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ПРОГРАММА ОРГАНИЗАЦИИ ОБЪЕДИНЕННЫХ НАЦИЙ ПО ОКРУЖАЮЩЕЙ СРЕДЕ

Division of Technology, Industry and Economics

OzonAction Branch

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TELEFAX TRANSMISSION

To :	Mr Mars Amanaliev Head of Ozone Center of Kyrgyzstan	Date:	25 Jan 2008
Fax :	996 312 548853	No of pages	43
Cc. :			
From :	Barbara Huber	File :	OZ/BH
Subject :	Annexes to Project Document , TPMP Kyrgyzstan		

Dear Mars,

Please receive the following Annexes to the Project Document:

- Annex I Approved Project Proposal
- Annex II Agreement between the Kyrgyz Republic and the Executive Committee of the Multilateral Fund for the TPMP
- Annex III Budget
- Annex IV Format for follow up report for Non-Investment Project Activity
- Annex V Format of Cash Advance Statement
- Annex VI Format of Quarterly Project Expenditure Reports for Supporting Organizations

Please let me know if you have received everything. Thank you.

Best regards,

50th Executive Meeting of the Multilateral Fund for the Implementation of the Montreal Protocol

<i>ODS:</i>	<i>Ozone Depleting Substances</i>
<i>PMU:</i>	<i>Project Management Unit</i>
<i>CSS:</i>	<i>Corporate Services Section</i>
<i>TPMP:</i>	<i>Terminal CFC Phase-out Management Plan</i>
<i>UNEP:</i>	<i>United Nations Environment Programme</i>
<i>UNEP DTIE:</i>	<i>United Nations Environment Programme, Division of Technology, Industry and Economics</i>
<i>UNDP:</i>	<i>United Nations Development Programme</i>
<i>UNON:</i>	<i>United Nations Office at Nairobi</i>

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ANNEX I

Approved Project Proposal

PROJECT COVER SHEET – MULTI-YEAR PROJECTS

COUNTRY: Kyrgyz Republic

PROJECT TITLE

IMPLEMENTING AGENCY

Terminal CFC Phase-out Management Plan (TPMP)

UNEP (lead), UNDP

SUB-PROJECT TITLES

- (a) Refrigeration Service: Technical Assistance and Investment Components
- (b) Refrigeration Training and Establishment of National Refrigeration Association
- (c) Customs Training and Enhancement of National Capacity to Prevent Illegal Trade
- (d) Review and update of regulation to improve control of ODS
- (e) MDI Strategy
- (f) Monitoring of the activities in the TPMP

UNDP
UNEP
UNEP
UNEP
UNDP
UNEP

NATIONAL COORDINATING AGENCY: National Ozone Centre, Ministry of Emergency Situations (MEES) .

LATEST REPORTED CONSUMPTION DATA FOR ODS ADDRESSED IN PROJECT

A: ARTICLE-7 DATA (ODP TONNES, 2004, AS OF SEPT 2005)

CFC	22.3
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B: COUNTRY PROGRAMME SECTORAL DATA (ODP TONNES, 2005, AS OF JULY 2006)

ODS	Foam	Ref.	Aerosol	Solvents
CFC-11				
CFC-12		8.1		
CFC-113				
TOTAL CFCs		8.1		

CFC consumption remaining eligible for funding (ODP tones) NA

CURRENT YEAR BUSINESS PLAN:

PROJECT DATA	2004	2005	2006	2007	2008	2009	2010	Total
1. Montreal Protocol limits	72.9	36.4	36.4	10.9	10.9	10.9	0.0	
2. Annual phase-out from ongoing RMP projects	14.2	1.1	0.0	0.0	0.0	0.0	0.0	15.2
3. Annual phase-out newly addressed (TPMP)	0.0	0.0	1.0	1.0	2.0	3.0	0.0	7.0
4. TOTAL ODS CONSUMPTION TO BE PHASED OUT	14.2	1.1	1.0	1.0	2.0	3.0	0.0	22.3
5. RESULTING CFC TARGETS TO BE ACHIEVED	22.3	8.1	7.0	6.0	5.0	3.0	0.0	22.3
6. Total ODS consumption to be phased-in (HCFCs)		N/A					N/A	N/A
Project costs (US D):								
7. Funding for UNDP (incl MDI strategy)			194,000	63,000	60,000	0	0	317,000
8. Funding for lead agency UNEP			142,600	65,100	25,300	0	0	233,000
9. Total project funding			336,600	128,100	85,300	0	0	550,000
Support costs (US D)								
10. Support cost for UNDP (7.5%)			14,550	4,725	4,500	0	0	23,775
11. Support cost for lead agency UNEP (13%)			18,538	8,463	3,289	0	0	30,290
12. Total support costs			33,088	13,188	7,789	0	0	54,065
13. TOTAL COST TO MULTILATERAL FUND (US D)			369,688	141,288	93,089	0	0	604,065
14. Project cost effectiveness (US D/kg)	NA for LVCs							

Prepared by: Robert Berkeley/ Yerzhan Aisabayev / NOU / Jacques Van Engel

Date: June 2006

Project Summary

The Terminal CFC Phase-out Management Plan (TPMP) will result in the complete phase-out of CFCs between 2007 and 2010. The project includes training, technical assistance and investment activities. It will also include a National Strategy to address the sector of MDIs (Metered Doses Inhalers). The TPMP will allow the government to phase-out its CFCs consumption by January 2010. Because of the very nature of the project, it is essential to adopt a flexible approach in the implementation phase to allow the government to adapt and adjust the proposed strategy according to its needs.

The grant requested to the MLF by the government of the Kyrgyz Republic for the complete and final phase-out of CFCs in the refrigeration sector is USD 520,000 plus USD 30,000 for assistance in the MDI Sector (these amounts are excluding agency support costs). Funds will be disbursed in line with the attached agreement. As a results oriented agreement, future payments will be based on the achievement of the objectives, in respect of the conditions included in the agreement.

PROJECT OF THE KYRGYZ REPUBLIC

TERMINAL CFC PHASE-OUT MANAGEMENT PLAN (TPMP)

1. Introduction and Summary Description of the TPMP Agreement.

This Terminal CFC Phase-out Management Plan (TPMP) includes a proposal to phase-out all CFC uses in the Kyrgyz Republic. The TPMP includes strategies for the refrigeration service sector, but also includes a component for a Transition Strategy for MDIs.

The baseline consumption of CFCs (average consumption of the years 1995-1997) is 72.85 ODP Tonnes. According to the 2004 data reported to the Ozone Secretariat the reported CFCs consumption was 22.3 ODP tonnes, which is below the 50% of the baseline consumption. In the annual report of the Country Programme, the 2005 consumption reported in the refrigeration sector was 8.1 ODP Tonnes.

Kyrgyzstan needs to benefit from further support to achieve a complete phase-out by 2010. Kyrgyzstan lies on the traditional trading route between China and Kazakhstan and also shares borders with Uzbekistan and Tajikistan. This factor could lead to illegal trade; it is therefore urgent to support the region in its effort to control and phase-out CFCs.

The TPMP will lead to the complete phase-out of CFCs in the refrigeration sector by 1st January 2010, according to the Montreal Protocol objectives and phase-out conditions.

The phase-out efforts will take place in parallel with the ongoing RMP activities, leading to a gradual phase-out schedule in the refrigeration sector as per the following table:

ODP Phase-out Schedule	2004	2005	2006	2007	2008	2009	2010	Total
1. CFC Use in Refrigeration	22.3	8.1	7.0	6.0	5.0	3.0	0.0	22.3
2. Annual phase-out from ongoing ref. projects	14.2	1.1	0.0	0.0	0.0	0.0	0.0	15.2
3. Annual phase-out newly addressed	0.0	0.0	1.0	1.0	2.0	3.0	0.0	7.0
TOTAL ANNUAL PHASE-OUT (2+3)	14.2	1.1	1.0	1.0	2.0	3.0	0.0	22.3

The funds requested (USD 550,000, including USD 30,000 for MDIs) will help the country to put in place a national structure for the implementation of the activities required to meet the Montreal Protocol objectives. The funds disbursement criteria covering the years 2006 – 2009 are detailed in the cover sheet above, and in the Agreement attached to the present document as annex 1.

The Agreement mentions that «in acceptance to the present agreement, and the executive committee fulfilling its funding obligations as described in paragraph 3, the country will not request any further assistance or additional funding to the Multilateral Fund for the phase-out of CFCs ».

The Agreement will also mention that «if the country is in compliance with its obligations as described in the present Agreement, the Executive Committee accepts to disburse the funds, see Appendix 2-A (“Funding”) to the country. The Executive Committee will proceed with the funds disbursement during its meetings, see Appendix 3-A, Funds disbursement Schedule».

The country will respect the consumption limits for the CFCs as indicated in Appendix 2-A. The country accepts an independent audit, conducted by the qualified implementing agency, to verify the reported results related to the consumption limits.

▪ *APART FROM THE FIRST FUNDING TRANCHE WHICH IS EXPECTED AT THE END OF 2006, ADDITIONAL FUNDING TRANCHEs WILL BE APPROVED AT THE END OF THE YEAR ACCORDING TO THE DISBURSEMENT SCHEDULE OF THE AGREEMENT BETWEEN THE GOVERNMENT OF THE KYRGYZ REPUBLIC, AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND, PROVIDED THAT THE COUNTRY IS IN COMPLIANCE WITH THE FOLLOWING, AT LEAST 30 DAYS BEFORE THE CORRESPONDING EXECUTIVE COMMITTEE MEETING:*

- a) The country fulfils the objective for the targeted year;*
- b) Independent verification of the reported results if so demanded by the Executive Committee;*
- c) The country puts in place all the measures included in the last annual implementation report; and*
- d) Annual report of the implemented activities, see Appendix 4-A, approved by the Executive Committee for the annual disbursement of the requested funds/tranche.*

The Agreement will offer some flexibility (funds allocations) to the Government of the Kyrgyz Republic, according to the following: «the funding has been established according to the estimated needs of the country to meet with its obligations according to this Agreement. Nevertheless, the Executive Committee accepts that the country makes different uses of the allocated funds. The modifications can include new allocations (not yet defined/identified) and must be documented in advance, see paragraph 5-D, and verified, see paragraph 9».

Moreover, the implementation of the activities in the service sector will benefit from a specific attention:

- a) The country will use a flexible approach to fulfil particular needs that could arise during the project implementation;*
- b) The technical assistance programme for the service sub-sector of the refrigeration sector will be implemented step by step so that funds could be reallocated to other activities, additional trainings, equipment purchases, as needed, to meet with the obligations of the project, according to Appendix 5-A of the present Agreement.*

The Agreement will also mention that: «if the country could not meet its phase-out objectives of the ODS included in the Annex A, group I, of the Montreal Protocol, or would not be in compliance with the present Agreement, it could not benefit from the funds disbursement (see funds disbursement table). The disbursement process will be reactivated upon decision of the Executive Committee and after the country meets with its obligations (report sent to the Executive Committee). The country is informed that the Executive Committee could reduce the fixed amount to be disbursed (see Appendix 7-A) if the country does not meet with its annual phase-out objective.

