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**United Nations Development Programme
Montreal Protocol Multilateral Fund
Country: Republic of Armenia
PROJECT DOCUMENT**

Project Title: HCFC Phase-Out Management Plan (HPMP) –Second Stage

Sustainable Development Goal 12/Target 12.4: Responsible Consumption and Production / By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment.

UNDAF Outcome 7/CPD Outcome 4 (Output 4.3): By 2020, sustainable development principles and good practices for environmental sustainability resilience building, climate change adaptation and mitigation, and green economy are introduced and applied.

UNDP Strategic Plan Outcome 1: Growth and development are inclusive and sustainable, incorporating productive capacities that create employment and livelihoods for the poor and excluded.

UNDP Strategic Plan Output 1.3: Solutions developed at national and sub-national levels for sustainable management of natural resources, ecosystem services, chemicals and waste.

Implementing Partner: Ministry of Nature Protection of the Republic of Armenia

Responsible Partner: United Nations Development Programme

Brief Description

This HCFC Phase out Management Plan - Phase 2 (HPMP-2) documents the analysis and actions proposed by the Government of the Republic of Armenia in respect to meeting the obligations assumed under Decision XIX/6 of the Parties to the Montreal Protocol on the accelerated phase-out of HCFCs and will effectively target reaching 66,6% phase out of HCFCs by 2020. It also documents a detailed survey and assessment of HCFC consumption in the country along with trends in and a forecast of this consumption. The results indicate that Armenia currently consumes an estimated 4.24 ODP tons (77.13 metric tons)/year of HCFCs in the form of HCFC-22.

The document details an overall strategy for meeting the required phase-out schedule. This is elaborated as a detailed action plan in a number of areas. A menu of regulatory and administrative control measures is outlined. Proposed non-investment activities support a range of actions related to enhancing customs control practices and most critically the availability and capability of refrigeration servicing technicians, through trainings, improvement of servicing sector and strengthening of coordination and enhanced reporting. Such activities are planned for the period of 2016-2020. Furthermore, it is proposed to continue strengthening the servicing sector through supply of basic recovery equipment to qualified technicians, training equipment to vocational schools and the training centers established within them. It is also planned to improve the technical capacity of country's critical Customs entry points in combating illegal trade by equipping them with advanced gas-analyzers.

Programme Period:	2017-2020	Total resources required:	\$129,600
Atlas Project ID:	00098381	Total allocated resources:	\$129,600
Output ID:	00101728	• MLF:	\$129,600
Start date:	November 2017	Tranche 1	\$108,000
End date:	December 2020	Tranche 3	\$21,600
Management arrangements:	NIM		
LPAC Meeting Date:	18 October 2017		

Agreed by the Implementing Partner:

/ Artsvik Minasyan
Minister of Nature Protection
of the Republic of Armenia

04/12/2017
Date/Month/Year


Signature

Agreed by



Bradley Busetto
UN Resident Coordinator/
UNDP Resident Representative

04/12/2017
Date/Month/Year


Signature

I. DEVELOPMENT CHALLENGE

Armenia committed to ODS phase-out, and especially, to certain relevant regulations related to these commitments having ratified Montreal protocol and all its subsequent amendments in 1999.

In the Republic of Armenia, international agreements acquire the force of law after ratification. Nevertheless, to properly implement its commitments under the Montreal Protocol the Government of Armenia adopted a number of resolutions, which enable a more targeted accounting of the use of ozone depleting substances in Armenia and allow making relevant steps to the reduction.

As the HPMP-II programme is designed to assist the Government of Armenia to meet its international obligations in front of the Montreal Protocol on the gradual phase-out of HCFCs from the economic sectors, it further is set to enhance national capacity in handling HCFCs in the servicing sector with maintenance and creation of additional jobs for refrigeration and air-conditioning (RAC) technicians and engineers, transfer of newer modern RAC technologies with less dependence on HCFCs as cooling agents and featured by better energy efficiency gains to be part of the green national economy. The project brings in competitive knowledge being generated globally and applies it in the national context to advance the country in such SDG agenda on sound management of ozone-depleting chemicals with EE aspects related to such processes. Full cooperation with all important stakeholders is essential as the programme is to start its implementation in 2017.

The national framework for the regulation of ODS under the Montreal Protocol and the administration thereof within the national institutional structure is defined by overarching legislation entitled the Law on Substances that Deplete the Ozone Layer enacted in November 2006. This law provides the legal basis for applying restrictions on the production, import, export, and transit movement of ODS controlled under the Montreal Protocol as well as providing for restrictions to be applied in related legislation, including the Customs Code of the Republic of Armenia and the Law on the Protection of Atmospheric Air of the Republic of Armenia. The legislation acknowledges that the obligations and restrictions contained in treaties and international agreements have precedence over national legislation.

The Government Resolution 2007/327-N “On the Approval of the List of Ozone Depleting Substances and Establishing General Import Quotas” sets an overall (global) quota for ODS import into the territory of Armenia, established annually in accordance with the control measures in the MP in advance of the international control measures coming into force. This is applied to both Annex A and B substances, and HCFCs. It was amended first on November 3, 2011 to include import quotas for HCFCs until 2020. During 2013/2014, HCFC imports were allowed up to 137.4 MT and from 2015 up-to 90% of this amount. The second amendment was made on 7 June 2012 to amend HCFC freeze level from the baseline of 137.4 MT to 126.705 MT to bring it in line with the base level set by the Ozone Secretariat which excluded the import of HCFC 141b reported by the country. Currently the import quotas cover 2013-2040 commitment periods.

Table 1.

Group	Year	Maximum import quota (ton/year)	Actual Import (ton/year)
I-V, VII, VIII	Since 2011	0	
VI	2011	Unlimited	136.4
	2012	Unlimited	103.0
	2013	126.69	82.62
	2014	126.69	57.33
	2015	114.02	42.86
	2019	114.02	

	2020-2024	82.35	
	2025-2029	41.17	
	2030-2039	3.17	
	Since 2040	0	

The RA Government Resolution “On the Procedure of Establishing Individual Import Quotas for Ozone Depleting Substances” No. 591-N, of 17.05.2007 stipulates the procedure of granting individual import quotas which allows to precisely plan import amounts and quotas are granted to the importer in such a way that their sum will not exceed the total national annual quota.

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The RA Government Resolution “On the Procedure of Establishing Individual Import Quotas for Ozone Depleting Substances” No. 591-N, of 17.05.2007 stipulates the procedure of granting individual import quotas which allows to precisely plan import amounts and quotas are granted to the importer in such a way that their sum total will not exceed the total national annual quota.

Based on these quotas, the importer, over the year, can import ODS as a single shipment or make partly shipments within the allocated quota, every time paying a state duty for import permission (before 2 January 2015 (the date of joining the Eurasian Economic Union) and import license afterwards). The process was regulated by RA government decree of 21 June 2007 “On the procedure of issuance of permission for the delivery of ozone depleting substances (import or export or transit) and adoption of permission form”, No. 771-N.

The accounting of ODS usage is regulated by the RA government decree of 27 December 2007 “On the accounting procedure of ozone depleting substances”, No. 1565-N.

RA Law on ozone depleting substances bans ODS manufacture in Armenia and trade in ODS with counties that are not Parties to the Montreal protocol or its Amendments.

RA government decree of 31.12.2000, No. 902 “On Banning the Movement of Certain Goods through the Customs Border of the Republic of Armenia Based on Customs Regimes” bans importation of CFC-containing equipment to Armenia. After accession to the Eurasian Economic Union, the importation of ODS containing (HCFC including) equipment has also been banned.

Within the limit of the total quota established for the year, RA Ministry of Environment distributes individual ODS import quotas, based on requests from importers. Thereafter, within the limit of obtained individual quotas, to implement every single importation transaction the importer applies to the ministry, for importation permit/license¹. If for the reporting year, the difference between the total ODS import quota and the sum-total of individual quotas established in the main phase of establishing individual quotas is positive, then an additional phase for the establishment of individual quotes takes place. In such cases the Ministry of Environment posts an announcement about the additional phase at the websites of the Ministry (www.mnp.am) and NOU (www.armozzone.am), as well as in a daily Armenian newspaper with a minimum print-run of 2000.

Over the given year, the applicant is entitled to import an ODS amount not exceeding the established individual quota, in total or partially, receiving permission from the Ministry of Nature Protection for each importation, and paying a state duty.

Information about ODS import, export and transit is also received from the Customs. Information includes data about import or export or transit, about amounts of imported, exported and transited ODS, and the period of transaction, as well as data about the importing and exporting countries.

¹ Before 2 January 2015 the term “import/export permit” was in use. After the Agreement of joining the Eurasian Economic Union entered into force on 2 January 2015, the term “license” has been in use.

Relevant bodies of RA Ministry of Nature Protection and RA Ministry of Finances make a total annual accounting of ODS.

In general, in Armenia, the ODS-related legal framework and institutional system allow to supervise imports of substances regulated by the Montreal Protocol. This system completely reflects the amounts of ODS imported to the country and its distribution in the country.

It should be noted that a verification process was completed for Armenia early 2016, and it confirmed that the country had an operational HCFC licensing and quota system, and stayed in compliance with the HCFC reduction obligations for the freeze year of 2013. In terms of the recommendations from the verification report, the following have been outlined for future consideration in the national HCFC phase-out process:

- With increasing focus on climate change low GWP refrigerants (i.e., hydrocarbons, ammonia, and carbon dioxide) should be the preferred choice whenever possible. However, this will require extensive education of the industry and adaptation of legislation. The low GWP alternatives are all associated with safety, toxicity and/or technical challenges that must be overcome for a wide introduction on the market.
- Procedures/protocols for allocation of HCFC quota need to be revised by the MNP to ensure the compatibility with the ODS legislation of the Eurasian Economic Union.
- Although the efforts to improve the basic skills of technicians in the servicing sector have been made under earlier projects, it has been shown that the servicing sector is still in need of adapting and improving knowledge for the new practices typical for HFCs blends and even more so for natural refrigerants.
- Since the working plan of the Training Centre of the Customs Service/Ministry of Finance is approved on the yearly basis, efforts shall be continued to improve the skills of the customs officers in preventing the illegal trade in ODS. It is desirable to renew the equipment for ODS identification at the Customs Service.

