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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Forty-fifth Meeting
Montreal, 4-8 April 2005

PROJECT PROPOSALS: MYANMAR

This document consists of the comments and recommendations of the Fund Secretariat on the following project proposals:

Refrigeration

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| • Implementation of the refrigerant management plan: preparation of ozone regulations for control of ODSs | UNEP |
| • Implementation of the refrigerant management plan: monitoring the RMP implementation | UNEP |
| • Implementation of the refrigerant management plan: recovery and recycling equipment support | UNIDO |
| • Implementation of the refrigerant management plan: training of MAC technicians on recovery and recycling | UNIDO |
| • Implementation of the refrigerant management plan: retrofit domestic refrigeration using hydrocarbon blends | UNIDO |
| • Implementation of the refrigerant management plan: retrofit MAC equipment using non-ODS technology | UNIDO |
| • Implementation of the refrigerant management plan: monitoring performance of recovery & recycling and retrofit | UNIDO |
| • Implementation of the refrigerant management plan: train the trainer for refrigeration service sector (deferred) | UNEP |
| • Implementation of the refrigerant management plan: train the trainer for customs and enforcement officers (deferred) | UNEP |

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**PROJECT COVER SHEET
(NON-MULTI-YEAR PROJECTS)
MYANMAR**

PROJECT TITLES **BILATERAL/IMPLEMENTING AGENCY**

(a)	Implementation of the refrigerant management plan: preparation of ozone regulations for control of ODSs	UNEP
(b)	Implementation of the refrigerant management plan: monitoring the RMP implementation	UNEP
(c)	Implementation of the refrigerant management plan: recovery and recycling equipment support	UNIDO
(d)	Implementation of the refrigerant management plan: training of MAC technicians on recovery and recycling	UNIDO
(e)	Implementation of the refrigerant management plan: retrofit domestic refrigeration using hydrocarbon blends	UNIDO
(f)	Implementation of the refrigerant management plan: retrofit MAC equipment using non-ODS technology	UNIDO
(g)	Implementation of the refrigerant management plan: monitoring performance of recovery & recycling and retrofit	UNIDO
(h)	Implementation of the refrigerant management plan: train the trainer for refrigeration service sector (deferred)	UNEP
(i)	Implementation of the refrigerant management plan: train the trainer for customs and enforcement officers (deferred)	UNEP

NATIONAL CO-ORDINATING AGENCY	NCEA
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LATEST REPORTED CONSUMPTION DATA FOR ODS ADDRESSED IN PROJECT

A: ARTICLE-7 DATA (ODP TONNES, 2003, AS OF 17 FEBRUARY 2005)

CFC	51.6		

B: COUNTRY PROGRAMME SECTORAL DATA (ODP TONNES, 2003, AS OF 17 FEBRUARY 2005)

ODS Name	Sub-sector/quantity			
CFC	Refrigeration 51.6			

CFC consumption remaining eligible for funding (ODP tonnes)	n/a
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CURRENT YEAR BUSINESS PLAN ALLOCATIONS		Funding US \$	Phase-out ODP tonnes
	(a), (b), (h), (i)	226,000	n/a
	(c) – (g)	267,050	43.5

PROJECT COVER SHEET – NON-MULTI-YEAR PROJECTS (continuation)
MYANMAR

PROJECT TITLE:	Prep of ODS regulations	Monitoring RMP implementation	R and R equipment support	Training MAC technicians on R and R	Retrofit dom-ref using hydrocarbon blends	Retrofit MAC equipment	Monitoring performance of R & R and retrofit	Train the trainer	Train the trainer for customs
ODS use at enterprise (ODP tonnes):									
ODS to be phased out (ODP tonnes):									
ODS to be phased in (ODP tonnes):									
Project duration (months):	6	36	12	18	36	36	36	21	12
Initial amount requested (US \$):	13,000	22,000	43,000	70,000	100,000	95,000	26,000	53,500	68,000
Final project cost:									
Incremental Capital Cost (US \$)	13,000	22,000	43,000	70,000	80,000	75,000	26,000	53,500	68,000
Contingency (10%) (US \$)									
Incremental Operating Cost (US \$)									
Total Project Cost (US \$)	13,000	22,000	43,000	70,000	80,000	75,000	26,000	53,500	68,000
Local ownership (%):	100%	100%	100%	100%	100%	100%	100%	100%	100%
Export component (%):	0%	0%	0%	0%	0%	0%	0%	0%	0%
Requested grant (US \$):	13,000	22,000	43,000	70,000	80,000	75,000	26,000	0 (deferred)	0 (deferred)
Cost-effectiveness (US \$/kg):									
Implementing agency support cost (US \$):	1,690	2,860	3,870	6,300	7,200	6,750	2,340	0 (deferred)	0 (deferred)
Total cost of project to Multilateral Fund (US \$):	14,690	24,860	46,870	76,300	87,200	81,750	28,340	0 (deferred)	0 (deferred)
Status of counterpart funding (Y/N):									
Project monitoring milestones included (Y/N):									

