

UNDP Bangladesh

Minutes of the Local Project Appraisal Committee Meeting

Date: 23 October 2019 (time: 9.15am—11am)

Project Title: HCFC Phase out Management Plan (HPMP Stage II) for Compliance with the 2020 and 2025 Control Targets under Montreal Protocol

Project Document presented by: Arif M. Faisal, Programme Specialist (Environment Sustainability & Energy), UNDP Bangladesh

Summary of LPAC members' comments:

The meeting started off with a welcome address from Mr. Khurshid Alam. He expressed how much UNDP appreciated the partnership from the Ministry of Environment, Forest and Climate Change (MoEFCC); and the continued support received from Economic Relation Division (ERD) in the implementation of Montreal Protocol in Bangladesh. The Bangladesh Government's continued championing of the Montreal Protocol has become well-known; through Honorable Prime Minister Sheikh Hasina's commitment, the Secretary of Montreal Protocol is well-informed of the Government of Bangladesh's efforts. It's been a 20-year journey between MoEFCC and UNDP in phasing out certain amounts of ODSs from the country; and Mr. Alam thanks the GoB for choosing UNDP as the implementation partner. An extended and sincere thanks was also given to ERD especially to Ms. Sultan Afroz of ERD, for taking interest and active participation in this vital initiative link to global environmental problem. He expressed sincere thanks to Mr. Zakir Hossain Akanda, Secretary and Member, Planning Commission to have nominated a senior colleague from the Commission. He emphasized resolution of all feedback and comments in LPAC meeting so that ProDoc and TPP could be done effectively and timely fashion. Mr. Ashrafuzzamn was thanked for attending the meeting. In the end of the welcome address, Mr. Alam indicated that visit to Walton is being planned for senior colleagues of ERD and Planning Commission including Mr. Akand to understand how the technology transformation is taking place.

A brief of the Montreal Protocol and the project Hydrochlorofluorocarbons (HCFC) Phase-Out Management Plan (HPMP Stage – II) was presented by Mr. Khurshid Alam. The main objective of the Montreal Protocol is to save the ozone layer. Bangladesh ratified the Montreal Protocol in 1990, and all of its amendments. The Government of Bangladesh (GoB) has successfully implemented various projects related to Ozone Depleted Substances (ODS) to protect the ozone layer. Chlorofluorocarbon (CFCs) from the commercial and servicing sector, carbon tetrachloride and methyl chloroform from solvent sectors were phased out in January 2010. under the HPMP Stage I project, HCFC-141b from the refrigeration sector was phased out in January 2013.

Mr. Anshu Kumar mentioned that, in the beginning the Montreal Protocol aimed only at working to phase out the ODS in order to save the ozone layer. But now, it also works to reduce the risks of global warming. It is expected that by 2060 the ozone layer will be restored that of the 1960s. Bangladesh is now in the process of ratifying the Kigali Amendment- a legally binding climate agreement to phase down the manufacture and use of Hydrofluorocarbons (HFCs) by roughly 80-85% till 2045. This phase down is expected to arrest the global average temperature rise up to 0.5 degree Celsius by 2100 that will be useful for achieving the target set in Paris Climate Agreement.

The UNDP components will support mainly the investment for technology conversion while UN Environment will provide training and awareness.

Mr. Arif M. Faisal presented HPMP Stage II project. In his presentation, he pointed out the main objective of the project is to phase out 17.09 ODP tones (1,730,798 CO₂-eq tons) from 5 air conditioning and 1 chiller manufacturing/assembler enterprises. This project will assist Bangladesh in meeting the Montreal Protocol compliance and target set in the Nationally Determined Contribution (NDC). The project duration is six years and will run from 2019 to 2025. The project will support technology conversion from HCFC-22 to ODS free and low GWP refrigerants R-290 and R-32, which will lead to increase energy efficiency and reduce greenhouse gas (GHG) emissions. Mr. Faisal presented all the facts and figures of the ProDoc which is attached in Annex I.

After the presentation, Mr. Shamsur Rahman from MoEFCC spoke next and thanked all the participants for coming to attend the LPAC meeting. He articulated on the MoEFCC alongside the Government of Bangladesh's passionate commitment on the Montreal Protocol. He further raised an important issue about the contributions of the industries involved in the project and that it should be accounted for. He also emphasized that the monitoring capacity of the PMU must be increased, so that the project be completed efficiently and on time.