II. STRATEGY

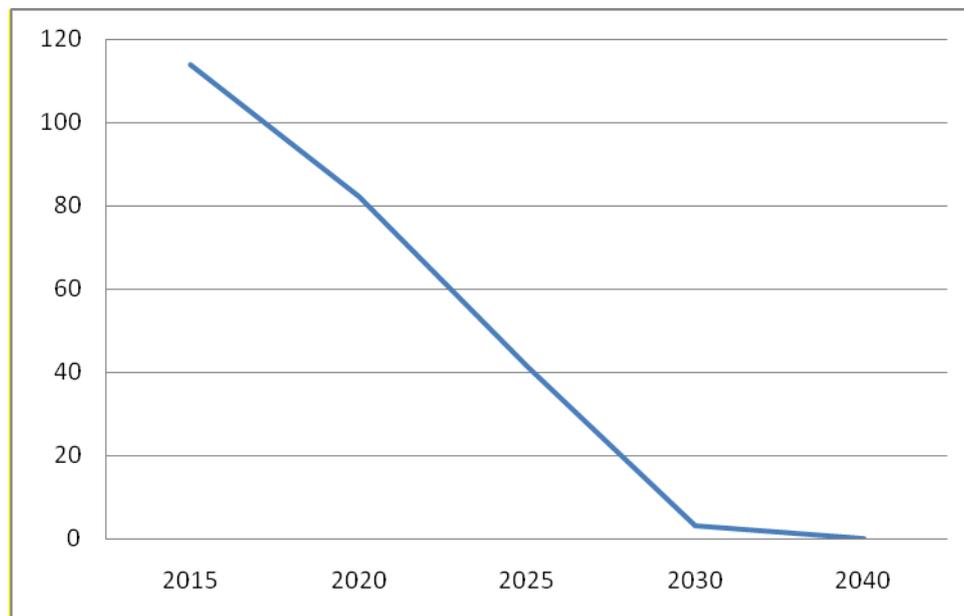
1. Overarching strategy

The Government of the Republic of Armenia confirms its political commitment to the Montreal Protocol and all its amendments as demonstrated by the complete ratification record and successful CFC phase-out, as well as initial HCFC freeze at 2009/2010 baseline level (7 ODP tons, or 126.69 metric tons) and 10% reduction in 2015 at 6.27 ODP tons (114.02 metric tons) as compared to the baseline, achieved under HPMP-1, and under HPMP-2 will continue to take active measures to implement all further obligations under the Montreal Protocol on HCFC consumption phase-out in accordance with the accelerated schedule adopted for Article 5 countries, as presented below:

- ⇒ 35% HCFC phase-out compared to the baseline in 2020 (at the level of 4.53 ODP tons (82.35 metric tons));
- ⇒ 67.5% HCFC phase-out compared to the baseline in 2025 (at the level of 2.26 ODP tons (41.17 metric tons));
- ⇒ 97.5% HCFC phase-out compared to the baseline in 2030 (at the level of 0.17 ODP tons (3.17 metric tons)), leaving 2.5% for servicing needs in 2030-2040;
- ⇒ Complete HCFC consumption phase-out in 2040.

The following gives the graphical picture of the HCFC phase-out anticipated in 2015-2040:

Figure 1: Accelerated schedule for HCFC consumption phase-out, 2015-2040



These reductions would increasingly be achieved by “end of life” retirements of equipment and replacement by non-ODS alternatives but will also have to be underpinned by a viable system of recovery and recycling that is capturing and returning substantial quantities of HCFC-22 for use in remaining equipment. This underlines the criticality of additional support for strengthening the overall refrigerant management system upgraded under HPMP-1 for ensuring its sustainability both in terms of availability of trained human resources and its economic viability. The other issue that is anticipated to become particularly important for the period is the existence of basic system for environmentally sound “end of life” management of ODS which can be sustained and expanded as necessary.

In addition to the activities described above, the Government, in line with its obligations under the Montreal Protocol and its amendments, as well as the Customs Union's requirements, will continue to ban ODS production, as well as import/export of certain ODS, ODS-based equipment and products, exercise control measures regarding the import, export and transit movement of ODS. It will also seriously consider introduction of HFC controls, as the next set of important work directly linked or at present associated with the Montreal Protocol.

All the planned activities under HPMP-2 will be aligned with and reinforce broader global environmental priorities related to climate change and sound chemicals management, the former particularly being prioritized in Decision XIX/6. Minimizing climate change impacts as part of HCFC phase out will generally involve the integration of the use of low GWP non-ODS alternative technology, and implementation of phase out measures that enhance energy efficiency such that the lowest Total Equivalent Warming Impact (TEWI) is achieved.

2. Second stage implementation programme

This section details the proposed HPMP action plan and its component activities for Stage 2 consistent with the above overall strategy and meeting the phase out targets defined in it. For purpose of presentation and defining a funding framework, the action plan is subdivided into three components: i) legal and regulatory action and ii) technical capacity strengthening and monitoring; and iii) investment. However, in doing so, it is recognized that there is a high level of interdependence between them and the individual activities that they encompass. Therefore, it is imperative that coordination exist between these components such that the tools and capacity exist to support the compliance oriented measures being implemented.

2.1 HCFC manufacturing sector

Survey activity identified that currently there are at least 5 foam producing enterprises existing in the country. However, none of them reports HCFC use in the production process. In the calculation period (2010 - 2014) SAGA Ltd., used to manufacture sandwich insulation sheets and finished panels for the general construction market as well as use in its commercial refrigeration equipment and cold rooms. The company stopped its foam production at the end of 2014, as was the case with refrigeration equipment. The enterprise utilized an HCFC-141b based, fully formulated polyol, imported primarily from a system house supplier in Turkey. Currently there is no manufacturing sector consuming HCFCs in the country.

2.2 HCFC refrigeration servicing sector

This section describes the strategy to reduce the dependence on HCFCs, proposing specific activities taking into consideration the infrastructure previously established and the lessons learned from the implementation of stage I of the HPMP.

The investment component of the Stage 2 HPMP is envisioned to include two overall sub-components in line with the above strategy. These are:

- Upgrading technical capacity in management/prevention of illegal trade; and
- Improving refrigerant recovery and vocational training capacities.

a) Sub-component 2.2.1 - Upgrading the country's technical capacity in management/prevention of illegal trade²

² Funding for this sub-component will be made available through Tranche 3 in Y2020.

In support of Sub-component 2.1, it is planned to upgrade technical capacity of the Customs entry points at the country border by providing them with advanced multi-gas analyzers (4 units) which will allow them to better control and prevent the illegal trade of refrigerants. Based on the limited funds allocated for the purpose it is thought expedient to choose critical entry points all over the country for upgrading: central, northern and southern.

b) Sub-component 2.2.2 - Improving refrigerant recovery and vocational training capacities

This principal, priority investment component addresses the physical capacity requirements associated with the urgent need to continue to upgrade the country's refrigeration servicing capability, and training tools to be set at 3 vocational schools in the country.

This is in continuation of the initial assistance provided during HPMP-1 and will ensure that additional refrigerant recovery equipment and tools are supplied to technicians. At the same time, it is intended to equip the vocational schools with multimedia training tools and practical servicing instruments to link to the theoretical subjects included in the curricula. Coordination is planned to be established between the schools and the actual employers of technicians represented by servicing centers.

This sub-component in part would target additional incremental increase in the coverage of service centers and individual entrepreneurs (technicians) with tools to the extent allowed by the funding available. In making these investments it is recognized that a close linkage exists to UNEP supported training initiatives. It will also need to be subject to economic viability assessment and strict monitoring of equipment supply and its ultimate utilization.

2.3 Other impacts on the environment including on the climate

As noted above in the presentation of the HPMP strategy framework, integration of consideration of broader global environmental issues, namely climate change, is a part of this framework. Consistent with the direction provided in Decision XIX/6 and subsequent updated ExCom guidance this particularly relates to climate change, the description of the action plan above notes where these linkages exist. The following summarizes specific aspects that specifically relate to climate change and sound chemicals management:

- Involvement of authorities responsible for climate change policy as key institutional stakeholders;
- Promoting introduction of "natural refrigerant" and hydrocarbon based blowing agent technology in the commercial refrigeration manufacturing sector;
- Introduction of refrigerant management regulations that would extend to HFCs;

III. RESULTS AND PARTNERSHIPS

Expected Results

The project forms an integral component of HCFC Phase-out Strategy of Armenia and includes a plan for achieving Armenia's compliance targets as per Decision XIX/6 of the Montreal Protocol. The project, in fact, presents a plan to achieve the targets for Armenia for the period 2016 to 2020. In this project, activities will be implemented addressing sectors involved in the importation and servicing of RAC equipment. An important element in this project is the phase-out of HCFC-22 in servicing sector i.e., HCFCs consumed for servicing equipment in refrigeration and air-conditioning. These are proposed to be done through several interventions that include modern tools and equipment support to allow for HCFC re-use and preventive maintenance of RAC equipment as well as training support.

Component 1. Upgrading country's technical capacity in management/ prevention of illegal trade of refrigerants

Upgrading technical capacity of the Customs entry points at the country border by providing them with advanced multi-gas analyzers (4 units) which will enhance improved control and prevention of illegal trade of refrigerants.

Component 2. Improving refrigerant recovery and vocational training capacities

This principal, priority investment component addresses the physical capacity requirements associated with the urgent need to continue to upgrade the country's refrigeration servicing capability, and training tools to be set at 3 vocational schools in the country. This is in continuation of the initial assistance provided during HPMP-1 and will ensure that additional refrigerant recovery equipment and tools are supplied to technicians.

