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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Sixtieth Meeting
Montreal, 12-15 April 2010

PROJECT PROPOSAL: ZIMBABWE

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

Phase-out

- National phase-out of Annex A (Group I) substances (phase II, fourth tranche) Germany

PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS
Zimbabwe

(I) PROJECT TITLE	AGENCY
CFC phase out plan	Germany

(II) LATEST ARTICLE 7 DATA (ODP Tonnes)				Year: 2008	
CFC: 7	CTC: 0	Halons: 0	MB: 21.6	TCA: 0	

(III) LATEST COUNTRY PROGRAMME SECTORAL DATA (ODP Tonnes)										Year: 2008			
Substances	Aerosol	Foam	Halon	Refrigeration		Solvent	Process Agent	MDI	Lab Use	Methyl Bromide		Tobacco fluffing	Total Sector Consumption
				Manufacturing	Servicing					QPS	Non QPS		
CFC					7.								7
CTC													0
Halons													0
Methyl Bromide										21.6			21.6
Others													0
TCA													0

(IV) PROJECT DATA			2006	2007	2008	2009	2010	Total
Montreal Protocol Consumption Limits		CFC	225.7	67.7	67.7	67.7	0.	
Maximum Allowable Consumption (ODP Tonnes)		CFC		65.	40.	20.	0.	
Project Costs (US\$)	Germany	Project Costs		175,000.	175,000.	175,000.	40,000.	565,000.
		Support Costs		22,347.	22,347.	22,347.	5,108.	72,149.
Total Funds Approved in Principle (US\$)		Project Costs		175,000.	175,000.	175,000.	40,000.	565,000.
		Support Costs		22,347.	22,347.	22,347.	5,108.	72,149.
Total Funds Released by the ExCom (US\$)		Project Costs		175,000.	175,000.	175,000.	0.	525,000.
		Support Costs		22,347.	22,347.	22,347.	0.	67,041.
Total Funds Requested for Current Year (US\$)		Project Costs					40,000.	40,000.
		Support Costs					5,108.	5,108.

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

1. On behalf of the Government of Zimbabwe, the Government of Germany has submitted to the 60th Meeting of the Executive Committee a request for funding of the fourth and final tranche of the national phase-out (NPP) of Annex A (Group I) substances, Phase II at a cost of US \$40,000 plus agency support costs of US \$5,108. The submission also includes a progress report on the implementation of the NPP during 2009, and the implementation programme for 2010.

Background

2. The NPP for Zimbabwe was approved by the Executive Committee at its 51st Meeting, to completely phase out CFC consumption in the country by the end of 2010. Total funding of US \$565,000 plus agency support costs of US \$72,149 was approved in principle by the Executive Committee. At the same meeting, the Executive Committee approved US \$175,000 plus agency support costs of US \$22,347 for the implementation of the first tranche. The second and third tranches, at a cost of US \$175,000 plus agency support costs of US \$22,347 each, were approved at the 54th and 57th Meeting respectively.

Progress report on the implementation of the third tranche of the NPP

3. A total of 24 customs officers and 61 technicians have been trained since the approval of the third tranche of the NPP. In 2009, a total of 160 CFC-12 based commercial refrigeration systems were converted to HFC-134a, and almost 0.8 ODP tonnes of CFCs were recovered and recycled. The Ozone Officer conducted an audit of the recovery/recycling equipment available in service companies. As a result, proper monitoring and data collection is now in place and quantities of recovered refrigerant are submitted to the Ozone Unit quarterly. A consultant has been recruited to monitor the activities included in the NPP.

4. As of December 2009, of the US \$525,000 approved so far, US \$509,215 had been disbursed or committed. The balance of US \$15,785 will be disbursed during 2010.

Plan of action for the fourth tranche of the NPP

5. The Government of Zimbabwe commits to implementing the following activities under the fourth work programme of the NPP including: monitoring the ban on CFC, CTC and halon imports to strengthen control measures for ODS imports by customs officers at border posts, and implementing the code of conduct for refrigeration technicians. The implementation of the incentive programme to convert CFC-based equipment to alternative refrigerants will continue and promotion of more recovery and recycling through the recovery and recycling network NPP activities will also be monitored.

