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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Eighty-eighth Meeting
Montreal, 15-19 November 2021¹

PROJECT PROPOSAL: SOMALIA

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, third tranche) UNIDO

¹ Online meetings and an intersessional approval process will be held in November and December 2021 due to coronavirus disease (COVID-19).

PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS

SOMALIA

(I) PROJECT TITLE	AGENCY	MEETING APPROVED	CONTROL MEASURE
HCFC phase-out plan (stage I)	UNIDO (lead)	67 th	35% by 2020

(II) LATEST ARTICLE 7 DATA (Annex C Group I)	Year: 2020	10.55 (ODP tonnes)
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(III) LATEST COUNTRY PROGRAMME SECTORAL DATA (ODP tonnes)								Year: 2020	
Chemical	Aerosol	Foam	Fire fighting	Refrigeration		Solvent	Process agent	Lab use	Total sector consumption
				Manufacturing	Servicing				
HCFC-22					10.55				10.55
HCFC-141 in imported pre-blended polyols		0.09							

(IV) CONSUMPTION DATA (ODP tonnes)			
2009 - 2010 baseline:	45.10	Starting point for sustained aggregate reductions:	18.10
CONSUMPTION ELIGIBLE FOR FUNDING (ODP tonnes)			
Already approved:	5.75	Remaining:	12.35

(V) BUSINESS PLAN		2021
UNIDO	ODS phase-out (ODP tonnes)	0.73
	Funding (US \$)	42,800

(VI) PROJECT DATA			2012	2013	2014	2015	2016	2017	2018	2019	2020*	2021	Total
Montreal Protocol consumption limits			n/a	45.08	45.08	40.57	40.57	40.57	40.57	40.57	29.30	29.30	n/a
Maximum allowable consumption (ODP tonnes)			n/a	16.42	16.42	16.42	14.78	14.78	14.78	14.78	10.67	10.67	n/a
Agreed funding (US \$)	UNIDO	Project costs	133,500	0	0	0	141,500	0	0	0	40,000		315,000
		Support costs	9,345	0	0	0	9,905	0	0	0	2,800		22,050
Funds approved by ExCom (US \$)		Project costs	133,500	0	0	0	141,500	0	0	0	0		275,000
		Support costs	9,345	0	0	0	9,905	0	0	0	0		19,250
Total funds requested for approval at this meeting (US \$)		Project costs										40,000	40,000
		Support costs										2,800	2,800

*Last tranche should have been submitted in 2020.

Secretariat's recommendation:	Blanket approval
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PROJECT DESCRIPTION

1. On behalf of the Government of Somalia, UNIDO as the designated implementing agency, has submitted a request for funding for the third and final tranche of stage I of the HCFC phase-out management plan (HPMP), at the amount of US \$40,000, plus agency support costs of US \$2,800.² The submission includes a progress report on the implementation of the second tranche and the tranche implementation plan for 2021 to 2022.

Report on HCFC consumption

2. The Government of Somalia reported a consumption of 10.55 ODP tonnes of HCFC in 2020, which is 77 per cent below the HCFC baseline for compliance and 42 per cent below the starting point for sustained aggregate reduction in HCFC consumption of 18.10 ODP tonnes. The 2016-2020 HCFC consumption is shown in Table 1.

Table 1. HCFC consumption in Somalia (2016-2020 Article 7 data)

HCFC	2016	2017	2018	2019	2020	Baseline	Starting point
Metric tonnes							
HCFC-22	280.90	280.00	277.45	237.10	191.80	398.25	298.55
HCFC-141b	0.00	0.00	0.00	0.00	0.00	210.65	0
Total (mt)	280.90	280.00	277.45	237.10	191.80	608.90	298.55
HCFC-141b in pre-blended polyols*	0.00	0.00	0.00	0.00	0.80		15.27**
ODP tonnes							
HCFC-22	15.45	15.40	15.26	13.04	10.55	21.90	16.42
HCFC-141b	0.00	0.00	0.00	0.00	0.00	23.17	0
Total (ODP tonnes)	15.45	15.40	15.26	13.04	10.55	45.07	16.42
HCFC-141b in pre-blended polyols*	0.00	0.00	0.00	0.00	0.09	n/a	1.68**

*Country programme (CP) data.