Resources Required to Achieve the Expected Results

The project has been approved by the executive committee of the MLF at its 77th meeting. The total funds approved is US\$ 129,600 to be received in two tranches, in 2017 and 2020, respectively. The government, mainly the Ministry of Nature Protection, will assist the implementation of the programme (in-kind, human resources support) through regular monitoring, guiding and implementation of different project components.

Partnerships

Partnerships will be established with private sector enterprises engaged in selling this equipment for smooth and effective technology transfer.

HPMP Stage II program implemented by UNDP will coordinate its work with parallel activities approved within the same HPMP package for non-investment activities for UN Environment as UNDP will be assisting UN Environment to request the following tranches under this important program. Further, as the MLF fund supports the institutional coordination through a special overarching project implemented with UNIDO, NOU will provide overall coordination of the HPMP

As presented in the previous sections, the project will support the government to achieve its targets for phasing out HCFCs from its territory and thus to maintain its commitment to the ratified conventions. The projects results are directly linked to the Country Programme of Phasing-out Ozone Depleting Substances Output titled "National Environmental Management Strengthened" where the volume of ODPs (tons) remains an indicator.

The project involves strong coordination needs among different stakeholders to achieve national targets of Armenia. The main stakeholders and their roles are given below:

The Government of Armenia represented by the Ministry of Nature Protection, is responsible for the achievement of overall project results. The Government has a binding agreement with the Executive Committee of the Multilateral Fund. The Government is also responsible, as a partner to UNDP, for project implementation, monitoring and reporting the results of phasing out of HCFCs. The National Ozone Unit would work under the direct guidance of the Government (MNP) and UNDP to implement the project components.

The Industries will be responsible for achieving their respective phase-out targets. Through the funding support and technical support of the project, and under the overall guidance of the Project Unit, the identified industries would convert to HCFC free technologies. In servicing sector where a large number of small enterprises are involved, the Project Unit will work with industry associations and other industry stakeholders in capacity building for smooth adoption of HCFC free technologies.

The project will continue its cooperation established with the RAC (Refrigeration and Air-Conditioning) sector by re-tooling three HCFC recovery and recycling centers in Armenia with modern equipment. It will further support stand-alone RAC equipment servicing centers and individual qualified technicians with 25 sets of equipment repair tools. The selection process will be administered by NOU in consultations with the industry and the national RAC association. Further details are available in the MLF project document as approved by the Executive Committee

Several Government and adjacent bodies, responsible for import-export of chemicals, Customs authorities, environment monitoring bodies, will participate in the project implementation. They will be engaged at various points during project initiation, implementation monitoring and other specific project activities.

The project intends to maintain the coordination and consultation among stakeholders through the below indicative actions over the duration of the project:

- a) Consultation meetings with customs authorities: 2/year
- b) Consultation meetings with ODS Importers: 1/year
- c) Consultation meetings with the industries using ODSs in their production (undergoing reconversion of technology to non-ODS): 3-4/Industry
- d) Regular coordination meeting with the Ministry of Environment and UNDP: 3-4/year

Risks and Assumptions

Stakeholder Engagement

The project would involve close coordination among Government, industries (being the intended beneficiaries), industry associations, regulatory bodies and UNDP. The project stakeholder engagement and coordination is the foundation for systematic and sustainable HCFC phase-out. The roles and responsibilities of each stakeholder and how they would participate in the “network” for project implementation has been detailed in section on “partnerships” earlier. The project is expected to be implemented with minimum disruption to business continuity and livelihood of different industry stakeholders. Through funding support and proper timeframe, systematic project implementation process and technology transfer, the project is expected to achieve HCFC phase-out targets with minimum cost to industry and consumer.

Knowledge

The project results (HCFCs phased out) will be periodically reported to the Executive Committee as a requirement. Concerning knowledge products, training manuals will be produced and distributed to

industries during workshops. Finally, worth to highlight that the Project will be regularly updating the database of import/export and in country consumption of ODSs and their alternatives which is owned by the Ministry of Environment. The information is cross checked with data sources from the Ministry of Economy and Trade, Customs authorities and data directly collected from enterprises/industries. The database is also reported to the MLF secretariat.

Sustainability and Scaling Up

As mentioned earlier, the project would strengthen national systems and capacities in monitoring import and export of ozone depleting chemicals mainly through the database and through working on amending/updating the legislation related to import/export activities. The database can be used by the Government to manage other Montreal Protocol chemicals and other hazardous industrial chemicals. The timely phasing-out of the HCFCs ensures Armenia's compliance with its set targets and thus with the Convention. Furthermore, the technical and financial support provided to the industries to convert their technology/production into non-HCFCs products will expand their international market with a limited impact on production costs and consumers. This would reflect a positive economic return on the industries and on the country.

Gender dimension: While the project activities consist of transferring new knowledge and servicing tools and techniques to the servicing sector (RAC equipment used in multiple economic sectors), the project team will intend to promote the participation of women in consultation and decision-making meetings, and will address gender inequalities in terms of access to green job related trainings planned for by institutional and technological support from the to the equipment service center network and vocational schools. If relevant gender empowerment needs are detected during the implementation of the project, they will be adequately reported and addressed.

IV. PROJECT MANAGEMENT

Project Management

The Republic of Armenia has demonstrated experience in the successful implementation of its Country Programme to date. The National Ozone Unit at the Ministry of Nature Protection, will continue to act as the focal point for HPMP project coordination and management. This activity will be directly undertaken by the Head of the NOU who also acts as the national focal point on the Montreal Protocol. As described above the work will be undertaken with a high level of stakeholder consultation both with various government agencies and with external stakeholders and the general public.

Implementation of HPMP Stage II Project (investment and non-investment components) will be undertaken through both UNDP and UNEP with the former being the lead for the implementation of the HPMP and having responsibility for Investment Projects, and the latter being the cooperating agency and having responsibility for Non-Investment Activities. UNDP will be responsible for coordination between investment and non-investment activities, noting that this is fundamental to HPMP implementation. Each IA will use their own established procedures governing preparation of specific project proposals, procurement, financial management, reporting and monitoring of the relevant implementing agency and international funding facilities, specifically the MLF. Implementation will be further supported by various administrative and service bodies within the government, international and national consultants, suppliers of equipment and services, and beneficiary enterprises.

V. RESULTS FRAMEWORK

Intended Outcome as stated in the UNDAF/Country Programme Results and Resource Framework:

UNDAF Outcome #7/ CPD Outcome #4: By 2020 Sustainable Development principles and good practices for environmental sustainability resilience building, climate change adaptation and mitigation, and green economy are introduced and applied.

CPAP Output 4.3. Government uses innovative mechanisms and tools for evaluation and decision-making over the conservation and sustainable use of natural resources.

Outcome indicators as stated in the Country Programme Results and Resources Framework, including baseline and targets:

4.3.1. Number of innovative tools and practices developed, approved and applied. Natural resources used for returned to sustainable management mode.

Applicable Output(s) from the UNDP Strategic Plan: Output 1.3. Solutions developed at national and sub-national levels for sustainable management of natural resources, ecosystem services, chemicals and waste

Project title and Atlas Project Number: HCFC Phase-Out Management Plan (HPMP) – Second (2nd) Stage
Project ID 00098381 / Output ID 00101728

EXPECTED OUTPUTS	OUTPUT INDICATORS	DATA SOURCE	BASELINE		TARGETS					DATA COLLECTION METHODS & RISKS	
			Value	Year	Year 1	Year 2	Year 3	Year 4	FINAL		
4.3. Government uses innovative mechanisms and tools for evaluation and decision-making over the conservation and sustainable use of natural resources.	1.1. Number of multi-gas analysers provided to the customs entry points	State Revenue Committee	0	2017	0	0	0	4		4	Official documents, transfer acts, UNDP reports
	1.2. Number of sets of multimedia training equipment for vocational schools	Ministry of Education and Science	0	2017	0	3	0	0		3	Official documents, transfer acts, UNDP reports
	1.3. Number of sets of training R/R/R equipment and standard tools for vocational schools	Ministry of Education and Science	0	2017	0	3	0	0		3	Official documents, transfer acts, UNDP reports
	1.4. Number of sets of R&R equipment, designed for handling natural refrigerants as well for refrigeration technicians	RAC Association	0	2017	0	25	0	0		25	Official documents, transfer acts, UNDP reports

VI. MONITORING AND EVALUATION

In accordance with UNDP's programming policies and procedures, the project will be monitored through the following monitoring and evaluation plan: A project final evaluation is planned in 2020 to assess the project findings and outline directions for HPMP Stage-III preparations.

