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Programme**

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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Fifty-fourth Meeting
Montreal, 7-11 April 2008

Addendum

PROJECT PROPOSAL: TOGO

This addendum is being issued to:

- **Replace** page 2 **with** the attached project evaluation sheet.
- **Add** para. 16bis as follows:

16bis. Since the issuance of UNEP/OzL.Pro/ExCom/54/48, the lead agency and the Secretariat finalised its discussions on the TPMP for Togo. In discussions between UNEP and UNDP, there was an agreement for an additional USD\$18,000 to allow for the provision of further expertise required by both agencies to facilitate the efficient implementation of the training programmes, as well as the equipment support component. On this basis, and in line with similar cases from this region, the Secretariat supports the need for this additional expertise and its corresponding costs as required by the country for full implementation of the TPMP. Thus, all outstanding issues have been resolved. The draft agreement that was received from the country is attached as Annex I to this document.

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.

For reasons of economy, this document is printed in a limited number. Delegates are kindly requested to bring their copies to the meeting and not to request additional copies.

- **Replace para 17 with:**

17. The Secretariat recommends blanket approval of the terminal phase-out management plan in Togo. The Executive Committee may wish to:

- Approve, in principle, the terminal phase-out management plan for Togo, at the amount of US \$316,000 plus agency support costs of US \$20,670 for UNEP and US \$14,130 for UNDP;
- Approve the draft agreement between the Government of Togo and the Executive Committee for the implementation of the terminal phase-out management plan, as contained in Annex I to this document;
- Urge UNEP and UNDP to take full account of the requirements of Executive Committee decisions 41/100 and 49/6 during the implementation of the terminal phase-out management plan; and
- Approve the first tranche of the plan at the funding levels shown in the table below:

	Project Title	Project Funding (US \$)	Support Cost (US \$)	Implementing Agency
(a)	Terminal phase-out management plan (first tranche)	89,000	11,570	UNEP
(b)	Terminal phase-out management plan (first tranche)	95,000	8,550	UNDP

**PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS
TOGO**

PROJECT TITLE **BILATERAL/IMPLEMENTING AGENCY**

Terminal phase-out management plan: first tranche	UNEP and UNDP
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SUB-PROJECT TITLES

(a) Strengthening of technical capacities for refrigeration technicians	UNEP/UNDP
(b) Capacity building for customs officers	UNEP
(c) Technical assistance and equipment programme; and	UNDP
(d) Project implementation and monitoring	UNEP

NATIONAL CO-ORDINATING AGENCY:	DIRECTION DE L'ENVIRONNEMENT, MINISTERE DE L'ENVIRONNEMENT ET DES RESSOURCES FORESTIERES
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LATEST REPORTED CONSUMPTION DATA FOR ODS ADDRESSED IN PROJECT

A: ARTICLE-7 DATA (ODP TONNES 2006, AS OF SEPTEMBER 2007)

Annex A, Group 1 (CFC)	10.1		
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B: COUNTRY PROGRAMME SECTORAL DATA (ODP TONNES 2006, AS OF SEPTEMBER 2007)

	ODS	Aerosol	Foam	Ref. Mfg.	Ref. Servicing	Solvents	Process agent	Fumigant
CFC					10.1			

CFC consumption remaining eligible for funding (ODP tonnes)	n/a
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CURRENT YEAR BUSINESS PLAN: Total funding US \$97,719: total phase-out 1 ODP tonnes.

PROJECT DATA		2006	2007	2008	2009	2010	Total
Annex A CFC (ODP tonnes)	Montreal Protocol limit	19.9	5.9	5.9	5.9	0	
	Annual consumption limit	19.9	5.9	5.9	5.9	0	
	Annual phase-out from ongoing projects			n/a			
	Annual phase-out newly addressed				5.9	0	5.9
	Annual unfunded phase-out						
TOTAL ODS CONSUMPTION TO BE PHASED OUT							
Final project costs (US \$):							
Funding for Lead IA: UNEP				89,000	70,000		159,000
Funding for Cooperating IA: UNDP				95,000	62,000		157,000
Total project funding				184,000	132,000		316,000
Final support costs (US \$):							
Support cost for Lead IA: UNEP				11,570	9,100		20,670
Support cost for Cooperating IA: UNDP				8,550	5,580		14,130
Total support costs				20,120	14,680		34,800
TOTAL COST TO MULTILATERAL FUND (US \$)				204,120	146,680		350,800
Final project cost effectiveness (US\$/kg)							n/a

FUNDING REQUEST: Approval of funding for the first tranche (2008) as indicated above.