Ms. Mohsina Akter Banu from ERD asked about the selection process of the six industries for this project. Mr. Ziaul Haque from the Department of Environment (DoE) informed her of the components of the decision made by the ExCom meeting, in how to select the six companies for the HPMP Stage II project. There are two considerations taken when selecting the companies, first is that they are the users of ODS and second, the excluded companies were established after the cut-off date, which means new technology was already available to them. He explained that they were selected based on a cut-off date set by Montreal Protocol Multilateral Fund which is 21 September 2007. In the survey that was conducted in 2016 was found that the six companies (out of twelve) started their operation before 2007. These six companies didn't have a chance to adopt the latest technology, like most others had the advantage of doing so. The survey had a long list of complex criteria that the six companies fulfilled. Regarding the Project steering Committee (PSC) and Project Implementation Committee (PIC), he suggested to add relevant ministries or keep it open.

Further on, Mr. Ziaul Haque informed that UNDP should submit Project Documents (ProDoc) and UNEP submit Project Cooperation Agreement (PCA) – which are essentially the same type of document. The ProDoc for this project will only need to include the budget of UNDP and how those funds are being used. Despite UNDP and UN Environment signing in a combined document, they'll have separate documents showing how the project is progressing and how the funds they contributed are being used. He also raised the issue of the budgets for the international and national consultants needing to be revised. Dr Purkayastha from National Ozone Unit (NoU) suggested to add two more staffs in the PMU as per volume of the work in PMU. The ToR and types of the consultants should be included in the ProDoc.

Mr. Ashrafuzzaman from the Planning Commission picked up a request from Mr. Khurshid Alam and MoEFCC and said that the Planning Commission will extend all support for on-time approval of the TPP. However, he emphasized that the TPP has to be high quality so that there is no back and forth, resulting in a smooth approval process. Mr. Shamsur Rahman thanked Mr. Ashrafuzzaman and requested the MoEFCC and UNDP colleagues to make sure there is a high quality TPP submitted.

Since the conception of the ProDoc for this project, many meetings have been taken place and all the comments made at meetings have been addressed in the most updated version of the ProDoc. Mr. Khurshid Alam requested ERD that, they should come along with all the comments from the relevant ministries and line agencies in the inter-ministerial meeting. He also requested to avoid ad-hoc comments after inter-ministerial so that all comments are raised and addressed in single meeting.

Lastly, Mr. Khurshid Alam ended the meeting by thanking all and acknowledge their feedback and valuable comments on the ProDoc; and requested ERD and Planning Commission that they ensure the project gets approved by the end of November 2019, so that it can get started in 2019 as an obligation to Montreal Protocol.

Final LPAC recommendation(s):

Revise the Project Document according to the following points, and submit this to ERD as soon as possible:

- The justification of the selection of the six companies be added in the ProDoc
- Rationalize budget for international and national consultants
- The co-financing from the six companies should mentioned and reported as part of PMU job.
- Enhance monitoring capacity of the PMU;
- ToR of consultants should be added in the ProDoc

Prepared by:

Signature:



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Designation: Programme Specialist, Environment Sustainability and Energy

Date: 23 October 2019

LPAC minutes approved by:

Signature:

✓  31/10/19

Name: Van Nguyen

Designation: Deputy Resident Representative

Date: 23 October 2018

Annex I: LPAC Presentation

Annex II: List of attendants

Ministry of Environment, Forest and Climate Change

Shamsur Rahman Khan, Deputy Secretary

Economic Relations Division, Ministry of Finance

Mohsina Akter Banu – Senior Assistant Secretary

Planning Commission

Md. Ashrafuzzaman – Deputy Chief

Department of Environment, Environment, Forest and Climate Change

Md. Ziaul Haque, Director, Department of Environment

Satyendra Kumar Purkayastha, Senior Officer (Consultant), National Ozone Unit

UNDP Bangkok Regional Hub

Anshu Kumar, Technical Advisor, Montreal Protocol Unit

UNDP Bangladesh

Khurshid Alam, Assistant Resident Representative

Arif M. Faisal, Programme Specialist (Environment Sustainability & Energy)

Sk. Munir Hossain, Head of Finance

Sattya Bhattacharjee, Project Officer (Chemicals)

Mohammad Rezaul Haque, Programme Associate

Fatematul Jannat, Programme Associate

Tanzina Dilshad, Project Officer (Environment Sustainability & Energy)

Shimul Barua, Human Resource Assistant

Umama Ahmed, National Consultant