2. Current Situation

2.1. Introduction

The Executive Committee of the Multilateral Fund approved the Country Programme of the Kyrgyz Republic in July 2002 together with the approval of the Refrigerant Management Plan which resulted from

a survey to establish basic data and information. The request for funding of the TPMP will be submitted at the 50th meeting of the Executive Committee.

The implementation of the Refrigerant Management Plan, RMP, is ongoing. Both phases of the training programmes (customs trainings and trainings of the trainers for good practices in the refrigerant management) and the recovery and recycling project have been completed and the end-user awareness and technical assistance project and monitoring of the RMP activities are due to be closed towards the middle of 2007. As it could take some time to effectively start the implementation of the TPMP (signatures of the documents, recruitment of the local and international staff and purchase of equipment have proven to take a considerable amount of time), the TPMP should be approved as soon as possible. Thus, the activities of the TPMP will follow as immediately as practical those of the RMP and benefit from the momentum.

The effect of the RMP and its remaining activities will continue to contribute to the CFCs phase-out but the TPMP is essential and will allow the Kyrgyz Republic to meet with its 2010 objectives. The activities of the TPMP will start in 2007.

2.2. Consumption Patterns in the Refrigeration Sector.

2.2.1. ODP Consumption in 2004 (detailed breakdown by subsector is not available for 2005) :

Substance	Metric Tons	ODP	ODP Tons
CFC-11	0	1	0
CFC-12	22.30	1	22.30
Total	22.30		22.30

2.2.2. CFC-12 Consumption by subsector:

Subsector	Nr of Units	Nr of Units charged per year	Consumption in ODP tons
1. Domestic Refrigeration	277 900	13 895	3.474
2. Commercial Refrigeration	12 564	2 135	10.675
3. Refrigerated Transportation	634	634	6.951
4. MAC (cars)	2 400	1 200	1.200
Total	293 498	17 864	22.3

2.2.3. Current Refrigerant Prices in Kyrgyzstan.

During a survey in February 2006, following prices of refrigerants per Kg were found in Bishkek as reported by the NOU:

- CFC11: N/A
- CFC12: USD 8
- HFC134a: USD 13
- HCFC22: USD 6
- R600, R410, R502, R407, R404A : USD 15.5

It has been noted that the prices of both CFC 12 and HFC 134a are steadily growing, as in 2004 these were reported to be USD 6 and 9.6 respectively. Although the prices went up for both substances for about 25%, the price development dynamics for the last few years show that there is a slow down in price increase for HFCs in comparison to those for CFCs. Generally, the improving economic situation in the country and increased purchasing power by the population have contributed to an overall price increase in all sectors. Measures related to the legislation and licensing system (see below) have contributed to this trend.

2.3. Status report of the Current RMP activities.

The major ongoing activities in the context of the RMP are described below:

2.3.1. Public awareness

Since the country ratified the Montreal Protocol in May 2000 and all its amendments in 2003 and 2005, the government of the Kyrgyz Republic has continuously conducted public awareness activities about the harmful impact on the ozone layer of certain substances used in the refrigeration and air conditioning sectors.

2.3.2. Legislation and licensing system

ODS import as well as products and equipment containing ODS is being licensed according to Provision on state regulation on ODS import/export and products containing ODS, approved by the Government resolution No. 552 dated September 6, 2000, which is active according to the Government resolutions No. 622 and No. 860 dated August 17, 2004 and November 23, 2004 respectively. The following points included:

- Prohibition to produce ODS
- Controls on the imports and exports of ODS
- Controls of the sales and purchases of ODS
- Ban on import of obsolete equipment using ODS
- Mandatory notification of the ODS imports, exports and sales

The existing regulations will allow the country to control and therefore reduce its ODS consumption. Nevertheless, the ODS consumption in the refrigeration sector and in the air conditioning sectors are subject of major concern.

The licensing system was in place since 2000 and was reinforced in 2004.

2.3.3. Training of refrigeration technicians in good refrigeration service practices

The first phase (train the trainers phase) of the training of the refrigeration technicians took place in the northern Issyk Lake region and the southern Osh City region during 2004, resulting in the certification of 53 participants. In the second phase, a total of 19 training seminars were held within both regions and 495 refrigeration technicians were certified as a result. The training workshops are completed.

In 2005 a public society "Echoholod" (EchoCold) was established with the assistance of Ozone Center. Presently, the society currently has a membership of approx. 50 refrigeration specialists and provides assistance to the NOU in data collection and work with the refrigeration technicians in certain areas of the country.

The training programme is expected to be followed by more training after approval of the TPMP.

2.3.4. Customs trainings for a better control on the ODS imports and equipments using ODS

The first phase (train the trainers) took place in February 2004 and consisted of two seminars conducted in the north (Bishkek city) and south (Osh city). As a result of these 31 custom officers received certificates and were selected to train the custom officers participating in the second phase.

The second phase was completed during 2004 and 2005 and consisted of 10 seminars being conducted throughout the country. In total, 114 custom officers participated in these training seminars.

Ozone Center of Kyrgyzstan together with the custom department has created a monitoring mechanism that facilitates the control of ODS and ODS-containing products. Ozone Center will review and attempt to assure the implementation of the seminars' recommendations.

During August 25-27, 2005 a trilateral meeting between Kazakhstan, China and Kyrgyzstan on illegal ODS trade in Central Asian region took place in Cholpon-Ata city (Kyrgyzstan). The representatives of ministries and departments overlooking the import-export of chemicals, state customs and national ozone centre office participated in the meeting.

The Custom Training Programme is expected to be followed by more training after approval of the TPMP.

2.3.5. Recovery and recycling of CFCs

During June 2003, the Ozone Center organized 3 seminars on basics of monitoring conduction of recovered and recycled refrigerants under the supervision of an international consultant, with the participation of 137 technicians. Upon training completion equipment supplied had been distributed among the participants in accordance with contracts.

The three CFC-12 recycling centres that have been constituted include one mobile centre for substances collection and treatment on site. The operators, JSC Kyrgyztortekhnika (1 fixed and 1 mobile) and JSC Oshortekhnika (1 fixed), are the principle refrigeration equipment service and maintenance organizations in the northern and southern regions of Kyrgyzstan.

During 2004 and 2005 further "Refrigerant recovery and recycling methods" seminars were conducted by national experts. Upon completion of these all participants received a certificate and, if found opportune, some redistribution of complete sets of recovery equipment was undertaken.

Monitoring of the operation of the equipment and the amounts recovered and recycled was conducted by a national consultant under the overall control of the Ozone Center. The amount of recovered and reused CFC-12 over the whole period up to December 31, 2005 amounted to 5,648 kg, of which 2,113 kg. was purified at one of the recycling centres.

All the equipment and the infrastructure brought about by the project is still being used and is in good working order. Recovery and recycling of CFC-12 is still ongoing.

2.3.6. End-user incentives funding and technical assistance

An End-user Incentive and Awareness Raising Workshop, attended by the principle refrigeration end-users and service enterprises and relevant Government and industrial bodies, was held in April 2003. Since 2004 working meetings on the Awareness and Incentive Programme with participation of the Ozone Center have been conducted at the UNDP office in Bishkek, to review the activities realized to date and to formulate action plans for the following years.

Since the commencement of the project the appointed national expert has been contacting end-users enterprises to emphasise the need to replace or retrofit their existing CFC refrigeration installations and describe the assistance offered by the programme. The enterprises showing an interest are given advice as to how to fill out the applications for end-user incentive funding and, if requested, support in drafting detailed design estimates for each refrigeration installation.

In 2003 applications from 4 enterprises were approved resulting in a phase-out of 1218 ODPkg of CFC-12
In 2004 applications from 2 enterprises were approved resulting in a phase-out of 389 ODPkg of CFC-12
In 2005 applications from 3 enterprises were approved resulting in a phase-out of 599 ODPkg of CFC-12
To date in 2006 applications from 2 enterprises were approved, and more applications are expected.

Up to mid 2005, a total of 2600 ODPkg of CFC-12 that was contained within the installations have or are being replaced or permanently retrofitted and this does not take into account the amounts previously consumed annually during servicing for these same installations.

2.3.7. Monitoring of the implementation of activities within the RMP

The monitoring of the activities within the RMP is still ongoing. A national consultant, under the supervision of the Ozone Centre is responsible for the continuous follow-up of the activities.

The Ozone Center is constantly monitoring both consumption and use of ODS within the country. Monitoring results are arranged in accordance with «Manual for report submission within the frames of the Montreal Protocol. Monitoring results of 2001, 2002, 2003, 2004 and 2005 have been submitted to Ozone Secretariat.

2.4. Description of the MDI sector.

Kyrgyzstan does not produce ODS and ODS-containing products in MDI sector. The national legislation regulates the import of ODS and CFC containing aerosol.

However, aerosol products containing CFC in medical inhalators are still being imported into the country.

Despite the fact that CFC-contained medical inhalators do not come under the national consumption and are not subject to control and reporting under the Montreal Protocol, Kyrgyzstan plans shifting towards alternative ozone-friendly medical products without infringement of public health.

The main pharmaceutical importers are from Germany, Austria, Poland and Russian Federation.

Total annual import volume of ODS contained in MDI is estimated approximately at 1,6 ODP tons.

CFC accounts for the largest part of medical products. The most imported medications in 2005 were *Ingalipt*(7%), *Kameton* (32%), *Salbutamol* (22%), *olazol* (19%), *Berotek* (5%), *Astmopent* (5%).

Currently, CFC-free medications are appearing on the markets, but their total volume is small not quantified yet. It's necessary to develop state strategy on a transfer to ozone-friendly MDI, including appropriate support activities.

The state strategy on replacement of CFC-based MDI with alternatives should include the following:

- study and analysis of current MDI market consumption;
- analysis of alternative products;
- cooperation with the main importers and representatives of medical establishments towards organization and taking measures to shifting to alternative medications;
- development of the national plan on shifting towards alternatives;
- organization of meetings with the representatives of Health Ministry and Ozone Center for obtaining full information and exercising effective control of this sector.

