



**United Nations
Environment
Programme**

Distr.
GENERAL

UNEP/OzL.Pro/ExCom/81/24
24 May 2018

ORIGINAL: ENGLISH

EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Eighty-first Meeting
Montreal, 18-22 June 2018

PROJECT PROPOSAL: BENIN

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, fourth tranche) UNEP and UNIDO

PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS

Benin

(I) PROJECT TITLE	AGENCY	MEETING APPROVED	CONTROL MEASURE
HCFC phase out plan (Stage I)	UNEP (lead), UNIDO	63 rd	35% by 2020

(II) LATEST ARTICLE 7 DATA (Annex C Group I)	Year: 2017	15.96 (ODP tonnes)
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(III) LATEST COUNTRY PROGRAMME SECTORAL DATA (ODP tonnes)								Year: 2017	
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					15.95				15.95

(IV) CONSUMPTION DATA (ODP tonnes)			
2009 - 2010 baseline:	23.8	Starting point for sustained aggregate reductions:	23.8
CONSUMPTION ELIGIBLE FOR FUNDING (ODP tonnes)			
Already approved:	8.33	Remaining:	15.47

(V) BUSINESS PLAN		2018	2019	2020	Total
UNEP	ODS phase-out (ODP tonnes)	0.9	0.0	0.8	1.7
	Funding (US \$)	73,450	0	67,800	141,250

(VI) PROJECT DATA			2011	2013	2014	2015	2016	2017	2018	2019	2020	Total	
Montreal Protocol consumption limits			n/a	23.80	23.80	21.42	21.42	21.42	21.42	21.42	15.47	n/a	
Maximum allowable consumption (ODP tonnes)			n/a	23.80	23.80	21.42	21.42	21.42	21.42	21.42	15.47	n/a	
Agreed funding (US\$)	UNEP	Project costs	85,000	85,000	0	0	75,000	0	65,000	0	60,000	370,000	
		Support costs	11,050	11,050	0	0	9,750	0	8,450	0	7,800	48,100	
	UNIDO	Project costs	100,000	40,000	0	0	120,000	0	0	0	0	0	260,000
		Support costs	7,500	3,000	0	0	9,000	0	0	0	0	0	19,500
Funds approved by ExCom (US\$)	Project costs		185,000	125,000	0	0	195,000	0	0	0	0	505,000	
	Support costs		18,550	14,050	0	0	18,750	0	0	0	0	51,350	
Total funds requested for approval at this meeting (US\$)	Project costs		0	0	0	0	0	0	65,000	0	0	65,000	
	Support costs		0	0	0	0	0	0	8,450	0	0	8,450	

Secretariat's recommendation:	Blanket approval
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PROJECT DESCRIPTION

1. On behalf of the Government of Benin, UNEP as the lead implementing agency, has submitted a request for funding for the fourth tranche of stage I of the HCFC phase-out management plan (HPMP), at the amount of US \$65,000, plus agency support costs of US \$8,450 for UNEP only.¹ The submission includes a progress report on the implementation of the third tranche, the verification report on HCFC consumption for 2013 to 2017, and the tranche implementation plan for 2018 to 2020.

Report on HCFC consumption

2. The Government of Benin reported a consumption of 15.96 ODP tonnes of HCFC in 2017, which is 33 per cent below the HCFC baseline for compliance. The 2013-2017 HCFC consumption is shown in Table 1.

Table 1. HCFC consumption in Benin (2013-2017 Article 7 data)

HCFC-22	2013	2014	2015	2016	2017	Baseline
Metric tonnes	402.74	364.23	350.52	310.75	290.26	432.5
ODP tonnes	22.15	20.03	19.28	17.09	15.96	23.8

3. HCFC-22, which is used in the servicing and maintenance of refrigeration and air-conditioning (RAC) equipment, has been decreasing since 2013 as the country implements its HPMP and use of HFCs and natural refrigerants has increased.

Country programme (CP) implementation report

4. The Government of Benin reported HCFC sector consumption data under the 2017 CP implementation report, which is consistent with the data reported under Article 7 of the Montreal Protocol.

Verification report

5. The verification report, which covers a five-year period between 2013 and 2017, confirmed that the Government is implementing its licensing and quota system, and that the country is in full compliance with its Montreal Protocol obligations and the HCFC phase-out schedule. However, it also highlighted concerns relating to customs and refrigeration servicing that require attention in the implementation of the HPMP.

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

Legal framework

6. Benin has an effective legislative, regulatory and legal framework that controls the import of refrigerants and related equipment into the country. An Interministerial Order No. 064 (November 2011) regulates the import, marketing and distribution of HCFCs, HFCs and other refrigerants, and appliances and equipment which use these substances. The National Ozone Unit (NOU) is located in the Ministry of Environment and Sustainable Development and works with the Ministry of Trade to set annual quotas for the import of refrigerants.

¹ As per the letter of 27 March 2018, from the Ministry of Environment and Sustainable Development of Benin, to the Secretariat.

Refrigeration servicing sector

7. The main activities carried out include:

- (a) Five training workshops for 180 customs officers and 15 environment inspectors on the control and identification of ODS and ODS-based equipment, and the requirements of the Montreal Protocol;
- (b) Seven training workshops for 300 refrigeration technicians, 20 refrigeration engineers and 25 refrigeration trainers on good refrigeration practices and safe handling of hydrocarbons;
- (c) Procurement and delivery of 17 refrigeration identifiers, and basic equipment and tools (e.g. recovery units, cylinders, brazing equipment, recycling and spare parts for existing tools) to refrigeration service workshops and technicians; and
- (d) Twelve awareness raising events organized for 673 participants, and distribution of materials on HCFCs and the Montreal Protocol.

