



United Nations Environment Programme



Distr.
LIMITED



UNEP/OzL.Pro/ExCom/8/10/Add.1
9 October 1992

ORIGINAL: ENGLISH

Executive Committee of the
Interim Multilateral Fund for the
Implementation of the Montreal Protocol

Eighth Meeting
Montreal, 19-21 October 1992

Addendum

UNDP WORK PROGRAMME AMENDMENTS

This document includes the Fund Secretariat's comments and recommendations
on UNDP Work Programme Amendments.

The UNDP is requesting approval of the Executive Committee of the following projects as amendments to its 1992 Work Programme:

No.	Beneficiary Country	Project Title	Project Cost US \$
1	India	Assistance in the preparation of project proposals covering technical assistance, demonstration projects and investment projects	113,000
2	India	Institutional strengthening: Enhancing the institutional capability in India for ozone layer protection	430,600
3	Indonesia	Development of the Country Programme	226,000
4	Indonesia	Training programme for ODS surveyors to support country programme formulation	75,000
5	Philippines	Assistance in country programme formulation	90,000
6	Thailand	Technical training and public awareness on ODS and ODS alternatives in Thailand	163,000
7	Thailand	Demonstration and training centre for retrofitting of mobile air conditioners and large cold stores	300,000
			1,397,600

Secretariat's Comments

1. India

Project Preparation Assistance (US \$113,000)

Demonstration and investment projects in several sectors (aerosol, fire extinguishing, foams, refrigeration, air conditioning, MAC and solvents), would be identified and prepared by national experts with the assistance of international experts. The Secretariat recommends full approval of this proposal.

Institutional Strengthening (US \$430,600)

The Government of India has prepared a long-range plan for national institutional strengthening according to the Executive Committee guidelines. The Government is proposing

to establish an Ozone Cell as the co-ordinating unit for all matters related to the Montreal Protocol. Taking into consideration that the unconstrained ODS demand in India could reach 125,000 tonnes in 2010, establishment of the unit to facilitate ODS phase-out activities can be considered a high priority. Thus, the Secretariat recommends full approval of this proposal.

2. **Indonesia**

Country Programme Formulation (US \$226,000)

Training Programme for ODS Surveyors to Support Country Programme Formulation (US \$75,000)

A comprehensive reconnaissance survey, completed in 1991 with UNDP assistance, provided a considerable proportion of the information needed for the preparation of the country programme. Furthermore, the World Bank, in its Work Programme Amendments (UNEP/OzL.Pro/ExCom/8/12) is requesting additional \$54,000 to prepare, in collaborative arrangements with UNDP, the country programme, and investment and technical assistance projects.

On this basis, the Fund Secretariat recommends only to approve the Country Programme Formulation project.

3. **Philippines**

Assistance in Country Programme Formulation (US \$90,000)

A comprehensive ODS country study was completed, funded by the European Community. Furthermore, the World Bank, in its Progress Report (UNEP/OzL.Pro/ExCom/8/9) states that the Bank is assisting the Government to prepare the country programme and the institutional support component.

On this basis, the Fund Secretariat recommends to only approve 50 per cent of the total request, covering the costs of experts needed for the completion of the country programme.

4. **Thailand**

Technical Training and Study Tours (US \$163,000)

Experts from Thailand have participated in a number of national and international training workshops, under the Multilateral Fund, (i.e., Japan-Thai-USEPA Trilateral Conference on phasing-out ozone depleting solvents in Thailand; UNEP regional workshop for decision-making in government and industry). Support by the Australian Government was provided for participation of Thailand experts in an ODS workshop. The MAC CFC recycling project, approved by the Executive Committee, has a training component for local technicians.

The World Bank has proposed four global projects in the solvent, halon, refrigeration and MAC sectors, (UNEP/OzL.Pro/ExCom/8/12), each one with a training component. Thailand has been included in the preliminary list of countries to benefit from them.

ODS consumed in the aerosol sector in Thailand is negligible and more than 95 per cent of the solvent-users are transnational corporations, who are not eligible for funding.

Thus, implementation of these activities may involve potential duplication and double counting.

Demonstration and Training Centre for Retrofitting of Mobile Air Conditioners and Large Cold Stores (US \$300,000)

The MAC and refrigeration project proposal will introduce a ternary blend for retrofitting MAC, cold storage and large-size refrigerators. A demonstration and training centre would be the venue of the retrofit technology.

The Secretariat was unable to obtain technical information on the ternary blend proposed in the project, as a feasible retrofit for MAC, cold storage and large-size refrigerators. However, the Report of the Refrigeration, Air Conditioning and Heat Pumps Technical Option Committee (December 1991) and publications of the Mobile Air Conditioning Society, indicates that presently, no chemical or blend of chemicals has been proven to be able to replace CFC-12 MAC without substantial retrofit costs. Both HFC-134a and a blend (33% HCFC-22, 15% HFC-152a and 52% HCFC-124) have been identified as candidates for use as a retrofit refrigerant. Furthermore, several auto-makers have advised their clients to use only new or recycled CFC-12 for servicing their CFC-12 MAC, and they claim that retrofit of CFC-12 MAC with blended refrigerant gases may result in severe damage to the system components.

The retrofit options for cold storage facilities are HCFC-22, ammonia or blends. CFC-12 equipment can be replaced rather easily in many cases to operate with HCFC-22 and replacement of R-502 equipment is even simpler, since the refrigeration capacities of the two fluids are very similar. Ammonia is expected to be an important refrigerant for retrofit in countries where it is commonly used. While blends developed for replacement of CFC-12 and R-502 could also be used for retrofitting, however, the very large charges typical for the systems, make these fluids less attractive, since they are significantly more expensive than ammonia or HCFC-22.

Since the retrofit technology is not yet fully developed, the project could be deferred pending the resolution of the technical issues involved.

Secretariat's Recommendation

1. The amendments to the UNDP Work Programme are recommended for approval of the Executive Committee subject to the consideration of the above observations. The following may be considered:

<u>Project</u>		<u>Recommended Cost</u> <u>US\$</u>
India	Assistance in the preparation of project proposals covering technical assistance, demonstration projects and investment projects	113,000
	Institutional strengthening: Enhancing the institutional capability in India for ozone layer protection	430,600
Indonesia	Development of the Country Programme	226,000
Philippines	Assistance in country programme formulation	45,000
TOTAL		814,600