3. Projects Description

Among the sectors covered by the Montreal Protocol, the uses of ODS, CFC-12, in the refrigeration and air conditioning sectors, in particular the service sector and the end-users sector will be really difficult to

phase-out. This statement is applicable to all refrigeration or air conditioning systems (commercial, domestic or MAC). The financial resources of the Kyrgyz Republic are not sufficient to replace the equipments every 5-10 years, as it is the case in industrialized countries. The global tendency observed in developing countries is to service and use the equipment until total financial amortization. Consequently, some domestic appliances are in use during 20 to 40 years.

Requesting funds to the Multilateral Fund to replace all the CFC based refrigerators in a country is not a feasible option and the consequent continued need for a fresh supply of CFC refrigerant for servicing is a challenge. As a result, there is a real need to adopt a thoughtful but imaginative approach to maintaining the technicians informed about the constant technologies innovations and to protect and inform consumers. As a part of this approach, it is proposed to extend some of the existing activities of the RMP, to strengthen the capacities of those most concerned, the refrigeration technicians, and to increase the information, practical knowledge and equipment at their disposal and to supply some financial incentive to end users. The activities and corresponding budgets are described below.

As the proposal is a terminal phase-out management plan, the activities are only being spelled out for the first funding tranche which would be approved at the 50th meeting of the Executive Committee Meeting. These details are provided in the first Annual Work Programme contained in annex 2 of this document. The activities that would be included in future funding tranches would be spelled out in future years. This would allow the country to have flexibility on a year to year basis, and allow it to shift resources to areas that may be found to be important at that moment.

The expected funding scenario is as provided in the following table:

	2006	2007	2008	TOTAL
Refrigeration Service (UNDP)	194,000	63,000	60,000	317,000
Refrigeration Training (UNEP)	60,000	21,000	0	81,000
Customs Training (UNEP)	34,600	21,600	7,800	64,000
ODS Legislation Update (UNEP)	24,000	5,000	0	29,000
Monitoring of the activities in the TPMP (UNEP)	24,000	17,500	17,500	59,000
MDIs (UNDP)	30,000	0	0	30,000
TOTAL	336,600	65,100	25,300	550,000

While the use of funds for the first year is spelled out in annex 2, and their use in the remaining years still needs to be determined, the activities that will be implemented can be categorized in the following broad subdivisions. The annual implementation programmes will contain elements from these broad components and spell out which proportion of these activities and corresponding funding will be required, based on the actual needs of the country at a given time.

3.1. Technical Assistance Project for the MAC Service Sector

The data collected in 2001 prior to drafting Kyrgyzstan's RMP indicated that CFC consumption by the MAC service sector had been 3 ODPtonnes in 2000. 1.5 ODPtonnes of this had been used in the servicing of refrigerated transport, most of which has since been taken out of service. This consumption was minor (5.6%) in relation to the 53.45 ODPtonnes consumed by the other refrigeration service sectors and, in consequence, a specific project was not included within the RMP to meet the needs of the MAC service sector.

By 2005, CFC consumption by the refrigeration service sector had declined to 8.1 ODPtonnes but the amount consumed by the MAC service sector had only been reduced from 3 to 2 ODPtonnes and had increased to 24.7% of general consumption.

This technical assistance project is intended to supply equipment and training to refrigeration technicians and vehicle mechanics working in the MAC service sector and financial incentives to owners of vehicles incorporating CFC-12 based MAC units to retrofit to use HFC-134a.

The project would incorporate three basic components;

1. Equipment purchase:

Four MAC R&R machines and appropriate ancillary equipment would be purchased and distributed to the principle MAC service enterprises.

The equipment purchase would commence immediately after the Government's signing of the approved TPMP document and could then be expected to be delivered to Bishkek within six months

2. Training Workshops:

In Kyrgyzstan the servicing of MAC units at specialized service enterprises is usually carried out by qualified refrigeration technicians but, as in all countries, a certain amount of servicing is undertaken by car mechanics with only the barest understanding of refrigeration theory.

Two workshops would be held to train in the correct use of the equipment being supplied, the good practices to be followed in the servicing of MAC units and the correct retrofitting of MAC units from CFC-12 to HFC-134a. One would be held in Bishkek and the other in Osh and both would be aimed at technicians and mechanics based in or around these cities. Each workshop would last for approximately two days and, if possible, would be conducted by a national expert.

The workshops would be held as soon as possible after the equipment's delivery and the equipment would be distributed immediately afterwards.

3. Retrofit Incentive Programme:

Presently in Kyrgyzstan, the price of CFC-12 is still slightly lower than that of HFC-134a. It is expected that this situation will be increasingly reversed after the beginning of 2007, when import quotas will be further reduced. For the final two years of the TPMP, 2008 and 2009, payments of USD50 would be offered to owners of cars fitted with MAC units using CFC-12 that agreed to retrofit these to use HFC-134a, in order to partially cover the cost of the retrofit. It is expected that during the two year period 400 MAC units could be retrofitted.

A national consultant would be contracted to assist the NOU to implement and monitor the project for the 3 years of its duration.

3.2. Refrigerant Recovery and Recycling Project for the Commercial Refrigeration Service Sector

A Refrigerant Recovery and Recycling Project was included within Kyrgyzstan's RMP. During the course of this project's implementation further training workshops were conducted to further broadcast the need to recover and recycle CFC refrigerant and a certain amount of recovery equipment was redistributed to newly appearing participant enterprises that it was realised needed it or could make better use of it. Fixed CFC-12

Recycling Centres were established in the regional capitol cities of Bishkek and Osh and a transportable CFC-12 recycling facility was set up to make it logistically and more economically feasible for participating enterprises based in outlying areas to purify the recovered refrigerant before its reuse.

During the course of the project, it was discovered that a reasonable amount of discarded refillable cylinders that had been used for transporting refrigerant during previous times still existed in the country and that many participating enterprises were using these for the recovery of HCFC-22. The amount of HCFC-22 recovered and reused was not recorded.

Towards the end of the project, the small amount of remaining project funding that been reserved for contingencies was used to purchase certain additional items and spare parts in order to assure the long term sustainability of the recovery programme after the project's closure. Amongst the items purchased were three modules, recently developed by the recycling machine manufacture, that would permit the machines to purify HCFC-22, as well as CFC-12.

As foreseen in the project document and due to project's completion, the ownership of the recovery equipment has now been passed to the enterprises that participated in the project. The NOU recognises that there are presently a number of service enterprises that consume the quantity of CFC-12 asked for within the criteria for participation in the RMP's R&R Project that they were unable to allocate recovery machines to, due to the fact that on closing the project there were insufficient grounds for repossessing any more equipment from those to whom it had been originally allocated.

For this reason a new R&R Project is proposed to supplement the existing and ongoing National Recovery and Recycling Programme by making available a further quantity of portable recovery machines and ancillary equipment to those enterprises that can make a valuable use of them but do not possess one.

No further recycling equipment would be included in this project, as the existing infrastructure is considered to be sufficient, though some large capacity cylinders will be requested for the storage of purified HCFC-22, now that it is possible to treat this at the Recycling Centres.

The project would incorporate two basic components

1. Equipment purchase:

30 portable recovery machines and appropriate ancillary equipment would be purchased and distributed to service enterprises that did not already possess them.

The equipment purchase would commence immediately after the Government's signing of the approved TPMP document and could then be expected to be delivered to Bishkek within six months

2. Training Workshops:

Two workshops would be held to train the new participants in the correct use of the equipment being supplied and the good practices to be followed when recovering refrigerants. The workshops would follow the same format and use the same material used by the international expert that conducted the training workshops incorporated into the RMP's R&R Project. One workshop would be held in Bishkek and the other in Osh and both would be aimed at the service technicians based in or around these cities. Each workshop would last for approximately eight hours and would be conducted by a national expert.

A national consultant would be contracted on a part-time basis to assist the NOU to implement and monitor the Project for the 3 years of its duration.

3.3. Technical Assistance Project to Instruct on Servicing of Refrigerators Charged with Hydrocarbon Refrigerants and to Introduce the Use of Blends for Retrofitting, for the Domestic Refrigeration Service Sector

Due to the Train the Trainer Project that was included within the RMP, the majority of the refrigeration technicians presently working in Kyrgyzstan are qualified to undertake refrigeration servicing and are following good working practices.

For some years now, appliance manufacturers in Europe and other industrialised countries have been producing domestic refrigerators that are charged with hydrocarbon refrigerants, such as isobutene. Owing to the high flammability of such refrigerants, the servicing of refrigerators containing them calls for the use of special spark-proof equipment and the following of strict safety procedures. As these types of refrigerators were not present in Kyrgyzstan when the RMP was approved, instruction on their correct and safe servicing was not included within the Train the Trainer Project's curricula.

Recently the importation and sale of domestic refrigerators charged with hydrocarbon has become an increasingly more common practice. Though, to date, most repairs are still being carried out under warranty by authorised technicians equipped and trained by the manufacturers, in a very short time any refrigeration technician could be confronted by the need to undertake such servicing.

This Technical Assistance Project would offer, to qualified technicians, a number of seminars aimed at giving instruction on the good working and refrigerant handling practices and the safety procedures that are to be followed when servicing refrigeration equipment charged with hydrocarbon refrigerant and demonstrating the special equipment needed to carry this out in a secure and correct manner.

Even when CFC-12 becomes considerably cheaper than HFC-134a it will rarely be considered practical to carry out a retrofit to employ HFC in an aged and probably much repaired domestic refrigerator. After 2009 any remaining CFC-12 refrigerant will be both expensive and hard to come by. The most cost effective way of keeping the large amount of household refrigerators that are charged with CFC-12, that will still be in existence, in continuous good working order will be to use refrigerant "blends".

A second phase of this Technical Assistance Project will offer a further series of Seminars to qualified technicians aimed at introducing the different "blend" options available, giving instruction on the good working and refrigerant handling practices and procedures to be followed when retrofitting to use a "blend" or servicing refrigeration equipment charged with a "blend" and demonstrating any special equipment that might be needed to carry this out in a secure and correct manner.

The project would, apart from the purchase of some items of equipment for demonstration purposes, incorporate two basic components

1. Seminars on hydrocarbon refrigerant:

A still to be determined number of seminars, commencing in 2007, would be held in Bishkek, Osh and areas surrounding Bishkek, to instruct in the safe handling of hydrocarbon refrigerants, the good practices to be followed when servicing refrigerators charged with hydrocarbon refrigerant and to demonstrate the necessary service equipment and tools. The seminars would be aimed at technicians that had been previously trained under the RMP's Train the Trainer Project, would last for approximately eight hours and would be conducted by a national expert.

2. Seminars on refrigerant “blends”:

Seminars would be held in Bishkek, Osh and areas surrounding Bishkek, during 2008 and 2009, the last two years of the TPMP, to introduce the different “blend” options available, instruct in the good practices to be followed when retrofitting domestic refrigerators to use a refrigerant “blend” and to demonstrate the necessary service equipment and tools. The seminars would be aimed at technicians that had been previously trained under the RMP’s Train the Trainer Project, would last for approximately eight hours and would be conducted by a national expert.

