



**United Nations  
Environment  
Programme**

Distr.  
GENERAL

UNEP/OzL.Pro/ExCom/83/27/Rev.1\*  
15 May 2019



ORIGINAL: ENGLISH

EXECUTIVE COMMITTEE OF  
THE MULTILATERAL FUND FOR THE  
IMPLEMENTATION OF THE MONTREAL PROTOCOL  
Eighty-third Meeting  
Montreal, 27– 31 May 2019

**PROJECT PROPOSAL: GABON**

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

\* For ease of reference, changes are highlighted

Pre-session documents of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol are without prejudice to any decision that the Executive Committee might take following issuance of the document.

## PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS

## Gabon

(I) PROJECT TITLE	AGENCY	MEETING APPROVED	CONTROL MEASURE
HCFC phase-out plan (Stage I)	UNEP (lead), UNIDO	62 <sup>nd</sup>	35% by 2020

(II) LATEST ARTICLE 7 DATA (Annex C Group I)	Year: 2017	19.80 (ODP tonnes)

(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-22				0.0	19.80				19.80

(IV) CONSUMPTION DATA (ODP tonnes)				
2009 - 2010 baseline:		30.20	Starting point for sustained aggregate reductions:	30.20
CONSUMPTION ELIGIBLE FOR FUNDING (ODP tonnes)				
Already approved:		10.57	Remaining:	19.63

(V) BUSINESS PLAN		2019	2020	Total
UNEP	ODS phase-out (ODP tonnes)	0.98	1.06	2.04
	Funding (US \$)	56,500	61,020	117,520

(VI) PROJECT DATA		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total	
Montreal Protocol consumption limits		n/a	n/a	n/a	30.20	30.20	27.18	27.18	27.18	27.18	27.18	19.63	n/a	
Maximum allowable consumption (ODP tonnes)		n/a	n/a	n/a	30.20	30.20	27.18	27.18	27.18	27.18	27.18	19.63	n/a	
Agreed funding (US\$)	UNEP	Project costs	90,000	0	0	46,000	0	0	50,100	0	50,000	0	54,000	290,100
		Support costs	11,700	0	0	5,980	0	0	6,513	0	6,500	0	7,020	37,713
	UNIDO	Project costs	130,000	0	0	0	0	0	119,900	0	0	0	0	249,900
		Support costs	11,700	0	0	0	0	0	10,791	0	0	0	0	22,491
Funds approved by ExCom (US\$)	Project costs	220,000	0	0	46,000	0	0	0	170,000	0	0.0	0.0	436,000	
	Support costs	23,400	0	0	5,980	0	0	0	17,304	0	0.0	0.0	46,684	
Total funds requested for approval at this meeting (US\$)	Project costs	0	0	0	0	0	0	0	0	0	50,000*	0	50,000	
	Support costs	0	0	0	0	0	0	0	0	0	6,500*	0	6,500	

\*The fourth tranche was due for submission in 2018.

Secretariat's recommendation:	Blanket approval
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## PROJECT DESCRIPTION

1. On behalf of the Government of Gabon, 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 \$50,000, plus agency support costs of US \$6,500 for UNEP only<sup>1</sup>. The submission includes a progress report on the implementation of the third tranche, the verification report on HCFC consumption for 2013 to 2018, and the tranche implementation plan for 2019 and 2020.

### Report on HCFC consumption

2. The Government of Gabon reported a consumption of 19.8 ODP tonnes of HCFC in 2017, which is 34 per cent below the HCFC baseline for compliance. The 2014-2018 HCFC consumption is shown in Table 1.

**Table 1. HCFC consumption in Gabon (2014-2018 Article 7 data)**

HCFC-22	2014	2015	2016	2017	2018*	Baseline
Metric tonnes	480.00	350.00	380.00	360.00	365.45	549.09
ODP tonnes	26.40	19.25	20.90	19.80	20.10	30.20

\* Data from the 2018 verification report on HCFC consumption.

3. HCFC-22 is used in the servicing and maintenance of refrigeration and air-conditioning (RAC) equipment. Since the implementation of the HPMP in 2011, consumption has been consistently below the HCFC baseline for compliance and controlled targets. The decrease in HCFC consumption is due to the implementation of the HPMP, particularly the training of customs officers on the identification and control of HCFCs and HCFC-based equipment, and technicians on good refrigeration servicing practices; and to the introduction of non-HCFC-22-based equipment in the country. UNEP indicated that the 2016 increase was due to miscommunication between the National Ozone Unit (NOU) and the customs department. An online monitoring system due for launch in 2020 is expected to address shortcomings in data reporting.

### *Country programme (CP) implementation report*

4. The Government of Gabon 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. The 2018 CP data is expected in May 2019.

### *Verification report*

5. The verification report covered the period between 2013 and 2018. It confirmed that the Government of Gabon was implementing its licensing and quota system for HCFC imports and exports, and that the total consumption of HCFCs for 2018 was 20.1 ODP tonnes, about 33 per cent below the HCFC baseline for compliance. The verification report showed a steep increase in the importation of HFCs and HFC-blends, mainly HFC-134a, R-404A, R-407C and R-410A, and to a lesser extent, R-600a and ammonia from 2016.

