



UNDP Project Document
Country: Lebanon
PROJECT DOCUMENT

Project Title **Preparation of HCFC Phase-out Management Plan (HPMP) for Lebanon**
 MPU Project Numbers **LEB/PHA/55/PRP/67 and LEB/PHA/57/PRP/**
 UNDAF Outcome(s): **2. Rights based approach to human development**
 Expected Output(s): **HPMP Phase-Out Management Plan (HPMP)**
 Executing Entity: **Ministry of Environment, Lebanon**
 Implementing Agency **United Nations Development Programme (UNDP)**

PROJECT SUMMARY

The XIXth Meeting of the Parties to the Montreal Protocol in September 2007, through its Decision XIX/6, adopted an accelerated phase-out schedule for HCFCs. The first control is the freeze on production and consumption of HCFCs which would be from 01 January 2013, at the Baseline Level (average of 2009 and 2010 consumption levels). The second control step is the reduction of 10% from the Baseline Level on January 1, 2015. The decision also directed the Executive Committee of the Multilateral Fund to assist the Parties in preparation of HCFC phase-out Management Plan (HPMP), which is expected to delineate the strategy and action plan of the respective country, for compliance with the 2013/2015 control targets for HCFC consumption. The 54th Meeting of the Executive Committee in April 2008 through Decision 54/39, adopted guidelines for preparation of HCFC phase-out management plans.

This project will cover establishment of the national team and related institutional arrangements, review of existing regulatory and policy framework, information dissemination and industry interaction, data collection on the baseline in each HCFC consuming industrial sector, data analysis, technology selection taking into account climate change impacts, prioritization of sectors for interventions, estimation of incremental costs and associated technical assistance needs and stakeholder consultations. The project will result in the preparation of a comprehensive HPMP (Stage-1) for Lebanon, which will incorporate the strategy and action plan for Lebanon for compliance with the 2013/2015 control targets, which is targeted for submission to the Executive Committee of the Multilateral Fund, at its 61st Meeting in July 2010.

Programme Period:	2008 - 2011
ATLAS Award ID:	00057541
ATLAS Project ID	00071157
Start date:	01 July 2009
End Date	31 December 2011

Total resources required	US\$ 237,250
Total allocated resources:	US\$ 237,250
• MLF	US\$ 237,250
Management Arrangements	NEX

Agreed by Ministry of Environment

Agreed by CDR Nabil A. El-Jisr, Resident

Agreed by UNDP



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I. SITUATION ANALYSIS

1. OBJECTIVE

The objective of this project is the preparation of a comprehensive HPMP (Stage-1) for Lebanon, which will incorporate the strategy and action plan for Lebanon for compliance with the 2013/2015 control targets, which is targeted for submission to the Executive Committee of the Multilateral Fund, at its 61st Meeting in July 2010.

2. BACKGROUND

2.1 Country profile

Lebanon is a Mediterranean country with a land area of 10,452 sq. km and a population of about 3.8 million (2006) with an estimated GDP per capita of USD 4,000 in 2005, with the agricultural sector accounting for 14% of GNP, the industry for 26% and the service sector for 60%. The population density is approx. 363 persons per sq km where urban population represents around 88% of the total population.

2.2 ODS phase-out activities in Lebanon

The table below shows the dates of ratification by Lebanon of the Montreal Protocol and its amendments:

Agreement	Ratification	Entry into Force
Vienna Convention	March 30, 1993	June 28, 1993
Montreal Protocol	March 30, 1993	June 28, 1993
London Amendment	March 31, 1993	June 29, 1993
Copenhagen Amendment	July 31, 2000	July 31, 2000
Montreal Amendment	July 31, 2000	July 31, 2000
Beijing Amendment	November 21, 2008	November 21, 2008

Lebanon's Country Programme reflecting the national strategy and action plan for controlling ozone depleting substances under the Montreal Protocol was prepared with the assistance of the National Working Committee on Ozone Depleting Substances established in 1994 at the Ministry of Environment was approved at the 17th Meeting of the Executive Committee of the Multilateral Fund in 1995. The Country Programme prioritized ODS phase-out activities in the main ODS consuming sectors through technology transfer investments, technical assistance, capacity building, and training.

Lebanon's Country Programme Update was prepared in 2003. The Country Programme Update reassessed the ODS consuming sectors in Lebanon including, for the first time, in the south part of Lebanon which was adversely affected by war in the early nineties, reviewed the progress made in ODS phase-out and identified further activities, policies and strategic planning and actions required to complete phase-out of remaining ODS in the country, thus renewing Lebanon's commitment for complying with the Montreal Protocol control targets and obligations.

Lebanon's total ODS consumption was estimated in 1993 at about 923.1 ODP tonnes. The key ODS-consuming industry sectors were Aerosols, Foams and Refrigeration. Lebanon made significant progress in ODS phase-out, complying with the Montreal Protocol control targets, through implementation of technology transfer investment projects, technical assistance, training, institutional strengthening and capacity building.

