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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
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**TERMS OF REFERENCE FOR THE DESK STUDY FOR THE EVALUATION OF HCFC
PHASE-OUT MANAGEMENT PLAN PREPARATION ACTIVITIES TO ASSIST WITH THE
IMPLEMENTATION OF THE KIGALI AMENDMENT (DECISION 80/9(b))**

Background

1. At its 80th meeting, the Executive Committee considered the draft monitoring and evaluation work programme for the year 2018¹, which proposed, *inter alia*, a desk study for the evaluation of capacity-building activities for customs departments and HCFC import/export licensing and quota systems.² The Senior Monitoring and Evaluation Officer (SMEO) explained that the implementation of the Kigali Amendment was expected to entail adjustments to legal systems and customs departments, and an assessment of the current situation had thus been deemed to be of interest.
2. Following informal discussions, it was agreed that the purpose of the desk study would be to evaluate The HCFC phase-out management plan (HPMP) preparation activities and the provisions included therein for the development of HCFC import/export licensing and quota systems and other relevant policies, which constituted the framework to support HCFC phase-out. This would include an assessment of the type, number, and value of these activities and to draw out lessons to facilitate the implementation of the Kigali Amendment. The final report would contain an analysis of the activities undertaken during HPMP preparation that had resulted in the establishment of licensing and quota systems to enable the monitoring of HCFC imports and exports, and other policies that supported compliance with the Montreal Protocol (e.g., data surveys, establishment of information management systems, establishment of industry and intergovernmental consultation mechanisms and preparation of initial plans).
3. Accordingly, the Executive Committee, *inter alia*, requested the SMEO to submit to the 81st meeting the terms of reference for the desk study for the evaluation of HCFC phase-out management plan preparation activities to assist with the implementation of the Kigali Amendment (decision 80/9(b)).

¹ UNEP/OzL.Pro/ExCom/80/11.

² Paragraphs 55 and 56 of document UNEP/OzL.Pro/ExCom/80/59.

Guidelines for preparation of HPMP

4. In line with decision 54/39, the Executive Committee considered guidelines for the preparation of HPMPs, which defined the process for the preparation, and the content of stage I of the HPMPs. Following decision 54/39, at the 55th meeting, the Executive Committee approved requests for project preparation funding for HPMPs in 107 countries. In determining the eligible funding levels for project preparation, the Secretariat undertook a detailed analysis³ of the submissions by the implementing agencies (IAs) by identifying the activities that would form part of preparing an HPMP, and determining a reasonable cost for these activities. The Secretariat was also cognizant that the overall funding levels would be based on the country's HCFC consumption as reported under the Montreal Protocol, following past approaches for similar project preparation funding for phase-out plans.

5. In considering the activities to be included for project preparation, the Secretariat was mindful of decision 54/39(e), which included that, "consideration should be given to providing funding for assistance to include HCFC control measures in legislation, regulations and licensing systems as part of the funding of HPMP preparation as necessary and confirmation of the implementation of the same should be required as a prerequisite for funding implementation of the HPMP". Therefore, the Committee decided to divide the funding for HPMP preparation into the following components (decision 56/16(b)):

- (a) Assistance for policy and legislation;
- (b) Survey of HCFC use and analysis of data;
- (c) Development and finalization of the HPMP including consultations; and
- (d) Individual investment project proposals.

6. Between the 55th and 58th meetings, the Executive Committee approved funding for 227 project preparation, which included the development of the overarching strategy and individual sector plans. As at the 80th meeting, the Executive Committee approved stage I of HPMPs for 144 Article 5 countries and stage II for 30 countries.

Terms of reference for a desk study for the evaluation of HPMP preparatory activities

Objective and scope

7. The objective of the desk study would be to evaluate HPMP preparation activities for the development of HCFC import/export licensing and quota systems and other relevant policies in order to assess the number, type and value of these activities, and to draw out lessons to facilitate the implementation of the Kigali Amendment.

