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EXECUTIVE COMMITTEE OF  
THE MULTILATERAL FUND FOR THE  
IMPLEMENTATION OF THE MONTREAL PROTOCOL  
Eighty-fifth Meeting  
Montreal, 25-29 May 2020  
Postponed to 19-22 July 2020\*

**PROJECT PROPOSAL: UNITED REPUBLIC OF TANZANIA**

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 and UNIDO

\* Due to coronavirus disease (COVID-19)

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

## United Republic of Tanzania

(I) PROJECT TITLE	AGENCY	MEETING APPROVED	CONTROL MEASURE
HCFC phase out plan (Stage I)	UNEP (lead), UNIDO	67 <sup>th</sup>	35% by 2020

(II) LATEST ARTICLE 7 DATA (Annex C Group I)	Year: 2018	1.14 (ODP tonnes)

(III) LATEST COUNTRY PROGRAMME SECTORAL DATA (ODP tonnes)								Year: 2018	
Chemical	Aerosol	Foam	Fire fighting	Refrigeration		Solvent	Process agent	Lab use	Total sector consumption
				Manufacturing	Servicing				
HCFC-22					1.14				1.14
HCFC-123					0				0

(IV) CONSUMPTION DATA (ODP tonnes)			
2009 - 2010 baseline:	1.70	Starting point for sustained aggregate reductions:	1.70
CONSUMPTION ELIGIBLE FOR FUNDING (ODP tonnes)			
Already approved:	0.59	Remaining:	1.11

(V) BUSINESS PLAN		2020	Total
UNEP	ODS phase-out (ODP tonnes)	0.06	0.06
	Funding (US \$)	24,860	24,860
UNIDO	ODS phase-out (ODP tonnes)	0	0
	Funding (US \$)	0	0

(VI) PROJECT DATA			2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
Montreal Protocol consumption limits			n/a	1.70	1.70	1.53	1.53	1.53	1.53	1.53	1.11	n/a
Maximum allowable consumption (ODP tonnes)			n/a	1.70	1.70	1.53	1.53	1.53	1.53	1.53	1.11	n/a
Agreed funding (US \$)	UNEP	Project costs	55,000	0	0	0	33,000	0	0	0	22,000	110,000
		Support costs	7,150	0	0	0	4,290	0	0	0	2,860	14,300
	UNIDO	Project costs	50,000	0	0	0	50,000	0	0	0	0	100,000
		Support costs	4,500	0	0	0	4,500	0	0	0	0	9,000
Funds approved by ExCom (US \$)	Project costs		105,000	0	0	0	83,000	0	0	0		188,000
	Support costs		11,650	0	0	0	8,790	0	0	0		20,440
Total funds requested for approval at this meeting (US \$)	Project costs										22,000	22,000
	Support costs										2,860	2,860

Secretariat's recommendation:	For blanket approval

## PROJECT DESCRIPTION

1. On behalf of the Government of the United Republic of Tanzania, UNEP, as the lead implementing agency, has submitted a request for funding for the third and final tranche of stage I of the HCFC phase-out management plan (HPMP), at the amount of US \$22,000, plus agency support costs of US \$2,860 for UNEP only.<sup>1</sup> The submission includes a progress report on the implementation of the second tranche, the verification report on HCFC consumption for 2016 to 2019 and the tranche implementation plan for 2020 to 2021.

### Report on HCFC consumption

2. The Government of the United Republic of Tanzania reported under the verification report a consumption of 1.14 ODP tonnes of HCFC in 2019, which is 33 per cent below the HCFC baseline for compliance. The 2015-2019 HCFC consumption is shown in Table 1.

**Table 1. HCFC consumption in the United Republic of Tanzania (2015-2019 Article 7 data)**

HCFC	2015	2016	2017	2018	2019*	Baseline
<b>Metric tonnes</b>						
HCFC-22	21.49	20.99	20.89	20.8	20.73	30.78
HCFC-123	0	0	0	0	0	0.08
<b>Total (mt)</b>	<b>21.49</b>	<b>20.99</b>	<b>20.89</b>	<b>20.8</b>	<b>20.73</b>	<b>30.86</b>
<b>ODP tonnes</b>						
HCFC-22	1.18	1.15	1.15	1.14	1.14	1.70
HCFC-123	0	0	0	0	0	0.00
<b>Total (ODP tonnes)</b>	<b>1.18</b>	<b>1.15</b>	<b>1.15</b>	<b>1.14</b>	<b>1.14</b>	<b>1.7</b>

\* Data from the verification report on HCFC consumption.

3. Since 2015, HCFC consumption has been maintained at the same level, which is 25 per cent below the allowable level of consumption. Reduction on HCFC consumption has been achieved through the implementation of activities approved under the HPMP, including the enforcement of the licensing and quota system, training provided to refrigeration technicians and technical assistance provided to the servicing sector; in addition, the introduction of non-HCFC-22 based refrigeration and air-conditioning (RAC) equipment has contributed to the reduction in the demand for HCFCs. There has been no HCFC-123 consumption since 2015.