Monitoring Plan

Monitoring Activity	Purpose	Frequency	Expected Action	Partners (if joint)	Cost (if any)
Track results progress	Progress data against the results indicators in the RRF will be collected and analysed to assess the progress of the project in achieving the agreed outputs.	Along with each request for tranche.	Based on specific guidance from the Executive Committee and in consultation with the implementation agency, actions will be taken by the NOU for strengthening the project implementation	UNDP MNP (NOU)	Internal
Monitor and Manage Risk	Identify specific risks that may threaten achievement of intended results. Identify and monitor risk management actions using a risk log. This includes monitoring measures and plans that may have been required as per UNDP's Social and Environmental Standards. Audits will be conducted in accordance with UNDP's audit policy to manage financial risk.	Quarterly	Risks are identified by project management and actions are taken to manage risk. The risk log is actively maintained to keep track of identified risks and actions taken.	UNDP MNP (NOU)	Internal
Learn	Knowledge, good practices and lessons will be captured regularly, as well as actively sourced from other projects and partners and integrated back into the project.	At least annually	Relevant lessons are captured by the project team and used to inform management decisions.	UNDP MNP (NOU)	Internal
Annual Project Quality Assurance	The quality of the project will be assessed against UNDP's quality standards to identify project strengths and weaknesses and to inform management decision making to improve the project.	Annually	Areas of strength and weakness will be reviewed by project management and used to inform decisions to improve project performance.	UNDP	Internal

Review and Make Course Corrections	Internal review of data and evidence from all monitoring actions to inform decision making.	At least annually	Performance data, risks, lessons and quality will be discussed by the project board and used to make course corrections.	UNDP MNP (NOU)	Internal
Project Report	Project progress reports will be presented to the Project Board, consisting of progress data showing the results achieved against pre-defined annual targets at the output level, the annual project quality rating summary, an updated risk long with mitigation measures, and any evaluation or review reports prepared over the period.	Annually, and at the end of the project (final report)		UNDP MNP (NOU)	Internal
Project Review (Project Board)	The project's governance mechanism (i.e., project board) will hold regular project reviews to assess the performance of the project and review the Multi-Year Work Plan to ensure realistic budgeting over the life of the project. In the project's final year, the Project Board shall hold an end-of project review to capture lessons learned and discuss opportunities for scaling up and to socialize project results and lessons learned with relevant audiences.	Biannually	Any quality concerns or slower than expected progress should be discussed by the project board and management actions agreed to address the issues identified.	UNDP MNP (NOU)	Internal

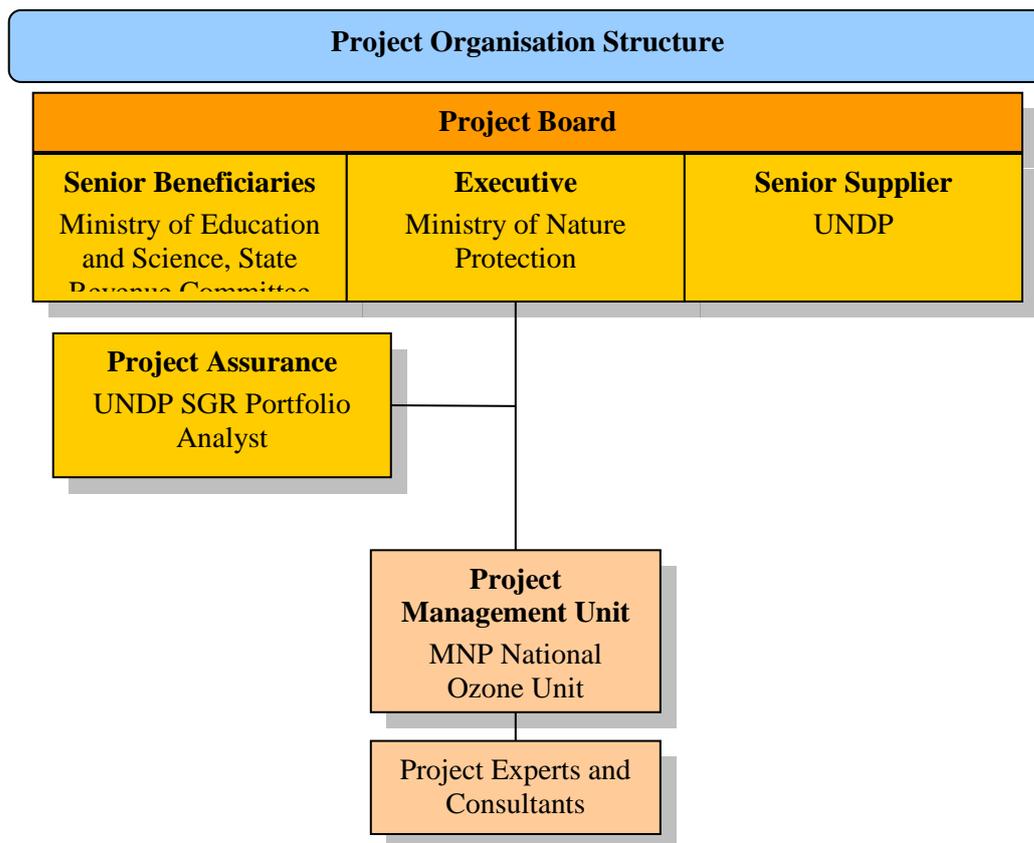
VII. MULTI-YEAR WORK PLAN³

EXPECTED OUTPUTS	PLANNED ACTIVITIES	Planned Budget by Year (first tranche)				RESPONSIBLE PARTY	PLANNED BUDGET		
		2017	2018	2019	2020		Funding Source	Budget Description	Amount
Timely HCFC Phase Out	HPMP stage II	\$2,500	\$ 2,500	\$1,000	\$ 1,000	000906 MNP	MLF (63080)	National Consultant (71300)	\$7,000
		0	\$ 14,500	0	0	000906 MNP	MLF (63080)	Equipment (Multimedia training) (72200)	\$14,500
		0	\$ 20,500	0	0	000906 MNP	MLF (63080)	Equipment (R/R/R training) (72200)	\$20,500
		0	\$ 61,000	0	0	000906 MNP	MLF (63080)	Equipment (R&R equipment for technicians) (72200)	\$61,000
		\$ 500	\$ 3,500	\$ 500	\$ 500	000906 MNP	MLF (63080)	Direct Project Costs (74500)	\$5,000
	Total	\$ 3,000	\$ 102,000	\$ 1,500	\$ 1,500				\$108,000
	Sub-Total for Output 1								\$108,000
TOTAL								\$108,000	

³ Changes to the project budget affecting the scope (outputs), completion date, or total estimated project costs require a formal budget revision that must be signed by the project implementing and responsible parties.

VIII. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

The following structure is planned for project implementation:



The roles and responsibilities of suggested management structure are as follows:

The **Project Board** is the group responsible for making by consensus, management decisions for a project, including recommendation for UNDP/Implementing Partner approval of project plans and revisions.

The **Implementing Partner** is the governmental unit directly responsible for the government's participation in the UNDP-supported project. The Implementing Partner will sign together with UNDP the Project Document, Project Annual Workplans and revision, as well as the annual Combined Delivery Reports of the project.

The **Responsible Party** holds overall accountability for managing the project, including the monitoring and evaluation of project interventions, achieving project outputs, and for the effective use of project resources. It acts on the basis of the signed CPAP and a Project Document.

The **Senior Supplier** of the project is UNDP, representing the Multilateral Fund as the project donor.

In exercising its roles, UNDP will ensure accountability, transparency, effectiveness and efficiency of implementation. UNDP will ensure the following major support services: (i) identification and recruitment of project personnel; (ii) procurement of goods and services; (iii) financial services.

UNDP will provide support services in compliance with UNDP rules and regulation. These services will include:

- Identification and recruitment of project personnel;

- Procurement of goods and services;
- Processing of payments to suppliers;
- Financial administration of funds;
- Overseeing financial expenditures against project budgets;
- Providing external audit services to projects;
- Ensuring that the reporting is undertaken in line with UNDP results-based reporting requirements and procedures,
- Facilitating project learning, exchange and outreach;
- Conducting mid-term and final evaluations and making necessary adjustment in the project design, based on the evaluation findings, recommendations and the management response.

The relevant provisions of the Standard Basic Assistance Agreement signed between the Government of Armenia and UNDP on 8 March 1995, including the provisions on liability and privileges and immunities, shall apply to the provision of such support services. Any claim or dispute arising under or in connection with the provision of support services by UNDP shall be handled pursuant to the relevant provisions of the SBAA.

UNDP Armenia Sustainable Growth and Resilience Portfolio Environmental team will undertake quality assurance functions for the project. The team will also support project administration, provide technical backstopping and ensure coordination of project activities with the MNP and Montreal Protocol Unit (MPU).

In order to ensure practicality of coordination among MNP, UNDP Armenia and MPU, the following arrangements will apply: technical issues related to the Convention and the content of the project may be communicated directly between the National Ozone Unit of MNP and UNDP Regional office and/or the Montreal Protocol Unit, with copy to UNDP Armenia.

Any changes to the project workplan, budget and other parameters of the project as well as project reporting should be implemented by the National Ozone Unit (NOU) of MNP with due communication with UNDP in Armenia and further approval by the Project Board.

The **MNP National Ozone Unit** will continue to act as the focal point for HPMP Stage II project, responsible for daily coordination and management on a day-to-day basis on behalf of the Implementing Partner within the constraints laid down by the Board. The NOU will be supported by national and international technical experts as needed as far as the HPMP-II implementation is concerned. This activity will be directly undertaken by experienced project managers acting under the direction of the Head of the NOU who also acts as the national focal point on the Montreal Protocol.

The NOU was established within the Ministry of Nature Protection by the Government for the overall coordination of ODS Phase-out programme in Armenia and to act as a national focal point for the implementation of the Montreal Protocol. The operations of the NOU are funded by the MLF through the Institutional Strengthening Programme, implemented by UNIDO and executed nationally by MNP. The overall objectives of the NOU are to effectively and efficiently phase-out ODS in the country through the creation and increase in national awareness on the adverse impacts of ODSs, implementing ODS phase-out activities, monitoring and evaluation of progress of implementation of ODS phase-out activities, dissemination of information on new technologies and ODS substitutes to the industrial sector in the country, reporting on ODS consumption and developing and enforcement of regulations in order to meet the obligations of Montreal Protocol and its Amendments.

Specific responsibilities of the NOU include:

- Overall responsibility of the technical, financial and operational management of the project;
- Overall responsibility for monitoring and supervision of activities, including the monitoring of

consumption;

- Annual reports on the progress of implementation of the HPMP to be submitted to the Executive Committee of the Multilateral Fund;
- Coordination of activities among various stakeholders;
- Coordination of review of policy/regulatory framework among related Government agencies;
- Validation of enterprise-level, sector-level and national-level baseline HCFC consumption data;
- Facilitate servicing industry consultations;
- Communicate and disseminate public information and conduct awareness/outreach initiatives/programmes;

The **Ministry of Nature Protection** will act as the Senior Executive of the project. It will appoint a high-level official who will serve as the National Focal Point (NFP) for the project. The NFP will oversee the project implementation in line with the signed project document. The NFP will not be paid from project funds, but will represent the government in-kind contribution to the project.

