,834	33,150
Total cost to Multilateral Fund (US \$)	3,241,661	288,150

PROJECT DESCRIPTION

Nigeria National CFC Phase-out Plan: Second Phase Implementation Programme (2004)

1. UNDP has submitted the 2004 implementation programme (second phase) of Nigeria's National CFC Phase-out Plan (NPP) for consideration by the Executive Committee at the 41st Meeting. The document consists of:

- Report on first phase implementation programme (2002-2003), and
- Second phase implementation programme (2004)

Background Information

2. The National CFC Phase-Out Plan for Nigeria was approved in principle at the 38th Meeting of the Executive Committee in November 2003 with a total value of US \$13,130,786 to phase out 4,286.8 ODP tonnes. The Plan is to be implemented in 8 phases (tranches) from 2002 - 2009. The first tranche of US \$5,696,315 was approved at the 38th Meeting in November 2002 with expected CFC phase-out of 333.5 ODP tonnes from ongoing projects.

3. The agreed CFC consumption limits and reduction targets under the agreement are shown in the table below.

Table 1: Funding levels and profile under the National CFC Phase-out Plan

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	TOTAL	
Montreal Protocol consumption limits (ODP tonnes)	3,650	3,650	3,650	3,650	3,650	1,825	1,825	547.5	547.5	547.5	0	n/a	
Reported/Expected Consumption ODP tonnes	4094.8*	4,115.5	3,686.2	-	-	-	-	-	-	-	-	-	
Maximum allowable total consumption (ODP tonnes)	-	-	-	3,352.7	3,137.0	1,725.4	1,015.9	507.6	286.1	86.1	0	-	
Reduction from ongoing projects (ODP tonnes)	171.3	429.3	333.5	194.2	560.7	0.0	0.0	0.0	0.0	0.0	0	1689	
New reduction under plan (ODP tonnes)	0.0	0.0	0.0	0.0	845.3	688.0	491.8	200.0	200.0	64.6	0	2,489.7	
Ineligible ODS reduction (ODP tonnes)	0.0	0.0	0.0	0.0	0.0	0.0	16.5	0.0	0.0	0.0	0	16.5	
Reduction for I.S. component @\$12.1 per kg (ODP tonnes) and Japan bilateral	0.0	0.0	0.0	21.5	5.7	21.5	0.0	21.5	0.0	21.5	0	91.7	
Total annual reduction	171.3	429.3	333.5	215.7	1,411.6	709.5	508.3	221.5	200.0	86.1	0	4,286.8	
Annual funding instalments where applicable in \$	UNDP agreed funding	-	-	5,013,929	2,976,827	2,077,141	797,122	489,181	385,000	341,200	113,000	0	12,193,400
	UNDP support costs	-	-	449,318	264,834	183,863	69,261	42,146	32,770	28,228	8,290	0	1,078,710
	UNIDO agreed funding	-	-	682,386	255,000	-	-	-	-	-	-	0	937,386
	UNIDO support cost	-	-	82,521	33,150	-	-	-	-	-	-	0	115,671
	Total agreed funding	-	-	5,696,315	3,231,827	2,077,141	797,122	489,181	385,000	341,200	113,000	0	13,130,786
	Total agency support cost	-	-	531,839	297,984	183,863	69,261	42,146	32,770	28,228	8,290	0	1,194,381
Total cost to MLF	-	-	6,228,154	3,529,811	2,261,004	866,383	531,327	417,770	369,428	121,290	0	14,325,167	

* The starting point for reductions in consumption is the 1999 reported data of 4,268.8 ODP tonnes.

