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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
31st meeting
Geneva, 5-7 July 2000

**REPORT OF THE 11TH MEETING OF THE SUB-COMMITTEE
ON MONITORING, EVALUATION AND FINANCE**

Introduction

1. The Sub-Committee on Monitoring, Evaluation and Finance of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol held its 11th meeting at the United Nations Office in Geneva on 3 and 4 July 2000.
2. The meeting was attended by the members of the Sub-Committee - the representatives of Australia, Bahamas (Chair), China, Dominican Republic, Netherlands, Sweden and Uganda - as well as by representatives of the implementing agencies, the Ozone Secretariat, and the Treasurer.
3. The meeting was also attended by representatives of Germany, Japan and the United States of America as observers.
4. The Chair of the Sub-Committee, Mr. Donald Cooper (Bahamas), opened the meeting at 10.15 a.m. on Monday 3 July 2000 and welcomed the participants.

AGENDA ITEM 1: ADOPTION OF THE AGENDA AND ORGANIZATION OF WORK

5. The Sub-Committee adopted the following agenda:

1. Adoption of the agenda and organization of work.
2. 1999 accounts of the Multilateral Fund.
3. Completed projects with balances: follow-up to decision 30/19.
4. Implementation delays: follow-up to decisions 30/10 and 30/11.
5. Progress reports as at 31 December 1999:
 - (a) Consolidated progress report;
 - (b) Progress report on bilateral cooperation;
 - (c) Progress report of UNDP;
 - (d) Progress report of UNEP;
 - (e) Progress report of UNIDO;
 - (f) Progress report of the World Bank.
6. Evaluation of the implementation of the 1999 business plans.
7. ODS sector consumption data: follow-up to decision 30/20.
8. Institutional strengthening projects: follow-up to decision 30/7, subparagraphs (f) and (g).
9. Draft format for terminal reports and extension requests relating to institutional strengthening: follow-up to decision 30/8, subparagraphs (e) and (f).
10. Report on evaluation of training projects.
11. Desk study on recovery and recycling projects.
12. Desk study on compressor projects.
13. Other matters.
14. Adoption of the report of the Sub-Committee.
15. Closure of the meeting.

AGENDA ITEM 2: 1999 ACCOUNTS OF THE MULTILATERAL FUND

6. The Sub-Committee considered the report on the 1999 accounts of the Multilateral Fund (UNEP/OzL.Pro/ExCom/31/5), which was presented by the Treasurer.

7. The Sub-Committee recommended that the Executive Committee take note of the accounts of the Multilateral Fund.

AGENDA ITEM 3: COMPLETED PROJECTS WITH BALANCES: FOLLOW-UP TO DECISION 30/19

8. The Sub-Committee considered the report on the completed projects with balances - follow-up to decision 30/19 (UNEP/OzL.Pro/ExCom/31/6), which was presented by the Secretariat.

9. The Sub-Committee recommended that the Executive Committee:

- (a) Adopt the following guidelines for the return of unobligated balances from completed projects, as proposed in document UNEP/OzL.Pro/ExCom/31/6:
 - (i) Implementing agencies should return remaining unobligated (unencumbered) balances as soon as possible, but not later than one year following project completion, with the amount returned specified by project;
 - (ii) Implementing agencies should report on the reasons why any unobligated (unencumbered) balances could not be returned within the required time-frame and when they would be returned;
 - (iii) Full accounting of funds returned during the calendar year of reporting should be provided by project in the annual progress and financial reports;
- (b) Request the Secretariat, in consultation with the implementing agencies, to develop procedures and formats for applying the above guidelines and to investigate ways of dealing with the balances from recurring projects. The format should include the date of completion, the level of approved funding, the amount dispersed to date and, of the balance, how much had been obligated, how much was unobligated, and how much had been returned;
- (c) Take note of the return of US\$ 525,161 from UNDP.

AGENDA ITEM 4: IMPLEMENTATION DELAYS: FOLLOW-UP TO DECISIONS 30/10 AND 30/11

10. The Sub-Committee considered the report on implementation delays - follow-up to decisions 30/10 and 30/11 (UNEP/OzL.Pro/ExCom/31/7), which was presented by the Secretariat.

11. The Executive Committee recommended that the Executive Committee note the cancellation of the following projects by mutual agreement, with the remaining balances to be returned to the Fund at the 32nd meeting:

- Elimination of CFCs in domestic refrigerator production plants at Aurora in Argentina (ARG/REF/18/INV/INV/35)(World Bank);
- Piragua S.A., and Piragua San Luis in Argentina (ARG/REF/18/INV/36)(World Bank);
- Foam project at Musimassejahtera Abadi in Indonesia (IDS/FOA/15/INV/30)(World Bank);

12. The Sub-Committee recommended that the Executive Committee:

- (a) Continue monitoring the following projects closely:
- Recovery and recycling of refrigerant project in the Congo (PRC/REF/20/TAS/04) (UNDP);
 - Suavestar: flexible foam slabstock project in Argentina (ARG/FOA/20/INV/48)(UNDP);
 - Coldair, Modern Refrigerator & Metal Furniture Co., Sheet Metal Industries in Sudan (SUD/REF/19/INV/06)(UNIDO);
 - Adzen S.A. C.I.F. in Argentina (ARG/REF/19/INV/43)(World Bank);
 - P.T. Foamindo Industri Uretan in Indonesia (IDS/FOA/11/INV/12)(World Bank);
 - P.T. Erlangga Trimanunggal Kusumah in Indonesia (IDS/FOA/13/INV/16)(World Bank);
 - Positive Foam Industry in Indonesia (IDS/FOA/INV/19)(World Bank);
 - Nutal: commercial refrigeration investment project in Venezuela (VEN/REF/17/INV/40)(UNDP), noting that it would be completed by the end of 2000;
 - Real Value Appliances Ltd. in India (IND/HAL/18/INV/60)(World Bank);
- (b) Request the Secretariat to send a letter to the Government of Pakistan on the possible cancellation of the following projects at the 32nd meeting:
- Singer foam project in Pakistan (PAK/FOA/29/INV/21)(World Bank);
 - Foam project at Refrigerators Manufacturing Company in Pakistan (PAK/FOA/29/INV/31)(World Bank);
- (c) Request the Secretariat to send a letter to the Government of Pakistan stating that the proposed revised completion date of 2003 for the following projects was not acceptable and that a completion date of 2001, as suggested by the World Bank, should be used:
- Dawlance foam project in Pakistan (PAK/FOA/29/INV/26)(World Bank);
 - United foam project in Pakistan (PAK/FOA/29/INV/27)(World Bank);
- (d) Having noted the information provided by the representative of UNIDO concerning the demurrage charge issue in Kenya, request UNIDO to pursue the matter and report back to the Secretariat to enable it to provide an update to the Executive Committee at its 32nd meeting.

AGENDA ITEM 5: PROGRESS REPORTS AS AT 31 DECEMBER 1999

(a) Consolidated progress report

13. The Sub-Committee considered the consolidated progress report prepared by the Secretariat showing progress in the implementation of projects as at 31 December 1999 (UNEP/OzL.Pro/ExCom/31/8 and Corr.1) and considered the issues raised that were common to most or all of the implementing agencies.

14. The Sub-Committee recommended that the Executive Committee:
- (a) Take note of the consolidated progress report;
 - (b) Note the levels of unobligated balances held by the implementing agencies and bilateral donors shown in UNEP/OzL.Pro/ExCom/31/8/Corr.1;
 - (c) Encourage the implementing agencies to work on simplifying their internal procedures;
 - (d) Decide that any project preparation funding request by an implementing agency must be accompanied by a letter from the country in order to be approved.
15. The Sub-Committee also recommended that the Executive Committee:
- (a) Closely monitor the implementation of the remaining five projects approved in 1992 on a meeting-by-meeting basis, in the context of projects with implementation delays, until those projects were completed;
 - (b) Request the Secretariat to consult with the implementing agencies on the feasibility of closing project preparation accounts annually or biennially and to submit a concise report on the matter to the Executive Committee at its 32nd meeting.
- (b) Progress report on bilateral cooperation**
16. The Secretariat introduced the progress report on bilateral cooperation (UNEP/OzL.Pro/ExCom/31/9), which contained the reports of the Governments of Australia, Canada, France, Germany, Japan, Sweden, the United Kingdom of Great Britain and Northern Ireland and the United States of America on their bilateral cooperation activities.
17. The Sub-Committee recommended that the Executive Committee:
- (a) Note with appreciation the progress reports submitted by the Governments of Australia, Belgium, Canada, France, Germany, Japan, Sweden, the United Kingdom and the United States;
 - (b) Also note that the Government of Australia returned the balance (US\$ 91,869.87) from the methyl bromide demonstration project in Kenya (KEN/FUM/21/DEM/12) by way of an additional cash contribution prior to the current meeting for reprogramming and planned to submit a cancellation report on the project to the 32nd meeting;
18. The Sub-Committee also recommended that the Executive Committee:
- (a) Request the bilateral agencies to strive to achieve the same rate of disbursement (70 per cent for all funded projects) as required for the implementing agencies by decision 24/4;
 - (b) Also request the Governments of France, Germany and the United States to provide the 32nd meeting of the Executive Committee with reports on projects with implementation delays.

(c) Progress report of UNDP

19. The representative of UNDP introduced UNDP's progress report (UNEP/OzL.Pro/ExCom/31/10).

20. After some discussion and having heard UNDP's explanations concerning certain projects, the Sub-Committee recommended that the Executive Committee note:

- (a) The progress report of UNDP;
- (i) That reports on projects classified with implementation delays identified in the consolidated progress report (UNEP/OzL.Pro/ExCom/31/8, annex I) would be submitted to the 32nd meeting in accordance with decision 26/2.

21. The Sub-Committee also recommended that the Executive Committee:

- (a) Request that an additional status report be submitted to the 32nd meeting on the following projects, due to the late submission of UNDP's progress report:
- CINTER S.R.L. Elimination of CFC use in the manufacture of sandwich polyurethane panels in Argentina (ARG/FOA/15/INV/14);
 - Conversion to non-CFC technology in the manufacture of flexible foam (slabstock) at Nuvel Corp. S.A. in Argentina (ARG/FOA/18/INV/27);
 - Conversion to non-CFC technology in the manufacture of flexible foam (slabstock) at Piero SAIC in Argentina (ARG/FOA/18/INV/30);
 - Elimination of the use of CFC's in the manufacture of sandwich panels and spray foams at Montisol Argentina S.A. and Art Nouveau Puntana, S.A. in Argentina (ARG/FOA/18/INV/33);
 - Elimination of the use of CFCs in the manufacture of commercial refrigerators and display cabinets at TREVI in Argentina (ARG/REF/23/INV/60);
 - Elimination of the use of CFCs in the manufacture of sandwich polyurethane panels and spray foams at BONANO in Argentina (ARG/REF/23/INV/61);
 - Conversion to non-CFC technology in the manufacture of flexible foam (slabstock) at FPV S.A. in Argentina (ARG/FOA/22/INV/56);
 - Elimination of the use of CFCs in the manufacture of rigid foam blocks for insulated trailers at FRUEHAUF in Argentina (ARG/FOA/23/INV/65);
 - Conversion to non-CFC technology in the manufacture of flexible foam (slabstocks) at Suavestar S.A. in Argentina (ARG/FOA/20/INV/48);
 - Elimination of the use of CFCs in the manufacture of sandwich polyurethane panels and spray foams at Calofrig Asilaciones Jacobi S.A.I.C. in Argentina (ARG/FOA/22/INV/57);
 - Implementation of a national programme for recovery and recycling of refrigerant in Bolivia (BOL/REF/20/TAS/04);
 - Conversion to CFC-free technology in the manufacture of polyurethane foam at Trambusti Naue in Brazil (BRA/FOA/22/INV/66);
 - Elimination of CFCs 11 and 12 in the manufacture of domestic freezers at DEBAO Refrigeration Equipment Co. Ltd. in China (CPR/REF/23/INV/233);
 - Conversion to CFC-free technology in the manufacture of rigid PU foam in seven plants in Egypt (EGY/FOA/15/INV/36);

- Elimination of CFC-12 in the manufacture of extruded polystyrene foam at Al-Sharif Plastic Factories in Egypt (EGY/FOA/09/INV/10);
 - Elimination of CFCs 11 and 12 in the manufacture of domestic refrigerators and freezers at Prado S.A. de C.V. in El Salvador (ELS/REF/22/INV/03);
 - Project preparation for two projects in the foam sector (ELS/FOA/24/PRP/05);
 - Global MAC project: Phase 3 (GLO/REF/24/TAS/159);
 - Conversion to CFC-free technology in the manufacture of flexible cold-cured moulded and integral skin PUF at PT ARCHIGRAMMA in Indonesia (IDS/FOA/23/INV/71);
 - Elimination of CFC-11 and CFC-12 in the manufacture of domestic refrigerators at ANDINA Industrial in Peru (PER/REF/15/INV/04);
 - Conversion to CFC-free technology in the manufacture of polyurethane shoe soles at Group Project (ORCA) in Mexico (MEX/FOA/23/INV/73);
 - Preparation of one project in the flexible foam subsector in the Syrian Arab Republic (SYR/FOA/27/PRP/42);
 - Institutional strengthening of the Ozone Layer Protection Unit: Phase 1 in Thailand (THA/SEV/09/INS/09);
 - Elimination of CFC-11 and CFC-12 in the manufacture of commercial refrigeration equipment at NUTAL in Venezuela (VEN/REF/17/INV/40);
 - Elimination of CFC-11 and CFC-12 in the manufacture of domestic refrigerators at Coresmalt Valencia in Venezuela (VEN/REF/18/INV/43);
- (b) Having noted that UNDP had a balance of US\$ 865,000 from project preparation funds, against which US\$ 288,000 had been disbursed, and that further obligations had been made against part of the remaining balance, defer any decision thereon pending the submission of the report to be prepared by the Secretariat on the closure of project preparation accounts (see the recommendation under agenda item 5 (a)).

(d) Progress report of UNEP

22. The representative of UNEP introduced UNEP's progress report (UNEP/OzL.Pro/ExCom/31/11 and Corr. 1).

23. After having obtained clarification from the representative of UNEP on a number of issues, the Sub-Committee recommended that the Executive Committee note:

- (a) The progress report of UNEP;
- (b) That reports on projects classified with implementation delays as identified in the consolidated progress report (UNEP/OzL.Pro/ExCom/31/8) would be submitted to the 32nd meeting;
- (c) UNEP's policy on extending the time-frame of institutional strengthening projects, if necessary, in order to ensure that they were implemented effectively;
- (d) UNEP's report on the effectiveness of the halon bank management clearing house and their request for suggestions on how to make the activity even more effective.

24. The Sub-Committee also recommended that the Executive Committee request the following:

- (a) An additional status report to be submitted to the 32nd meeting of the Executive Committee on the following projects, due to the late submission of UNEP's progress report:
- RMP: customs training in Bahrain (BAH/REF/26/TRA/06);
 - RMP: customs training in Burundi (BDI/REF/126/TRA/03);
 - RMP: training of technicians in Burundi (BDI/REF/26/TRA/04);
 - RMP: monitoring ODS in the Bahamas (BHA/REF/23/TRA/04);
 - RMP: training refrigeration technicians in the Bahamas (BHA/REF/23/TRA/06);
 - RMP: preparation in Bolivia (BOL/REF/24/PRP/07);
 - RMP: customs training in Dominica (DMI/REF/26/TRA/02);
 - RMP: customs training in the Dominican Republic (DOM/REF/25/TRA/14);
 - RMP: customs training in Gambia (GAM/SEV/19/TRA/03);
 - RMP: monitoring ODS in Georgia (GEO/REF/23/TRA/02);
 - RMP: preparation in Guinea (GUI/REF/21/PRP/03);
 - RMP: training of technicians in Moldova (MOL/REF/25/TRA/03);
 - RMP: monitoring ODS in Moldova (MOL/REF/25/TRA/04);
 - RMP: training of technicians in Peru (PER/REF/21/TRA/21);
 - RMP: customs training in Peru (PER/REF/21/TRA/23);
 - RMP: monitoring ODS in St. Vincent and the Grenadines (STV/REF/25/TRA/03);
- (b) Additional status reports on the following institutional strengthening projects, which were classified by UNEP as having slow project implementation: Bahamas, Botswana, Comoros, Congo, Dominica, Lesotho, Namibia, Nicaragua, Papua New Guinea, St. Kitts and Nevis, Swaziland, Togo and Uganda.

(e) Progress report of UNIDO

25. The representative of UNIDO introduced UNIDO's progress report (UNEP/OzL.Pro/ExCom/31/12 and Corr.1).

26. After having obtained clarification from the representative of UNIDO on a number of issues, the Sub-Committee recommended that the Executive Committee note:

- (a) The progress report of UNIDO (UNEP/OzL.Pro/ExCom/31/12 and Corr.1);
- (b) The progress reported by UNIDO with regard to the following two projects in Algeria and Pakistan:
- Ets. Matelas Djurdjura foam project (ALG/FOA/25/INV/27);
 - Chest freezer project (PAK/REF/19/INV/09);
- (c) That projects with negative balances would be financially closed without overruns for the projects with negative balances listed in UNIDO's progress report database;

- (d) That reports on projects classified with implementation delays, as identified in the consolidated progress report (UNEP/OzL.Pro/ExCom/31/8), would be submitted to the 32nd meeting.

27. The Sub-Committee also recommended that the Executive Committee:

- (a) Request the Secretariat to send letters to the Governments of Brazil, Mozambique and the United Republic of Tanzania indicating the possibility of cancellation of the following projects if no progress was reported to the 32nd meeting:
- Refrigeração Rubra refrigeration project (BRA/REF/23/INV/83);
 - Refrigeration project in Mozambique (MOZ/REF/18/INV/04);
 - Tanzania Domestic Appliance Manufacturers (URT/REF/18/INV/06);
- (b) Request the Secretariat to send letters to the Governments of Algeria and Pakistan urging the expeditious implementation of the projects referred to in paragraph 26 (b) above;
- (c) Having noted that UNIDO had a balance of US\$ 290,983 from project preparation, defer any decision thereon pending the submission of the report to be prepared by the Secretariat on the closure of project preparation accounts (see the recommendation under agenda item 5(a)).

(f) Progress report of the World Bank

28. The representative of the World Bank introduced the Bank's progress report (UNEP/OzL.Pro/ExCom/31/13 and Corr.1).

29. The Sub-Committee recommended that the Executive Committee note:

- (a) The progress report of the World Bank;
- (b) That reports on projects with implementation delays, as identified in the consolidated progress report (UNEP/OzL.Pro/ExCom/31/8), would be submitted to the 32nd meeting;
- (c) The cancellation of the following projects, and that the World Bank would return the remaining balances to the Fund at the 32nd meeting:
- Refrigeration project in China at Shanghai Shangling Chang An Refrigerator Company (CPR/REF/23/INV/235), due to financial difficulties at the enterprise;
 - Gepassa and Gesal project in Argentina (ARG/REF/23/INV/70), due to financial difficulties at the enterprise;
- (d) That the World Bank had indicated that, if there was no progress on the following projects by August 2000, they would be cancelled:
- Refrigerators and Home Appliance Ltd. project in India (IND/REF/22/INV/124);
 - Hindustan Industries project in India (IND/REF/22/INV/123);
 - Refrigeration Components and Accessories project in India (IND/REF/22/INV/110);

- (e) That the Supercold Refrigeration Systems project in India (IND/REF/22/INV/105) was expected to be completed within two to three months;
- (f) The return of US\$ 1,390,630 for the McClean refrigeration project in Argentina (ARG/REF/15/INV/21);
- (g) The World Bank's explanation that apparent overruns in its progress report were due to data inaccuracies.

30. The Sub-Committee, having noted that the World Bank had submitted a request for a change in technology in accordance with Decision 22/70 in respect of the Lobato San Luis refrigeration project in Argentina (ARG/REF/23/INV/69), recommended that the Executive Committee refer this issue to the Sub-Committee on Project Review for its consideration at its next meeting prior to the 32nd meeting of the Executive Committee.

31. The Sub-Committee, having noted that the World Bank had a balance of US\$ 567,000 from project preparation activities, including funds from unspecified sectors, recommended that the Executive Committee defer any decision thereon pending the submission of the report to be prepared by the Secretariat on the closure of project preparation accounts (see the recommendation under agenda item 5 (a)).

AGENDA ITEM 6: EVALUATION OF THE IMPLEMENTATION OF THE 1999 BUSINESS PLANS

32. The Sub-Committee reviewed the evaluation of the 1999 business plans of the implementing agencies (UNEP/OzL.Pro/ExCom/31/14 and Corr.1), which was based on the performance indicators adopted by the Executive Committee at its 22nd meeting (decision 22/18) and the weightings of performance indicators adopted by the Executive Committee at its 26th meeting (decisions 26/4 and 26/5).

33. Following a discussion on these issues, the Sub-Committee recommended that the Executive Committee:

- (a) Request members of the Executive Committee and implementing agencies to communicate to the Secretariat, within 60 days (i.e., by 2 September 2000), their views on:
 - (i) The current indicators for the evaluation of the performance of the implementing agencies in achieving the targets in their business plans;
 - (ii) The possible need for new indicators (for example, on assistance provided by implementing agencies to national zone units (NOUs) and the effective operation of NOUs) in the light of decisions on strategic planning;
 - (iii) The need for and possible uses of agency shares, including the removal of fixed shares, special funding windows and over-programming;

- (iv) Potential consequences for agencies not meeting existing and potential new performance targets;
- (b) Request the Secretariat to prepare a report based on the comments received for submission to the 32nd meeting;
- (c) Request UNEP to report project implementation status using the indicators required by the decisions of the Executive Committee, bearing in mind that UNEP had indicated its achievements against its own targets for the following during the meeting:
 - (i) Policies initiated from non-investment activities;
 - (ii) Reduction in ODP tons from non-investment activities;
 - (iii) The extent to which the networks were used by the agencies and the Secretariat in developing their work or explaining new policies;
- (d) Request the implementing agencies to report on all of the indicators required by the decisions of the Executive Committee.

AGENDA ITEM 7: ODS SECTOR CONSUMPTION DATA: FOLLOW-UP TO DECISION

30/20

34. The Sub-Committee considered the update on the summary status report of the survey conducted by the Secretariat on ODS phase-out in Article 5 countries (UNEP/OzL.Pro/ExCom/31/15).

35. The Sub-Committee acknowledged that the new form of data reporting constituted a good start and would help in the process of cross-checking of data. At the same time, there was room for improvement in the accuracy of the data and the way they were presented. As countries improved their data, changes would occur, and differences would always remain.

36. The Sub-Committee recommended that the Executive Committee take note of the reports contained in document UNEP/OzL.Pro/ExCom/31/15.

37. The Sub-Committee further recommended that the Executive Committee:

- (a) Request the implementing agencies to attempt to reconcile the sector consumption data against the data from the Ozone Secretariat, taking into account the fact that the sectoral data should be seen as estimated breakdowns of the data officially reported to the Ozone Secretariat, and to report this information to the Committee at its 34th meeting;
- (b) Urge the national ozone units to provide the implementing agencies with the breakdown of refrigeration sector data into servicing and manufacturing, for their own planning purposes as well as for planning by the Executive Committee;
- (c) Request the Secretariat, in its future annual reports on the status of ODS sector consumption in Article 5 countries, to further adjust the tables contained in the annexes to document UNEP/OzL.Pro/ExCom/31/15 to include sector totals and the related percentages, and to introduce totals of the data while indicating all caveats concerning the reliability of the data which the Secretariat may consider necessary;

- (d) Request the Secretariat to update the tables with the most recent data available;
- (e) Decide that the Secretariat should explore the implications of and modalities for strengthening the data management function within the Secretariat to ensure accuracy, comparability and efficiency in data collection, and in so doing liaise with relevant Article 5 countries and those providing and receiving data.

AGENDA ITEM 8: INSTITUTIONAL STRENGTHENING PROJECTS: FOLLOW-UP TO DECISION 30/7, SUBPARAGRAPHS (f) AND (g)

38. The Sub-Committee considered the report on institutional strengthening projects, prepared as a follow-up to decision 30/7, subparagraphs (f) and (g) (UNEP/OzL.Pro/ExCom/31/16 and Corr.1), which was presented by the Secretariat.

39. The Sub-Committee recommended that the Executive Committee:

- (a) Take note of the agreement that UNEP and UNIDO would extend their quarterly progress reporting to six-monthly intervals;
- (b) Note that the Secretariat will report on the implementation of paragraphs (b) and (c) of decision 30/7 at the 32nd meeting of the Executive Committee.

40. The Sub-Committee further recommended that the Executive Committee adopt the following procedures for reallocating funds across budget lines for institutional strengthening projects:

- (a) The changes in budget lines should be proposed by the country concerned and reviewed and, as appropriate, approved by the implementing agency assisting the country before being finalized and adopted;
- (b) Certain categories of expenditure, which may not be allowed under the institutional strengthening project, should be defined and strictly followed.

AGENDA ITEM 9: DRAFT FORMAT FOR TERMINAL REPORTS AND EXTENSION REQUESTS RELATING TO INSTITUTIONAL STRENGTHENING: FOLLOW-UP TO DECISION 30/8, SUBPARAGRAPHS (e) AND (f)

41. The Sub-Committee reviewed the draft format for terminal reports and extension requests relating to institutional strengthening, prepared as a follow-up to decision 30/8, subparagraphs (e) and (f) (UNEP/OzL.Pro/ExCom/31/19). Various views were expressed as to the need for further revision of the format, with some speakers expressing a preference for revision after experience had been gained from the practical use of the proposed formats, while others preferred revision based on comments made during the 11th meeting. Following the discussion, the Sub-Committee recommended that the Executive Committee approve for the time being the revised format for terminal reports and extension requests for institutional strengthening projects contained in annexes I and II to the present report, while inviting the members of the Sub-Committee to offer their suggestions for improvement, after discussion at the next Sub-Committee meeting.

AGENDA ITEM 10: REPORT ON EVALUATION OF TRAINING PROJECTS

42. The Sub-Committee reviewed the report on the evaluation of training projects (UNEP/OzL.Pro/ExCom/31/20) and recommended that the Executive Committee take note of the findings and recommendations in the report prepared by the Senior Monitoring and Evaluation Officer (UNEP/OzL.Pro/ExCom/31/20).
43. The Sub-Committee further recommended that the Executive Committee:
- (a) Request the members of the Executive Committee to submit their comments on the report within 60 days of the adoption of its decision (i.e., by 2 September 2000);
 - (b) Request the Senior Monitoring and Evaluation Officer to circulate the reports on the countries evaluated for their comments;
 - (c) Further request the Senior Monitoring and Evaluation Officer to prepare a recommendation on the matter for the 32nd meeting of the Executive Committee, taking into account the comments made by the members of the Executive Committee, the observations made during the 11th meeting of the Sub-Committee, and the views of the countries covered by the evaluations, as well as any further observations submitted by the implementing agencies.

AGENDA ITEM 11: DESK STUDY ON RECOVERY AND RECYCLING PROJECTS

44. The Sub-Committee reviewed the desk study on recovery and recycling projects (UNEP/OzL.Pro/ExCom/31/18) and recommended that the Executive Committee decide that:
- (a) The implementing agencies should seek information from Governments together with national ozone units on the status of all the recovery and recycling projects they have implemented so as to ascertain whether they are in operation. The reports should be based on a standardized format for data collection, both at the individual equipment user level and as summarized information at the project level. This format should be developed by the Senior Monitoring and Evaluation Officer in consultation with the implementing agencies and interested national ozone units, and should be presented to the Executive Committee at its 32nd meeting;
 - (b) An evaluation of recovery and recycling projects should be undertaken, particularly for those projects implemented as a component of a refrigerant management plan, as soon as they had been monitored for a reasonable period and data had been collected by the national ozone units and the implementing agencies and forwarded to the Multilateral Fund Secretariat. Depending on the information received from the national ozone units and the implementing agencies, as well as that contained in the project completion reports, the evaluation could be undertaken under the 2001 or 2002 work programme for monitoring and evaluation. The terms of reference for the evaluation would be presented to the Executive Committee for consideration. The draft terms of reference would take account of comments made by members of the Sub-Committee on Monitoring, Evaluation and Finance at its 11th meeting;

- (c) The national ozone units together with the implementing agencies should also be requested to obtain costing data for recovery and recycling which should include the operating cost of equipment, to arrive at the cost of recovery and recycling, as well as the price trends in refrigerants. The data would permit the conditions for economically viable recycling and recovery operations to be determined, and they should be made available to the implementing agency, with a copy to the Multilateral Fund Secretariat.

AGENDA ITEM 12: DESK STUDY ON COMPRESSOR PROJECTS

45. The Sub-Committee reviewed the desk study on compressor projects (UNEP/OzL.Pro/ExCom/31/17) and recommended that the Executive Committee:

- (a) Take note of the information provided in document UNEP/OzL.Pro/ExCom/31/17;
- (b) Request the Senior Monitoring and Evaluation Officer to consider, during preparation of the 2001 draft work programme for Monitoring and Evaluation, the possibility and usefulness of a field evaluation of compressor projects, in the context of ODS phase-out in the refrigeration sector of selected countries.

AGENDA ITEM 13: OTHER MATTERS

46. Under this agenda item the Sub-Committee held a discussion of the issue of improved interaction between national ozone units and the implementing agencies in the context of the new strategy which appeared to be taking shape, and of the possible need to review the large number of past decisions of the Executive Committee to determine which of them were still valid. Mention was also made of the need for intensified efforts to promote the transfer of experience between one Article 5 country and another. It was agreed that any of the participants having views on those issues could request the Secretariat to circulate them among the members with a view to further discussion at a later date.

AGENDA ITEM 14: ADOPTION OF THE REPORT OF THE SUB-COMMITTEE

47. The Sub-Committee adopted the present report on the basis of the draft report contained in documents UNEP/OzL.Pro/ExCom/31/SCMEF/L.1 and L.1/Add.1.

AGENDA ITEM 15: CLOSURE OF THE MEETING

48. The Chair declared the meeting closed at 6.06 p.m. on Tuesday, 4 July 2000.

Annex I

Draft Revised Terminal Report for Institutional Strengthening Projects

(Sections 1-20 to be completed by the country concerned prior to sending it to the implementing agency for comments in Section 21)

1. Country:
2. National Implementing Agency / Ozone Unit:
3. Implementing Agency:
4. List of previous project phases:

| Phase | Duration | MLF Funding (Approved) | MLF Funding (Disbursed) |
|-------|----------|------------------------|-------------------------|
| | | | |
| | | | |
| | | | |
| | | | |
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| | | | |

5. Indicate the main project objective and the detailed objectives as defined in the action plan for the phase reported upon:

6. Describe the results achieved by category and compare them with the results foreseen in the Action Plan:

| Year | Activities | Results Expected | Results Achieved |
|--|------------|------------------|------------------|
| 1 st Year | | | |
| | | | |
| 2 nd Year | | | |
| | | | |
| Describe additional results unforeseen in the Action Plan: | | | |
| | | | |

9. Were resources (staff, budget, equipment) used for activities in addition to the approved action plan? If so, please specify:

10. Describe the role and position of the NOU within the national administration, the way its work is supervised and its access to senior decision-makers; this may include the cooperation with steering committees, advisory groups or inter-ministerial bodies:

11. Describe how the action plan for the IS project has been integrated in the national authorities' planning process:

12. Title and date of reports submitted:

| To Whom: | Title of Report | Submission (Year/Quarter) | |
|---|-----------------|------------------------------|--------|
| | | Planned | Actual |
| 1. Government Departments | | | |
| 2. Reports to Multilateral Fund Secretariat | | | |
| 3. Reports to Ozone Secretariat | | | |
| 4. Implementing Agency | | | |
| 5. Other Implementing Agency(ies) | | | |
| 6. Bilateral Donor(s) | | | |
| 7. Others | | | |

13. Were adequate advice and/or technical support received from:

| | Yes | No | Please specify |
|-----------------------------------|-----|----|----------------|
| a) Implementing Agency | | | |
| b) Other Implementing Agency(ies) | | | |
| c) Bilateral Donor(s) | | | |
| d) Government Departments | | | |
| e) National Steering Committee | | | |
| f) Others (please specify) | | | |

14. Support received from Regional Network (Network Coordinator/Manager and Network members) and input provided to the Network:

| Support Received from Regional Network | Input Provided to Network |
|--|---------------------------|
| | |
| | |
| | |
| | |
| | |

15. Was the NOU subject to an audit by the beneficiary Government or by the Implementing Agency? If yes, what were the results?

16. Lessons learnt (what were the main successes and difficulties and what can be learnt from them for improving effectiveness and impact during the next phase):

17. Terminal Report prepared by:

| | |
|--|--|
| Name of Officer responsible for preparing the Terminal Report: | |
| Title: | |
| Organization/Agency/Ministry: | |
| Date: | |

18. Government Authority with oversight responsibility for the IS Project/NOU:

| | |
|-------------------------------|--|
| Name of Officer responsible: | |
| Title: | |
| Organization/Agency/Ministry: | |
| Date: | |
| Comments: | |

19. Implementing Agency:

| | |
|-------------------------------|--|
| Name of Officer responsible: | |
| Title: | |
| Organization/Agency/Ministry: | |
| Date: | |
| Comments: | |

Annex II

**Extension of Institutional Strengthening Projects
Draft Revised Plan of Action**

(Sections 1-16 to be completed by the country concerned prior to sending it to the implementing agency for comments in Section 17)

1. Country:
2. National Implementing Agency / Ozone Unit
3. Implementing Agency:
4. Period of Extension: From (month/year) to (month/year)
(Based on the approved guidelines)
5. Amount of MLF funding requested:
6. Status of ratification:

| Amendment | Ratification Date | or projected date |
|----------------------|-------------------|-------------------|
| London Amendment | | |
| Copenhagen Amendment | | |
| Montreal Amendment | | |

7. Consumption by group of substances and by sector. This is identical to the annual report the Ozone Units submit to the Fund Secretariat on the progress of implementation of Country Programmes. Please attach form with data for the most recent year or indicate when you sent it to the Secretariat if this has been done already.
8. Indicate the main project objective for the next phase in relation to the country's compliance with the provisions of the Montreal Protocol:
9. Objectives, planned activities per year and expected results:

| Year | Objectives | Planned Activities | Results expected |
|----------------------|------------|--------------------|------------------|
| 1 st Year | | | |
| | | | |
| | | | |
| 2 nd Year | | | |
| | | | |
| | | | |

10. Describe modalities how regular access of the Ozone Unit to senior decision-makers will be assured. Such modalities may include steering committees, advisory groups or inter-ministerial bodies:

11. Describe how the action plan for the IS project will be integrated in the national authorities' planning process:

12. Planned Project Cost:

| | Planned Project Cost | MLF Funding | Counterpart Funding | Other Sources |
|---------------------------------------|----------------------|-------------|---------------------|---------------|
| a) Equipment component | | | | |
| b) Professional Staff | | | | |
| c) Support staff | | | | |
| d) Consultants | | | | |
| e) Operational cost | | | | |
| f) Funds for public awareness | | | | |
| g) Contingency | | | | |
| h) Others including in-kind (specify) | | | | |
| Total Amount | | | | |

13. Personnel required:

0

| Category and Numbers | Functional Titles/Expertise | Main Tasks | Time Period |
|----------------------|-----------------------------|------------|-------------|
| Professional Staff | | | |
| | | | |
| | | | |
| Support Staff | | | |
| | | | |
| | | | |
| Consultants | | | |
| | | | |
| | | | |
| | | | |

14. Title and schedule of reports to be submitted:

| To Whom: | Title of Report | Planned Submission (Year/Quarter) |
|---|-----------------|--------------------------------------|
| 1. Government Departments | | |
| 2. Reports to Multilateral Fund Secretariat | | |
| 3. Reports to Ozone Secretariat | | |
| 4. Implementing Agency | | |
| 5. Other Implementing Agency(ies) | | |
| 6. Bilateral Donor(s) | | |
| 7. Others | | |

15. Action Plan prepared by:

| | |
|--|--|
| Name of Officer responsible for preparing the Action Plan: | |
| Title: | |
| Organization/Agency/Ministry: | |
| Date: | |

16. Government endorsement:

| | |
|---|--|
| Action Plan authorized by: | |
| Title: | |
| Supervising Organization/Agency/Ministry: | |
| Date: | |

17. Submission of Action Plan:

| | |
|----------------------------------|--|
| Name of Implementing Agency: | |
| Name of Project Officer: | |
| Date: | |
| Comments of Implementing Agency: | |