Among the duties and responsibilities of the NFP are the following:

- Serves as a focal point for coordination of the project with implementing agencies, UNDP, Government and other partners;
- Ensures that Government inputs for the project are available and that the project activities are in line with national priorities;
- Leads and coordinates partners in the selection of the NOU;
- Coordinates with the NOU and facilitates its work and all staff;
- Ensures that the required project work plan is prepared and updated and distributed to the Government relevant entities when applicable;
- Will represent the Implementing Agency at project meetings and annual reviews;
- Will lead efforts to build partnerships for the support of outcomes indicated in the project document;

The project **Senior Beneficiaries** are the Ministry of Education and Science and the State Revenue Committee, whereas other beneficiaries include the Refrigeration and Air-Conditioning Association of Armenia representing the refrigeration and air-conditioning industry.

IX. LEGAL CONTEXT AND RISK MANAGEMENT

LEGAL CONTEXT STANDARD CLAUSES

This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government of (country) and UNDP, signed on (date). All references in the SBAA to “Executing Agency” shall be deemed to refer to “Implementing Partner.”

RISK MANAGEMENT STANDARD CLAUSES

Government Entity (Support to NIM)

1. Consistent with Part VI on Programme Management of the Country Programme Action Plan (CPAP) 2016-2020 between the Government of Armenia. UNDP as the Responsible Party shall comply with the policies, procedures and practices of the United Nations Security Management System (UNSMS.)
2. UNDP agrees to undertake all reasonable efforts to ensure that none of the project funds are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.
3. Consistent with UNDP’s Programme and Operations Policies and Procedures, social and environmental sustainability will be enhanced through application of the UNDP Social and Environmental Standards (<http://www.undp.org/ses>) and related Accountability Mechanism (<http://www.undp.org/secu-srm>).
4. The Responsible Party Partner shall: (a) conduct project and programme-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project or programme to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism.
5. All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any programme or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.

X. ANNEXES

- i. Letter of Agreement on Direct Project Services**
- ii. LPAC minutes**
- iii. Social and Environmental Screening Template**
- iv. Risk Analysis**

Annex i: Letter of Agreement on Direct Project Services

1. Reference is made to consultations between officials of the Government of Armenia (hereinafter referred to as “the Government”) and officials of UNDP with respect to the provision of support services by the UNDP country office for nationally managed programmes and projects. UNDP and the Government hereby agree that the UNDP country office may provide such support services at the request of the Government through its institution designated in the relevant programme support document or project document, as described below.
2. The UNDP country office may provide support services for assistance with reporting requirements and direct payment. In providing such support services, the UNDP country office shall ensure that the capacity of the Government-designated institution is strengthened to enable it to carry out such activities directly. The costs incurred by the UNDP country office in providing such support services shall be recovered from the administrative budget of the office.
3. The UNDP country office may provide, at the request of the designated institution, the following support services for the activities of the programme/project:
 - (a) Identification and/or recruitment of project and programme personnel;
 - (b) Identification and facilitation of training activities;
 - (a) Procurement of goods and services;
4. The procurement of goods and services and the recruitment of project and programme personnel by the UNDP country office shall be in accordance with the UNDP regulations, rules, policies and procedures. Support services described in paragraph 3 above shall be detailed in an annex to the programme support document or project document, in the form provided in the Attachment hereto. If the requirements for support services by the country office change during the life of a programme or project, the annex to the programme support document or project document is revised with the mutual agreement of the UNDP resident representative and the designated institution.
5. The relevant provisions of the SBAA between the Authorities of the Government of Armenia and the United Nations Development Programme (UNDP), signed by the Parties on 8 March 1995, including the provisions on liability and privileges and immunities, shall apply to the provision of such support services. The Government shall retain overall responsibility for the nationally managed programme or project through its designated institution. The responsibility of the UNDP country office for the provision of the support services described herein shall be limited to the provision of such support services detailed in the project document.
6. Any claim or dispute arising under or in connection with the provision of support services by the UNDP country office in accordance with this letter shall be handled pursuant to the relevant provisions of the SBAA.
7. The manner and method of cost recovery by the UNDP country office in providing the support services described in paragraph 3 above shall be specified in the annex to the project document.
8. The UNDP country office shall submit progress reports on the support services provided and shall report on the costs reimbursed in providing such services, as may be required.

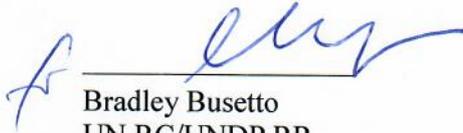
9. Any modification of the present arrangements shall be effected by mutual written agreement of the parties hereto.

For the Government

Signed on behalf of the UNDP



Artsvik Minasyan
Minister of Nature Protection
of the Republic of Armenia



Bradley Busetto
UN RC/UNDP RR

Date: 04/12/2017

Date: 04/12/2017

DESCRIPTION OF UNDP COUNTRY OFFICE SUPPORT SERVICES

1. Reference is made to consultations between the Ministry of Nature Protection, the institution designated by the Government of Armenia and officials of UNDP with respect to the provision of support services by the UNDP country office for the nationally executed project "Addressing climate change impact through enhanced capacity for wildfires management in Armenia" RF-UNDP TFD Project ID 00104555.

2. In accordance with the provisions of the letter of agreement signed and the project document, the UNDP country office shall provide support services for the Project as described below.

3. Support services to be provided:

	Description of services	Reimbursement amount based on the <u>Universal Price List 2017</u> used by UNDP for cost recovery with other UN Agencies (in USD)	UNIT
1	Payment Process	34.48	Per voucher
2	Credit card payment	36.30	Per transaction
3	New vendor creation in ATLAS	18.04	Per vendor
4	Payroll validation	35.11	Per person, quarterly
5	Leave monitoring	5.02	Per person, quarterly
6	IC and SC recruitment, including	205.96	Per person
6a	Advertisement	41.19	
6b	Short listing	82.38	
6c	Contract Issuance	82.38	
7	Issue IDs	34.18	Per ID
8	F10 Settlement	28.29	Per item
9	Ticket request	27.80	Per ticket
10	Hotel reservation	12.50	Per booking
11	Visa request	22.80	Per person
12	Vehicle Registration	33.20	Per item
13	Procurement process involving local CAP or RACP/ACP	475.27	Per case
13a	Identification and selection	237.63	
13b	Contracting/Issue PO	118.82	
13c	Follow-up	118.82	
14	Procurement not involving review bodies	192.05	Per case
14a	Identification and selection	96.02	
14b	Contracting/Issue PO	48.01	
14c	Contract follow-up	48.01	
15	Disposal of equipment	241.68	Per lot



Empowered lives.
Resilient nations.

Ա Ր Ձ Ա Ն Ա Գ Ր ՈՒ Թ Յ ՈՒ Ն
ԾՐԱԳՐԵՐԻ ՀԱՄԱՁԱՅՆԵՑՄԱՆ ՏԵՂԱԿԱՆ ԿՈՄԻՏԵԻ (ԾՀՏԿ) ՆԻՍՏԻ
«ՀԻԴՐՈՔԼՈՐՖՏՈՐԱԾԽԱԾԻՆՆԵՐԻ ՓՈՒԼԱՅԻՆ ՓՈԽԱՐԻՆՈՒՄ» ԾՐԱԳՐԻ 2-ՐԴ ՓՈՒԼ

MINUTES OF LOCAL PROJECT APPRAISAL COMMITTEE (LPAC) MEETING
HCFC PHASE-OUT PROJECT (PHASE II)

ՀՀ բնապահպանության նախարարություն
2017 թ. հոկտեմբերի 18, ժամը 15:15

Ministry of Nature Protection of RA
October 18, 2017, 15:15

Մասնակիցներ/Participants

Խաչիկ Հակոբյան
Khachik Hakobyan

ՀՀ բնապահպանության նախարարի տեղակալ
Deputy Minister of the Ministry of Nature Protection of RA

Դմիտրի Մարիյասին
Dmitry Mariyasin

ՄԱԶԾ մշտական ներկայացուցչի տեղակալ
UNDP Deputy Resident Representative in Armenia

Տաթևիկ Բոլոյան
Tatevik Koloyan

ՄԱԶԾ, Կայուն աճի և զարգացման բաժնի բնապահպանակալ
ծրագրերի աշխատակից
UNDP, Sustainable Growth & Resilience Portfolio, Environmental Programme Associate

Հարություն
Կարապետյան
Harutyun Karapetyan

Հայաստանի սառնարանային ասոցիացիայի նախագահ
President of the Refrigeration Association of Armenia

Արմեն Մելքոնյան
Armen Melkonyan

ՀՀ ԿԱ ՊԵԿ մաքսային գլխավոր տեսուչ
State Revenue Committee, senior customs inspector

Արմենուհի Պողոսյան
Armenuhi Poghosyan

ՀՀ ԿԳՆ նախնական և միջին մասնագիտական վարչության ՄԿՈՒ քաղաքականության մշակման և ուղղորդման բաժնի պետ
Ministry of Education and Science of RA, Initial and Vocational Department
Head of Division

Սիրանուշ Դրմեյան
SiranushDrmeyan

ՀՀ ԿԳՆ բարձրագույն և հետ բուհական մասնագիտական կրթության վարչության մասնագիտական կրթության քաղաքականության մշակման բաժնի առաջատար մասնագետ
Ministry of Education and Science of RA, Higher and Postgraduate Professional Education Department, Professional Education Policy division, leading specialist

Քրիստինե Խաչատրյան
Kristine Khachatryan

ՀՀ բնապահպանության նախարարության աշխատակազմի Միջազգային համագործակցության վարչության միջազգային ծրագրերի կառավարման ու մոնիթորինգի բաժնի գլխավոր մասնագետ
Ministry of Nature Protection of RA, International Cooperation Department, International Programs Management and Monitoring Division, senior specialist

Լիանա Ղահրամանյան
Liana Ghahramanyan

ՀՀ բնապահպանության նախարարության «Օզոնային շերտի պահպանության մասին» Վիեննայի կոնվենցիայի ազգային համակարգող
Ministry of Nature Protection of RA, focal point of Vienna Convention for the Protection of the Ozone Layer

ԾՀՏԿ-ի նպատակը.

