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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Thirty-fifth Meeting
Montreal, 5-7 December 2001

Corrigendum

**REPORT OF THE THIRTY-FIFTH MEETING OF THE EXECUTIVE COMMITTEE
OF THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE
MONTREAL PROTOCOL**

This corrigendum is issued to:

- Replace in paragraph 82 (b) (ii) the words “Annex V to this document” with “Annex V to document UNEP/OzL.Pro/ExCom/35/46”.
- Delete in paragraph 83 the word “draft”.
- Replace paragraphs 111 and 112 with the following:

“111. Concerning the funding of institutional strengthening projects and their renewal, it was clarified that an augmentation of funding applied to new such project proposals only, and not to those already approved.

112. After a discussion among several participants, the Executive Committee decided:

- (a) Institutional strengthening: All institutional strengthening projects and renewals shall be approved at a level that is 30 per cent higher than the historically agreed level. This will help countries carry out the new strategic framework agreed, and provide increased support for critical areas such as public awareness. The level of institutional strengthening funding noted above should prevail until 2005 when it should again be reviewed. This proposal would also include a clear commitment that this level of

institutional strengthening or a level close to it should prevail for all Article 5 Parties until at least 2010, even if they should phase-out early. It should also be noted that, in addition to this direct increase in institutional strengthening funding, UNEP will, as agreed in 2000, be provided with US \$200,000/year to support public awareness, and countries will receive enhanced direct support on policy and substantive issues through UNEP's new Compliance Assistance Programme. Finally, it should be noted that countries undertaking national phase-out plans are likely to receive institutional strengthening funding at an even higher level than that anticipated above to facilitate national project implementation, as explicitly agreed in related phase-out agreements.

- (b) Country programme updates: Countries shall be provided with country programme update funding that is 75 per cent of the level originally provided to them to do country programmes. Low-volume consuming countries that have done RMPs will be given 50 per cent of the funding provided to develop their original RMP to do RMP updates, but will not be given funding to do country programme updates. New country programmes should, consistent with existing Executive Committee guidelines, continue to include RMPs.
- (c) Reductions in national aggregate consumption: In the context of the Executive Committee agreement on strategic planning (Decision 33/54 (a)), the Executive Committee agreed that further funding must be predicated on a commitment by the country to achieve sustainable permanent aggregate reductions in consumption and production, as relevant. In implementing this provision, the Executive Committee believes that all Article 5 countries should be treated equally. In that regard, each Article 5 country should select one option from two options below for determining the starting point for implementation of its national aggregate consumption.

Option 1

Montreal Protocol Baseline as reported at the 35th Meeting less projects approved but not yet implemented when the baseline was established in 1997, and projects approved since.

Option 2

Latest Reported Data (1999 or 2000) as reported at the 35th Meeting less projects approved but not yet implemented.

Provisos relating to the decision

A. If an Article 5 country selects option 2, it should be with the understanding that the Executive Committee may agree in exceptional cases to adjust the resulting baseline at the first instance a project from a country is considered, to take into account the demonstrated non-representative nature of the last year's data for reasons such as clearly demonstrated stockpiling in the specific 12-month period, and/or national economic difficulties in the specific 12-month period. In so considering, the Executive Committee shall not take into account illegal imports, as there should be agreement that firms that import illegally, or purchase illegal imports, should not benefit from Fund assistance. In

any case, it must be perfectly clear that only the Montreal Protocol baseline will be used to determine compliance with the Montreal Protocol.

B. It is acknowledged that some future years' reported consumption may go above or below the levels that result from the agreed calculation, but if consumption numbers go above the resulting levels, such increases in consumption would not be eligible for funding. It is further noted that the resulting numbers represent maximum residual ODS that the Fund will pay to reduce, and that existing Fund guidance related to eligibility of projects would be maintained in all respects.

C. It is noted that RMPs and methyl bromide projects lead to a specific commitment of levels of reductions in national aggregate consumption relative to Montreal Protocol obligations, and that halon banking projects often lead to commitment for a total national phase-out and ban on the import of halon. Those projects should continue to be handled on that basis.

D. Institutional strengthening and non-investment activities, including UNEP activities and any country dialogues that may be approved, undeniably contribute to Article 5 reductions in the use of ODS, otherwise, there would be no need to fund these activities. That said, their direct ODS reduction impact has been notoriously difficult to quantify. The Technology and Economic Assessment Panel historically suggested that for methyl bromide, non-investment activities may be five times more cost-effective than phase-out projects, yielding a cost-effectiveness of under US \$4.25/kg. For the purposes of this endeavour, it has been agreed to take a much more conservative stance, and agreed that all future non-investment activities be given a value that is not many times more cost-effective than investment projects, which is at US \$12.10/kg, which is one third as cost-effective as the average investment project approved under the Fund. This should be used as an interim figure until more research can be done on the issue.

E. While countries are still explicitly given the option of proceeding on a project by project or sector/national basis, it should be noted that in the case of broader plans such as production sector plans, RMPs, solvents sector plans, halon sector plans or national CFC phase-out plans, complicated issues such as selecting a starting point and ensuring national sustained reductions become less critical, as the agreements themselves embody a specific commitment to eliminate national aggregate consumption or production of the given substance on a specific schedule.

(Decision 35/57)"

- Delete in paragraph 13 of Annex XVI the words "in the above Table".



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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Thirty-fifth Meeting
Montreal, 5-7 December 2001

Corrigendum

**REPORT OF THE THIRTY-FIFTH MEETING OF THE EXECUTIVE COMMITTEE
OF THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE
MONTREAL PROTOCOL**

Replace paragraph 134 (e) with the following:

- (e) To approve US \$75,000 plus 13% on support cost, on an exceptional basis, to support the substantive and relevant logistical arrangements, including the participation of Executive Committee members from Article 5 countries and the relevant experts and resource persons from Article 5 countries. This amount should be offset against the Government of Japan's 2001 contribution to the Multilateral Fund.

Replace pages 16 and 17 of Annex IV with the attached.

List of projects and activities approved for funding

Project Title	Agency	ODP (tonnes)	Funds Approved (US\$)		C.E. (US\$/kg)	
			Project	Support		Total
Total for Yugoslavia		479.4	\$825,668	\$107,337	\$933,005	
REGION: AFR						
HALON						
Banking						
Establishment of a regional halon bank for Eastern and Southern African countries (Botswana, Ethiopia, Kenya, Lesotho, Namibia, Tanzania and Zimbabwe)	Germany	27.0	\$350,000	\$45,500	\$395,500	1.30
<i>Approved on the condition that this would be the final project in the halon sector for the participating countries.</i>						
Total for Region: AFR		27.0	\$350,000	\$45,500	\$395,500	
GLOBAL						
SEVERAL						
Preparation of project proposal						
Project preparation advance (2002)	UNIDO		\$176,250	\$22,913	\$199,163	
Project preparation advance (2002)	UNDP		\$200,000	\$26,000	\$226,000	
Project preparation advance (2002)	IBRD		\$180,000	\$23,400	\$203,400	
Technical assistance/support						
Workshop on concessional lending	Japan		\$75,000	\$9,750	\$84,750	
Programme administration						
Compliance Assistance Programme: 2002 work programme:	UNEP		\$5,351,450	\$428,116	\$5,779,566	
<i>Approved with the following conditions: (a) The use of this budget and related CAP employees shall not be used for implementation of projects approved before 2002; (b) UNEP will submit a preliminary report to the 38th Meeting of the Executive Committee on the use of the Programme Support Cost, with a detailed report to be submitted at the 40th Meeting in 2003; (c) UNEP should also report during 2002 on the progress made in the implementation of the CAP programme to the Executive Committee, specifically on the lessons learned during the first steps of CAP implementation; (d) Funds approved annually for the CAP but not spent be returned to the Multilateral Fund for re-programming at the second meeting of the Executive Committee in the year following that for which they had been approved; (e) Consideration by the Executive Committee should be given to benefit of developing a unified budget in future years, and request UNEP to provide a proposal for such a budget at the 38th Meeting of the Executive Committee.</i>						
Total for Global			\$5,982,700	\$510,179	\$6,492,879	
GRAND TOTAL		8,309.0	\$53,056,569	\$5,702,992	\$58,759,561	

Summary

Sector	Tonnes ODP	Funds Approved (US\$)		
		Project	Support	Total
BILATERAL COOPERATION				
Foam	89.0	\$523,049	\$67,997	\$591,046
Halon	222.0	\$609,500	\$79,235	\$688,735
Refrigeration	51.5	\$1,118,541	\$129,461	\$1,248,002
Solvent		\$15,000	\$1,950	\$16,950
Several		\$75,000	\$9,750	\$84,750
TOTAL:	362.5	\$2,341,090	\$288,393	\$2,629,483
INVESTMENT PROJECT				
Aerosol	8.8	\$128,900	\$16,757	\$145,657
Foam	3,371.8	\$18,275,169	\$1,911,799	\$20,186,968
Fumigant	131.3	\$2,909,186	\$353,968	\$3,263,154
Halon	3,489.0	\$4,449,700	\$467,461	\$4,917,161
Process agent	118.5	\$871,068	\$113,239	\$984,307
Refrigeration	677.0	\$8,939,262	\$1,147,634	\$10,086,896
Solvent	15.4	\$518,693	\$67,056	\$585,749
Sterilants	19.8	\$412,741	\$53,656	\$466,397
Phaseout plan	115.0	\$6,079,940	\$493,595	\$6,573,535
TOTAL:	7,946.5	\$42,584,659	\$4,625,165	\$47,209,824
WORK PROGRAMME AMENDMENT				
Fumigant		\$180,000	\$23,400	\$203,400
Multi-sector		\$5,351,450	\$428,116	\$5,779,566
Refrigeration		\$724,750	\$94,218	\$818,968
Solvent		\$169,000	\$21,970	\$190,970
Phaseout plan		\$70,000	\$9,100	\$79,100
Several		\$1,635,620	\$212,631	\$1,848,251
TOTAL:		\$8,130,820	\$789,434	\$8,920,254
Summary by Parties and Implementing Agencies				
Canada	40.0	\$905,270	\$101,736	\$1,007,006
Germany	322.5	\$1,360,820	\$176,907	\$1,537,727
Japan		\$75,000	\$9,750	\$84,750
IBRD	5,088.0	\$20,936,493	\$1,907,973	\$22,844,466
UNDP	1,500.0	\$12,587,212	\$1,590,053	\$14,177,265
UNEP		\$7,377,267	\$691,472	\$8,068,739
UNIDO	1,358.4	\$9,814,507	\$1,225,101	\$11,039,608
GRAND TOTAL	8,309.0	\$53,056,569	\$5,702,992	\$58,759,561



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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Thirty-fifth Meeting
Montreal, 5-7 December 2001

**REPORT OF THE THIRTY-FIFTH MEETING OF THE EXECUTIVE COMMITTEE
OF THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE
MONTREAL PROTOCOL**

1. The 35th Meeting of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol was held at the headquarters of the International Civil Aviation Organization in Montreal from 5 to 7 December 2001, and was preceded by the 24th Meeting of the Sub-Committee on Project Review and the 15th Meeting of the Sub-Committee on Monitoring, Evaluation and Finance, held concurrently at the same venue on 3 and 4 December 2001.
2. The meeting was attended by representatives of the following countries members of the Executive Committee, in accordance with Decision XII/4 of the 12th Meeting of the Parties to the Montreal Protocol:
 - (a) Parties not operating under paragraph 1 of Article 5 of the Protocol: Australia, Finland, Germany (Chair), Japan, Netherlands, Poland and United States of America;
 - (b) Parties operating under paragraph 1 of Article 5 of the Protocol: Colombia, Dominican Republic, India, Jordan, Malaysia, Nigeria and Tunisia (Vice-Chair).
3. In accordance with the decisions taken by the Executive Committee at its Second and Eighth Meetings, representatives of the United Nations Development Programme (UNDP), the United Nations Environment Programme (UNEP), both as implementing agency and as Treasurer of the Fund, the United Nations Industrial Development Organization (UNIDO) and the World Bank attended the meeting as observers.

4. The President and Vice-President of the Implementation Committee, members of the Technology and Economic Assessment Panel (TEAP), and representatives of the Ozone Secretariat were present.

5. The meeting was attended by representatives of Greenpeace International and the Alliance for Responsible Atmospheric Policy as observers.

AGENDA ITEM 1: OPENING OF THE MEETING

6. The meeting was opened at 10 a.m. on Wednesday, 5 December 2001, by the Chair, Mr. Heinrich Kraus (Germany), who welcomed participants.

AGENDA ITEM 2: ORGANIZATIONAL MATTERS:

(a) Adoption of the agenda

7. On the basis of the provisional agenda contained in document UNEP/OzL.Pro/ExCom/35/1/Rev.1, the Executive Committee adopted the following agenda:

1. Opening of the meeting.
2. Organizational matters:
 - (a) Adoption of the agenda;
 - (b) Organization of work.
3. Secretariat activities.
4. Status of contributions and disbursements.
5. Report of the Fifteenth Meeting of the Sub-Committee on Monitoring, Evaluation and Finance on:
 - (a) Consolidated draft business plan of the Multilateral Fund for the year 2002;
 - (b) Draft business plans for the year 2002 of:
 - (i) Bilateral agencies;
 - (ii) UNDP;
 - (iii) UNEP;
 - (iv) UNIDO;

- (v) World Bank;
 - (c) Report on the implementation of the monitoring and evaluation work programme for the year 2001:
 - (i) Consolidated project completion report;
 - (ii) Follow-up to Decision 33/2 on the evaluation reports on foam projects;
 - (iii) Summary of the desk study on aerosol projects;
 - (iv) Progress report on the clearing house evaluation;
 - (d) Final report on the evaluation of solvent sector projects;
 - (e) Draft monitoring and evaluation work programme for the year 2002;
 - (f) Completed projects with balances;
 - (g) Implementation delays;
 - (h) Report on the performance indicators and proposal on modifications: follow-up to Decision 34/11;
 - (i) Progress reports: follow-up to Decisions 34/7 and 34/9;
 - (j) Proposed budget of the Fund Secretariat for the year 2002.
6. Report of the Twenty-fourth Meeting of the Sub-Committee on Project Review on:
- (a) Overview of issues identified during project review;
 - (b) Bilateral cooperation;
 - (c) 2001 work programme amendments;
 - (d) Work programme of UNEP for the year 2002;
 - (e) Work programme advances for UNDP, UNIDO and the World Bank for the year 2002;
 - (f) Investment projects;
 - (g) Funding of technology that is not in the public domain.

7. Strategic planning of the Multilateral Fund:
 - (a) Revised document 34/53: follow-up to Decision 34/66 (c);
 - (b) Study on defining a starting point for determining the remaining ODS consumption eligible for funding by the Multilateral Fund: follow-up to Decision 34/66 (a);
 - (c) Draft decision on country programme update.
8. Report of the Executive Committee's Sub-Group on the Production Sector.
9. An issue paper on support cost: follow-up to Decision 34/65.
10. Report on the study on alternatives to CFC in rigid foam applications.
11. Concessional lending: follow-up to Decision 34/69.
12. Other matters.
13. Adoption of the report.
14. Closure of the meeting.

8. The representative of the United States of America requested that a discussion be held under agenda item 12 - Other matters on countries co-opted as part of delegations of members of the Executive Committee.

9. The representative of Japan requested the inclusion of the question of membership of the Sub-Committees on Monitoring, Evaluation and Finance and on Project Review under agenda item 12 - Other matters.

(b) Organization of work

10. The Executive Committee agreed to follow its customary procedure.

AGENDA ITEM 3: SECRETARIAT ACTIVITIES

11. The Chief Officer introduced the report on the various activities undertaken by the Secretariat since the 34th Meeting of the Executive Committee (UNEP/OzL.Pro/ExCom/35/2).

12. He informed the meeting that the production-sector consultant contracted by the Secretariat had submitted his report on the technical audits of all the ODS-producing plants in the Democratic People's Republic of Korea. The report would be considered by the Sub-Group on the Production Sector at the current meeting.

13. The Chief Officer indicated that the preparations for the current meeting had departed from the norm as the Secretariat had for the first time received and reviewed nine sectoral plans, in addition to the multiyear projects for methyl bromide. Excellent cooperation with the implementing agencies had made it possible to get all the documents prepared in time.

14. The Chief Officer drew attention to two important meetings he had attended: one in Turkey, together with the Chair and Vice-Chair of the Executive Committee, at which the Multilateral Fund was assured of the Turkish Government's determination to achieve compliance with the Montreal Protocol by 2005; and an informal meeting of ministers and high-level officials from Article 5 countries in the context of the 13th Meeting of the Parties, at which participants had highlighted the problems faced by their countries due to the availability of inexpensive CFCs on their domestic markets, and to dumping of second-hand appliances relying on CFCs for their functioning.

15. With regard to procedural matters, the Chief Officer reminded the meeting that information was required on the new membership of the Sub-Committee on Monitoring, Evaluation and Finance, and the Sub-Committee on Project Review for the year 2002. A decision would also have to be made as to whether the Sub-Group on the Production Sector should continue and, if so, the country that would act as facilitator would have to be designated, together with the members.

16. The Chief Officer drew the meeting's attention to the presence of members of the Technology and Economic Assessment Panel (TEAP) task force on 2003-2005 replenishment of the Multilateral Fund, who were attending the current meeting for consultations with Executive Committee members for the purpose of preparing their report on the 2003-2005 replenishment of the Multilateral Fund, pursuant to Decision XIII/1 of the 13th Meeting of the Parties. He invited Executive Committee members to take advantage of the opportunity to provide input.

17. In response to a question from one representative, the Chief Officer informed the Meeting that the study on CFC Alternatives to Rigid Foam was not yet available due to unforeseeable circumstances, but he was confident that the report would be available at the 36th Meeting.

