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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Fifty-seventh Meeting
Montreal, 30 March-3 April 2009

PROJECT PROPOSAL: BOLIVIA

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

Phase-out

- Terminal phase-out management plan (second tranche) Canada/UNDP

PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS

Bolivia

(I) PROJECT TITLE	AGENCY
ODS phase out plan	Canada, UNDP

(II) LATEST ARTICLE 7 DATA (ODP Tonnes)				Year: 2007	
CFC: 2.4	CTC: 0.2	Halons: 0	MB: 0	TCA: 0	

(III) LATEST COUNTRY PROGRAMME SECTORAL DATA (ODP Tonnes)										Year: 2007			
Substances	Aerosol	Foam	Halon	Refrigeration		Solvent	Process Agent	MDI	Lab Use	Methyl Bromide		Tobacco fluffing	Total Sector Consumption
				Manufacturing	Serviceing					QPS	Non QPS		
CFC					2.4								2.4
CTC								0.2					0.2
Halons													0
Methyl Bromide										0.1			0.1
Others													0
TCA													0

(IV) PROJECT DATA			2006	2007	2008	2009	2010	Total
Montreal Protocol Consumption Limits		CFC	37.9	11.4	11.4	11.4	0.	
		CTC	0.	0.	0.	0.	0.	
Maximum Allowable Consumption (ODP Tonnes)		CFC	26.7	11.4	11.4	11.4	0.	
		CTC	0.2	0.1	0.	0.	0.	
Project Costs (US\$)	Canada	Project Costs		79,000.	88,000.			167,000.
		Support Costs		10,270.	11,440.			21,710.
	UNDP	Project Costs		151,000.	222,000.			373,000.
		Support Costs		11,325.	16,650.			27,975.
Total Funds Approved in Principle (US\$)		Project Costs		230,000.	310,000.			540,000.
		Support Costs		21,595.	28,090.			49,685.
Total Funds Released by the ExCom (US\$)		Project Costs		230,000.	0.			230,000.
		Support Costs		21,595.	0.			21,595.
Total Funds Requested for Current Year (US\$)		Project Costs				310,000.		310,000.
		Support Costs				28,090.		28,090.

(V) SECRETARIAT'S RECOMMENDATION:	Blanket approval
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PROJECT DESCRIPTION

1. On behalf of the Government of Bolivia the Government of Canada, as the lead implementing agency, has submitted a progress report on the implementation of the first work programme of the Bolivian terminal phase-out management plan (TPMP) to the 57th Meeting of the Executive Committee. Canada has also submitted a request for funding for the second tranche of the TPMP at a total cost of US \$88,000 plus agency support costs of US \$11,440 for Canada, and US \$222,000 plus agency support costs of US \$16,650 for UNDP.

Background

2. The TPMP for Bolivia was approved by the Executive Committee at its 51st Meeting, to completely phase out CFC consumption in the country by 2009. Total funding of US \$540,000 plus agency support costs of US \$49,685 was approved in principle by the Executive Committee. At the same meeting, the Executive Committee approved US \$79,000 plus agency support costs of US \$10,270 for Canada, and US \$151,000 plus agency support costs of US \$11,325 for UNDP, for the implementation of the first tranche of the TPMP.

Progress report on the implementation of the first tranche of the TPMP

3. Following the approval of the TPMP by the Executive Committee, the ODS regulations and licensing and control system have been evaluated and analyzed by a national consultant and workshops to collect information regarding the application of the ODS regulations have been conducted. Training of 306 refrigeration technicians has taken place, and equipment and service tools for the incentive programme have been purchased for delivery by the end of February 2009. Refrigeration service workshops and ODS import companies have been inspected in different cities of the country. A total of 159 customs officers have been trained and 300 training handbooks printed. Technical assistance activities to phase out CTC uses have commenced. Several awareness-raising and information-dissemination activities were conducted, and the project implementation and monitoring unit is now operational.

4. As of December 2008, of the US \$230,000 approved for the first tranche, US \$163,782 had been disbursed. An additional US \$66,218 will be disbursed by June 2009.

Plan of action for the second tranche of the TPMP

5. The Government of Bolivia commits to implementing the following activities under the second work programme of the TPMP: strengthening ODS controls and the application of ODS legislation and regulations at the local level, and supporting local inspections; providing additional training for 300 technicians, and incentives for at least 300 end-users; developing and publishing a national standard for refrigeration workshop certification, and inspecting and certifying 100 workshops. There will also be activities to increase public awareness regarding ODS controls and initiatives to reduce ODS emissions, as well as continuing with project monitoring, reporting and verification activities.