All remaining CFC phase-out actions were addressed through the National Phase-out Management Plan for Annex-A, Group-I Substances (CFCs) in Lebanon (NPMP), which was approved at the 44th ExCom Meeting in November 2004 as a performance-based agreement with annual consumption and phase-out targets and complete phase-out of all remaining consumption of Annex-A, Group-I Substances (CFCs) in Lebanon by 2009. The CFC consumption reduction schedule proposed in the NPMP is in advance of or in compliance with the control schedule of the Montreal Protocol.

2.3 Evolution of HCFC Phase-out Management Plans

HCFCs, which have Ozone Depleting Potential (ODP) up to 15% of that of CFCs, are also classified as controlled substances under Annex-C, Group-I of the Montreal Protocol. HCFCs therefore, have use restrictions and would eventually have to be phased-out. Initially for developing countries, the scheduled phase-out date for HCFCs was 01 January 2040 with an interim control measure of freezing HCFC production and consumption at 2015 levels, from 01 January 2016.

During the implementation of the CFC phase-out under the Montreal Protocol, HCFCs were approved as interim substitutes for CFCs in many of the projects and activities supported by the Multilateral Fund. Considering the increasing demand for HCFCs, and considering the imminent restrictions on HCFCs, including the 2016 freeze in consumption for Article-5 countries, it was necessary to address the technology and environmental issues arising from HCFC use reductions. Moreover, it was expected that actions to reduce HCFC consumption needed to be initiated sooner rather than later. Recognizing these challenges, the ExCom approved at its 45th Meeting in 2005, funding for UNDP to carry out HCFC surveys in 12 countries, to assess the HCFC consumption and growth trends in these countries. Lebanon was one of the countries which requested to be a part of this activity. The key result of this survey was establishing the HCFC consumption profiles and projected growth rates in HCFC consumption in various sectors in Lebanon until 2015. As established in this survey, which was carried out during 2005-2007, Lebanon does not produce HCFCs and the domestic demand is entirely met through imports. The total imports of HCFCs in Lebanon during 2005 were 336 metric tonnes. At a conservative growth rates, this was projected to reach about 692 metric tonnes by 2015. Section 2.4 provides more details.

The XIXth Meeting of the Parties to the Montreal Protocol in September 2007, through its Decision XIX/6, adopted an accelerated phase-out schedule for HCFCs. The first control is the freeze on production and consumption of HCFCs from 01 January 2013, at the Baseline Level (average of 2009 and 2010 consumption levels). The second control step is the reduction of 10% from the Baseline Levels on January 1, 2015. Subsequent control steps are 35% reduction by 2020, 67.5% by 2025, 97.5% by 2030 and complete phase out from January 1 2040. The decision also directed the Executive Committee of the Multilateral Fund to assist Article-5 Parties in preparation of HCFC Phase-out Management Plans (HPMP).

The 54th Meeting of the Executive Committee in April 2008, through Decision 54/39, adopted guidelines for preparation of HPMPs. These guidelines provide an indicative outline and content of the HPMPs, with the following key elements (ExCom Decision 54/39 is attached as Annex-2):

- a) Adoption of a staged approach for HPMPs within the context of an overarching strategy for HCFC reductions and phase-out as per the adjusted schedule. The HPMP (Stage-1) would focus on compliance with the 2013 freeze and 2015 reduction targets. The subsequent stages would focus on HCFC phase-out in compliance with the future reduction control targets.
- b) Commitments to achieving the 2013 and 2015 control milestones through performance-based agreements

2.4 HCFC Survey in Lebanon

The ExCom approved at its 45th Meeting in 2005, funding for UNDP to carry out HCFC surveys in 12 countries, to assess the HCFC consumption and growth trends in these countries. Lebanon was one of the countries which requested to be a part of this activity. The survey was carried out during 2005 to 2007. The survey focused on data collection and analysis mainly from upstream suppliers of chemicals and equipment, as well as sampling of enterprise level HCFC use patterns.

Lebanon's HCFC consumption increased from 143 metric tonnes in 1995 to 336 metric tonnes in 2005, signifying a compounded annual growth rate of 8.1%. HCFC-22 and HCFC-141b were the two main HCFCs consumed. HCFC-141b is used as a blowing agent in foam production as a replacement for CFC-11. HCFC-22 is used as a refrigerant in air conditioning and refrigeration systems, especially in comfort air conditioning units, central air conditioning chillers and industrial refrigeration.

Based on projected annual growth rates in demand forecasted for HCFCs until 2015 in various sectors, it was estimated that the consumption of HCFCs in Lebanon would reach about 692 metric tonnes in 2015. This was expected to lead to additional environmental impacts on ozone depletion as well as on global warming due to the ozone depleting potential and global warming potential of HCFCs.

