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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Eighty-sixth Meeting
Montreal, 2-6 November 2020
Postponed to 8-12 March 2021¹

PROGRESS REPORT OF THE WORLD BANK AS AT 31 DECEMBER 2019

1. This document presents the progress report of the World Bank as at 31 December 2019.²

Introduction

2. The progress report of the World Bank includes the status of implementation of projects, including five HFC-related projects that have been funded under the additional voluntary contributions by 17 non-Article 5 Parties to provide fast-start support for implementation of the Kigali Amendment.

3. The Secretariat reviewed the status of implementation of each ongoing project on a country-by-country basis, taking into account implementation delays that have occurred with respect to planned completion dates that had been reported in 2019, the potential impact of these delays on the phase-out of controlled substances and the rate of planned disbursements. The analysis contained in the present document is based on ODP tonnes for all controlled substances (including HFCs which should be measured in mt CO₂-eq).³

Scope of the document

4. This document consists of the following parts:

Part I: Projects approved under the regular contributions to the Multilateral Fund. It presents a summary of progress in implementation of projects for 2019 and cumulative since 1991 addressing all controlled substances under the Montreal

¹ Due to coronavirus disease (COVID-19)

² The progress report is attached to the present document. The data has been included in the Consolidated Progress Report database that is available upon request.

³ In line with decision 84/12(a)(iv), the measurement for HFCs in mt CO₂-eq. would be included in the progress reports submitted from the 88th meeting. This issue is discussed in the consolidated progress report (UNEP/OzL.Pro/ExCom/86/15).

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.

Protocol, including Annex F substances (HFCs); it contains a review on the status of implementation of each ongoing⁴ project at the country level; and it identifies projects with implementation delays and the potential impact on the phase-out of controlled substances, and projects with outstanding issues for consideration by the Executive Committee.

Part II: Projects approved under the additional voluntary contributions for fast-start support for HFC phase-down. It provides a summary on the status of implementation of HFC phase-down projects funded under the voluntary contributions.⁵

Recommendation.

5. The document also contains the following annexes:

Annex I: A summary status and a recommendation for each ongoing project with outstanding issues for consideration by the Executive Committee.

Annex II: An analysis of the progress report.

PART I: PROJECTS APPROVED UNDER THE REGULAR CONTRIBUTIONS TO THE MULTILATERAL FUND

Summary of progress in implementation of projects for 2019 and cumulative

6. Implementation of projects and activities by the World Bank for 2019 and cumulative since 1991 up to 31 December 2019, is summarized as follows:

- (a) **Phase-out:**⁶ In 2019, 1,922.1 ODP tonnes of consumption of controlled substances were phased out and an additional 61.4 ODP tonnes of consumption of controlled substances were approved for phase-out. Since 1991, 146,740 ODP tonnes of consumption of controlled substances and 187,996 ODP tonnes of production of controlled substances had been phased out, of an expected total of 304,639 ODP tonnes from projects approved (excluding cancelled and transferred projects);
- (b) **Disbursements/approvals:** In 2019, US \$9.37 million was disbursed and US \$11.73 million was planned for disbursement based on the 2018 progress report, representing a rate of disbursement of 80 per cent of that planned. Cumulatively, US \$1.14 billion had been disbursed out of the total US \$1.16 billion approved for disbursement (excluding agency support costs), representing a rate of disbursement of 98 per cent. In 2019, US \$3.19 million was approved for implementation;
- (c) **Cost-effectiveness (in ODP):**⁷ Since 1991, the average cost-effectiveness of investment

⁴ Ongoing projects are all projects that were under implementation as at 31 December 2019. Key indicators of progress include: percentage of funds disbursed and percentage of projects that have begun disbursing funds; funding expected to be disbursed by the end of the year as a percentage of the approved funding; the average length of projected delay in implementation; and information provided in the remarks column in the progress report database.

⁵ In line with decision 84/12(b), a detailed progress report providing an overview of the objectives, status of implementation, key findings and lessons learned, the amounts of HFC phased out where applicable, the level of funds approved and disbursed and potential challenges in completing the projects and activities, is presented in the consolidated progress report (UNEP/OzL.Pro/ExCom/86/15).

⁶ All the controlled substances under these projects were ozone-depleting substances.

⁷ All the controlled substances under these projects were ozone-depleting substances.

projects approved leading to a permanent reduction in consumption was US \$5.47/kg and for the production sector was US \$4.86/kg. The average cost-effectiveness of investment projects per ODP tonne was US \$3.20/kg for completed projects and US \$125.08/kg for ongoing projects;⁸

- (d) **Number of projects completed:** In 2019, 12 projects were completed. Since 1991, 1,076 projects of the 1,088 projects approved (excluding closed or transferred projects) were completed, representing a completion rate of 99 per cent;
- (e) **Speed of delivery – investment projects:** Projects that were completed in 2019 were completed on average 70 months after their approval. Since 1991, the average time for completion of investment projects has been 40 months after their approval. First disbursements under these projects occurred, on average, 24 months after they had been approved;
- (f) **Speed of delivery – non-investment projects:** Projects that were completed in 2019 were completed on average 25 months after their approval. Since 1991, the average time for completion of non-investment projects has been 36 months after their approval. First disbursements under these projects occurred, on average, 22 months after they had been approved;
- (g) **Project preparation:** All of the 291 project preparation activities approved by the end of 2019 have been completed;
- (h) **Implementation delays:** A total of 12 investment projects were under implementation at the end of 2019, experiencing, on average, a delay of 38 months. Three of these projects are classified as “projects with implementation delays”⁹ that are subject to the procedures of project cancellation (as demonstration projects, project preparation and IS are not subject to those procedures); and
- (i) **Multi-year agreements (MYAs):** In 2019, five MYAs for HCFC phase-out management plans (HPMPs) were under implementation. Since 1991, 39 MYAs have been approved and 34 MYAs have been completed, representing a completion rate of 87 per cent.

Project implementation progress in 2019

7. Further to the review process, a number of issues were discussed and satisfactorily addressed, except for three projects related to components of MYAs with implementation delays that are subject to procedures for project cancellation, in line with decision 84/45(c). Annex I to the present document presents those projects classified with implementation delays, and the Secretariat’s recommendation requesting the submission of a report to the 87th meeting.

8. Details of progress in implementation of projects associated with the HCFC production phase-out management plan for China¹⁰ and reports on projects with specific reporting requirements associated with

⁸ The higher value of the cost-effectiveness for ongoing projects is largely due to the lower ODP values of HCFCs but also due to the means of assigning phase-out by agencies.

⁹ Projects approved over 18 months with disbursement less than 1 per cent, or projects that had not been completed 12 months after the proposed completion date in the progress report (decision 22/61) (as demonstration projects, project preparation, and institutional strengthening (IS) are not subject to those procedures).

¹⁰ UNEP/OzL.Pro/ExCom/86/SGP

China (HPMP)¹¹ and Jordan (HPMP)¹² have been submitted to the 86th meeting. Recommendations for outstanding issues for these projects, including approval of extension requests, if any, are addressed in the relevant sections of these documents. The issues relating to the HPMPs for Thailand and Viet Nam that were due to the 86th meeting but were not submitted, are addressed in the document on tranche submission delays.¹³

9. Of the 10 ongoing projects, excluding IS and project preparation, two projects have revised their planned dates of completion since the 2018 progress report.

PART II: PROJECTS APPROVED UNDER THE ADDITIONAL VOLUNTARY CONTRIBUTIONS FOR FAST-START SUPPORT FOR HFC PHASE-DOWN

10. As of 31 December 2019, the Executive Committee had approved five HFC-related projects as summarized in Table 1.

Table 1. Status of approved HFC-related projects as of the end of 2019

Type	Number of projects*			Funding (US \$)**			
	Approved	Completed	% completed	Approved	Disbursed	Balance	% disbursed
Investment	1	0	0	183,514	0	183,514	0
Project preparation	1	1	100	30,000	30,000	0	100
Enabling activities	3	0	0	750,000	240,513	509,487	32
Total	5	1	20	963,514	270,513	693,001	28

*Excludes transferred projects.

**Excludes agency support costs.

11. As of the end of 2019, of the five projects approved, one project preparation had been completed. Extension of the completion dates of the three enabling activities was approved at the 83rd meeting (two projects) and at the 84th meeting (one project); these activities are at various stages of implementation.

12. The investment project related to the phase-out of 8.8 mt (12,555 mt CO₂-eq.) of HFCs is currently under implementation; the equipment based on the alternative technology is under production; funds would be disbursed by the end of 2020 to the beneficiary enterprise retroactively, after signing of the agreement between the financial intermediary and the beneficiary.

13. Of the total cumulative funding approved of US \$963,514, US \$270,513 had been disbursed, representing a disbursement rate of 28 per cent.

Recommendation

14. The Executive Committee may wish:

- (a) To note the progress report of the World Bank as at 31 December 2019 contained in document UNEP/OzL.Pro/ExCom/86/20; and
- (b) To approve the recommendations related to ongoing projects with specific issues contained in Annex I to the present document.

¹¹ UNEP/OzL.Pro/ExCom/86/21/Add.1

¹² UNEP/OzL.Pro/ExCom/86/21

¹³ UNEP/OzL.Pro/ExCom/86/24

Annex I**ONGOING PROJECTS WITH OUTSTANDING ISSUES IN THE PROGRESS REPORT FOR THE WORLD BANK**

Country/project code	Project title	Disbursement (%)	Status/Issues	Recommendation
China CPR/PRO/81/INV/593	HCFC production phase-out management plan	40	12 months delays	To request the World Bank to report to the 87 th meeting on this project with implementation delays
Jordan JOR/PHA/77/INV/99	HCFC phase-out management plan (stage II, first tranche) (polyurethane foam sector)	21	12 months delays	To request the World Bank to report to the 87 th meeting on this project with implementation delays
Viet Nam VIE/PHA/76/INV/70	HCFC phase-out management plan (stage II, first tranche) (polyurethane rigid foam sector)	55	12 months delays	To request the World Bank to report to the 87 th meeting on this project with implementation delays

Annex II

**ANALYSIS OF THE PROGRESS REPORT OF THE WORLD BANK
AS AT 31 DECEMBER 2019**

1. This Annex consists of the following two parts:

Part I: Projects approved under the regular contributions to the Multilateral Fund.

Part II: Projects approved under the additional voluntary contributions for fast-start support for HFC phase-down.

PART I: PROJECTS APPROVED UNDER THE REGULAR CONTRIBUTIONS TO THE MULTILATERAL FUND

2. As of 31 December 2019, the Executive Committee had approved US \$1.28 billion consisting of US \$1.16 billion for the implementation of investment and non-investment projects and US \$118.39 million for agency support costs, as shown in Table 1. In 2019, three new projects and activities were approved. This level of funding is expected to result in the phase-out of 304,639 ODP tonnes of consumption and production of controlled substances.

Table 1: Approved funding by sector for the World Bank as at 31 December 2019

Sector	Funding (US \$)
Aerosol	22,984,030
Destruction	400,000
Fire fighting	0
Foam	136,339,172
Halon	70,221,038
Fumigants	5,837,887
Multiple sectors	2,341,168
Other	5,059,360
Phase-out plan	200,687,026
Process agent	114,342,497
Production	378,930,190
Refrigeration	180,259,970
Several	28,969,731
Solvents	10,237,394
Sterilant	661,227
Sub-total	1,157,270,690
Agency support costs	118,391,340
Total	1,275,662,030

3. A summary of the status of projects implemented by category is presented in Table 2.

Table 2: Status of project implementation by category

Type	Number of projects*			Funding (US \$)**			
	Approved	Completed	% completed	Approved	Disbursed	Balance	% disbursed
Country programme	29	29	100	1,627,732	1,627,732	0	100
Demonstration	8	8	100	6,172,901	6,172,901	0	100
Institutional strengthening (IS)	50	48	96	9,569,981	8,939,202	630,779	93
Investment	633	625	99	1,097,208,969	1,076,686,134	20,522,836	98
Project preparation	291	291	100	26,623,320	26,623,320	0	100
Technical assistance	73	71	97	15,762,020	14,947,550	814,470	95

Type	Number of projects*			Funding (US \$)**			
	Approved	Completed	% completed	Approved	Disbursed	Balance	% disbursed
Training	4	4	100	305,766	305,766	0	100
Total	1,088	1,076	99	1,157,270,690	1,135,302,605	21,968,085	98

*Excludes closed and transferred projects.