4. Release of funds for the annual implementation programmes of the plan is subject to:
- Achievement of the consumption limits and reductions specified in Table 1 and the other performance requirements contained in this agreement;
 - Compliance with the performance indicators contained in relevant annual implementation programme; and
 - Approval of annual implementation programme for the following year.
5. Other than the payments in 2002 and 2003, release of funds for the annual implementation programmes is also subject to confirmation that: the agreed maximum consumption targets noted in Table 1 for the previous year have been achieved; it has been verified that the amounts specified for CFC phase-out have been achieved, and that a substantial proportion of the activities planned for the previous year were undertaken in accordance with the annual implementation plan.
6. Funding for the phase out of CFCs in the aerosol sector was not included in the first tranche approved by the Executive Committee at the 38th Meeting. However, the project was included in the sector plan for funding in the second tranche. The Government of Nigeria has now submitted, as a component of the Plan the complete phase-out of CFCs used in the aerosol sector.

Progress of the First Phase Implementation Work Plan

7. The first tranche of the NPP of US \$5,696,315 was released to UNDP for the execution of the phase-out plan in Nigeria at the end of January 2003. However, due to national elections in May 2003 with the appointment of a new Minister of Environment who took office in late July, the project document could not be signed by the Government until August 2003. The project management team, including the national and regional coordinators were appointed at the beginning of November 2003. UNDP, the Ministry of Environment and the sector phase-out plan unit agreed to adopt a direct execution modality for the implementation of the project.

Investment component and procurement

8. A number of new projects have been identified in the foam and the refrigeration sectors. UNDP and the identified enterprises are collaborating to prepare the specifications of the equipment to be purchased. The existing UNDP procurement standards and requirements are being used to source and select the most cost-effective equipment supplier. The procurement process is expected to be completed with the issuance of purchase orders at the end of November 2003.

Enterprise participation

9. The working agreement between the sector phase-out plan unit and the enterprises participating in the phase-out plan has been signed. Baseline verification visits to the recipient

enterprises have taken place. The various general and specific problems relating to each of the recipient enterprises have been noted by the sector phase-out plan unit.

Policy, regulatory and awareness actions

10. The Government of Nigeria has drafted the Ozone Bill for discussion and enactment by Parliament. Meetings between the sector phase-out plan unit and the National Board for Technical Education and Rectors of the country's polytechnics have taken place to lay the foundation for a technical cooperation relationship with the phase-out projects. Training workshop for customs officers has been organized to build the capacity of that agency for monitoring and controlling ODS at the country's entry points. Refrigeration technicians have been trained in recovery and recycling and retrofit of refrigerants and equipment. Awareness campaign targeting the foam and refrigeration sectors has been planned.

CFC phase-out result

11. Nigeria exceeded the CFC phase-out target set for 2002 and the planned target for 2003 respectively, with 411.9 ODP tonnes (target 310.5 ODP tonnes) and 268.1 ODP tonnes (179.3 ODP tonnes)

Second phase implementation work plan (2004)

12. A total amount of US \$3,231,827 and US \$297,984 as support costs to UNDP and UNIDO are requested to be released for the implementation of the second phase (2004) plan of the NPP. These amounts include US \$255,000 and support cost of US \$33,150 for implementation of a terminal umbrella project in the aerosol sector which is described in paragraphs 16 - 18 below.

13. The objective of the 2004 work plan is to phase out 215.7 ODP tonnes of CFC-11 through completion of projects approved in the foam and refrigeration manufacturing sectors prior to the approval of the national phase-out plan. This will ensure that the country will be able to limit its CFC consumption to a maximum of 2,322.4 ODP tonnes in the plan year and consequently be in compliance with its phase-out obligations under the Montreal Protocol. The 2004 work plan also includes non-investment activities in the foam sector, refrigeration manufacturing and refrigeration servicing sub-sectors. Workshops for recipient enterprises, as well as awareness campaign to sensitize ODS users in the foam sector to appreciate the phase-out obligations are planned. Similarly, training workshops on alternative technologies for refrigeration equipment manufacturers will be organized. Also, between 70 -80 trainers from technical institutions and Polytechnics will be given training to train technicians under the project implementation. Activities relating to the delivery and installation of equipment for the recipient enterprises are foreseen during the 2004 plan year.