II. STRATEGY

HCFC PHASE-OUT MANAGEMENT PLAN FOR LEBANON

The Government of Lebanon has designated UNDP to be the lead agency for the development of the HCFC phase-out management plan in Lebanon, considering the following:

- The early and pioneering work done by UNDP in HCFCs in several countries and the resultant accumulated experience and expertise with UNDP for specific technical and policy issues pertaining to HCFCs;
- The initial HCFC survey in Lebanon was carried out by UNDP;
- UNDP is the implementing agency for the Montreal Protocol institutional strengthening project for Lebanon through which it provides technical and policy assistance on an ongoing basis

In order to assist Lebanon in the preparation of its HPMP (Stage-1) for compliance with the 2013/2015 targets, UNDP submitted a request for project preparation to the 55th meeting of the Executive Committee which was held in July 2008. As per ExCom Decision 54/39 Lebanon was eligible for a funding level of US\$ 150,000 less US\$ 12,750 to account for prior funding provided to conduct the HCFC survey approved in the 45th meeting of the ExCom in 2005. Thus the net total approved amount was US\$ 137,250. Further, in accordance with ExCom Decision 56/16, Lebanon is eligible for an additional funding of US\$ 100,000 for preparation of investment and associated activities in various sectors. This funding was approved in the 57th meeting of the ExCom in April 2009.

The proposed HCFC Phase-out Management Plan (HPMP) for Lebanon would need to:

- a) Reflect national context and priorities, national policies and country-drivenness and consequently would need the agreement of the Department of Environment, Ministry of Natural Resources and the Environment to the proposals contained herein;
- b) Facilitate seamless application of the proposed arrangements to the subsequent implementation stage of the HPMP, once it is approved;
- c) Draw upon the lessons learnt from functioning of institutional arrangements and operational mechanisms employed for CFC phase-out plans and to the extent possible integrate existing infrastructures;
- d) Be dynamic and evolving, and to be open for revisions and adaptation as necessary in response to evolving situations

The time available for Article-5 parties including Lebanon, for meeting the 2013/2015 control targets is quite limited. It is estimated that there would be maximum of about 4 years beginning 2010, to implement activities leading to compliance with the 2013 and 2015 targets. It is therefore considered imperative that the preparation of Lebanon's HPMP and its submission to and approval by the Executive Committee is accomplished by mid-2010, so that adequate time as well as technical and financial assistance is available to implement actions for compliance.

HPMP PREPARATION PROCESS

The preparation of the national HCFC phase-out management plan would involve the following broad activities:

- Constituting the national team (recruitment of national expert (s) and project staff)
- Consultation meetings for stakeholders (meetings with government agencies for policy review and meetings with industry representatives for sector-level approaches)
- Information dissemination and industry interaction (sector-level workshops)
- Data Collection
- Data Analysis
- Draft document preparation
- Stakeholder interactions/consultations (national workshop)
- Finalization of the HPMP (Stage-I) proposal

1. Constituting the National Team

This would cover recruitment of national consultant (s) and project staff as required. The terms of reference of the national consultant (s) and project manager are attached in Annex-3 and Annex-4

2. Consultation Meetings with Stakeholders

The consultation meetings with government stakeholders will cover review of existing policy and regulatory framework and make recommendations for meeting the 2013/2015 control targets.

The consultation meetings with the industry stakeholders will aim to obtain commitment and cooperation in providing information and active participation in the HPMP preparation process.

3. Information Dissemination

This would include the following:

- Dissemination of information on HCFC phase-out, particularly alternative technologies, their availability, feasibility, environment impact and costs
- Documentation/reports

4. Data Collection

Data on industry profiles, baselines, consumption, etc. will be collected for various HCFC-consuming sectors at enterprise level, through national expert(s). This would include the development of appropriate questionnaires and formats for reporting the information and data collected. The data collected pertaining to date of establishment, Article-5 ownership and exports to non Article-5 countries, would be cross-checked and verified through NOU/MOE whenever required.

5. Data Analysis

The data analysis would include the following:

- Present and historical HCFC consumption by enterprise, sector, sub-sector and application,
- List of HCFC users segregated by sector/sub-sector,
- Data on prior conversions from CFCs by sector/sub-sector,
- Projected growth trends and required reductions in HCFC consumption for meeting the 2013 freeze and 2015 reductions, by sector/sub-sector.

6. Preparation of draft proposal

Based on the data collected, sector-wise draft proposals containing sector-specific challenges, opportunities and strategies for compliance with the 2013/3015 control targets, would be prepared by the national experts and submitted to NOU and UNDP for review and inputs. UNDP will collate and integrate these sector-wise strategies into a draft national HPMP (Stage-1) proposal, which will be prepared focusing on compliance with the 2013 freeze and 2015 reductions with respect to the baseline (average of 2009 and 2010) levels and would be forwarded to NOU for circulation among national stakeholders.

7. Stakeholder Consultations

The draft HPMP (Stage-1) document will be circulated by NOU to the various national stakeholders for comments. In addition, a national stakeholder consultation workshop will be arranged with participation from all national stakeholders. The comments and recommendations of the stakeholders shall be collected and collated by NOU and sent to UNDP for final revisions.