SECRETARIAT'S COMMENTS AND RECOMMENDATION

COMMENTS

6. The 2007 CFC consumption reported by the Government of Bolivia under Article 7 of the Montreal Protocol of 2.4 ODP tonnes was already 9.0 ODP tonnes below that of 11.4 ODP tonnes allowed for that year. The CFC consumption in 2008 has been estimated at 2.6 ODP tonnes. The Government of Canada indicated that the reduction in CFC consumption is mainly due to the application

of the import licensing and control of ODS system. Other factors that affected consumption include tighter national controls on CFC use and imports, controls on international trade established by exporting countries, the increasingly higher cost of CFC refrigerants, the existence of more alternative refrigerants, and the increased awareness of refrigeration technicians and importing companies of Bolivia's commitment to eliminate CFCs in 2009.

7. The 2007 CTC consumption of 0.2 ODP tonnes was 0.16 ODP tonne above the Montreal Protocol allowable limit and the maximum allowable level of consumption in the agreement between the Government of Bolivia and the Executive Committee. The CTC consumption in 2008 has been estimated at 0.017 ODP tonnes. The Government of Canada indicated that the only company that imported CTC in 2008 used it for laboratory purposes to conduct analyses of total hydrocarbons. The total phase-out of CTC is expected to be achieved by end of 2009. The Secretariat also noted that, through decision XIX/17, the Parties to the Montreal Protocol decided to defer until 2010 consideration of the compliance status in relation to control measures for CTC used by Article 5 Parties for analytical and laboratory processes, urging those countries to minimize CTC consumption in these uses by applying the criteria and procedures for global exemption of CTC in laboratory and analytical uses that are currently established for non-Article 5 Parties.

8. The Secretariat discussed issues related to the incentive programme for the conversion of CFC-based refrigeration systems and the proposed certification of service workshops including safety items, identification banner, and the issuance of a certificate at an average cost of US \$470/workshop. The Government of Canada explained that the funds will be disbursed to the certification body, which will in turn provide assistance to 100 workshops. Assisted workshops will not receive direct funds, but will benefit significantly by being certified through an official, recognized body. Remaining workshops will be certified gradually, at their own cost. As only certified workshops will be allowed to operate, it is expected that the risk of being closed by municipal authorities will act as an incentive for the workshops that will not be receiving assistance to apply for certification.

9. Upon a request for additional information on the proposed activity for the enactment of new ODS regulations, the Secretariat was informed that a Supreme Decree has been prepared and will be issued shortly to strengthen the legal parameters for the total elimination of CFCs in Bolivia. The decree will put an end to authorizations to import CFCs starting in March 2009. Furthermore, a range of complementary regulatory instruments will be promulgated and published

10. The Secretariat received clarification from the Government of Canada that the Government of Bolivia will be able to achieve the complete phase-out of CFCs by end of 2009 and sustain that level of consumption through the activities proposed in the final tranche of the TPMP. The importation of virgin CFCs has already been banned since January 2009 and the total phase-out of CFC is expected to take place at the end of 2009.

11. Noting that funding for the preparation of the HPMP was approved by the Executive Committee at its 55th Meeting, the Secretariat suggested that, during the implementation of the final tranche of the TPMP, the Government of Canada and UNDP consider advising Bolivia on undertaking preliminary actions to facilitate the phase-out of HCFCs in due time. The Government of Canada indicated that, during the implementation of the TPMP, it will bring this proposal to the attention of the Government of Bolivia, in particular for relevant activities, such as the training of technicians and customs officers, retrofitting to alternatives, awareness-raising, and any further work related to regulatory issues.

RECOMMENDATION

12. The Secretariat recommends that the Executive Committee:

- (a) Takes note of the progress report on the implementation of the first tranche of the

terminal phase-out management plan in Bolivia; and

- (b) Approves the 2009-2010 annual implementation programme associated with the second tranche.

13. The Secretariat further recommends blanket approval of the 2009-2010 plan associated with the second tranche of the TPMP for Bolivia, with associated support costs at the funding level shown in the table below:

	Project Title	Project Funding (US\$)	Support Cost (US\$)	Implementing Agency
(a)	Terminal phase-out management plan (second tranche)	88,000	11,440	Canada
(b)	Terminal phase-out management plan (second tranche)	222,000	16,650	UNDP

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