14. No provision has been made in the 2004 annual programme either in the Government actions or the budget, for independent audit of 2003 CFC consumption.

15. The Second Phase Implementation Work Plan (2004) and the report on the First Phase Implementation Work Plan 2003 are attached to this document.

CFC phase out in the aerosol sector

16. There are only two aerosol manufacturing plants in Nigeria using 67.9 ODP tonnes of CFCs as a propellant, namely, Cybele Cosmetics Ltd., and Prestige Cosmetic Ltd. Cybele Cosmetics Ltd. has one semi-automatic and two manual aerosol filling lines with three product fillers, three crimpers and three propellant gassing units. Prestige Cosmetics Ltd., has two manual crimpers and gassing units.

17. The activities proposed in the Plan are for the conversion of these two plants to hydrocarbon aerosol propellant (HAP). The conversion at Cybele Cosmetics Ltd., entails retrofitting the manual propellant crimping and gassing units, enhanced ventilation, and an automatic indexing machine. The conversion at Prestige Cosmetics Ltd., entails replacing the crimping and gassing units by a semi-automatic indexing gasser (with equivalent production capacity as the baseline), and a conveyor.

18. The total cost of the project has been estimated at US \$288,150. However, the Government of Nigeria is requesting US \$255,000 from the Multilateral Fund, as it was agreed in the national CFC phase out plan.

SECRETARIAT'S COMMENTS AND RECOMMENDATIONS

COMMENTS

19. Nigeria reported 2002 CFC consumption of 3,286.7 ODP tonnes, which is 399.5 ODP tonnes lower than the agreed 2002 limit of 3,686.2 ODP tonnes under the agreement on the national CFC phase-out plan. The reported consumption is also 363 ODP tonnes lower than Nigeria's freeze level of 3,650 ODP tonnes. UNDP reported that Nigeria exceeded the CFC phase-out targets associated with on-going projects which were 411.9 ODP tonnes and 268.1 ODP tonnes in 2002 and 2003 respectively, as against 333.5 ODP tonnes and 194.2 ODP tonnes respectively.

20. Regarding the CFC phase out in the aerosol sector, the Secretariat pointed out that the level of consumption eligible for funding in the aerosol sector was established at 58 ODP tonnes. However, the project will phase out a total of 67.9 ODP tonnes of CFCs (i.e., 9.9 ODP tonnes over the consumption eligible for funding). In this regard, UNIDO agreed to revise the project proposal considering a consumption of 58 ODP tonnes (eligible for funding). Through implementation of the project, the enterprises will phase out an additional 9.9 ODP tonnes (for a total of 67.9 ODP tonnes) at no cost to the Multilateral Fund.

21. Nigeria is not bound by CFC consumption limit in 2002, and therefore is not required to provide verification of the phase-out achieved and the proportion of the planned activities for the previous year that were undertaken for payment in 2002 and 2003. However, the status of implementation submitted by UNDP shows that substantial amount of the planned activities were carried out.

22. No provision has been made in the 2004 annual programme for an independent audit of CFC phase-out and consumption. Since unlike payments in 2002 and 2003 the payment in 2004

is not exempt from verification audit it would be expected that as a condition for receiving the third tranche in 2004 the Government of Nigeria would provide data on the CFC phase-out and level of consumption in 2003 which have been verified through an independent audit.

RECOMMENDATIONS

23. The Fund Secretariat recommends approval of the agreed funds as indicated in the table below, and that UNDP be requested to make provision in the 2004 annual implementation programme for development of methodology for an independent audit to be used to verify consumption limits for 2003 and subsequent years as required under the agreement on the national CFC phase-out plan.