3.4. Additional Training for Refrigeration Technicians in Good Practices and Assistance in the Establishment of National Refrigeration Association (NRA)

This Component will be executed by UNEP and is designed to enhance the ability of technicians to control and eventually eliminate the use of CFCs in the servicing of refrigeration and air conditioning equipment. The sustainability factor has been also taken into account while designing this component. So in addition to providing training to technicians in Good Practices, Recovery and Recycling and Retrofitting, this component will also strengthen the environment in which the technicians operate by developing a Code of Good Practices, support the establishment of a National Association of Refrigeration Technicians, develop a country-wide Certification Programme for Service Technicians. The project would entail the following components:

1. Additional training for refrigeration technicians:

Approximately 150 technicians who did not receive training under the original RMP will be identified and recruited for training sessions conducted by local experts, using the training facilities of the Kyrgyz Technical University (KTU). While the KTU’s training programme for refrigeration technicians contains a module on Good Refrigeration Practices established during the RMP implementation period, it is only available to full time students. Hence, in order to reach the additional 150 technicians - mostly representing the informal sector - special workshops will be organized, similar to those which were set up under the RMP.

The proposed training will cover a comprehensive package, including:

- Good Practices in Refrigeration Servicing;
- Recovery, Recycling and Reuse of chemicals; and
- Retrofitting of CFC-based fixed and mobile equipment.

As indicated on page 4 of this document, the use of CFC-12 for servicing of domestic and small commercial equipment is estimated at 22.3 ODP Tonnes (2004 data). This consumption is due to leakage and compressor burn out and is at the moment new CFCs. While Recovery and Recycling, particularly from commercial systems being decommissioned, will provide some refrigerant to reduce the demand, the impact will not be sufficient to meet the entire demand. The option of replacing the entire refrigerator because CFC-12 is not available is not a feasible option. In addition many small businesses derive their livelihood from selling refrigerated products including soft drinks.

A cost effective approach to deferring the retirement of otherwise serviceable refrigerators and small commercial appliances when they need refrigerant due to leakage or compressor burn out, is to have them retrofitted with drop in substitutes. This ensuring continued use of the equipment and reduces the demand for new CFCs.

2. Certification and licensing of technicians:

In order to support the training of the country's remaining technicians, the Government will introduce a mandatory licensing regime for all practicing technicians as well for new entrants into the profession. This will be extended to include provisions requiring technicians to be licensed in order to practice. In addition to reducing emissions and ensuring quality standards to customers in the refrigeration servicing sector, this initiative also supports ongoing efforts within the region of Central Asia to have harmonised common technical standards. With the increased economic cooperation between the newly independent states in Central Asia, and trends towards harmonisation of the market regulations and free movement of services within the common customs area between Kyrgyzstan, Kazakhstan, Russian Federation and Belarus, the development of such standards will eventually allow technicians to offer their services throughout the region at standards consistent with those of the Montreal Protocol. This certification will also be done in coordination with the Kyrgyz Technical University (KTU), thereby ensuring continuation of the standard of training new students will be receiving.

3. Development and publication of Code of Good Practice:

Using examples from UNEP and other agencies, a Code of Good Practice establishing standards for the management and servicing of refrigeration and air-conditioning equipment will be developed, published and distributed to the country's technicians. The proposed Association of Refrigeration Technicians will be the key partner in helping to develop and implement the Code.

4. Establishment of an Association of Refrigeration Technicians:

For some time now, technicians in Kyrgyzstan, in consultation with the NOU have been trying to establish an Association with little success. The public society "Echoholod" counts approx. 50 members. It was created during the RMP phase and limited within the capital city. The assistance received from this society to the NOU during the implementation of RMP related activities in Bishkek was very helpful. However, no such support is available in other regions. During the data gathering mission to the country under this project, interest in this was revived. In addition, the NOU is of the view that such an association will serve a number of purposes, including to:

- a) help regulate industry practices to ensure that minimum standards are set and maintained;
- b) set minimum standards for entry into the profession;
- c) assist in the development and implementation of codes of good practices in the industry;
- d) coordinate dialogue on matters that affect the industry, including those related to compliance with the Montreal Protocol, with the Government;
- e) assist the Government with data collection and verification;
- f) provide a formal point of contact between the Government and industry to discuss matters related to the implementation of the Montreal Protocol;
- g) provide a formal forum where emerging local and international issues, including technological advances can be addressed; and
- h) assist the NOU in Sector specific education and awareness activities

Given the above, the Government sees the establishment of the Association as an integral part of the enabling framework being established to assure its compliance with its obligations with the Montreal Protocol. Moreover, the establishment of such an Association would help the country to sustain the achieved results beyond 2010 without additional funding from the Multilateral Fund or the Kyrgyz Government. This activity will require a small budget to help catalyze the establishment of the Association. The existing local association "Echoholod" will be used as the basis for the National Association. The funds will be used to hire a legal consultant to prepare the Articles of Association and Rules of Procedure for the Association, fund an exchange visit by a representative of a similar Association from the region (e.g. Georgia or Moldova) and meet the logistical costs of the first few meetings.

5. Recovery & recycling for stationary equipment:

Six recovery machines for fixed systems and ten portable recovery pumps and associated tools and equipment will be acquired and distributed to the larger service workshops who complete the certification programme described in (2) above. Whereas these numbers may seem high, the shortfall in supplies based on the quotas to be assigned compared to the calculated demand will place pressure on technicians to recover as much gases as possible. The conditions will therefore be created to encourage widespread use of the equipment, thereby contributing to the overall effort to stay within the import quotas. Arrangements will be made for technicians who wish to recycle refrigerants to have access to the recycling machines provided under the RMP. Consideration will be given to have technicians pay about 25% of the costs of recovery machines and they will be required to fulfil service contract agreements under which they would report to the NOU the amount of CFC recovered, recycled and re-used on a semi-annual basis. The request to have technicians make a financial outlay for the machines is to ensure that only those who see a financial return on this investment from using the machines will acquire them. Any proceeds collected from the sale of the machines will go towards the purchase of additional recovery equipment or reinvested in some other component of the overall phase out strategy. This activity will build on the training to be undertaken in Component 1 by including follow-up training of additional technicians in the MAC sub sector. In addition, consideration will be given to a phased acquisition and distribution of equipment based on demand and the impact their use is having on emissions reduction.

6. Promotion of R&R and good practices:

A promotional campaign, including the distribution of brochures and direct contact with technicians, will be undertaken to foster the application of good practices, and the use R&R equipment. The importance of re-using CFCs stored in storage cylinders will be emphasized. A local consultant will be contracted to work with the National Refrigeration Association to undertake this activity, which will include finding ways to overcome barriers to re-use and recycling of CFCs.

7. Local assistance, monitoring & reporting:

A local consultant will be contracted to provide general assistance to the NOU with implementation of all the activities identified above, monitor progress, including reports of technicians on CFCs recovered, re-used and recycled, and assist with preparing semi-annual reports to UNEP and UNDP from January 2007 to December 2009.

3.5. Additional Training for Customs Officers and Enhancement of National Capacity to Monitor Trade and Prevent Illegal Trade of CFCs

Based on what is happening in Art. 2 countries, developing countries and particularly Kyrgyzstan, will become more vulnerable to illegal imports / trade of CFCs. To enable Kyrgyzstan to maintain the phase-out target for CFCs, it will need to make intensified efforts to control CFC trade and prevent illegal trade. This project builds on the results of the RMP approved at the 37th Meeting of the Executive Committee in July 2002. The recommendations of the tri-lateral meeting between the Customs authorities of Kyrgyzstan, Kazakhstan and China on prevention of illegal trade with CFCs in the region were also taken into account when drafting this component.

One of the tasks will be to liaise with country on enforcement of legislation, and facilitate cooperation to combat illegal trade of ODS. This project will provide the necessary assistance to the country to develop

national capacity to enable information analysis and dissemination, to facilitate national networking, and to implement the provisions in Decision XIV/7 taken at the 14th MOP.

The TPMP of Kyrgyzstan proposes a program of training and customs officials formation, as key point for the control of ODS, as well as also the full knowledge of the tariff departures that the Government of Kyrgyzstan has established for a precise classification of the ODS and the products that contain ODS or require ODS to operate.

The Customs Department has already reached 50% of the needs in terms of personnel training and equipment availability in order to have greater efficacy in the controls required in the main merchandise entrance points to the country such as: borders.

This project thus aims at:

- Training of 60 Customs officers (inspectors, controllers and customs policemen)
- Establishment of an ODS Information/Enforcement Centre in the Customs Department,
- Training of customs officers on illegal trade activities
- Establishment of a monitoring/control system for the Ozone Unit authorizations for ODS import

The expected result is to:

- enhance the capacity of the government officers to target and capture ODS smugglers,
- to develop a database with information on illegal ODS trade activities in relation to the country
- to accurately register authorized import of CFC and CFC using equipment upon entrance to the country
- to report to the Ozone Secretariat in line with the MOP Decision XIV/7 Para 7.

The criteria for success will be:

- the number of activities undertaken to prevent illegal trade, including inspections by customs officers
- development of national networks
- development of guidelines for investigation of suspect activities, and reports on cases of illegal trade.

Target audience:

Training will be directed to customs officers (inspectors, controllers and customs policemen), who did not receive training under the RMP, with at least 5 years experience and if possible some supervisory functions. The training on follow-up of illegal trade will be directed to all government departments concerned, including the National Ozone Center, customs officers, the Judicial Department, police, and other relevant authorities.

Approach:

Training sessions for the customs officers will be carried out through lectures and hands-on sessions with CFC-detection equipment. No new equipment will be procured under this component. The ODS identifiers procured under the customs training component of the RMP, will be used for demonstration purposes. An Information/Enforcement Centre will be installed in the Customs Department where a specialized officer will be stationed as an advisor to other officers. The Centre will develop procedures and guidelines for follow-up of illegal activities by the different governmental departments involved. The Centre will make recommendations on amendments to national legislation if necessary. The Centre will prepare the draft reports for submission to

the Ozone Secretariat in line with the MOP Decision XIV/7. Training will be organized for officers on procedures and guidelines for follow-up of illegal activities.

The National Ozone Center (NOC), Customs Department and other relevant national agencies will be involved from the start of the project. This Project will be implemented by the National Ozone Center as part of the TPMP implementation activities.

