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EXECUTIVE COMMITTEE OF  
THE MULTILATERAL FUND FOR THE  
IMPLEMENTATION OF THE MONTREAL PROTOCOL  
Eighty-seventh Meeting  
Montreal, 28 June-2 July 2021<sup>1</sup>

**PROJECT PROPOSAL: CHAD**

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, fifth tranche) UNEP and UNIDO

<sup>1</sup> Online meetings and an intersessional approval process will be held in June and July 2021 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**

**Chad**

(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: 2019	10.20 (ODP tonnes)
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(III) LATEST COUNTRY PROGRAMME SECTORAL DATA (ODP tonnes)							Year: 2020	
Chemical	Aerosol	Foam	Fire fighting	Refrigeration	Solvent	Process agent	Lab use	Total sector consumption
				Manufacturing	Servicing			
HCFC-22					10.10			10.10

(IV) CONSUMPTION DATA (ODP tonnes)			
2009 - 2010 baseline:	16.10	Starting point for sustained aggregate reductions:	16.10
CONSUMPTION ELIGIBLE FOR FUNDING (ODP tonnes)			
Already approved:	5.63	Remaining:	10.47

(V) BUSINESS PLAN		2021	2022	2023	Total
UNEP	ODS phase-out (ODP tonnes)	0.65	0	0	0.65
	Funding (US \$)	73,450	0	0	73,450

(VI) PROJECT DATA			2010-2012	2013	2014	2015	2016	2017	2018	2019	2020-2021	Total
Montreal Protocol consumption limits			n/a	16.10	16.10	14.49	14.49	14.49	14.49	14.49	10.47	n/a
Maximum allowable consumption (ODP tonnes)			n/a	16.10	16.10	14.49	14.49	14.49	14.49	14.49	10.47	n/a
Agreed funding (US \$)	UNEP	Project costs	100,000	70,000	0	0	45,000	0	45,000	0	65,000	325,000
		Support costs	13,000	9,100	0	0	5,850	0	5,850	0	8,450	42,250
	UNIDO	Project costs	135,000	0	0	0	100,000	0	0	0	0	235,000
		Support costs	10,125	0	0	0	7,500	0	0	0	0	17,625
Funds approved by ExCom (US \$)	Project costs		235,000	70,000	0	0	145,000	0	45,000	0	0	495,000
	Support costs		23,125	9,100	0	0	13,350	0	5,850	0	0	51,425
Total funds requested for approval at this meeting (US \$)	Project costs		0	0	0	0	0	0	0	0	65,000*	65,000
	Support costs		0	0	0	0	0	0	0	0	8,450*	8,450

\* The fifth tranche should have been submitted in 2020 instead of 2021.

<b>Secretariat's recommendation:</b>	For blanket approval
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## PROJECT DESCRIPTION

1. On behalf of the Government of Chad, UNEP as the lead implementing agency has submitted a request for funding for the fifth and final tranche of stage I of the HCFC phase-out management plan (HPMP), at the amount of US \$65,000, plus agency support costs of US \$8,450 for UNEP only.<sup>2</sup> The submission includes a progress report on the implementation of the fourth tranche and the tranche implementation plan for 2021 to 2022.

### Report on HCFC consumption

2. The Government of Chad reported under the country programme (CP) implementation report a consumption of 10.10 ODP tonnes of HCFC in 2020, which is 37 per cent below the HCFC baseline for compliance. The Article 7 data for 2020 has not been reported yet. The 2016-2020 HCFC consumption is shown in Table 1.

**Table 1. HCFC consumption in Chad (2016-2020 Article 7 data)**

HCFC-22	2016	2017	2018	2019	2020*	Baseline
Metric tonnes (mt)	255.70	216.60	188.72	185.45	184.20	<b>292.70</b>
ODP tonnes	14.06	11.91	10.38	10.20	10.10	<b>16.10</b>

\*CP data.

3. The use of HCFC-22 in Chad is mainly for servicing and maintenance of refrigeration and air-conditioning (RAC) equipment. The decreasing trend is due to the activities implemented under the HPMP, including controls of HCFC and HCFC-based equipment imports, training technicians in good servicing practices and the introduction of alternative technologies in air-conditioning and commercial refrigeration applications, mainly HFCs, and ammonia on a smaller scale. The use of R-600a for domestic refrigeration units is slowly growing in the country.

### *CP implementation report*

4. The Government of Chad reported HCFC sector consumption data under the 2019 CP implementation report that is consistent with the data reported under Article 7 of the Montreal Protocol.