18. The observer for Greenpeace expressed the view that the web site of the Multilateral Fund would benefit from being developed to include a comprehensive database with a user-friendly search engine.

19. The Executive Committee took note with appreciation of the report on Secretariat activities.

AGENDA ITEM 4: STATUS OF CONTRIBUTIONS AND DISBURSEMENTS

20. The Treasurer introduced the report on the status of the fund and contributions as at 5 November 2001 (UNEP/OzL.Pro/ExCom/35/3), which showed a surplus of US \$102.4 million. That figure took full account of the resources transferred to cover all approvals by the Executive Committee, including not only those from the 34th Meeting but also the remaining 50 per cent of the funding of the 2001 annual programme for the CFC production

sector phase-out project in China, transferred to the World Bank pursuant to Decision 33/44 of the Executive Committee, amounting to US \$6.5 million.

21. The implementation of the fixed exchange-rate mechanism had so far recorded a loss to the Fund amounting to US \$15.930 million. No additional contributions utilizing the mechanism had been received prior to the preparation of the status report, but a slight error in calculating the fixed exchange-rate for Sweden increased the balance by around US \$250,000.

22. He added that commendable efforts had been made by Parties to pay their pledges for the year 2000, which amounted to over 96 per cent of the amount due, but payments for 2001 only amounted to 71 per cent. Nevertheless, it was hoped that Parties would ensure that at least the historical average of 91 per cent for the period 1991-2000 was attained.

23. In response to a question raised, the Treasurer said that it would be possible to indicate on the table showing the status of contributions that payments comprised cash, bilateral assistance and promissory notes.

24. After a discussion concerning whether the status of contributions and disbursements should be discussed in the Executive Committee or in the Sub-Committee on Monitoring, Evaluation and Finance, the Executive Committee decided:

- (a) To take note with appreciation of the Treasurer's report and the status of contributions and disbursements contained in document UNEP/OzL.Pro/ExCom/35/3 and attached as Annex I to the present report;
- (b) To urge those Parties that had not yet paid their contributions to expedite payment;
- (c) To consider the Treasurer's report on the status of contributions and disbursements in plenary meetings of the Executive Committee.

(Decision 35/1)

AGENDA ITEM 5: REPORT OF THE FIFTEENTH MEETING OF THE SUB-COMMITTEE ON MONITORING, EVALUATION AND FINANCE

25. The representative of Finland, Chair of the Sub-Committee on Monitoring, Evaluation and Finance (composed of Australia, Dominican Republic, Finland, Jordan, Netherlands, Nigeria and Poland) introduced the report of the Sub-Committee on its 15th Meeting, held in Montreal on 3 and 4 December 2001 (UNEP/OzL.Pro/ExCom/35/4), which contained the Sub-Committee's recommendations on the following issues:

(a) Consolidated draft business plan of the Multilateral Fund for the year 2002

26. Having considered the comments and recommendations of the Sub-Committee on Monitoring, Evaluation and Finance (UNEP/OzL.Pro/ExCom/35/4, paras. 8 and 9), the Executive Committee decided:

- (a) To note the consolidated draft business plan of the Multilateral Fund for the year 2002 contained in document UNEP/OzL.Pro/ExCom/35/5;
- (b) To request implementing agencies to resolve data discrepancy issues before including projects from countries with data inconsistencies in their final 2002 business plans in the light of the Executive Committee's decisions on strategic planning;
- (c) To approve a resource allocation of US \$176 million for the purposes of the 2002 final business plan, including US \$130 million for investment projects, US \$22.7 million for non-investment projects, US \$20 million for bilateral cooperation, and US \$3.3 million for the Secretariat/Executive Committee/Monitoring and Evaluation function;
- (d) To request bilateral agencies to submit their final business plans by the due date, indicating the total level of funds needed and, in the light of this, to authorize the Secretariat to adjust the resource allocation for projects accordingly and account for any changes in allocations that might result from discussions of strategic planning, including additional funds that might be needed for country programme updates and increased allocation for institutional strengthening;
- (e) Also to authorize the Secretariat to adjust the resource allocation by the amount of interest and funds returned from completed and cancelled projects when the final accounts of the Fund for 2001 were available, taking into account the balances to be returned up to the 37th Meeting;
- (f) To request the Secretariat to bring to the attention of countries proposing changes to their baseline data, Decision XIII/15 paragraph 5 of the 13th Meeting of the Parties, which provided that changes in reported baseline data for the base years should be presented to the Implementation Committee, which would work with the Ozone Secretariat and the Executive Committee to confirm the justification for those changes and would submit them to the Meeting of the Parties for approval;
- (g) Also to request the Secretariat to include in its consolidated draft business plans updated versions of the reports on the status of Article 5 countries in achieving compliance, taking into account the Executive Committee's decisions on strategic planning;
- (h) Further to request implementing agencies, where a project designed to assist a country at risk of non-compliance with an initial control measure was withdrawn owing to sectoral data discrepancies, to liaise with that country when finalizing its business plan in order to identify an alternative project that would help the country comply with the control measure concerned;

- (i) To encourage implementing agencies to continue to reach out to those countries at risk of non-compliance to provide proposals for activities to be included in the agencies' final business plans.

(Decision 35/2)

27. One representative indicated that, if the Executive Committee did not decide to remove the funding requested for sector, production and national phase-out agreement projects from the Multilateral Fund's investment allocation, as discussed by the Sub-Committee on Monitoring, Evaluation and Finance, the World Bank would be left virtually without resources for 2002 as most of its allocation would be tied up in existing projects. The Sub-Committee on Monitoring, Evaluation and Finance might therefore wish to consider at its 16th Meeting allocating residual resources to the World Bank to enable it to finalize its work programme for 2002, and particularly to assist countries at risk of non-compliance in the critical CTC sector.

(b) Draft business plans for the year 2002 of:

(i) Bilateral agencies

28. Having considered the recommendations of the Sub-Committee on Monitoring, Evaluation and Finance (UNEP/OzL.Pro/ExCom/35/4, para. 10), the Executive Committee decided:

- (a) To note with appreciation the draft business plans for bilateral cooperation for the year 2002 submitted by Australia, Canada, Germany, Italy, Japan and Sweden, as contained in document UNEP/OzL.Pro/ExCom/35/6, as well as planned bilateral funding by the United Kingdom;
- (b) To request all bilateral agencies planning to submit activities in 2002 to obtain the clearance of the respective Article 5 countries before submitting activities for funding by the Executive Committee;
- (c) To note that the World Bank would adjust approved programme funds allocated for 2002 for the National CFC Phase-out Plans for Thailand and Malaysia when and if the World Bank sub-contracted Sweden for CTC/TCA strategies and MAC technical assistance projects included in Sweden's draft 2002 business plan. The funds would then be credited against Sweden's contribution to the Multilateral Fund, and this would take place in future years when and if this arrangement occurred again;
- (d) Further to request Parties planning to submit bilateral cooperation projects in 2002 to submit final business plans to the 36th Meeting.

(Decision 35/3)

29. With regards to paragraph 28 (c) above, the Chairman of the Sub-Committee on Monitoring, Evaluation and Finance confirmed the understanding that any changes to the

National CFC Phase-out Plans for Thailand and Malaysia would not involve any increase in the funds approved at this Meeting by the Executive Committee.

(ii) UNDP

30. Having considered the recommendations of the Sub-Committee on Monitoring, Evaluation and Finance (UNEP/OzL.Pro/ExCom/35/4, para. 12), the Executive Committee decided:

- (a) To note the draft 2002 business plan of UNDP contained in document UNEP/OzL.Pro/ExCom/35/7 and Corr.1;
- (b) To request UNDP:
 - (i) to take into account the comments in document UNEP/OzL.Pro/ExCom/35/7 and Corr.1 concerning planned activities in Kenya and Lebanon when finalizing its 2002 business plan;
 - (ii) to provide letters from countries for all activities included in its final business plan for 2002;
 - (iii) to indicate in its final business plan the actions it would take to expedite the implementation of approved projects and those that could be critical to compliance;
 - (iv) to provide a target for the performance indicator “net emissions (reductions) of ODP resulting from implementation delays (early completion)”;
 - (v) to ensure that the projects included in its business plan were consistent with the compliance obligations of the countries involved;
- (c) Also to request the Secretariat, in cooperation with the implementing agencies, to prepare a paper for the Executive Committee’s consideration on the issues associated with developing projects for the CFC metered-dose inhaler (MDI) sub-sector to give effect to Decision XIII/9 of the 13th Meeting of the Parties.

(Decision 35/4)

(iii) UNEP

31. Having considered the comments and recommendations of the Sub-Committee on Monitoring, Evaluation and Finance (UNEP/OzL.Pro/ExCom/35/4, para. 14), the Executive Committee decided:

- (a) To note the draft 2002 business plan of UNEP contained in document UNEP/OzL.Pro/ExCom/35/8 and Add.1;
- (b) Also to note with appreciation the reorientation designed to achieve and sustain compliance, promote a greater sense of country “ownership”, and implement the agreed Executive Committee framework for strategic planning;
- (c) To maintain the Compliance Assistance Programme (CAP) in principle in the final business plan;
- (d) To request that funds approved annually for the CAP but not spent be returned to the Multilateral Fund for re-programming at the second meeting of the Executive Committee in the year following that for which they had been approved;
- (e) To agree to the completion dates indicated in Annex II to the present report for the submission of country programme/RMPs;
- (f) To request UNEP to submit country programme/RMPs before requesting funding for any projects/activities contained therein, while indicating that the Executive Committee would consider requests for funding for one year of institutional strengthening for new Parties to the Protocol;
- (g) Also to request UNEP to provide letters from countries for all activities included in its final business plan for 2002.

(Decision 35/5)

(iv) UNIDO

32. Having considered the recommendations of the Sub-Committee on Monitoring, Evaluation and Finance (UNEP/OzL.Pro/ExCom/35/4, para. 16), the Executive Committee decided:

- (a) To note the draft 2002 business plan of UNIDO contained in document UNEP/OzL.Pro/ExCom/35/9;
- (b) To request UNIDO:
 - (i) to consider modifying its investment project performance indicator targets for ODP phase-out in 2002, cost-effectiveness, and speed of first disbursement; its non-investment performance indicator targets for speed of first disbursement; and to provide targets for the non-weighted, non-investment project performance indicators, taking into account the consideration by the Sub-Committee on Monitoring, Evaluation and Finance of the report on the performance indicators and proposal on modifications (UNEP/OzL.Pro/ExCom/35/16);

- (ii) to take into account the comments in document UNEP/OzL.Pro/ExCom/35/9 concerning planned activities in Egypt, Kenya, and Oman when finalizing its 2002 business plan;
- (iii) to provide letters from countries for all activities included in its final business plan for 2002;
- (iv) to indicate in its final business plan the actions it would take to expedite the implementation of approved projects and those that could be critical to compliance;
- (v) to ensure that the projects included for the methyl bromide sector were consistent with the Multilateral Fund's guidelines for that sector when finalizing its 2002 business plan;
- (vi) to consult with Germany on the appropriateness of including the end-user project for Kenya in its RMP supplement, noting the Executive Committee's guidelines for additional funding for LVCs.

(Decision 35/6)

(v) World Bank

33. Having considered the recommendations of the Sub-Committee on Monitoring, Evaluation and Finance (UNEP/OzL.Pro/ExCom/35/4, para. 18), the Executive Committee decided:

- (a) To note the draft 2002 business plan of the World Bank contained in document UNEP/OzL.Pro/ExCom/35/10;
- (b) Also to note the World Bank's efforts to expedite the implementation of approved activities and to request it to indicate in its final business plan additional actions to expedite the implementation of approved projects and those that could be critical to compliance;
- (c) To request the World Bank to consider modifying its investment project performance indicator targets for phase-out in 2002, the number of countries in its business plan, and the net emissions due to delays, as well as its non-investment project performance indicators for speed of completion and reductions in ODS consumption due to non-investment projects, taking into account the consideration by the Sub-Committee on Monitoring, Evaluation and Finance of the report on the performance indicators and proposal on modifications (UNEP/OzL.Pro/ExCom/35/16);
- (d) Also to request the World Bank to provide more information on its expedited agreement process in the context of its final business plan, indicating the steps taken to reach agreement and the estimated time from approval to agreement for activities in countries where the Bank's Montreal Protocol Unit had not yet

established agreements, in the light of its planned activities in countries such as the Bahamas and Yemen, and in the Caribbean region;

- (e) Further to request the World Bank to include the non-investment activity for the development of a CTC closure project as part of its investment project allocation.

(Decision 35/7)

(c) Report on the implementation of the monitoring and evaluation work programme for the year 2001

(i) Consolidated project completion report

34. Having considered the recommendations of the Sub-Committee on Monitoring, Evaluation and Finance (UNEP/OzL.Pro/ExCom/35/4, para. 20), the Executive Committee decided:

- (a) To take note of the report on the implementation of the monitoring and evaluation work programme for the year 2001 and the schedule for submission of project completion reports due in 2002 contained in document UNEP/OzL.Pro/ExCom/35/11;
- (b) With a view to improving the quality of project completion reports:
 - (i) to request the implementing agencies to report to the 38th Meeting of the Executive Committee on measures taken to improve submission of data for project completion reports from beneficiary companies, in particular on experiences with withholding part of project funds until such data had been delivered and proof of equipment destruction had been provided in accordance with Decision 32/18;
 - (ii) also to request the implementing agencies to specify in the project documents the list of equipment to be destroyed and the modalities for such destruction, including the certification, as well as the data required for the project completion reports;
 - (iii) further to request the implementing agencies to ensure consistency of data reported in the project completion reports and the annual progress reports.

(Decision 35/8)

(ii) Follow-up to Decision 33/2 on the evaluation reports on foam projects

35. Having considered the recommendations of the Sub-Committee on Monitoring, Evaluation and Finance (UNEP/OzL.Pro/ExCom/35/4, para. 22), the Executive Committee decided:

- (a) That the focus should be on lessons learned from the foam evaluation and their application in the development of future projects;
- (b) To request the Secretariat and the implementing agencies to use observed actual average project duration as a starting point for determining on a case-by-case basis the duration of foam projects converting to HCFC-141b technology;
- (c) To take note of the report on fire incidences reported in some foam conversion projects.

(Decision 35/9)

(iii) Summary of the desk study on aerosol projects

36. Having considered the recommendation of the Sub-Committee on Monitoring, Evaluation and Finance (UNEP/OzL.Pro/ExCom/35/4, para. 24), the Executive Committee took note of the desk study on the evaluation of aerosol projects contained in document UNEP/OzL.Pro/ExCom/35/11.

(iv) Progress report on the clearing house evaluation

37. Having considered the recommendation of the Sub-Committee on Monitoring, Evaluation and Finance (UNEP/OzL.Pro/ExCom/35/4, para. 26), the Executive Committee took note of the issues relating to evaluation of the clearing house activities of UNEP outlined in section V of document UNEP/OzL.Pro/ExCom/35/11.

(d) Final report on the evaluation of solvent sector projects

38. Having considered the recommendations of the Sub-Committee on Monitoring, Evaluation and Finance (UNEP/OzL.Pro/ExCom/35/4, paras. 28 and 29), the Executive Committee decided:

- (a) To take note of the report contained in document UNEP/OzL.Pro/ExCom/35/12;
- (b) To request that, as far as possible, invoices for the purchase of ODS solvents by beneficiary enterprises be certified by the implementing agencies, with the cooperation of the National Ozone Units, for future verification;
- (c) Also to request the implementing agencies to include a list of all baseline equipment model and serial numbers or other means of identification in project documents and project completion reports;
- (d) Further to request implementing agencies to report in project completion reports on savings arising from the purchase of less costly equipment and/or lower incremental operating costs and/or higher incremental operating savings than anticipated and approved, providing assurance to the companies that the data would be used solely for Multilateral Fund purposes. In cases where enterprises did not receive full funding for conversion, they should be expected to quantify,

in consultation with the relevant implementing agency, their commitment to provide counterpart funding, and confirm that figure after project approval. In case of savings, agencies should return to the Multilateral Fund a pro-rata amount corresponding to the share of grant funding in the total eligible incremental cost;

- (e) That HCFC 141b should no longer be proposed as the alternative technology to TCA in solvent-sector projects;
- (f) To request implementing agencies to foresee the necessary measures in project documents and to provide information in project completion reports on safety, health and environmental requirements to ensure that the conversion was achieved while respecting appropriate safety, health and environmental protection standards.

(Decision 35/10)

(e) Draft monitoring and evaluation work programme for the year 2002

39. Having considered the recommendation of the Sub-Committee on Monitoring, Evaluation and Finance (UNEP/OzL.Pro/ExCom/35/4, para. 31), the Executive Committee approved the proposed 2002 work programme for monitoring and evaluation at a budget of US \$328,000, as indicated in document UNEP/OzL.Pro/ExCom/35/13.

(Decision 35/11)

(f) Completed projects with balances

40. Having considered the comments and recommendations of the Sub-Committee on Monitoring, Evaluation and Finance (UNEP/OzL.Pro/ExCom/35/4, paras. 32 to 35), the Executive Committee decided:

- (a) To note the report contained in document UNEP/OzL.Pro/ExCom/35/14 and Corr.1;
- (b) To note that the level of funds being returned to the 35th Meeting was US \$1,683,603 from UNDP, US \$1,093,144 from UNIDO, and US \$2,456,916 from the World Bank;
- (c) To note with concern that it appeared that projects had been prematurely classified as completed although they had not been completed, and requested the agencies to adhere strictly to Decision 28/2 when classifying all projects as completed.