3.6. Review and update regulations to control ODS

After its ratification of Montreal Protocol in 2000, the government of Kyrgyz Republic promulgated a series of ozone protection related laws and regulations, which provide the legal framework for ODS phase-out strategy and plan, and played a very important role in the implementation of Country Program. In accordance with the MOP Decision IX/8, a series of ODS regulations were introduced by the Government of Kyrgyz Republic. ODS import as well as products and equipment containing ODS is being licensed according to Provision on state regulation on ODS import/export and products containing ODS, approved by the Government resolution No. 552 dated September 6, 2000, which is active according to the Government resolutions No. 622 and No. 860 dated August 17, 2004 and November 23, 2004 respectively. The following points were included:

- 1) Prohibition to produce ODS
- 2) Controls on the imports and exports of ODS
- 3) Controls of the sales and purchases of ODS
- 4) Ban on import of obsolete equipment using ODS
- 5) Mandatory notification of the ODS imports, exports and sales

The existing regulations will allow the country to control and therefore reduce its ODS consumption. Nevertheless, the ODS consumption in the refrigeration sector and in the air conditioning sectors as well the illegal trade in CFCs are subject of major concern. The licensing system was adopted in 2000. In order to reflect the changing situation in the country and the region it was reinforced in 2004.

During the RMP implementation the following laws and regulations were adopted::

- 1) Government Resolution No. 552 of 6 September 2000:
 - Regulation on controls of imports and export of ODS and ODS containing products
 - Licensing System for ODS import and export
- 2) Government Resolution No. 622 of 17 August 2004
- 3) Government Resolution No. 860 of 23 November 2004

However, legislative measures, such as standards for recovery and recycling of CFCs from decommissioning and repairing equipment should be formulated and enforced. Dynamic status of refrigeration and MAC service sub-sectors should be updated periodically, such as the number of service workshops, staff quantities, the number of technicians and staff trained, and more importantly, the number of machines serviced, amount of CFC recovered, recycled, recharged, etc, Data reporting system should be strengthened to improve the efficiency of implementation of TPMP.

As increased demands for low cost refrigeration equipment in recent years due to slow recovery of economy and for the purpose of store more food at households, relevant legislation and regulations to control ODS based low cost refrigeration equipment will specifically formulated and enforced.

Rationale:

The legal framework and enforcement measures for ODS import and export control should be strengthened. Specific enforcement measures will involve monthly reporting by the licensed companies of ODS import and export as well as the number of relevant government bodies – Ministry of Emergency Situations, State Agency on Environment Protection and Forestry, and Customs Department which will be responsible for collecting data and reports from registered refrigeration service workshops on monthly basis, and then report to TPMP PMU.

Although the import quota has been worked out between importers, Ministry of Emergency Situations, Customs Department and the State Agency on Environment Protection and Forestry on an annual basis, detailed measures for monitoring and supervision of such quota will need to be worked in accordance with the phase-out amounting of CFCs for the corresponding year.

Certification system for the qualification of refrigeration service technicians will be applied through training program, and annual review through test process to refresh skills and awareness will be carried out. Without certification, technicians will not be allowed to undertake refrigeration service duties, which will be checked and verified by PMU to be set up in Component 6.

Objective:

To improve the legal framework for better monitoring and management of CFC imports and exports taking into account the recent developments in the RAC sector, as well as increased trade with the neighbouring countries (e.g. China), to improve the enforcement measures, increase public awareness.

Activities:

During the preparation of TPMP, it was noted that some servicing personnel in the department stores in Bishkek had little idea of ODS and ozone regulation in the country. Awareness and education campaigns should be continued and strengthened to notify the public of the existing ODS regulations and of the shortage of the CFC supply in the next few years and the complete phase-out of CFC in 2010.

In order to attain the objective, a National consultant with legal and technical background and who have been involved in the implementation of the RMP activities will be mandated to review the existing legal framework, collect the data from all the workshops that are included in the Recovery and Recycling Project as well as the other components in the TPMP. As the R&R workshop and the other installations are located all over the country, the budget below includes funds for transportation and logistical arrangements for this activity.

Pursuing the recommendations made by customs officers and refrigeration service technicians who participated in the relevant training workshops for good practice of refrigeration servicing and customs officer training that TV documentary is a very useful tool for education and awareness raising campaign.

With the promulgation of new laws and regulations, the enforcement measures to be developed and mandated during the implementation of TPMP, it is planned to produce a TV series or short programs (15 minutes) to publicize the TPMP implementation and enforcement of related laws and regulations, so that the general public in Kyrgyzstan understands their country's international commitments and responsibilities of ODS phase out program.

3.7. Program in the MDI Sector

A description on the MDI sector is provided in paragraph 2.4.

The proposed program would include changes to the legal framework such as a modification of CFC Import Licensing System to include import of MDI. Other activities proposed would include:

- Meetings with importers to determine expected schedule for import substitution of CFC based MDI with their different alternatives.
- Meetings with importers and selected representatives of the medical body to agree on possible measures and regulations for the MDI sector.
- Finalization of individual or group agreements for an import substitution schedule, with importers and distributors.
- Organisation of meetings with experts of the Ministry of Health, Ministry of Emergency Situations (i.e. NOU), in order to obtain more reliable data on MDIs and ensure a better control of this sector.

3.8. Monitoring of the activities in the TPMP

The monitoring of the Project for the 3 years of its duration would be under the overall the responsibility of the NOU.

Annual meetings will be organised to discuss the annual report to be presented to the following Exexutive Committee meeting. The national consultants will be in charge of the preparation and editing of the document. This component will also ensure the yearly audits required for TPMPs as per existing guidance from the Executive Committee.

Project Management Unit:

As part of the TPMP, the NOU need to be strengthened with small project support group (PMU). The Ministry of Emergency Situations of Kyrgyz Republic is ready to provide more office space to accommodate the support group. The Ministry of Emergency Situations will identify a National Project Manager or Coordinator (The "Project Manager") who will manage the TPMP project for the country from start to finish. The person to be designated the "Project Manager" is the current manager of the Ozone Unit of the Ministry of Emergency Situations. A project manager will be responsible for day-to-day management of the project with assistance from a small project support group

To facilitate the work of project support group, TPMP will support the operation of the office, including the salary for the project staff and daily office operation cost, including the necessary local travel within the country.

3.9 Summary

A summary of the proposed activities for the TPMP in the Kyrgyz Republic is available in the table below. As already mentioned, a breakdown is only provided for 2006 as per annex 2.

Description	2006	2007	2008	TOTAL
T.A. MAC (UNDP)	37,000	To be deter-mined	To be deter-mined	
Recovery and recycling (UNDP)	62,500			
T.A. HC & drop-ins (UNDP)	52,500			
International Consultant	12,000			

(UNDP)				
Programme on MDIs	30,000	0	0	30,000
Subtotal (UNDP)	194,000	63,000	60,000	317,000
Refrigeration technicians training component (UNEP)	60,000	To be deter-mined	To be deter-mined	
Customs training component (UNEP)	34,600			
Legislation component (UNEP)	24,000			
Monitoring component (UNEP)	24,000			
Subtotal UNEP	142,600	65,100	25,300	233,000
Total UNDP/UNEP	336,600	128,100	85,300	550,000

While funding will be received during the three years (2006 – 2008) of the Project, the activities will be implemented during a 4-year period, 2007 – 2010.

The Kyrgyz Republic would like to keep benefiting from the flexibility in the funds allocation, included in the national strategy to optimize the impacts of the projects. This flexibility will be an essential component in the success of the projects.

Table: annual budget approvals to be requested and equivalent ODP tonnes amounts to be phased out:

Year	Budget approvals Nov/Dec	Equivalent phase-out of CFCs (ODP tonnes)
2005	0	1.1
2006	336,600	1.0
2007	128,100	1.0
2008	85,300	2.0
2009	0	3.0
2010	0	0
Total	550,000	8.1

4. TPMP Milestones

In order to receive the next funding tranche, the country should implement the following activities:

CONDITIONS TO RECEIVE THE NEXT TRANCHE		CORRESPONDING ACTIVITIES
Nov 06	<ul style="list-style-type: none"> ❖ Project approval. ❖ CFC consumption level for 2005 of 8.1 ODP tons confirmed as reported to the MLF Secretariat (CP Reporting). 	Implementation of activities including signature of the projects documents (UNDP) and Memoranda of Agreement (UNEP).

CONDITIONS TO RECEIVE THE NEXT TRANCHE		CORRESPONDING ACTIVITIES
Nov 07	<ul style="list-style-type: none"> ❖ Projects documents and memoranda signed ❖ CFC consumption level for 2006 of 7.0 ODP tons confirmed as reported to the MLF Secretariat (CP Reporting). ❖ Activities contained in 1st annual work programme initiated ❖ Annual Progress Reports, Annual Implementation Plans prepared. 	Activities ongoing.
Nov 08	<ul style="list-style-type: none"> ❖ CFC consumption level for 2007 of 6.0 ODP tons confirmed as reported to the MLF Secretariat (CP Reporting). ❖ Activities contained in 2nd annual work programme initiated ❖ Annual Progress Reports, Annual Implementation Plans prepared. 	Activities ongoing.
Nov 09	<ul style="list-style-type: none"> ❖ CFC consumption level for 2008 of 5.0 ODP tons confirmed as reported to the MLF Secretariat (CP Reporting). ❖ Activities contained in 3rd annual work programme initiated ❖ Annual Progress Reports, Annual Implementation Plans prepared. 	Activities ongoing.
Nov 10	<ul style="list-style-type: none"> ❖ CFC consumption level for 2009 of 3.0 ODP tons confirmed as reported to the MLF Secretariat (CP Reporting). ❖ Activities contained in 4th annual work programme initiated ❖ Annual Progress Reports, Annual Implementation Plans prepared. 	Activities ongoing.
Nov 11	<ul style="list-style-type: none"> ❖ CFC consumption level for 2010 of 0.0 ODP tons confirmed as reported to the MLF Secretariat (CP Reporting). ❖ Activities contained in 5th annual work programme initiated ❖ Annual Progress Reports and Completion Report prepared. 	Activities completed.

5. Institutional Strengthening Projects

The implementation of the institutional strengthening project will continue with its own funding (not included in the TPMP budget).

6. Implementing Agencies / Annual Meetings

The Government of the Kyrgyz Republic agrees to choose UNEP as the lead agency and as the executing agency for the implementation of the projects in the refrigeration sector, related to training in good practices for refrigeration technicians, certification of refrigeration technicians, training of customs officers, review and update of ODS legislation, and monitoring of the activities in the TPMP.

UNDP will be the executing agency for the implementation of the projects in the refrigeration sector, related to R&R, technical assistance to MAC sector and on HC and 'blend' refrigerants.

