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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Eighty-sixth Meeting
Montreal, 2-6 November 2020
Postponed to 8-12 March 2021¹

PROJECT PROPOSAL: CABO VERDE

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

Phase-out

- HCFC phase-out management plan (stage I, fifth tranche) UNEP

¹ Due to coronavirus disease (COVID-19)

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.

PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS

Cabo Verde

(I) PROJECT TITLE	AGENCY	MEETING APPROVED	CONTROL MEASURE
HCFC phase-out plan (Stage I)	UNEP (lead)	64 th	35% by 2020

(II) LATEST ARTICLE 7 DATA (Annex C Group I)	Year: 2019	0.06 (ODP tonnes)
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(III) LATEST COUNTRY PROGRAMME SECTORAL DATA (ODP tonnes)								Year: 2019	
Chemical	Aerosol	Foam	Fire fighting	Refrigeration		Solvent	Process agent	Lab use	Total sector consumption
				Manufacturing	Servicing				
HCFC-123									
HCFC-124									
HCFC-141b									
HCFC-142b									
HCFC-22					0.06				0.06

(IV) CONSUMPTION DATA (ODP tonnes)			
2009 - 2010 baseline:	1.1	Starting point for sustained aggregate reductions:	0.25
CONSUMPTION ELIGIBLE FOR FUNDING (ODP tonnes)			
Already approved:	0.09	Remaining:	0.16

(V) BUSINESS PLAN		2020	Total
UNEP	ODS phase-out (ODP tonnes)	0.01	0.01
	Funding (US \$)	18,080	18,080

(VI) PROJECT DATA			2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
Montreal Protocol consumption limits			n/a	n/a	1.1	1.0	1.0	1.0	1.0	1.0	1.0	0.7	n/a
Maximum allowable consumption (ODP tonnes)			n/a	n/a	0.25	0.25	0.23	0.23	0.23	0.23	0.23	0.16	n/a
Agreed funding (US\$)	UNEP	Project costs	44,000	0	35,000	0	0	35,000	0	30,000	0	16,000	160,000
		Support costs	5,720	0	4,550	0	0	4,550	0	3,900	0	2,080	20,800
Funds approved by ExCom (US\$)		Project costs	44,000	0	35,000	0	0	35,000	0	30,000	0	0	144,000
		Support costs	5,720	0	4,550	0	0	4,550	0	3,900	0	0	18,720
Total funds requested for approval at this meeting (US\$)		Project costs	0	0	0	0	0	0	0	0	0	16,000	16,000
		Support costs	0	0	0	0	0	0	0	0	0	2,080	2,080

Secretariat's recommendation:	Blanket approval
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PROJECT DESCRIPTION

1. On behalf of the Government of Cabo Verde, UNEP as designated implementing agency has submitted a request for funding for the fifth and final tranche of stage I of the HCFC phase-out management plan (HPMP), at the amount of US \$16,000, plus agency support costs of US \$2,080. The submission includes a progress report on the implementation of the fourth tranche, and the tranche implementation plan for 2020 to 2021.

Report on HCFC consumption

2. The Government of Cabo Verde reported a consumption of 0.06 ODP tonnes of HCFC in 2019, which is 95 per cent below the HCFC baseline for compliance and 76 per cent below the starting point for aggregate reductions in HCFC consumption.² The 2015-2019 HCFC consumption is shown in Table 1.

Table 1. HCFC consumption in Cabo Verde (2015-2019 Article 7 data)

HCFC-22	2015	2016	2017	2018	2019	Starting point	Baseline
Metric tonnes (mt)	2.50	2.30	1.57	1.00	1.00	4.54	20.1
ODP tonnes	0.14	0.13	0.08	0.06	0.06	0.25	1.1

3. HCFC consumption in Cabo Verde has been decreasing since 2013, due to the implementation of the licensing and quota system, the activities in the refrigeration and air-conditioning (RAC) servicing sector, awareness-raising activities, and the introduction of HCFC-free alternatives in air-conditioning and commercial refrigeration applications, mainly based on HFC refrigerants.

Country programme (CP) implementation report

4. The Government of Cabo Verde reported HCFC sector consumption data under the 2019 CP implementation report that is consistent with the data reported under Article 7 of the Montreal Protocol.

Progress report on the implementation of the fourth tranche of the HPMP

Legal framework

5. Cabo Verde is enforcing a licensing and quota system for the import and export of HCFCs, ODS that have already been phased out and for which no licenses of imports are issued, and HCFC-based equipment. However, no bans are in place on the import of HCFC-based equipment. There have been no cases of illegal imports of ODS that have already been phased out, and the national ozone unit (NOU) was not aware of any market use or stockpiles of such substances in the country.

6. Ninety-seven customs and other enforcement officers were trained to identify and control HCFCs and HCFC-based equipment and the monitoring of the licensing and quota system. Since Cabo Verde does not yet have a training school for new customs officers, they are trained in Senegal or the European Union countries. The NOU regularly works with the Customs Department to make sure that new customs staff is updated on current ODS controls.

