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EXECUTIVE COMMITTEE OF  
THE MULTILATERAL FUND FOR THE  
IMPLEMENTATION OF THE MONTREAL PROTOCOL  
Sixty-seventh Meeting  
Bangkok, 16-20 July 2012

**TERMS OF REFERENCE FOR THE EVALUATION OF THE MULTI-YEAR  
AGREEMENT PROJECTS (SECOND PHASE) (DECISION 66/12))**

## **Background and justification**

1. At its 63<sup>rd</sup> meeting the Executive Committee approved an evaluation on multi-year agreement (MYA) projects (decision 63/11). The first stage of the evaluation, a desk study, was presented at the 65<sup>th</sup> meeting. The study examined projects from a sample of 32 countries, reached conclusions and made recommendations keeping in mind the utility of findings on the implementation of HCFC phase-out management plans (HPMPs). The study focused, *inter alia*, on the effectiveness of the MYA projects as compared with stand-alone projects, the contribution of national and international institutions in Article 5 countries, factors affecting compliance and on implementation issues. In addition the report includes lessons learned and issues of interest for the HCFC phase-out.

2. The study also made a series of recommendations for further issues to be addressed during the second stage of the evaluation. In addition, members of the Executive Committee, bilateral and implementing agencies made comments and suggested additional issues to be addressed.

3. Phase II of the evaluation will undertake a more detailed investigation at the field level. It will consist of a number of case studies. The information collected during field work will clarify the assumptions made by the desk study and will shed additional light on the functioning of the MYAs. Findings from the desk study and case studies will be included in a synthesis report for consideration by the Executive Committee.

## **Methodology**

4. A case study methodology provides an intensive analysis of a project. It focuses on specific issues related to project implementation within a specific context. A team of consultants will travel to the selected countries, collect data and examine issues proposed in the terms of reference. The consultants will use open-ended and/or structured interviews; observation; focus groups and group discussions. They will consult and analyze additional documents available at the country level and meet various categories of stakeholders.

5. In addition, and if appropriate, the consultants may participate in one or more of the regional network meetings to conduct group discussions and individual interviews. At the end of the field work they will prepare a case study report for each country visited.

## **Selection of consultants**

6. Consultants for this evaluation will be selected according to their knowledge of the objectives and functioning of the Multilateral Fund. Work experience is required in environmental sciences with focus on atmospheric sciences, environmental management, law, institutional strengthening, project implementation as well as strong knowledge in evaluation of projects and programmes. In addition they should have excellent analytical and writing skills.

## **Tentative evaluation issues**

7. The evaluation will follow the suggestions made in the desk study. The following issues will be addressed:

### Compliance-related issues

- The contribution of MYAs to compliance, and whether the decreasing ratio of non-compliance could be associated with more countries adopting legislation, with the increased awareness of Montreal Protocol obligations among governments.

Funding-related issues

- Examine the extent to which some MYAs were funded, and whether the level of funds available resulted in activities originally not envisaged being undertaken.

Incentive schemes and subsidies

- Assess the effectiveness of incentive schemes as a potential mechanism and what can be learned from the past experience for the implementation of HPMPs.

National Ozone Units versus Project Management Units

- Assess what was the role of institutional arrangements in enhancing the sense of ownership of the governments in the interest of sustainability.
- Examine the current double track funding of capacity building under institutional strengthening projects and as part of MYAs and its implications in sustaining the results of the Montreal Protocol.

Licences and quotas, financial incentives and policy enforcement measures

- An issue to be investigated is the significant discrepancy between country programme data and verification reports in reporting legislation.
- Examine the reasons for delays in introducing licensing systems.
- Inquire on how effective were the regulations banning import and sales of bulk quantities of controlled substances; how they helped reduce the consumption of these substances; and what additional enforcement measures are required to ensure the implementation of these regulations.

Issues related to import regulation measures

- Average price of CFCs and their alternatives:

Regulations on imports, exports and sales of bulk ODS regulations resulted in reduced availability of controlled substances and subsequently in the rise of their prices encouraging the switch to alternatives. The evaluation team should examine the possibility of government-induced measures to change price relations that may lead to a decrease in the price difference between CFC-12 and HFC-134a and a decline in demand for CFCs.

- Measures regulating import and sale of equipment containing ODS:

The adoption of regulations banning imports and sales of used refrigeration equipment in a number of Article 5 countries had a positive effect in achieving CFC phase-out targets in the refrigeration servicing sector in these countries and will have a similar impact on HCFC-based refrigerants. The MYA evaluation should examine the experience of early adoption of such regulations.

Issues related to regulation on illegal trade

- The evaluation should investigate the cooperation between customs and other agencies as well as the existing enforcement and deterrence systems.

Coordination among various parties

- Examine the distribution of responsibilities among lead and cooperating agencies. The evaluation team might discuss with implementing agencies the ways to improve the situation.
- The evaluation should also examine whether the internal procedures of implementing agencies as well as the requirements for some institutional arrangements could be too complex for recipient countries and can cause delays.

Regulatory procedures for ODS data collection and reporting

- The evaluation needs to investigate the reasons for the absence of regulatory procedures for ODS data collection and reporting in some countries.
- The need to establish whether regulatory procedures for data collection and reporting monitor the functioning of the licensing system, including the incidence of infractions, seizures and penalties and the quantities of imported and seized goods.

Communication and awareness-raising issues

- The evaluation team should assess elements of communication and awareness strategies used and should indicate whether these can be used also to facilitate timely HCFC phase-out.

**Sample of countries**

8. Following a discussion during the 66<sup>th</sup> meeting two samples of countries were proposed for consideration by the Executive Committee: one of non-low-volume-consuming (non-LVC) countries and the other a mix of LVC and non-LVC countries. The sample of countries is presented in the table below. The evaluation will cover the sample decided by the Executive Committee.

Non-LVC countries	LVC and non-LVC countries
Bangladesh	Burkina Faso
Chile	China
China	Costa Rica
Colombia	Croatia
Egypt	Egypt
India	India
Mexico	Kenya
Turkey	Mexico

**Expected output**

9. The consultants will provide a case study report for each country visited. The information and conclusions summarized in the case studies, together with the information presented in the desk study will help draft the final evaluation report. The report will include recommendations and lessons learned that will help the implementation of HPMPs.

**Budget**

<b>Description</b>	<b>US \$</b>
Consultant team (2 persons) fee (40 working days per person equivalent)	40,000
Per diem	20,000
International travel	32,000
Domestic travel	4,000
<b>Total</b>	<b>96,000</b>

**Tentative schedule**

10. Field visits will be organized between the second half of 2012 and the beginning of 2013 in agreement with the National Ozone Units and the bilateral and implementing agencies.

**Template to be used for case studies**

- Purpose of the case study.
- Project information/background and overview of the project.
- Effectiveness in achieving objectives:
  - Implementation of specific activities;
  - Funding efficiency.
- Institutional issues.
- Regulation and legislation.
- Delays in implementation.
- Coordination among various parties.
- Communication and awareness raising issues.
- Conclusions and recommendations.
- Annexes (as appropriate).
- List of persons interviewed during the field visit.

**Recommendation**

11. The Executive Committee may wish:

- (a) To note the terms of reference for the evaluation of the multi-year agreement projects (second phase) presented in document UNEP/OzL.Pro/ExCom/67/8;
- (b) To consider whether the evaluation should focus on non-low-volume-consuming (non-LVC) countries only or on both LVC and non-LVC countries.

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