(Decision 35/12)

(g) Implementation delays

41. Having considered the comments and recommendations of the Sub-Committee on Monitoring, Evaluation and Finance (UNEP/OzL.Pro/ExCom/35/4, paras. 38 and 39), the Executive Committee decided:

- (a) To note the reports from the implementing and bilateral agencies contained in document UNEP/OzL.Pro/ExCom/35/15 on projects that had experienced implementation delays;
- (b) That the Secretariat and implementing agencies should take necessary actions according to the Secretariat's assessment of status, i.e., progress and some progress, and should report and notify governments as required;
- (c) To note that the Secretariat would be conducting a comprehensive review of the status of projects with implementation delays and to authorize the Secretariat to modify its classifications of progress and some progress based on the results of the assessment, and to report on this to the 36th Meeting of the Executive Committee;
- (d) To request implementing agencies to establish a new deadline for the next project milestone to be achieved in moving the following projects forward, in full consultation with the governments concerned. If that deadline expired and no progress had been achieved, the government and company concerned understood that the project would automatically be cancelled and the ODS phase-out from the cancelled project credited to the remaining ODS consumption accordingly:
 - (i) Conversion to CFC-free technology at El Fateh, EGY/FOA/12/INV/28 (UNDP);
 - (ii) Conversion to non-CFC technology in the manufacture of flexible foam (slabstocks) at Suavestar S.A., ARG/FOA/20/INV/48 (UNDP);
 - (iii) Phasing out CFC-11 at Sonopol, CMR/FOA/23/INV/11 (UNIDO);
 - (iv) Phasing out CFC-11 at Scimpos, CMR/FOA/23/INV/10 (UNIDO);
 - (v) Elimination of CFCs in the manufacture of commercial refrigeration equipment at Hindustan Refrigeration Industries, IND/REF/22/INV/123 (World Bank);
- (e) That the milestones established for the following project at the 34th Meeting must be achieved by 1 March 2002 or the project would automatically be cancelled:
 - Phasing out of CFCs at Tanzania Domestic Appliance Manufacturers Ltd., URT/REF/18/INV/06 (UNIDO);

- (f) To note that the following projects had been completed:
 - (i) Elimination of the use of CFC in the manufacture of sandwich panels and spray foams at Montisol Argentina S.A. and Art Nouveau Puntana, S.A., ARG/FOA/18/INV/33 (UNDP);
 - (ii) Phasing out CFC-11 at Sud Inter Mousse flexible polyurethane foam plant, TUN/FOA/23/INV/23 (UNIDO);
- (g) Also to note that the completion dates established in the original proposals for the following projects were incorrect and that the correct completion dates would be reflected in future progress reports:
 - (i) Implementation of the RMP: Monitoring of the activities included in the RMP, GHA/REF/32/TAS/16 (UNDP);
 - (ii) Implementation of the RMP: Monitoring the activities included in the RMP, SRL/REF/32/TAS/18 (UNDP);
- (h) Further to note that progress had been experienced in the following projects and that they should therefore be removed from the list of projects with implementation delays:
 - (i) Phasing out CFC-11 in manufacturing of flexible PU slabstock foam through the use of CO₂ blowing technology at National Polyurethane Company (N.P.C.), SYR/FOA/26/INV/32 (UNIDO);
 - (ii) Conversion and aerosol filling center at PT Candi Swadaya Sentosa, IDS/ARS/22/INV/61 (World Bank);
 - (iii) Umbrella Aerosol Small and Medium Industries project, MAL/ARS/19/INV/85 (UNDP);
- (i) To cancel the following projects and note the return of the funds indicated:
 - (i) Prosider Berrahal foam project, ALG/FOA/19/INV/13 (UNIDO) and the return of US \$1,251 at the 36th Meeting;
 - (ii) Elimination of CFC-11 in the manufacture of rigid polyurethane foam through the use of HCFC-22 technology at Master Cooler and Cia Ltd., COL/FOA/26/INV/31 (World Bank) and the return of US \$70,862 at the 35th Meeting;
 - (iii) Phase-out of CFC-11 and CFC-12 by conversion to HCFC-141b and HFC-134a in the manufacture of domestic refrigeration equipment at Refrigerators Manufacturing Company Pakistan Ltd., PAK/REF/26/INV/31 (World Bank) and the return of US \$127,804 at the 35th Meeting;

- (iv) Conversion from CFC-11 to water-blown and HCFC-141b technology in the manufacture of rigid foam (spray) at Bangkok Integrated Trading Co., THA/FOA/27/INV/109 (World Bank) and the return of US \$117,923 at the 35th Meeting;
- (v) Changhe Group, CPR/REF/25/INV/251, (World Bank) and the return of US \$1,267,638 at the 35th Meeting;
- (vi) Handan Fuyang Chemical Co., CPR/FOA/27/INV/269, (World Bank) and the return of US \$436,100 at the 35th Meeting;
- (vii) Shandong Tianhua Plastic, CPR/FOA/28/INV/296, (World Bank) and the return of US \$534,534 at the 35th Meeting;
- (viii) Jintan Tiaoxi PU Foam Plant, CPR/FOA/31/INV/363, (World Bank) and the return of US \$420,525 at the 35th Meeting;
- (ix) Tongxiang Shule Plastic Foam Plant, CPR/FOA/29/INV/324, (World Bank) and the return of US \$498,400 at the 35th Meeting;
- (x) Elimination of CFC-11 in the manufacture of flexible polyurethane foam (slabstock) at PT Sea Horse Maspion Indonesia, IDS/FOA/23/INV/76 (World Bank);
- (xi) Phase-out of CFC in the manufacture of flexible foam (slabstock) at Dolidol, MOR/FOA/22/INV/10 (UNDP);
- (j) That the procedure outlined in subparagraph (d) above should also apply to the remaining projects contained in paragraphs 29 and 30 of document UNEP/OzL.Pro/ExCom/35/15;
- (k) To request implementing agencies to return all agency fees associated with remaining funds from projects. If expenditures had been incurred for support costs, the implementing agencies should provide an explanation and return the balance of funds;
- (l) In order to ensure project implementation did not proceed until the preconditions necessary for sustainability were in place, to urge all implementing agencies to re-assess planned completion dates in the context of their annual progress report to the 37th Meeting of the Executive Committee.

(Decision 35/13)

42. One representative requested that the Sub-Committee on Monitoring, Evaluation and Finance give consideration to the following important policy issues at its 16th Meeting: the first issue concerned the Executive Committee's Decision 31/48 to fund refrigerant management plans as an incentive measure before the prerequisites for implementation were in place. It might not be viable to insist on early implementation of such projects as that could represent a waste of

resources and implementing agencies could not be held responsible for any ensuing implementation delays. Secondly, in the case of the institutional strengthening projects, inasmuch as implementing agencies did not disburse funds until confirmation was obtained from the country concerned that progress had been made, it would also be unfair to hold the implementing agencies responsible for implementation delays when the measure was in fact aimed at preventing mismanagement of funds. The Sub-Committee on Monitoring, Evaluation and Finance might therefore consider potential special treatment of refrigerant management plans and institutional strengthening projects in relation to implementation delays.

(h) Report on the performance indicators and proposal on modifications: follow-up to Decision 34/11

43. Having considered the recommendations of the Sub-Committee on Monitoring, Evaluation and Finance (UNEP/OzL.Pro/ExCom/35/4, para. 41), the Executive Committee decided:

- (a) To take note of the report contained in document UNEP/OzL.Pro/ExCom/35/16;
- (b) To request all implementing agencies, when finalizing their 2002 business plans, to apply the Secretariat's advice contained in document UNEP/OzL.Pro/ExCom/35/16 relating to the identification of targets for the non-weighted, non-investment project indicators: (1) appropriate and timely policies initiated by countries either as a result of networking, training, information exchange, country programme development and/or institutional strengthening; and (2) the reduction in ODS consumption over and above that effected by investment projects;
- (c) To consider revising those indicators unique to UNEP's specific mandate (Decision 26/6) on the basis of the outputs identified by UNEP in Annex 1 to its draft 2002 business plan (UNEP/OzL.Pro/ExCom/35/8 and Add.1) for the Compliance Assistance Programme (CAP) and to request UNEP to work with the Secretariat in revising Annex I;
- (d) To request all implementing agencies to include a target for the performance indicator "timely submission of progress reports" in their final 2002 business plans;
- (e) Also to request all implementing agencies to include a new non-weighted, investment project performance indicator for project completion pursuant to Decision 28/2 by setting a target for the number of investment projects to be completed in the year of the business plan;

- (f) Further to request implementing agencies to consider revising their targets for their 2002 business plan cost-effectiveness performance indicators in the light of the fact that, historically, cost-effectiveness values achieved by projects had been lower than those targeted by the agencies.

(Decision 35/14)

(i) Progress reports: follow-up to Decisions 34/7 and 34/9

44. Having considered the comments and the recommendation of the Sub-Committee on Monitoring, Evaluation and Finance (UNEP/OzL.Pro/ExCom/35/4, paras. 42 and 43), the Executive Committee took note of the report contained in UNEP/OzL.Pro/ExCom/35/17.

(j) Proposed budget of the Fund Secretariat for the year 2002

45. Having considered the recommendation of the Sub-Committee on Monitoring, Evaluation and Finance (UNEP/OzL.Pro/ExCom/35/4, para. 45), the Executive Committee approved the proposed budget for the Secretariat as contained in Annex III to the present report.

(Decision 35/15)

AGENDA ITEM 6: REPORT OF THE TWENTY-FOURTH MEETING OF THE SUB-COMMITTEE ON PROJECT REVIEW

46. The representative of Japan, Chair of the Sub-Committee on Project Review (composed of Colombia, Germany, India, Japan, Malaysia, Tunisia and the United States of America), introduced the report of the 24th Meeting of the Sub-Committee, held in Montreal on 3 and 4 December 2001 (UNEP/OzL.Pro/ExCom/35/19) which contained the Sub-Committee's recommendations on the following issues:

(a) Overview of issues identified during project review

Review of guidelines for liquid carbon dioxide (LCD) technology in foam projects
(UNEP/OzL.Pro/ExCom/35/20 and Corr.1, paras. 4 - 7)

47. Having considered the recommendations of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 13), the Executive Committee decided:

- (a) To request the Secretariat, in consultation with the implementing agencies, to re-examine LCD technology and the guidelines for projects converting to the technology and to report on its findings to the 37th Meeting of the Executive Committee;

- (b) To approve the three LCD foam projects submitted to the 35th Meeting which contained provision for licence fees, on the condition that the fee not be committed for expenditure until the Executive Committee had considered the review of the LCD guidelines.

(Decision 35/16)

Inclusion of additional projects in existing methyl bromide phase-out agreements (UNEP/OzL.Pro/ExCom/35/20 and Corr.1, para. 8)

48. Having considered the recommendation of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 15), the Executive Committee decided that the project from a country which had reported exceptional decreases in consumption below the agreed baseline should be deferred, pending clarification of the exceptional circumstances and whether the decrease was in fact only temporary.

(Decision 35/17)

Funding for technology transfer and trials: implementation of Decisions 33/2 (j) and (k) and 34/16 (UNEP/OzL.Pro/ExCom/35/20 and Corr.1, paras. 10 – 14)

Projects with data discrepancies: implementation of Decision 34/18 (UNEP/OzL.Pro/ExCom/35/20 and Corr.1, paras. 15 and 16)

Format for reporting undertakings from countries: Decision 34/14 (d) (UNEP/OzL.Pro/ExCom/35/20 and Corr.1, para. 17)

Thailand institutional strengthening project: change of implementing agency (UNEP/OzL.Pro/ExCom/35/20 and Corr.1, para. 18)

49. Having considered the recommendations of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 19), the Executive Committee decided to take note of the above items and that existing approved funding of US \$197,746 plus agency support costs should be transferred from UNDP to the World Bank for the remainder of Thailand's current institutional strengthening project.

(Decision 35/18)

(b) Bilateral cooperation

50. Having considered the recommendation of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 21), the Executive Committee decided to approve the requests for approval of bilateral cooperation, as contained in document UNEP/OzL.Pro/ExCom/35/21 and Corrs.1 and 2 with the amendments below, at the level of funding indicated in Annex IV to the present report.

(Decision 35/19)

Chile: Implementation of the refrigerant management plan: training programme for refrigeration technicians (Government of Canada) (UNEP/OzL.Pro/ExCom/35/21, Corrs. 1 and 2)

Chile: Implementation of the refrigerant management plan: recovery and recycling programme (Government of Canada) (UNEP/OzL.Pro/ExCom/35/21, Corrs. 1 and 2)

51. Having considered the recommendations of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 22), the Executive Committee decided to approve the above projects at the level of funding indicated in Annex IV to the present report, subject to the stipulation that Chile would commit to achieving the 50 per cent reduction in ODS consumption in the servicing sector (identified in the refrigerant management plan as 219.4 ODP tonnes) by 2005 and the 85 per cent reduction by 2007, with no further request for funding in this sector.

(Decision 35/20)

Islamic Republic of Iran: Conversion of the use of CFC to LCD in the manufacture of flexible foam at Esfanj Jajerood foam company (Germany) (UNEP/OzL.Pro/ExCom/35/21, Corrs. 1 and 2)

52. Having considered the recommendation of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 25), the Executive Committee decided to approve the above project at the level of funding indicated in Annex IV to the present report, on the understanding that the US \$50,000 technology licence fee would not be committed for expenditure until the Executive Committee had considered the guidelines on LCD technology.

(Decision 35/21)

Sectoral phase-out programme: Establishment of a regional halon bank for Eastern and Southern African countries (Botswana, Ethiopia, Kenya, Lesotho, Namibia, Tanzania and Zimbabwe) (Government of Germany) (UNEP/OzL.Pro/ExCom/35/21, Corrs. 1 and 2)

53. Having considered the recommendation of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 28), the Executive Committee decided to approve the project at the level of funding given in Annex IV to the present report.

(Decision 35/22)

54. The Chair drew the attention of the Committee to a request by Australia for approval of the transfer of one project from the Australian bilateral cooperation programme to the UNDP business plan for 2001. The project had already been approved at the 34th Meeting of the Executive Committee under the reference VIE/REF/34/INV/34 “Implementation of the RMP: Programme for recovery and recycling of CFC-12 refrigerant,” at the level of funding given (US \$290,413 and US \$37,754 in support costs) in Annex VII to the report of the 34th Meeting of the Executive Committee (UNEP/OzL.Pro/ExCom/34/58). The transfer had also been agreed to by the Government of Viet Nam, the Multilateral Fund Secretariat and UNDP.

55. Having considered the recommendations of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 29), the Executive Committee decided to request the Treasurer to offset the costs of the above bilateral projects, as follows:

- (a) US \$1,007,006 against the balance of Canada’s bilateral contributions for 2001;
- (b) US \$1,537,727 against the balance of Germany’s bilateral contributions for 2001;
- (c) Debit US \$328,167 against the balance of Australia’s bilateral contributions for 2001 and adjust the balance of Australia’s outstanding contribution to the Multilateral Fund accordingly.

(Decision 35/23)

(c) 2001 work programme amendments

- (i) 2001 work programme amendments of UNDP

56. Having considered the recommendations of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 32), the Executive Committee decided to approve UNDP’s 2001 work programme, as contained in document UNEP/OzL.Pro/ExCom/35/22, with the amendments below, at the level of funding indicated in Annex IV to the present report.

(Decision 35/24)

Bangladesh: Renewal of institutional strengthening (UNEP/OzL.Pro/ExCom/35/22)

57. Having considered the recommendations of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 33), the Executive Committee decided:

- (a) To approve the above project, on the understanding that no funding would be disbursed until confirmation had been received from UNDP that the project to phase out CFCs in the aerosol sector had been completed and CFCs were no longer being used by the enterprise;
- (b) To express to the Government of Bangladesh its observations indicated in Annex V to the present report.

(Decision 35/25)

Costa Rica: Renewal of institutional strengthening (UNEP/OzL.Pro/ExCom/35/22)

Pakistan: Renewal of institutional strengthening (UNEP/OzL.Pro/ExCom/35/22)

58. Having considered the recommendations of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 34), the Executive Committee decided to approve the above projects at the level of funding indicated in Annex IV to the present report; and to express to the Governments concerned its observations indicated in Annex V to the present report.

(Decision 35/26)

- (ii) 2001 work programme amendments of UNEP

59. Having considered the recommendations of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 36), the Executive Committee decided to approve UNEP's 2001 work programme amendments, as contained in document UNEP/OzL.Pro/ExCom/35/23, with the amendments below, at the level of funding indicated in Annex IV to the present report.

(Decision 35/27)

Albania: Institutional strengthening project (UNEP/OzL.Pro/ExCom/35/23)

Guatemala: Renewal of institutional strengthening (UNEP/OzL.Pro/ExCom/35/23)

Jamaica: Renewal of institutional strengthening (UNEP/OzL.Pro/ExCom/35/23)

Mali: Renewal of institutional strengthening (UNEP/OzL.Pro/ExCom/35/23)

Yemen: Renewal of institutional strengthening (UNEP/OzL.Pro/ExCom/35/23)

60. Having considered the recommendations of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 37), the Executive Committee decided to approve the

above projects at the level of funding indicated in Annex IV to the present report; and to express to the Governments concerned its observations indicated in Annex V to the present report.

(Decision 35/28)

China: Awareness-raising workshop to support ratification of the Copenhagen Amendment (UNEP/OzL.Pro/ExCom/35/23)

China: Techno-economic evaluation of methyl bromide alternatives (UNEP/OzL.Pro/ExCom/35/23)

61. Having considered the recommendation of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 40), the Executive Committee decided to approve the above projects at the level of funding indicated in Annex IV to the present report, subject to receipt by the Fund Secretariat of a letter from the Government of China indicating the intention to complete the ratification of the Copenhagen amendment within the following 12 months.

(Decision 35/29)

62. The Executive Committee expressed the hope that China would ratify the Copenhagen amendment as soon as possible.

India: Action plan for integrated training and related non-investment activities to support the phase-out of ODS in the solvent sector in the SMEs (UNEP/OzL.Pro/ExCom/35/23)

63. Having considered the recommendation of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 42), the Executive Committee decided to approve the above project at the level of funding indicated in Annex IV to the present report, on the understanding that UNEP would liaise closely with UNIDO and the World Bank in relation to the investment projects included in the strategy.