Refrigeration servicing sector

7. Four workshops in good servicing practices, including the safe handling of hydrocarbon (HC) refrigerants for 129 RAC servicing technicians were carried out counting on refrigeration trainers and experts from industries as the resource persons.

² The issue of the difference between the HCFC baseline and the starting point was presented in paragraphs 11 and 12 of document UNEP/OzL.Pro/ExCom/64/27

Project implementation and monitoring

8. The NOU monitors the implementation of activities. A consultant has been employed to assist with day-to-day monitoring and data collection (US \$1,000 for consultants and US \$3,000 for monitoring-related travels).

Level of fund disbursement

9. As of July 2020, of the US \$144,000 approved so far, US \$143,800 had been disbursed as shown in Table 2. The balance of US \$200 will be disbursed in 2020.

Table 2. Financial report of stage I of the HPMP for Cabo Verde (US \$)

Funding tranche	Funds approved	Funds disbursed	Disbursement rate (%)
First	44,000	44,000	100
Second	35,000	35,000	100
Third	35,000*	35,000*	100
Fourth	30,000	29,800	99.3
Total	144,000	143,800	99.9

*Including a balance of US \$166 returned at the 84th meeting

Implementation plan for the fifth and final tranche of the HPMP

10. The following activities will be implemented between January and December 2021:
- (a) Three training workshops for 60 customs and police officers on the identification and control of HCFCs and HCFC-based equipment (US \$6,000);
 - (b) Training of 80 RAC technicians in good servicing practices, safe handling of flammable refrigerants with focus on adoption of technologies with zero ODP, high energy efficiency and low-global-warming potential (GWP) (US \$8,000); and
 - (c) Project monitoring and data reporting through consultants and monitoring-related travels (US \$2,000).

SECRETARIAT'S COMMENTS AND RECOMMENDATION

COMMENTS

Progress report on the implementation of the fourth tranche of the HPMP

Legal framework

11. The Government of Cabo Verde has already issued HCFC import quotas for 2020 at 0.044 ODP tonnes, which is lower than the Montreal Protocol control targets and the maximum allowable consumption for that year as set in its Agreement with the Executive Committee.

Refrigeration servicing sector

12. UNEP reported that the fourth tranche funds were used to train a higher number of RAC service technicians (129 instead of the initial target of 80), and that the Government is taking all necessary steps to maximize the number of technicians trained to facilitate the establishment of a mandatory certification system in future. With regard to the possibility of supporting the Government with the “driver license” certification system developed under the Compliance Assistance Programme, UNEP indicated that implementing such an option had been limited because the official language of Cabo Verde is Portuguese.

As part of the fifth tranche implementation, UNEP will support the country to identify south-south cooperation for transferring the know-how on RAC certification system by other Portuguese speaking countries, as another alternative.

Completion of stage I

13. UNEP has confirmed that stage I of the HPMP for Cabo Verde will be completed by 31 December 2021 as established in paragraph 14 of the Agreement.

Gender policy implementation³

14. With regard to the implementation of decision 84/92(d), the NOU has informed the relevant stakeholders of the Multilateral Fund's gender policy to encourage female participation in all aspects of HPMP implementation. This work will continue under the fifth tranche of the HPMP and stage II, and the NOU will collect gender-disaggregated data, specifically related to the technician and customs training.

Sustainability of the HCFC phase-out

15. To ensure the sustainability of the HPMP activities and the HCFC phase-out, the NOU is working with two leading RAC training schools to introduce into their curriculum, good refrigeration practices and the safe use of flammable or toxic refrigerants. While the current situation of the RAC sector in the country does not allow the establishment of a certification scheme at present, the Government will continue strengthening the training institutes and the air-conditioning technicians' association. The training and capacity-building of customs and enforcement officers is an ongoing activity, being implemented in cooperation with the customs authorities.

Conclusion

16. The Secretariat notes that the Government of Cabo Verde has an operational HCFC licensing and quota system, and that the overall HCFC consumption is decreasing, with 2019 consumption at 74 per cent below the the maximum allowable consumption for that year. The Government has strengthened its HCFC phase-out efforts through systematic training and capacity-building activities, and by promoting the uptake of low-GWP alternative technologies. The disbursement of the fourth tranche is more than 99 per cent. The activities planned under the fifth tranche will further strengthen the refrigeration servicing sector, further ensuring the long-term sustainability of stage I of the HPMP. The country will complete stage I of the HPMP in accordance with its Agreement with the Executive Committee and plans to submit its stage II of the HPMP in 2021.

RECOMMENDATION

17. The Fund Secretariat recommends that the Executive Committee takes note of the progress report on the implementation of the fourth tranche of stage I of the HCFC phase-out management plan (HPMP) for Cabo Verde; and further recommends blanket approval of the fifth and final tranche of stage I of the HPMP for Cabo Verde, and the corresponding 2020-2021 tranche implementation plan, at the funding level shown in the table below:

Project title	Project funding (US \$)	Support cost (US \$)	Implementing agency
HCFC phase-out management plan (stage I, fifth tranche)	16,000	2,080	UNEP

³ Decision 84/92(d) requested bilateral and implementing agencies to apply the operational policy on gender mainstreaming throughout the project cycle.