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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Seventy-seventh Meeting
Montreal, 28 November - 2 December 2016

PROJECT PROPOSAL: CAPE VERDE

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

Phase-out

- HCFC phase-out management plan (stage I, third tranche) UNEP

PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS

Cape Verde

(I) PROJECT TITLE	AGENCY	MEETING APPROVED	CONTROL MEASURE
HCFC phase-out plan (Stage I)	UNEP (lead)	64 th	35% by 2020

(II) LATEST ARTICLE 7 DATA (Annex C Group I)	Year: 2015	0.14 (ODP tonnes)
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(III) LATEST COUNTRY PROGRAMME SECTORAL DATA (ODP tonnes)								Year: 2015	
Chemical	Aerosol	Foam	Fire fighting	Refrigeration		Solvent	Process agent	Lab use	Total sector consumption
				Manufacturing	Servicing				
HCFC-123									
HCFC-124									
HCFC-141b									
HCFC-142b									
HCFC-22					0.14				0.14

(IV) CONSUMPTION DATA (ODP tonnes)			
2009 - 2010 baseline:		1.1	Starting point for sustained aggregate reductions:
			0.25
CONSUMPTION ELIGIBLE FOR FUNDING (ODP tonnes)			
Already approved:		0.09	Remaining:
			0.16

(V) BUSINESS PLAN		2016	2017	2018	2019	2020	Total
UNEP	ODS phase-out (ODP tonnes)	0.02		0.02		0.01	0.5
	Funding (US \$)	39,550		33,900		18,080	91,530

(VI) PROJECT DATA			2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
Montreal Protocol consumption limits			n/a	n/a	1.1	1.0	1.0	1.0	1.0	1.0	1.0	0.7	n/a
Maximum allowable consumption (ODP tonnes)			n/a	n/a	0.25	0.25	0.23	0.23	0.23	0.23	0.23	0.16	n/a
Agreed funding (US\$)	UNEP	Project costs	44,000	0	35,000	0	0	35,000	0	30,000	0	16,000	160,000
		Support costs	5,720	0	4,550	0	0	4,550	0	3,900	0	2,080	20,800
Funds approved by ExCom (US\$)		Project costs	44,000	0	35,000	0	0	0.0	0	0	0	0	79,000
		Support costs	5,720	0	4,550	0	0	0.0	0	0	0	0	10,270
Total funds requested for approval at this meeting (US\$)		Project costs	0	0	0	0	0	35,000	0	00	0	0	35,000
		Support costs	0	0	0	0	0	4,550	0	0	0	0	4,550

Secretariat's recommendation:	Blanket approval
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PROJECT DESCRIPTION

1. On behalf of the Government of Cape Verde, UNEP as the designated implementing agency has submitted to the 77th meeting a request for funding for the third tranche of stage I of the HCFC phase-out management plan (HPMP), at the amount of US \$35,000, plus agency support costs of US \$4,550¹. The submission includes a progress report on the implementation of the second tranche, and the tranche implementation plan for 2016 to 2018.

Report on HCFC consumption

HCFC consumption

2. The Government of Cape Verde reported a consumption of 0.14 ODP tonnes of HCFC-22 in 2015. The 2011-2015 HCFC consumption is shown in Table 1.

Table 1. HCFC consumption in Cape Verde (2011-2015 Article 7 data)

HCFC-22	2011	2012	2013	2014	2015	Baseline
Metric tonnes	5.13	4.20	3.15	3.02	2.54	20.1
ODP tonnes	0.28	0.23	0.17	0.17	0.14	1.1

3. The HCFC consumption in Cape Verde has been decreasing since 2011, attributed to the implementation of the licensing and quota system, the activities implemented in the refrigeration servicing sector, and the awareness-raising activities, which promoted the introduction of HCFC alternatives. The main refrigerants imported into the country include HCFC-22, HFC-134a, HFC-410A and HFC-407A.

Country programme (CP) implementation report

4. The Government of Cape Verde reported HCFC sector consumption data under the 2015 CP implementation report that is consistent with the data reported under Article 7 of the Montreal protocol.