SECRETARIAT'S RECOMMENDATION	For blanket approval
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**DRAFT AGREEMENT BETWEEN TOGO AND THE EXECUTIVE COMMITTEE
OF THE MULTILATERAL FUND FOR THE PHASE-OUT
OF OZONE-DEPLETING SUBSTANCES**

1. This Agreement represents the understanding of the Government of Togo (the “Country”) and the Executive Committee with respect to the complete phase-out of controlled use of the ozone-depleting substances set out in Appendix 1-A (the “Substances”) prior to 1 January 2010 in compliance with Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 2 of Appendix 2-A (the “Targets, and Funding”) in this Agreement. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to the Substances.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 6 of Appendix 2-A (the “Targets, and Funding”) to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (the “Funding Approval Schedule”).
4. The Country will meet the consumption limits for each of the Substances as indicated in Appendix 2-A. It will also accept independent verification by the relevant implementing agency of achievement of these consumption limits as described in sub-paragraph 5(b) of this Agreement.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least 60 days prior to the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Targets for the applicable year;
 - (b) That the meeting of these Targets will be independently verified, if requested by the Executive Committee consistent with paragraph (d) of decision 45/54;
 - (c) That the Country has substantially completed all actions set out in the last annual implementation programme; and
 - (d) That the Country has submitted and received endorsement from the Executive Committee for an annual implementation programme in the form of Appendix 4-A (the “Format of Annual Implementation Programme”) in respect of the year for which tranche funding is being requested.
6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (the “Monitoring Institutions and Roles”) will monitor and report on that monitoring in accordance with the roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in sub-paragraph 5(b).

7. While the Funding was determined on the basis of estimates of the needs of the Country to carry out its obligations under this Agreement, the Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the goals prescribed under this Agreement. Reallocations categorized as major changes must be documented in advance in the next annual implementation programme and endorsed by the Executive Committee as described in sub-paragraph 5(d). Reallocations not categorized as major changes may be incorporated in the approved annual implementation programme, under implementation at the time, and reported to the Executive Committee in the report on implementation of the annual implementation programme.

8. Specific attention will be paid to the execution of the activities in the refrigeration-servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation;
- (b) The technical assistance programme for the refrigeration-servicing sub-sector will be implemented in stages so that remaining resources can be diverted to other phase-out activities such as additional training or procurement of service tools in cases where the proposed results are not achieved, and will be closely monitored in accordance with Appendix 5-A of this Agreement; and
- (c) The Country and the implementing agencies will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the "Lead IA") and UNDP has agreed to be cooperating implementing agency (the "Cooperating IA") under the lead of the Lead IA in respect of the Country's activities under this Agreement. The Lead IA will be responsible for carrying out the activities listed in Appendix 6-A, including but not limited to independent verification as per sub-paragraph 5(b). The Country also agrees to periodic evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund. The Cooperating IA will be responsible for carrying out the activities listed in Appendix 6-B. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 7 and 8 of Appendix 2-A.

10. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in Appendix 2-A of the Montreal Protocol or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised funding approval schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amounts set out in Appendix 7-A in respect of each ODP tonne of reductions in consumption not achieved in any one year.

11. The funding components of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

12. The Country will comply with any reasonable request of the Executive Committee and the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to information necessary to verify compliance with this Agreement.

13. All of the agreements set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Protocol unless otherwise defined herein.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Annex A:	Group I	CFC-11, CFC-12 ,CFC-113,CFC-114 and CFC-115
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APPENDIX 2-A: THE TARGETS, AND FUNDING

		2008	2009	2010	Total
1	Montreal Protocol consumption limits of Annex A, Group I substances (ODP tonnes)	5.9	5.9	0	n/a
2	Maximum allowable consumption of Annex A, Group I substances(ODP tonnes)	5.9	5.9	0	n/a
3	New reduction under plan (ODP tonnes)		5.9	0	5.9
4	Lead IA agreed funding (US \$)	89,000	70,000		159,000
5	Cooperating IA agreed funding (US \$)	95,000	62,000		157,000
6	Total agreed funding (US \$)	184,000	132,000		316,000
7	Lead IA support costs (US \$)	11,570	9,100		20,670
8	Cooperating IA support cost(US \$)	8,550	5,580		14,130
9	Total agency support costs (US \$)	20,120	14,680		34,800
10	Grand total agreed funding (US \$)	204,120	146,680		350,800

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Following approval of the first tranche in 2008, funding for the second tranche will be considered for approval not earlier than the first meeting in 2009.