8. Finalization of the HPMP Proposal (Stage-1)

UNDP will incorporate the required revisions and comments into a final draft HPMP (Stage-1) proposal. The finalized draft proposal will be sent to government for final approval. Any further revisions, if required, would be done by UNDP. NOU will then arrange for the final government endorsement and the final HPMP (Stage-1) document would be submitted to MLF by UNDP.

9. Time Frame/Monitoring Milestones

Considering the limited timeframe available for 2013 compliance, the HPMP is targeted for submission to the 61st ExCom Meeting in July 2010. This allows for a net period of about 12 months for completing the activities needed for preparation of the HPMP, after taking into consideration the lead time of submission of 14 weeks prior to the ExCom:

MILESTONE/TIME FRAME (In months)	1	2	3	4	5	6	7	8	9	10	11	12
Constituting the national team	■	■										
Information dissemination/industry interaction		■	■	■	■	■	■					
Data collection			■	■	■	■	■	■				
Data analysis				■	■	■	■	■	■	■		
Preparation of draft proposal					■	■	■	■	■	■	■	
Stakeholder consultations									■	■	■	■
Finalization and submission											■	■

III. RESULTS AND RESOURCES FRAMEWORK

The main result expected from this project is the preparation and submission of Lebanon's HPMP (Stage-1) document containing the strategy and action plan for compliance with the 2013/2015 control targets for HCFC consumption.

Intended Outcome:	CCF Pillar C: Cross-cutting Themes (Environment and Natural Resource Management)			
Applicable Goal (UNDAF):	Strategic Goal 2: Rights-based approach to human development Objective indicator: Environment Management Strategy adopted			
ATLAS Award ID:	000			
ATLAS Project ID:	000			
INTENDED OUTPUTS	OUTPUT TARGETS FOR 2009 to 2011	INDICATIVE ACTIVITIES	RESPONSIBLE PARTIES	INPUTS (US\$)
Output 1: HPMP (Stage-1) proposal prepared Baseline: Need for strategy and action plan for compliance with the 2013/2015 control targets for HCFCs Indicator: Submission of HPMP (Stage 1) proposal	Targets (2009): Establishment of project team	1. Project management <ul style="list-style-type: none"> • Technical, financial and operational management. • Establishing good partnerships with ongoing projects and stakeholders. 2. Data Collection and Analysis <ul style="list-style-type: none"> • Collection and analysis of data • Stakeholder consultation • Proposal development and endorsement • Information Dissemination 	UNDP/NOU/MOE	162,250
	Targets (2010): Submission of HPMP (Stage-1) to MLF for approval Targets (2011): Follow-up on approval of HPMP (Stage-1) proposal and awareness raising among stakeholders			75,000

IV. ANNUAL WORK PLAN

Award ID		000						
Project ID		000						
Project Title		Preparation of HCFC Phase-out Management Plan (HPMP) Stage-1 for Lebanon						
Executing Agency		Ministry of Environment						
ATLAS Activity	Responsible Party	Source of Funds	ATLAS Code	ATLAS Budget Description	Budget (US\$)			Total
					2009	2010	2011	
Activity 1: Project Management	UNDP	63030	71200	International experts	0	15,000	5,000	20,000
	UNDP	63030	71300	National consultants	30,000	15,000	0	45,000
	UNDP	63030	71400	Project staff	0	30,000	30,000	60,000
	UNDP	63030	71600	Travel	10,000	10,000	0	20,000
	UNDP	63030	74500	Miscellaneous	5,250	5,000	5,000	15,250
	UNDP	63030	72800	IT Equipment	0	2,000	0	2,000
Sub-total					45,250	77,000	40,000	162,250
Activity 2: Data Collection and Analysis	UNDP	63030	74200	Promotional materials	0	5,000	5,000	10,000
	UNDP	63030	72200	Equipment and furniture	30,000	0	0	30,000
	UNDP	63030	74500	Workshops	10,000	15,000	10,000	40,000
Sub-total					40,000	20,000	15,000	75,000
GRAND TOTAL					85,250	97,000	55,000	237,250