6. The verification report made reference to Refrigeration Engineers Association, which was established in 2000 and has more than 500 members who are involved in the implementation of the HPMP. The Association had recommended to establish additional training centres in the country; develop training modules adapted to the national circumstances, including training on standards and certification; conduct awareness campaigns on the risks associated with the use of flammable and ammonia refrigerants; and to introduce incentives for the importation of alternative refrigerants.

<sup>1</sup> As per the letter of 15 March 2019 from the Ministry of Forestry and the Environment in charge of the climate plan to the Secretariat.

7. The verification recommended: strengthening training and increasing the number of customs officers trained in implementing national and sub-regional ODS import and regulations; providing customs officers with identifiers to strengthen the control of ODS imports; retaining trained customs officers in their position for longer periods in order not to disrupt enforcement measures; and strengthening the training of importers on the allocation of annual quotas. It also recommended developing and providing to vocational training schools training modules on the use of low-and zero-GWP alternative technologies; and introducing administrative incentives for the supply of alternative technologies. UNEP indicated that it would support the NOU in addressing the recommendations, and has already included relevant activities in the implementation plan for the fourth tranche.

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

##### *Legal framework*

8. The National Ozone Committee, an advisory body to the Ministry of Forestry and the Environment, is responsible for establishing and distributing annual HCFC import quotas. The HCFC licensing and quota system became effective in 2013, which covers both HCFC in bulk and HCFC-based equipment. The National Ozone Unit (NOU) provides the clearance for the issuance of the authorization for HCFC import and release by the Customs Department. The Government of Gabon also enforces the sub-regional regulation for the CEMAC (“Communauté Economique et Monétaire de l’Afrique Centrale”) that harmonises the management of controlled substances, including HCFCs in the sub-region.

##### *Refrigeration servicing sector*

9. The main activities carried out include:

- (a) Raising awareness among decision makers and stakeholders: 35 members of parliament were trained through a workshop on the country’s commitment to ODS phase-out and the Kigali Amendment; and 51 importers and customs brokers were trained through two workshops on the allocation of HCFC annual quotas and import requirements;
- (b) Training, capacity-building and awareness for customs officers: 100 customs, environment and enforcement officers were trained through four workshops on the identification and control of HCFCs and HCFC-based equipment. The customs officers trained became familiar with relevant aspects of the Montreal Protocol and the requirements for the control of ODS;
- (c) Training of refrigeration technicians: 150 RAC technicians were trained through five workshops on good refrigeration servicing practices, safe handling of flammable refrigerants, developments in RAC technologies, energy efficiency, recovery and recycling of HCFCs, and safe handling of hydrocarbon technologies; and
- (d) Strengthening of training centre and supply for servicing equipment: an Inter-Ministerial Agreement has been signed with the training centre (“Centre de Formation et de Perfectionnement Professionnels Basile” ONDIMBA); a workshop for the training of trainers on the usage of the equipment has been conducted, and the technical specifications for the equipment and tools needed (e.g., portable recovery machines, two-stage rotary vacuum pumps, portable charging stations, vacuum gauges, digital charging units, scales, leak detectors, and spare parts) have been prepared and the procurement process has been initiated (implementation of this activity, in particular the procurement of equipment and tools, had been limited due to security concerns in the country).

*Project implementation and monitoring unit (PMU)*

10. The NOU is responsible for coordinating the implementation of ODS phase-out activities and monitoring HPMP activities on behalf of the Ministry of Forestry and the Environment. The NOU recruited two consultants (refrigeration and customs expert) to support data collection and the implementation of the HPMP.

Level of fund disbursement

11. As of March 2019, of the US \$436,000 approved so far, US \$295,453 had been disbursed (US \$186,100 for UNEP and US \$109,353 for UNIDO) as shown in Table 2. The balance of US \$140,547 will be disbursed between 2019 and 2020.

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

Tranche		UNEP	UNIDO	Total	Disbursement rate (%)
First tranche	Approved	90,000	130,000	220,000	85.7
	Disbursed	90,000	98,694	188,694	
Second tranche	Approved	46,000	0	46,000	100.0
	Disbursed	46,000	0	46,000	
Third tranche	Approved	50,100	119,900	170,000	35.7
	Disbursed	50,100	10,659	60,759	
Total	Approved	186,100	249,900	436,000	67.8
	Disbursed	186,100	109,353	295,453	