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

4. The Government of the United Republic of Tanzania reported HCFC sector consumption data under the 2018 CP implementation report which is consistent with the data reported under Article 7 of the Montreal Protocol.

### *Verification report*

5. The verification report confirmed that the Government is implementing a licensing and quota system for HCFC imports and exports; that the consumption of HCFCs reported under Article 7 of the Montreal Protocol for 2016 to 2018 was correct (as shown in Table 1 above); and that the country has attained the targets set in the Montreal Protocol reduction schedule and its Agreement with the Executive Committee for 2016–2019.

6. The verification report recommended to improve the implementation of the HCFC licensing and quota system, including: that the National Environment Management Council (NEMC) provides a sample

<sup>1</sup> As per the letter of 4 March 2020 from the Vice President's Office in the Government of the United Republic of Tanzania to the Secretariat.

of its Director's signature to customs to strengthen verification of authenticity of import and export licenses documentation; ensuring that all import and export licenses are valid and issued within one calendar year; raising awareness of importers to ODS control measures; strengthening cooperation among agencies dealing with ODS importers; and informing customs and the National Ozone Unit (NOU) of all import licenses authorized. Furthermore, the Customs Department should counter check licenses/permits issued before clearing any consignment; national ODS regulations should be reviewed to ensure they address all the requirements of Montreal Protocol control measures; and the NOU should be fully involved in the issuance of import licenses and quotas. The verification report also noted that the ODS licensing system was manual, although an online system will be explored in future.

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

##### *Legal framework*

7. The Government of the United Republic of Tanzania has in place a licensing and quota system for imports/exports of HCFCs and HCFC-containing products, and for monitoring controlled substances that have been phased out. The system includes a mechanism to verify annually the capacity of each importer or supplier of HCFCs, the equipment and safety measures in place to manage refrigerants, refrigerant inventory and invoice records, and availability of qualified personnel.

8. Every year the NOU through the Director of Environment publishes in the official Gazette and newspapers the ban on ODS already phased-out. Environmental inspectors are mandated to carry out inspection visits to ODS facilities and spot checks for banned substances. Customs refresher courses also cover the banned ODS. There have been no cases of illegal import and the Government is not aware of any phased out controlled substance in the market or of any stocks.

9. The Government of the United Republic of Tanzania has adopted the Kigali Amendment and is in the process of depositing the instrument of ratification with the United Nations. The country is planning to prepare a national implementation plan for the Kigali Amendment in 2020 and the review of the ODS Regulations of 2007 to incorporate HFC phase-down.

##### *Refrigeration servicing sector*

10. The following activities were implemented:

- (a) Two workshops for 85 customs officers and enforcement officers on HCFC import control including identification and control of ODS and ODS-based equipment, and use of portable refrigerant identifiers;
- (b) Two workshops for 50 RAC technicians in good servicing practices including the safe-handling and use of flammable refrigerants; and a train-the-trainer workshop for 20 RAC technician instructors from vocational centres and the private sector on HCFC alternative technologies; and
- (c) Provision of refrigeration servicing equipment to 20 technical institutions including a refrigerant recovery machine, vacuum pump, leak detector, service manifolds, electronic vacuum gauges, electronic scales, refrigerant storage cylinders, and service tools; transfer of a refrigerant reclaiming unit provided during the terminal phase-out management plan from the Cleaner Production Centre to the vocational centre VETA primarily for training purposes but also for the use by technicians when required; and training of 13 instructors on refrigerant reclaim, safe handling of flammable refrigerants including practical exercises charging and using R-290 and R-600a in hydrocarbon (HC)-based equipment, and performance issues associated to the use of counterfeit refrigerant.

*Project implementation, monitoring, and evaluation*

11. Two consultants assist the NOU to monitor the implementation of HPMP activities. A total of US \$18,000 have been disbursed during the seven years of implementation of stage I, including staff and consultants (US \$10,500), monitoring travels (US \$3,000) and workshops (US \$4,500).

Level of fund disbursement

12. As of March 2020, of the US \$188,000 approved so far, US \$154,130 had been disbursed (US \$68,000 for UNEP and US \$86,130 for UNIDO) as shown in Table 2. The balance of US \$33,870 will be disbursed in 2020.

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

Agency	First tranche		Second tranche		Total	
	Approved	Disbursed	Approved	Disbursed	Approved	Disbursed
UNEP	55,000	35,000	33,000	33,000	88,000	68,000
UNIDO	50,000	50,000	50,000	36,130	100,000	86,130
<b>Total</b>	<b>105,000</b>	<b>85,000</b>	<b>83,000</b>	<b>69,130</b>	<b>188,000</b>	<b>154,130</b>
<b>Disbursement rate (%)</b>	81		83		82	

Implementation plan for the third and final tranche of the HPMP

13. The following activities will be implemented until December 2021:
- (a) Four regional workshops to train 60 customs officers; purchase of three additional refrigerant identifiers for border stations; monitoring the implementation of revised curricula for the customs training school; strengthening coordination between the Division of Environment and the Customs and Revenue Authority to implement the online ODS licensing system (UNEP) (US \$10,000);
  - (b) Four regional workshops to train a total of 100 refrigeration technicians focussing on standards, the certification scheme, and safe-handling of low-global-warming potential (GWP) refrigerants; public awareness on the technician certification system, new emerging technologies in the RAC sector and the benefits of energy-efficient RAC equipment based on low GWP refrigerants (UNEP) (US \$10,000);
  - (c) Project management unit including staff and consultants (UNEP) (US \$2,000).