**Excludes agency support costs.

4. Table 3 presents an overview of the status of project implementation by year¹. All projects and activities approved between 1991 and 2015, and 2017, have now been completed.

Table 3: Status of project implementation by year

Year	Number of projects*			Funding (US\$)**			
	Approved	Completed	% completed	Approved	Disbursed	Balance	% disbursed
1991	42	42	100	5,429,404	5,429,404	0	100
1992	76	76	100	28,047,705	28,047,705	0	100
1993	79	79	100	42,538,405	42,538,405	0	100
1994	91	91	100	41,081,267	41,081,267	0	100
1995	112	112	100	47,224,186	47,224,186	0	100
1996	55	55	100	29,319,479	29,319,479	0	100
1997	95	95	100	56,173,102	56,173,104	-2	100
1998	59	59	100	35,959,418	35,959,417	1	100
1999	73	73	100	64,173,138	64,173,138	0	100
2000	67	67	100	36,982,134	36,982,134	0	100
2001	29	29	100	55,212,853	55,212,854	-1	100
2002	32	32	100	64,357,778	64,357,778	0	100
2003	24	24	100	72,734,119	72,734,119	0	100
2004	29	29	100	77,111,770	77,111,770	0	100
2005	28	28	100	68,592,865	68,592,865	0	100
2006	22	22	100	64,473,260	64,473,260	0	100
2007	25	25	100	66,005,270	66,005,270	0	100
2008	28	28	100	40,214,774	40,214,774	0	100
2009	22	22	100	25,563,461	25,563,461	0	100
2010	16	16	100	1,148,623	1,148,623	0	100
2011	10	10	100	44,367,458	44,314,997	52,461	100
2012	10	10	100	11,698,145	11,698,145	0	100
2013	7	7	100	43,650,189	43,602,958	47,231	100
2014	13	13	100	28,336,509	28,336,509	0	100
2015	13	13	100	62,990,648	62,990,648	0	100
2016	18	15	83	12,631,821	10,642,987	1,988,834	84
2017	3	3	100	1,651,291	1,651,291	0	100
2018	7	1	14	26,408,870	9,722,058	16,686,812	37
2019	3	0	0	3,192,747	0	3,192,747	0
Total	1,088	1,076	99	1,157,270,690	1,135,302,605	21,968,085	98

*Excludes closed and transferred projects.

**Excludes agency support costs.

¹ The data is presented according to the year when a project was approved by the Executive Committee. It treats all approvals (investment and non-investment projects) equally (i.e., an investment project or a funding tranche of an MYA of US \$1 million is considered one project, same as a country programme preparation of US \$30,000). Key indicators from the annual summary are: the percentage of projects completed, ODP phased out, and percentage of funds disbursed. There are three types of disbursements: during implementation, after implementation and for retroactively-financed projects.

5. Table 4 presents project implementation by country for 2019.

Table 4. Summary of project implementation by the World Bank for 2019

Country	Phased out in 2019* (ODP tonnes)	Percentage of planned phase-out achieved in 2019	Estimated funds disbursed in 2019 (US\$)	Funds disbursed in 2019 (US\$)	Percentage of funds disbursed over estimation in 2019	Percentage of planned projects completed in 2019
China	1,918.8		10,450,587	8,494,116	81	100
Indonesia	3.3	100	357,229	309,918	87	100
Jordan	0	0	630,130	288,376	46	50
Saudi Arabia	0		1,379	36,294	2632	
Thailand	0		90,387	72,544	80	100
Viet Nam	0		198,000	167,349	85	
Global	0		0	0		100
Total	1,922.1	25	11,727,712	9,368,597	80	93

* No phase-out in 2019 for HFC-related projects.

PART II: PROJECTS APPROVED UNDER THE ADDITIONAL VOLUNTARY CONTRIBUTIONS FOR FAST-START SUPPORT FOR HFC PHASE-DOWN

6. As of 31 December 2019, the Executive Committee had approved five HFC-related projects under the additional voluntary contributions amounting to US \$963,514 (excluding agency support costs). A summary of the status of these projects is presented in Table 5.

Table 5. Status of approved HFC-related projects as of the end of 2019

Type	Number of projects*			Funding (US \$)**			
	Approved	Completed	% completed	Approved	Disbursed	Balance	% disbursed
Investment	1	0	0	183,514	0	183,514	0
Project preparation	1	1	100	30,000	30,000	0	100
Enabling activities	3	0	0	750,000	240,513	509,487	32
Total	5	1	20	963,514	270,513	693,001	28

* Excludes transferred projects.

** Excludes agency support costs.

7. As of the end of 2019, of the five projects approved, one project preparation had been completed. Extension of the completion dates of the three enabling activities was approved at the 83rd meeting (two projects) and at the 84th meeting (one project); these activities are at various stages of implementation.

8. The investment project related to the phase-out of 8.8 mt (12,555 mt CO₂-eq.) of HFCs, is at an early stage of implementation, with no funding being disbursed. Enabling activities are at various stages of implementation. Of the total cumulative funding approved of US \$963,514, US \$270,513 had been disbursed, representing a disbursement rate of 28 per cent.



THE WORLD BANK
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ANNUAL
PROGRESS REPORT

BANK-IMPLEMENTED
MONTREAL PROTOCOL OPERATIONS

January - December 2019



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I. PROJECT APPROVALS AND DISBURSEMENTS

A. Annual Summary Data

1. Implementation of World Bank Multilateral Fund (MLF) activities continue to advance in the calendar year 2019. Cumulative ODP consumption and production phaseout is nearly 335,000 metric tonnes (MT). Over 100 percent of the total ODP to be phased out through World Bank conversion and closure projects has been achieved. Cumulative disbursement for the entire World Bank portfolio is over US\$1.1 billion. Two new approvals by the MLF have increased the cumulative number of project activities approved to a net 1,088 (excluding transfers and closed activities). The number of ongoing multi-year projects in the Bank's portfolio, all HCFC phaseout projects, is at five total in 2019 with the completion of three Stage I HCFC Phase-out Management Plans (HPMP).

2. Implementing Agency performance is measured by a set of eight weighted performance indicators in accordance with Executive Committee Decision 71/28. The "funds disbursed" implementation indicator was met by 80% given that the target set in the Bank's 2018 Progress Report was US\$11.73 million but actual disbursement only reached US\$9.32 million.

3. In 2019, three annual plans and one new HCFC Production Phaseout Management Plan were submitted out of 5 targeted in the approved table of 2019 performance targets set for the World Bank. The target was reached by 40 percent as only two were approved. Regarding the ODP phaseout target which is now covered in one "implementation" indicator (with the most weighting) the World Bank had a total phase-out of 1,191 MT in ODP consumption and production for 2019. As the target set by the Secretariat for the Bank's 2019 Business Plan is delinked from approved projects and actual phase-out performance, the phase-out target was not achieved. This approach to setting the target includes counting phase-out not approved by the MLF Executive Committee and comparing it to newly approved, planned phase-out. Thus, it does not provide a meaningful indication of actual ODS phase-out achieved through project implementation and in fact makes it almost impossible for phase-out targets to ever be met. World Bank performance for the three implementation indicators is highlighted in Section IV of this annual report.

4. The World Bank met all three "administrative" indicators for 2019. The 2019 Progress Report was submitted on time and 100% of 2019 project activities that completed financially were done so on average within 12 months. More project completion reports (PCRs) were submitted in 2019 than required per project completions in the project completion reporting period.

5. According to Decision 41/93, the MLF Secretariat was requested to continue to monitor traditional indicators of performance on the basis of trend analysis. These indicators include value of projects approved, cost of project preparation, cost-effectiveness, distribution of projects among countries, speed of first disbursement, and speed of completion. The 2019 outcomes in relation to these traditional indicators are also provided in Section IV.

Table I-1: Annual Summary

Year Approved	No. of Approvals*	Number Completed	% Completed	Consumption ODP to be Phased Out*	Consumption ODP Phased Out*	% of Consumption ODP Phased Out	Production ODP to be Phased Out*	Production ODP Phased Out*	% Production ODP Phased Out	Approved Funding plus Adjustment (US\$)	Funds Disbursed (US\$)	% of Funds Disbursed	Balance (US\$)	Estimated Disbursement in Current Year (US\$)	Support Costs Approved (US\$)	Support Cost Adjustments (US\$)
1991	42	42	100%	537	600	112%	0	0	0%	5,429,404	5,429,404	100%	0	0	820,000	-534,564
1992	76	76	100%	18,442	18,276	99%	0	0	0%	28,047,705	28,047,705	100%	0	0	1,347,550	-396,573
1993	79	79	100%	2,470	3,054	124%	0	0	0%	42,538,405	42,538,405	100%	0	0	1,179,000	-276,805
1994	91	91	100%	8,894	9,178	103%	1,200	1,200	100%	41,081,267	41,081,267	100%	0	0	1,418,963	113,858
1995	112	112	100%	3,648	3,565	98%	0	0	0%	47,224,186	47,224,186	100%	0	0	5,478,735	-764,882
1996	55	55	100%	3,610	3,312	92%	0	0	0%	29,319,479	29,319,479	100%	0	0	4,465,748	-621,458
1997	95	95	100%	7,343	17,257	235%	0	11,739		56,173,102	56,173,104	100%	-2	0	8,100,603	-1,156,010
1998	59	59	100%	8,837	8,783	99%	5,970	5,826	98%	35,959,418	35,959,417	100%	1	0	4,804,456	-501,628
1999	73	73	100%	9,858	8,128	82%	5,970	5,970	100%	64,173,138	64,173,138	100%	0	0	6,207,035	325,317
2000	67	67	100%	2,978	3,260	109%	8,802	8,793	100%	36,982,134	36,982,134	100%	0	0	3,744,867	-182,406
2001	29	29	100%	6,067	6,067	100%	8,393	8,384	100%	55,212,853	55,212,854	100%	-1	0	4,482,836	564,673
2002	32	32	100%	6,529	6,699	103%	7,443	7,443	100%	64,357,778	64,357,778	100%	0	0	7,174,302	-69,512
2003	24	24	100%	3,966	3,978	100%	7,421	7,421	100%	72,734,119	72,734,119	100%	0	0	7,029,910	252,991
2004	29	29	100%	4,451	4,468	100%	16,065	16,065	100%	77,111,770	77,111,770	100%	0	0	7,369,146	84,125
2005	28	28	100%	19,359	23,049	119%	46,273	46,342	100%	68,592,865	68,592,865	100%	0	0	7,381,049	-597,245
2006	22	22	100%	1,260	1,260	100%	18,444	18,444	100%	64,473,260	64,473,260	100%	0	0	6,490,404	-139,971
2007	25	25	100%	2,989	2,989	100%	17,115	17,115	100%	66,005,270	66,005,270	100%	0	0	6,860,290	-442,016
2008	28	28	100%	5,952	5,952	100%	20,593	20,593	100%	40,214,774	40,214,774	100%	0	0	4,834,395	-278,146
2009	22	22	100%	14,036	14,036	100%	7,503	7,503	100%	25,563,461	25,563,461	100%	0	0	3,564,606	-520,075
2010	16	16	100%	502	674	134%	0	0	0%	1,148,623	1,148,623	100%	0	0	1,868,548	-458,586
2011	10	10	100%	81	812	998%	0	0	0%	44,367,458	44,314,997	100%	52,461	21,000	5,099,184	-49,603
2012	10	10	100%	168	168	100%	0	0	0%	11,698,145	11,698,145	100%	0	0	2,765,746	-629,040
2013	7	7	100%	377	377	100%	0	1,058		43,650,189	43,602,958	100%	47,231	0	3,203,077	929,574
2014	13	13	100%	127	127	100%	0	0	0%	28,336,509	28,336,509	100%	0	0	3,387,443	-412,129
2015	13	13	100%	548	548	100%	0	2,912		62,990,648	62,990,648	100%	0	0	5,913,456	-455,275
2016	18	15	83%	255	54	21%	0	0	0%	12,631,821	10,642,987	84%	1,988,834	1,738,742	2,682,573	-130,958
2017	3	3	100%	71	71	100%	0	0	0%	1,651,291	1,651,291	100%	0	0	2,055,676	-212,026
2018	7	1	14%	33	0	0%	0	1,188		26,408,870	9,722,058	37%	16,686,812	14,615,556	3,261,620	0
2019	3	0	0%	61	0	0%	0	0	0%	3,192,747	0	0%	3,192,747	1,784,395	1,958,493	0
Total	1,088	1,076	99%	133,447	146,740	110%	171,192	187,996	110%	1,157,270,690	1,135,302,605	98%	21,968,085	18,159,693	124,949,711	-6,558,371

B. Summary of Data by Project Type (CPG, DEM, INS, INV, PRP, TAS, TRA)

6. Table I-2 summarizes the entire portfolio of World Bank project approvals, adjustments and disbursements by type of project or activity. As can be seen from the table, the major proportion of the Bank's approved funding to date has gone for investment projects, US\$1,138,139,958. The amounts that have been allocated for demonstration projects and institutional strengthening are US\$11,439,764 and US\$9,814,643 respectively. In addition, through the separate fast start funds for HFC phase-down provided by the Executive Committee, another US\$183,514 and US\$750,000 were approved for a demonstration project and three HFC enabling activities, respectively.

Table I-2: Summary of Data by Project Type

Type	Number of Approvals*	Number Completed	Per Cent Completed	Approved Funding (US\$)	Adjustment (US \$)	Funds Disbursed (US \$)	Per Cent of Funds Disbursed	Balance (US\$)	Estimated Disbursement In Current Year (US \$)
Country Programme Preparation	29	29	100%	2,383,906	-756,174	1,627,732	100%	0	0
Demonstration Projects	8	8	100%	11,439,764	-5,266,863	6,172,901	100%	0	0
Institutional Strengthening Projects	50	48	96%	9,814,643	-244,662	8,939,202	93%	630,779	218,737
Investment Projects	633	625	99%	1,138,139,958	-40,930,989	1,076,686,134	98%	20,522,836	17,778,056
Project Preparation	291	291	100%	34,625,595	-8,002,275	26,623,320	100%	0	0
Technical Assistance Projects	73	71	97%	19,252,207	-3,490,187	14,947,550	95%	814,470	162,900
Training Projects	4	4	100%	1,193,246	-887,480	305,766	100%	0	0
GRAND TOTAL	1,088	1,076	99%	1,216,849,319	-59,578,629	1,135,302,605	98%	21,968,085	18,159,693

C. Multi-year Agreements

7. A total of 41 multi-year projects have been approved for the World Bank as a Multilateral Fund Implementing Agency (IA) as of the end of 2019. Three of these were cancelled before implementation start in 2006, 2017 and 2019 respectively, and another five were completed with each having remaining balances that were subsequently transferred to other IAs (for the National CFC Phase-out Plans (NCPs) of Ecuador, the Philippines and Tunisia, and the CTC phase-out and accelerated CFC production sector plans in India).

8. In addition to its role in leading implementation for 31 of the 39 multi-year projects (including national and sector plans), the World Bank was, and continues to be a Cooperating Agency in China and Indonesia, for two ongoing multi-year projects with UNDP as the Lead Agency. The total value of Stage I HCFC Phase-out Management Plans (HPMPs) and sector plans in the Bank's portfolio was more than US\$206 million, excluding returns and transfers. By the end of 2019, all Stage I HPMPs were physically and financially completed, with the exception of two, where financial completion is expected in 2020.

9. Although fully funded, some projects continue to be active in terms of reporting requirements. Decision 56/13 requires that sector plans in the foam, halon and CFC production sectors in China be tracked until the full utilization of the remaining balances. In accordance with Decision 56/13, the World Bank will continue to cooperate with China on monitoring the ongoing implementation of sector plan activities despite that the grant agreement (ODS IV) under which these sector plans fall closed on June 30, 2013. In addition, although finished in June 2017 and a project completion report submitted in November the same year, the Fund Secretariat requested a final implementation progress report for Vietnam's Stage I HPMP. It was submitted to the December 2019 meeting of the Committee.

10. The Bank and its partner countries have entered into the second phase of HPMP implementation with the approval of two Stage II HPMPs in Jordan and Vietnam and two Stage II foam sector plans in China and Indonesia in 2016, the Stage II HPMP in the Philippines in 2017, and the Stage II HPMP in Thailand in 2018. China also received US\$23 million in bridging funds to meet its 2018 HCFC production reductions, until the Stage II HCFC Production Phase-out Management Plan (HPPMP) can be approved. Four multi-year projects target HCFC-141b consumption and/or use in imported pre-blended polyol, one (the Vietnam Stage II HPMP) is the first to introduce HCFC-phase-out activities in the commercial and industrial refrigeration sectors, and two were to address air-conditioning manufacturing (Vietnam and the Philippines). The Thailand HPMP will address remaining HCFC-141b consumption in spray foam as well as tackle the servicing sector.

11. The Stage II HPMP for the Philippines, however, was transferred to another Implementing Agency upon government request in April 2019. Consequently, there remain five ongoing multi-year activities in the World Bank's active HCFC phase-out portfolio worth a total US\$189 million. Another unforeseen event occurred at the 84th Meeting of the Executive Committee, which will change this value. Decision 84/69 introduces a significant cut to China's overall Stage II HPMP. It is expected that in 2020, the US\$140 million polyurethane foam sector plan for which the Bank serves as an Implementing Agency will be accordingly reduced in value by more than half.

12. In 2019, two tranche implementation progress reports were approved for the second tranches of the Stage II HPMPs in Jordan and Vietnam, worth a total US\$3.2 million. Hence, the total funds released by the Executive Committee to date to support, as a priority compliance with the 2020 35% reductions in HCFC consumption, amount to US\$15.9 million (excluding the bridging funds for China's production sector). No new HPMPs or other multiyear agreement (MYA) projects were approved in 2019.

13. All World Bank partner countries currently implementing multi-year projects appear to have met their annual consumption and production targets for the 2019 calendar year based on unverified data as of report writing. In addition, these countries have maintained the total phaseout from previous agreements, also according to preliminary information. Table I-3 presents a summary of multi-year agreements for projects under World Bank implementation. Additional country information is also found in Annex I of this report.

Table I-3. Multi-Year Projects

Country	Sector Plan/National ODS Phase-Out Plan	Date Approved	Actual Date of Completion	Funds Committed by ExCom (US\$)	Funds Released including Present Year by ExCom (US\$)	Funds Disbursed (US\$)	Total ODP Consumption to be Phased-out for the Plan	ODP Consumption Allowed for the Reporting Year*	Actual ODP Consumption for Reporting Year*	Total ODP Production to be Phased-out for the Plan*	ODP Production Allowed for the Reporting Year*	Actual ODP Production for Reporting Year*
Antigua Barbuda	CFC phase-out management plan	Dec-04	Dec-11	97,300	97,300	62,987	1.80	-	-	-	-	-
Argentina	CFC production closure plan	Nov-02	Dec-09	10,600,000	10,600,000	10,600,000	-	-	-	3,020	-	-
Argentina	National CFC phase-out plan	Nov-05	Dec-13	500,000	500,000	236,630	1.50	-	-	-	-	-
Argentina	HCFC phase-out management plan (stage I, first tranche)	Apr-12	Jun-18	914,612	914,612	914,612	18.46	-	-	-	-	-
Bahamas	Terminal CFC Phaseout Plan for The Bahamas	Dec-01	Jan-09	560,000	560,000	530,946	66	-	-	-	-	-
Chile	Phase-out of all the remaining uses of methyl bromide in soil application pest control	Apr-05		2,547,156	691,703	-	136.3	-	-	-	-	-
China	Halon Sector	Nov-97	Dec-11	62,000,000	62,000,000	62,000,000	24,480	-	-	30,060	-	-
China	CFC Production Sector	Mar-99	Dec-10	150,000,000	150,000,000	150,000,000	-	-	-	44,931	-	-
China	Foam Sector	Dec-01	Dec-10	53,846,000	53,846,000	53,846,000	14,143	-	-	-	-	-
China	TCA Sector	Jul-04	Nov-10	2,100,000	2,100,000	2,100,000	-	-	-	113	-	-
China	CTC/PA Sector Phase I	Nov-02	Dec-11	65,000,000	65,000,000	65,000,000	11,160	-	-	52,162	-	-
China	CTC/PA Sector Phase II	Nov-05	Jul-10	46,500,000	46,500,000	46,500,000	6,945	-	-	-	-	-
China	HCFC phase-out management plan (PU rigid foam sector plan) (Stage I)	Jul-11	Jun-19	73,000,000	73,000,000	73,000,000	1,615	-	-	-	-	-

Country	Sector Plan/National ODS Phase-Out Plan	Date Approved	Actual Date of Completion	Funds Committed by ExCom (US\$)	Funds Released including Present Year by ExCom (US\$)	Funds Disbursed (US\$)	Total ODP Consumption to be Phased-out for the Plan	ODP Consumption Allowed for the Reporting Year*	Actual ODP Consumption for Reporting Year*	Total ODP Production to be Phased-out for the Plan*	ODP Production Allowed for the Reporting Year*	Actual ODP Production for Reporting Year*
China	HCFC phase-out management plan (PU rigid foam sector plan) (stage II)	Dec-16		141,471,210	9,581,879	5,636,022	4,449.6	3,774.5		-	-	-
China	HCFC production phase-out mgmt plan (stage I)	Apr-13	Dec-18	95,000,000	95,000,000	91,256,301	-	-	-	3,970	26,210	
Ecuador	National CFC phase-out plan	Dec-03	Sep-09	1,194,471	1,194,471	1,194,471	246.00	-	-	-	-	-
India	CFC production sector gradual phase-out project	Nov-99	Nov-11	82,000,000	82,000,000	82,000,000	-	-	-	22,588	-	-
India	Accelerated CFC Production Phaseout	4/1/2008 (in principle)	Mar-14	3,169,900	3,169,900	3,169,900	-	-	-	690	-	-
India	CTC phase-out plan for the consumption and production sectors	Jul-03	Mar-14	38,100,954	38,100,954	37,629,080	11,505.00	-	-	11,553	-	-
Indonesia	Phase-out of residual CFCs in the foam sector	Apr-04	Jun-10	2,957,564	2,957,564	2,957,564	352.00	-	-	-	-	-
Indonesia	Refrigeration sector phase-out plan: MAC servicing sector	Nov-02	Mar-10	4,317,000	4,317,000	4,317,000	915.00	-	-	-	-	-
Indonesia	National strategy for phasing out use of CFC in aerosol sector: Policies and actions, technical assistance, and enterprise investment initiatives	Dec-04	Jun-10	371,910	371,910	371,910	70.00	-	-	-	-	-
Indonesia	HCFC Phase Out Plan (Stage I): Foam Sector Plan	Jul-11	Dec-19	2,714,187	2,714,187	2,134,725	34.10	n/a	n/a	-	-	-
Indonesia	HCFC Phase Out Plan (Stage II): Foam Sector Plan	May-16		4,255,163	3,262,292	2,506,258	42.70	n/a	n/a	-	-	-

Country	Sector Plan/National ODS Phase-Out Plan	Date Approved	Actual Date of Completion	Funds Committed by ExCom (US\$)	Funds Released including Present Year by ExCom (US\$)	Funds Disbursed (US\$)	Total ODP Consumption to be Phased-out for the Plan	ODP Consumption Allowed for the Reporting Year*	Actual ODP Consumption for Reporting Year*	Total ODP Production to be Phased-out for the Plan*	ODP Production Allowed for the Reporting Year*	Actual ODP Production for Reporting Year*
Jordan	HCFC Phase Out Plan (Stage I): Air-conditioning Sector Plan	Nov-11	Dec-19	1,070,100	1,070,100	959,300	16.78	n/a	n/a	-	-	-
Jordan	HCFC Phase Out Plan (Stage II)	Dec-16		2,075,236	1,540,510	112,704	24.90	66.40		-	-	-
Mexico	National CFC phase-out plan: Chiller Subsector	Apr-05	Feb-06	500,000	500,000	500,000	-	-	-	-	-	-
Malaysia	National CFC phaseout plan	Dec-01	Dec-10	11,517,005	11,517,005	11,441,013	1,910.51	-	-	-	-	-
Philippines	National CFC phase out plan	Nov-02	Jun-11	8,381,671	8,381,671	8,381,671	2,017.60	-	-	-	-	-
Philippines	HCFC Phase Out Plan (Stage II)	Nov-17		2,750,057	1,010,023	-	24.59	-	-	-	-	-
Thailand	National CFC phaseout plan	Dec-01	Dec-13	14,728,626	14,728,626	12,638,243	3,107.52	-	-	-	-	-
Thailand	National methyl bromide phase-out plan	Dec-04	Dec-13	2,901,600	2,901,600	1,668,733	241.80	-	-	-	-	-
Thailand	HCFC phase-out management plan (stage I, first tranche)	Dec-12	Dec-18	22,749,072	17,805,665	16,623,996	219.54	788.46	-	-	-	-
Thailand	HCFC phase-out management plan (stage II, first tranche)	Dec-18		3,791,077	1,500,000	-	433.72	410				
Tunisia	National ODS phase-out plan	Jul-06	Jun-12	429,877	429,877	429,877	342.00	-	-	-	-	-
Turkey	CFC Phase-out plan for Turkey	Dec-01	Apr-08	9,000,000	9,000,000	8,565,903	977.00	-	-	-	-	-

Country	Sector Plan/National ODS Phase-Out Plan	Date Approved	Actual Date of Completion	Funds Committed by ExCom (US\$)	Funds Released including Present Year by ExCom (US\$)	Funds Disbursed (US\$)	Total ODP Consumption to be Phased-out for the Plan	ODP Consumption Allowed for the Reporting Year*	Actual ODP Consumption for Reporting Year*	Total ODP Production to be Phased-out for the Plan*	ODP Production Allowed for the Reporting Year*	Actual ODP Production for Reporting Year*
Venezuela	Phased reduction and closure of the entire CFC production	Dec-04	Nov-09	16,500,000	16,500,000	16,500,000	-	-	-	4,400	-	-
Vietnam	National CFC and halon phase-out plan	Apr-05	Dec-10	1,260,000	1,260,000	1,259,448	258.69	-	-	-	-	-
Vietnam	National phase-out plan for methyl bromide	Nov-06	Dec-14	1,098,284	1,098,284	1,098,284	85.20	-	-	-	-	-
Vietnam	HCFC phaseout mgmt plan (stage I, first tranche) (foam sector plan)	Apr-11	Jun-17	9,125,020	9,125,020	8,205,602	140.10	-	-	-	-	-
Vietnam	HCFC phase-out management plan (stage II, first tranche)	May-16		14,411,204	2,689,160	167,349	55.30	199.08	196.45	-	-	-

*2019

D. Sector Phaseout by Country

14. The Bank implemented several projects that resulted in sector-wide or nation-wide ODS phaseout but which were not projects with multi-year agreements. With one-time funding by the Executive Committee, these projects aimed, nonetheless, to entirely phase out the consumption of ODS through investment activities and policy measures in a sector or country-wide.

15. Three of these projects, the National Transition Strategy to CFC-free Metered Dose Inhalers (MDIs) in Indonesia and the National Methyl Bromide Phaseout Strategy in the Philippines; as well as the Argentina metered dose inhalers (MDIs) project were successfully completed in 2010 and 2014 respectively.

16. The World Bank was also an implementing agency for one other aerosol project, the China Pharmaceutical Aerosol CFC Phaseout project. Completion of the China project had been delayed although all 485 ODP tonnes CFC consumption was eliminated since 2013. The project continued in order to complete training on new substitute specifications, technical assistance activities, market promotion and administration of enterprise conversions and to facilitate approval for the marketing of alternative-based products. In May 2015, the project was declared completed.

II. PROJECT COMPLETIONS SINCE LAST REPORT

17. Projects completed during this reporting period (January 1, 2019 to December 31, 2019) are highlighted in Table II-1 below. This table excludes the completion of the World Bank 2019 core unit activities (considered as support costs).

A. ODP Phased Out Since Last Report

18. There is 3.3 ODP tonnes of phase-out associated with the completion of one of 11 project activities completed during the reporting period. The cumulative phase-out of the activities found in Table II-1 including that achieved in previous years is 1,677 ODP tonnes – including the large phase-out achieved in China’s Stage I HPMP. In addition, the ongoing bridging tranche to help China meet its 2018 production reductions, generated additional phase-out of 1,188 ODP tonnes – the production level was verified in 2019, confirming that the reductions took place.

19. Completed project activities in Table II-1 are 98 percent disbursed. A committed balance of US\$21,000 is expected to be disbursed in 2020 for expenditures incurred in 2019. The remaining balance of US\$108,881 are savings which will be returned to the Multilateral Fund in 2020.

B. Non-Investment Project Completions Since Last Report

20. Country Programs: There were no new completions in 2019 for country programs.

21. Technical Assistance: No stand-alone technical assistance (TA) projects were completed in 2019. Thailand’s Phase VIII institutional strengthening project (ISP) was declared physically completed in 2019.

22. Training: The World Bank held its Thirteenth Annual East Asia and Pacific (EAP) / MP Coordination Unit ODS workshop in Bangkok, Thailand from 13 through 15 February 2019. As in previous years, the three-day workshop had dedicated days on issues related to the implementation of ODS phase-out activities, on foam technologies, and on air-conditioning technologies. Enabling Kigali Amendment ratification and related issues were also discussed. Representatives of national ozone units (NOUs), project management units (PMUs) and financial agents attended from all of the Bank’s partner countries, in addition to Bank project managers, and procurement, financial management and environmental safeguards specialists.

23. The World Bank did not hold its annual Climate Ozone & Operational Linkages (CO₃OL) workshop in 2019 because of conflicting meetings in the fall.

Table II-1: Project Completions During Reporting Period

Project Title	Region	Code	Consumption ODP Phased Out	Date Approved	First Disbursement Date	Date Completed (Actual)	Date of Financial Completion	Approved Funding (US\$)	Adjustment (US\$)	Funds Disbursed (US\$)	Per Cent of Funds Disbursed	Balance (US\$)	Funds Committed (US\$)
HCFC phase-out management plan (polyurethane rigid foam sector plan) (stage I, first tranche)	ASP	CPR/PHA/64/INV/508	730.8	Jul-11	Nov-13	Jun-19	Dec-19	38,859,000	0	38,859,000	100%	0	0
HCFC phase-out management plan (stage I, second tranche) (polyurethane rigid foam sector plan)	ASP	CPR/PHA/68/INV/526	103.8	Dec-12	Nov-13	Jun-19	Dec-19	5,520,000	0	5,520,000	100%	0	0
HCFC phase-out management plan (stage I, third tranche) (polyurethane rigid foam sector plan)	ASP	CPR/PHA/71/INV/535	255.6	Dec-13	Dec-14	Jun-19	Dec-19	13,592,000	0	13,592,000	100%	0	0
HCFC phase-out management plan (stage I, fourth tranche) (polyurethane rigid foam sector plan)	ASP	CPR/PHA/73/INV/551	76.7	Nov-14	Jul-15	Jun-19	Dec-19	4,079,000	0	4,079,000	100%	0	0
HCFC phase-out management plan (stage I, fifth tranche) (polyurethane rigid foam sector plan)	ASP	CPR/PHA/75/INV/563	448.4	Nov-15	Apr-16	Jun-19	Dec-19	10,950,000	-2,560,576	8,389,424	100%	0	0
HCFC phase-out management plan (foam sector plan) (stage I, first tranche)	ASP	IDS/PHA/64/INV/191	18.9	Jul-11	Dec-13	Dec-19		1,500,000	-336,539	1,132,000	97%	31,461	0
HCFC phase-out management plan (foam sector plan) (stage I, second tranche)	ASP	IDS/PHA/71/INV/202	11.9	Dec-13	Dec-15	Dec-19		942,767	-134,041	761,495	94%	47,231	0
HCFC phase-out management plan (stage I, third tranche) (foam sector)	ASP	IDS/PHA/76/INV/207	3.3	May-16	May-17	Dec-19		271,420		241,231	89%	30,189	0
HCFC phase-out management plan (stage II, first tranche) (foam sector)	ASP	IDS/PHA/76/INV/209	19.9	May-16	Jun-17	Dec-19		1,985,743	0	1,985,743	100%	0	0
HCFC phase-out management plan (stage I, first tranche) (air-conditioning sector plan)	ASP	JOR/PHA/65/INV/91	7.8	Nov-11	Apr-14	Dec-19		1,070,100	-89,800	959,300	98%	21,000	21,000
Extension of institutional strengthening project (phase VIII: 1/2017-12/2018)	ASP	THA/SEV/77/INS/172	0	Dec-16	Apr-17	Dec-19	Dec-19	443,735	0	443,735	100%	0	0
TOTAL			1,677					79,213,765	(3,120,956)	75,962,927		129,882	21,000

III. GLOBAL AND REGIONAL PROJECT HIGHLIGHTS

A. Global Projects

24. The World Bank sole active global project, the Global Chiller Replacement Project, was declared physically and financially completed in 2017. The project's original objective was to replace CFC chillers in China, India, Indonesia, Jordan, Malaysia, the Philippines and Tunisia. Five countries had embarked on a national chiller replacement project as of the end of 2012 – demonstrating a number of implementation modalities that meet specific needs of the countries.

25. The India Chiller Energy Efficiency Project was declared completed in 2015 and a savings of US\$481,628 from the MLF component was returned in 2016 to the 76th Executive Committee Meeting. The Jordan CFC Chiller Replacement Project was physically completed in 2012. The project provided a 30% subsidy to building owners based on a nominal value and all 20 CFC-based chillers targeted were replaced. A total of 4 MT of mixed CFCs were safely recovered after dismantling the chillers that fell directly under the project.

26. The Philippines Energy Efficiency Project received US\$1 million in MLF funding and US\$2.6 million in GEF funding. A total of 38 subgrant agreements (SGAs) were signed that covered the replacement of 72 chillers. The original target of 53 chiller replacements was surpassed by 26%. Cumulative disbursement as of the end of 2016 for the MLF component was US\$0.78 million and US\$1.78 million for the GEF component. The project was closed on 31 December 2016 and financial completion took place by 30 April 2017. US\$222,593 in savings were returned at the 80th Executive Committee Meeting.

27. The Indonesia chiller energy efficiency project, which aimed to bring together US \$3.66 million in GEF funding with US\$1 million from the Global Chiller Replacement Project was canceled in 2013. The allocated MLF funds, along with savings from the Jordan component were returned at the 71st Meeting of the Executive Committee in December 2013.

28. The fifth country included in the Global Chiller Replacement Project was Argentina. In 2016, the project witnessed its first chiller replacements at two separate sites. However, in 2017, the Government of Argentina decided to transfer its ongoing component of the Global Chiller Replacement Project to another Implementing Agency. The transfer of the balance of funds, US\$808,438 was made at the 80th Meeting of the Executive Committee.

29. At its 77th Meeting, the Executive Committee approved terms of reference for evaluation of chiller replacement projects by the Fund Secretariat's Senior Monitoring and Evaluation Officer. Three beneficiary countries of the Global Chiller Replacement Project, Argentina, Jordan and the Philippines, were visited and evaluated. The findings of the evaluation were presented to the Executive Committee in November 2017.

B. Regional Projects

30. The World Bank has no outstanding regional projects.

IV. PERFORMANCE INDICATORS

A. Agency Performance Goals

31. Executive Committee Decision 41/93 requests Implementing Agencies (IAs) to employ nine weighted indicators to assess their annual performance. These indicators are classified as approval, implementation and administrative indicators. The basis for setting and measuring these indicators are the annual progress reports and annual plans of multi-year projects as implied in the background document to the indicator system, UNEP/OzL.Pro/ExCom/41/80, as well as the IA business plans. In 2013, Decision 71/28 modified the performance indicators which have been used to measure 2019 progress.

32. “Approval” indicators compare projects that received Executive Committee approval against those planned to be delivered as per multi-year agreements (MYAs) and the 2019 Business Plan. For the first approval indicator, which per the Secretariat should include both new (not approved) and existing MYAs, five (5) annual programs were targeted for approval in the 2019 Business Plan. Actual number of tranches submitted was 4 associated with one new (China HPPMP) and three ongoing MYAs in China, Jordan, and Vietnam with only the latter two approved. At the 84th Meeting, consideration of the China Stage II HPPMP was deferred once again, along with the second tranche of China’s Stage II PU foam sector plan (submitted by the Bank with all approval conditions met). Decision 84/69 delayed approval of this tranche to the 85th Meeting and consideration of the HPPMP to the 86th Meeting. The fifth planned approval was for the second tranche of the Philippines Stage II HPMP. The HPMP however was transferred to another agency at the 83rd Meeting of the Committee upon government request. The approval target was therefore met by 40% using the original target set by the Secretariat as reflected in Decision 82/49(b). Given that 3 projects were not approved however for reasons beyond the Bank’s control, the achievement should be 100% of the target.

33. The second approval indicator, the planned number of new individual projects (stand-alone investment projects, institutional strengthening, technical assistance and project preparation) for approval was set at one per Decision 82/49(b). In 2019, one individual activity was submitted to the Executive Committee and approved. The target was fully met.

34. There are three “implementation” indicators. The first implementation indicator measures disbursement performance against that planned in the previous year’s progress report. Based on estimates provided in the approved 2018 Progress Report, the World Bank aspired to disburse US\$11.73 million in 2019. Actual disbursement in 2018 was US\$9.32 million, meaning that the target was met by 80%. The Fund Secretariat however required that the target be set based on the 2017 Progress Report which made an estimate of US\$13.74 million *for 2018*. Hence, the Bank considers that the 2019 target that it duly set in its 2018 Progress Report should be employed, particularly that it is in line with the Secretariat’s database format which requests “estimated disbursement for the current year,” (the year of reporting).

35. The second implementation indicator now includes ODS phased out in multi-year agreements, as well as in individual projects. The Secretariat set the targeted ODP tonnes of phaseout in 2019 at 2,156.7 ODP MT which is the planned phase-out for tranches of approved *and not yet approved* MYAs. This included one new (recurring) MYA in the 2019 Business Plan that makes up the bulk of the “planned” phase-out yet with non-approval became a chronic policy issue, out of the hands of the Implementing Agency (the China Stage II HPPMP).

36. The Bank noted that the intent of Dec. 71/28 on the current indicators is to solely count planned phase-out of future tranches of *already approved* MYAs as the approval and scope of approval of new MYAs is somewhat out of implementing agency control. Intent is clear from the indicator’s title where phase-out should be from approved MYAs: “ODS phase-out for the tranche when the next tranche is approved vs. those planned per business plans.” In addition, it should be from already approved tranches: “the tranche” in the indicator description, not the “next tranche.”

37. The Secretariat’s approach creates a target impossible to reach. Preparation and approval always lead to phase-out estimates different than those in the business plans. In addition, the Secretariat has the Agencies prorate phase-out in tranches of proposed MYAs in the business plans, rather than assigning the phase-out according to the year the phase-out is expected to be achieved. Moreover, phase-out, regardless of the value assigned is only claimed when the tranche or activities are completed. In 2019, again, the repeated example of the challenge in holding IAs performance accountable to figures that have not been approved by the Executive Committee is, as suggested above, the China Stage II HPPMP. As per recent decision (Decision 84/69), the proposal has been deferred by the Committee until November 2020. Part of the target also included phase-out for China’s second Stage II HPMP tranche and Philippines Stage II HPMP, which as previously mentioned were, respectively deferred by the Committee and transferred to another agency.

38. Thus, the World Bank, once again could not meet the impossible target set for this implementation indicator which is interpreted by the Secretariat as an *approval* indicator. There were discussions with the Secretariat on the margins of a 2019 interagency coordination meeting, however the Secretariat for now prefers to deal with this matter on a case-by-case basis at the time of performance evaluation.

39. Planned, approved phase-out in 2019 for multiyear and individual projects per the 2019 Business Plan was 741.21 ODP MT. Using actual figures, i.e. phase-out achieved by completed activities in the current portfolio in 2019, the figure achieved is 1,191 ODP MT. This phase-out is from a completed tranche of a Stage I HPMP for Indonesia, as well as phase-out claimed for the bridging funds for China’s production sector whereby verification in 2019 confirmed that China had met its production phase-out target for 2018.

40. For the third implementation indicator, “project completion vs that planned in the progress report for all activities (excluding project preparation), the target was set at 10 based on the 2018 Progress Report. In 2019, the number of activities reaching completion was 11 (see Table II-1 plus additionally, the 2019 core unit budget). Thus, the Bank fully attained the target.

41. There are three “administrative” indicators. The methodology for setting the target for the first, “Speed of Financial Completion,” has been changed through Decision 71/28. Instead of targeting the number of months, “the extent to which projects are financially completed 12 months after project completion” is targeted. Ninety per cent was targeted in the Bank’s 2018 Business Plan. In 2019, 25 project activities were, on average, financially completed (including 1 preparation activity) within 12 months. Thus, the target was achieved.

42. The Bank committed to submit 100 percent of PCRs for projects completed in the 2019 PCR reporting period. In the 2019 PCR reporting period (July 2018-June 2019), two multiyear project PCRs and 2 individual project PCRs were due. Additional guidance received by the Executive Committee is that the implementing agencies submit PCRs for MYAs and individual projects that are due which is why the Bank made efforts to submit additional PCRs than those due per projects that completed. In 2019, the World Bank submitted a total of 10 PCRs, including 7 MYA PCRs and three for individual projects. The Bank’s PCR submission goal for 2019 was consequently met.

43. The third and final administrative performance target of on-time submission of the 2019 Progress Report was met with submission by 27 July 2020. Table IV-1 summarizes the World Bank’s performance relative to indicators per Decision 82/49(b) on the Bank’s 2019 Business Plan.

Table IV-1: World Bank Performance Goals

Category of Performance Indicator	Item	Weighting	2019 Target*	2019 Actual
Approval	Number of annual programmes (tranches) of existing multi-year agreements approved vs. those planned	10	5	2
Approval	Number of projects/activities approved vs. those planned (including project preparation)	10	1	1
Implementation	Funds disbursed (based on estimated disbursement in progress report)	15	US\$13.74/ US\$11.73 million**	US\$9.32 million
Implementation	ODS phased-out for the tranche when the next tranche is approved vs. those planned per business plans	25	2,156.7/ 741.21 ***	1,191
Implementation	Project completion vs. that planned in progress reports for all activities	20	10	11
Administrative	Speed of financial completion vs. that required per progress report completion dates	10	90%	100%
Administrative	Timely submission of project completion reports vs. those agreed	5	On time	On time
Administrative	Timely submission of progress reports and responses unless otherwise agreed	5	On time	On time

*Set by the Fund Secretariat and including tranches of existing MYAs and of newly approved and planned MYAs.

**The Secretariat required that the target be set using the 2017 Progress Report – meaning the estimated disbursement for 2017, i.e. \$13.74 million, however the final submitted 2018 Progress Report estimated disbursement for 2019 – the year of this progress report to be \$11.73 million.

***Please refer to paras. 34-37 for an explanation of what the Bank maintains should have been the target.

Table IV-2: World Bank Indicators of Implementation Progress

Indicator	Measure	Unit	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Overall
Delivery Speed	First Disb.	Mos.	27	20	21	24	17	18	18	19	19	21	12	14	14	0	27	11	12	6	4	18	9	24	26	20
	Last Disb.	Mos.	51	39	50	50	37	61	39	53	45	57	33	28	26	0	0	0	0	0	0	0	4	29	50	34
Cost Effective	Average	US\$ per Kg ODP	1.82	2.13	2.26	3.01	3.34	3.61	5.46	3.17	0.64	2.57	2.45	0.86	5.26	0.77	67.85	64.60	53.74	214.00	19.84	48.54	48.41	20.57	52.04	23

44. There was no project preparation funding used in 2019 nor new approvals, but instead a return of US\$55,881 (excluding support costs) on the China Stage II HPPMP preparation funds. Hence the cost of project preparation is not applicable in 2019. Actual average overall speed of first disbursement of investment and demonstration projects is 20 months (taking into account projects in the Bank's entire 28-year portfolio).

45. Two investment project activities (tranches) were approved in 2019, worth a total of US \$3.2 million (excluding support costs) consisting of the first and second tranches of Stage II HPMPs as well as a new, bridging tranche for an HPPMP. The average cost-effectiveness value of the activities approved in 2019 is US\$52, noting that this is based on ODP tonnes (not metric tonnes) and not accurately capturing cost-effectiveness for HCFC projects (2012 and beyond), and that these projects may include HCFC elimination in imported pre-blended polyol (with no phase-out), technical assistance and project management funding. As far as distribution among countries is concerned, two countries received approvals in 2019.

46. The Bank completed one non-investment project in the reporting period – one institutional strengthening renewal. The overall speed of first disbursement is 18 months. Overall speed of physical completion is 37 months by the end of the reporting period. Total funds disbursed for non-investment activities (excluding project preparation) in 2019 are US\$115,878. No technical assistance and PMU activities under HPMPs that were assigned separate project codes by the Fund Secretariat had disbursement in the reporting year.

B. Cumulative Completed Investment Projects

47. Since 1991, the World Bank's cumulative total of completed investment projects is at 625, resulting in the reduction in consumption of 143,959 tonnes ODP and in production of 186,808 tonnes ODP. Out of a total of US\$1,057,432,857 of approved Multilateral Fund financing for completed projects, 100 percent of funds has been disbursed. The average number of months from approval to first disbursement has been 24, the average number of months from approval to completion has been 40, at an average cost-effectiveness of US\$3.20/kg. These averages include projects both before and after initiation of the umbrella grant agreement approval process.

48. Ten investment project activities representing nine tranches of three HCFC Phase-out Management Plans and one tranche of an ongoing Stage II HPMP completed in 2019. Table IV-3 which follows provides a summary of completed investment projects at both a regional and sectoral level.

Table IV-3: Cumulative Completed Investment Projects

Item	No. of Projects	Approved Funds plus Adjustment (US \$)	Per Cent of Funds Disbursed	Consumption ODP Phased Out**	Production ODP Phased Out**	Average Number of Months from Approval to First Disbursement	Average Number of Months from Approval to Completion	Overall Cost-Effectiveness to the Fund (US\$/kg.)
GRAND TOTAL	625	1,057,432,857	100%	143,959	186,808	24	40	\$3.20
Region								
Africa	18	4,874,765	100%	777	0	25	49	\$6.27
Asia & Pacific	461	947,782,577	100%	135,898	179,388	23	41	\$3.01
Europe	36	25,729,361	100%	3,498	0	12	20	\$7.36
Latin America and Caribbean	110	79,046,154	100%	3,787	7,420	30	44	\$7.05
Global	n/a	0	0%	0	0	n/a	n/a	n/a
Sector								
Aerosol	32	22,107,868	100%	20,290	0	27	48	\$1.09
Destruction	0	0	0%	0	0	n/a	n/a	n/a
Fire Fighting	0	0	0%	0	0	n/a	n/a	n/a
Foam	213	129,968,190	100%	29,594	0	25	42	\$4.39
Fumigants	11	4,208,461	100%	444	0	18	49	\$9.47
Halon	19	68,345,321	100%	38,439	41,958	19	34	\$0.85
Multiple Sectors*	4	2,287,376	100%	419	0	28	78	\$5.46
Other	2	5,059,360	100%	404	0	28	41	\$12.52
Phaseout Plan	75	177,737,196	100%	22,029	10,988	22	38	\$5.38
Process Agent	15	113,830,316	100%	18,663	52,162	8	18	\$1.61
Production	44	354,676,421	100%	0	81,700	10	15	\$4.34
Refrigeration	180	168,890,481	100%	13,075	0	27	47	\$12.92
Solvents	28	9,660,640	100%	562	0	29	27	\$17.18
Sterilant	2	661,227	100%	41	0	16	27	\$16.29
Implementation Characteristics								
Agency Implementation	1	1,163,461	97%	19	0	29	102	\$61.56
National Implementation	624	1,056,269,396	100%	143,941	186,808	24	40	\$3.19
Disbursement Method								
During Implementation	576	877,404,344	100%	140,454	182,838	24	41	\$2.71
After Implementation	25	11,189,562	100%	1,040	0	32	29	\$10.76
Retroactive Funding	15	7,143,226	100%	851	0	23	1	\$8.40
Country to Final Beneficiaries	9	161,695,725	100%	1,615	3,970	11	57	\$28.95

* No funds are listed for the multiple sector investment project but are recorded in appropriate sector.

**Total phased out for the Fund is 330,767 and includes production and consumption phase-out.

Note: The sum of each section (Region, Sector, etc.) equals the Grand Total.

C. Cumulative Completed Non-Investment Projects

49. Since 1991, the World Bank's cumulative total of completed non-investment projects has grown to 160. Out of a total of US\$31,971,360 of approved Multilateral Fund financing, 100 percent of funds has been disbursed. The average number of months from approval to first disbursement has been 22; the average number of months from approval to completion has been 36.

Table IV-4: Cumulative Completed Non-Investment Projects

Item	Number of Projects	Approved Funds plus Adjustment (US \$)	Per Cent of Funds Disbursed	Average Number of Months from Approval to First Disbursement	Average Number of Months from Approval to Completion
GRAND TOTAL	160	31,971,609	100%	22	36
Region					
Africa	17	2,865,298	100%	24	31
Asia & Pacific	70	20,097,186	100%	18	39
Europe	9	1,632,528	100%	29	43
Latin America and Caribbean	35	4,477,970	100%	27	44
Global	29	2,898,628	100%	19	19
Sector					
Aerosol	5	627,662	100%	17	26
Destruction	1	250,000	100%	17	22
Fire Fighting	0	0	0%	n/a	n/a
Foam	5	3,947,421	100%	20	53
Fumigants	5	1,294,425	100%	35	102
Halon	5	1,519,717	100%	50	105
Multiple Sectors	1	53,792	100%	56	58
Other	0	0	0%	n/a	n/a
Phaseout Plan	6	4,371,707	100%	27	53
Process Agent	0	0	0%	n/a	n/a
Production	1	40,000	100%	4	4
Refrigeration	16	7,583,216	100%	42	62
Several	115	12,283,669	100%	14	25
Solvents	0	0	0%	n/a	n/a
Sterilant	0	0	0%	n/a	n/a
Implementation Characteristics					
Agency Implementation	66	3,506,757	100%	10	15
National Implementation	94	28,464,853	100%	25	50
Disbursement Method					
During Implementation	158	30,970,179	100%	22	36
After Implementation	2	1,001,430	100%	19	39
Retroactive Funding	0	0	0%	n/a	n/a
Country to Final Beneficiaries	0	0	0%	n/a	n/a

Note:

- (1) Per decision 22/11(a)(vi), project preparation is not included as a non-investment project.
- (2) The sum of each section (Region, Sector, etc.) equals the Grand Total.

D. Cumulative Ongoing Investment Projects

50. The World Bank's cumulative total of ongoing investment projects is 8 (including tranches of multi-year agreements). Out of a total of US\$36,029,546 of approved Multilateral Fund financing, 43 percent of funds has been disbursed. The average number of months from approval to first disbursement has been 26, the average number of months from approval to the current expected completion date is 52, with an average cost-effectiveness of US\$125.08/kg. The cost-effectiveness value is not representative as it includes approvals for tranches that have no phase-out assigned and calculates ODP, rather than MT of HCFCs. Table IV-5 below summarizes ongoing investment projects at regional and sectoral levels.

51. Excluded from the table are HFC-related activities. The Bank had one approved, stand-alone investment activity worth US\$183,514 to convert HFC to propane and isobutene as a refrigerant in manufacturing commercial refrigeration appliances. No disbursement of project funds took place in 2019.

Table IV-5: Cumulative Ongoing Investment Projects

Item	Number of Projects	Approved Funds plus Adjustment (US\$)	Per Cent of Funds Disbursed	Number of Projects Disbursing	Per Cent of Projects Disbursing	Estimated Disbursement plus Funds Disbursed	Per Cent Funds Expected to be Disbursed by End of 2004	Average Number of Months from Approval to First Disbursement	Average Number of Months from Approval to Planned Completion	Average Length of Delay in Project Planned Completion	Overall Cost-Effectiveness to the Fund (US\$/kg.)*
GRAND TOTAL	8	36,029,546	43%	5	63%	33,393,647	93%	26	52	38	\$125.08
Region											
Africa	0	0	0%	0	0%	0	0%	0	n/a	n/a	n/a
Asia & Pacific	8	36,029,546	43%	5	63%	33,393,647	93%	26	52	38	\$125.08
Europe	0	0	0%	0	0%	0	0%	0	n/a	n/a	n/a
Latin America and Caribbean	0	0	0%	0	0%	0	0%	0	n/a	n/a	n/a
Global	0	0	0%	0	0%	0	0%	0	n/a	n/a	n/a
Sector											
Aerosol	0	0	0%	0	0%	0	0%	n/a	n/a	n/a	n/a
Destruction	0	0	0%	0	0%	0	0%	n/a	n/a	n/a	n/a
Fire Fighting	0	0	0%	0	0%	0	0%	n/a	n/a	n/a	n/a
Foam	0	0	0%	0	0%	0	0%	n/a	n/a	n/a	n/a
Fumigants	0	0	0%	0	0%	0	0%	n/a	n/a	n/a	n/a
Halon	0	0	0%	0	0%	0	0%	n/a	n/a	n/a	n/a
Multiple Sectors	0	0	0%	0	0%	0	0%	n/a	n/a	n/a	n/a
Other	0	0	0%	0	0%	0	0%	n/a	n/a	n/a	n/a
Phaseout Plan	7	13,029,546	49%	4	57%	10,393,647	80%	29	52	39	\$45.23
Process Agent	0	0	0%	0	0%	0	0%	n/a	n/a	n/a	n/a
Production	1	23,000,000	40%	1	100%	23,000,000	100%	16	54	36	n/a
Refrigeration	0	0	0%	0	0%	0	0%	n/a	n/a	n/a	n/a
Solvents	0	0	0%	0	0%	0	0%	n/a	n/a	n/a	n/a
Sterilant	0	0	0%	0	0%	0	0%	n/a	n/a	n/a	n/a
Implementation Characteristics											
Agency Implementation	0	0	0%	0	0%	0	0%	n/a	n/a	n/a	n/a
National Implementation	8	36,029,546	43%	5	63%	33,393,647	93%	26	52	38	\$125.08
Disbursement Method											
During Implementation	6	5,984,519	13%	3	50%	3,348,620	56%	26	49	34	\$58.64
After Implementation	0	0	0%	0	0%	0	0%	n/a	n/a	n/a	n/a
Retroactive Funding	0	0	0%	0	0%	0	0%	n/a	n/a	n/a	n/a
Country to Final Beneficiaries	2	30,045,027	49%	2	100%	30,045,027	100%	26	58	43	\$161.53

Note: The sum of each section (Region, Sector, etc.) equals the Grand Total

*Based on the ODS to be phased out according to the proposal. Some projects do not yet have phase-out assigned.

E. Cumulative Ongoing Non-Investment Projects

52. The World Bank's cumulative total of ongoing non-investment projects is 4 as captured in the following Table IV-6. Out of a total of US\$1,446,791 of approved Multilateral Fund financing, less than a percent of funds has been disbursed. The average number of months from approval to first disbursement has been 11; the average number of months from the date of approval to the current expected completion date is 18. This excludes HFC enabling activities. Three HFC enabling activities were ongoing as of end 2019, valued at \$250,000 each. About 32 percent of approved enabling funds were disbursed in the reporting year.

Table IV-6: Cumulative Ongoing Non-Investment Projects

Item	Number of Projects	Approved Funds plus Adjustment (US\$)	Per Cent of Funds Disbursed	Number of Projects Disbursing	Per Cent of Projects Disbursing	Estimated Disbursements plus Funds Disbursed	Per Cent Funds Expected to be Disbursed by End of 2004	Average Number of Months from Approval to First Disbursement	Average Number of Months from Approval to Planned Completion	Average Length of Delay in Project Planned Completion
GRAND TOTAL	4	1,446,791	0%	1	25%	383,179	26%	11	18	n/a
Region										
Africa	0	0	0%	0	0%	0	0%	n/a	n/a	n/a
Asia & Pacific	3	1,446,791	0%	1	33%	383,179	26%	11	24	n/a
Europe	0	0	0%	0	0%	0	0%	n/a	n/a	n/a
Latin America and Caribbean	0	0	0%	0	0%	0	0%	n/a	n/a	n/a
Global	1	0	0%	0	0%	0	0%	n/a	12	n/a
Sector										
Aerosol	0	0	0%	0	0%	0	0%	n/a	n/a	n/a
Destruction	0	0	0%	0	0%	0	0%	n/a	n/a	n/a
Fire Fighting	0	0	0%	0	0%	0	0%	n/a	n/a	n/a
Foam	0	0	0%	0	0%	0	0%	n/a	n/a	n/a
Fumigants	0	0	0%	0	0%	0	0%	n/a	n/a	n/a
Halon	0	0	0%	0	0%	0	0%	n/a	n/a	n/a
Multiple Sectors	0	0	0%	0	0%	0	0%	n/a	n/a	n/a
Other	0	0	0%	0	0%	0	0%	n/a	n/a	n/a
Phaseout Plan	1	814,470	0%	0	0%	162,900	20%	n/a	n/a	n/a
Process Agent	0	0	0%	0	0%	0	0%	n/a	n/a	n/a
Production	0	0	0%	0	0%	0	0%	n/a	n/a	n/a
Refrigeration	0	0	0%	0	0%	0	0%	n/a	n/a	n/a
Several	3	632,321	0%	1	33%	220,279	35%	11	18	n/a
Solvents	0	0	0%	0	0%	0	0%	n/a	n/a	n/a
Sterilant	0	0	0%	0	0%	0	0%	n/a	n/a	n/a
Implementation Characteristics										
Agency Implementation	1	0	0%	0	0%	0	0%	n/a	12	n/a
National Implementation	3	1,446,791	0%	1	33%	383,179	26%	11	24	n/a
Disbursement Method										
During Implementation	4	1,446,791	0%	1	25%	383,179	26%	11	18	n/a
After Implementation	0	0	0%	0	0%	0	0%	n/a	n/a	n/a
Retroactive Funding	0	0	0%	0	0%	0	0%	n/a	n/a	n/a
Country to Final Beneficiaries	0	0	0%	0	0%	0	0%	n/a	n/a	n/a

Note:

- (1) Per decision 22/11(a)(vi), project preparation is not included as a non-investment project.
- (2) The sum of each section (Region, Sector, etc.) equals the Grand Total.

V. STATUS OF AGREEMENTS & PROJECT PREPARATION (WHERE APPLICABLE), BY COUNTRY

A. Agreements to be Signed/Executed/Finalized & When They Will be Ready for Disbursing

53. Projects with either new partner countries or with new operational modalities require legal agreements between the country and the World Bank. With Stage II HCFC phaseout project approvals occurring between 2016 and 2018, new grant agreements or amendment of existing agreements were required.

54. New grant agreements for HCFC Phase-out Projects were under processing for Vietnam and China since 2016 in order to permit disbursements from initial tranches to start from the Bank to the countries for the respective Stage II HPMP and PU Foam Sector Plan. This entailed preparation of concepts, project documents, project implementation manuals (PIMs), environmental and social safeguards framework, procurement plans and other related documentation. Each country has in turn their own processing and approval steps. Because of changes in these steps for certain development assistance projects in each country, approval, negotiation and signing of the grant agreements were delayed.

55. In 2018, the overarching ODS VI Project for the Stage II PU Foam Sector Plan in China and eventually, the HPPMP was appraised followed by a period of preparation and approvals of related documents, such as the project implementation manual. The new Grant Agreement (GA) between China and the WB was subsequently approved by Bank management and signed in December 2018. Effectiveness was by mid-2019 and start of disbursement was pushed to the fall of 2019.

56. The finalization of the China-World Bank Stage II GA preceded the Executive Committee's approval of the US\$23 million bridging funds for the HCFC production sector (in June 2018). The GA had to be amended in order to raise the project funding level for the Bank-project component related to production. The amendment was signed by China and the Bank in September 2019, allowing disbursement to start by the last quarter of the year.

57. For Vietnam, the GA negotiations between the State Bank of Vietnam and the World Bank completed at the end of 2018 and the Bank approved the new project and GA in January 2019. The GA was signed and countersigned on March 7, 2019.

58. A new grant agreement was likewise required for the 2018-approved, Thailand Stage II HPMP. World Bank preparation of the new project documents and grant agreement took place in 2019 and Bank project approval is expected in January 2020. Grant Agreement signing is expected by mid-2020. Similar to the agreements for China and Vietnam, the GA provides for retroactive funding of activities implemented between Bank appraisal and GA effectiveness.

B. Project Preparation by Country, Approved Amount, and Amount Disbursed

59. In 2019, there were no active World Bank project preparation activities.

VI. ADMINISTRATIVE ISSUES (OPERATIONAL, POLICY, FINANCIAL, AND OTHER ISSUES)

A. Meetings Attended

60. Table VI.1 indicates the meetings attended by World Bank Staff on all Montreal Protocol related work in 2019.

Table VI-I: MP Related Events Attended by World Bank Staff in 2019

2019 Dates	Location	Meetings Attended
February 13-15, 2019	Bangkok, Thailand	13 th East Asia/Pacific Montreal Protocol Regional ODS Workshop
February 16-19, 2019	Paris, France	Second Inter-regional and Parallel Ozone Officers Network Meetings
March 5-7, 2019	Montreal, Canada	Inter-agency Coordination Meeting
May 27-31, 2019	Montreal, Canada	83 rd Meeting of the Executive Committee
June 28, 2019	Bangkok, Thailand	62 nd Implementation Committee Meeting on MP Compliance
July 1–5, 2019	Bangkok, Thailand	41 st Open-ended Working Group (OEWG) Meeting of the MP Parties
July 5, 2019	Bangkok, Thailand	OEWG Side Event on 'A roadmap for sustainable cooling'
July 30-August 2, 2019	Cebu, Philippines	UNEP Thematic Meeting on HFC Alternatives
September 16, 2019	Beijing, China	International Ozone Day Workshop
October 9-11, 2019	Montreal, Canada	Inter-agency Coordination Meeting
November 2, 2019	Rome, Italy	63 rd Implementation Committee Meeting
November 4-8, 2019	Rome, Italy	31 st Meeting of the Parties
December 16-20, 2019	Montreal, Canada	84 th Meeting of the Executive Committee

B. Implementing Agency and Other Cooperation

61. Cooperation and coordination by the World Bank with the three Implementing Agencies and Bilateral Agencies are ongoing through cooperation and coordination in project implementation of HCFC phase-out projects (for example in China, Indonesia and Jordan) and in ODS meetings and workshops that take place throughout the year.

62. The World Bank also works with bilateral agencies, namely Japan. The Government of Japan was a partner in the implementation of Thailand's Stage I HCFC Phaseout Management Plan that completed in December 2018. It successfully delivered technical assistance to address technical and regulatory barriers to the introduction of HFC-32 technology in residential air-conditioner manufacturing. It included guidance for the conversions to ensure safe storage and use of HFC-32 in manufacturing of HFC-32 AC, technical assistance and training on proper installation, and, training for service technicians. Eleven enterprises in total benefitted from this support and have been employing HFC-32 in AC manufacturing without problems since 2017.

63. In 2016, building on the good collaboration and achievements in Thailand, Japan, Vietnam and the World Bank agreed on similar cooperation in Vietnam's AC sector under the Stage II HPMP. Vietnam's Stage II HPMP includes a TA component directed towards AC manufacturers that aim to shift HCFC-22 based production to HFC-32 based production. Japan continued to work closely with the Bank in 2019 to finalize arrangements for delivery of the TA. Given delays in effectiveness of the GA between Vietnam and the World Bank, the work will commence in 2020.

64. The Bank was a Cooperating Agency in Jordan in the air-conditioning sector where UNIDO served as the Lead Agency. That project completed in 2019. The Bank is the Lead Agency for Jordan's Stage II HPMP covering most of the foam sector. UNIDO is the Cooperating Agency for a foam subsector and the servicing sector. The Bank is also a Cooperating Agency in Indonesia and China where UNDP is the Lead Agency of the Stage II HPMPs, in the foam and production sectors. In order to meet overall requirements of the respective Executive Committee-country agreements, the Agencies must have regular dialogue and access to relevant information to be able to execute their part, particularly in terms of annual consumption verification and preparation of the implementation progress reports. This is particularly critical in the case of China whereby the HCFC production sector plays a large role in determining compliance with targets.

65. With the concentration of efforts in delivering HPMPs and HCFC phase-out sector plans for Article 5 countries around the world, cooperation and coordination continues to be a necessity among the Implementing Agencies.

C. Other Issues

66. There are no additional issues other than those captured in the previous pages.

Annex I

COUNTRY DEVELOPMENTS

CHINA

Country Developments

Active projects under the Bank as an Implementing Agency for China in 2019 comprised both the 2012 Bank-approved HCFC Phaseout Project (Stage I) and the new HCFC Phaseout Project (Stage II) that became effective in March 2019 following Grant Agreement signing. These projects include the two foam polyurethane (PU) sector plans as well as HCFC production closure.

The Stage I HPMP Foam Sector Plan however completed by June 30, 2019, allowing the overall HCFC Phaseout Project (Stage I) to complete, given that the Stage I production sector had already completed six months prior. With three additional conversions at enterprises completed by March 2019, a total of 55 companies successfully converted to HCFC-141b alternatives under the foam sector plan. Two additional enterprises were forced to cancel subprojects due to solvency issues but have also stopped using HCFCs. Three system house subprojects were cancelled while the other three successfully completed and have been used to model Stage II implementation.

The bulk of the work in the remaining six months of the project was to complete 13 technical assistance (TA) activities to promote sustainable conversion and phase-out. Twenty-four TA activity contracts were concluded including consultant services for, among others, Implementation Support Agency support, formulation of safety standards, review of technical standards, technical workshops and training, performance verifications of beneficiary companies, and a comparative study on alternative technologies in the spray foam and panel subsectors.

By the end of the project, 12,969 MT in direct HCFC-141b phase-out from subprojects was achieved. A total of 7,415 MT of this HCFC-141b phase-out is associated directly with beneficiary enterprises in the three targeted subsectors of the Stage I sector plan (refrigerators and freezers, reefer containers, and small household appliances). The balance of this phase-out is represented by beneficiary enterprises in other subsectors including pipe insulation, panel insulation, and solar water heaters. The remaining phase-out targeted for the plan, namely the difference between 14,685 MT and the phase-out achieved through subprojects was achieved through the HCFC-141b ban in the three targeted subsectors that became effective on January 1, 2019.

The Stage I HCFC Production Phase-out Management Plan was physically completed in December 2018 and reached financial completion in 2019. Due to closure contracts, China surpassed its 2015 performance target for HCFC production of 26,210 ODP MT by 8.7%. Disbursement of the total \$95 million provided by the Executive Committee amounted to \$91.26 million with US\$3.74 million returned to the 84th Meeting of the Executive Committee in December 2019. PCRs for both sector plans were also submitted to the 84th Meeting.

The overall Grant Agreement of the new China-World Bank HCFC Phase-out Project (Stage II) that houses the Stage II sector plans for China on foam and eventually, HCFC production was signed in December 2018 and became effective in March 2019 (following successful receipt of a necessary legal opinion).

There had been delays in part because procedures for processing foreign assisted projects in China's Ministry of Finance changed. After GA signing, additional delays were due to changes in signing arrangements in FECO/MEE for withdrawing funds from the special account. This was resolved by the fall and disbursement from project funds could commence in October 2019

However, FECO utilized its own funds to commence subproject implementation by mid-2019. Five subgrant agreements (SGAs) were signed with beneficiaries by June and six more were signed in September 2019, worth a total of \$8.18 million. The total phase-out amount planned is 1,189 MT of HCFC-141b between 2020 and 2021.

Contracts for TA with the foam association and an accounting firm were signed in April and September 2019 respectively. A study tour to Honeywell on HCFC alternative blowing agents was completed in August 2019. An additional 32 enterprises have submitted project applications and more than half were reviewed for eligibility. However, per Committee Decision 84/69, MLF funding has been reduced and the second tranche of about \$2 million will only be considered at the 85th Meeting in 2020. China is reassessing how to deliver on HCFC phaseout in the PU foam sector and will submit a revised PU foam sector plan accordingly.

In terms of Stage II production, there was no advancement in consideration and approval of a Stage II HCFC Production Phaseout Management Plan. FECO consequently focused on implementing the "bridging" fund of US\$23 million. The production quotas issued for 2018 amounted to 23,930 ODP tonnes. FECO signed 23 ODS production quota reduction contracts with 10 HCFC-22 producers, 4 HCFC-141b producers and 9 HCFC-142b producers for a total US \$10,323,960 for reductions of 7,019 MT HCFC-22, 836 MT HCFC-141b and 5,173 MT HCFC-142b. FECO also signed a US \$7,309,892 closure contract with an HCFC-141b/HCFC-142b producer to reduce 3,182 MT of production quota and closure activities were done by end of 2018. Disposal of key facilities finished in April 2019 and closure PCRs were done by end July 2019. The 2019 independent production verification confirmed that China is in compliance with Montreal Protocol production and consumption targets for 2018.

Finally, related to the observed increases in CFC-11 emissions in the atmosphere, China prepared two comprehensive reports on China's overall system of monitoring, reporting, verification and enforcement systems in line with agreements on the HPMPs and HPPMP. The Bank, as the designated IA for foam and production, provided support to China in preparing the reports, particularly that which focused on China's system of monitoring of foam blowing agents used at MLF-funded enterprises and on a proposed methodology to verify whether CFC and other banned ODS have been or are used in the foam sector. These were submitted to and considered by the 83rd Meeting of the Executive Committee in May 2019. At the meeting, China agreed to conduct a market assessment on CFC-11 (allegedly used in illegal foam manufacturing) for submission in 2020. The Bank likewise offered its support.

The World Bank conducted three implementation support and technical missions in 2019, including a visit to attend China's International Workshop on Capacity Building for implementation of the Montreal Protocol in China held in March 2019. In addition, several visits were made by international consultants for independent verification. Representatives from FECO attended the Bank's East Asia and Pacific (EAP) regional workshop in Thailand. In addition, the Bank collaborated with the FECO

team to host a side event at the 31st Meeting of the Parties in Rome on China's actions related to monitoring and enforcement in the ODS production and consumption sectors.

INDONESIA

Country Developments

The Stage I HCFC foam sector plan completed implementation in December 2019 (although Decision 84/35(d) extended the overall Stage I, HPMP until end June 2020). PT. Sutindo Chemical Indonesia completed its subproject in September 2019. PT while TSG Chemical officially informed the National Ozone Unit (NOU) that it would not participate in the program due to business reasons. The initial payment it receives was returned to the Project's Designated Account. In turn, \$301,539 was returned to the 83rd Executive Committee Meeting in May 2019. The Ministry of Environment and Forests (MoEF)-PMU recruited a technical consultant for the development of safety guidelines for cyclopentane (CP) and technical guidance on the use of CP in polyurethane production was completed in November 2019.

Technical assistance activities in 2019 included coordination meetings, participation in Montreal Protocol-related workshops, and the monitoring of PT. Sutindo Chemical Indonesia progress. Financial completion of the Stage I PU foam sector plan is expected in 2020, after a return to the MLF additional savings from the three tranche of funding (about US\$109,000).

The Stage II HCFC foam sector plan is also well into implementation, with the first tranche fully disbursed by the end of the year. One system house, PT. Intimas Chemindo, finished its subproject by November 2019. One large company, i.e. PT. Cahaya Perdana Plastics completed its conversion and has commercially produced foam for thermoware applications using c-pentane since April 2019. PT. Willich Isolasi Pratama completed the subproject by September 2019. Two mid-size companies, i.e. PT. Alsun Suksesindo and CV. Duta Teknik have withdrawn from the project and were replaced with CV. Mitra Teknik Mandiri and PT. Langgeng Makmur Industri, which were already in the list of potential beneficiaries in the Stage II HPMP. They signed foam technology replacement agreements (FTRAs) in July 2019. MoEF visited PT. Saka Baja in May 2019 to introduce a subproject opportunity for HCFC-141b phase-out and the planned government policy, while seeking confirmation on participation. The enterprise was still considering participation as of end December 2019. Another mid-size company, i.e. PT. Central Mandiri Cemerlang withdrew from the project and was replaced by PT. Wijaya Karya Industri Energi. An FTRA was signed in December 2019 to convert to preblended C-pentane.

In terms of technical assistance, policy and PMU management, the MoEF held preliminary discussions on a voucher system for foam SMEs in December 20019 involving relevant stakeholders. TA activities in 2019 included coordination meetings and monitoring the progress of Stage II beneficiaries.

Indonesia is also working with the World Bank on its HFC Enabling Activity. A national workshop was organized on 28 February in 2019 in Jakarta to kick-start the work. Workshop participation

included various stakeholders such as government and non-governmental institutions, the private sector, and, academia. The workshop objective was to inform stakeholders of the significance of HFC phase down under the Kigali Amendment and obtain initial stakeholder inputs. A terms of reference (TOR) for an Indonesian National HFC Survey and Regulatory Framework Review was subsequently finalized and selection of a local consulting firm was completed in the reporting year. A 12-month extension was granted to Indonesia through Decision 84/26 at the 84th Meeting.

The Bank conducted visits in 2019 for implementation support for all Montreal Protocol activities. In addition, representatives of the NOU/PMU attended the Bank's 13th Annual EAP Regional Workshop in Bangkok in February 2019.

JORDAN

A. Country Developments

The technical assistance and project management components of Jordan's Air-conditioning (AC) Sector Plan continued implementation in 2019. The investment part of Jordan's AC Sector Plan comprised four subprojects to convert enterprise manufacturing to HFC-410A, with the largest (Petra) under the Lead Agency, UNIDO. The second largest beneficiary under the AC Sector Plan with the Bank experienced financial difficulties and its allocated funding of US\$1.36 million was returned to the Fund. Two subproject beneficiaries, National Refrigeration Company (NRC) and Abu Haltam completed their conversions and have completely eliminated HCFC use. Subproject PCRs were prepared.

Under the technical assistance component of the HPMP, activities have consisted of additional workshops, Customs training, and, drafting of new ODS regulation – a ban of HCFC-22 in AC manufacturing. The ban on both manufacturing and importing HCFC-based AC has been effective since the end of 2016. No more HCFC-22 AC can be imported to or made in Jordan. Moreover, Jordan met its commitment to the Executive Committee to maintain or improve the energy efficiency of AC produced by converted enterprises, given the designs adopted by the companies that also respect the country's minimum energy performance standards.

The servicing sector demonstration activity completed by the end of year, albeit with some additional delays. Request for quotations for the servicing sector equipment – a third try - was announced in March 2019 after inter-ministerial nominations of the members of the special tendering committee. Three tenders were received by April 15, 2019 and evaluated by the tendering committee on May 15, 2019. The contract with the winning bidder was signed by June 2019 (the date the project was to complete) but equipment delivery only occurred in the fall of 2019 due to a delay at Customs. Equipment delivered to workshops against agreed criteria by November 2019 followed by training of technicians as per the demonstration activity plan under the AC sector plan. The Stage I HPMP completed by the end of the year.

The Stage II HPMP, with the World Bank, as Lead Agency, covers all foam manufacturing (except spray foam) and will support Jordan to fulfill its commitment to reduce HCFC consumption by 50% of the baseline by 2022. Two study tours for rigid PU foam manufacturers were organized: Egypt in February and Dubai in April 2019. After the study tours, five foam enterprises requested a change of technology from HFO as an alternative to using cyclopentane which was approved by the 83rd Meeting of the Executive Committee (Decision 83/24). The Government signed a subproject proposal with one foam enterprise in May 2019. Subsequent to Decision 83/24, the Government signed subgrant agreements with an additional four foam enterprises (three in September 2019 and one in November 2019).

B. Institutional Strengthening

The NOU continued to coordinate missions of the Implementing Agencies as well as convene the National Ozone Committee to agree on 2020 import quotas and facilitate issuance of instructions for controlling imports and exports of ODS and alternatives. In September 2019, International Ozone Day celebrations were held in Amman with Ministry of Environment partners and industry. Monitoring, including through site visits, of factories and workshops that use or used ODS done on an ongoing basis.

In 2019, one World Bank mission was conducted for implementation support. The Head of the NOU and PMU staff attended the World Bank's 13th Annual EAP Workshop in Bangkok in February. A one-day technical meeting was held back to back between the Jordan team and the World Bank. An NOU officer attended the 41st OEWG in Bangkok in July 2019.

MALAYSIA

A. Country Developments

The World Bank is providing support to the Government of Malaysia to conduct HFC enabling activities in anticipation of Kigali Amendment ratification in 2020 or 2021. A key component of the activity was an HFC survey. The survey launch workshop was held January 2019 in KL and the survey then conducted between February and April 2019. An interim report on the survey findings and assessment of Customs data, comparative assessment of data received and projection of baseline were completed by June 2019. A draft final survey report was submitted to the Department of Environment and the World Bank on July 20, 2019.

A World Bank technical mission was conducted 23-25 July 2019 during the second stakeholder workshop on survey findings. Final revised consultant survey report was submitted to the Government and the Bank in October 2019. Data analysis and assessment of phase-down cost impacts, policy options and technology pathways/scenarios were started thereafter. The strategy document to support Malaysia's ratification of the Kigali Amendment is to be delivered by second quarter of 2020. Decision 83/40 extended the activity until June 2020.

PHILIPPINES

A. Country Developments

After mid-2018, the Government of the Philippines began internal discussions on whether to change Implementing Agencies for the Stage II HPMP approved in 2017 which slowed the ongoing Bank-Philippines Grant Agreement preparation process. This also impacted the approved \$250,000 for activities to enable ratification of the Kigali Amendment, whereby the launch workshop occurred in 2018 but little work thereafter.

In April 2019, DENR sent a letter requesting transfer of all its MLF-approved activities to UNIDO. The Executive Committee agreed at its 83rd Meeting and funds were returned by the Bank to the Fund Treasurer for transferring to UNIDO.

THAILAND

A. Country Developments

Thailand's Stage I HCFC Phaseout Management Plan (HPMP) was physically completed by the end of 2018 and financially completed by the end of 2019. Additional savings (US\$1.18 million) were returned to the 84th Meeting of the Executive Committee. A total of 11 subproject agreements (SGAs) in the AC sector and 44 in the foam sector were approved, signed and implemented over the life of the HPMP. 175 vocational schoolteachers were trained on promotion campaigns in 5 regions and a TA workshop for non-HCFC refrigerant (HFC-32) for residential AC was conducted between March and May 2018 as part of the final TA activities to be undertaken. Equipment for training on installation and servicing of HFC-32 AC was also distributed and the Ministry of Commerce issued an import ban of R-22-based AC with cooling capacity under 50,000 BTU/hr in March to complement existing bans on use of HCFC in AC and foam production (except spray foam). Thailand has complied with all agreed consumption targets.

The Stage II HCFC Phaseout Management Plan (HPMP) was approved in late 2018 and requires a new Grant Agreement (GA) with the World Bank. Preparation of the GA and project documents for project appraisal began in early 2019. Appraisal of the overall new project and GA between Thailand and World Bank was completed before the end of 2019. The Department of Industrial Works (DIW) and Government Saving Bank (GSB), which is the financial intermediary of the Stage II HPMP, jointly prepared the Project Implementation Manual (PIM) for the project. DIW also organized a workshop with stakeholders to inform them of approved activities and next actions in the implementation of the Stage II HPMP in February 2019.

In regards to Thailand's HFC enabling activity, a terms of reference for conducting enabling activities for Kigali ratification was prepared. A consultant was selected in October 2019 to collect 2016, 2017 and 2018 HFC consumption data; validate, supplement and reconcile import data of major HFCs from

Customs; review the relevant regulatory framework; and, determine future HFC alternatives' availability and costs. Work was begun by the end of the year. Decision. 83/40 extended the completion date to June 2020.

B. Institutional Strengthening

Institutional strengthening (IS) funds have been used to enhance the capacity of the National Ozone Unit (NOU) in the DIW and government agencies to effectively implement ODS phaseout in compliance with the country's obligations.

Of note in 2019, was DIW's critical support through inputs to and information for the preparation and appraisal of the overall new project and Grant Agreement (GA) between Thailand and the World Bank. An environmental safeguards workshop was held in June 19 after safeguards preparation by a DIW consultant, and appraisal completed by end of 2019. This will permit the GA to be approved by early 2020.

The quota for 2019 HCFC imports were issued in a timely manner while the NOU complied with the reporting obligations under Article 7 for 2018 ODS consumption data. Public awareness activities conducted including circulation of materials and annual celebration of International Ozone Day in order to maintain priority on ozone layer protection among government agencies and relevant stakeholders. The NOU attended the OEWG meeting in July, the MOP in Rome in November, and the ozone officer network meeting in Paris (February 2019).

Several Bank implementation support missions were conducted in 2019. Representatives of the NOU/PMU and the Financial Agent, GSB, along with Thai industry representatives attended the Bank's 13th Annual EAP Regional ODS Workshop in Bangkok. The workshop was opened by senior DIW and World Bank officials.

VIETNAM

Country Developments

The overall HCFC Phase-out Project (Stage II) was approved by the World Bank in January 2019 after internal approval by the Government of Vietnam. The Grant Agreement (GA) was signed and countersigned on March 7, 2019. The project implementation manual (PIM) was cleared in April 2019, and the PMU was fully staffed by August 2019. Disbursement started thereafter. The kick-off workshop was held on occasion of International Ozone Day in September.

Several consultant contracts were awarded to firms to assist the PMU to determine enterprise eligibility, conduct technical and financial subproject appraisal, and help enterprises prepare and implement subprojects. Contracts were also awarded to individual consultants to provide TA to industrial refrigeration end-users, train-the-trainer training, selection and distribution of toolkits to vocational center/schools and servicing shops, development of training curriculum on refrigeration and air-

conditioning using flammable refrigerants and for the development of a national standard for using flammable blowing agents in foam production. A consumption verification consultant for 2016-2018 was also selected and consumption verification implemented. Two technical workshops held in November 2019 to inform 19 enterprises about MLF support and subproject requirements. A memorandum of Understanding for cooperation and strengthening of vocational schools' capacity was also signed between the Ministry of Environment and Natural Resources (MONRE) and the Directorate of Vocational Education and Training in December 2019, and initial communication established with Customs to agree on required training activities.

The PMU, the Bank and Japan spent time finalizing procurement arrangements (as there is only one provider of key knowledge) and the TOR for the TA was finalized and accepted by MONRE by the end of 2019. Finally, the Executive Committee agreed to release Vietnam's second tranche of funding under the HPMP after considering the Secretariat's recommendation on the implementation progress report, the verification report and level of disbursement of the first tranche.

In 2019, Government representatives from Ministry of Environment and Natural Resources attended the Bank's regional ODS workshop in Thailand. A World Bank mission was undertaken in November 2019 with several previous short visits by the Bank Task Team Leader.