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EXECUTIVE COMMITTEE OF  
THE MULTILATERAL FUND FOR THE  
IMPLEMENTATION OF THE MONTREAL PROTOCOL  
Fifty-fifth Meeting  
Bangkok, 14-18 July 2008

**PROJECT PROPOSAL: VIET NAM**

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

Phase-out

- National CFC and halon phase-out plan (third tranche) World Bank

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

**Viet Nam**

<b>(I) PROJECT TITLE</b>	<b>AGENCY</b>
ODS phase out plan	IBRD

<b>(II) LATEST ARTICLE 7 DATA (ODP Tonnes)</b>				<b>Year: 2006</b>	
CFC: 148.7	CTC: 0	Halons: 0	MB: 96	TCA: 0	

<b>(III) LATEST COUNTRY PROGRAMME SECTORAL DATA (ODP Tonnes)</b>										<b>Year: 2007</b>			
Substances	Aerosol	Foam	Halon	Refrigeration		Solvent	Process Agent	MDI	Lab Use	Methyl Bromide		Tobacco fluffina	Total Sector Consumption
				Manufacturing	Servicing					QPS	Non QPS		
CFC				5.	37.6			0.3					42.8
CTC													0
Halons													0
Methyl Bromide										406.2	92.4		498.6
TCA													0

<b>(IV) PROJECT DATA</b>			2005	2006	2007	2008	2009	2010	Total
<b>Montreal Protocol Consumption Limits</b>		CFC	250.	250.	75.	75.	75.	0.	
		CTC	0.2	0.2	0.2	0.2	0.2	0.	
		HAL	18.6	18.6	18.6	18.6	18.6	0.	
<b>Maximum Allowable Consumption (ODP Tonnes)</b>		CFC	240.	200.	75.	40.	10.	0.	
		HAL	18.5	18.5	18.5	18.5	18.5	0.	
		CTC	0.2	0.2	0.2	0.2	0.2	0.	
<b>Project Costs (US\$)</b>	IBRD	Project Costs	495,537.	586,000.		178,463.			1,260,000.
		Support Costs	37,165.	43,950.		13,385.			94,500.
<b>Total Funds Approved in Principle (US\$)</b>		Project Costs	495,537.	586,000.		178,463.			1,260,000.
		Support Costs	37,165.	43,950.		13,385.			94,500.
<b>Total Funds Released by the ExCom (US\$)</b>		Project Costs	495,537.	586,000.		0.			1,081,537.
		Support Costs	37,165.	43,950.		0.			81,115.
<b>Total Funds Requested for Current Year (US\$)</b>		Project Costs				178,463.			178,463.
		Support Costs				13,385.			13,385.

<b>(V) SECRETARIAT'S RECOMMENDATION:</b>	<b>For blanket approval</b>
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## PROJECT DESCRIPTION

1. On behalf of the Government of Viet Nam the World Bank has submitted a request for approval of the third and final tranche of the "Viet Nam National CFC and Halon Phase-out Plan" (NCHP) amounting to US \$178,463 plus agency support cost of US \$13,385. The request was accompanied by a report on the implementation of the second tranche, the biennial implementation programme for the third tranche, and verification reports for the years 2006 and 2007.

### Background

2. Viet Nam is classified as a high-volume-consuming country, with CFC exports to other countries in the region. The Viet Nam NCHP was approved at the 44<sup>th</sup> Meeting with associated funding of US \$1,260,000. It was to be implemented by the World Bank, and aimed at phasing out a total of 243.1 ODP tonnes of CFC consumption and sustaining halon phase out in all sectors. Since then, the first and second tranches, amounting to US \$ 495,537 and US \$586,000 respectively, have been released to Viet Nam.

3. The submission included verified consumption data for 2006 and 2007. The verification showed that no applications or permits for import of halon, CTC or other CFC besides CFC-12 were made or issued during this period. The 2006 data indicated a consumption of 148.7 ODP tonnes of CFC-12 (74.3 % of the agreed maximum for CFCs), and the 2007 data a consumption of 37.8 ODP tonnes (50.4 % of the agreed maximum). A reduction of 37.8 tonnes of CFC consumption is therefore required in order to achieve complete phase out by the end of 2009. For CTC and halons, the consumption was maintained at zero ODP tonnes compared to an agreed maximum of 18.5 ODP tonnes for CTC and 0.2 tonnes for halons.

### Annual implementation reports for the years 2006 to 2007

4. During 2006 and 2007, the foam component of the project was successfully completed through the provision of new as well as retrofitting of equipment. Some progress was made in the refrigeration and MAC sector, where the planned provision of training equipment to 20 training centres was fully completed, 259 technicians trained, and the supply of service tools to workshops initiated. In the MDI and halon sectors, while preparatory arrangements such as the signing of memoranda of agreement between concerned actors were completed, the actual implementation of planned activities is yet to commence.

### 2008 - 2009 implementation programme

5. The planned activities for the period 2008 - 2009 are as follows:
- (a) Continued supply of service tools to MAC and refrigerant servicing shops, provision of refrigerant identifiers for MAC inspection centres and finalization of an inspection manual and information brochure;
  - (b) In the MDI sector, technical assistance for completing the CFC phase out strategy and a strategy consultation workshop;

- (c) In the halon sector, the conducting of fire protection workshops, training of service technicians, establishment of a recovery and recycling facility and development of a halon databank; and
- (d) Management and monitoring of the above activities.

## SECRETARIAT COMMENTS AND RECOMMENDATION

### COMMENTS

6. The progress on the NCHP has been fair, although activities in some sectors are behind schedule. In particular, activities in the MDI and halon sectors are still in the preparatory stages. In the refrigeration sector, while the provision of equipment for workshops and MAC inspection centres has advanced at a slower rate than planned, activities related to training have progressed well. Activities in the foam sector have been fully completed. The verifications have proven that the licensing system is robust and will enable Viet Nam to continue complying with the phase-out schedule both under the Agreement as well as under the Montreal Protocol. Overall, the level of progress attained is sufficient to recommend the release of the final tranche of funding for the NCHP.

### RECOMMENDATION

7. The Fund Secretariat recommends blanket approval of the third and final tranche of the phase-out plan with associated support costs at the funding levels shown in the table below:

Project Title	Project Funding (US\$)	Support Cost (US\$)	Implementing Agency
National CFC and halon phase-out plan (third tranche)	178,463	13,585	World Bank

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