	Project Title	Project Funding (US\$)	Support Cost (US\$)	Implementing Agency
(a)	National CFC phase-out plan (second tranche)	2,976,827	264,834	UNDP
(b)	National CFC phase-out plan (second tranche)	255,000	33,150	UNIDO

**THE FEDERAL REPUBLIC
OF
NIGERIA**

National CFC Phase-out Plan

Second Phase Implementation Work Plan (2004)

&

**Report on First Phase Implementation Work
Plan (2002 – 2003)**

**Prepared by the United Nations Development Programme, Lead Implementing Agency,
and UNIDO, Cooperating Implementing Agency**

**NIGERIA NATIONAL CFC PHASE-OUT PLAN
ANNUAL IMPLEMENTATION PROGRAMME (SECOND TRANCHE)**

1. **Data**

Country	Nigeria
Year of plan	2004
# of years completed	1
# of years remaining under the plan	6
Target ODS consumption of the preceding year	3,352.7 t
Target ODS consumption of the year of plan	3,137 t
Level of funding requested	US\$ 3,231,827
Lead implementing agency	UNDP
Co-operating agency	UNIDO

2. **Targets**

Target:				
Indicators		Preceding Year	Year of Plan	Reduction
Supply of ODS	Import	3,352.7 ODP t	3,137.0 ODP t	215.7 ODP t
	Production	n/a	n/a	n/a
	Total (1)	3,352.7 ODP t	3,137.0 ODP t	215.7 ODP t
Demand of ODS	Manufacturing	2,538.1 ODP t	2,322.4 ODP t	215.7 ODP t
	Servicing	814.6 ODP t	814.6 ODP t	0
	Stock piling	n/a	n/a	n/a
	Total (2)	3,352.7 ODP t	3,137.0 ODP t	215.7 ODP t

3. **Industry Action**

Sector	Consumption Preceding Year (2003)	Consumption Year of Plan (2004)	Reduction within Year of Plan (2003)-(2004)	Number of Projects to be Completed	Number of Servicing Related Activities	ODS Phase-out (ODP t)
Manufacturing						
Aerosol	58.0	58.0	0	0		0
Foam	2,411.1	2,195.4	215.7	3		215.7
Refrigeration	69.0	69.0	0	0		0
Total	2,538.1	2,322.4	215.7	0		215.7
Servicing						
Refrigeration	814.6	814.6	0	0		0
Total	814.6	814.6	0	0		0
GRAND TOTAL	3,352.7	3,137.0	0	0		0

4. **Technical Assistance**

4.1 AEROSOL MANUFACTURING SECTOR

Proposed Activity: **Terminal aerosol sector umbrella project**
Objective: Phase-out of CFC-12 in the Manufacture of Aerosol Perfumes and Deodorants by conversion to Hydrocarbon Propellant
Targeted Group: Cybele Cosmetics Limited and Prestige Cosmetics Limited
Impact: Phase-out of consumption of 67.90 ODP t from which 58 t eligible

4.2 REFRIGERATION MANUFACTURING

Proposed Activity: **Awareness Campaign for Refrigeration Manufacturing Sector**
Objective: Ensure that every ODS user in the refrigeration manufacturing sector is aware of the phase-out obligation in this sector and the possibility to participate in the program – Conduct Workshop
Target Group: Refrigeration equipment manufacturers
Impact: No ODP impact

Proposed Activity: **Training Workshop on Alternative Technologies**
Objective: Train manufacturers in alternative technologies. Conduct Training workshop
Target Group: Refrigeration equipment manufacturers
Impact: No ODP impact

Proposed Activity: **Prepare and request bids**
Objective: Complete bidding and procurement for refrigeration equipment (foam equipment bidding completed)
Prepare for installation.
Target Group: Equipment manufacturers
Impact: No ODP impact.

4.3 FOAM MANUFACTURING

Proposed Activity: **Awareness Campaign**
Objective: Ensure that every ODS user in the foam sector is aware of the phase-out obligation in this sector and the possibility to participate in the program.
Continuing activity
Target Group: Foam sector
Impact: No ODP impact.