(Decision 35/30)

Malaysia: Enhancing the capability of local agricultural organizations and non-governmental organizations in methyl bromide communication (UNEP/OzL.Pro/ExCom/35/23)

64. Having considered the recommendation of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 44), the Executive Committee decided not to approve the above project.

(Decision 35/31)

New Parties: Formulation of national phase-out strategies and capacity-building (institutional strengthening) (UNEP/OzL.Pro/ExCom/35/23)

Cambodia

Cape Verde

Sierra Leone

Somalia

65. Having considered the recommendations of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 47),² the Executive Committee decided to approve the strategy preparation components of the above projects at the level of funding indicated in Annex IV to the present report, but to defer consideration of the capacity-building components until the phase-out strategies had been presented to it.

(Decision 35/32)

Rwanda: Formulation of national phase-out strategy and capacity-building (institutional strengthening) (UNEP/OzL.Pro/ExCom/35/23)

66. Having considered the recommendations of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 49), the Executive Committee decided:

- (a) To approve the proposal to prepare a national phase-out strategy for Rwanda, at the level of funding indicated in Annex IV to the present report;
- (b) To clarify that, because of the special situation of Rwanda as a new Party, and to avoid delay in the provision of Fund assistance to help the country meet its obligations under the Montreal Protocol, the above project was being approved on an exceptional basis only, and approval of such projects in the future would be in conformity with the guidelines, procedures and practices of the Executive Committee.

(Decision 35/33)

(iii) 2001 work programme amendments of UNIDO

Former Yugoslav Republic of Macedonia: Renewal of institutional strengthening (UNEP/OzL.Pro/ExCom/35/23)

67. Having considered the recommendations of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 51), the Executive Committee decided to approve the above project at the level of funding indicated in Annex IV to the present report, and to express to the Government of the Former Yugoslav Republic of Macedonia its observations indicated in Annex V to the present report.

(Decision 35/34)

(iv) 2001 work programme amendments of the World Bank

Philippines: Project preparation for the national CFC phase-out plan (UNEP/OzL.Pro/ExCom/35/24)

68. Having considered the recommendations of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 53), the Executive Committee decided to approve the above project at the level of funding indicated in Annex IV to the present report, on the understanding that:

- (a) The World Bank would coordinate closely with the Government of Sweden and UNEP to ensure that no overlapping would occur between the phase-out plan, the bilateral project in the refrigeration servicing sector and the customs training programme; and
- (b) No additional funding would be made available to the Philippines for project preparation and/or country programme update;
- (c) If the World Bank, in developing the national phase-out plan, determined, however, that the level of funding initially approved would be inadequate to complete the implementation of the project, and could provide appropriate justification for the need for further funding, the Executive Committee would be willing to give due consideration to such a request for additional funding.

(Decision 35/35)

(d) Work programme of UNEP for the year 2002

69. Having considered the recommendations of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 56), the Executive Committee decided to approve the Compliance Assistance Programme (CAP) budget for UNEP, as contained in Annex VI to the present report, with the following conditions:

- (a) The use of this budget and related CAP employees shall not be used for implementation of projects approved before 2002;
- (b) UNEP will submit a preliminary report to the 38th Meeting of the Executive Committee on the use of the programme support cost, with a detailed report to be submitted at the 40th Meeting in 2003;
- (c) UNEP should also report to the Executive Committee during 2002 on the progress made in the implementation of the CAP programme, specifically on the lessons learned during the first steps of CAP implementation;
- (d) Funds approved annually for the CAP but not spent should be returned to the Multilateral Fund for re-programming at the second meeting of the Executive Committee in the year following that for which they had been approved;
- (e) Consideration by the Executive Committee should be given to benefit of developing a unified budget in future years, and UNEP should provide a proposal for such a budget at the 38th Meeting of the Executive Committee.

(Decision 35/36)

70. The Executive Committee noted that several members of the group reviewing the UNEP budget had urged UNEP to change the organizational structure of the OzonAction Programme to reflect and better implement the change to the programme being approved at the current meeting. Specifically, several members of the group had noticed the increased importance of the network and policy manager's job, given the significant regional action of the Programme. In that regard, and noting the fact that the Director of the OzonAction Programme could not devote full time to that task, it had been thought important that the network coordinator have clear responsibility for the regional coordinators and have a direct reporting line to both the OzonAction Director and UNEP/DTIE management.

(e) Work programme advances for UNDP, UNIDO and the World Bank for the year 2002

71. Having considered the recommendations of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 59), the Executive Committee decided to approve advances on the 2002 work programmes of UNDP, UNIDO and the World Bank, as described in document UNEP/OzL.Pro/ExCom/35/27, at the level of funding indicated in Annex IV to the present report.

(Decision 35/37)

(f) Investment projects

- (i) Projects recommended for blanket approval

72. Having considered the recommendations of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 61), the Executive Committee decided to approve the investment projects submitted for blanket approval as contained in document UNEP/OzL.Pro/ExCom/SCPR/24/2, at the level of funding given in Annex IV to the present report, with the conditions included in the corresponding Project Evaluation Sheets, where applicable.

(Decision 35/38)

73. The Executive Committee noted that the Government of Germany would prepare, for submission to the Committee at its 36th Meeting, and for timely circulation to members, a policy paper on issues surrounding the choice of HCFC-141b for conversion projects.

- (ii) Projects for individual consideration

Foam sector

Islamic Republic of Iran: Phasing out of ODS in the manufacture of flexible slab stock foam through the use of liquid CO₂ blowing technology at Abre Shomal Co (UNIDO) (UNEP/OzL.Pro/ExCom/35/41)

Libyan Arab Jamahiriya: Phase-out of CFC-11 by conversion to liquid carbon dioxide (LCD) in the manufacture of flexible polyurethane foam at El Houria Unit Plant (UNDP) (UNEP/OzL.Pro/ExCom/35/44)

74. Having considered the recommendations of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 64), the Executive Committee decided to approve the above projects at the level of funding indicated in Annex IV to the present report, on the understanding that the US \$50,000 licensing fee for the LCD technology would not be committed for expenditure until the Executive Committee had considered a report on revision of the guidelines for LCD technology.

(Decision 35/39)

Process agent sector

India: Conversion of carbon tetrachloride (CTC) as process agent to cyclohexane at Amoli Organics Limited, Mumbai (UNIDO) (UNEP/OzL.Pro/ExCom/35/39 and Corr.1)

Pakistan: Conversion of carbon tetrachloride (CTC) as process solvent to 1,2-dichloroethane at Himont Chemicals Ltd. (UNIDO) (UNEP/OzL.Pro/ExCom/35/50 and Corr.1)

75. Having considered the recommendations of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 67), the Executive Committee decided:

- (a) To approve the above projects at the level of funding indicated in Annex IV to the present report;
- (b) To take note of:
 - (i) the expectation that, following the approval of funds for sector plans for the process agent sector in India, future proposals would be submitted in the context of a sector plan; and
 - (ii) the need for full data to be provided on the relevant sub-sector, including the remaining consumption to be phased out in the sub-sector, with a view to considering the scope for industrial consolidation.

(Decision 35/40)

Solvent sector

Democratic People's Republic of Korea: Conversion of cleaning processes from CTC to aqueous and solvent cleaning techniques at Huichon February 26 Factory (HUI) (UNIDO) (UNEP/OzL.Pro/ExCom/35/43)

Democratic People's Republic of Korea: Conversion of cleaning installations from carbon tetrachloride (CTC) to aqueous and solvent cleaning techniques at the Gumsong Tractor Factory (GST) (UNIDO) (UNEP/OzL.Pro/ExCom/35/43)

76. Having considered the recommendations of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 69), the Executive Committee decided to defer consideration of the above two projects, pending clarification, at the 36th Meeting of the Executive Committee, of the cost-effectiveness as well as the total costs and the proportion of the costs to be borne by the recipient country for controlling impacts on environment, health and safety arising from the chosen technology. The two projects would be maintained in UNIDO's 2001 business plan.

(Decision 35/41)

Fumigant sector

Bolivia: Terminal methyl bromide phase-out (excluding QPS) (UNDP)
(UNEP/OzL.Pro/ExCom/35/29 and Add.1)

77. Having considered the recommendation of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 71), the Executive Committee decided, taking into account the country's possible non-compliance with the 2002 freeze, and the fact that the project was similar to demonstration projects approved by the Executive Committee in this sector, to approve the above project at the level of funding indicated in Annex IV to the present report, in accordance with the agreement between the Government of Bolivia and the Executive Committee, contained in Annex VII to the present report.

(Decision 35/42)

Costa Rica: Project to adopt alternatives in melon, cut flowers, banana, tobacco seedbeds and nurseries, leading to total methyl bromide phase-out in Costa Rica (excluding QPS) (UNDP) (UNEP/OzL.Pro/ExCom/35/36 and Corr.1)

78. Having considered the recommendation of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 73), the Executive Committee decided to approve the above project at the level of funding indicated in Annex IV to the present report, in accordance with the agreement between the Government of Costa Rica and the Executive Committee, contained in Annex VIII to the present report.

(Decision 35/43)

Croatia: Phase-out of methyl bromide in tobacco seedling (UNIDO)
(UNEP/OzL.Pro/ExCom/35/37)

79. Having considered the recommendations of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 76), the Executive Committee decided:

- (a) To approve the above project, on an exceptional basis, given the unfavourable cost-effectiveness of about US \$30 per kg, at the level of funding indicated in Annex IV to the present report, in accordance with the agreement between the Government of Croatia and the Executive Committee, contained in Annex IX to the present report;
- (b) To call upon the Government of Croatia to undertake the utmost efforts to ensure cost-effectiveness and savings in the implementation of the project and full compliance with the phase-out schedule.

(Decision 35/44)

Turkey: Phase-out of methyl bromide in protected tomato, cucumber and carnation crops (first tranche) (UNIDO) (UNEP/OzL.Pro/ExCom/35/54, Add.1 and Corr.1)

80. Having considered the recommendation of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 78), the Executive Committee decided to approve the above project at the level of funding indicated in Annex IV to the present report, in accordance with the agreement between the Government of Turkey and the Executive Committee, contained in Annex X to the present report.

(Decision 35/45)

Zimbabwe: Phase-out of non-essential/non-critical use of methyl bromide in grain storage (maize) (UNDP) (UNEP/OzL.Pro/ExCom/35/57)

81. Having considered the recommendation of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 80), the Executive Committee decided to defer approval of the above project, pending clarification of the exceptional circumstances and whether the decrease in consumption was in fact only temporary.

(Decision 35/46)

Sector strategies and plans

Mexico: Foam sector ODS phase-out plan (UNDP) (UNEP/OzL.Pro/ExCom/35/46 and Corr.1)

82. Having considered the recommendations of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 82), the Executive Committee decided:

- (a) To note that the Government of Mexico had provided a commitment that implementation of its foam sector phase-out plan would yield a sustained permanent reduction of 543.4 ODP tonnes (subject to confirmation by audits to be undertaken) from Mexico's 2000 national aggregate CFC consumption of 3,059.5 ODP tonnes;
- (b) To approve in principle the foam sector phase-out plan and to allocate the amount of US \$833,150, including US \$100,000 as project management funding, on condition that UNDP and the Government of Mexico will:
 - (i) implement within a period of 18 months an initial phase of the plan for enterprises which should be identified through an audit of their baseline conditions with the objective of phasing out 145 ODP tonnes. In implementing this initial phase, while exercising flexibility, UNDP and the Government should take due care to ensure that funding of the enterprises selected is consistent with the policies and guidelines of the Multilateral Fund;

- (ii) prepare final audit(s) of the remaining enterprises and, on the basis of such audit or audits, prepare the final phase of the plan, including incremental costs, reflecting fully the amount of US \$833,150 approved at this Meeting in the final plan and taking into account the comments provided in Annex V to this document, for submission to the Executive Committee not later than its 38th Meeting; and UNDP will communicate to the Secretariat the results of the audits to be conducted and all other relevant information used to determine the eligible costs of the plan;
 - (iii) ensure that the total national Annex A Group I consumption in Mexico is permanently reduced to a level no higher than the 2000 national aggregate consumption reported to the Ozone Secretariat from which the consumption to be phased out from approved but not yet implemented projects (306.8 ODP tonnes) and the phase-out resulting from the foam sector plan have been taken;
- (c) To request UNDP to report on the status of implementation of this initial phase of the plan at its 38th Meeting.

(Decision 35/47)

China: Foam sector phase-out plan (World Bank)

83. Having considered the recommendation of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 85), the Executive Committee decided to approve the draft Agreement for CFC phase-out in the Polyurethane Foam Sector in China, as contained in Annex XI to the present report.

(Decision 35/48)

China: 2002 Annual programme: CFC Production Sector (World Bank)
(UNEP/OzL.Pro/ExCom/35/34)

84. Having considered the recommendations of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 87), the Executive Committee decided to approve the 2002 work programme of the China CFC production closure programme and to note that the funding request would be submitted by the World Bank, to the 36th Meeting, together with a verification report on the implementation of the 2001 annual programme.

(Decision 35/49)

China: Commercial refrigeration compressor strategy (World Bank)
(UNEP/OzL.Pro/ExCom/35/34)

85. Having considered the recommendations of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 89), the Executive Committee decided:

- (a) To take note of the sector plan for the phase-out of CFC-11 and CFC-12 consumption, as contained in Annex II to document UNEP/OzL.Pro/ExCom/35/34;
- (b) To express the intention to provide the Government of China with the agreed and eligible incremental costs for the five remaining compressor plants, in line with the original agreement entered into in 1995 by the Executive Committee, in which China undertook to phase out 13,000 ODP tonnes of CFC consumption, based on unconstrained demand in 1995 in the commercial and industrial refrigeration sub-sector;
- (c) To request the Secretariat to work with the World Bank to reach agreement with the Government of China on the level of the eligible incremental costs of the five projects and to submit the projects to the Executive Committee at its 36th Meeting;
- (d) To consider granting the Government of China flexibility in using the identified funding for incremental costs, rather than purely for conversion of the five compressor manufacturing enterprises;
- (e) To urge the Government of China to use the resources for identified incremental costs in the most cost-effective manner to contribute to effecting phase-out activities in the commercial and industrial refrigeration sub-sector, which may or may not involve conversion of the five enterprises in question.

(Decision 35/50)

China: Solvent sector plan: Report on the implementation of the 2002 annual programme
(UNDP) (UNEP/OzL.Pro/ExCom/35/34)

86. Having considered the recommendation of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 91), the Executive Committee decided to approve the 2002 annual implementation programme for the solvent sector in China, as the basis for considering funding of the programme at a future meeting.

(Decision 35/51)

Bahamas: Terminal phase-out management plan (World Bank)
(UNEP/OzL.Pro/ExCom/35/28 and Corr.1)

87. Having considered the recommendations of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 93), the Executive Committee decided:

- (a) To approve the above project at the level of funding indicated in Annex IV to the present report, in accordance with the agreement between the Government of the Bahamas and the Executive Committee, contained in Annex XII to the present report;
- (b) To express its appreciation to the Government of the Bahamas and the World Bank for the initiative taken in promoting the elaboration of the terminal phase-out management plan.

(Decision 35/52)

Malaysia: National CFC phase-out plan (World Bank)
(UNEP/OzL.Pro/ExCom/35/45 and Add.1)

88. Having considered the recommendations of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 97), the Executive Committee decided:

- (a) To approve the above project at the level of funding indicated in Annex IV to the present report, in accordance with the agreement between the Government of Malaysia and the Executive Committee, contained in Annex XIII to the present report;
- (b) To approve the inclusion of MDIs in the agreement for national CFC phase-out, at a cost of US \$57,200, plus agency support costs;
- (c) To express its appreciation to the Government of Malaysia and the World Bank for the initiative taken in promoting the elaboration of the national CFC phase-out plan.

(Decision 35/53)

89. One representative said that the cancellation of a terminal aerosol project as recommended by the Sub-Committee on Monitoring, Evaluation and Finance would have serious implications for Malaysia's ability to meet its phase-out goals under the CFC phase-out strategy.

Thailand: National CFC phase-out plan (World Bank)
(UNEP/OzL.Pro/ExCom/35/53 and Add.1)

90. Having considered the recommendations of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 99), the Executive Committee decided:

- (a) To approve the above project at the level of funding indicated in Annex IV to the present report, in accordance with the agreement between the Government of Thailand and the Executive Committee, contained in Annex XIV to the present report;

- (b) To approve the inclusion of MDIs in the agreement for national CFC phase-out, at a cost of US \$57,200, plus agency support costs;
- (c) To express its appreciation to the Government of Thailand and the World Bank for the initiative taken in promoting the elaboration of the national CFC phase-out plan.

(Decision 35/54)

Turkey: Total CFC phase-out sector plan (World Bank) (UNEP/OzL.Pro/ExCom/35/54, Add.1 and Corr.1)

91. Having considered the recommendations of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19, para. 101), the Executive Committee decided:

- (a) To approve the project at the level of funding indicated in Annex IV to the present report, in accordance with the agreement between the Government of Turkey and the Executive Committee, contained in Annex XV to the present report.
- (b) To express its appreciation to the Government of Turkey and the World Bank for the initiative taken in promoting the elaboration of the total CFC phase-out sector plan.

(Decision 35/55)

(g) Funding of technology that is not in the public domain

92. The Chief Officer reported that the Secretariat's discussions with the World Intellectual Property Organization (WIPO) and with an international patent law firm had not, so far, produced the desired document. The Secretariat would pursue the matter further with them, and would approach an academic institution, where necessary.