V. MANAGEMENT ARRANGEMENTS

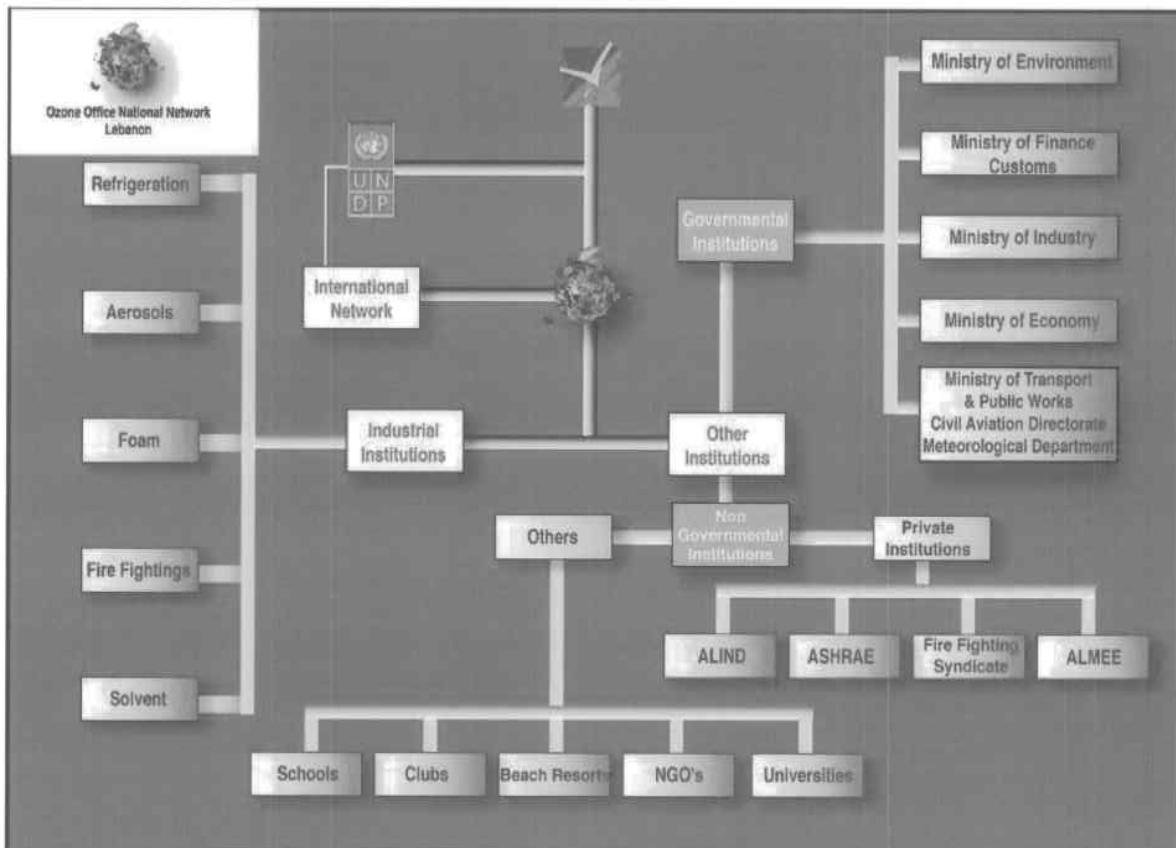
EXECUTION MODALITY

The project will be managed in accordance with standard UNDP procedures as support to nationally executed project (N-Ex) by the Government of Lebanon through its National Ozone Unit, Ministry of Environment. National Execution modality has been chosen as there is adequate capacity in the Government of Lebanon to undertake the functions and activities of the project. The UNDP Country Office has ascertained the national capacities during the formulation stage of this project.

UNDP will be work closely with the MOE during the course of project implementation. UNDP Lebanon will be responsible for overseeing project budgets and expenditures, recruiting and contracting project personnel and consultant services, procuring equipment, and project evaluation and reporting, result-based project monitoring, and organizing independent audits to ensure the proper use of UNDP/MLF funds. Financial transactions, auditing and reporting will be carried out in compliance with UNDP procedures for national execution.

INSTITUTIONAL FRAMEWORK

The following figure represents the project's operation with the National and International bodies and agencies (governmental and non-governmental):



The National Ozone Unit (NOU) within the Ministry of Environment (MOE) was established in 1998 by the Government for the overall coordination of ODS Phase-out programme in Lebanon 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 UNDP and executed nationally by MOE in close collaboration with UNDP Lebanon. 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. The NOU regularly seeks the advice of representatives from governmental authorities, NGOs, the private sector and academia.

ROLES AND RESPONSIBILITIES

National Ozone Unit (NOU)/Ministry of Environment (MOE)

The NOU/NOU will have the following roles and responsibilities in the preparation of the HPMP:

- Overall responsibility for monitoring and supervision of activities
- 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 industry consultation
- Communicate and disseminate public information and conduct awareness/outreach initiatives/programmes
- Review and endorsement of draft and final HPMP document

UNDP

UNDP has been designated as the Implementing Agency for preparation of the HPMP for Lebanon, by NOU/MOE. The roles and responsibilities of UNDP during the preparation of HPMP (Stage-1) would be as below:

- Recruitment of expert (s) and project staff as required
- Support NOU/MOE in ensuring an effective and smooth process in preparation of the sectoral projects/plans/activities and the integrated HPMP (Stage-1);
- Support NOU/MOE in review and endorsement process on the draft sectoral projects/plans/activities and integrated HPMP, for timely finalization and submission to the ExCom;
- Provide assistance with policy/regulatory, management and technical support to NOU as and when required
- Assist NOU in the process of consultations with industries on the technical and logistical aspects of the preparation of the HPMP;

- Assist NOU and the industries on identification and selection of alternative technologies, technology transfer and related incremental costs;
- Work in close cooperation and coordination with NOU on finalization of the integrated HPMP;
- Submit the integrated HPMP (Stage-1) to the MLF
- Undertake consultations and clarifications with MLF Secretariat on HPMP guidelines and HPMP preparation process to facilitate effective preparation;
- Assist NOU in responding to comments on HPMP from MLF/ExCom

National Consultants

It is proposed to engage a team of national consultants for assisting in the HPMP preparation process, particularly for data collection and analysis. The national consultants would work under the supervision of the NOU and carry out the data collection and analysis at the enterprise and sector level.