Proposed Activity: **Implementation Work Plans**
Objective: Plan the implementation of the 2nd phase in all details/prepare specifications
Target Group: Eligible phase-2 recipients
Impact: No ODP impact

Proposed Activity: **International procurement**
Objective: Conduct invitation to bid/select bidder, place purchase order(s)
Target Group: Equipment manufacturers
Impact: No ODP impact.

Proposed Activity: **Implementation Workshops**
Objective: To confirm (i) the conversion plan, (ii) to present bidding results, (iii) to document commitment and (iv) to collect any missing baseline information
Target Group: Eligible phase-2 recipients
Impact: No ODP impact.

Proposed Activity: **Training, Technical Support**
Objective: Introduce CFC-free formulations
Target Group: Eligible phase-2 recipients
Impact: Phaseout of 480 t CFCs/y at baseline conditions

4.4 REFRIGERATION SERVICING

Proposed Activity: **Customs Training**
Objective: Implement Import/Export Policy. Continuing activity.
Target Group: Customs Officers through Train the Trainers approach
Impact: Control on imports of ODS – 65 to 75 Trainers trained, part of 55 workshops for training of Customs Officers completed. No ODP impact.

Proposed Activity: **Training of Trainers in Good Refrigerant Management Practices**
Objective: Build up National capacity to train technicians.
 Continuing activity
Target Group: Trainers from Technical Institutions
Impact: 70 – 80 Trainers trained. No ODP impact.

Proposed Activity: **R & R equipment for Training Institutions ordered**
Objective: Equip Trainers and Institutions with training equipment.
 To be implemented.
Target Group: Training Institutions
Impact: Equipment ordered. No ODP impact

Proposed Activity: **Appointment of National Consultants**
Objective: To monitor and assist in the implementation of the Programmes.
Target Group: Customs Trainers and Officers; Refrigeration Trainers and Technicians; Recovery and Recycling beneficiaries.
Impact: No ODP impact.

5. **Government Action**

The Control Measures listed below are under consideration. Some will definitely be implemented; the others have to be evaluated carefully before a final decision is taken.

Policy/Activity Planned	Schedule of Implementation
Control Measures under consideration are: <ul style="list-style-type: none"> • Ban on new installations and equipment using ODS. • Provide import concessions and tax incentives to promote use of substitutes and alternative technologies, as well as for Recovery and Recycling equipment. • Establish an inventory of importers of ODS. • Implementation of an ODS import quota system. • Certification of technicians/practitioners and/or establishing conditions for recognition of Associations, which can provide certification and enforce conditions. 	<ul style="list-style-type: none"> • 2005 • 2005 • 2003 • Definitely 2005, possibly 2004 • 2005

6. Budget for 2003 to be implemented in 2004

Activity	Planned Expenditures (US \$)
Aerosol Manufacturing Sector	
The detailed budget has been submitted by UNIDO directly	
FUNDING REQUIRED – AEROSOL MANUFACTURING SECTOR	\$255,000
Foam Manufacturing Sector	
Equipment	2,130,000
Trials	45,000
Training, Technical Support	65,000
Management Activities	30,000
Contingencies	150,000
FUNDING REQUIRED – FOAM MANUFACTURING SECTOR	2,420,000
Refrigeration Servicing Sector	
Training in Good Refrigerant Management Practices-Train the Trainers	
National Consultant	\$22,500
Travel, DSA & Communications for Cons.	\$10,500
Train the Technicians	
Awareness	\$20,000
Material	\$3,600
Organisation	\$36,000
Remuneration to Trainers	\$36,000
Total for Training of Technicians	\$128,600
Recovery & Recycling	
Workshop	\$42,000
R&R Equipment	\$243,936
MAC Equipment	\$62,291
National Consultant	\$22,500
Travel, DSA & Communications for Cons.	\$10,500
Total for R&R & Equipment	\$381,227
Implementation & Management	
Steering Committee	\$5,000
IMU Staffing	\$35,000
Communication	\$2,000
Travel & DSA	\$5,000
Total for Implementation Management	\$47,000
FUNDING REQUIRED – REFRIGERATION SERVICING SECTOR	\$556,827
TOTAL FUNDING REQUIRED IN 2003 FOR 2004 ACTIVITIES	\$3,231,827