**Starting point established in the Agreement with the Executive Committee (decision 77/56).

3. HCFC consumption has been decreasing due to the implementation of the HPMP activities including a HCFC licensing and quota system, the training of refrigeration technicians and technical assistance to the refrigeration servicing sector, and the market transition to HCFC alternatives. The negligible consumption of HCFC-141b polyols in 2020 was for manufacturing insulation foam for fibreglass boats, appliances and pipes; and spray foam for buildings and cold stores.

CP implementation report

4. The Government of Somalia reported HCFC sector consumption data under the 2020 CP implementation report consistent with the data reported under Article 7 of the Montreal Protocol.

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

Legal framework

5. The Government of Somalia established a licensing and quota system for ozone-depleting substances (ODS) through regulation SI 133 of 2010. The regulation was amended in 2011 to incorporate control measures for HCFCs; and also requires the registration and certification of enterprises and individuals involved in the import, distribution and handling of refrigerants. The regulation is implemented by the Office of Environmental Affairs as part of the Office of the Prime Minister through the national

² As per the letter of 5 September 2021 from the Directorate General of the Environment and Climate Change of Somalia to UNIDO.

ozone unit (NOU) and the national ozone steering committee consisting of the Ministry of Industry and Trade, the Ministry of Agriculture, the Ministry of Energy, the Ministry of Justice, the Somalia Revenue Authority, the Somali Police Force and environmental non-government organizations. The import of phased-out ODS, including CFCs, halons and CTC, and appliances containing these chemicals, is prohibited.

6. A review of the licensing and quota system was conducted in July 2019 confirming that the licensing and quota system for the import and export of controlled substances under the Montreal Protocol is operating; however, it needs to be further strengthened at the customs. Multifunctional refrigerant identifiers were provided to customs (seaports in Bosaso, Kismayo and Mogadishu) to facilitate the inspection of ODS. In January 2021, the customs department adopted the revised HS codes (2012) of the World Customs Organization, which is able to identify individual HCFC.

Refrigeration servicing sector

7. During the second tranche, the following was implemented:

- (a) Training of 50 customs and enforcement officers in the use of refrigerant identifiers in three cities (Mogadishu, Kismayo and Bosaso) in the local language; the training in Berbera was cancelled due to security concerns and will be revisited in future; and
- (b) Developing training materials and conducting a 10-day training session for 15 trainers in Moscow, covering good servicing practices, refrigerant recovery, reuse and reclamation, safety and environmental requirements, installation, leakage control, brazing examination and handling flammable refrigerants; all participants passed the examination and were certified with F-gas Category II certification (equivalent to that in Europe); and 190 technicians have been trained by these trainers in good servicing practices and servicing with alternatives.

8. The NOU coordinates activities under the HPMP and monitors the progress of implementation, with a total expenditure of US \$22,178 (staff and consultant: US \$5,000; travel: US \$6,678; meetings/workshops: US \$3,000; and other miscellaneous US \$7,500).

Level of fund disbursement

9. As of September 2021, the funding of US \$173,874 (including US \$40,374 for the security) for the first tranche had all been disbursed; of the US \$186,500 (including US \$45,000 for the security cost) approved for the second tranche, US \$135,270 (73 per cent) had been disbursed. The balance of US \$51,230 will be disbursed in 2021 and 2022.

Implementation plan for the third and final tranche of the HPMP

10. The following activities will be implemented between November 2021 and December 2022:

- (a) Training 60 customs officers in the licensing and quota system, application of harmonized system (HS) codes, data recording, identification of refrigerants, prevention of illegal trade (US \$51,230 from the second tranche);
- (b) Development and distribution of technical brochures and fact sheets to support technicians in their theoretical knowledge in maintaining and servicing refrigeration and air-conditioning equipment; training of 120 refrigeration technicians by the certified trainers during the first tranche in the safe handling of alternative refrigerants, recovery and recycling, and maintenance of commercial refrigeration equipment (US \$10,000);

- (c) Provision of 25 service toolkits (e.g., leak detectors, pressure gauges, basic tools) for technicians (US \$38,000); and
- (d) Monitoring and technical assistance: the NOU will distribute the toolkits among refrigeration technicians (US \$1,000 for staff and US \$1,000 for travel).