«Հիդրոքլորֆտորածխածինների փուլային փոխարինում» ծրագրի 2-րդ փուլի վերջնական փաստաթղթի համաձայնեցում՝ այն ստորագրման ներկայացնելու համար:

LPAC objective:

Appraisal of HCFC Phase-Out project (Phase II) for further submission for signature.

Ծրագրի համառոտ ներկայացում

Ողջունի խոսքով հանդես եկավ նախարարի տեղակալ Իսաչիկ Հակոբյանը՝ մատնանշելով 2010-2016թթ «Հիդրոքլորֆտորածխածինների փուլային փոխարինում» ծրագրի 1-ին փուլով իրականացված լայնածավալ և փոխհամագործակցությամբ իրականացված աշխատանքները և արդյունքները, ինչպես նաև հաղթահարված խնդիրները, ինչն էլ հնարավորություն է ընձեռել վերոնշյալ ծրագրի 2-րդ փուլի նախաձեռնման համար:

Project review

Deputy Minister Khachik Hakobyan welcomed the participants highlighting the activities and results of the large-scale and collaborative implementation of Phase I of HCFC Phase-Out project implemented during the period of 2010-2016, as well as the issues overcome, which gave the opportunity to initiate the Phase II of the above-mentioned project.

Լիանա Ղահրամանյանը, ընդգծելով հարցի արդիականությունը, ներկայացրեց Բազմակողմանի հիմնադրամ/ՄԱԿ-ի զարգացման ծրագրի աջակցությամբ իրականացվելիք 2017-2020թթ «Հիդրոքլորֆտորածխածինների փուլային փոխարինում» ծրագրի 2-րդ փուլի ներդրումային բաղադրիչը.

Liana Ghahramanyan highlighted the relevance of the issue and presented the project to be implemented from 2017 to 2020 with the support of the Multilateral Fund / United Nations Development Programme, namely the investment component of HCFC Phase-Out project, Phase II, as follows:

- Նպատակը՝ օժանդակել Հայաստանի Հանրապետությանը, որպես «Օզոնային շերտը քայքայող նյութերի մասին» Մոնրեալի արձանագրության 5-րդ Հոդվածի երկիր, հաջողությամբ իրականացնելու օզոնային շերտը քայքայող նյութերի փուլային փոխարինումը՝ միջին մասնագիտական հաստատությունների՝ սառնարանային տեխնիկայի սպասարկման

- Goal: to assist the Republic of Armenia, Article 5 country of the Montreal Protocol on Substances that Deplete the Ozone Layer, to successfully implement the phase out of ozone depleting substances by strengthening the capacity of refrigeration equipment servicing workshops of vocational schools and RAC technicians through the procurement of appropriate tool sets, as well

արհեստանոցների և սառնարանային տեխնիկայի սպասարկման ոլորտի մասնագետներին համապատասխան գործիքներով վերազինման, ինչպես նաև մաքսային անցակետերի տեխնիկական հզորացման միջոցով:

- Ժամկետները՝ 2017-2020 թթ.
- Ֆինանսավորման աղբյուրը և ծավալը՝ ԲՀ, \$ 129,600
- Շահագրգիռ կողմերը՝ ՀՀ ԿԱ ՊԵԿ , ՀՀ ՀՀ ԿԳՆ
- Նախանշված միջոցառումների մշակման գործընթացը, բաղադրիչները

as through the technical strengthening of customs checkpoints.

- Duration: 2017-2020
- Source and funding: MLF, \$ 129,600
- Stakeholders: State Revenue Committee, Ministry of Education and Science of RA
- Project activities and components

ԾՀՏԿ-ի նիստի ամփոփ առաջարկները.

Լիանա Ղահրամանյանը առաջարկեց դիտարկել հնարավորություն՝ անցկացնելու մաքսային ծառայողների վերապատրաստում «Կանաչ մաքսատուն» թեմայով, որի շրջանակներում հնարավոր կլինի նրանց համալիր վերապատրաստումը առևտրային դրույթ ունեցող բոլոր բնապահպանական կոնվենցիաներով:

Դմիտրի Մարիյասինը շնորհակալություն հայտնեց ցուցաբերված վստահության և աշխատանքների օպերատիվ իրականացման համար, մատնանշեց ծրագրի կարևորությունը՝ ընդգծելով Հայաստանի կողմից կարևորագույն ուղղություններով իրականացվող կառուցողական աշխատանքը: Բացի այդ, վերջինս անդրադարձավ գազաանալիզատորների ձեռքբերման ժամկետներին (համաձայն ծրագրային փաստաթղթի՝ դա պետք է տեղի ունենա 2020 թվականին)՝ առաջարկելով՝ հնարավորության դեպքում վերանայել ժամկետները՝ դրանք ավելի

Summary of LPAC meeting comments:

Liana Ghahramanyan proposed to consider the possibility of organizing the integrated customs trainings under "Green Customs" approach, which would allow carrying out the integrated training within the framework of all the environmental conventions with trade provisions.

Dmitry Mariyasin expressed his appreciation for the trusted efficient work, highlighting the project importance and underlining the constructive work, carried out by the MNP NOU and UNDP Armenia towards project finalization. With regard to the timeline of gas-analyzers' procurement (due in 2020, as per the project document schedule) Mr. Mariyasin suggested considering the option to move the procurement to Y2018 or Y2019, if possible. Also, Mr. Mariyasin proposed to consider the possible harmonization of other EU-funded projects that are currently being implemented at the vocational schools, taking into

վաղ տեղափոխելու նպատակով: Սրանից զատ, Դմիտրի Մարիյասինը առաջարկեց դիտարկել միջին մասնագիտական հաստատություններում ԵՄ ֆինանսավորմամբ ներկայումս իրականացվող այլ ծրագրերի հետ համադրելիության հնարավորությունը՝ հաշվի առնելով այդ հաստատությունների վերագինման հանգամանքը: Այս առումով Արմենուհի Պողոսյանը արձագանքեց՝ նշելով, որ իրականացվող ծրագրերն ունեն կոնկրետ ուղղվածություն և վերաբերում են բացառապես գյուղատնտեսության ոլորտին:

Սիրանուշ Դրմեյանը հարց բարձրացրեց մեթոդական ուղեցույցների հնարավոր մշակման և տրամադրման հետ կապված, որին ի պատասխան՝ Լիանա Ղահրամանյանը տեղեկացրեց նիստի մասնակիցներին, որ մեթոդական ձեռնարկների մշակումն ու տարամդրումը նախատեսված է «Հիդրոքլորֆտորածխածինների փուլային փոխարինում» ծրագրի 2-րդ փուլի ՄԱԿ-ի շրջակա միջավայրի ծրագրի հետ համատեղ իրականացվող ոչ ներդրումային բաղադրիչի շրջանակներում:

Ամփոփելով նիստը՝ նախարարի տեղակալ Խաչիկ Հակոբյանը շնորհակալություն հայտնեց նիստի մասնակիցներին և հույս հայտնեց, որ սերտ համագործակցությամբ հնարավոր կլինի հաջողությամբ իրականացնել ծրագրով նախատեսված միջոցառումները:

ԾՀՏԿ-ի նիստի արդյունքում որոշվեց՝

Հաստատել «Հիդրոքլորֆտորածխածինների փուլային փոխարինման ծրագիր» ներդրումային 2-րդ փուլի ծրագրային առաջարկը և ապահովել

account the equipment supply component of those projects. In this regard Armenuhi Poghosyan responded and mentioned that those projects have a specific focus and refer only to agricultural field.

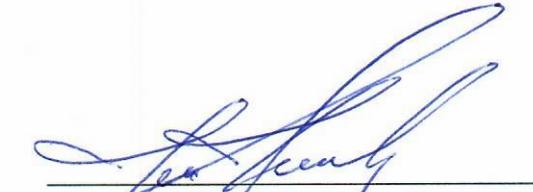
Siranush Drmeyan raised the issue of development and provision of methodological guidelines, in response to which Liana Ghahramanyan informed that the elaboration and publication of methodological manuals is intended to be implemented jointly with the United Nations Environment Program within the framework of the non-investment component of HCFC Phase-Out project, Phase II.

In conclusion to the meeting Deputy Minister Khachik Hakobyan expressed his gratitude to the participants and hoped for close cooperation that would enable the successful implementation of the activities planned by the project.

Final LPAC recommendation:

LPAC recommends approving the HPMP Stage II project and proceeding with the Project Document signature. The comments made by

դրա ստորագրումը: ԾՀՏԿ-ի անդամների LPAC members will be respectively addressed in կողմից արված առաջարկները հաշվի կառնվեն the final Project Document prior to its final ծրագրային փաստաթղթի վերջնական approval and signature. տարբերակում ստորագրումից առաջ:



Խաչիկ Հակոբյան
ՀՀ բնապահպանության
նախարարի տեղակալ
ԾՀՏԿ համանախագահող



Dmitry Mariyasin
UNDP Armenia Deputy Resident Representative/
LPAC Co-chair

Annex iii: Social and Environmental Screening Template

Project Information

Project Information	
1. Project Title	HCFC Phase-out Management Plan programme Stage II for Armenia
2. Project Number	ARM/PHA/77/INV/18 Tranche I (Tranche II to be requested in 2020 to complete the package)
3. Location (Global/Region/Country)	Armenia

Part A. Integrating Overarching Principles to Strengthen Social and Environmental Sustainability

QUESTION 1: How Does the Project Integrate the Overarching Principles in order to Strengthen Social and Environmental Sustainability?