SECRETARIAT'S COMMENTS AND RECOMMENDATION

COMMENTS

6. The 2008 CFC consumption reported by the Government of Zimbabwe under Article 7 of the Montreal Protocol of 7.0 ODP tonnes was already 60.7 ODP tonnes below that of 67.7 ODP tonnes allowed for that year. CFC consumption in 2009 has been estimated at 2.6 ODP tonnes. Germany assured the Government of Zimbabwe's commitment to sustain zero CFC consumption beyond 2009 by completing all activities in the NPP. Germany also explained that the ODS legislation in place has not yet been amended to cover HCFCs in accordance with the phase-out schedule agreed by the Parties. Although import licenses are issued for HCFCs, at present they are not as strictly monitored as those for CFCs.

7. Upon a request for additional information on the status of the recovery and recycling scheme, the Government of Germany reported that most of the recovery units presently in use were purchased through

a stand-alone recovery and recycling programme approved for UNDP. The recovery units were only suited for CFC-12. Under the NPP, additional multi-refrigerant recovery units have been provided, which can also recover HCFC-22. However, recovery and recycling operations have only been successful in the few companies that were involved in the incentive scheme. Some of the recovered CFC-12 was recharged in domestic refrigerators. Germany also indicated that no HCFC-based refrigerants (including blends) were used in commercial refrigeration systems that have been retrofitted, given the fact that HCFCs were known to be transitional refrigerants.

8. The verification report included a set of recommendations, *inter alia*, that the Revenue Authority and the Central Statistics Office should improve their ODS data management systems to monitor ODS import trends; that customs officials should use the permits issued by the Ozone Unit to check actual imports against allocated quotas; that the Ozone Unit should legalize the ban on imports of CFCs, halons and CTC by drafting a bill to be tabled in Parliament; and that the refrigeration service sector must be encouraged to use the CFC that has been recovered and recycled. On the status of implementation of these recommendations, the Government of Germany indicated that relevant authorities in Zimbabwe were already in the process of improving data collection to prevent imports not covered by a permit from the Ozone Unit. Furthermore, the Ozone Officer visited some of the companies that had imported CFCs without quota permits, and it was found that these companies had actually imported R-406a and not CFC-12.

9. Considering the ban on CFC imports as of 1 January 2010; the training programmes for customs officers and refrigeration technicians implemented so far; the fact that the Government of Zimbabwe did not issue any import quotas for CFC-12 in 2009 (although 2.6 ODP tonnes were imported); the recovery/recycling programme in place; and the HPMP preparation funding approved for Germany at the 59th Meeting, the Secretariat suggested to the Government of Germany that it examines the merits of focusing the final tranche of the NPP on specific activities that will sustain zero consumption of CFCs and facilitate the phase-out of HCFCs in Zimbabwe. The Government of Germany indicated that, wherever feasible and possible, it will continue to encourage taking into account HCFC phase-out during NPP implementation.

RECOMMENDATION

10. The Fund Secretariat recommends that the Executive Committee:

- (a) Takes note of the progress report on the implementation of the third tranche of the national phase-out plan (NPP) in Zimbabwe;
- (b) Approves the 2010 annual implementation programme associated with the fourth tranche; and
- (c) Requests the Government of Zimbabwe, with the assistance from the Government of Germany, to submit a progress report on the implementation of the work programme associated with the fourth and final tranche of the NPP no later than the 63rd Meeting of the Executive Committee.

11. The Secretariat further recommends blanket approval of the 2010 plan associated with the fourth and final tranche of the NPP for Zimbabwe, with associated support costs at the funding level shown in the table below:

	Project Title	Project Funding (US\$)	Support Cost (US\$)	Implementing Agency
(a)	National phase-out of Annex A (Group I) substances (phase II, fourth tranche)	40,000	5,108	Germany
