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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Seventy-fifth Meeting
Montreal, 16-20 November 2015

MULTI-YEAR AGREEMENT DATABASE REPORT (DECISION 74/6)**Background**

1. At the 74th meeting, the Executive Committee considered a report¹ on the multi-year agreement (MYA) database submitted by the Senior Monitoring and Evaluation Officer (SMEO). During the discussion, some members asked whether the data in the database might represent duplication of work; whether the requested data were inconsistent with other data being submitted by the agencies; and whether the submission deadlines for the inclusion of data in the database were in conflict with other requirements for the submission of data. Members also asked why so much information appeared to be missing from the database, and it was suggested that it would be helpful to have more information on how the database was being used by the Secretariat to facilitate its work.
2. Noting the response provided by the SMEO and representatives of the implementing agencies on the usefulness of the database, Executive members considered that further work was needed to reduce the reporting burden on the agencies and to provide a mechanism to ensure confirmation of the data being submitted by countries. Accordingly, the Executive Committee *inter alia* requested the SMEO, in consultation with bilateral and implementing agencies, to make a recommendation to the Executive Committee, for consideration at its 75th meeting on options to reduce the burden on bilateral and implementing agencies when submitting information for the MYA database; and options to enable the countries concerned to confirm the data being entered in the MYA database by the agencies (decision 74/6(b)).
3. In response to decision 74/6(b), the SMEO carried out thorough discussions with relevant members of the Secretariat who are directly involved with the review of project proposals. During the discussion efforts made by bilateral and implementing agencies in filling the data required under the MYA database were noted with appreciation. However, for the majority of the HPMPs information under the MYA database was incomplete and for the few HPMPs where substantive information was included, the information was not accurate, rendering it with limited use. It was also noted that basic information at the enterprise level (e.g., name of the enterprise, sector and subsector where HCFCs were used, levels of

¹ UNEP/OzL.Pro/ExCom/74/8.

consumption of HCFCs by type of substance, name of replacement chemicals, description of equipment being replaced/retrofitted; capital costs, operating costs, local ownership) was missing, while basic information on the main non-investment activities (namely in the servicing sector) with associated costs and amounts of HCFCs to be phased-out was incomplete. It was concluded that the MYA database needs to be streamlined and that the missing information as explained above should be collected as it was fundamental to the operation of the Multilateral Fund.

4. Based on the discussions with the Secretariat, the SMEO prepared a brief document on this matter for consideration at the Inter-agency coordination meeting (IACM), held in Montreal, from 31 August to 2 September 2015. This document presents the outcomes of the discussions between the SMEO, the bilateral and implementing agencies and the Secretariat and options to reduce the burden on the agencies when submitting information for the MYA database and to enable the countries concerned to confirm the data being entered in the MYA database by the agencies.

Findings

5. The MYA database was created at a time when the concept of the HCFC phase-out management plan (HPMP) was not clearly defined and, therefore, undergoing continuous modification. As the concept of the HPMP evolved, the database went through a series of changes which resulted in a rather complex instrument, which did not allow to constantly adapting to the evolving situation of project submissions. In addition, the database was designed mainly to collect quantified information, thus limiting the input of qualitative information needed for the review and monitoring of projects by the Secretariat's staff. For a number of HPMPs the information provided through the MYA database was incomplete and, in several cases, inaccurate. Furthermore, some basic information at the enterprise level was missing.

6. During the discussions at the IACM, the Secretariat made a number of points including: the ease and efficiency of collecting quantitative inputs versus qualitative inputs; that data inconsistencies can occur in the most user-friendly databases; the importance of and mandatory requirement for enterprise level data as it demonstrates among other things the impact of the conversion; the difficulties posed by the need to revise data following approval of a project and the need to update entries; and the need to reduce data inconsistencies to a minimum. Bilateral and implementing agencies indicated that quantitative data was not always available at the time of submitting the project proposals to the Secretariat, and the desired level of detail did not always match the information available in the existing documentation. To obtain all the information required for the database requires a rather high workload, both time-consuming and arduous, that adds to the workload for the submission of progress and financial reports, business plans and documents related to tranche requests of approved HPMPs. In addition, MYA tables were frequently filled by various officers at the country level, which sometimes resulted in data inconsistencies.

Suggestions to improve the MYA database

7. With the substantive amount of MYA reviewed and the discussions at the IACM, it was concluded that the MYA database needs to be streamlined. It was suggested to delete data entries (fields) of the MYA database containing information that could be found in other databases available at the Secretariat, and to keep and include additional fields to capture relevant data at the enterprise level. Agencies also suggested the elimination of the financial component of the annual implementation tranche section of the MYA database, because its timing was inconsistent with the actual tranche request and thus difficult to complete.

8. The streamlined MYA database would be modified to allow the collection of available data at the enterprise level, *inter alia*: name of the enterprise, local ownership, and year of establishment; sector and subsector where HCFCs were used; baseline consumption of HCFCs by type of substance; name of replacement alternatives; description of equipment being replaced and/or retrofitted; incremental capital costs; incremental operating costs; and estimated date of completion of the conversion of the enterprise.

In cases of countries with several hundreds of enterprises to be considered for stage II, data could be collectively reported for a large number of enterprises consuming very small amounts of HCFCs that will convert to the same technology. For non-investment activities, most of which are linked to the refrigeration servicing sector, the MYA would include only components that describe the main activities to be implemented.

9. To facilitate the data entry and to avoid double work, it was proposed using a Word form with macros to input data to the MYA database system, which could also be used to generate the tranche requests. In addition, the database could be linked to the forthcoming project completion report (PCR) format for stage I of HPMPs to facilitate the timely submission of this document. The Secretariat noted that differences in information requirements and formats could make their combination into a single system or database unfeasible. The likelihood of these suggestions is to be tested.

10. With regard to the request to the bilateral and implementing agencies not to include information into the MYA database without the prior approval of the countries concerned, the Secretariat proposed that the officer of the bilateral or implementing agency responsible for the submission of a tranche request of an HPMP checks the completeness and accuracy of the data before it is incorporated into the MYA database, gets the prior approval of the country concerned and submit it to the Secretariat together with all relevant documents associated with the tranche request. The Secretariat will evaluate feasible options for the prior approval of the country concerned of the data to be entered in the database.

11. The changes proposed to the MYA database aim at simplifying the work of bilateral and implementing agencies, without removing their responsibility to submit clear, complete and consistent data. The changes proposed into the MYA database will be further assessed and discussed with bilateral and implementing agencies; required changes will be introduced using the resources available at the Secretariat. The SMEO will inform the Executive Committee at its 76th meeting of the results achieved.

RECOMMENDATION

12. The Executive Committee may wish:

- (a) To note the multi-year agreement (MYA) database report (decision 74/6) contained in document UNEP/OzL.Pro/ExCom/75/8;
- (b) To consider the suggestions to improve the MYA database as contained in paragraphs 7 to 10 of document UNEP/OzL.Pro/ExCom/75/8; and
- (c) To request the Senior Monitoring and Evaluation Officer to report back to the 76th meeting of the Executive Committee on the status of implementation of decision 74/6.