Briefly describe in the space below how the Project mainstreams the human-rights based approach

The project aims at accelerating HCFC phase-out to achieve the 2020 compliance objectives of 35% reduction in HCFC use from 2009/2010 baseline years and prepare for future phase-out phase starting after 2020. Jointly with UNE supported activities, it will facilitate the implementation of upgraded national legislation for controlling import/export and use of HCFCs, improvements of Customs office's capacity, and continuing to build the initial HCFC re-use capacity by supplementing the servicing centers and vocational schools with appropriate modern tools and technology maintenance knowledge for refrigeration engineers/technicians and students studying these specializations which will allow to keep competitiveness on the market and create more of such greens jobs in support of greener economy in future.

Please, see below how the project is linked to provisions of the Universal Declaration of Human Rights.

Article 3. "Everyone has the right to life, liberty and security of person". The project will directly contribute to the protection of human health and the environment by reducing the impacts caused by the unsound management of HCFCs. *As such the project will contribute to protecting people's right to life.*

Article 19. "Everyone has the right to freedom of opinion and expression; this right includes freedom to hold opinions without interference and to seek, receive and impart information and ideas through any media and regardless of frontiers." The project will ensure that stakeholders involved in the management of HCFCs will be engaged in the project's implementation, through appropriate consultation mechanisms, workshops and awareness raising events to allow them to participate in the decision-making process as during the project formulation so during its implementation, express their opinions on the project and its intended activities. Furthermore, project activities, objectives and results will be widely disseminated through various media channels throughout the project's implementation. *The project will contribute to people's access to information and provide them with opportunities to express their opinions.*

Article 23 (2) "Everyone has the right to work, to free choice of employment, to just and favorable conditions of work and to protection against unemployment". The project will help with further improvements in working conditions of refrigeration engineers and technicians who come into contact with HCFCs and replacement natural refrigerant technologies such as ammonia (toxic), hydrocarbons (flammable) and carbon dioxide (high pressure), and others currently dominating the markets such as HFCs. Infrastructure and skills required to manage HCFCs and their substitutes will be improved by the project in private and public sectors, vocational education institutions. *As such the project will contribute to protecting people's right to favorable conditions of work and improve work skills to stay competitive in the business.*

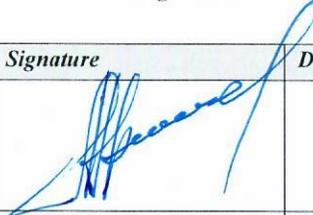
Briefly describe in the space below how the Project is likely to improve gender equality and women's empowerment
Despite lack of funding rules from the donor side – MLF, where the overall global benefits are considered instead in terms of reducing ultra-violet radiation and less health impacts of the health of women, men and children equally, the project will be following the general policies of UNDP in relation to more inclusive participation in the decision making over the project's objectives and annual workplans, and more access to capacity building brought by the project on the HCFC re-use techniques and job creation to female population of Armenia where feasible and supported by the interest from female students of target vocational schools or engineers/technicians currently operating in the service centers across the country. "UNDP Technical Guide on mainstreaming SMC" and the UNDP guidance note on "The why and how of mainstreaming gender in chemicals management" will be referred to in such activities.
Briefly describe in the space below how the Project mainstreams environmental sustainability
The project's overall objective is to ensure protection of human health and the environment through sound management of HCFCs and their zero-ODS and low GWP substitutes in Armenia. In particular the project will strive to achieve environmental sustainability through enhancing the national capacity to manage the phase-out of HCFCs, through strengthening of associated regulatory frameworks, solid capacity building and re-tooling/infrastructure improvements in the country in these related sectors to support greener economy and jobs at the same time.

Part B. Identifying and Managing Social and Environmental Risks

QUESTION 2: What are the Potential Social and Environmental Risks? <i>Note: Describe briefly potential social and environmental risks identified in Attachment 1 – Risk Screening Checklist (based on any "Yes" responses).</i>	QUESTION 3: What is the level of significance of the potential social and environmental risks? <i>Note: Respond to Questions 4 and 5 below before proceeding to Question 6</i>			QUESTION 6: What social and environmental assessment and management measures have been conducted and/or are required to address potential risks (for Risks with Moderate and High Significance)?
Risk Description	Impact and Probability (1-5)	Significance (Low, Moderate, High)	Comments	Description of assessment and management measures as reflected in the Project design. If ESIA or SESA is required note that the assessment should consider all potential impacts and risks.
Risk 1: Risk to communities and workers' health and safety posed by the improper handling of HCFCs and their substitutes	I = 3 P = 1	Low	Unqualified handling of refrigerants (both non- and ozone-depleting) results in immediate risks to health of workers and communities where newer technologies can be installed, especially the	The project aims to equip the country with additional modern equipment servicing tools, skills (with certification) and non-HCFC technologies (with safety standards applied) to smoothly manage the ongoing HCFC phase-out activities. Appropriate training and safety guidelines will be formulated with support of the direct stakeholders from the HCFC use business sectors,

		natural refrigerants such as ammonia and hydrocarbons.	and involved state authorities (environmental protection, standardization etc)
	QUESTION 4: What is the overall Project risk categorization?		
	Select one (see SESP for guidance)		Comments
	<i>Low Risk</i>	<input checked="" type="checkbox"/>	Project will build into the existing baseline to introduce additional improvements in the ways how the national HCFC phase-out process is currently ongoing. The set of stakeholders is the same as in the previous HCFC phase-out phases and will be utilized in the new programme to complement existing achievements in the country.
	<i>Moderate Risk</i>	<input type="checkbox"/>	

Final Sign Off

Signature	Date	Description
		<p>QA Assessor Armen Martirosyan, Sustainable Growth and Resilience Portfolio Manager, UNDP Armenia <i>UNDP staff member responsible for the Project, typically a UNDP Programme Officer. Final signature confirms they have "checked" to ensure that the SESP is adequately conducted.</i></p>
		<p>QA Approver Dmitry Mariyasin, Deputy Resident Representative, UNDP Armenia <i>UNDP senior manager, typically the UNDP Deputy Country Director (DCD), Country Director (CD), Deputy Resident Representative (DRR), or Resident Representative (RR). The QA Approver cannot also be the QA Assessor. Final signature confirms they have "cleared" the SESP prior to submittal to the PAC.</i></p>
		<p>PAC Chair Dmitry Mariyasin, Deputy Resident Representative, UNDP Armenia <i>UNDP chair of the PAC. In some cases PAC Chair may also be the QA Approver. Final signature confirms that the SESP was considered as part of the project appraisal and considered in recommendations of the PAC.</i></p>

SESP Attachment 1. Social and Environmental Risk Screening Checklist

Checklist Potential Social and Environmental Risks	
Principles 1: Human Rights	Answer (Yes/No)
1. Could the Project lead to adverse impacts on enjoyment of the human rights (civil, political, economic, social or cultural) of the affected population and particularly of marginalized groups?	No
2. Is there a likelihood that the Project would have inequitable or discriminatory adverse impacts on affected populations, particularly people living in poverty or marginalized or excluded individuals or groups? ¹	No
3. Could the Project potentially restrict availability, quality of and access to resources or basic services, in particular to marginalized individuals or groups?	No. The project will work on bringing in modern technical skills and special tools to equip trained technicians (individual and from service companies) to build national capacity in managing HCFCs and other technologies. Support to vocational education system will allow better training for those willing to obtain such profession.
4. Is there a likelihood that the Project would exclude any potentially affected stakeholders, in particular marginalized groups, from fully participating in decisions that may affect them?	No
5. Are there measures or mechanisms in place to respond to local community grievances?	No. However, stakeholder consultations and technology workshops/trainings have been planned by the National Ozone Unit for better information dissemination, and such aspects can be covered. So far the project has been planning technical assistance to support HCFC re-use in many economic sectors and, thus, achieving green jobs perspective, and no major new technology demonstration with flammable, toxic or high-pressure system alternatives which would require safety precautions.
6. Is there a risk that duty-bearers do not have the capacity to meet their obligations in the Project?	No
7. Is there a risk that rights-holders do not have the capacity to claim their rights?	No
8. Have local communities or individuals, given the opportunity, raised human rights concerns regarding the Project during the stakeholder engagement process?	No
9. Is there a risk that the Project would exacerbate conflicts among and/or the risk of violence to project-affected communities and individuals?	No
Principle 2: Gender Equality and Women's Empowerment	
1. Is there a likelihood that the proposed Project would have adverse impacts on gender equality and/or the situation of women and girls?	No. Both genders, if having appropriate training and occupation in the sector, will have access to the technical assistance from the project.
2. Would the Project potentially reproduce discriminations against women based on gender, especially regarding participation in design and implementation or access to opportunities and benefits?	No. Both genders, if having appropriate training and occupation in the sector, will have access to the technical assistance from the project.
3. Have women's groups/leaders raised gender equality concerns regarding the Project during the stakeholder engagement process and has this been included in the overall Project proposal and in the risk assessment?	No. Project will help involve all key stakeholders into discussions on the project's design and implementation phases.
3. Would the Project potentially limit women's ability to use, develop and protect natural resources, taking into account different roles and positions of women and men in accessing environmental goods and services?	No

¹ Prohibited grounds of discrimination include race, ethnicity, gender, age, language, disability, sexual orientation, religion, political or other opinion, national or social or geographical origin, property, birth or other status including as an indigenous person or as a member of a minority. References to "women and men" or similar is understood to include women and men, boys and girls, and other groups discriminated against based on their gender identities, such as transgender people and transsexuals.