Project implementation and monitoring unit (PMU)

8. The NOU leads the coordination and management of matters related to the Montreal Protocol and the preparation and implementation of activities under the HPMP. The NOU recruited two consultants – customs and refrigeration experts – to assist in the monitoring of the HPMP implementation, and data collection.

Level of fund disbursement

9. As of April 2018, of the US \$505,000 approved so far, US \$437,110 had been disbursed (US \$245,000 for UNEP and US \$260,000 for UNIDO) as shown in Table 2. The balance of US \$67,890 will be disbursed in 2018-2020.

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

Tranche		UNEP	UNIDO	Total	Disbursement rate (%)
First tranche	Approved	85,000	100,000	185,000	100
	Disbursed	85,000	99,910	184,910	
Second tranche	Approved	85,000	40,000	125,000	100
	Disbursed	85,000	39,705	124,705	
Third tranche	Approved	75,000	120,000	195,000	63
	Disbursed	55,000	67,495	122,495	
Total	Approved	245,000	260,000	505,000	87
	Disbursed	230,000	207,110	437,110	

Implementation plan for the fourth tranche of the HPMP

10. The following activities will be implemented between May 2018 and December 2020:

- (a) Four training workshops for 80 customs officers on the control and identification of ODS and ODS-based equipment, and the control of illegal ODS trade (UNEP) (US \$20,000);
- (b) Five training workshops for 125 refrigeration technicians on good refrigeration practices and safe handling of hydrocarbons, and on recycling and recovery techniques (UNEP) (US \$25,000);

- (c) Completion of procurement and delivery of refrigeration identifiers and basic equipment and tools to RAC workshops and technicians (UNIDO) (funds from previous tranches); and
- (d) Coordination and management of the HPMP implementation (UNEP) (US \$20,000).

SECRETARIAT'S COMMENTS AND RECOMMENDATION

COMMENTS

Verification report

11. The verification report highlighted issues that require attention in the implementation of the HPMP, and they include: strengthening the capacity of customs officers through training on the implementation of national and sub-regional regulations on ODS imports and distribution; enhancing the knowledge of importers and distributors about the provisions of national and sub-regional legislation (West African Economic and Monetary Union) on ODS imports and distribution; providing border control posts with identification equipment to reduce the risk of illegal ODS trade; increasing centres of excellence to provide refrigeration training throughout the country; addressing lack of national standards and certification institutions; and strengthening supervision and training of untrained refrigeration technicians.

12. UNEP indicated that the National Ozone Committee will in July 2018 organize a meeting to discuss the recommendations of the verification report, and agree on an action plan for implementation by the NOU.

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

Legal framework

13. The Government of Benin has already issued HCFC import quotas for 2018 at 17 ODP tonnes, which is lower than the Montreal Protocol control targets.

Refrigeration servicing sector

14. The reduction in HCFC consumption in the country was due to increased use of HFCs and alternative natural refrigerants such as R-290 and R-600a. UNEP indicated that the Government was promoting the use of low global-warming potential (GWP) and energy-efficient alternatives and related RAC equipment. The Government was using awareness raising campaigns and meetings with importers and end-users to promote ODS alternatives. The major obstacles were their higher costs and availability on the local market, safety concerns on flammability and toxicity of some of the alternatives, and the limited number of experienced technicians to service and maintain the equipment.

15. As mentioned in the third tranche submission, there was no promotion on any retrofitting equipment, and the servicing focused on the good refrigeration practices.

16. On restricting access to HCFCs to only certified technicians, UNEP indicated that the main barriers of introducing a certification scheme in the country were the lack of expertise and supporting infrastructure. This included human and financial resources to prepare and implement legislated provisions, including establishing a requisite certification body. A certification scheme would also impose costs on technicians who would require periodic assessment to ensure that they remained abreast of technological changes in, for example, components, equipment, refrigerants, standards and regulations. Despite this, UNEP indicated that the training programme for RAC technicians was sustainable as RAC associations in the country were fully empowered by the NOU, and they participated in major decisions related to the sector, including

validating the scheduling of relevant training, selecting participants, and monitoring the implementation of good practices. RAC technicians in the informal sector would be organized to join RAC associations and benefit from training.

Conclusion

17. Benin is making progress in implementing stage I of the HPMP, and is in compliance with the Montreal Protocol and its Agreement with the Executive Committee. The verification report confirmed that the country's licensing and quota system is operational, and contributing to the country's HCFC phase-out schedule. However, it also identified several issues that the country and UNEP will address during the implementation of the fourth tranche. The level of disbursement is about 87 per cent of the total funding so far approved. The country has adopted a strategy to achieve the phase-out of HCFCs ahead of the Montreal Protocol schedule by, among others, promoting and adopting low-GWP and energy-efficient alternatives with ozone and climate benefits. Overall, the activities implemented so far have contributed to strengthening the servicing sector. The activities planned under the fourth tranche will further ensure the long-term sustainability of stage I of the HPMP.

RECOMMENDATION

18. The Fund Secretariat recommends that the Executive Committee takes note of the progress report on the implementation of the third tranche of stage I of the HCFC phase-out management plan of (HPMP) for Benin; and further recommends blanket approval of the fourth tranche of stage I of the HPMP for Benin, and the corresponding 2018-2020 tranche implementation plan, with associated support costs at the funding level shown in the table below, on the understanding that UNEP and UNIDO would assist the Government of Benin to implement the recommendations contained in the verification report for HCFC consumption, and would report on the progress made in this regard at the time of the next tranche submission.

	Project title	Project funding (US \$)	Support cost (US \$)	Implementing agency
(a)	HCFC phase-out management plan (stage I, fourth tranche)	65,000	8,450	UNEP