Addendum

UPDATE ON THE STATUS OF IMPLEMENTATION OF THE 2016-2018 CONSOLIDATED BUSINESS PLAN OF THE MULTILATERAL FUND

This document is being issued to update the information on the total funding submitted by bilateral and implementing agencies to the 76th meeting as at 22 April 2016 with the funding levels as recommended; to provide an updated assessment of forward commitments and cash flow analysis following the completion of recommendations by the Secretariat on projects submitted to the 76th meeting; and to report on outstanding dialogues on UNIDO’s qualitative performance assessments.

- Replace paragraph 3 and Table 2 with the following:

3. Table 2 sets out the submissions by agency to the 76th meeting (as at 22 April 2016), and the balance of funds from projects in the 2016 business plans, based on the Secretariat’s recommendations on investment projects submitted to the 76th meeting.

Table 2. 2016 consolidated business plan, recommended to the 76th meeting, and balance (US $)*

<table>
<thead>
<tr>
<th>Budget items</th>
<th>Total value in business plan for 2016</th>
<th>Balance left to be submitted for 2016</th>
<th>2016 business plan value for projects submitted to the 76th meeting</th>
<th>76th meeting recommended</th>
<th>Difference (above)/below business plan levels for projects submitted and recommended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bilateral agencies</td>
<td>2,342,514</td>
<td>2,269,064</td>
<td>73,450</td>
<td>1,610,880</td>
<td>(1,537,430)</td>
</tr>
<tr>
<td>UNDP</td>
<td>45,514,953</td>
<td>20,054,600</td>
<td>25,460,353</td>
<td>33,233,078</td>
<td>(7,772,725)</td>
</tr>
<tr>
<td>UNEP</td>
<td>26,011,401</td>
<td>19,864,430</td>
<td>6,146,971</td>
<td>7,638,112</td>
<td>(1,491,141)</td>
</tr>
<tr>
<td>UNIDO</td>
<td>64,633,448</td>
<td>18,622,639</td>
<td>46,010,809</td>
<td>49,626,728</td>
<td>(3,615,919)</td>
</tr>
<tr>
<td>World Bank</td>
<td>36,808,496</td>
<td>7,620,490</td>
<td>29,188,006</td>
<td>85,079,966</td>
<td>(55,891,960)</td>
</tr>
<tr>
<td>HPMP verification</td>
<td>588,600</td>
<td>588,600</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Sub-total (agencies)</strong></td>
<td><strong>175,899,412</strong></td>
<td><strong>69,019,822</strong></td>
<td><strong>106,879,590</strong></td>
<td><strong>177,188,764</strong></td>
<td><strong>(70,309,174)</strong></td>
</tr>
</tbody>
</table>

Pre-session documents of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol are without prejudice to any decision that the Executive Committee might take following issuance of the document.
**Budget items**

| Secretariat/Executive Committee/Monitoring and evaluation (excluding Canadian counterpart) | 5,629,692 | 5,629,692 |
| Treasurer | 500,000 | 500,000 |
| **Sub-total (standard costs)** | 6,129,692 | 6,129,692 |
| **Total** | 182,029,104 | 75,149,514 | 106,879,590 | 177,188,764 | (70,309,174) |

* Including core unit costs.

- **Add** paragraphs 9 (bis) and Table 4 (bis), 9 (ter), 9 (quar) and Table 4 (ter) under the section on Forward commitments and cash flow analysis as follows:

9 (bis). The total amount for existing forward commitments for MYAs for the period 2017 to 2031 is US $85.4 million, assuming that the tranches for new agreements submitted to the 76th meeting will be approved in principle as recommended.

**Table 4 (bis). Forward commitments (2017-2031) (US $000)**

<table>
<thead>
<tr>
<th>Description</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
<th>2026</th>
<th>2027</th>
<th>2028</th>
<th>2029</th>
<th>2030</th>
<th>2031</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tranches of approved MYAs</td>
<td>15,271</td>
<td>35,412</td>
<td>2,583</td>
<td>14,406</td>
<td>2,216</td>
<td>708</td>
<td>165</td>
<td>278</td>
<td>640</td>
<td>93</td>
<td>112</td>
<td>57</td>
<td>71,940</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tranches for new agreements submitted to/recommended for the 76th meeting*</td>
<td>829</td>
<td>8,992</td>
<td>856</td>
<td>589</td>
<td>1,733</td>
<td>464</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>13,463</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total with 76th meeting submissions/recommended values</strong></td>
<td>16,100</td>
<td>44,404</td>
<td>3,439</td>
<td>14,994</td>
<td>3,949</td>
<td>708</td>
<td>628</td>
<td>278</td>
<td>640</td>
<td>93</td>
<td>112</td>
<td>57</td>
<td>85,403</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Excluding stage II of the HPMPs for China (US $707.5 million as submitted) and Viet Nam (US $20.7 million as submitted), as the cost of the HPMPs are still under discussion.

9 (ter). A cash flow analysis was performed based on the three elements of the replenishment (carryover, interest, and pledged contributions) to assess the extent to which these assumptions of the replenishment have been achieved, the impact of balances returned and the fixed-exchange-rate mechanism (FERM) on actual and expected income available to the Multilateral Fund for the 2015-2017 triennium, as shown in Table 4 (ter).

**Table 4 (ter). Cash flow analysis for the 2015-2017 triennium (US $000)**

<table>
<thead>
<tr>
<th>Carryover</th>
<th>Expected</th>
<th>Collected</th>
<th>Disputed</th>
<th>Outstanding</th>
<th>Actual FERM loss and funds returned</th>
<th>FERM loss on outstanding contributions at current rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund balances after 73rd meeting</td>
<td>15,524,179</td>
<td>15,524,179</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Remaining collectable 2012-2014 contributions</td>
<td>48,475,821</td>
<td>42,544,690</td>
<td>5,931,131</td>
<td>(2,631,791)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table 4 (ter) shows that most of the carryover has been received, funds from balances have been returned, interest obtained to-date has achieved the targeted interest for the triennium, and most of the pledged contributions for 2015 and about one third of the amount pledged for 2016 have been received. However, the net losses to the Fund has been estimated at approximately US $15 million after taking into account losses resulted from the FERM and the return of balances from completed projects. A possible additional loss amounting to almost US $35 million from outstanding contributions based on current exchange rates should also be noted.

- **Replace** the last sentence of paragraph 14 as follows:

UNIDO indicated that all issues have been cleared with the National Ozone Officer (NOO) of Egypt. The performance assessment in Iraq related to the delays in the implementation of the foam component of the national phase-out plan that were due to the security situation, changes in the National Ozone Unit and project management unit; a resolution is still under discussion while activities proceed on the establishment of a reclamation centre. In Sierra Leone, a new NOO was appointed and discussions have led to a reassessment of the needs for the remaining funds under the tranche.

- **Add** “and UNIDO” after “UNEP” in paragraph 15(b).