SECRETARIAT'S RECOMMENDATION	Pending
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PROJECT DESCRIPTION

1. On behalf of the Government of Myanmar, UNEP has submitted a Refrigerant Management Plan (RMP) to the 45th Meeting of the Executive Committee. The RMP is meant to support the Government of Myanmar in achieving a reduction in CFC consumption from the 2003 level of 51.61 ODP tonnes to 11.0 ODP tonnes in 2007, meeting Myanmar's compliance targets for CFC consumption in both 2005 and 2007. Myanmar had a baseline consumption of 73.30 ODP tonnes.
2. Myanmar ratified the Vienna Convention, the Montreal Protocol and the London Amendment in 1993. No other amendments have been ratified. So far, the Executive Committee has only approved funding for a Country Programme and Institutional Strengthening, but not for any activities directly related to the phase-out of CFC consumption or to CFC users. The Country Programme for the Phase out of ODS in Myanmar was approved by the Executive Committee of the Multilateral Fund in 1999.
3. Myanmar's reported consumption of CFCs for the year 2003 was 51.6 ODP tonnes, a figure more than 40% above the 2005 compliance obligation of 36.65 ODP tonnes. CFC consumption is distributed among the several segments of the refrigeration-servicing sector. In Myanmar there is no CFC consumption in sectors other than refrigeration servicing. Since Myanmar does not manufacture CFCs, the imports correspond to the total consumption in the country.
4. The national counterpart for Montreal Protocol implementation is the "National Commission of Environmental Affairs", NCEA, located in the Foreign Ministry. During the preparation mission for the RMP, it was noted the NCEA has not implemented any major activities relating to Country Programme implementation. No specific law for environment protection is available within the country. While the Government has a general licensing system for controlling imports, laws have still to be drafted for controlling and regulating the use of ODSs. The project proposal states that there are no specific regulations such as registration, licensing or other controls on ODSs and ODS-based products. The proposal states further that NCEA has taken initiatives to ensure expeditious implementation of the Country Programme and Refrigerant Management Plan in the near future.
5. Myanmar is a LVC and has not received any funding other than Institutional Strengthening, Country Programme preparation and RMP preparation. It is eligible to receive funding for a Refrigerant Management Plan.

SECRETARIAT'S COMMENTS AND RECOMMENDATIONS

COMMENTS

6. UNEP submitted this project as a RMP, but since it was designed to achieve complete phase-out of CFC consumption it has the character of a TPMP (terminal phase-out plan). Decision 38/64 specifies, as a prerequisite for a TPMP, that the country concerned has a

licensing system in operation and has enacted or improved legislation to phase-out ODS consumption. The Secretariat advised UNEP to rearrange the projects as a RMP according to decision 31/48, and requested the agency to act as lead agency, including the responsibility for the overall implementation and the co-ordination of the steps taken by the Government of Myanmar with activities undertaken by UNEP and UNIDO.

7. UNEP and the Secretariat agreed that the commencement of several of the activities proposed should be subject to the set-up of a legislative and enforcement system. The Secretariat believes that a number of activities could commence immediately. Details remain presently under discussion with UNEP and UNIDO.

8. The Recovery and Recycling Equipment Support project proposes centralised recycling equipment, which has in various countries shown limited performance in terms of utilisation of the recycling equipment; this has also been demonstrated in the evaluation of the Senior Evaluation Officer submitted to the 41st Meeting. The Secretariat requested UNIDO to redraft the proposal in a way to ensure that centralised recycling would be carried out on a trial basis to verify the usefulness of this particular approach. Depending on the experience, the country should have the possibility to refocus the remaining funds towards other CFC phase-out activities. The same consideration is valid for a recovery and recycling project for the MAC sector, which was also proposed.

9. UNIDO proposes a retrofit sub-project for MAC conversion to HFC-134a, which is a fairly complex and expensive undertaking, while the car population targeted in Myanmar is more than 10 years old. A retrofit scheme in a car population with already over-aged MAC systems seems to be not effective. The Secretariat suggested considering instead the support of import and use of drop-in replacements.

10. Upon finalisation of this document, UNEP, UNIDO and the Secretariat were still discussing the necessary modifications to the project proposals, with UNEP agreeing to defer two of the projects forming the RMP. In light of the fact that Myanmar urgently needs support to achieve the 2005 compliance targets, the Secretariat aims at finalizing the discussions on the seven remaining projects with the agencies in time for the preparation of an addendum to this document, for consideration at the 45th Meeting.

RECOMMENDATIONS

11. Pending