<p>Principle 3: Environmental Sustainability: Screening questions regarding environmental risks are encompassed by the specific Standard-related questions below</p>	
<p>Standard 1: Biodiversity Conservation and Sustainable Natural Resource Management</p>	
<p>1.1 Would the Project potentially cause adverse impacts to habitats (e.g. modified, natural, and critical habitats) and/or ecosystems and ecosystem services? <i>For example, through habitat loss, conversion or degradation, fragmentation, hydrological changes</i></p>	<p>No. The project will mostly operate in urban areas.</p>
<p>1.2 Are any Project activities proposed within or adjacent to critical habitats and/or environmentally sensitive areas, including legally protected areas (e.g. nature reserve, national park), areas proposed for protection, or recognized as such by authoritative sources and/or indigenous peoples or local communities?</p>	<p>No. The project will mostly operate in municipal, other populated territories.</p>
<p>1.3 Does the Project involve changes to the use of lands and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods? (Note: if restrictions and/or limitations of access to lands would apply, refer to Standard 5)</p>	<p>No</p>
<p>1.4 Would Project activities pose risks to endangered species?</p>	<p>No</p>
<p>1.5 Would the Project pose a risk of introducing invasive alien species?</p>	<p>No</p>
<p>1.6 Does the Project involve harvesting of natural forests, plantation development, or reforestation?</p>	<p>No</p>
<p>1.7 Does the Project involve the production and/or harvesting of fish populations or other aquatic species?</p>	<p>No</p>
<p>1.8 Does the Project involve significant extraction, diversion or containment of surface or ground water? <i>For example, construction of dams, reservoirs, river basin developments, groundwater extraction</i></p>	<p>No</p>
<p>1.9 Does the Project involve utilization of genetic resources? (e.g. collection and/or harvesting, commercial development)</p>	<p>No</p>
<p>1.10 Would the Project generate potential adverse transboundary or global environmental concerns?</p>	<p>No</p>
<p>1.11 Would the Project result in secondary or consequential development activities which could lead to adverse social and environmental effects, or would it generate cumulative impacts with other known existing or planned activities in the area? <i>For example, a new road through forested lands will generate direct environmental and social impacts (e.g. felling of trees, earthworks, potential relocation of inhabitants). The new road may also facilitate encroachment on lands by illegal settlers or generate unplanned commercial development along the route, potentially in sensitive areas. These are indirect, secondary, or induced impacts that need to be considered. Also, if similar developments in the same forested area are planned, then cumulative impacts of multiple activities (even if not part of the same Project) need to be considered.</i></p>	<p>No</p>
<p>Standard 2: Climate Change Mitigation and Adaptation</p>	

2.1	Will the proposed Project result in significant ² greenhouse gas emissions or may exacerbate climate change?	No. HCFCs have GWP features and are commonly used in refrigeration and air-conditioning equipment. The project aims to improve the re-use of HCFCs via best practices in recovery and recycling and better equipment maintenance to avoid excessive leaks.
2.2	Would the potential outcomes of the Project be sensitive or vulnerable to potential impacts of climate change?	No
2.3	Is the proposed Project likely to directly or indirectly increase social and environmental vulnerability to climate change now or in the future (also known as maladaptive practices)? <i>For example, changes to land use planning may encourage further development of floodplains, potentially increasing the population's vulnerability to climate change, specifically flooding</i>	No
Standard 3: Community Health, Safety and Working Conditions		
3.1	Would elements of Project construction, operation, or decommissioning pose potential safety risks to local communities?	No. No demonstration technology projects are planned.
3.2	Would the Project pose potential risks to community health and safety due to the transport, storage, and use and/or disposal of hazardous or dangerous materials (e.g. explosives, fuel and other chemicals during construction and operation)?	No.
3.3	Does the Project involve large-scale infrastructure development (e.g. dams, roads, buildings)?	No
3.4	Would failure of structural elements of the Project pose risks to communities? (e.g. collapse of buildings or infrastructure)	No
3.5	Would the proposed Project be susceptible to or lead to increased vulnerability to earthquakes, subsidence, landslides, erosion, flooding or extreme climatic conditions?	No
3.6	Would the Project result in potential increased health risks (e.g. from water-borne or other vector-borne diseases or communicable infections such as HIV/AIDS)?	No
3.7	Does the Project pose potential risks and vulnerabilities related to occupational health and safety due to physical, chemical, biological, and radiological hazards during Project construction, operation, or decommissioning?	No
3.8	Does the Project involve support for employment or livelihoods that may fail to comply with national and international labor standards (i.e. principles and standards of ILO fundamental conventions)?	No
3.9	Does the Project engage security personnel that may pose a potential risk to health and safety of communities and/or individuals (e.g. due to a lack of adequate training or accountability)?	No
Standard 4: Cultural Heritage		
4.1	Will the proposed Project result in interventions that would potentially adversely impact sites, structures, or objects with historical, cultural, artistic, traditional or religious values or intangible forms of culture (e.g. knowledge, innovations, practices)? (Note: Projects	No. Project activities will be implemented in existing facilities (private or public).

² In regards to CO₂, 'significant emissions' corresponds generally to more than 25,000 tons per year (from both direct and indirect sources). [The Guidance Note on Climate Change Mitigation and Adaptation provides additional information on GHG emissions.]

	intended to protect and conserve Cultural Heritage may also have inadvertent adverse impacts)	
4.2	Does the Project propose utilizing tangible and/or intangible forms of cultural heritage for commercial or other purposes?	No
Standard 5: Displacement and Resettlement		
5.1	Would the Project potentially involve temporary or permanent and full or partial physical displacement?	No
5.2	Would the Project possibly result in economic displacement (e.g. loss of assets or access to resources due to land acquisition or access restrictions – even in the absence of physical relocation)?	No
5.3	Is there a risk that the Project would lead to forced evictions? ³	No
5.4	Would the proposed Project possibly affect land tenure arrangements and/or community based property rights/customary rights to land, territories and/or resources?	No
Standard 6: Indigenous Peoples		
6.1	Are indigenous peoples present in the Project area (including Project area of influence)?	No
6.2	Is it likely that the Project or portions of the Project will be located on lands and territories claimed by indigenous peoples?	No
6.3	Would the proposed Project potentially affect the rights, lands and territories of indigenous peoples (regardless of whether Indigenous Peoples possess the legal titles to such areas)?	No
6.4	Has there been an absence of culturally appropriate consultations carried out with the objective of achieving FPIC on matters that may affect the rights and interests, lands, resources, territories and traditional livelihoods of the indigenous peoples concerned?	No
6.4	Does the proposed Project involve the utilization and/or commercial development of natural resources on lands and territories claimed by indigenous peoples?	No
6.5	Is there a potential for forced eviction or the whole or partial physical or economic displacement of indigenous peoples, including through access restrictions to lands, territories, and resources?	No
6.6	Would the Project adversely affect the development priorities of indigenous peoples as defined by them?	No
6.7	Would the Project potentially affect the traditional livelihoods, physical and cultural survival of indigenous peoples?	No
6.8	Would the Project potentially affect the Cultural Heritage of indigenous peoples, including through the commercialization or use of their traditional knowledge and practices?	No
Standard 7: Pollution Prevention and Resource Efficiency		
7.1	Would the Project potentially result in the release of pollutants to the environment due to routine or non-	No

³ Forced evictions include acts and/or omissions involving the coerced or involuntary displacement of individuals, groups, or communities from homes and/or lands and common property resources that were occupied or depended upon, thus eliminating the ability of an individual, group, or community to reside or work in a particular dwelling, residence, or location without the provision of, and access to, appropriate forms of legal or other protections.

	routine circumstances with the potential for adverse local, regional, and/or transboundary impacts?	
7.2	Would the proposed Project potentially result in the generation of waste (both hazardous and non-hazardous)?	No. However, during HCFC recycling operations some part of the material can be waste (in part chlorinated gas) which could be a result of compressor burn-outs when refrigeration and air-conditioning equipment can naturally malfunction. This is not a result of project's activities but business as usual, and not fundable by MLF except for short windows in the past.
7.3	Will the proposed Project potentially involve the manufacture, trade, release, and/or use of hazardous chemicals and/or materials? Does the Project propose use of chemicals or materials subject to international bans or phase-outs? <i>For example, DDT, PCBs and other chemicals listed in international conventions such as the Stockholm Conventions on Persistent Organic Pollutants or the Montreal Protocol</i>	No. However, the trade in HCFCs and other chemicals to substitute them are a natural economic activities taking place as a baseline. The project's aim is to further reduce the country's dependence on HCFCs and demonstrate approaches to deal with alternatives available on the market.
7.4	Will the proposed Project involve the application of pesticides that may have a negative effect on the environment or human health?	No
7.5	Does the Project include activities that require significant consumption of raw materials, energy, and/or water?	No

Annex iv: Project Risk Log

Project Title: HCFC Phase-Out Management Plan (HPMP) –Second Stage	Project ID: 00098381	Date: 30.11.2017
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#	Description	Date Identified	Type	Impact & Probability	Countermeasures / Mngt response	Owner	Submitted, updated by	Last Update	Status
1	The 66,6% reduction target is not achieved	13.11.2017	Regulatory	P = 1 I = 5	The national ODS Legislation is updated to control import and export of HCFC.	Project Board	<i>(In Atlas, automatically recorded)</i>	<i>(In Atlas, automatically recorded)</i>	<i>(in Atlas, use the Management Response box)</i>
2	The recovery and recycling kits provided to the technicians are not used in servicing the HCFC-based equipment, thus not reducing dependence on HCFC import	13.11.2017	Operational	P = 2 I = 3	This project component will be monitored by the national consultant on a regular basis to make sure the equipment is applied as agreed between the Ministry and beneficiaries.	National Ozone Unit			
3	The equipment kits procured for the workshops of vocational schools is not used for practical training of the students.	13.11.2017	Operational	P = 2 I = 3	This project component will be monitored by the national consultant on a regular basis to make sure the equipment is applied as agreed between the Ministry and beneficiaries.	National Ozone Unit			
4	The refrigerant identifiers provided to the Customs Service check points are not used for checking the contents of imported cylinders	13.11.2017	Operational	P = 2 I = 3	This project component will be monitored by the official Customs Focal Point to make sure the procured equipment is applied accordingly.	National Ozone Unit, Customs Focal Point			