Note: All funding for CRM activities was received in the first tranche

7. Administrative Fees for 2003 program to be implemented in 2004

Agency	Amount
UNIDO – Aerosol Manufacturing Sector	\$33,150
UNDP – Foam Manufacturing Sector	\$216,600
UNDP – Refrigeration Servicing Sector	\$48,234
TOTAL	\$297,984

NIGERIA
NATIONAL CFC PHASE-OUT PLAN

REPORT ON THE
FIRST PHASE IMPLEMENTATION WORK PLAN

1. Introduction & Time Period Involved

The National CFC Phase-Out Plan for Nigeria was approved at the 38th Meeting of the Executive Committee in November 2003. The Plan was approved for a total value of \$13,130,786. The first year funding approved amounted to US\$ 5,696,315. The funding was released to UNDP at the end of January 2003. During that time, a mission was carried out by UNDP MPU to discuss with the Government and UNDP Nigeria detailed implementation arrangements. This resulted in the following documents;

1. Revised Project Document – covering all agencies/funding tranches and reflecting changes that were made during the approval process.
2. First Phase Project Document – covering UNDP activities only. This document, to be signed by the Government and UNDP, is the legally binding project agreement between the parties
3. Operational Mechanism Document – providing details on implementation such as the establishment of the implementation unit OPIAMU.

In view of the reduced support cost, UNDP was unable to carry out implementation with UNOPS. Instead, the ‘Direct Execution’ modality was selected. Direct Execution (DEX) is defined as the operational arrangement where the overall responsibility for the formulation and management of a program or project lies with UNDP.

This report covers the progress made in implementation of the first phase work plan up to mid-October 2003 and indicates what achievements can be expected before year’s end.

2. First Phase Implementation Work Plan – Planned Activities & Achievements

UNDP procedures to decide to and arrange for a DEX program as well as obtaining the necessary approvals took until early May. The UNDP Nigeria Country Office (UNDP-CO) prepared in the mean time the project documents for signature. However, Nigeria went through elections in May 2003 and it was late July 2003 when the new Minister for Environment took office. The Government of Nigeria signed the project document in August 2003, paving the way for project activities to start up.

The first tranche of MLF funding of US\$ 5,696,315 was allocated as illustrated in the following table:

Table 1: Budget for First Phase Implementation Work Plan

Activity	Budget (US\$)
Foam Sector phaseout Plan (UNDP)	4,200,400
CRM Sector Phaseout Plan (UNIDO)	682,386
RAC Service Sector (UNDP)	813,529
Aerosol Sector Phaseout Plan (UNIDO)	--
TOTAL	5,696315

2.1 Management and Expert Support

Planned Activity: Establishment of a management and implementation structure, contracting of experts, preparation of detailed budgets and implementation plans, start of actual implementation.

Achievements: Implementation activities could only commence after signature of the project document by the Government (August). In the meantime, UNDP-CO took the following preparatory actions:

- A Regional Project Coordinator has been selected and recruited and will be working out of Abuja, Nigeria from November 2003
- A National Coordinator has been selected and will be working out of Abuja, Nigeria from November 2003
- The process to contract an international expert for the foam sector has been started
- With the help of UNDP-MPU's expert three sub-projects for the foam industry and two sub-project implementation plans have been prepared

It is expected that before year's end UNDP-CO will commence procurement action on all three foam sector sub-projects.

2.2 Aerosols

Planned Activity: Complete the user survey/prepare a detailed project document

Achievements: The survey was completed and yielded one more user. The CFC consumption is now 67.9 t ODP rather than the original 58 t. The ExCom had tentatively earmarked US\$ 255,000 for this activity. UNIDO has now forwarded separately for approval a complete, detailed document and requests final determination of the grant.