APPENDIX 4-A: FORMAT OF ANNUAL IMPLEMENTATION PROGRAMME

1.	Data	
	Country	
	Year of plan	
	# of years completed	
	# of years remaining under the plan	
	Target ODS consumption of the preceding year	
	Target ODS consumption of the year of plan	
	Level of funding requested	
	Lead implementing agency	
	Cooperating agency(ies)	

2. **Targets**

Indicators		Preceding year	Year of plan	Reduction
Supply of ODS	Import			
	Total (1)			
Demand of ODS	Manufacturing			
	Servicing			
	Stockpiling			
	Total (2)			

3. **Industry Action**

Sector	Consumption preceding year (1)	Consumption year of plan (2)	Reduction within year of plan (1) – (2)	Number of projects completed	Number of servicing related activities	ODS phase-out (in ODP tonnes)
Manufacturing						
Total						
Refrigeration						
Total						
Grand total						

4. **Technical Assistance**

Proposed Activity:
Objective:
Target Group:
Impact:

5. **Government Action**

Policy/Activity planned	Schedule of implementation
Type of policy control on ODS import: servicing, etc.	
Public awareness	
Others	

6. **Annual Budget**

Activity	Planned expenditures (US \$)
Total	

7. **Administrative Fees**

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. All the monitoring activities will be coordinated and managed through the project "Monitoring and Management Unit", within the National Ozone Unit (NOU).

2. The Lead IA will have a particularly prominent role in the monitoring arrangements because of its mandate to monitor ODS imports, whose records will be used as a crosschecking reference in all the monitoring programmes for the different projects within the terminal phase-out plan (TPMP). This organization, along with the Cooperating IA will also undertake the challenging task of monitoring illegal ODS imports and exports with advisements made to the appropriate national agencies through the National Ozone Unit (NOU).

Verification and reporting

3. In accordance to decision 45/54 (d), the Executive Committee reserves the right for independent verification in case the Executive Committee selects Togo for related auditing. Based on discussion with the Lead IA, Togo should select the independent organization (auditing) to carry out the verification of the TPMP results and this independent monitoring programme.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities to be specified in the project document as follows:

- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's phase-out plan;
- (b) Assisting the Country in preparation of the Annual Implementation Programme;
- (c) Providing verification to the Executive Committee that the Targets have been met

and associated annual activities have been completed as indicated in the Annual Implementation Programme consistent with Appendix-5A. In case the Executive Committee selects Togo consistent with paragraph (d) of decision 45/54, separate funding will be provided by the Executive Committee to the Lead IA for this undertaking;

- (d) Ensuring that the achievements in previous annual implementation programmes are reflected in the future annual implementation programme;
- (e) Reporting on the implementation of the Annual Implementation Programme of 2008 and preparing for annual implementation programme for 2009 for submission to the Executive Committee;
- (f) Ensuring that appropriate independent technical experts carry out the technical reviews undertaken by the Lead IA;
- (g) Carrying out required supervision missions;
- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Annual Implementation Programme and accurate data reporting;
- (i) Providing verification for the Executive Committee that consumption of the Substances has been eliminated in accordance with the Targets, if requested by the Executive Committee;
- (j) Coordinating the activities of the Cooperating IA;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (l) Providing assistance with policy, management and technical support when required.

APPENDIX 6-B: ROLE OF COOPERATING IMPLEMENTING AGENCY

1. The Cooperating IA will:

- (a) Provide policy development assistance when required;
- (b) Assist Togo in the implementation and assessment of the activities funded for by the Cooperating IA; and
- (c) Provide reports to the Lead IA on these activities, for inclusion in the consolidated reports.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 10 of the Agreement, the amount of funding provided may be reduced by US \$10,000 per ODP tonne of reductions in consumption not achieved in the year.