93. The Executive Committee took note of the information provided by the Secretariat.

94. The observer for Greenpeace International expressed concern at the large number of projects involving use of HCFCs and HFCs that had been approved. He said that it was paradoxical that just as various large corporations were working towards a fluorocarbon-free future, and just as major Japanese refrigerator manufacturers were beginning to market HCFC-free and HFC-free products, the Multilateral Fund was being used to encourage developing country industries to adopt what would soon be considered as obsolete technologies in industrialized countries. He recalled that it was the intention of the Parties that non-ODS technologies should be favoured, and that credible explanations were to be submitted with each project detailing why non-ODS alternatives were not suitable. He said that the project descriptions submitted to the current Meeting failed to provide such explanations. He also drew attention to the potential health hazards of trichloroethylene, and posed the question of the responsibility of the Fund in approving projects which made use of substances which subsequently proved to have previously unsuspected harmful impacts on human health.

95. In response, one representative said that she shared the concerns expressed in that statement, pointing to the need to discuss the root causes of technology choices that could be harmful to the environment and human health where alternatives were available. She looked forward to discussion at the 36th Meeting of Executive Committee on the study on alternatives to CFCs in rigid foam applications and on the paper to be produced by Germany on the choice of HCFC-141b for conversion projects, referred to in paragraph 62 of the report of the 24th Meeting of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/35/19). She also noted, with regard to the use of trichloroethylene, that projects which involved technologies that were harmful to human health should be considered very carefully and the necessary precautions taken by the Multilateral Fund. That view was shared by another representative, who drew attention to the need to ensure coherence in the approaches adopted.

AGENDA ITEM 7: STRATEGIC PLANNING OF THE MULTILATERAL FUND:

(a) Revised document 34/53: follow-up to Decision 34/66 (c)

96. Introducing the item, a representative of the Secretariat drew attention to document UNEP/OzL.Pro/ExCom/35/60, “Strategic planning of the Multilateral Fund; revised document 34/53: follow-up to Decision 34/66 (c)”, which had been prepared in line with Executive Committee Decision 34/66 (c). He explained that the written comments received from Executive Committee members had been taken into account in a revised version of document UNEP/OzL.Pro/ExCom/34/53 and in a revised set of recommendations. The document contained sections of text in square brackets, which designated issues that were still under consideration by the Committee and had not yet been resolved.

97. One representative considered that the revised version of document UNEP/OzL.Pro/ExCom/34/53 should also make mention of the role of the implementing agencies and of the need to ensure the involvement of all stakeholders.

98. Following a discussion, the Executive Committee decided:

- (a) To adopt the adjusted funding policies of the Multilateral Fund, based on the revised proposals prepared by the Secretariat in the revision to document UNEP/OzL.Pro/ExCom/34/53, as amended at the 35th Meeting of the Executive Committee and as contained in Annex XVI to the present report, and to emphasize (i) greater government responsibility for managing national phase-out programmes, (ii) the demonstrated relevance of projects defined as a direct, and, if applicable, quantifiable linkage between the funded activities and meeting the specific Montreal Protocol control measures;
- (b) To request the Secretariat to work with members of the Executive Committee, the bilateral agencies and the implementing agencies to develop draft guidelines for the preparation, implementation and management of performance-based substance-wide and national phase-out agreements;

- (c) To request the Secretariat, together with members of the Executive Committee and the implementing agencies, to review the guidelines for the funding of institutional strengthening projects in view of the adjusted Fund Policy of emphasizing greater responsibility of governments for national phase-out programmes, with the objective of linking funding of institutional strengthening projects more closely with compliance needs of countries. The review should take into consideration the results of the recently completed evaluation of the institutional strengthening projects and Decision 30/7, funding criteria, implementation modality, and the willingness of the Executive Committee to consider additional funding for institutional strengthening projects to enable Article 5 governments to assume greater responsibilities;
- (d) To note the Secretariat's proposed approach to implementing Decision 33/54 as detailed in paragraph 3 of document UNEP/OzL.Pro/ExCom/34/53, and to request the Secretariat, as a matter of urgency, to use that approach and issues related to the implementation of Decision 33/54 raised by Executive Committee members prior to the 36th Meeting, including those in document UNEP/OzL.Pro/ExCom/35/60, Annex I, as a basis for preparing for the Executive Committee at its 36th Meeting an indicative timetable for this task.

(Decision 35/56)

(b) Study on defining a starting point for determining the remaining ODS consumption eligible for funding by the Multilateral Fund: follow-up to Decision 34/66 (a)

99. A representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/35/61, “Study on defining a starting point for determining the remaining ODS consumption eligible for funding by the Multilateral Fund: follow-up to Decision 34/66 (a)”, which had been prepared by the Secretariat in accordance with Decision 34/66 (a), taking fully into account the alternative approaches to be used in determining a baseline, as outlined in paragraph 89 of the report of the Executive Committee at its 34th Meeting (UNEP/OzL.Pro/ExCom/34/58). He explained that the objective of the paper was to provide statistical analysis to be used by the Committee for decision-making on the starting point for determining the remaining ODS consumption eligible for funding. The analysis covered Annex A CFCs only, as they accounted for 78 per cent of ODS consumption by Article 5 countries.

100. The representative of the United States of America introduced a conference room paper submitted by his Government, entitled “Proposal for implementing the first phase of the Strategic Framework adopted by the Executive Committee at its 32nd Meeting”.

101. Several representatives supported the methodology proposed and the conclusions contained in the Secretariat’s paper. Pointing to the importance of a country-driven approach, they considered that offering two alternative methods for the determination of a starting point from which to calculate the remaining ODS consumption that would be eligible for funding would enable an Article 5 country to select the method most suited to its national compliance strategy. One representative stressed the importance of not imposing any one methodology on the Article 5 countries for determination of the starting point.

102. Some representatives, while considering the Secretariat's paper a good basis for discussion, stressed that, during the deliberation of the strategic planning exercise, the Article 5 countries had raised a number of concerns, which the paper did not address. Since the Article 5 countries attached great importance to their commitments under the Protocol, the selection of the methodology for calculating the starting point represented an important decision for them. They thus sought to ensure that their concerns would be addressed in a flexible manner, in order to select the best possible methodology. Concerning the choice of consumption data for specific years only, attention was drawn to the limitations of such a procedure, including how to account for fluctuations, and the problems inherent in data collection in Article 5 countries, particularly taking into account factors such as stockpiling, illicit trade, and recycling. In that connection, it was observed that, if a country believed that its data for a specific period were non-representative, a procedure could be established whereby a country could submit justification to the Executive Committee for consideration of a different starting point.

103. While the view was expressed that country programme updates could be useful in determining the starting point, it was also considered that it was necessary for there to be a link between the consumption data and a Party's obligations under the Protocol. Data from country programmes had a different status from the data reported under Article 7 of the Protocol, and provided no direct legal link to a country's phase-out obligations.

104. Several representatives welcomed the proposal prepared by the United States of America, and considered it a useful and constructive basis for progress on the issue.

105. A number of representatives considered that the starting point from which to calculate ODS consumption that would be eligible for funding should use the baseline already calculated in accordance with Article 7 of the Montreal Protocol, which was based on three years' data reporting. One representative cautioned that differences in data arising from the use of differing calculation methodologies could lead to errors and possible waste of Fund resources.

106. It was stressed that, no matter what approach was chosen for determining the starting point for calculation of ODS consumption that would be eligible for funding, the sole means of determining compliance by a Party would continue to be the baseline calculated on the basis of data submitted by Parties in accordance with Article 7 of the Protocol.

107. One representative underlined the importance of a clear understanding of the concept of a permanent national aggregate reduction in consumption within the strategic plan, which represented an important operational tool for implementing phase-out. He considered that, whatever approach a Party used to determine its starting point, it had to be predicated on a commitment to such permanent national aggregate reductions in consumption of ODS.

108. It was clarified that the document entitled "Study on defining a starting point for determining the remaining ODS consumption eligible for funding by the Multilateral Fund: follow-up to Decision 34/66 (a)" had been updated (UNEP/OzL.Pro/ExCom/35/61/Corr.1) to take account of the receipt of data for the year 2000 from the Government of India.

109. Following the discussion, an informal, open-ended contact group was set up to address the outstanding issues under the sub-item.

110. An oral report was given on the work of the contact group, which had based its deliberations on the conference room paper submitted by the United States of America. It was explained that, with regard to option 2 for determining the baseline for implementation of national aggregate consumption, the data reported to the current Meeting, as provided to the Secretariat, would be used in the future, subject to any factual corrections to be made, for example because a project listed as completed had in fact not been completed. It had been agreed that it was too late for a country to use data for the year 2000, if these had not already been submitted to the Secretariat. Concerning the impact of this decision on the upcoming replenishment of the Multilateral Fund, the group had noted that the Technology and Economic Assessment Panel had traditionally used historical data, and it was likely to use the latest available data for its upcoming analysis. In any case, there could be sensitivity analysis, regardless of the data used by the Panel.

111. Concerning the funding of institutional strengthening projects and their renewal, it was clarified that an augmentation of funding applied to new such project proposals only, and not to those already approved.

Provisos relating to the decision

A. If an Article 5 country selects option 2, it should be with the understanding that the Executive Committee may agree in exceptional cases to adjust the resulting baseline at the first instance a project from a country is considered, to take into account the demonstrated non-representative nature of the last year's data for reasons such as clearly demonstrated stockpiling in the specific 12-month period, and/or national economic difficulties in the specific 12-month period. In so considering, the Executive Committee shall not take into account illegal imports, as there should be agreement that firms that import illegally, or purchase illegal imports, should not benefit from Fund assistance. In any case, it must be perfectly clear that only the Montreal Protocol baseline will be used to determine compliance with the Montreal Protocol.

B. It is acknowledged that some future years' reported consumption may go above or below the levels that result from the agreed calculation, but if consumption numbers go above the resulting levels, such increases in consumption would not be eligible for funding. It is further noted that the resulting numbers represent maximum residual ODS that the Fund will pay to reduce, and that existing Fund guidance related to eligibility of projects would be maintained in all respects.

C. It is noted that RMPs and methyl bromide projects lead to a specific commitment of levels of reductions in national aggregate consumption relative to Montreal Protocol obligations, and that halon banking projects often lead to commitment for a total national phase-out and ban on the import of halon. Those projects should continue to be handled on that basis.

D. Institutional strengthening and non-investment activities, including UNEP activities and any country dialogues that may be approved, undeniably contribute to Article 5 reductions in the use of ODS, otherwise, there would be no need to fund these activities. That said, their direct ODS reduction impact has been notoriously difficult to

quantify. The Technology and Economic Assessment Panel historically suggested that for methyl bromide, non-investment activities may be five times more cost-effective than phase-out projects, yielding a cost-effectiveness of under US \$4.25/kg. For the purposes of this endeavour, it has been agreed to take a much more conservative stance, and agreed that all future non-investment activities be given a value that is not many times more cost-effective than investment projects, which is at US \$12.10/kg, which is one third as cost-effective as the average investment project approved under the Fund. This should be used as an interim figure until more research can be done on the issue.

E. While countries are still explicitly given the option of proceeding on a project by project or sector/national basis, it should be noted that in the case of broader plans such as production sector plans, RMPs, solvents sector plans, halon sector plans or national CFC phase-out plans, complicated issues such as selecting a starting point and ensuring national sustained reductions become less critical, as the agreements themselves embody a specific commitment to eliminate national aggregate consumption or production of the given substance on a specific schedule.

112. After a discussion among several participants, the Executive Committee decided:

- (a) Institutional strengthening: All institutional strengthening projects and renewals shall be approved at a level that is 30 per cent higher than the historically agreed level. This will help countries carry out the new strategic framework agreed, and provide increased support for critical areas such as public awareness. The level of institutional strengthening funding noted above should prevail until 2005 when it should again be reviewed. This proposal would also include a clear commitment that this level of institutional strengthening or a level close to it should prevail for all Article 5 Parties until at least 2010, even if they should phase-out early. It should also be noted that, in addition to this direct increase in institutional strengthening funding, UNEP will, as agreed in 2000, be provided with US \$200,000/year to support public awareness, and countries will receive enhanced direct support on policy and substantive issues through UNEP's new Compliance Assistance Programme. Finally, it should be noted that countries undertaking national phase-out plans are likely to receive institutional strengthening funding at an even higher level than that anticipated above to facilitate national project implementation, as explicitly agreed in related phase-out agreements.
- (b) Country programme updates: Countries shall be provided with country programme update funding that is 75 per cent of the level originally provided to them to do country programmes. Low-volume consuming countries that have done RMPs will be given 50 per cent of the funding provided to develop their original RMP to do RMP updates, but will not be given funding to do country programme updates. New country programmes should, consistent with existing Executive Committee guidelines, continue to include RMPs.
- (c) Reductions in national aggregate consumption: In the context of the Executive Committee agreement on strategic planning (Decision 33/32), the Executive

Committee agreed that further funding must be predicated on a commitment by the country to achieve sustainable permanent aggregate reductions in consumption and production, as relevant. In implementing this provision, the Executive Committee believes that all Article 5 countries should be treated equally. In that regard, each Article 5 country should select one option from two options below for determining the starting point for implementation of its national aggregate consumption.

Option 1	Option 2
<p>Montreal Protocol Baseline As reported at this Meeting</p> <p>- Projects approved but not yet implemented when the baseline was established in 1997, and projects approved since</p>	<p>Latest Reported Data (1999 or 2000) As reported at this Meeting</p> <p>- Projects approved but not yet implemented</p>

(Decision 35/57)

(c) Draft decision on country programme update

113. A representative of the Secretariat introduced document UNEP/Ozl.Pro/ExCom/35/62, “Draft decision on country programme update” and observed that the informal open-ended group established at the 34th Meeting of the Executive Committee had not concluded the discussion of the outstanding issues identified in the draft guidelines, in particular, identification of the remaining enterprises and the concept of national aggregate consumption. In order to facilitate the Committee’s discussion of the draft guidelines, the Secretariat had revised document UNEP/Ozl.Pro/ExCom/34/54 into a draft decision, contained in Annex I to document UNEP/Ozl.Pro/ExCom/35/62, which incorporated the consensus on two of the issues. The Secretariat had also revised the Format for Country Programme Update, including the concern for identifying the remaining enterprises in updating the country programme. The revised format was contained in Annex II to document UNEP/OzL.Pro/ExCom/35/62.

114. The representative of Finland introduced a conference room paper submitted by his Government, entitled “Proposal for reintroducing the purpose from Decision 34/54, paras. 12 and 21 into the Country Programme Update format in document UNEP/OzL.Pro/ExCom/35/62, Annex II”, explaining that it was intended as a preamble to Annex II to document UNEP/Ozl.Pro/ExCom/35/62, containing the revised format. During the discussion, it was observed that elements of that paper should be incorporated into the draft decision on guidelines for the preparation of country programme updates.

115. Attention was drawn to the importance of country programmes for the formulation of national phase-out strategies and to the fact that sometimes they represented a country’s sole

national strategy for phase-out. It was thus important to devote significant efforts to updating such country programmes.

116. One representative considered that the draft decision should contain a request to the implementing agencies to incorporate into their 2002 business plans, where possible, requests for assistance by Article 5 Parties seeking to prepare country programme updates.

117. Another representative considered that it was important for the format for country programme updates to distinguish between obligatory and non-obligatory activities under government actions.

118. Following the discussion, at the Committee's request the Secretariat prepared a revised version of the draft decision, taking into account the comments and proposals made.

119. During the consideration of the revised draft decision several representatives proposed amendments to the draft decision. One representative proposed the inclusion of a new paragraph, containing language from paragraph 101 of the report of the Executive Committee at its 34th Meeting (UNEP/OzL.Pro/ExCom/34/58) to the effect that country programme updates were not mandatory for continued project submission according to the existing Fund rules, but should be considered in the light of the framework for strategic planning and were useful for planning purposes.

120. One other representative expressed concern at the concept that country programme updates were not considered mandatory, but were viewed only as tools for strategic planning. While acknowledging that, under the existing rules of the Fund, when a country proposed a project that was included in its current country programme, it would not be mandatory for the country to prepare a country programme update, he nevertheless considered that, ultimately, such country programme updates were in fact mandatory.

121. The Executive Committee attaches great importance to an effective national strategy in the efforts of the Article 5 countries to comply with their obligations under the Montreal Protocol. National compliance strategies would enable the Executive Committee to target the Funds resources to national compliance needs. At the same time, the Committee is also cognizant that many of the existing country programmes which were prepared in the early days of the Multilateral Fund need to be updated to serve as national compliance strategies, especially in regard to the comprehensiveness and accuracy of ODS consumption/production data, and the enactment and implementation of regulatory control of ODS supply and demand by governments.

122. The country programme update should provide a strategy for achieving compliance by each Article 5 country concerned with, at a minimum, each of the reduction steps for each of the substances controlled by the Montreal Protocol. It could also be the basis for designing a performance-based sector-wide or substance-wide national phase-out agreement with the Executive Committee, either according to the phase-out schedule of the Montreal Protocol or an accelerated schedule decided upon by the government concerned. The term country programme update is used for its natural linkage to the existing country programmes, and in essence the

update should constitute the national compliance strategy of the country in the compliance period. With this in mind, the update should:

- Provide an action plan which delineates the activities and the time schedule needed to implement the strategy for achieving compliance, highlighting the inter-relations between intended policies and the specific activities;
- Establish the context for seeking project level and sector plan funding from the Multilateral Fund by showing the impact of ODS reductions from requested projects and sector plans on the remaining ODS consumption eligible for funding for the country, and means of sustaining the reductions to be achieved from new funding received;
- Indicate the sources of funding for the planned activities (national sources and the Multilateral Fund) and the type of funding from either source (investment or non-investment).

In addition to the above, the other points set out in document UNEP/OzL.Pro/ExCom/34/54 should be taken into account.