VI. MONITORING FRAMEWORK AND EVALUATION

MONITORING AND REPORTING

UNDP Lebanon will be responsible for financial monitoring and reporting on all disbursements of the programme and will ensure continued reporting to the Government of Lebanon/Lebanon Recovery Fund and Montreal Protocol MLF. Financial disbursements and auditing, as well as the procurement of goods and services, and the recruitment of personnel shall be based on UNDP procedures and guidelines.

The reporting with respect to the project shall include the following reports:

- Annual Project Progress Report (APR) as per UNDP format to be submitted annually as of project initiation.
- Progress of Implementation of Country Programme (including HCFCs)
- Article 7 ODS Data Report (including HCFCs)

Monitoring will include a continuous and systematic review of the various activities and will be intended to (i) measure input, output, and performance indicators; (ii) provide regular and up-to-date information on the progress towards meeting the overall project objectives; and (iii) alert implementing partners to potential problems in implementation, and propose corrective measures. Milestone review will be undertaken jointly with national counterparts and all concerned stakeholders and beneficiaries.

QUALITY MANAGEMENT FOR RESULTS

Output 1: Preparation of the HPMP (Strategy and action plan for 2013/2015 compliance)		
Activity Result 1	Project Management	Start Date: July 2009 End Date: December 2011
Purpose	Ensure the smooth technical and operational management of the project and build partnerships with project stakeholders	
Description	<ul style="list-style-type: none"> • Technical, financial and operational management. • Establishment of good partnership with relevant ongoing projects and stakeholders 	
Quality Criteria	Quality Method	Date of Assessment
Positive performance of personnel	Positive evaluation of project team	End of first quarter
TORs and RFQs issued	Qualified contractors/consultants selected	Second quarter
Capacity of stakeholders built	Stakeholder cooperation	Last quarter
Activity Result 2	Data Collection and Analysis	Start Date: Sept 2009 End Date: December 2011
Purpose	Collect the needed information for developing the national strategy and disseminate information on accelerated HCFC phase-out and HCFC alternatives	
Description	<ul style="list-style-type: none"> • Collection and analysis of data • Stakeholder consultation • Proposal development and endorsement • Information Dissemination 	
Quality Criteria	Quality Method	Date of Assessment
Collection of data from reliable sources	Completed questionnaires received	First quarter
Analysis of data	HCFC consumption by sector/sub-sectors established	Second quarter
Stakeholder consultation meetings held	Stakeholder feedback received	Third quarter
Draft HPMP (Stage-1) proposal prepared	Timely endorsement of proposal by Govt.	Last quarter
Submission of proposal	Positive feedback from MLF	Last quarter

VII. LEGAL CONTEXT

This Project Document shall be the instrument referred to as such in Article I of the Standard Basic Assistance Agreement between the Government of Lebanon and the United Nations Development Programme, signed by the parties on 10 February 1986.

The UNDP Resident Representative in Lebanon is authorized to effect in writing the following types of revisions to the Project Document, after consultation with the project partners:

- Revisions which do not involve significant changes to the immediate objectives, outputs or activities of the project, but are caused by the rearrangement of inputs already agreed to or by cost increases due to inflation;
- Mandatory annual revisions which re-phase the delivery of agreed project outputs or increased expert or other costs due to inflation, or take into account agency expenditure flexibility

This document together with the CPAP signed by the Government and UNDP which is incorporated by reference, together constitute a Project Document as referred to in the SBAA and all CPAP provisions apply to this document.

The responsibility for the safety and security of the implementing partner and its personnel and property, and of UNDP's property in the implementing partner's custody, rests with the implementing partner. The implementing partner shall:

- Put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
- Assume all risks and liabilities related to the implementing partner's security, and the full implementation of the security plan.

UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of this agreement.

The implementing partner agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received pursuant to the Project Document 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).