Implementation plan for the fourth tranche of the HPMP

12. The following activities will be implemented between March 2019 and December 2020:

- (a) Train about 100 customs officers, with customs' trainers that had received training previously, through four workshops to become familiar with Gabon's updated regulatory requirements for the control of ODS; to be capable of identifying ODS, ODS alternative refrigerants, and suspicious shipments of controlled substances; and to acquire knowledge and skills to identify HCFCs and HCFC-based equipment (UNEP) (US \$20,000);
- (b) Train about 100 RAC technicians, with technicians' trainers that had received training previously, through four workshops on good refrigeration servicing practices, including the use of good service practices to reduce leakages and refrigerant emissions when flushing circuits, ensuring optimum energy efficiency; safe handling of flammable refrigerants; refrigerant recovery, recycling and reclaim practices, and on enhancing the sustainability of the training and capacity building of the RAC sector, coordination between the RAC sector and the NOU, and selection of technologies and refrigerants (UNEP) (US \$20,000);
- (c) Provide additional equipment and tools for the training centre and the Association of Refrigeration Technicians,<sup>2</sup> including portable recovery machines, two-stage rotary vacuum pumps, portable charging stations, vacuum gauges, digital charging scales leak detectors, and spare parts and consumables (e.g. filters, connectors, valves.); torches and hoses, (UNIDO) (US \$140,547 from the remaining previous tranches); and

<sup>2</sup> During the second tranche, the following equipment was provided 20 sets of portable recovery units, and ancillary equipment (e.g., manifolds, leak detectors, scales and thermometers, pliers, tube cutters); 10 sets of refrigerant identifiers and tool sets; and 30 vacuum pumps (UNEP/OzL.Pro/ExCom/79/33).

- (d) Reporting and monitoring the activities included in the HPMP (UNEP) (US \$10,000).

## SECRETARIAT'S COMMENTS AND RECOMMENDATION

### COMMENTS

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

13. The Secretariat noted that the submission of the fourth tranche originally proposed to be submitted in 2018 was deferred due to the previous deferment of the third tranche, which was originally due in 2016, as a result of delays in signing the Agreement between the Government of Gabon and UNEP, and institutional changes in the NOU. Despite these delays, activities were implemented resulting in reductions in HCFCs below the allowable level of consumption. UNEP indicated that it ensured coordinated planning, implementation and reporting of all remaining activities in line with the action plan, with UNIDO, under this Agreement.

#### *Legal framework*

14. The Government of Gabon has issued an HCFC-22 import quota of 19.25 ODP tonnes for 2019, which is below the Montreal Protocol control targets. The Government reported that a ban of HCFC-22-based equipment would be enforced effective 1 January 2020.

#### *Refrigeration servicing sector*

15. Further to a request for clarification on the reasons for the delay in the implementation of the project component under UNIDO related to the procurement and distribution of equipment to the training centre, UNEP (as the lead implementing agency) indicated that the total funding for stage I had been received; the limited implementation was due to a delay in organizing a mission to assess equipment needs, after the initial set of equipment delivered with the funding of the first tranche, due to security issues in the country. The needs for the equipment had been assessed and a long-term agreement for the procurement of the equipment has been signed and under implementation.

16. With regard to the training programme for refrigeration technicians, UNEP indicated that training provided has focused on good practices to reduce emissions of refrigerants during servicing and maintaining RAC equipment. UNEP also indicated that in addition to the NOU's awareness activities, the industry was contributing to the steady increase in the use of alternative refrigerants despite that the country does not have policy incentives for their import (the NOU suggested to the Ministry of Finance on reducing taxes on low-GWP refrigerants). The verification confirmed that HFC-134a is used in domestic, commercial and industrial refrigeration and air-conditioning of vehicles; R-404A is used in commercial and industrial refrigeration and cold rooms; R-407C and R-410A are used in individual, commercial and industrial air conditioning; and isobutane (R600a) and ammonia (R-717) are used in domestic and industrial refrigeration, respectively.

#### Conclusion

17. Gabon is making progress in implementing stage I of its HPMP even with the delay in the submission of previous tranches. The estimated consumption of HCFC-22 in 2018 was over 33 per cent below the HCFC baseline for compliance. During the implementation of stage I, UNEP will support the NOU in addressing the recommendations included in the verification report, such as: strengthening training and increasing the number of customs officers trained in implementing national and sub-regional ODS import and regulations; and strengthening the training of importers on the allocation of annual quotas. The action plan for 2019 to 2020 provides for training of additional customs officers, refrigeration technicians and stakeholders as proposed in stage I, which will also contribute to address the verification's recommendations. The disbursement of funds approved so far has reached 68 per cent, and is set to

increase as the procurement of the equipment and service tools to be purchased from the funding approved at the third tranche is ongoing, after a delayed contractual agreement with the Government has been signed. Through the training of customs officers and refrigeration technicians on ongoing basis as well as strengthening of training centres, the sustainability of the HPMP would be ensured. The progress report on activities undertaken, and the planned activities also suggest that the country is addressing and will achieve its HCFC phase-out objectives. The country ratified the Kigali Amendment on 18 January 2018.

## 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 II of the HCFC phase-out management plan (HPMP) for Gabon; and further recommends blanket approval of the fourth tranche of stage I of the HPMP for Gabon, and the corresponding 2019-2020 tranche implementation plan, at the funding level shown in the table below:

	<b>Project title</b>	<b>Project funding (US \$)</b>	<b>Support cost (US \$)</b>	<b>Implementing agency</b>
(a)	HCFC phase-out management plan (stage I, fourth tranche)	50,000	6,500	UNEP