123. The Executive Committee recognizes that the responsibility to update the country programme should be that of the governments of the Article 5 countries, which should rally the support of key ministries and constituencies in the exercise, as well as relevant national stakeholders. While implementing agencies will continue to be requested by governments to provide assistance, it should be the governments who are clearly in charge of the process of developing the update.

124. Funding will be provided to countries which need to update their country programmes, however, such funding should be rationalized with funding provided for the preparation of refrigerant management plans (RMPs).

125. Country programme updates are not mandatory and nothing prevents the submission of projects under existing rules, however country programme updates should be considered in the light of the framework for strategic planning and are useful for planning purposes.

126. In view of the above considerations, the Executive Committee decided:

- (a) To encourage Article 5 countries to take advantage of the opportunity of updating the country programmes to prepare the national strategy for complying with the Montreal Protocol obligations;
- (b) To provide funding for national efforts in updating the country programme. Taking into consideration Decision 31/48 of the Executive Committee on funding of refrigerant management plans, funding of country programme update should be linked with the funding of RMPs. Specifically:

- (i) in countries where the remaining controlled substance consumed is confined to CFC refrigeration servicing and the RMP has been funded, updating the country programme/RMP should be accomplished by the countries concerned when requesting the additional funding of 50 per cent of their original RMP funding level. Funding should be provided to enable countries to undertake this exercise;
 - (ii) in countries where the preparation of the RMP or a strategy for the refrigeration sector has been funded and is under way, supplementary funding for country programme update should cover CFC consumption in other sectors and controlled substances other than CFCs;
 - (iii) in countries where the RMP has yet to be prepared, funding of country programme update should be combined with the preparation of the RMP.
- (c) To request that country programme updating be completed within 12 months, on average, from the time that funding is approved by the Executive Committee;
 - (d) To encourage Article 5 countries to take advantage of the opportunity of updating the country programme to develop performance-based sector-wide or substance-wide phase-out agreements;
 - (e) To adopt the Format for Country Programme Update included in Annex XVII to the present report, which could be augmented by countries according to their strategic planning needs;
 - (f) To invite implementing agencies, in finalizing their 2002 business plans, to incorporate to the extent possible, requests for assistance for those Article 5 countries seeking to prepare country programme updates at this time.

(Decision 35/58)

AGENDA ITEM 8: REPORT OF THE EXECUTIVE COMMITTEE'S SUB-GROUP ON THE PRODUCTION SECTOR

127. The representative of Australia, speaking as facilitator of the Sub-Group on the Production Sector, introduced the Sub-Group's report, which was contained in document UNEP/OzL.Pro/ExCom/35/63. He said that the Sub-Group had met on 5 December 2001 with the participation of Australia (facilitator), Colombia, Dominican Republic, Germany, India and the United States of America. Representatives of UNIDO and the World Bank also attended as observers. The Sub-Group had heard an update from a representative of the Secretariat on developments in the ODS production sector since the 34th Meeting of the Executive Committee, especially with regard to the progress on the contractual work under way for the CFC technical audit in Mexico and the CTC audit in China.

128. The Sub-Group had reviewed the CTC production data submitted by the Government of India and a draft agreement for the phase-out in the ODS production sector in the Democratic People's Republic of Korea, which was expected to be ready for consideration and approval by the Executive Committee at its 36th Meeting. The Sub-Group had also laid emphasis on the importance of differentiating between feedstocks and other uses in CTC production. The Sub-Group reaffirmed the important function of the Sub-Group in reviewing ODS production sector projects and programmes and making appropriate recommendations.

129. The Executive Committee decided:

- (a) To take note with appreciation of the Sub-Group's report UNEP/OzL.Pro/ExCom/35/63;
- (b) To authorize the Secretariat to proceed with the technical audit on CTC production in India provided that the Government of India submitted the requisite data on the number of employees in each of the CTC-producing facilities and on the breakdown of CTC production between feedstocks and other uses;
- (c) To include in the agenda of the 36th Meeting of the Executive Committee the reconstitution of the Sub-Group on the production sector.

(Decision 35/59)

AGENDA ITEM 9: AN ISSUE PAPER ON SUPPORT COST: FOLLOW-UP TO DECISION 34/65

130. The representative of the Secretariat introduced the issue paper on support cost (UNEP/OzL.Pro/ExCom/35/64), prepared pursuant to Decision 34/65. The paper contained four sections, the first providing background, the second on distribution of support cost, the third on realigning the percentage of support cost between large and small projects, and the fourth on the financial rules and regulations of the United Nations on support cost.

131. The Executive Committee took note of the issue paper on support cost: follow-up to Decision 34/65.

AGENDA ITEM 10: REPORT ON THE STUDY ON ALTERNATIVES TO CFC IN RIGID FOAM APPLICATIONS

132. As the study on CFC alternatives to rigid foam applications was not yet available due to unforeseeable circumstances, there was no discussion under this item. It was hoped that the report would be available at the 36th Meeting of the Executive Committee. The Executive Committee decided to maintain this agenda item on the agenda of its 36th Meeting.

(Decision 35/60)

AGENDA ITEM 11: CONCESSIONAL LENDING : FOLLOW-UP TO DECISION 34/69

133. The representative of the Secretariat introduced the document on concessional lending: follow-up to Decision 34/69 (UNEP/OzL.Pro/ExCom/35/66), which contained three annexes: document UNEP/OzL.Pro/ExCom/29/59, a report of the informal meeting on concessional lending, and an information paper from the World Bank on innovative financing for effective ODS phase-out.

134. Following discussion of the desirability of holding a technical workshop on concessional lending hosted by Japan, and after listening to concerns regarding the event's timing and the need to ensure effective participation by representatives of Article 5 countries, the Executive Committee decided:

- (a) To take note with appreciation of the information paper provided by the World Bank on innovative financing for effective ODS phase-out;
- (b) To approve the convening of a technical workshop, in the context of a project to be implemented by the Government of Japan with the assistance of the implementing agencies, to:
 - (i) promote exchange of views on the objectives and modalities of concessional lending including pros and cons, among Article 5 countries members of the Executive Committee;
 - (ii) deepen the understanding of operations of any practical and workable concessional lending schemes available within the United Nations system;
 - (iii) review relevant experience of the Fund and the implementing agencies, as well as Article 5 countries, in innovative financing in this field;
- (c) To request the Government of Japan, in cooperation with the Secretariat and interested implementing agencies, to make the substantive and relevant logistical arrangements for the convening of the workshop in the most cost-effective manner at a time deemed appropriate by the Japanese Government, preferably back-to-back with the meeting of the Open-Ended Working Group of the Parties to the Montreal Protocol, to be held at the end of July 2002, on the understanding that the agencies would make substantive contributions based on their experience in this area;
- (d) Also to request the Secretariat and, as appropriate, the agencies to report on the findings of the workshop to the next appropriate Meeting of the Executive Committee;

- (e) To approve US \$75,000, on an exceptional basis, to support the substantive and relevant logistical arrangements, including the participation of Executive Committee members from Article 5 countries and the relevant experts and resource persons from Article 5 countries. This amount should be offset against the Government of Japan's 2001 contribution to the Multilateral Fund.

(Decision 35/61)

AGENDA ITEM 12: OTHER MATTERS

Membership of the Sub-Committees

135. Nigeria having been designated the Chair of the Executive Committee for 2002, the representative of Nigeria announced that El Salvador, Nigeria, Syrian Arab Republic and Tanzania had been designated as Article 5 country members of the Sub-Committee on Monitoring, Evaluation and Finance, while Burundi, China and Colombia had been designated as members of the Sub-Committee on Project Review, and that the Syrian Arab Republic and Colombia would be the chairs of the Sub-Committee on Monitoring, Evaluation and Finance and the Sub-Committee on Project Review, respectively.

136. The representative of Japan, in his capacity as incoming Vice-Chair of the Executive Committee, announced that Canada, Finland and the Netherlands had been designated as non-Article 5 country members of the Sub-Committee on Monitoring, Evaluation and Finance, while France, Japan, Poland and the United States of America had been designated as members of the Sub-Committee on Project Review.

Co-opted members of the Executive Committee

137. Following a discussion of the status and responsibilities of co-opted members of delegations to the Executive Committee, the Executive Committee decided that comments, both oral and written, provided by members of the Executive Committee should be unified submissions delivered directly and solely in the name of the Executive Committee member.

(Decision 35/62)

Global awareness campaign

138. Following a discussion, the Executive Committee decided to request UNEP to make a presentation to its 36th Meeting on the progress in the global public awareness and education campaign to sustain the phase-out established by Decision 34/35.

(Decision 35/63)

Date and place of the 36th Meeting of the Executive Committee

139. The Executive Committee decided that the 36th Meeting of the Executive Committee would be held from 20 to 22 March 2002 in Montreal, to be preceded by meetings of the Sub-Committee on Monitoring, Evaluation and Finance, and the Sub-Committee on Project Review, to be held at the same venue on 18 and 19 March 2002.

(Decision 35/64)

Tributes

140. The Executive Committee further paid tribute to the outgoing Chairman of the Executive Committee, Dr. Heinrich Kraus, with respect to his forthcoming retirement from the Federal Ministry for the Environment of the Government of Germany and praised his valuable contribution to the work of the Executive Committee itself and to meeting the aims and goals of the Montreal Protocol. Expressing sincere thanks to the Meeting, Dr. Kraus himself paid tribute to the hard work of the members of the Secretariat of the Multilateral Fund, to the implementing agencies and to the spirit of cooperation that had prevailed among the members of the Executive Committee during the often difficult deliberations. Wishing everyone success for the future, he concluded his tribute with a heart-felt “Goodbye, auf Wiedersehen and Sayonara”.

141. The Executive Committee paid tribute to Mr. Mani Subramanian with respect to his forthcoming retirement from the post of Administrative and Fund Management Officer in the Secretariat of the Multilateral Fund. Acknowledging his many years of dedicated service to the Secretariat and his valuable contribution to the aims and work of the Montreal Protocol, the Committee wished him every success in his retirement.

142. The Executive Committee also paid tribute to Mr. Geoffrey Tierney on his departure from UNEP/DTIE, and wished him every success in his future endeavours.

AGENDA ITEM 13: ADOPTION OF THE REPORT

143. The Executive Committee adopted the present report on Friday, 7 December 2001.

AGENDA ITEM 14: CLOSURE OF THE MEETING

144. The Chair declared the Meeting closed at 4:45 p.m. on Friday, 7 December 2001.

Annex I

**TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL
PROTOCOL**

STATUS OF THE FUND (IN US DOLLARS)

As at 7 December 2001

INCOME	
Contributions received:	
- Cash payments including note encashments	1,116,183,075
- Promissory notes held	110,371,372
- Bilateral cooperation	49,952,373
- Interest earned	99,593,730
- Miscellaneous income	4,665,708
Total Income	1,380,766,258
ALLOCATIONS AND PROVISIONS	
- UNDP	349,492,081
- UNEP	54,450,381
- UNIDO	272,173,931
- World Bank	502,758,603
Less Adjustments	-
Total allocations to implementing agencies	1,178,874,996
Secretariat and Executive Committee costs (1991-2001)	
- includes provision for staff contracts into 2003	31,967,225
Monitoring and evaluation activities approved at the 22nd, 29th & 32nd meetings of the Executive Committee	1,040,000
Technical audit activities approved at the 24th meeting of the Executive Committee	600,000
Bilateral cooperation	49,952,373
Provision for fixed-exchange-rate mechanism's fluctuations	
- losses/(gains) in value	15,650,516
Total allocations and provisions	1,278,085,110
BALANCE AVAILABLE FOR NEW ALLOCATIONS	102,681,148

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL
1991 - 2001 SUMMARY STATUS OF CONTRIBUTIONS AND OTHER INCOME
BALANCE AVAILABLE FOR NEW ALLOCATIONS
As at 7 December 2001

Description	1991-1993	1994-1996	1997-1999	2000	1991 - 2000	2001	1991 - 2001
Pledged contributions	234,929,241	424,841,347	472,587,120	146,666,667	1,279,024,375	146,666,667	1,425,691,042
Cash payments	205,992,884	381,404,316	361,707,876	98,060,638	1,047,165,713	69,017,362	1,116,183,075
Bilateral assistance	4,366,255	11,997,571	22,144,067	7,258,131	45,766,024	4,186,349	49,952,373
Promissory notes	0	0	38,872,195	40,103,456	78,975,651	31,395,721	110,371,372
Total payments	210,359,139	393,401,887	422,724,138	145,422,225	1,171,907,388	104,599,432	1,276,506,820
Disputed contributions	0	8,098,267	0	0	8,098,267	0	8,098,267
Outstanding pledges	24,570,102	31,439,460	49,862,982	1,244,442	107,116,987	42,067,235	149,184,222
Payments %age to pledges	89.54%	92.60%	89.45%	99.15%	91.63%	71.32%	89.54%
Interest earned	3,261,119	28,073,633	49,379,449	13,214,802	93,929,003	5,664,727	99,593,730
Miscellaneous income	1,442,103	1,297,366	1,223,598	300,000	4,263,067	402,641	4,665,708
TOTAL INCOME	215,062,361	422,772,885	473,327,184	158,937,027	1,270,099,458	110,666,800	1,380,766,258

Accumulated figures	1991-1993	1994-1996	1997-1999	2000	1991 - 2000	2001	1991-2001
Total pledges	234,929,241	424,841,347	472,587,120	146,666,667	1,279,024,375	146,666,667	1,425,691,042
Total payments	210,359,139	393,401,887	422,724,138	145,422,225	1,171,907,388	104,599,432	1,276,506,820
Payments %age to pledges	89.54%	92.60%	89.45%	99.15%	91.63%	71.32%	89.54%
Total income	215,062,361	422,772,885	473,327,184	158,937,027	1,270,099,458	110,666,800	1,380,766,258
Total outstanding contributions	24,570,102	31,439,460	49,862,982	1,244,442	107,116,987	42,067,235	149,184,222
As % to total pledges	10.46%	7.40%	10.55%	0.85%	8.37%	28.68%	10.46%
Outstanding contributions for Countries with Economies in Transition (CEITs)	24,570,102	31,439,460	33,130,198	3,331,456	92,471,216	3,596,992	96,068,208
CEITs' outstandings %age to pledges	10.46%	7.40%	7.01%	2.27%	7.23%	2.45%	6.74%

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL
Status of Contributions for 2001
As at 7 December 2001

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Australia	2,482,261	2,354,403	328,167	0	(200,309)
Austria	1,576,118	1,576,118	0	0	0
Azerbaijan	36,849	0	0	0	36,849
Belarus	137,345	0	0	0	137,345
Belgium	1,847,459	1,847,459	0	0	0
Brunei Darussalam	0	0	0	0	0
Bulgaria	31,824	0	0	0	31,824
Canada	4,612,784	507,944	0	3,710,640	394,200
Cyprus	0	0	0	0	0
Czech Republic	202,668	202,668	0	0	0
Denmark	1,157,383	1,157,383	0	0	0
Estonia	25,124	25,124	0	0	0
Finland	907,817	0	0	0	907,817
France	10,954,107	0	577,834	0	10,376,273
Georgia	0	0	0	0	0
Germany	16,427,810	0	1,068,479	16,427,810	(1,068,479)
Greece	587,904	234,707	0	0	353,197
Hungary	200,993	200,993	0	0	0
Iceland	53,598	0	0	0	53,598
Ireland	375,186	375,186	0	0	0
Israel	577,854	0	0	0	577,854
Italy	9,098,273	7,278,618	1,554,834	0	264,821
Japan	33,471,998	33,304,193	167,805	0	0
Kuwait	0	0	0	0	0
Latvia	40,199	0	0	0	40,199
Liechtenstein	10,050	10,050	0	0	0
Lithuania	36,849	0	0	0	36,849
Luxembourg	113,896	113,896	0	0	0
Malta	0	0	0	0	0
Monaco	6,700	6,700	0	0	0
Netherlands	2,731,827	0	0	2,731,827	0
New Zealand	370,162	370,162	0	0	0
Norway	1,021,713	1,021,713	0	0	0
Panama	0	0	0	0	0
Poland	346,712	0	113,000	0	233,712
Portugal	698,450	0	0	0	698,450
Russian Federation	2,490,635	0	0	0	2,490,635
Singapore	0	0	0	0	0
Slovakia	65,323	65,323	0	0	0
Slovenia	0	0	0	0	0
South Africa	0	0	0	0	0
Spain	4,336,419	0	0	0	4,336,419
Sweden	1,815,635	1,452,508	305,000	0	58,127
Switzerland	2,035,052	1,963,822	71,230	0	0
Tajikistan	8,375	0	0	0	8,375
Turkmenistan	13,399	0	0	0	13,399
Ukraine	505,832	0	0	0	505,832
United Arab Emirates	0	0	0	0	0
United Kingdom	8,525,444	0	0	8,525,444	0
United States of America	36,666,667	14,948,392	0	0	21,718,275
Uzbekistan	61,973	0	0	0	61,973
TOTAL	146,666,667	69,017,362	4,186,349	31,395,721	42,067,235

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL
Status of Contributions for 2000
As at 7 December 2001