Annex-1: Risk Analysis

Annex-2: Guidelines for preparation of HPMPs: ExCom Decision 54/39

Annex-3: Terms of reference for National Experts

Annex-4: Terms of reference for Project Manager

ANNEX-1

RISK ANALYSIS

No	Description	Date Identified	Type	Impact and Probability (<i>I= low, 5=high</i>)	Countermeasures/ Management Response	Owner
1	Delay in deliverable submission of recruited national consultants	Project initiation date	Operational	This will affect the project deliverables <i>P = 1</i> <i>I = 5</i>	Regular follow-up on the work of consultants	UNDP/NOU/MOE
2	Political instability and security situation in the country	Project initiation date	Political	Political or security changes can hinder access to HCFC-consuming enterprises and delay in receiving data <i>P = 4</i> <i>I = 5</i>	Modifications in the data collection strategy	UNDP

ANNEX-2

GUIDELINES FOR DEVELOPMENT OF HPMPs (EXCOM DECISION 54/39)

170. After having considered the revised text submitted by the contact group, the Executive Committee decided to adopt the following guidelines:

- (a) Countries should adopt a staged approach to the implementation of an HCFC phase-out management plan (HPMP), within the framework of their over-arching strategy;
- (b) As soon as possible and depending on the availability of resources, countries should employ the guidelines herein to develop, in detail, stage one of the HPMPs, which would address how countries would meet the freeze in 2013 and the 10 per cent reduction in 2015, with an estimate of related cost considerations and applying cost guidelines as they were developed;
- (c) The elaboration of stage one of the HPMP and subsequent stages should be developed as follows:
 - (i) For countries with consumption in the servicing sector only:
 - a. To be consistent with existing guidelines for the preparation of RMPs/RMP updates pursuant to decisions 31/48 and 35/57; and, if applicable, with the preparation of TPMPs pursuant to decision 45/54;
 - b. To contain commitments to achieve the 2013 and 2015 HCFC control measures and include a performance-based system for HPMPs based on the completion of activities in the HPMP to enable the annual release of funding for the HPMP;
 - (ii) For countries with manufacturing sectors using HCFCs, HPMPs should contain a national performance-based phase-out plan (NPP) with one or several substance or sector-based phase-out plans (SPP) consistent with decision 38/65 addressing consumption reduction levels sufficient to achieve the 2013 and 2015 HCFC control measures and provide starting points for aggregate reductions, together with annual reduction targets;
- (d) For countries that choose to implement investment projects in advance of completion of the HPMP:
 - (i) The approval of each project should result in a phase-out of HCFCs to count against the consumption identified in the HPMP and no such projects could be approved after 2010 unless they were part of the HPMP;
 - (ii) If the individual project approach was used, the submission of the first project should provide an indication of how the demonstration projects related to the HPMP and an indication of when the HPMP would be submitted;

- (e) Consideration should be given to providing funding for assistance to include HCFC control measures in legislation, regulations and licensing systems as part of the funding of HPMP preparation as necessary and confirmation of the implementation of the same should be required as a prerequisite for funding implementation of the HPMP;
- (f) In cases where there were multiple implementing agencies in one country, a lead agency should be designated to coordinate the overall development of stage one of the HPMP;
- (g) HPMPs should contain cost information at the time of their submission based on and addressing:
 - (i) The most current HCFC cost guidelines at the time of submission;
 - (ii) Alternative cost scenarios based on different potential cut-off dates for new capacity if a specific cut-off date had not yet been decided, for funding eligibility of manufacturing facilities as specified in decision 53/37(k), as well as the current policy for a 25 July 1995 cut-off date;
 - (iii) Alternative cost scenarios for the operational and capital costs for second conversions;
 - (iv) The incremental costs of regulating import and supply to the market of HCFC dependent equipment once proven alternatives were commercially available in the country and describing the benefits to the servicing sector of associated reduced demand;
 - (v) Cost and benefit information based on the full range of alternatives considered, and associated ODP and other impacts on the environment including on the climate, taking into account global-warming potential, energy use and other relevant factors;
- (h) Countries and agencies were encouraged to explore potential financial incentives and opportunities for additional resources to maximize the environmental benefits from HPMPs pursuant to paragraph 11(b) of decision XIX/6 of the Nineteenth Meeting of the Parties;
- (i) HPMPs should address:
 - (i) The use of institutional arrangements mentioned in decision 53/37(e) and (f);
 - (ii) The roles and responsibilities of associations of refrigeration technicians and other industry associations and how they could contribute to HCFC phase-out; and
- (h) HPMPs should, as a minimum, fulfill the data and information requirements, as applicable, listed in the indicative outline for the development of HPMPs, as set out in Annex XIX to the present report.

(Decision 54/39)

ANNEX-3

TERMS OF REFERENCE FOR NATIONAL CONSULTANT(S)

Nature of Work: Providing technical assistance at the national level, for preparation of Lebanon's HCFC Phase-out Management Plan

Duration: 12 months

Starting Date: 01 June 2009

Location: Beirut with inland travel in Lebanon as required

Responsibilities:

The National Consultant(s) will work under the supervision of the NOU and in close coordination with UNDP and would have specific responsibility to carry out the following main tasks:

- a) To interact with various chemical and equipment suppliers/importers and/or their representatives and relevant industry associations:
 - To identify all current manufacturers of HCFC-based products in the Foams, Refrigeration, Air Conditioning, Firefighting, Solvents and any other manufacturing sectors where HCFCs are used, to maintain continuous contact with these users and maintain an updated list of all such users.
 - To investigate the availability, maturity and prices of alternatives to HCFCs for each application along with the techno-economic advantages and disadvantages of each alternative.
 - To establish patterns of historical and projected unconstrained growth in HCFC consumption in various sectors/sub-sectors until 2015
 - To assist NOU and UNDP in establishing an aggregate projected level of HCFC consumption by sector for 2009 and 2010
- b) With the prior approval of UNDP and NOU, undertake plant visits to selected users and collect enterprise baseline information and other documentation as may be required by UNDP and NOU from the users, in accordance with the pro-forma/questionnaire provided for this purpose. The HCFC consumption data from users shall be collected from 1995 or the date of their establishment, whichever is later.
- c) Classify the data generated from a) and b) above, as below:
 - HCFC consumption by sector
 - List of HCFC users, segregated by sector
 - List of HCFC users who previously received assistance under the Montreal Protocol Programme
 - List of HCFC users who did not receive assistance under the Montreal Protocol Programme
 - Approximate population of HCFC-based equipment segregated by sector

- d) Collect and compile the following data on HCFCs, segregated by substance at the national level:
- Historical export data preferably from 1995 and segregated by destination countries
 - Historical import data preferably from 1995 and segregated by originating countries
- e) In collaboration with the NOU, to prepare a draft strategy and action plan for each sector, containing the technological and financial interventions needed, in order for the sector to comply with the 2013/2015 control targets for HCFC consumption
- f) To assist UNDP and NOU in arranging workshops or similar information dissemination activities as may be requested, including assistance for ensuring participation of HCFC users selected for participating in such activities
- g) To assist in obtaining any other confirmations, documentation or information from the identified HCFC users as may be required by UNDP and/or NOU from time to time.
- h) To arrange as required for UNDP designated international experts and/or representatives, meetings with key managerial and technical personnel from the HCFC users and for plant visits as required, in line with their mission schedules in the country.
- i) To provide NOU and UNDP with interim progress reports on activities on a monthly basis and a final report incorporating the expected outcomes as mentioned above, at the end of the contract period.
- j) To be available and participate in meetings arranged by NOU/UNDP in context of HPMP preparation

Required qualifications and experience:

- Wide contacts and experience in the HCFC consuming sectors
- Demonstrated experience in Montreal Protocol activities in Lebanon
- Knowledge and understanding of the Montreal Protocol programme in Lebanon and relevant policies and regulations
- Prior experience in working with government departments and international organizations
- Ability to prepare substantive reports related to technology and policy in a clear and concise manner in English

ANNEX-4

TERMS OF REFERENCE FOR PROJECT MANAGER

Nature of Work:	Providing managerial support for preparation of Lebanon's HCFC Phase-out Management Plan
Duration:	24 months
Starting Date:	01 June 2010
Location:	Beirut with inland travel in Lebanon as required

Responsibilities:

The project manager will work under the supervision of the National Project Manager in the NOU and in close coordination with UNDP and would have specific responsibility to carry out the following main tasks:

Programme functions

- Ensuring the efficient operation of the HPMP preparation process
- Assist the NOU in providing oversight and guidance to all field activities in HPMP preparation
- Collaborate with the international experts and local consultants and implementing agencies representatives in HPMP preparation
- Ensure quality preparation and timely delivery of all field progress reports and activities
- Assist NOU in the monitoring and evaluation of the HPMP preparation activities
- Maintain regular follow-up with enterprises in the various HCFC consuming sectors
- Make logistical and administrative arrangements for information dissemination, technical assistance and awareness activities
- Follow up with UNDP on administrative and financial activities
- Maintain records, documents and work plans for monitoring progress
- Organize data and information for easy follow-up
- Compile and research background material for use in discussions and briefing sessions
- Draft correspondence relating to HPMP preparation
- Draft status reports, compile and analyze information, data and statistics on various activities
- Clarify, follow-up and respond to requests for information

Finance and administrative functions

- Analyze and monitor overall financial situation of the project
- Formulate and elaborate budgets for various activities
- Check financial reports and conformity of activities and expenditures with work plans
- Verify availability of funds for project activities
- Recommend and effect necessary budget line changes
- Ensure accuracy of supporting documents, recommending actions
- Reconcile the records of payments with activities and recommend disbursements
- Maintain and update expenditure ledgers

- Report on status of expenditures and alert on shortfalls and over-expenditures.
- Process mandatory and other budget revisions
- Process financial closure of completed activities
- Analyze and reconcile expenditure reports from UNDP and Government and recommend follow-up/remedial actions

Required qualifications and experience:

- Masters degree in management or environment
- Minimum 7 years experience in managing environmental projects
- Demonstrated experience in Montreal Protocol activities in Lebanon
- Knowledge and understanding of the Montreal Protocol programme in Lebanon and relevant policies and regulations
- Prior experience in working with government departments and international organizations
- Ability to prepare substantive reports in a clear and concise manner in English