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

PROJECT PROPOSAL: CABO VERDE

This document consists of the comments and recommendation of the Secretariat with regard to the following project proposal:

Phase-out

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

UNEP

PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS

Cabo Verde

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

(II) LATEST ARTICLE 7 DATA (Annex C Group I)	Year: 2017	0.08 (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					0.08				0.08

(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		2018	2019	2020	Total
UNEP	ODS phase-out (ODP tonnes)	0.02		0.01	0.03
	Funding (US \$)	33,900		18,080	51,980

(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 \$)	UNEP	Project costs	44,000	0	35,000	0	0	35,000	0	0	0	0	114,000
		Support costs	5,720	0	4,550	0	0	4,550	0	0	0	0	14,820
Total funds requested for approval at this meeting (US \$)	UNEP	Project costs	0	0	0	0	0	0	0	30,000	0	0	30,000
		Support costs	0	0	0	0	0	0	0	3,900	0	0	3,900

Secretariat's recommendation:	Blanket approval
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PROJECT DESCRIPTION

1. On behalf of the Government of Cabo Verde, UNEP as the designated implementing agency has submitted a request for funding for the fourth tranche of stage I of the HCFC phase-out management plan (HPMP), in the amount of US \$30,000, plus agency support costs of US \$3,900.¹ The submission includes a progress report on implementation of the third tranche, the verification report on HCFC consumption for 2017 and the tranche implementation plan for 2018 to 2020.

Report on HCFC consumption

2. The Government of Cabo Verde reported consumption of 0.08 ODP tonnes of HCFC-22 in 2017. HCFC consumption from 2013 to 2017 is shown in Table 1.

Table 1. HCFC consumption in Cabo Verde (2013–2017 Article 7 data)

HCFC-22	2013	2014	2015	2016	2017	Baseline
Metric tonnes	3.15	3.02	2.50	2.30	1.57	20.1
ODP tonnes	0.17	0.17	0.14	0.13	0.08	1.1

3. The HCFC baseline of Cabo Verde was established before the survey for the preparation of the HPMP was conducted. Based on the results of the survey, the starting point was established at 0.25 ODP tonnes (4.6 metric tonnes (mt)), which was also used for setting the control targets in the Agreement between the Government and the Executive Committee.² HCFC consumption in 2017 is 92 per cent below the baseline and 68 per cent below the starting point. HCFC consumption in Cabo Verde has been decreasing since 2013. This is attributed to the implementation of the licensing and quota system, the activities implemented in the refrigeration and air-conditioning (RAC) servicing sector, and awareness-raising activities, which have promoted the introduction of HCFC alternatives. The shift in the supply market for RAC equipment from HCFCs to HFCs has also had an impact on the consumption level.

4. According to the ODS alternative survey, the main refrigerants imported into the country are HCFC-22, HFC-134a, R-410A and R-407C. A small amount of R-600a is also used in domestic refrigeration.

Country programme (CP) implementation report

5. In its 2017 CP implementation report, the Government of Cabo Verde reported HCFC sector consumption data that is consistent with the data reported under Article 7 of the Montreal Protocol.

Verification report

6. The verification report has confirmed that the Government is implementing a licensing and quota system for HCFC imports and exports and that the total consumption of HCFCs for 2017 was 0.08 ODP tonnes. The verification concluded that Cabo Verde has complied with both the Montreal Protocol reduction schedule and its Agreement with the Executive Committee.

¹ As per the letter of 23 April 2018, from the Ministry of Environment of Cabo Verde to UNEP.

² The issue of the difference between the HCFC baseline and the starting point was presented in paragraphs 11 and 12 of document UNEP/OzL.Pro/ExCom/64/27.

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

Legal framework

7. Cabo Verde is enforcing a licensing and quota system for the import and export of HCFCs. The licensing system also includes HCFC-based equipment, but the quota is yet to be applied to the import of such equipment.

Refrigeration servicing sector

8. The following activities have been implemented:

- (a) Five training workshops were carried out, during which 19 customs officers and 22 enforcement officers were trained in the identification and control of HCFCs and HCFC-based equipment; two additional training workshops for 40 customs officers are planned for July 2018; and
- (b) Four workshops in good servicing practices, including the safe handling of hydrocarbon (HC) refrigerants, were held for 94 RAC servicing technicians; one additional workshop for 20 technicians is planned for June 2018.

Project implementation and monitoring unit

9. The national ozone unit (NOU) monitors the implementation of activities. A consultant has been employed to assist with day-to-day monitoring and data collection.

Level of fund disbursement

10. As of April 2018, of the US \$114,000 approved so far, US \$99,000 had been disbursed as shown in Table 2. The balance of US \$15,000 will be disbursed in 2018.

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

Tranche	Approved	Disbursed	Disbursement rate (%)
First tranche	44,000	44,000	100
Second tranche	35,000	35,000	100
Third tranche	35,000	20,000	57
Total	114,000	99,000	87

Implementation plan for the fourth tranche of the HPMP

11. The following activities will be implemented between July 2018 and June 2020:

- (a) Four additional training workshops for 80 customs and police officers on identification and control of HCFCs and HCFC-based equipment (US \$13,000);
- (b) Training of 80 technicians in good servicing practices, safe handling of flammable refrigerants and adoption of climate-friendly technologies; implementation of the technician certification programme in collaboration with training institutions and large servicing workshops under the assistance of UNEP Compliance Assistance Programme (CAP) (US \$13,000); and

- (c) Project monitoring and data reporting (US \$4,000).

SECRETARIAT'S COMMENTS AND RECOMMENDATION

COMMENTS

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

Legal framework

12. The Government of Cabo Verde has already issued HCFC import quotas for 2018 at 0.055 ODP tonnes, which is only 35 per cent of the starting point. The Government is considering to include the ban on HCFC-based equipment when the legal framework is revised to implement the Kigali Amendment.

Refrigeration servicing sector

13. In order to prepare for the safe and sustainable introduction of low global-warming potential (GWP) alternatives to HCFCs, including flammable and toxic refrigerants, in the country, the training courses for technicians have included topics related to the safe use of HC refrigerants and the adoption of zero-ODP technologies with high energy efficiency. On a query about the progress on implementation of technician certification programme, UNEP explained that there is insufficient resource to implement this activity under the HPMP; therefore, it has not been implemented. However, the Government plans to use trainers who have been trained by the UNEP CAP under its sub-regional training programme as resource persons to implement this activity and ensure the long-term sustainability of the training of technicians.

Conclusion

14. HCFC-22 consumption has been decreasing owing to the implementation of the HPMP and the shift away from HCFC-22 in the RAC equipment supply market. The verification report confirmed that the import licensing and quota system is operational and that quotas lower than the control targets are enforced to enable consumption reductions sooner than in the Montreal Protocol phase-out schedule. The training for technicians has included the safe introduction of HC refrigerants and the Government will implement the technician certification programme in collaboration with refrigeration vocational training institutions and large servicing workshops and UNEP to ensure long-term sustainability. The disbursement of the third tranche has reached 57 per cent.

RECOMMENDATION

15. 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 (HPMP) for Cabo Verde; and further recommends blanket approval of the fourth tranche of stage I of the HPMP for Cabo Verde, and the corresponding 2018–2020 tranche implementation plan, at the funding level shown in the table below:

	Project title	Project funding (US \$)	Support costs (US \$)	Implementing agency
(a)	HCFC phase-out management plan (stage I, fourth tranche)	30,000	3,900	UNEP