2.3 Refrigeration Manufacturing

Planned Activity: Awareness Campaign

Achievements: As a part of awareness activity, progress of the implementation of manufacturing sector projects will be demonstrated to the public at an Ozone Ceremony to be held in November 2003

Planned Activity: Re-survey and Inspection of Enterprises

Achievements: Working arrangement for implementation has been signed by all enterprises involved in the program

Planned Activity: Training workshop on Alternative Technologies

Achievements: A workshop for redesign of refrigeration cycles is being organized for the first week of December 2003 in Lagos. Visit of a delegation of enterprises to an international industrial show (IKK 2003 in Germany) in October 2003 has been accomplished with high success

Planned Activity: Prepare and Request Bids

Achievements: Bidding for foam equipment was completed. It is expected that seven foaming units will be delivered this year. Bidding for refrigeration equipment is under preparation

2.4 Foam Manufacturing

Planned Activity: Awareness Campaign

Achievements: Deferred u/t next year. Priority has been given to actual implementation

Planned Activity: Verification Visits

Achievements: For the first phase, two individual projects (RPF) and one group project (FPF) were prepared. The baseline information was re-verified as part of the project preparation.

Planned Activity: Prepare Specifications and Request bids.

Achievements: Specifications for the rigid foam companies have been prepared and bidding will commence shortly, allowing for purchase orders before the end of the year. Draft specifications for boxfoam equipment have been

prepared. However, the budget allows only very elementary equipment and such equipment is not in standard, proven format available. Therefore up to three prototype units will be purchased first to assure proper functioning. After evaluation and validation of these units, final specifications will be prepared.

Planned Activity: Issuance of Purchase Orders

Achievements: Rigid foam equipment will be ordered before year's end. Three prototype boxfoam units will be ordered as well around that time. The remaining boxfoam procurement will take place in the second quarter of 2004

2.5 Refrigeration Servicing

Planned Activity: Customs Training

Achievements: Meetings with senior decision makers at Customs took place to discuss the Customs training project. Details have been worked out. Customs is fully informed and ready to cooperate. Training workshops will start shortly

Planned Activity: Training of trainers in Good Management practices

Achievements: All arrangements for conducting the Train the Trainers Workshops have been made. The National Board of Technical Education is taking the lead role in coordinating the activity. Dates to be finalised after equipment delivery dates are known

Planned Activity: Procure R&R Equipment for training Institutions

Achievements: Equipment specifications will be prepared shortly and Invitation to Bid sent out in November. Orders expected to be placed in December for early delivery

Planned Activity: Appointment of National Consultants

Achievements: Terms of Reference are under preparation. Recruitment will take place in the first quarter 2004 when the dates for the activities are finalised.

2.6 Government Action

The Government prepared a first draft of its Ozone Act, which will include licensing and quota systems. Fine tuning is taking place and will be followed by a stakeholders workshop before a final draft will be submitted to the House for approval. Importers will be expected to register in 2004 for obtaining import licenses for 2005 under the import quota system requirement.

Meetings with the National Board of Technical Education and the Rectors of the Polytechnics have been conducted. NBTE is enthusiastic about the program and have been taking a lead role.

2.7 Implementation of ongoing projects

Following table show the phaseout performance for 2002 as well as the forecast for 2003-2004 against the targets set by the MLF in the CFC Phaseout Plan Agreement:

YEAR	ACTUAL/PLANNED	TARGET	DIFFERENCE
2002	411.9 t ODP	310.5 t ODP	33 %
2003	268.1 t ODP	179.3 t ODP	50 %
2004	368.3 t ODP	552.1 t ODP	-33 %
TOTAL	1,048.3 t ODP	1041.9 t ODP	

The table show that the CFC phaseout through ongoing projects is going well and is actually significantly ahead of schedule.