Annual meetings will be organized with the proposed participants:

- ❖ National Ozone Unit
- ❖ UNDP Country office
- ❖ Refrigeration Associations
- ❖ International consultant
- ❖ National consultants
- ❖ UNEP DTIE representative
- ❖ Others

50th Executive Meeting of the Multilateral Fund for the Implementation of the Montreal Protocol

These meetings will be organized beginning of August to discuss the annual report to be presented to the Executive Committee meeting of the third meeting of each year. A draft version of the report will be sent to the participants at least a week before the meeting.

ANNEX II

AGREEMENT BETWEEN THE GOVERNMENT OF THE KYRGYZ REPUBLIC AND THE EXECUTIVE COMMITTEE FOR THE TERMINAL CFC PHASE-OUT MANAGEMENT PLAN (TPMP)

1. This Agreement represents the understanding of the Government of the Kyrgyz Republic (the "Country") and the Executive Committee with respect to the complete phase-out of controlled use of the ozone-depleting substances set out in Appendix 1-A (the "Substances") in the refrigeration sector, prior to 1 January 2010 in compliance with Protocol schedules.
2. The Country agrees to phase out the use of the Substances in Annex A (Group I) of the Montreal Protocol in accordance with the annual phase-out targets set out in row 5 of Appendix 2-A (the "Targets") and this Agreement. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to the Substances for the refrigeration sector as described in the TPMP document.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 9 of Appendix 2-A (the "Funding") to the Country, commencing with the entry into force of an import/export licensing system to monitor and control trade in ozone depleting substances. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (the "Funding Disbursement Schedule").
4. The Country will meet the consumption limits for each Substance as indicated in Appendix 2-A. It will also accept independent verification by the relevant Implementing Agency of achievement of these consumption limits as described in paragraph 9 of this Agreement.
5. The Executive Committee will not provide the Funding in accordance with the Funding Disbursement Schedule unless the Country satisfies the following conditions at least 30 days prior to the applicable Executive Committee meeting set out in the Funding Disbursement Schedule:
 - (a) That the Country has met the Target for the applicable year;
 - (b) That the meeting of these Targets has been independently verified as described in paragraph 9 if the Executive Committee is requiring this;
 - (c) That the Country has substantially completed all actions set out in the last Annual Implementation Programme; and
 - (d) That the Country has submitted and received endorsement from the Executive Committee for an annual implementation programme in the form of Appendix 4-A (the "Annual Implementation Programmes") in respect of the year for which funding is being requested.
6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (the "Monitoring") will monitor and report on that monitoring in accordance with the roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in paragraph 9;

7. While the Funding was determined on the basis of estimates of the needs of the Country to carry out its obligations under this Agreement, the Executive Committee agrees that the Country may use the Funding for other purposes that can be demonstrated to facilitate the smoothest possible phase-out, consistent with this Agreement, whether or not that use of funds was contemplated in determining the amount of funding under this Agreement. Any changes in the use of the Funding must, however, be documented in advance in the Country's Annual Implementation Programme, endorsed by the Executive Committee as described in sub paragraph 5(d) and be subject to independent verification as described in paragraph 9.
8. Specific attention will be paid to the execution of the activities in the service sector, in particular:
 - (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation;
 - (b) The technical assistance programme for the refrigeration service sub sectors would be implemented in stages so that resources can be diverted to other activities such as, additional training or procurement of service tools, in cases where the proposed results are not achieved, and will be closely monitored in accordance with Appendix 5-A of this Agreement.
9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of Activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. THE UNITED NATIONS ENVIRONMENT PROGRAMME (the "Lead IA") has agreed to be the lead implementing agency and UNITED NATIONS DEVELOPMENT PROGRAMME (the "Cooperating IA") has agreed to be cooperating implementing agency under the lead of the Lead IA in respect of the Country's activities under this Agreement. The Lead IA will be responsible for carrying out the activities listed in Appendix 6-A, including but not limited to independent verification. The Country also agrees to periodic evaluations, which will be carried out under the monitoring and evaluation work programs of the Multilateral Fund. The Cooperating IA will be responsible for carrying out the activities listed in Appendix 6-B. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 10 and 11 of Appendix 2-A.
10. Should the Country, for any reason, not meet the Targets for the elimination of the Substances in Annex A (Group I) of the Montreal Protocol or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Disbursement Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Disbursement Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next instalment of Funding under the Funding Disbursement Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amounts set out in Appendix 7-A in respect of each ODP tonne of reductions in consumption not achieved in any one year.
11. The Funding components of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the Funding of any other consumption sector projects or any other related activities in the Country.
12. The Country will comply with any reasonable request of the Executive Committee and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide access by the Lead IA to information necessary to verify compliance with this Agreement.

Appendices

Appendix 1-A: The Substances

Annex A:	Group I	CFC-11, CFC-12, CFC-113
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Appendix 2-A: The Targets, and Funding

PROJECT DATA	2004	2005	2006	2007	2008	2009	2010	Total
1. Montreal Protocol limits	72.9	36.4	36.4	10.9	10.9	10.9	0.0	
2. Annual phase-out from ongoing RMP projects	14.2	1.1	0.0	0.0	0.0	0.0	0.0	15.2
3. Annual phase-out newly addressed (TPMP)	0.0	0.0	1.0	1.0	2.0	3.0	0.0	7.0
4. TOTAL ODS CONSUMPTION TO BE PHASED OUT	14.2	1.1	1.0	1.0	2.0	3.0	0.0	22.3
5. RESULTING CFC TARGETS TO BE ACHIEVED	22.3	8.1	7.0	6.0	5.0	3.0	0.0	22.3
6. Total ODS consumption to be phased-in (HCFCs)		N/A					N/A	N/A
Project costs (US D):								
7. Funding for UNDP (incl MDI strategy)			194,000	63,000	60,000	0	0	317,000
8. Funding for lead agency UNEP			142,600	65,100	25,300	0	0	233,000
9. Total project funding			336,600	128,100	85,300	0	0	550,000
Support costs (US D)								
10. Support cost for UNDP (7.5%)			14,550	4,725	4,500	0	0	23,775
11. Support cost for lead agency UNEP (13%)			18,538	8,463	3,289	0	0	30,290
12. Total support costs			33,088	13,188	7,789	0	0	54,065
13 TOTAL COST TO MULTILATERAL FUND (US D)			369,688	141,288	93,089	0	0	604,065

Appendix 3-A: Funding Disbursement Schedule

▪ *FUNDING WILL BE CONSIDERED FOR APPROVAL AT THE THIRD MEETING OF THE YEAR OF THE ANNUAL IMPLEMENTATION PROGRAMME. IN CASE THE EXECUTIVE COMMITTEE REQUIRES VERIFICATION OF THE ACHIEVEMENTS OF THE TARGETS IN THE TPMP, IT IS UNDERSTOOD THAT THE APPROVAL OR DISBURSEMENT OF THE TRANCHE MIGHT BE DELAYED UNTIL THE VERIFICATION IS COMPLETED AND HAS BEEN REVIEWED.*

Appendix 4-A: Format of Annual Implementation Programme

See annex 2 below.

Appendix 5-A: Monitoring Institutions and Roles

1. All the monitoring activities will be coordinated and managed through the project "Monitoring and Management Unit" (PMU), which is included within this TPMP.
2. The Lead IA will have a particularly prominent role in the monitoring arrangements because of its mandate to monitor ODS imports, whose records will be used as a crosschecking reference in all the monitoring programmes for the different projects within the TPMP. This organization, along with the cooperating IA will also undertake the challenging task of monitoring illegal ODS imports and exports with advisements made to the appropriate national agencies through the National Ozone Office.

13. All of the agreements set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Protocol unless otherwise defined herein.

Verification and reporting

3. Under this component there are two independent types of verification as follows:
 - a. In accordance to Decision 45/54 of the Executive Committee. The Executive Committee reserves the right for independent verification in case the Executive Committee selects Kyrgyzstan for related auditing as per decision 45/54.
 - b. Verification for monitoring and in accordance to the TPMP and the TPMP Annual Implementation Programme objectives will be coordinated and managed through the project "Monitoring and Management Unit", which is included within this TPMP. Kyrgyzstan and the Lead IA will jointly design the verification procedures.

Frequency of verification and reporting

4. *THE MONITORING REPORTS WILL BE PRODUCED AND VERIFIED EACH YEAR TO BE SUBMITTED TO THE LAST MEETING OF THE EXECUTIVE COMMITTEE. THESE REPORTS WILL PRODUCE THE INPUT FOR THE YEARLY IMPLEMENTATION REPORTS REQUIRED BY THE EXECUTIVE COMMITTEE.*

The activities related to the ozone layer protection and implementation of the Montreal Protocol is coordinated by the Ministry of Ecology and Emergency Situations through its NOU of Kyrgyzstan. This involves:

- Monitoring of the progress of implementation of projects and activities funded by the MLF;
- Formulating guidelines and regulations necessary for policy implementation;
- Supporting public awareness initiatives and campaigns promoting ozone layer protection at the equipment owner/consumer level, and
- Interaction with other ministries and departments, industry representatives and implementing agencies for information dissemination related to the impact of policy and regulatory measures.

The TPMP activities will be implemented by a PMU team that is to support the NOU at the Ministry of Emergency Situations. The NOU will be responsible for monitoring of the implementation of all activities of the TPMP.

In order to achieve the targets set out in the TPMP it is essential that the PMU team with support from the NOU continuously coordinate the implementation of the measures, monitor the developments on the market and have the flexibility to adapt to market changes. Monitoring of the impact of all measures will be carried out during the whole implementation period and corrective actions will be taken if any of the measures does not achieve the intended results.

A key factor for success is that the PMU team has sufficient manpower and competency to supervise the implementation and initiate and participate in the necessary discussion with trade during the development of updated legislation, the Code of Practice, and the improved re-use scheme. Due to the type of actions required, it is necessary that relevant authorities within the Kyrgyzstan government, as well as the private sector and relevant trade associations, be involved and consulted in the implementation of the TPMP. To strengthen the ongoing movement towards non ODS technology and improved service practices in the industry the PMU team will provide technical guidance, seek funding and generally provide an enabling environment to the companies. To ensure input of international experiences and to support the regulatory process, it is suggested that USD 8,000 under this component is set aside for technical assistance.