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Australia	2,482,261	2,236,561	245,700	0	0
Austria	1,576,118	1,576,118	0	0	0
Azerbaijan	36,849	0	0	0	36,849
Belarus	137,345	0	0	0	137,345
Belgium	1,847,459	1,847,459	0	0	0
Brunei Darussalam	0	0	0	0	0
Bulgaria	31,824	31,824	0	0	0
Canada	4,612,784	127,615	788,827	3,696,342	0
Cyprus	0	0	0	0	0
Czech Republic	202,668	202,668	0	0	0
Denmark	1,157,383	1,157,383	0	0	0
Estonia	25,124	25,124	0	0	0
Finland	907,817	907,817	0	0	0
France	10,954,107	0	259,179	10,694,928	0
Georgia	0	0	0	0	0
Germany	16,427,810	4,582,198	3,228,937	11,845,611	(3,228,936)
Greece	587,904	587,904	0	0	0
Hungary	200,993	200,993	0	0	0
Iceland	53,598	53,598	0	0	0
Ireland	375,186	375,186	0	0	0
Israel	577,854	284,944	0	0	292,910
Italy	9,098,273	7,278,618	1,819,655	0	0
Japan	33,471,998	32,636,165	835,833	0	0
Kuwait	0	0	0	0	0
Latvia	40,199	0	0	0	40,199
Liechtenstein	10,050	10,050	0	0	0
Lithuania	36,849	0	0	0	36,849
Luxembourg	113,896	113,896	0	0	0
Malta	0	0	0	0	0
Monaco	6,700	6,700	0	0	0
Netherlands	2,731,827	2,731,827	0	0	0
New Zealand	370,162	370,162	0	0	0
Norway	1,021,713	1,021,713	0	0	0
Panama	0	0	0	0	0
Poland	346,712	346,712	0	0	0
Portugal	698,450	212,565	0	0	485,885
Russian Federation	2,490,635	0	0	0	2,490,635
Singapore	0	0	0	0	0
Slovakia	65,323	65,323	0	0	0
Slovenia	0	0	0	0	0
South Africa	0	0	0	0	0
Spain	4,336,419	4,336,419	0	0	0
Sweden	1,815,635	1,452,508	0	0	363,127
Switzerland	2,035,052	1,955,052	80,000	0	0
Tajikistan	8,375	0	0	0	8,375
Turkmenistan	13,399	0	0	0	13,399
Ukraine	505,832	0	0	0	505,832
United Arab Emirates	0	0	0	0	0
United Kingdom	8,525,444	1,258,869	0	7,266,575	0
United States of America	36,666,667	30,066,667	0	6,600,000	0
Uzbekistan	61,973	0	0	0	61,973
TOTAL	146,666,667	98,060,638	7,258,131	40,103,456	1,244,442

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL
Status of Contributions for 1999
As at 7 December 2001

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Australia	2,719,451	2,719,451	0	0	0
Austria	1,589,409	1,574,247	15,162	0	0
Azerbaijan	215,902	0	0	0	215,902
Belarus	537,459	0	0	0	537,459
Belgium	1,851,248	1,742,768	108,480	0	0
Brunei Darussalam	0	0	0	0	0
Bulgaria	0	0	0	0	0
Canada	5,700,741	5,070,281	630,460	0	0
Cyprus	0	0	0	0	0
Czech Republic	477,741	477,741	0	0	0
Denmark	1,318,383	1,318,383	0	0	0
Estonia	0	0	0	0	0
Finland	1,134,636	907,709	123,000	0	103,927
France	11,773,570	0	2,859,581	8,843,366	70,623
Georgia	0	0	0	0	0
Germany	16,615,295	8,033,014	6,366,907	2,215,374	0
Greece	698,237	698,237	0	0	0
Hungary	257,245	257,245	0	0	0
Iceland	55,124	55,124	0	0	0
Ireland	385,868	385,868	0	0	0
Israel	491,522	491,522	0	0	0
Italy	9,550,235	5,208,430	0	0	4,341,805
Japan	28,361,303	28,361,303	0	0	0
Kuwait	0	0	0	0	0
Latvia	139,131	85,259	0	0	53,872
Liechtenstein	18,375	18,375	0	0	0
Lithuania	156,185	0	0	0	156,185
Luxembourg	128,623	128,623	0	0	0
Malta	0	0	0	0	0
Monaco	18,375	18,373	0	0	2
Netherlands	2,916,979	2,916,979	0	0	0
New Zealand	440,992	440,992	0	0	0
Norway	1,028,982	1,028,982	0	0	0
Panama	0	0	0	0	0
Poland	620,145	620,145	0	0	0
Portugal	505,303	505,303	0	0	0
Russian Federation	8,176,728	0	0	0	8,176,728
Singapore	0	0	0	0	0
Slovakia	151,591	151,591	0	0	0
Slovenia	0	0	0	0	0
South Africa	0	0	0	0	0
Spain	4,341,016	4,341,016	0	0	0
Sweden	2,255,491	1,824,641	430,850	0	0
Switzerland	2,223,335	2,223,335	0	0	0
Tajikistan	36,749	0	0	0	36,749
Turkmenistan	59,718	0	0	0	59,718
Ukraine	2,094,712	0	0	0	2,094,712
United Arab Emirates	0	0	0	0	0
United Kingdom	9,766,137	1,627,690	565,000	7,573,447	0
United States of America	38,833,333	39,213,037	(379,704)	0	0
Uzbekistan	252,652	25,897	0	0	226,755
TOTAL	157,897,921	112,471,561	10,719,736	18,632,187	16,074,437

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL
Status of Contributions for 1997 - 1999
As at 7 December 2001

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Australia	8,158,353	8,158,353	0	0	0
Austria	4,768,227	4,753,065	15,162	0	0
Azerbaijan	647,706	0	0	0	647,706
Belarus	1,612,377	0	0	0	1,612,377
Belgium	5,553,744	5,445,264	108,480	0	0
Brunei Darussalam	0	0	0	0	0
Bulgaria	68,000	68,000	0	0	0
Canada	17,102,223	15,062,418	2,039,805	0	0
Cyprus	0	0	0	0	0
Czech Republic	1,332,440	1,332,440	0	0	0
Denmark	3,955,149	3,955,149	0	0	0
Estonia	0	0	0	0	0
Finland	3,403,908	2,951,551	348,430	0	103,927
France	35,320,710	2,874,846	5,258,467	20,572,620	6,614,777
Georgia	0	0	0	0	0
Germany	49,845,885	37,661,334	9,969,177	2,215,374	0
Greece	2,094,711	2,094,711	0	0	0
Hungary	771,735	771,735	0	0	0
Iceland	165,372	165,372	0	0	0
Ireland	1,157,604	1,157,604	0	0	0
Israel	1,474,566	1,474,566	0	0	0
Italy	28,650,705	24,308,900	0	0	4,341,805
Japan	85,083,909	76,678,150	2,733,500	0	5,672,259
Kuwait	0	0	0	0	0
Latvia	139,131	85,259	0	0	53,872
Liechtenstein	55,125	55,125	0	0	0
Lithuania	279,421	14,975	0	0	264,446
Luxembourg	385,869	385,869	0	0	0
Malta	0	0	0	0	0
Monaco	55,125	55,110	0	0	15
Netherlands	8,750,937	8,750,937	0	0	0
New Zealand	1,322,976	1,322,976	0	0	0
Norway	3,086,946	3,086,946	0	0	0
Panama	0	0	0	0	0
Poland	1,860,435	1,860,435	0	0	0
Portugal	1,515,909	1,515,909	0	0	0
Russian Federation	24,530,184	0	0	0	24,530,184
Singapore	0	0	0	0	0
Slovakia	454,773	454,773	0	0	0
Slovenia	0	0	0	0	0
South Africa	592,583	592,583	0	0	0
Spain	13,023,048	13,023,048	0	0	0
Sweden	6,766,473	6,335,623	430,850	0	0
Switzerland	6,670,005	6,636,105	33,900	0	0
Tajikistan	65,746	5,333	0	0	60,413
Turkmenistan	179,154	0	0	0	179,154
Ukraine	5,555,291	0	0	0	5,555,291
United Arab Emirates	0	0	0	0	0
United Kingdom	29,298,411	14,649,210	565,000	14,084,201	0
United States of America	116,499,999	113,858,703	641,296	2,000,000	0
Uzbekistan	332,255	105,500	0	0	226,755
TOTAL	472,587,120	361,707,876	22,144,067	38,872,195	49,862,982

1991-2000 Summary Status of Contributions
As at 7 December 2001

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Australia	22,810,456	21,914,118	896,338	0	0
Austria	12,556,585	12,424,795	131,790	0	0
Azerbaijan	747,737	0	0	0	747,737
Belarus	2,186,092	0	0	0	2,186,092
Belgium	15,989,492	15,881,012	108,480	0	0
Brunei Darussalam	0	0	0	0	0
Bulgaria	929,031	929,031	0	0	0
Canada	46,663,127	38,050,802	4,915,982	3,696,342	1
Cyprus	148,670	148,670	0	0	0
Czech Republic	4,384,681	4,384,681	0	0	0
Denmark	10,512,130	10,307,130	205,000	0	0
Estonia	25,124	25,124	0	0	0
Finland	8,886,359	8,330,562	451,870	0	103,927
France	94,872,911	50,147,937	6,842,649	31,267,548	6,614,777
Georgia	0	0	0	0	0
Germany	138,689,162	113,303,703	14,553,410	14,060,985	(3,228,936)
Greece	5,620,959	5,620,959	0	0	0
Hungary	2,393,653	2,393,653	0	0	0
Iceland	460,037	460,037	0	0	0
Ireland	3,031,444	3,031,444	0	0	0
Israel	3,627,156	3,334,246	0	0	292,910
Italy	71,791,485	65,630,025	1,819,655	0	4,341,805
Japan	217,056,949	207,815,357	3,569,333	0	5,672,259
Kuwait	286,549	286,549	0	0	0
Latvia	179,330	85,259	0	0	94,071
Liechtenstein	145,531	145,531	0	0	0
Lithuania	316,270	14,975	0	0	301,295
Luxembourg	999,317	999,317	0	0	0
Malta	28,052	28,052	0	0	0
Monaco	121,612	121,597	0	0	15
Netherlands	23,909,450	23,909,450	0	0	0
New Zealand	3,621,674	3,621,674	0	0	0
Norway	8,545,641	8,545,641	0	0	0
Panama	16,915	16,915	0	0	0
Poland	2,682,071	2,682,071	0	0	0
Portugal	3,922,639	3,436,754	0	0	485,885
Russian Federation	81,834,430	0	0	0	81,834,430
Singapore	531,221	459,245	71,976	0	0
Slovakia	1,476,468	1,476,468	0	0	0
Slovenia	61,290	61,290	0	0	0
South Africa	3,793,691	3,763,691	30,000	0	0
Spain	33,891,892	33,891,892	0	0	0
Sweden	17,853,523	17,059,546	430,850	0	363,127
Switzerland	17,821,140	17,464,640	356,500	0	0
Tajikistan	74,121	5,333	0	0	68,788
Turkmenistan	249,156	0	0	0	249,156
Ukraine	7,486,519	785,600	0	0	6,700,919
United Arab Emirates	559,639	559,639	0	0	0
United Kingdom	77,920,530	56,004,754	565,000	21,350,776	0
United States of America	326,918,236	307,501,045	10,817,191	8,600,000	0
Uzbekistan	394,228	105,500	0	0	288,728
SUB-TOTAL	1,279,024,375	1,047,165,713	45,766,024	78,975,651	107,116,987
Disputed Contributions (**)	8,098,267	0	0	0	8,098,267
TOTAL	1,287,122,642	1,047,165,713	45,766,024	78,975,651	115,215,254

NB: (**) In this table, the amounts disputed by France, Germany, Italy, Japan and the United Kingdom have been deducted from their agreed 1996 contributions and are shown here as an aggregate total only.

Annex II**NEW COMPLETION DATE FOR ALREADY APPROVED TRAINING PROJECTS**

Country	Activity	Meeting Approved	New Completion Date
Argentina	Policy development	30	Dec-2002
	Refrigeration Phase III	32	Dec-2003
	Customs training	32	Dec-2003
Bahamas	Refrigeration	23	Dec-2003
	Customs	23	Dec-2004
Bahrain	Customs	26	Dec-2002
Bangladesh	Refrigeration	29	Dec-2003
	Customs	29	Dec-2004
Belize	Policy assistance	29	Dec-2002
Burundi	Refrigeration training	26	Dec-2003
	Customs training	26	Dec-2003
Chad	Refrigeration training	29	Dec-2004
	Customs training	29	Dec-2002
Colombia	Refrigeration training	17	Dec-2002
Congo	Information sharing	32	Dec-2002
	Customs training	32	Dec-2004
Dominica	Refrigeration training	26	Dec-2002
	Customs training	26	Dec-2003
Dominican Republic	Refrigeration training	25	Dec-2002
	Customs training	25	Dec-2003
El Salvador	Refrigeration training	25	Dec-2002
	Customs training	25	Dec-2003
Ethiopia	Refrigeration training	26	Dec-2002
Fiji	Refrigeration training	29	Dec-2002
	Customs training	29	Dec-2002
Gabon	Refrigeration training	26	Dec-2003
	Customs training	26	Dec-2003
Gambia	Policy development	29	Dec-2002
	Refrigeration training	29	Dec-2002
	Customs training	29	Dec-2003
Georgia	Refrigeration training	27	Dec-2002
	Customs training	27	Dec-2003
Ghana	Customs training	32	Dec-2004
Grenada	Customs training	30	Dec-2003
Guatemala	Licensing systems	27	Dec-2002
	Refrigeration training	27	Dec-2002
	Customs training	27	Dec-2003
Guinea	Refrigeration training	30	Dec-2003

Annex II

Country	Activity	Meeting Approved	New Completion Date
	Customs training	30	Dec-2003
Guyana	Refrigeration + R&R training	23	Dec-2002
	Customs training	23	Dec-2003
Mali	Policy development	29	Dec-2002
	Refrigeration training	29	Dec-2002
	Customs training	29	Dec-2003
Mongolia	Refrigeration training	32	Dec-2003
	Customs training	32	Dec-2003
Nepal	Policy development	28	Dec-2003
	Refrigeration training	28	Dec-2003
	Customs training	28	Dec-2003
Niger	Refrigeration training	27	Dec-2002
	Customs training	27	Dec-2002
Panama	Legislation	29	Dec-2003
	Refrigeration training	29	Dec-2003
Paraguay	Policy development	32	Dec-2002
	Refrigeration training	32	Dec-2003
	Customs training	32	Dec-2003
Peru	Licensing system	27	Dec-2002
	Refrigeration training	27	Dec-2002
	Customs training	27	Dec-2002
St Vincent	Refrigeration training	25	Dec-2002
	Customs training	25	Dec-2004
Samoa	Refrigeration training	32	Dec-2002
	Customs training	32	Dec-2003
Senegal	Customs support and monitoring	33	Dec-2003
Sri Lanka	Refrigeration training	32	Dec-2002
	Customs training	32	Dec-2003
Syria	Policy development	29	Dec-2003
	Refrigeration training	29	Dec-2002
	Customs training	29	Dec-2003
Trinidad & Tobago	Refrigeration training	23	Dec-2002
	Customs training	23	Dec-2002
Venezuela	Licensing system	34	Dec-2002
	Customs training	34	Dec-2003

Annex III

BUDGET FOR THE FUND SECRETARIAT FOR YEARS 2002, 2003 AND 2004

				APPROVED	REVISED	APPROVED	PROPOSED
				2002	2002	2003	2004
10	PERSONNEL COMPONENT						
1100	Project Personnel (Title & Grade)						
	01	Chief Officer	D. 2	125,660	125,660	129,430	133,313
	02	Deputy Chief Officer (Economic Cooperation)	P. 5	113,300	113,300	116,699	120,200
	03	Deputy Chief officer (Technical Cooperation)	P. 5	113,300	113,300	116,699	120,200
	04	Economic Affairs Officer	P.4/P.5	113,300	113,300	116,699	120,200
	05	Environmental Affairs Officer	P.4/P.5	113,300	113,300	116,699	120,200
	06	Project Management Officer	P.4/P.5	113,300	113,300	116,699	120,200
	07	Project Management Officer	P.4/P.5	113,300	113,300	116,699	120,200
	08	Information Management Officer	P. 3	83,430	83,430	85,933	88,511
	09	Admin & Fund Management Officer	P. 4	97,850	97,850	100,786	103,809
	10	Senior Monitoring and Evaluation Officer	P. 5	113,300	113,300	116,699	120,200
	11	Executive Assistant to Chief Officer	P.2	56,650	56,650	58,350	60,100
1199	Sub-Total			1,156,690	1,156,690	1,191,391	1,227,133
1200	Consultants						
	01	Technical and project review			150,000		
1299	Sub-Total				150,000		
1300	Administrative Support Personnel						
	01	Admin Assistant	G.8	45,900	45,900	46,818	47,000
	02	Meeting Services Assistant	G.7	41,820	41,820	42,656	43,000
	03	Programme Assistant	G.8	45,900	45,900	46,818	47,000
	04	Senior Secretary (Deputy Chief, EC)	G.6	37,740	37,740	38,495	39,000
	05	Senior Secretary (Deputy Chief, TC)	G.6	37,740	37,740	38,495	39,000
	06	Computer Operations Assistant	G.7/G.8	45,900	45,900	46,818	47,000
	07	Secretary (Prog. Officers -2)	G.6	37,740	37,740	38,495	39,000
	08	Secretary/Clerk, Administration	G.5	32,640	32,640	33,293	34,000
	09	Registry Clerk	G.4	26,520	26,520	27,050	28,000
	10	Database Assistant	G.8	45,900	45,900	46,818	47,000
	11	Secretary, Monitoring & Evaluation	G.5/G.6	36,720	36,720	37,454	39,000
	Sub-Total			434,520	434,520	443,210	449,000
1320	Conference Servicing Cost					-	-
1333	Meeting Services: ExCom (3) & Sub-Committees (6)				500,000		
1399	TOTAL ADMINISTRATIVE SUPPORT COST			434,520	934,520	443,210	449,000
1600	Travel on official business					-	-
	01	Mission Costs			160,000		
19	COMPONENT TOTAL			1,591,210	2,401,210	1,634,601	1,676,133