**SECRETARIAT'S COMMENTS AND RECOMMENDATION****COMMENTS**Verification report

14. With regard to the verification recommendations, UNEP informed that the Government of the United Republic of Tanzania is studying them, and the National Steering Committee would discuss their implementation. The Government committed to ensuring that the NOU would be involved in the issuance of import permits for controlled substances under the Protocol and would follow up on other relevant recommendations with customs authorities. The Government will also analyse how to incorporate the recommendations in the ODS regulation currently being updated, and scheduled to be adopted by December 2020. UNEP also indicated the need to strengthen the country's capacity to implement an online license system through the National Customs Integrated System/ASYCUDA.<sup>2</sup> UNEP has agreed to

<sup>2</sup> Automated System for Customs Data

undertake a high-level mission to the country to discuss the recommendations of the verification report with national authorities as soon as travel restrictions due to COVID-19 allow.

15. The Secretariat considers meaningful to address the recommendations in the verification and UNEP agreed to submit a progress towards implementing these recommendations and the revised legislation together with of stage II of the HPMP.

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

#### *Legal framework*

16. The Government of United Republic of Tanzania has issued HCFC import quotas for 2020 at 1.11 ODP tonnes, in accordance with the Montreal Protocol control targets.

17. The country does not currently ban the import of HCFC-based equipment, but has used regular awareness campaigns to discourage their import, and through the technical assistance activities in the servicing sector has trained technicians on the use and maintenance of RAC equipment based on low-GWP alternatives (i.e., HCs). The Secretariat noted that the supply of RAC equipment based on low-GWP alternatives is still limited and that the ban on HCFC-based equipment would only be meaningful when that equipment is available in the market to ensure a transition to low-GWP technology. In this regard, UNEP informed that the Government would consider as first step a way to record the HCFC-based equipment entering into the country in advance of the ban in order to have a better understanding the market and estimate the future HCFC-22 servicing needs.

#### Gender policy implementation<sup>3</sup>

18. UNEP reported that the NOU will raise awareness of HPMP stakeholders of the gender policy of the Multilateral Fund and will consult with the RAC Association to ensure equal opportunities to female technicians. Gender will be included as a topic in the refrigeration technicians and customs training, and the NOU will track gender disaggregated data on technicians and customs officers trained; personnel recruited through the HPMP; and women and men in management/leadership positions. The NOU will also track whether technical reports have gender section; the number of events focusing on gender and percentage of male and female participants; and the number of stakeholders (e.g., private sector partners) sensitized on the need for gender-friendly work environments.

#### Sustainability of the HCFC phase-out

19. The country has an operational licensing and quota system and is exploring the operation of an online system to facilitate better controls and reporting of consumption. Technical assistance and equipment have been provided to customs and RAC training centres on an ongoing basis. The Government also plans to ensure Montreal Protocol modules are included in the curriculum of training institutes and also to build capacity of the RAC Association with a view to ensuring continuity of RAC technicians training. The RAC technicians' certification system is in place and certification has been made mandatory by the ODS regulation. These measures are intended to help ensure the sustainability of the HCFC phase-out and the continuation of activities started under the HPMP.

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<sup>3</sup> Decision 84/92(d) requested bilateral and implementing agencies to apply the operational policy on gender mainstreaming throughout the project cycle.

Date of completion of stage I of the HPMP

20. UNEP indicated that stage I of the HPMP for the United Republic of Tanzania will be completed by December 2021 as established in paragraph 14 of the Agreement.

Conclusion

21. The Government of the United Republic of Tanzania has continued to implement its HCFC import and export licensing and quota system and has maintained compliance with the Montreal Protocol and its Agreement with the Executive Committee with HCFC consumption at 33 per cent below the baseline in 2019. The activities under the HPMP is progressing and continue building capacity of customs officers and refrigeration servicing technicians through additional training and certification. The overall level of disbursement is 82 per cent of the funds approved so far.

**RECOMMENDATION**

22. The Fund Secretariat recommends that the Executive Committee:

- (a) Takes note of the progress report on the implementation of the second tranche of stage I of the HCFC phase-out management plan of (HPMP) for the United Republic of Tanzania; and
- (b) Requests UNEP to include, as part of the submission for stage II of the HPMP for the United Republic of Tanzania, an update on progress towards implementing the recommendations in the verification report submitted to the 85<sup>th</sup> meeting.

23. The Fund Secretariat further recommends blanket approval of the third and final tranche of stage I of the HPMP for the United Republic of Tanzania, and the corresponding 2020-2021 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, third tranche)	22,000	2,860	UNEP