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

#### *Legal framework*

5. Chad is implementing the sub-regional regulation of the Commission de la Communauté Economique et Monétaire de l'Afrique Centrale, which regulates the management of controlled substances, including HCFC-based equipment, through a system of prior import authorization.

6. In 2019-2020, 168 customs officers and other enforcement officers were trained to identify and control HCFCs and HCFC-based equipment and to monitor the licensing and quota system. Information and awareness campaigns have reached 28 importing traders and 75 end-users. The already trained customs trainers conducted this training. Furthermore, a module on ODS was introduced into the curriculum of the customs training school.

7. The Government of Chad confirmed that the ODS regulation banning the import of already phased-out controlled substances is in force and that the Customs Department continues to monitor all controlled ODS. No attempts of illegal trade of phased-out ODS have been identified and the Government

<sup>2</sup> As per the letter of 29 March 2021 from the Ministry of Environment and Fisheries to the Multilateral Fund Secretariat.

is not aware of any use or any stockpiles of phased-out ODS in the country.

#### *Verification report*

8. In accordance with the approval conditions for the fourth tranche, UNEP submitted a comprehensive report on measures taken by the country since 2018 to address the recommendations from the verification report. UNEP confirmed that most of the recommendations were implemented, including: the development of training modules for refrigeration technicians on the use of HCFC alternatives; provision of additional refrigerant identifiers to cover the national territory; organization of information and awareness campaigns on cautions, and the inclusion in the ODS legislation of provisions, for the safe use of flammable and toxic refrigerants; and coordination with the Government through the UNEP Compliance Assistance Programme (CAP) to address controls on the import of ODS-based equipment and to prevent the illegal trafficking of ODS. An online tool for sharing information on import quotas for HCFCs will be completed in December 2022.

#### *Refrigeration servicing sector*

8. Eight workshops on good servicing practices, HCFC alternatives, safe handling of hydrocarbons and servicing of HCFC air-conditioning equipment were carried out for 226 RAC servicing technicians in 2019-2020.

9. Awareness and outreach activities were conducted, including mass-media interviews, press releases in newspapers, stakeholder meetings, and informative brochures on HCFC alternative substances including the risks of flammable and toxic refrigerants.

#### *Project implementation and monitoring*

10. The national ozone unit (NOU) monitors the implementation of activities. Two consultants (one refrigeration expert and one customs expert) have been employed to assist with day-to-day monitoring and data collection (US \$3,000 for consultants and US \$2,000 for monitoring-related travel).

#### Level of fund disbursement

11. As of March 2021, of the US \$495,000 approved so far, US \$489,542 had been disbursed (US \$255,000 for UNEP and US \$234,542 for UNIDO), and US \$5,458 had been returned (US \$5,000 by UNEP and US \$458 by UNIDO), as shown in Table 2.

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

Tranche		UNEP	UNIDO	Total	Disbursement rate (%)
First*	Approved	100,000	135,000	235,000	100
	Disbursed	95,000	134,542	229,542	
Second	Approved	70,000	0	70,000	100
	Disbursed	70,000	0	70,000	
Third	Approved	45,000	100,000	145,000	100
	Disbursed	45,000	100,000	145,000	
Fourth	Approved	45,000	0	45,000	100
	Disbursed	45,000	0	45,000	
Total	Approved	260,000	235,000	495,000	100
	Disbursed	255,000	234,542	489,542	

\* The first tranche was reported as being operationally and financially completed. US \$5,000, plus agency support costs for UNEP, and US \$458, plus project support costs for UNIDO, was returned to the 73<sup>rd</sup> and 79<sup>th</sup> meetings, respectively.

Implementation plan for the fifth and final tranche of the HPMP

12. The following activities will be implemented between July 2021 and December 2022:
- (a) Completing the development of the online tool for sharing information on import quotas for HCFCs, and holding six workshops for 250 customs officers on the control and identification of HCFCs and HCFC-based equipment and illegal trade of controlled substances (UNEP) (US \$30,000);
  - (b) Upgrading the training manuals, organizing six workshops to train 240 refrigeration technicians in good practices in refrigeration, HCFC alternatives, the safe handling of hydrocarbons and servicing HCFC air-conditioning equipment (UNEP) (US \$30,000); and
  - (c) Recruiting national consultants to assist in monitoring the effective implementation of all HPMP activities and in collecting accurate data (UNEP) (US \$5,000).

**SECRETARIAT'S COMMENTS AND RECOMMENDATION****COMMENTS**Progress report on the implementation of the fourth tranche of the HPMP*Legal framework*

13. The Government of Chad has already issued HCFC import quotas for 2021 at 9.075 ODP tonnes, which is lower than the Montreal Protocol control target.