The monitoring, management and evaluation support component of the PMU team of the phase-out plan will for example include the following activities for the duration of the plan:

1. Management and co-ordination of the Plan implementation with the various Government policy actions pertaining to the refrigeration servicing sector;
2. Establishment of a policy development and enforcement program, covering various legislative, regulatory, incentive, disincentive and punitive actions to enable the Government to acquire exercise the required mandates in order to ensure compliance by the industry with the phase-out obligations;
3. Development and implementation of training, awareness and capacity-building activities for key government departments, legislators, decision-makers and other institutional stakeholders, to ensure a high-level commitment to the Plan objectives and obligations;
4. Informing the trade of the availability of funds under this TPMP;
5. Developing and maintaining, in cooperation with the trade, a database of refrigeration and MAC certified technicians including names and addresses of service providers that have already received advice and recommendations on the allocation of annual import quotas of all Annex A, Group I, chemicals;
6. Preparing an annual progress report of overall implementation of the TPMP in accordance with ExCom procedures and requirements pertaining to this task;
7. Coordinating and implementing, together with the trade, the awareness raising and targeted information activities;
8. Development of business criteria for refrigerant recycling/reclamation centers in collaboration with relevant authorities and trade representatives;
9. Monitoring of the established recycling/reclamation centers i.e. to collect data at a regular basis on how much CFC etc is being reused;
10. Local distribution of service equipment and recovery and recycle/ reclamation machines, which are to be procured through UNDP and delivered to the country;
11. Development of selection criteria for demonstration projects, coordination and implementation of the demonstration projects including sufficient transfer of knowledge to other similar companies;
12. Arrangement for the workshops for industry and service trades on the possibilities of ODS substitution and recycling as well as for presenting the results of the demonstration projects.

To perform these tasks, a close collaboration between the PMU team and the NOU at the Ministry of Emergency Situations of Kyrgyzstan will be established.

Project's Organization

The Ministry of Emergency Situations will be an implementing partner for the project.

The Ministry of Emergency Situations will identify a National Project Manager or Coordinator (The "Project Manager") who will manage the TPMP project for the country from start to finish. The person to be designated the "Project Manager" is the current manager of the Ozone Unit of the Ministry of Emergency Situations. A project manager will be responsible for day-to-day management of the project with assistance from a small project support group. The PMU composed of representatives of the NOU of the Ministry of Emergency Situations and UNEP will be established. This board will have a general oversight function, give guidance to the project and make key decisions for the project. It will meet at least once in a quarter. UNEP will assign its staff to provide project policy and technical guidance.

Monitoring, Evaluation and Audit:

The NOU will provide overall oversight to the project. UNEP will conduct periodic monitoring of the project against defined benchmarks and indicators and financial work plan.

Project Manager will be responsible for day-to-day monitoring of project activities and experts work. During Project Inception Phase he will develop detailed work plan, including project monitoring and evaluation and financial work plans. He will provide progress reports to UNEP upon request and detailed reports to UNEP on an annual basis. The manager will organize and coordinate the final review of the project outcomes by the PMU and, in cooperation with UNEP, prepare a final project review report, including lessons learned.

Project consultants will, in agreement with and under the overall coordination of the project manager, deliver task reports.

The project will undergo periodic audits by a certified auditor according to UNEP rules and regulations.

Appendix 6-A: Role of the Lead IA

The Lead IA UNEP will be responsible for a range of activities to be specified in the project document along the lines of the following:

- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's phase-out plan;
- (b) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Annual Implementation Programme. For this undertaking, separate funding will be provided by the Executive committee to the Lead Agency.
- (c) Assist the country in Preparation of the Annual Implementation Programme
- (d) Ensure that the achievements in previous Annual Implementation Programmes are reflected in the future Annual Implementation Programme
- (e) Reporting on the implementation of the Annual Implementation Programme of the preceding year and preparing for Annual Implementation Programme for the year of submission for submission to the Executive Committee, commencing with the 2007 Annual Implementation Programme combined with the Report on the 2006 Annual Implementation Programme
- (f) Ensuring that appropriate independent technical experts carry out the technical reviews undertaken by the lead Implementing Agency;
- (g) Carrying out required supervision missions;
- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Annual Implementation Programme and accurate data reporting;
- (i) Verification for the Executive Committee that consumption of the Substances has been eliminated in accordance with the Targets;
- (j) Coordinating the activities of the Coordinating IAs, if any;
- (k) Ensuring that disbursements made to the Country are based on the use of the Indicators; and
- (l) Providing assistance with policy, management and technical support when required.

Appendix 6-B: Role of Cooperating IA UNDP

1. *THE COOPERATING IMPLEMENTING AGENCY, WILL:*
 - 1.1 *Provide policy development assistance when required;*
 - 1.2 *Assist the Government of Kyrgyzstan in the implementation and verification of the activities funded for by the UNITED NATIONS DEVELOPMENT PROGRAMME; and*
 - 1.3 *Provide reports to the lead IA on these activities, for inclusion in the consolidated reports.*

Appendix 7-A: Reductions in Funding for Failure to Comply

1. *IN ACCORDANCE WITH PARAGRAPH 10 OF THE AGREEMENT, THE AMOUNT OF FUNDING PROVIDED MAY BE REDUCED BY US D10,000 PER ODP TONNE OF REDUCTIONS IN CONSUMPTION NOT ACHIEVED IN THE YEAR.*

KYRGYZ REPUBLIC
TERMINAL CFC PHASE-OUT MANAGEMENT PLAN (TPMP)

2007 ANNUAL IMPLEMENTATION PROGRAMME

1. Data

Country		Kyrgyz Republic
Year of plan		2007
Number of years completed		0
Number of years remaining under the plan		Three funding tranches (2006, 2007 and 2008) but activities will last through the middle of 2010.
Target ODS consumption of the preceding year (2006)		7
Target ODS consumption of the year of plan (2007)		6
Level of funding requested (USD)	Refrigeration Service (UNDP)	USD 164,000
	Refrigeration Training (UNEP)	USD 60,000
	Customs Training (UNEP)	USD 34,600
	Legislation Update (UNEP)	USD 24,000
	Monitoring the TPMP (UNEP)	USD 24,000
	MDIs (UNDP)	USD 30,000
	Total	USD 336,600
Lead implementing agency		UNEP
Co-operating agency (ies)		UNDP

2. Targets

Indicators		Preceding Year (2006)	Year of Plan (2007)	Reduction
Supply of CFCs (ODP)	Import	7	6	1
	Production *	N/A	N/A	N/A
	Total (1)	7	6	1
Demand of ODS in Sector (ODP tonnes)	Manufacturing	N/A	N/A	N/A
	Servicing	7	6	1
	Stock piling	N/A	N/A	N/A
	Total (2)	7	6	1

* For ODS-producing countries

3. Industry Action

Sector	Consumption Preceding Year (2005) (1)	Consumption Year of Plan (2006) (2)	Reduction within Year of Plan (1) - (2)	No. of Projects Completed	Number of Service Related Activities	ODS Phase-Out (ODP tonnes)
Other: ARS, FOA, SOL	0	0	0	NA	NA	0
Refrigeration (Service)	7	6	1	NA	9	9
MDIs	NA	NA	NA	NA	1	NA
Total	7	6	1	NA	10	1

Agreement between Government of Kyrgyz Republic and the Executive Committee
 Technical Assistance

4.

Activity	Description	
Refrigeration (Service) Sector – UNDP (Cooperating Agency)		
Purchase of MAC R&R Equipment and Training (USD 37,000))	Objective	The project will be initiated with the purchase of MAC R&R machines and ancillary equipment, training MAC technicians in good working practices and the diagnosis, repair and retrofit of MAC units and the putting into place of the programme that will be to provide incentives to the MAC end-users to retrofit to HFC-134a. The requested funds will only serve to launch the project. In 2007, once the units needed to launch the project are distributed and the training completed, funding will be requested to subsidise end-users to retrofit their MAC units.
	Target group	MAC service sector
	Impact	CFC phase-out in the MAC service sector due to R&R and better service practices and diagnosis of breakdowns.
Purchase of Recovery Machines, Ancillary Equipment and Cylinders and Training (USD 62,500)	Objective	New refrigeration service enterprises have been constituted since the approval of the RMP. Though some redistribution of equipment was undertaken during the RMP project, this was not sufficient to correctly equip all these new enterprises. Further training in R&R will be given and Recycling Centres will be furnished with large storage tanks for the HCFC-22 now also being recovered and recycled
	Target group	Commercial refrigeration service sector
	Impact	CFC phase-out in refrigeration service sector due to extension of R&R infrastructure and training.
Programme related to the use of and servicing with HC and Drop-in 'blend' Refrigerants (USD 52,500)	Objective	Domestic refrigerators using HC refrigerant are now being regularly imported and sold in Kyrgyzstan. This first year of the programme would concentrate on preparing and undertaking seminars on the correct servicing of HC based refrigeration appliances and purchasing appropriate demonstration and training material. Funding is expected to be requested in 2007 for further seminars on the same subject. New information is becoming increasingly available as to the use of drop-in 'blend' refrigerants. Commencing in 2007, it is planned to include within this programme further seminars to broadcast this information and to encourage the use of drop-in 'blends' to substitute CFC-12 during the retrofit of domestic appliances.
	Target group	Domestic refrigeration service sector.
	Impact	Increased awareness and better service practices. Encouragement to purchase non-ODS equipment.
International Consultant (USD 12,000)	Objective	To give technical advice and assist in the training and monitoring activities of the UNDP executed projects.
	Target group	Direct assistance to the Kyrgyzstan Ozone Center in the implementation of the plan.
	Impact	Smooth implementation of Activities, allowing the country to remain in compliance.
Refrigeration (Service) Sector – UNEP (Lead Agency)		

Agreement between Government of Kyrgyz Republic and the Executive Committee

Additional Training for Refrigeration Technicians and Establishment of National Refrigeration Association (USD 60,000)	Objective	The training of the technicians will be organized under the supervision of the National Ozone Center, in cooperation with the Kyrgyz Technical University in Bishkek, local authorities and the National Refrigeration Association to be established through this component. A national consultant will coordinate workshops and develop a work plan. Equipment will be procured locally. A certification system will be put in place to deliver certificates to the participating technicians.
	Target group	Service technicians in refrigeration service establishments. Personnel trained would receive certificate.
	Impact	Better practices will result in less flushing, less leaks, a decreased CFC consumption and better maintenance practices.
Additional Training of the Customs Officers and Enhancing National Capacity to Prevent Illegal Trade (USD 34,600)	Objective	New customs agents will be trained. The continuous training will be offered to customs and other official agents. Training workshops will be organized by the National Ozone Center, in cooperation with the Customs Department. In total 60 Customs officers will be trained. An information center will be set up within the Customs department to coordinate work between the NOU and the Customs Department and other relevant Government bodies.
	Target group	Customs and other enforcement Officials.
	Impact	Better control on imports of refrigerants and avoidance of illegal CFC trade.
Review and update of ODS legislation (USD 24,000)	Objective	To bring the CFC import and export under close monitoring and management, increase public awareness, improved coordination of implementation of TPMP activities.
	Target group	Ministry of Justice, Customs department, customs officers, public at large
	Impact	Better control of CFC movements in the country through improved ODS legislation and better enforcement, increased awareness on ODS regulations.
Monitoring of the activities in the TPMP (USD 24,000)	Objective	To close monitor the activities in the TPMP
	Target group	All relevant stakeholders: Ministry of Emergency Situations, Customs Department, refrigeration workshops, the Kyrgyz Technical University.
	Impact	Timely implementation of the TPMP activities, meeting 2007 and 2010 CFC phase-out targets.
MDI Sector – UNDP		
Assistance in MDI sector (USD 30,000)	Objective	The activities planned under this programme would include meetings with importers to determine expected schedule for import substitution of CFC based MDI with their different alternatives, meetings with importers and selected representatives of the medical body to agree on possible measures and regulations for the MDI sector, finalization of individual or group agreements for an import substitution schedule, with importers and distributors, and organisation of meetings with experts of the Ministry of Health, Ministry of Ecology and Emergency Situations (i.e. NOU), in order to obtain more reliable data on MDIs and ensure a better control of this sector.
	Target group	Importers of MDI and public at large using the same.
	Impact	Gradual elimination of imports of CFC-based MDIs.