8. The desk study will examine how, during the preparation of HPMPs, the assistance for policy and legislation, the survey of HCFC use and analysis of data and the development and finalization of the HPMP including consultations, were implemented, taking into consideration the preparation of stages I and II of HPMPs that have been approved. Since the Executive Committee had specifically requested that the desk study focus on the development of HCFC import/export licensing and quota systems and other relevant policies during HPMP preparation, the desk study will not include preparation of investment activities. The desk study will also identify the lessons learned during the preparatory stages I and II of the HPMPs that could facilitate the implementation of the Kigali Amendment.

³ Analysis of HPMP requests from agencies in their work programme (Annex IV of document UNEP/OzL.Pro/ExCom/55/17).

Assistance for policy and legislation

9. What preparation activities were undertaken to adapt and strengthen the legal and institutional framework, and build technical capacity for an effective licensing and quota system and complementary regulations? How can HFC phase-down activities build on these experiences?
10. When countries undertook preparation activities, to what extent were broader policies considered in relation to incentives, co-funding modalities and approaches for inter-ministerial coordination?
11. What were the delays, constraints and difficulties or gaps in adopting legislation on HCFC import/export licensing and quota systems that could be related to the (or absence of) preparatory activities?
12. Were the main stakeholders in the elaboration and enforcement of the licensing and quota system involved in the preparatory activities? How was an effective communication and consultation among stakeholders ensured? Were there preparatory activities that aimed at improving coordination and collaboration among the stakeholders?
13. How was the National Ozone Unit (NOU) involved in the preparatory activities concerning the adoption, enforcement and reporting of the licensing and quota systems? What kind of training, if any, did National Ozone Officers (NOOs) and customs officers receive on HCFC licensing and quotas issues?
14. Was there training provided to national consultants, as well as assistance on HCFC control and quota issues, implementation activities and guidance on Montreal Protocol issues?
15. Were professional associations involved or consulted regarding the preparatory activities? Were they involved in capacity building activities (e.g., training and workshops)?
16. Where there any issues with the division of work and the co-ordination between the lead agency and the co-operating agency (if appropriate)?
17. What activities, during project preparation, were most useful to develop the HPMP, including guidance on not-in-kind projects, and to what extent were activities or processes undertaken by the MLF can be related to other institutions (e.g., Green Climate Fund and Global Environment Facility) considered during preparation?
18. Were the funds for HPMP preparation activities provided at the right time? Were there any issue or delays related to the provision of such funding? Were these funds used for other preparation activities than those specified for HPMP preparation?

Survey of HCFC use and analysis of data

19. Was the information collected during the surveys conducted for the preparation of terminal phase-out management plans (TPMPs) or national phase-out plans were used to facilitate the HPMP preparation?
20. How were the surveys organized in terms of funding, infrastructure, and data analysis?
21. Did data collection include prices of HCFCs and their alternatives, and the related environmental impacts considered?
22. What were the challenges in organizing these surveys?
23. How can they be improved to face the challenges of the Kigali Amendment?

Development and finalization of the HPMP

24. Was there a schedule for the finalization of HPMP established in cooperation with the NOU, the Government and other stakeholders?
25. Were there consultations with the Government and relevant stakeholders (e.g., the industry, trade associations and academia) for the identification of key inputs and terms of reference for the preparation of the HPMP?
26. Was there an identification of needs for the formulation of the individual project proposals?
27. Were there consultation with Government and relevant stakeholders on this issue.

Lessons learned

28. What lessons learned from the preparatory activities for the HPMP could be used for those related to the implementation of the Kigali Amendment? What were the challenges and shortcomings, successes and achievements of these activities?
29. What were the lessons learned from carrying out surveys on HCFCs?
30. What can be learned from the preparatory activities for HPMP relatively to funding for amending regulations, legislation and licensing systems to be applied for the preparation of the implementation of the Kigali Amendment?

Methodology

31. A consultant will be hired to undertake the desk study. The consultant will prepare a document analysing the information gathered from documents, discussions with various stakeholders and questionnaires as appropriate. This document, highlighting the main findings and the recommendations, will be shared with the Secretariat and bilateral and IAs for comments, and presented to the 82nd meeting.

Recommendation

32. The Executive Committee may wish to approve the terms of reference for the desk study for the evaluation of HCFC phase-out management plan preparation activities to assist with the implementation of the Kigali Amendment (decision 80/9(b)), contained in document UNEP/OzL.Pro/ExCom/81/8.