Completion of stage I of the HPMP

11. Due to the challenges created by the security situation and the constraints imposed by the COVID-19 pandemic, the third tranche originally planned for 2020 was only submitted to the 88th meeting. The Government requested to extend the implementation of stage I to 31 December 2022 in view of the delay and the impact of the COVID-19 pandemic.

SECRETARIAT'S COMMENTS AND RECOMMENDATION

COMMENTS

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

Legal framework

12. The Government of Somalia has already issued HCFC import quotas for 2021 in accordance with the target in its Agreement with the Executive Committee, which is lower than that allowed under the Montreal Protocol.

13. Given that the training in the second tranche focused on the use of refrigerant identifiers, the training of customs officers planned for the third tranche will include all aspects of HCFC control and enforcement of the licensing and quota system.

Technical issues

14. With regard to engaging vocational training institutions in technician training to ensure sustainability of training, UNIDO reported that most training institutions were destroyed and ceased functions due to the prolonged conflict. The NOU has held some training workshops at a vocational training school (Kismayo vocational institute) and also communicated with Hayle Barise Technical Development Centre in Mogadishu that provides training using equipment and following teaching standards. The NOU plans to further empower the vocational training institutions to ensure the long-term sustainability of technician training.

Extension of stage I

15. In view of the delay in the second tranche and the current situation with the COVID-19 pandemic, the Secretariat supports the extension of the implementation of stage I of the HPMP to 31 December 2022 on the understanding that no further extension should be requested, that a project completion report would be submitted to the first meeting in 2023, and remaining funding balance would be returned to the second meeting in 2023. The stage II is planned to be submitted to the 91st meeting in 2022.

Gender policy implementation³

16. In line with the policy on gender equality and the empowerment of women, the project will aim at gender-balanced participation of Government counterparts and industry representatives during implementation of the HPMP. Through this process gender-aggregated data will be collected. Furthermore, the project will also ensure that female experts in the private sector and Government will be given equal opportunities to participate in knowledge dissemination and awareness-raising activities, with the overall objective of gender equality. The project will also address the gender issue by taking into consideration cultural norms and values in the country.

Sustainability of the HCFC phase-out

17. Somalia has established a licensing and quota system for the import and export of HCFCs and prohibited the import of phased-out ODS to ensure sustainability of the phase-out. Customs officers were trained in HCFC import control and were provided with refrigerant identifiers. Training of trainers was conducted and in turn, these trainers have been (and will continue) providing on-going training to technicians in good servicing practices. The NOU has engaged vocational institutes to ensure sustainability of technicians training. Procurement of servicing tools and equipment has been planned for the third tranche.

Conclusion

18. HCFC consumption in Somalia has been decreasing since 2011 and the consumption in 2020 is below the targets of the Montreal Protocol and in the Agreement with the Executive Committee for the year. Despite the security situation in the country, the activities planned for the second tranche have been implemented. The disbursement of the second tranche has reached 73 per cent. The extension of stage I to the end of 2022 would allow the Government to implement the activities of the third tranche and to sustain the results which have been achieved.

RECOMMENDATION

19. The Fund Secretariat recommends that the Executive Committee:

- (a) Take note of the progress report on the implementation of the second tranche of stage I of the HCFC phase-out management plan (HPMP) for Somalia;
- (b) Extend, on an exceptional basis, owing to the delays imposed by the coronavirus disease pandemic, the completion date of stage I of the HPMP for Somalia until 31 December 2022 on the understanding that no further extension would be requested; and
- (c) Request the Government of Somalia and UNIDO to submit a project completion report to the first meeting in 2023 and to return the remaining funding balance to the second meeting of 2023.

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

20. The Fund Secretariat further recommends blanket approval of the third and final tranche of stage I of the HPMP for Somalia, and the corresponding 2021-2022 tranche implementation plan, at the funding level shown in the table below:

	Project title	Project funding (US \$)	Support cost (US \$)	Implementing agency
(a)	HCFC phase-out management plan (stage I, third tranche)	40,000	2,800	UNIDO