5. Government Action

Policy/Activity Planned	Schedule of Implementation
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Agreement between Government of Kyrgyz Republic and the Executive Committee

Type of Policy Control on ODS Import	Continuing enforcement of existing import controls Improvement of the existing licensing system for ODS imports so that it would become a better tool to control imports.
Public Awareness	Within the scope of the monitoring activities, organization of one workshop for government policy makers and decision makers.
Others	Reporting on the 2006 implementation and preparation of 2007 annual implementation programme.

6. Annual Budgets

6.0. Overview

Description	2006	2007	2008	TOTAL
1. T.A. MAC (UNDP)	37,000	To be deter-mined	To be deter-mined	
2. Recovery and recycling (UNDP)	62,500			
3. T.A. HC & drop-ins (UNDP)	52,500			
4. International Consultant (UNDP)	12,000			
5. Program on MDIs (UNDP)	30,000	0	0	30,000
Subtotal (UNDP)	194,000	63,000	60,000	317,000
6. Refrigeration training (UNEP)	60,000	To be deter-mined	To be deter-mined	
7. Customs training (UNEP)	34,600			
8. Legislation Update (UNEP)	24,000			
9. Monitoring the activities in the TPMP (UNEP)	24,000			
Subtotal UNEP	142,600	65,100	25,300	233,000
Total UNDP/UNEP	336,600	128,100	85,300	550,000

6.1. MAC Technical Assistance Project (UNDP)

Description	2006
MAC R&R Equipment	16,000
Workshops	16,000
National Consultant	5,000
Total	37,000

6.2. Recovery/Recycling Project (UNDP)

Description	2006
R&R Equipment	52,000
Workshop	8,000
National Consultant	2,500
Total	62,500

6.3. Domestic Refrigeration T. A. Project (UNDP)

Description	2006
Demonstration Equipment, Tools and Refrigerant	10,000
Workshops	40,000
National Consultant	2,500
Total	52,500

6.4. International Consultant (UNDP)

Description	2006
International Consultant (fees, DSA and travel)	12,000
Total	12,000

6.5. Additional Training for Refrigeration Technicians

Agreement between Government of Kyrgyz Republic and the Executive Committee and Assistance in Establishment of National Refrigeration Association (UNEP)

Description	2006
Local organisation for training workshops of additional 150 technicians in good practices in servicing	10,000
National consultants (identification of technicians, planning and coordination of training activities)	5,000
Development of Code of Good Practice	10,000
Establishment of National Association of Refrigeration Technicians	15,000
Basic training tools (cooling panel, circuit breaker for compressor, pressure gauge, vacuum pump, gauges, manual recovery machine, cylinders, etc.), laptop and projector for presentations	20,000
Total	60,000

6.6. Additional Training for Customs Officers and Enhancement of National Capacity to Monitor and Prevent Illegal Trade of CFCs (UNEP)

Description	2006
Customs department personnel (Programme Assistant): 3 years @ 800 per month	9,600
Office equipment (personal computer, fax machine, telephone, paper, etc.)	10,000
National training consultant	5,000
Organisation of 5 workshops: Customs training update (trained agents) and training programme (new agents)	10,000
Total	34,600

6.7. Review and update ODS legislation (UNEP)

Description	2006
One 3-day national stakeholders workshop to review and evaluate current law enforcement status (20 participants) and CFC use need analysis	8,000
Detailed enforcement measures development team: 4 domestic experts will form the team for detailed enforcement measures (for 2 months)	6,000
Public awareness generation: TV educational program on TPMP implementation, relevant law enforcement and refrigeration license system (15 minutes educational program):	10,000
Total	24,000

6.8. Monitoring of the activities in the TPMP (UNEP)

Description	2006
Project coordination to ensure implementation of TPMP activities	15,000
Office equipment, targeted information material, development, printing and distribution	5,000
Technical assistance	4,000
Total	24,000

6.9. MDI Project (UNDP)

Description	2006
National Consultant in MDIs	8,000
Technical Assistance	8,000
Promotion, printing and distribution cost	4,000
Workshops	10,000
Total	30,000

7. Funding and administrative costs

The funding tranches and administrative support costs for the three sectors requested for the 2006 Annual Implementation Programme, including the duration activities under this funding tranche will be completed, are listed below:

Sub-project	Implementing Agency	2006 Tranche (USD)	Support Costs (USD)	Total (USD)	Duration of Activities
Refrigeration Service Sector	UNDP	164,000	25,220	219,220	2006 - 2009
MDI Sector	UNDP	30,000			2006 - 2009
Refrigeration Training and Establishment of National Refrigeration Association	UNEP	60,000	18,538	161,138	2006 - 2009
Customs Training and Enhancement of National Capacity to Monitor and Prevent Illegal Trade	UNEP	34,600			2006 - 2009
Review and Update of ODS Legislation	UNEP	24,000			2006 - 2009
Monitoring of the Activities in the TPMP	UNEP	24,000			2006 - 2009
Total		336,600	43,758	380,358	

Agreement between Government of Kyrgyz Republic and the Executive Committee

ANNEX III

PROJECT BUDGET

BUDGET (in USD)			TOTAL FUNDS ALLOCATED	TOTAL FUNDS DISBURSED
10	PROJECT PERSONNEL COMPONENT			
	1100	Professional staff		
		1101 PMU Coordinator	15,000	
	1200	Consultants		
		1201 Local consultants	14,100	
	1300	Support staff		
		1301 Assistance of PMU	4,000	
	1600	Travel on official business		
		1601 Staff travel	5,000	
	1999	Total component	38,100	
20	SUB-CONTRACT COMPONENT			
	2100	Sub-contracts		
		2101 Sub-contracts	15,000	
	2999	Total component	15,000	
30	TRAINING COMPONENT			
	3100	Training		
		3101 Group training/Workshop	28,000	
		3102 Public awareness, publication	20,000	
	3999	Total component	48,000	
40	EQUIPMENT COMPONENT			
	4100	Expendable equipment		
		4101 Office supplies	2,500	
		4102 Equipment for projects/trainings	30,000	
	4200	Non-expendable equipment		
		4201 Computer, printer & software	2,500	
	4999	Total component	35,000	
50	MISCELLANEOUS COMPONENT			
	5100	Operation & maintenance of equipment		
		5101 Maintenance of equipment	1,000	
	5200	Reporting costs		
		5201 Reporting	2,000	
	5300	Sundry		
		5301 Telecommunications	2,000	
	5500	Evaluation		
		5501 Evaluation	1,500	
	5999	Total component	6,500	
99	GRAND TOTAL		142,600	

FORMAT FOR FOLLOW UP REPORT FOR NON-INVESTMENT PROJECT ACTIVITY

1. Background Information

- 1.1 Project Number
- 1.2 Project Title
- 1.3 Implementation Agency
- 1.4 National Supporting Organization
- 1.5 Reporting Period

2. Project Status

2.1. Information on the delivery of output/service				
	Output/service (as listed in the approved project document)	Status *	Description of work undertaken during the reporting period	Description of problems encountered/ issues that need to be addressed; Decisions/actions to be taken
1				
2				
3				
4				
5				
	2.2. If the project is not on track, provide reasons and details of remedial action to be taken			

3. Discussion acknowledgment (For UNEP internal use only)

(UNEP) Project Coordinator's General Comments/Observations	First Supervising Officer's General Comments
Name, Date, Signature	Name, Date, Signature

* Status (Complete, ongoing)

Agreement between Government of Kyrgyz Republic and the Executive Committee
ANNEX V
Format of Cash Advance Statement

Statement of cash advance as at:

Cash requirements for the quarter(s) of:

Name of the Implementing Organisation:

Project N°:

Project title:

I. Cash statement	Date	Amount
-------------------	------	--------

Opening cash balance as at:

Add: cash advances received:

Total cash advanced to date:

Less : total cumulative expenditure incurred:

Closing cash balance as at:

II. Cash requirement forecast

Estimated disbursement for the quarter ending:

Estimated disbursement for the following quarter ending:

Less: closing cash balance:

Total cash requirement for the ... quarter(s):

Request prepared by:

Request approved by:

Agreement between Government of Kyrgyz Republic and the Executive Committee
ANNEX VI

FORMAT OF QUARTERLY PROJECT EXPENDITURE REPORTS FOR SUPPORTING ORGANIZATIONS

QUARTERLY PROJECT STATEMENT OF ALLOCATION (BUDGET), EXPENDITURE AND BALANCE COVERING THE PERIOD _____ To _____

Project No. _____

Supporting Organization: _____

Project title: _____

Project commencing: _____

Project ending: _____

Object of Expenditure by UNEP Budget Code	Project budget allocation for year		Expenditure Incurred				Unspent balance of budget allocation for year	
	m/m	Amount	For the quarter		Cumulative Expenditures this year		m/m	Amount
10 PROJECT PERSONNEL								
11 Project Personnel								
1101								
1102								
1103								
12 Consultants								
1201								
1202								
13 Administrative Support								
1301								
1302								
16 Travel on Official Business								
1601								
1602								
2 SUB-CONTRACTS								
21 Sub-contracts								
2101								
3 TRAINING COMPONENT								
31 Training								
3101								
32 Group Training								
3201								
3202								
33 Meetings/Conferences								
3301								
3302								
4 EQUIPMENT COMPONENT								
41 Expendable Equipment								
4101								
42 Non-expendable Equipment								
4201								
4202								

Agreement between Government of Kyrgyz Republic and the Executive Committee

5 MISCELLANEOUS COMPONENT									
51 Operation and maintenance of equip.									
5101									
52 Reporting Costs									
5201									
53 Sundry									
5301									
55 Evaluation									
5501									
6 UNEP PARTICIPATION COMPONENT									
61 Project Personnel									
6110									
Grand Total									

Signed: