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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Thirty-first Meeting
Geneva, 5-7 July 2000

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

Introduction

1. In its review of the progress report submitted to the 28th Meeting of the Executive Committee, the Secretariat identified several projects that had been completed 12 months previously but had significant levels of remaining balances from the funds approved by the Executive Committee. The Executive Committee requested a report on these balances and the extent to which these balances had been obligated for expenditure (Decision 28/7). The Executive Committee reaffirmed this request at its 29th Meeting and requested all of the agencies to report to the 30th Meeting. (Decision 29/9).
2. UNEP, UNIDO and the World Bank provided reports to the 30th Meeting and returned US \$6.1 million to the Multilateral Fund for re-programming. UNDP was unable to present a report to the 30th Meeting due to the ongoing difficulties in installing its new financial computer programme, but indicated that the report would be furnished to the 31st Meeting.
3. At its 30th Meeting, the Executive Committee also requested the Secretariat to liaise with the implementing agencies to refine further the definitions of un-obligated balances and un-liquidated obligations and to indicate a time for return of the balances to the Fund in time for the Thirty-first Meeting (Decision 30/19).
4. The Secretariat requested the implementing agencies to provide definitions for un-obligated balances and un-liquidated obligations. It also discussed with the implementing agencies a time for return of the balances to the Fund on an ongoing basis. UNDP was requested to provide the report on project balances from projects completed through 1998 as indicated in Decision 30/19.

Definitions

5. To clarify the definitions of un-liquidated obligations and un-obligated balances, it is necessary to understand the definition of the financial term, obligations.
6. The United Nations implementing agencies informed the Fund Secretariat that United Nations financial rules define an obligation as an amount charged to a project as expenditure on a certain item in the year it was raised, but which has not yet been paid as a cash disbursement. A liquidated obligation is a cash disbursement (the World Bank uses the term disbursement for liquidated obligations). An unliquidated obligation is a commitment to pay something that has yet to be paid (disbursed or liquidated). (The Bank uses the term “commitment” as somewhat analogous to the term “un-liquidated obligations”; however, commitments are funds expected to be disbursed in the coming financial periods (six months to one year.))
7. Un-obligated balances are funds that have not been obligated or disbursed. Another term for this used by United Nations agencies is un-encumbered balances. An unencumbered balance is defined as the balance of an allocation, allotment or appropriation that has not yet been obligated or disbursed as cash. (The World Bank uses

the term “un-committed balances or balances” to refer to balances that have not been committed for the coming financial period. However, the Bank pointed out that until financial completion, un-committed balances cannot be returned to the Fund for reprogramming, as some of the balances may still be committed in the future).

Timing for the return of balance to the Fund

8. The progress and financial reports of the implementing agencies are provided to the second meeting of the year based on activities and financial information as of the end of the previous year. For example, the progress and financial reports for the period ending 31 December 1999 are being presented to the second meeting of 2000, in July 2000.

9. Agencies may return funds once project accounts have been financially closed. The balances from projects that have been cancelled without any expenditure (disbursement or obligation) should generally be able to be returned at the time of project cancellation. Projects that have been cancelled that have had some expenditure may take some time to financially close the accounts. Therefore, the timing of the return of funds is dependent primarily on when the accounts of a project can be closed. For example, UNIDO indicated that upon the financial closure of an account, the unliquidated obligations are automatically added to the contribution account of the Multilateral Fund.

10. The Fund Secretariat recommends the following guidelines for the return of funds:

- (a) A full accounting of funds returned during the calendar year of reporting should be provided by project in the annual progress and financial reports.
- (b) Implementing agencies should return remaining un-obligated (unencumbered) balances as soon as possible, following financial completion, to any meeting of the Executive Committee with the amount returned specified by project.

Report of project balances from projects completed through 1998 from UNDP

11. UNDP provided the requested report to the Secretariat on 25 May 2000 and indicated that it would provide an updated status prior to the 31st Meeting. Annex I contains on a project by project basis, information by project number, level of approved budget, funds disbursed and obligated as of 31 December 1999, the residual disbursement and obligation balance, the un-encumbered balance, and the amount of funds to be returned to the 31st Meeting.

12. UNDP has residual disbursements and obligations totalling US \$5,097,963, of which US \$4,572,802 is the unencumbered balance and US \$525,161 will be returned to the 31st Meeting for reprogramming. UNDP indicated that the US \$4,572,802 in unencumbered balances are estimated and can be returned once confirmation is received

that all operations have been completed. At this time, UNDP is awaiting confirmations that all operations for these projects have been completed.

RECOMMENDATIONS

13. The Sub-Committee on Monitoring, Evaluation, and Finance may wish to consider recommending to the Executive Committee:

- (a) To adopt the guidelines for the return of project balances as proposed in paragraph 10 above, and
- (b) Note the return of US \$525,161 for the projects as specified in Annex I to this document.

Annex I

UNDP PROJECTS COMPLETED THROUGH 1998 WITH REMAINING BALANCES

Project Budget	Adjusted Budget	Funds Disbursed as at 31 Dec. 1999	Disb&Obl Funds as at 31 Dec. 1999	Residual Disbursement Balance	Residual Disbursement & Obligation Balance	Unencumbered Balance	Amounts to be returned to the MLF
AFR/FUM/17/TAS/015	179,850	141,936	141,936	37,914	37,914	37,914	
ARG/FOA/18/INV/028	115,000	95,313	95,313	19,687	19,687	19,687	
ARG/FOA/18/INV/029	473,000	471,366	471,366	1,634	1,634	1,634	
ARG/FOA/18/INV/031	690,000	687,153	687,153	2,847	2,847	2,847	
ARG/FOA/21/PRP/050	35,000	31,020	31,520	3,980	3,480	3,480	
ARG/FOA/22/INV/055	76,650	65,700	65,700	10,950	10,950	10,950	
ARG/FOA/24/PRP/074	25,000	24,500	24,500	500	500	500	
ARG/FUM/24/PRP/073	25,000	19,448	19,448	5,552	5,552	5,552	
ARG/REF/19/INV/045	196,000	189,306	189,306	6,694	6,694	6,694	
ARG/SEV/22/PRP/054	15,000	12,400	14,400	2,600	600	600	
BAH/REF/21/PRP/003	45,000	31,507	33,498	13,493	11,502	11,502	
BHA/REF/21/PRP/003	15,000	12,150	12,161	2,850	2,839	2,839	
BOL/FOA/21/PRP/005	25,000	22,500	22,500	2,500	2,500	2,500	
BOT/REF/21/PRP/003	20,000	11,120	11,120	8,880	8,880	8,880	
BRA/FOA/12/INV/013	370,000	354,718	354,718	15,282	15,282	15,282	
BRA/FOA/17/INV/021	119,400	94,132	94,132	25,268	25,268		25,268
BRA/FOA/18/INV/027	243,500	228,626	228,626	14,874	14,874	14,874	
BRA/FOA/18/INV/028	254,500	200,881	200,881	53,619	53,619	53,619	
BRA/FOA/18/INV/029	338,500	291,244	291,244	47,256	47,256	47,256	
BRA/FOA/19/INV/043	346,000	262,248	262,248	83,752	83,752	83,752	
BRA/FOA/19/INV/045	746,000	741,974	741,974	4,026	4,026		4,026
BRA/FOA/19/INV/046	120,000	83,178	83,178	36,822	36,822		36,822
BRA/FOA/21/PRP/062	100,000	93,250	93,250	6,750	6,750	6,750	
BRA/FOA/22/INV/070	71,600	59,790	59,790	11,810	11,810	11,810	
BRA/FOA/22/INV/071	270,000	261,558	261,558	8,442	8,442	8,442	
BRA/FOA/22/INV/072	516,000	430,448	430,448	85,552	85,552	85,552	
BRA/SEV/22/PRP/074	45,000	43,700	43,700	1,300	1,300	1,300	
BRA/SOL/18/INV/036	38,000	37,994	37,994	6	6	6	
COL/FOA/13/INV/009	691,500	653,890	653,890	37,610	37,610	37,610	
COL/REF/13/INV/004	844,824	639,618	639,618	205,206	205,206	205,206	
COL/REF/13/INV/005	1,386,314	1,045,736	1,045,736	340,578	340,578	340,578	
COL/REF/13/INV/006	1,410,680	1,052,557	1,052,557	358,123	358,123	358,123	
COL/REF/13/INV/007	313,650	290,271	290,271	23,379	23,379	23,379	
COL/REF/15/INV/011	442,644	433,778	433,778	8,866	8,866	8,866	
COL/REF/18/INV/021	155,350	153,789	153,789	1,561	1,561		1,561
COS/FUM/24/PRP/012	40,000	11,375	11,375	28,625	28,625	28,625	
COS/SEV/21/PRP/011	35,000	25,666	25,666	9,334	9,334	9,334	
CPR/FOA/09/TAS/022	480,000	421,015	421,015	58,985	58,985	58,985	
CPR/FOA/11/INV/054	435,000	341,338	357,261	93,662	77,739	77,739	
CPR/FOA/15/INV/087	621,000	567,466	612,466	53,534	8,534	8,534	
CPR/FOA/15/INV/088	358,000	265,135	265,135	92,865	92,865	92,865	
CPR/FOA/15/INV/091	375,000	341,439	341,439	33,561	33,561	33,561	
CPR/FOA/15/INV/092	345,000	334,473	334,473	10,527	10,527	10,527	
CPR/FOA/15/INV/094	93,750	90,007	90,007	3,743	3,743	3,743	
CPR/FOA/15/INV/095	143,000	129,913	129,913	13,087	13,087	13,087	
CPR/FOA/15/INV/096	150,000	112,966	112,966	37,034	37,034	37,034	
CPR/FOA/15/INV/099	337,000	334,672	334,672	2,328	2,328	2,328	
CPR/FOA/15/INV/100	273,000	260,156	260,156	12,844	12,844	12,844	

Project Budget	Adjusted Budget	Funds Disbursed as at 31 Dec. 1999	Disb&Obl Funds as at 31 Dec. 1999	Residual Disbursement Balance	Residual Disbursement & Obligation Balance	Unencumbered Balance	Amounts to be returned to the MLF
CPR/FOA/15/INV/103	1,065,000	1,018,341	1,063,341	46,659	1,659	1,659	
CPR/FOA/17/INV/134	362,600	295,114	295,114	67,486	67,486	67,486	
CPR/FOA/18/INV/141	160,000	159,940	159,940	60	60	60	
CPR/FOA/19/INV/161	66,000	60,362	60,362	5,638	5,638	5,638	
CPR/FUM/12/TAS/060	87,000	85,234	85,234	1,766	1,766	1,766	
CPR/REF/11/TAS/055	100,000	80,642	80,642	19,358	19,358	19,358	
CPR/SEV/09/TAS/026	90,000	89,299	89,299	701	701	701	
CPR/SEV/11/TAS/056	362,500	333,445	333,445	29,055	29,055	29,055	
CPR/SEV/21/CPG/188	225,000	183,344	183,344	41,656	41,656	41,656	
CPR/SOL/10/INV/036	409,000	408,488	408,488	512	512	512	
CPR/SOL/12/TAS/061	489,400	422,356	422,356	67,044	67,044	67,044	
CPR/SOL/18/INV/152	104,700	86,357	86,357	18,343	18,343	18,343	
CPR/SOL/21/TAS/192	200,000	165,379	165,379	34,621	34,621	34,621	
CUB/ARS/22/PRP/005	15,000	12,827	12,827	2,173	2,173	2,173	
CUB/SEV/10/INS/002	172,000	169,196	169,196	2,804	2,804	2,804	
DOM/REF/21/PRP/008	10,000	8,900	9,900	1,100	100	100	
DOM/REF/22/INV/009	423,209	420,326	420,326	2,883	2,883		2,883
DOM/REF/22/PRP/010	10,000	8,000	9,250	2,000	750	750	
EGY/FOA/11/INV/020	385,000	277,364	277,364	107,636	107,636		107,636
EGY/FOA/12/INV/022	525,000	510,827	510,827	14,173	14,173	2,274	11,899
EGY/FOA/12/INV/026	870,000	759,516	759,516	110,484	110,484	110,484	
EGY/FOA/21/PRP/060	40,000	4,742	4,742	35,258	35,258	35,258	
EGY/REF/12/INV/030	385,000	382,308	382,308	2,692	2,692		2,692
EGY/REF/15/INV/044	539,000	518,370	520,161	20,630	18,839	18,839	
EGY/REF/18/INV/050	409,000	408,981	408,981	19	19	19	
ELS/REF/21/PRP/002	45,000	41,350	41,350	3,650	3,650	3,650	
GAB/REF/21/PRP/002	20,000	14,605	14,605	5,395	5,395	5,395	
GAM/FOA/21/PRP/004	20,000	13,452	13,452	6,548	6,548	6,548	
GLO/REF/22/PRP/133	140,000	118,365	120,490	21,635	19,510	19,510	
GUA/REF/15/INV/007	155,017	149,194	149,194	5,823	5,823		5,823
IDS/FOA/17/INV/032	55,000	49,618	49,618	5,382	5,382		5,382
IDS/FOA/20/INV/046	184,000	183,705	183,705	295	295		295
IDS/FOA/22/INV/060	75,870	72,129	72,129	3,741	3,741	3,741	
IDS/FOA/23/INV/068	32,900	32,583	32,583	317	317		317
IDS/FOA/23/INV/081	68,000	63,201	66,051	4,799	1,949	1,949	
IDS/FOA/24/PRP/084	30,000	17,711	26,711	12,289	3,289	3,289	
IDS/REF/24/PRP/083	10,000	5,000	7,000	5,000	3,000	3,000	
IND/FOA/13/INV/030	328,500	250,678	250,678	77,822	77,822	77,822	
IND/FOA/19/INV/072	123,000	118,073	118,073	4,927	4,927	4,927	
IND/FOA/19/INV/073	59,000	58,848	58,848	152	152	152	
IND/FOA/19/INV/074	217,250	216,052	216,052	1,198	1,198	1,198	
IND/FOA/19/INV/076	167,100	149,832	149,832	17,268	17,268	17,268	
IND/FOA/19/INV/078	122,500	115,844	115,844	6,656	6,656	6,656	
IND/FOA/19/INV/079	243,000	214,256	214,256	28,744	28,744		28,744
IND/FOA/19/INV/081	500,000	464,117	464,117	35,883	35,883	35,883	
IND/FOA/19/INV/082	214,000	175,164	175,164	38,836	38,836	38,836	
IND/FOA/19/INV/083	312,200	287,530	287,530	24,670	24,670	24,670	
IND/FOA/20/INV/097	71,000	70,896	70,896	104	104	104	
IND/FOA/20/INV/098	61,000	57,927	57,927	3,073	3,073	3,073	
IND/FOA/20/INV/100	64,000	59,983	59,983	4,017	4,017	4,017	
IND/FOA/20/INV/103	164,000	141,748	141,748	22,252	22,252	22,252	
IND/FOA/22/INV/128	132,000	116,870	116,870	15,130	15,130	15,130	
IND/FOA/23/INV/151	48,000	27,935	27,935	20,065	20,065	20,065	
IND/SEV/21/PRP/109	120,000	117,616	119,429	2,384	571	571	

Project Budget	Adjusted Budget	Funds Disbursed as at 31 Dec. 1999	Disb&Obl Funds as at 31 Dec. 1999	Residual Disbursement Balance	Residual Disbursement & Obligation Balance	Unencumbered Balance	Amounts to be returned to the MLF
IRA/SEV/08/INS/005	200,200	187,943	187,943	12,257	12,257	12,257	
JAM/FOA/22/INV/006	596,000	522,233	522,233	73,767	73,767	73,767	
JAM/REF/18/TAS/003	172,465	159,098	159,098	13,367	13,367	13,367	
JAM/SEV/21/PRP/005	30,000	13,069	13,069	16,931	16,931	16,931	
KEN/SEV/09/INS/003	175,000	148,766	148,766	26,234	26,234	26,234	
LEB/FUM/25/PRP/023	25,000	24,995	24,995	5	5	5	
LES/REF/21/PRP/003	20,000	17,296	17,296	2,704	2,704	2,704	
MAL/FOA/12/INV/022	353,000	351,979	351,979	1,021	1,021	1,021	
MAL/FOA/12/INV/033	1,045,000	987,386	987,386	57,614	57,614	57,614	
MAL/FOA/15/INV/048	66,500	66,346	66,346	154	154		154
MAL/FOA/15/INV/049	335,000	331,802	331,802	3,198	3,198		3,198
MAL/FOA/17/INV/061	199,000	191,990	191,990	7,010	7,010	7,010	
MAL/FOA/18/INV/065	90,320	88,336	88,336	1,984	1,984	1,984	
MAL/FOA/18/INV/066	236,500	181,950	181,950	54,550	54,550	54,550	
MAL/FOA/18/INV/067	123,400	122,927	122,927	473	473		473
MAL/FOA/18/INV/068	96,000	92,868	92,868	3,132	3,132	3,132	
MAL/FOA/18/INV/071	152,000	149,119	149,119	2,881	2,881	2,881	
MAL/FOA/19/INV/089	209,000	202,356	204,201	6,644	4,799	4,799	
MAL/FOA/22/INV/095	131,000	128,550	128,550	2,450	2,450	2,450	
MAL/FOA/22/INV/096	155,500	147,338	147,338	8,162	8,162	8,162	
MAL/FOA/23/INV/104	96,815	84,301	84,301	12,514	12,514	12,514	
MAL/FOA/24/PRP/108	30,000	15,459	15,459	14,541	14,541	14,541	
MAL/HAL/18/INV/072	179,586	174,383	174,383	5,203	5,203	5,203	
MAL/REF/12/INV/029	962,000	858,647	858,647	103,353	103,353	103,353	
MAL/REF/13/INV/037	351,200	340,530	340,530	10,670	10,670	(1,119)	11,789
MAL/REF/13/INV/042	625,100	500,277	500,277	124,823	124,823	124,823	
MAL/REF/18/INV/074	183,260	180,991	180,991	2,269	2,269	2,269	
MAL/SEV/20/INS/091	215,000	188,363	188,363	26,637	26,637	26,637	
MAL/SEV/21/PRP/093	100,000	61,533	61,533	38,467	38,467	38,467	
MAR/REF/15/INV/005	197,208	176,765	176,765	20,443	20,443	20,443	
MAR/REF/15/INV/006	213,500	188,005	188,005	25,495	25,495	25,495	
MEX/FOA/18/INV/041	100,000	99,630	99,630	370	370	370	
MEX/FOA/19/INV/046	428,000	341,690	341,690	86,310	86,310	86,310	
MEX/FOA/19/INV/047	507,500	459,685	459,685	47,815	47,815	47,815	
MEX/FOA/20/INV/048	80,500	78,390	78,390	2,110	2,110	2,110	
MEX/FOA/22/INV/055	421,500	409,871	409,871	11,629	11,629	11,629	
MEX/FOA/22/INV/057	78,300	71,621	71,621	6,679	6,679	6,679	
MEX/FOA/23/INV/066	92,000	91,480	91,480	520	520	520	
MEX/FUM/24/PRP/080	30,000	16,195	16,628	13,805	13,372	13,372	
MEX/REF/15/INV/030	867,033	815,121	815,121	51,912	51,912	51,912	
MEX/REF/15/INV/031	2,439,932	2,358,107	2,358,107	81,825	81,825	81,825	
MEX/REF/15/INV/034	2,017,517	2,012,397	2,012,397	5,120	5,120	5,120	
MEX/REF/15/INV/035	1,038,309	988,036	988,036	50,273	50,273	50,273	
MEX/REF/18/TAS/043	352,610	305,030	305,030	47,580	47,580	47,580	
MEX/SEV/21/PRP/052	52,000	49,100	49,100	2,900	2,900	2,900	
MEX/SEV/22/PRP/053	10,000	7,600	9,600	2,400	400	400	
MEX/SEV/22/TAS/059	60,000	57,600	58,600	2,400	1,400	1,400	
MLW/FOA/21/PRP/006	15,000	12,000	12,000	3,000	3,000	3,000	
MLW/FOA/22/PRP/007	5,000	3,000	3,000	2,000	2,000	2,000	
MLW/REF/19/TAS/005	106,320	106,009	106,009	311	311	311	
MOR/FOA/20/INV/004	120,000	119,489	119,489	511	511		511
MOR/FOA/21/PRP/006	80,000	66,286	67,795	13,714	12,205	12,205	
MOR/FOA/24/PRP/021	20,000	2,176	2,176	17,824	17,824	17,824	
MOZ/REF/21/PRP/005	20,000	18,357	18,357	1,643	1,643	1,643	