Progress report on the implementation of the second tranche of the HPMP

Legal framework

5. Cape Verde promulgated Decree Law No. 4/2011 to control the import/export of ODS including HCFCs. A licensing and quota system has been put in place, which covers HCFCs and HCFC-based equipment. All HCFC imports require a license authorized by the National Ozone Unit (NOU) of the Ministry of Environment. The import quota is set annually by the Ministry of Environment and effectively enforced. Currently there is no ban on the import of HCFC-based equipment.

Refrigeration servicing sector

6. The following activities have been implemented:

- (a) Twenty customs officers and five police officers and have been trained in the identification and control of HCFCs and HCFC-based equipment; two training workshops for 50 customs officers have been planned for December 2016;
- (b) Three workshops were conducted and 88 refrigeration technicians have been trained in

¹ As per the letter of 28 September 2016 from the Ministério do Ambiente Habitação e Ordenamento do Território of Cape Verde to UNEP.

good servicing practices, including the safe handling of hydrocarbon (HC) refrigerants. One additional workshop planned for December 2016 will train 20 refrigeration technicians; and

- (c) Equipment and tools (e.g., vacuum pump, rechargeable battery, hose filters and manometer) for good servicing practices and one multi-function refrigerant identifier were purchased and delivered.

Project implementation and monitoring unit (PMU)

7. The NOU monitors the implementation of activities. A consultant was employed to assist with day-to-day monitoring and coordination.

Level of fund disbursement

8. As of September 2016, of the US \$79,000 approved so far, US \$68,000 had been disbursed. The balance of US \$11,000 will be disbursed in 2017 (Table 2).

Table 2. Financial report of stage I of the HPMP for Cape Verde (US \$)

Agency	First tranche		Second tranche		Total approved	
	Approved	Disbursed	Approved	Disbursed	Approved	Disbursed
UNEP	44,000	44,000	35,000	24,000	79,000	68,000
Disbursement rate (%)	100		69		86	

Implementation plan for the third tranche of the HPMP

9. The following activities will be implemented:
- (a) Conducting four training workshops for 80 customs and police officers on identification and control of HCFCs and HCFC-based equipment (US \$15,000);
 - (b) Training of 100 technicians in good servicing practices, safe handling of flammable refrigerants and adoption of climate-friendly technologies; implementing the technician certification programme in collaboration with training institutions and large servicing workshops (US \$15,000); and
 - (c) Project monitoring and data reporting (US \$5,000).

SECRETARIAT’S COMMENTS AND RECOMMENDATION

COMMENTS

Progress report on the implementation of the second tranche of the HPMP

Legal framework

10. The Government of Cape Verde has already issued HCFC import quotas for 2016 at 2.5 mt (0.14 ODP tonnes).

Refrigeration servicing sector

11. The alternatives available on the market in Cape Verde are mainly HFCs. Although there are no reports on the use of HC refrigerants and equipment, the training courses for technicians included the safe use of HC refrigerants and the adoption of zero ODP, high energy efficiency technologies in preparation for servicing such equipment once they enter the market. The Government has mobilized additional resources from the European Union for developing standards for using flammable refrigerants and implementing the technician certification programme.

Conclusion

12. HCFC-22 consumption has been decreasing due to the implementation of the HPMP. The import licensing and quota system is being enforced and will enable consumption reductions in line with the Montreal Protocol’s phase-out schedule. The activities in the servicing sector have been developed with the participation of key stakeholders and are progressing. The Government is considering implementing the technician certification programme and strengthening the collaboration with the refrigeration vocational training institutions and large servicing workshops to enable continuous training of technicians.

RECOMMENDATION

13. The Fund Secretariat recommends that the Executive Committee takes note of the progress report on the implementation of the second tranche of stage I of the HCFC phase-out management plan (HPMP) for Cape Verde and further recommends blanket approval of the third tranche of stage I of the HPMP for Cape Verde, and the corresponding 2016-2018 tranche implementation plan, at the funding level shown in the table below:

	Project title	Project funding (US \$)	Support cost (US \$)	Implementing agency
(a)	HCFC phase-out management plan (stage I, third tranche)	35,000	4,550	UNEP