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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Fifty-sixth Meeting
Doha, 8-12 November 2008

PROJECT PROPOSAL: SAINT KITTS AND NEVIS

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

Phase-out

- Terminal CFC phase-out management plan (second and third tranches) UNDP and UNEP

PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS
Saint Kitts and Nevis

(I) PROJECT TITLE	AGENCY
CFC phase out plan	UNDP, UNEP

(II) LATEST ARTICLE 7 DATA (ODP Tonnes)					Year: 2007
CFC: 0.1	CTC: 0	Halons: 0	MB: 0	TCA: 0	

(III) LATEST COUNTRY PROGRAMME SECTORAL DATA (ODP Tonnes)											Year: 2007		
Substances	Aerosol	Foam	Halon	Refrigeration		Solvent	Process Agent	MDI	Lab Use	Methyl Bromide		Tobacco fluffing	Total Sector Consumption
				Manufacturing	Servicing					QPS	Non QPS		
CFC					0.1								0.1
CTC													0
Halons													0
Methyl Bromide									0				0
TCA													0

(IV) PROJECT DATA			2006	2007	2008	2009	2010	Total
Montreal Protocol Consumption Limits		CFC	1.9	0.6	0.6	0.6	0.	
Maximum Allowable Consumption (ODP Tonnes)		CFC	1.8	0.6	0.6	0.6	0.	
Project Costs (US\$)	UNDP	Project Costs	50,000.	45,000.	10,000.	3,000.		108,000.
		Support Costs	4,500.	4,050.	900.	270.		9,720.
	UNEP	Project Costs	40,000.	60,000.	30,000.	14,000.		144,000.
		Support Costs	5,200.	7,800.	3,900.	1,820.		18,720.
Total Funds Approved in Principle (US\$)		Project Costs	90,000.	105,000.	40,000.	17,000.		252,000.
		Support Costs	9,700.	11,850.	4,800.	2,090.		28,440.
Total Funds Released by the ExCom (US\$)		Project Costs	90,000.	0.	0.	0.		90,000.
		Support Costs	9,700.	0.	0.	0.		9,700.
Total Funds Requested for Current Year (US\$)		Project Costs		105,000.	40,000.			145,000.
		Support Costs		11,850.	4,800.			16,650.

(V) SECRETARIAT'S RECOMMENDATION:	For blanket approval
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PROJECT DESCRIPTION

1. On behalf of the Government of Saint Kitts and Nevis, UNEP, as the lead implementing agency, has submitted a progress report on the implementation of the first work programme of the Saint Kitts and Nevis terminal phase-out management plan (TPMP) to the 56th Meeting of the Executive Committee. UNEP has also submitted a request for funding for the second and third tranches of the TPMP at a total cost of US \$90,000 plus agency support costs of US \$11,700 for UNEP, and US \$55,000 plus agency support costs of US \$4,950 for UNDP.

Background

2. The TPMP for Saint Kitts and Nevis was approved by the Executive Committee at its 48th Meeting, to completely phase out CFC consumption in the country by 2009. Total funding of US \$252,000 plus agency support costs of US \$28,440 was approved in principle by the Executive Committee. At the same meeting, the Executive Committee approved US \$90,000, plus agency support costs of US \$5,200 for UNEP and US \$4,500 for UNDP, for the implementation of the first tranche of the TPMP.

Progress report on the implementation of the first tranche of the TPMP

3. Following the approval of the TPMP by the Executive Committee, customs officers have been trained, the Saint Kitts and Nevis refrigeration and air conditioning association has been set up, and training has been provided to approximately half of the country's refrigeration technicians using equipment obtained from the RMP. Basic service tools and equipment have been procured and will be delivered to technicians by December 2008. Further training programmes for refrigeration technicians will be conducted once the tools and equipment have been distributed (January 2009). Local consultants have been hired to assist in the implementation of the activities proposed in the TPMP.

4. As of September 2008, of the US \$90,000 approved for the first tranche, US \$77,094 has been disbursed or committed. The Government of Saint Kitts and Nevis is requesting the release of the second and third tranches to facilitate continued implementation of project activities up to September 2009, when the final tranche will be requested.

Plan of action for the second tranche of the TPMP

5. The Government of Saint Kitts and Nevis commits to implementing the following activities under the second and third work programmes of the TPMP: provision of additional servicing tools and equipment; demonstration workshops on retrofitting CFC-based equipment with drop-in refrigerants; further training of customs officers and other enforcement personnel and the establishment of an illegal-trade prevention network. It is also planning to finalize a code of good practices; further training of refrigeration technicians; provide continued support of the refrigeration association; and monitoring and evaluation.

SECRETARIAT'S COMMENTS AND RECOMMENDATION

COMMENTS

6. At their 15th Meeting, the Parties noted that Saint Kitts and Nevis failed to report data for consumption of CFCs for the control period from 1 July 2001 to 31 December 2002, and had also reported annual CFC data for 2001 and/or 2002 which was above the requirement for a freeze in consumption. In the absence of further clarification, the Party was presumed to be in non-compliance with the control measures under the Protocol (decision XV/21). At the same Meeting, the Parties also noted

that annual data reported for methyl bromide (MB) by Saint Kitts and Nevis was above the requirement for a freeze in consumption. In the absence of further clarification, the Party was presumed to be in non-compliance with the control measures under the Protocol (decision XV/25).

7. Since the adoption of decisions XV/21 and XV/25, the CFC consumption levels reported by the Government of Saint Kitts and Nevis under Article 7 of the Protocol have been below the maximum allowable levels under the Montreal Protocol. Also, the Government reported zero consumption of MB in 2006 and 2007. UNEP pointed out that the reduction in CFC consumption was achieved through an accelerated phase-out programme adopted by the Government; the ban on importation of CFC-based equipment; the retrofitting of CFC-based equipment to alternative refrigerants during equipment repairs due to failures; and recovery and recycling operations using the equipment provided under the RMP project.

8. The Secretariat raised technical issues related to: the equipment and service tools to be procured for 2009 and the proposed equipment to be retrofitted; the feasibility of adopting a code of good practices from another country rather than drafting a new one; the limited time frame available before the 1 January 2010 phase-out date to implement activities such as developing an inventory of CFC-based equipment to be retrofitted, or conducting a cost/benefit analysis to determine the best option for refrigeration systems to be converted. All these issues have accordingly been addressed by the implementing agencies and incorporated in the final project proposal.

9. Issues related to delays during the implementation of the first tranche of the TPMP have also been addressed by the implementing agencies (i.e., for subsequent funding tranches, the agencies will be providing direct and very close follow-up of the implementation of each activity and will have more control over the disbursement of funds, as discussed).

RECOMMENDATION

10. Noting that the Government of Saint Kitts and Nevis has been in compliance with the provisos of decisions XV/21 and XV/25 and that issues related to implementation delays have been addressed, the Fund Secretariat recommends blanket approval of the second and third tranches of the TPMP with associated support costs at the funding level shown in the table below.

	Project Title	Project Funding (US \$)	Support Cost (US \$)	Implementing Agency
(a)	Terminal phase-out management plan (second and third tranches)	90,000	11,700	UNEP
(b)	Terminal phase-out management plan (second and third tranches)	55,000	4,950	UNDP

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