*Verification report*

14. UNEP reported that the online tool for sharing information between the Customs Department and the NOU on the use of import quotas for HCFCs has not yet been completed because of major changes in the Government. Despite this, the NOU has managed to work closely with the Trade and Customs Service to monitor the issuance and use of quotas for HCFC imports.

15. UNEP explained that codes or standards for the safe handling of refrigerants and for the installation of RAC equipment based on low-GWP refrigerants have not yet been put in place, although the legal framework for managing toxic and flammable refrigerants is now included in the ODS law. UNEP also noted that such codes and standards should be considered during stage II of the HPMP for Chad, as it is expected that equipment based on these refrigerants will gradually be available in the country.

*Refrigeration servicing sector*

16. UNEP reported that developing a certification scheme required technical expertise which is not yet available in the country, and that the fifth-tranche funds would be used to continue the training of RAC servicing technicians. The Government is taking all necessary steps to facilitate the establishment of a certification system during stage II of the HPMP. UNEP, through its CAP, will provide technical support and facilitate discussions on certification models among countries in the region.

17. With regard to HCFC consumption in 2020, which was only slightly below the allowable consumption, UNEP indicated that with the strict implementation of the licensing and quota system coupled with training activities, the country would be able to achieve its phase-out targets. In addition, a

comprehensive strategy to meet the 2025 target will be developed in the preparation of stage II of the HPMP.

### Completion of stage I

18. The completion date for stage I of the HPMP is 31 December 2021. However, the constraints imposed by the COVID-19 pandemic prevented the submission of the last tranche request in 2020. UNEP informed that organizing virtual workshops has posed challenges because of low internet speed in the country. Although holding in-person meetings is still difficult, workshops with a limited number of participants respecting social distancing measures have now been authorized by the Government. Accordingly, the Government of Chad is requesting an extension of the completion date of stage I to 31 December 2022. The Secretariat supports this extension on the understanding that no further extensions will be requested, and notes the efforts by the Government, UNEP and UNIDO to continue implementing activities under the HPMP notwithstanding the challenges brought about by the COVID-19 pandemic. Stage II of the HPMP will be submitted by the 90<sup>th</sup> meeting.

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

19. The NOU will inform the main stakeholders of the Multilateral Fund's gender policy to encourage female participation in all aspects of HPMP implementation. Furthermore, the NOU will discuss with relevant stakeholders to promote gender balance and encourage women to become RAC technicians, and the NOU will collect gender-disaggregated data specifically on the training courses.

### Sustainability of the HCFC phase-out

20. To ensure the long-term sustainability of the technician training programme, the refrigeration training centres will include an ozone module in their curriculum by the end of the fifth tranche, and a certification scheme of refrigeration technicians will be introduced during stage II of the HPMP. In the meantime, training centres will continue training technicians in good and safe servicing practices for RAC equipment, providing advice on technology issues, and lending equipment to technicians for proper on-site maintenance. The training and capacity building of customs and enforcement officers is an ongoing activity, being implemented in cooperation with the customs authorities. These activities, in combination with the application of the HCFC quota system, will contribute to the sustainable phase-out of HCFCs.

### Conclusion

21. The country is in compliance with the Montreal Protocol targets and its 2020 consumption was 37 per cent below the HCFC baseline. Although the COVID-19 pandemic has delayed the submission of the fifth tranche, progress has been made in the implementation of the previous tranche, including training of customs and other enforcement officers and refrigeration technicians, both exceeding the targets set for the tranche. The overall disbursement rate for stage I has also reached 100 percent. UNEP and UNIDO supported the Government of Chad in implementing the recommendations of the verification report. The approval of the fifth tranche and the extension of stage I of the HPMP will allow continued implementation of the HPMP and compliance of the country with its targets under the Montreal Protocol.

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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.

**RECOMMENDATION**

22. The Fund Secretariat recommends that the Executive Committee:

- (a) Takes note of the progress report on the implementation of the fourth tranche of stage I of the HCFC phase-out management plan (HPMP) for Chad; and
- (b) Approves, on an exceptional basis, the extension of the date of completion of stage I of the HPMP for Chad to 31 December 2022, given the delay in implementing phase-out activities due to the COVID-19 pandemic, and noting that no further extension of project implementation would be requested.

23. The Fund Secretariat further recommends blanket approval of the fifth and final tranche of stage I of the HPMP for Chad, and the corresponding 2021- 2022 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>
HCFC phase-out management plan (stage I, fifth tranche)	65,000	8,450	UNEP