Project Budget	Adjusted Budget	Funds Disbursed as at 31 Dec. 1999	Disb&Obl Funds as at 31 Dec. 1999	Residual Disbursement Balance	Residual Disbursement & Obligation Balance	Unencumbered Balance	Amounts to be returned to the MLF
NIR/FOA/20/INV/012	34,000	32,880	32,880	1,120	1,120	1,120	
NIR/FOA/20/INV/014	314,000	296,352	328,352	17,648	17,648	17,648	
PAN/FOA/21/PRP/008	15,000	11,961	11,961	3,039	3,039	3,039	
PAR/FOA/22/PRP/003	30,000	29,250	29,250	750	750	750	
PER/REF/15/INV/005	748,966	646,769	646,769	102,197	102,197	102,197	
PHI/FOA/12/INV/027	505,000	274,422	274,422	230,578	230,578		230,578
PHI/FOA/13/INV/031	185,000	164,881	164,881	20,119	20,119	20,119	
PHI/FOA/13/INV/032	305,000	288,302	288,302	16,698	16,698	16,698	
PHI/FOA/13/INV/034	60,000	57,703	57,703	2,297	2,297		2,297
PHI/FOA/17/INV/037	217,000	207,668	207,668	9,332	9,332		9,332
PHI/FOA/18/INV/037	650,000	646,376	646,376	3,624	3,624		3,624
PHI/FUM/25/PRP/055	30,000	9,151	9,151	20,849	20,849	20,849	
PHI/REF/21/PRP/047	35,000	30,736	30,736	4,264	4,264	4,264	
PHI/SOL/19/INV/046	642,800	192,454	192,454	450,346	450,346	450,346	
PHI/SOL/24/PRP/054	25,000	2,880	2,880	22,120	22,120	22,120	
SRL/REF/17/INV/004	250,114	249,202	249,202	912	912	912	
SRL/SOL/24/PRP/011	20,000	5,549	19,549	14,451	451	451	
THA/ARS/15/TAS/038	127,000	124,113	124,113	2,887	2,887	2,887	
THA/ARS/24/PRP/089	30,000	13,160	18,160	16,840	11,840	11,840	
THA/FOA/12/INV/027	339,500	318,635	320,685	20,865	18,815	18,815	
THA/FOA/12/INV/031	257,500	256,991	256,991	509	509	509	
THA/FOA/15/INV/042	225,000	220,000	220,000	5,000	5,000	5,000	
THA/FOA/18/INV/047	430,000	397,846	397,846	32,154	32,154		32,154
THA/FOA/19/INV/051	181,500	180,704	180,704	796	796	796	
THA/FOA/20/INV/055	277,800	247,330	247,330	30,470	30,470	30,470	
THA/FOA/20/INV/056	198,000	149,053	149,053	48,947	48,947	48,947	
THA/FOA/22/INV/066	215,000	207,399	207,399	7,601	7,601	7,601	
THA/FOA/23/INV/075	56,750	51,864	51,864	4,886	4,886	4,886	
THA/SEV/21/PRP/059	100,000	58,061	59,800	41,939	40,200	40,200	
TRI/ARS/24/PRP/011	15,000	6,091	6,091	8,909	8,909	8,909	
TRI/SEV/21/PRP/005	40,000	17,404	35,404	22,596	4,596	4,596	
UGA/REF/19/TAS/005	56,000	55,983	55,983	17	17	17	
URT/FOA/24/PRP/009	20,000	15,829	15,829	4,171	4,171	4,171	
VIE/ARS/17/INV/007	238,430	235,983	235,983	2,447	2,447	2,447	
ZAM/REF/19/TAS/006	106,320	106,080	106,080	240	240	240	
ZIM/FUM/24/PRP/014	25,000	3,527	3,527	21,473	21,473	21,473	
Total					5,097,963	4,572,802	525,161