UNEP/OzL.Pro/ExCom/35/67
Annex III

		APPROVED	REVISED	APPROVED	PROPOSED
		2002	2002	2003	2004
20	CONTRACTUAL COMPONENT				
2100	Sub-contracts				
01	Information Materials		30,000	-	-
29	COMPONENT TOTAL	-	30,000	-	-
30	MEETING PARTICIPATION COMPONENT				
3300	Travel & DSA for Art 5 delegates to ExCom Meetings				
01	Travel of Chairperson and Vice-Chairperson		30,000	-	-
02	Executive Committee (3) & Sub-Committees (6)		225,000	-	-
03	Informal Sub-Group Meetings		30,000	-	-
39	COMPONENT TOTAL	-	285,000	-	-
40	EQUIPMENT COMPONENT				
4100	Expendables				
01	Office Stationery		15,000	-	-
02	Software		9,000	-	-
	Sub-Total	-	24,000	-	-
4200	Non-Expendable Equipment				
01	Computers, printers		10,000	-	-
02	Others		5,000	-	-
	Sub-Total	-	15,000	-	-
4300	Premises				
01	Rental of office premises		310,000	-	-
49	COMPONENT TOTAL	-	349,000	-	-

		APPROVED	REVISED	APPROVED	PROPOSED
		2002	2002	2003	2004
MISCELLANEOUS COMPONENT					
51	Operation and Maintenance of Equipment				
	01 Computers and printers, etc.		9,000	-	-
	02 Maintenance of office premises		9,000	-	-
	03 Rental of photocopiers		15,000	-	-
	04 Telecommunication equipment		9,000	-	-
	05 Network maintenance		12,000	-	-
	Sub-total	-	54,000	-	-
52	Reporting Costs				
	01 Executive Committee meetings				
	02 Others		20,000	-	-
	Sub-total	-	20,000	-	-
53	Sundries				
	01 Communications		40,000	-	-
	02 Freight Charges		15,000	-	-
	03 Bank Charges		5,000	-	-
	04 Staff training (carried over)		38,000	-	-
	Sub-total	-	98,000	-	-
54	01 Hospitality costs		10,000		
59	COMPONENT TOTAL	-	182,000		
GRAND TOTAL		1,591,210	3,247,210	1,634,601	1,676,133
	Programme Support Costs (13%) (on budget lines 11 and 13.01 to 13.11)	206,857	206,857	212,498	217,897
Less	Cost covered by Government of Canada	(350,000)	(350,000)	(350,000)	(350,000)
COST TO MULTILATERAL FUND		1,448,067	3,104,067	1,497,099	1,544,030

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/35/67

Annex IV

Project Title (US\$/kg)	Agency	ODP (tonnes)	Funds Approved (US\$)		C.E.
			Project	Support	Total
ALBANIA					
SEVERAL					
Institutional strengthening					
Establishment of the Ozone Unit <i>Approved for one year in order to review the ODS consumption data for the completion of the country programme and RMP project.</i>	UNEP		\$42,000	\$5,460	\$47,460
Total for Albania			\$42,000	\$5,460	\$47,460
ALGERIA					
HALON					
Banking					
Sectoral phase-out programme: establishment of a halon bank <i>Approved on the understanding that the importation of halon into Algeria will cease starting January 2004</i>	Germany	195.0	\$259,500	\$33,735	\$293,235 1.30
Total for Algeria			195.0	\$259,500	\$33,735
BAHAMAS					
PHASEOUT PLAN					
CFC phase-out plan					
Terminal phase-out management plan <i>To be implemented in accordance with the conditions for the terminal CFC phase-out management plan agreed between the Government of the Bahamas and the Executive Committee at a total amount of US \$560,000 to phase out 66 ODP tonnes (C.E. US \$8.48/kg)</i>	World Bank	18.0	\$240,000	\$31,200	\$271,200 13.33
Total for Bahamas			18.0	\$240,000	\$31,200
BANGLADESH					
SEVERAL					
Institutional strengthening					
Renewal of the institutional strengthening project (phase III) <i>Approved on the understanding that no funding will be disbursed until confirmation had been received from UNDP that the project to phase out CFCs in the aerosol sector had been completed and CFCs were no longer being used by the enterprise.</i>	UNDP		\$100,000	\$13,000	\$113,000
Total for Bangladesh			\$100,000	\$13,000	\$113,000
BOLIVIA					
FOAM					
Multiple-subsectors					
Foam sector ODS phase-out <i>Approved on the understanding that the Government will not submit any further requests for assistance in the foam sector and that the Government will have the flexibility in disbursing the approved funds provided that all the project objectives are met.</i>	UNDP	4.9	\$161,211	\$20,957	\$182,168 20.55

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/35/67

Annex IV

Project Title (US\$/kg)	Agency	ODP (tonnes)	Funds Approved (US\$)		C.E.
			Project	Support	Total
FUMIGANT					
Methyl bromide					
Terminal methyl bromide phase-out, excluding QPS applications	UNDP	1.5	\$221,032	\$28,734	\$249,766 145.41
<i>Approved taking into account the country's possible non-compliance with the 2002 freeze, and the fact that the project is similar to demonstration projects approved by the Executive Committee in this sector. The project is to be implemented in accordance with the conditions for the phase-out of methyl bromide in Bolivia agreed between the Government of Bolivia and the Executive Committee (Note: the cost effectiveness of project excluding the demonstration component, is US \$33.6/kg).</i>					
Total for Bolivia		6.4	\$382,243	\$49,692	\$431,935
BOSNIA AND HERZEGOVINA					
FOAM					
Flexible slabstock					
Conversion from CFC-11 to methylene chloride in the production of flexible slabstock foam at Inga Co.	UNIDO	21.0	\$101,950	\$13,254	\$115,204 5.50
REFRIGERATION					
Domestic					
Replacement of refrigerant CFC-12 with HFC-134a and foam blowing agent CFC-11 with cyclopentane in the manufacture of commercial refrigeration equipment at Bira, Bihac	UNIDO	29.0	\$536,956	\$69,065	\$606,021 12.05
Commercial					
Replacement of refrigerants CFC-12 and R-502 with HFC-134a and R-404A, and foam blowing agent CFC-11 with HCFC-141b in the manufacture of commercial refrigeration equipment and cold refrigeration chambers at Soko	UNIDO	17.4	\$159,707	\$20,762	\$180,469 9.18
Total for Bosnia and Herzegovina		67.4	\$798,613	\$103,081	\$901,694
BRAZIL					
REFRIGERATION					
Commercial					
Umbrella project for two enterprises converting from CFC-11 to HCFC-141b and from CFC-12 to HFC-134a at Argi and Hornburg	UNIDO	11.2	\$108,050	\$14,047	\$122,097 9.64
Total for Brazil		11.2	\$108,050	\$14,047	\$122,097
BURUNDI					
AEROSOL					
Filling plant					
Phase-out of CFC-11 and CFC-12 mixture in the manufacture of insecticides by conversion to hydrocarbon propellant at Fadi, S.A. (Fabrication d'insecticide et de product chimique)	UNDP	8.8	\$128,900	\$16,757	\$145,657
FOAM					
Flexible slabstock					
Phasing out of CFC-11 in the manufacture of flexible slabstock foam by conversion to methylene chloride at Exim, S.A.	UNDP	26.3	\$78,262	\$10,174	\$88,436 2.98
Total for Burundi		35.0	\$207,162	\$26,931	\$234,093

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/35/67

Annex IV

Project Title (US\$/kg)	Agency	ODP (tonnes)	Funds Approved (US\$)		C.E.	
			Project	Support	Total	
CAMBODIA						
SEVERAL						
Technical assistance/support						
Formulation of national phase-out strategy	UNEP		\$60,000	\$7,800	\$67,800	
	Total for Cambodia		\$60,000	\$7,800	\$67,800	
CAPE VERDE						
SEVERAL						
Technical assistance/support						
Formulation of national phase-out strategy	UNEP		\$40,000	\$5,200	\$45,200	
	Total for Cape Verde		\$40,000	\$5,200	\$45,200	
CHILE						
REFRIGERATION						
Refrigerant management plan						
Implementation of the RMP: training programme for technicians and establishment of refrigeration standards <i>Approved subject to the stipulation that Chile will commit to achieving the 50 per cent reduction in ODS consumption in the servicing sector (identified in the refrigerant management plan as 219.4 ODP tonnes) by 2005 and the 85 per cent reduction by 2007, with no further request for funding in this sector.</i>	Canada		\$260,000	\$33,800	\$293,800	
Implementation of the RMP: monitoring, evaluation and reporting of the activities in the RMP	UNEP		\$52,000	\$6,760	\$58,760	
Implementation of the RMP: enabling a control and regulatory network	UNEP		\$111,400	\$14,482	\$125,882	
Implementation of the RMP: end-users and public awareness programme	UNEP		\$172,000	\$22,360	\$194,360	
Implementation of the RMP: recovery and recycling programme <i>Approved on the understanding that the project will not commence until the legislation controlling CFCs import will be in place and the price of CFCs increase to a level equivalent to the local market price of non-ODS refrigerants and subject to the stipulation that Chile will commit to achieving the 50 per cent reduction in ODS consumption in the servicing sector (identified in the refrigerant management plan as 219.4 ODP tonnes) by 2005 and the 85 per cent reduction by 2007, with no further request for funding in this sector.</i>	Canada	40.0	\$531,620	\$53,162	\$584,782	
	Total for Chile	59.8	\$1,539,761	\$184,220	\$1,723,981	
STERILANTS						
Ethylene oxide						
Terminal conversion of ethylene oxide/CFC-12 mixtures to alternative non-ozone depleting technologies in 26 hospitals	UNDP	19.8	\$412,741	\$53,656	\$466,397	20.88
CHINA						
FOAM						
Polystyrene/polyethylene						
Phase-out of CFC-12 in the manufacturing of extruded polystyrene foams through the use of butane as a blowing agent at 7 enterprises (terminal umbrella project)	UNIDO	359.0	\$2,450,123	\$279,514	\$2,729,637	6.82

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Project Title (US\$/kg)	Agency	ODP (tonnes)	Funds Approved (US\$)		C.E.	
			Project	Support	Total	
Multiple-subsectors						
CFC phase-out in the polyurethane foam sector - 2002 annual Programme <i>Approved in accordance with the agreement between the Government of China and the Executive Committee.</i>	World Bank	2,000.0	\$9,940,000	\$886,600	\$10,826,600	4.97
FUMIGANT						
Technical assistance/support						
Awareness raising workshop to support ratification of the Copenhagen Amendment <i>Approved subject to receipt by the Fund Secretariat of a letter from the Government of China indicating its intention to complete the ratification of the Copenhagen amendment within the following 12 months.</i>	UNEP		\$100,000	\$13,000	\$113,000	
Techno-economic evaluation of methyl bromide alternatives <i>Approved subject to receipt by the Fund Secretariat of a letter from the Government of China indicating its intention to complete the ratification of the Copenhagen amendment within the following 12 months.</i>	UNEP		\$80,000	\$10,400	\$90,400	
HALON						
General						
Halon sector: 2002 annual programme (fifth tranche) <i>In addition, 2,169 ODP tonnes of halon will be phased out in the production sector.</i>	World Bank	2,889.0	\$3,700,000	\$370,000	\$4,070,000	
REFRIGERATION						
Domestic						
Conversion of the use of CFC-12 to HC in the manufacture of thermostats at Foshan Tongbao Co., Ltd.	Germany	11.5	\$213,271	\$27,725	\$240,996	18.58
Total for China		5,259.5	\$16,483,39	\$1,587,239	\$18,070,63	
COLOMBIA						
REFRIGERATION						
Training programme/workshop						
Training programme for customs officers <i>Approved on the understanding that no additional funding will be requested for customs training in Colombia.</i>	Canada		\$106,150	\$13,799	\$119,949	
Total for Colombia			\$106,150	\$13,799	\$119,949	
COMOROS						
REFRIGERATION						
Refrigerant management plan						
Implementation of the RMP: monitoring of RMP implementation and its impact in the service and end-users sectors	UNEP		\$18,000	\$2,340	\$20,340	
Implementation of the RMP: training of customs officers in identification and control of ODS imports	UNEP		\$39,000	\$5,070	\$44,070	
Implementation of the RMP: assessment of the end-users subsector	UNEP		\$30,000	\$3,900	\$33,900	
Implementation of the RMP: train the trainer and training of refrigeration service technicians	UNEP		\$51,000	\$6,630	\$57,630	
Total for Comoros			\$138,000	\$17,940	\$155,940	

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Project Title (US\$/kg)	Agency	ODP (tonnes)	Funds Approved (US\$)		C.E.	
			Project	Support	Total	
CONGO, DR						
FOAM						
Flexible slabstock						
Phasing out of CFC-11 in the manufacture of flexible slabstock foam by conversion to methylene chloride at Complast SPRL	UNDP	38.0	\$190,820	\$24,807	\$215,627	5.02
Phasing out of CFC-11 in the manufacture of flexible slabstock foam by conversion to methylene chloride at M.K. SPRL	UNDP	26.0	\$149,800	\$19,474	\$169,274	5.76
	Total for Congo, DR	64.0	\$340,620	\$44,281	\$384,901	
COSTA RICA						
FUMIGANT						
Methyl bromide						
Total methyl bromide phase-out used as a fumigant in melons, cut flowers, bananas, tobacco seedbeds and nurseries, excluding QPS applications (first tranche) <i>The Executive Committee agrees to approve, in principle, US \$4,845,283 as the total funds that will be available to achieve the phase-out of methyl bromide used for all purposes in Costa Rica, excluding quarantine and pre-shipment applications (for a total phase-out of 426.9 ODP tonnes at a cost effectiveness of US \$11.35/kg), subject to the conditions agreed between the Government of Costa Rica and the Executive Committee.</i>	UNDP	84.4	\$1,211,321	\$143,245	\$1,354,566	14.35
	Total for Costa Rica	84.4	\$1,319,408	\$157,297	\$1,476,705	
CROATIA						
FUMIGANT						
Methyl bromide						
Phase-out of methyl bromide in tobacco seedlings <i>Approved on an exceptional basis, given the unfavourable cost-effectiveness of about US \$30 per kg; the Government of Croatia called upon to undertake the utmost efforts to ensure cost-effectiveness and savings in the implementation of the project and full compliance with the phase-out schedule. The project is to be implemented in accordance with the conditions for the phase-out of methyl bromide agreed between the Government of Croatia and the Executive Committee.</i>	UNIDO	16.2	\$476,833	\$61,988	\$538,821	29.43
	Total for Croatia	16.2	\$476,833	\$61,988	\$538,821	
GEORGIA						
REFRIGERATION						
Refrigerant management plan						
Implementation of the RMP: monitoring the activities in the RMP	UNDP		\$16,350	\$2,126	\$18,476	
Implementation of the RMP: training programme in the refrigeration sector (phase III)	UNEP		\$20,000	\$2,600	\$22,600	
Implementation of the RMP: incentive programme for the end-users in the commercial/industrial refrigeration and refrigerated transport sub-sectors	UNDP	1.5	\$101,000	\$13,130	\$114,130	20.20

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Project Title (US\$/kg)	Agency	ODP (tonnes)	Funds Approved (US\$)		C.E.	
			Project	Support	Total	
Total for Georgia		1.5	\$137,350	\$17,856	\$155,206	
GUATEMALA						
REFRIGERATION						
Refrigerant management plan						
Implementation of the RMP: establishment and enforcement of legislation	UNEP		\$62,000	\$8,060	\$70,060	
Training programme/workshop						
Implementation of the RMP: customs training programme	UNEP		\$56,000	\$7,280	\$63,280	
Technical assistance/support						
Implementation of the RMP: alternatives to the use of CFC-12	UNEP		\$58,000	\$7,540	\$65,540	
Implementation of the RMP: monitoring the activities in the RMP	UNEP		\$31,800	\$4,134	\$35,934	
Implementation of the RMP: establishment of licensing system	UNEP		\$23,200	\$3,016	\$26,216	
SEVERAL						
Institutional strengthening						
Renewal of the institutional strengthening project	UNEP		\$96,000	\$12,480	\$108,480	
Total for Guatemala			\$327,000	\$42,510	\$369,510	
GUYANA						
REFRIGERATION						
Refrigerant management plan						
Implementation of the RMP: assistance for implementation of additional activities in the RMP	UNEP		\$65,500	\$8,515	\$74,015	
Total for Guyana			\$65,500	\$8,515	\$74,015	
INDIA						
PROCESS AGENT						
Process conversion						
Conversion of carbon tetrachloride as process agent to cyclohexane at Amoli Organics Limited, Mumbai	UNIDO	38.5	\$385,367	\$50,098	\$435,465	10.01
<i>In approving the project, the Executive Committee decided to take note of: (i) the expectation that, following the approval of funds for sector plans for the process agent sector in India, future proposals will be submitted in the context of a sector plan, and; (ii) the need for full data to be provided on the relevant sub-sector, including the remaining consumption to be phased out in the sub-sector, with a view to considering the scope for industrial consolidation.</i>						
REFRIGERATION						
Commercial						
Conversion from CFC-11 to HCFC-141b technology and from CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at Ice-Make Refrigeration	UNDP	12.4	\$157,305	\$20,450	\$177,755	12.72
Conversion from CFC-11 to HCFC-141b and from CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at nine enterprises	UNDP	56.5	\$726,448	\$89,909	\$816,357	12.85
Conversion from CFC-11 to HCFC-141b technology and from CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at Konark Refrigeration Appliances P., Ltd.	UNDP	13.1	\$182,684	\$23,749	\$206,433	13.98
Conversion from CFC-11 to HCFC-141b and from CFC-12 to	UNDP	68.0	\$960,097	\$115,611	\$1,075,708	15.21

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Project Title (US\$/kg)	Agency	ODP (tonnes)	Funds Approved (US\$)		C.E.
			Project	Support	Total
HFC-134a technology in the manufacture of commercial refrigeration equipment at fourteen enterprises					
SOLVENT					
Training programme/workshop					
Overall strategy for the solvent sector to support the phaseout of ODS in SMEs	UNEP		\$169,000	\$21,970	\$190,970
<i>Approved on the understanding that UNEP would liaise closely with UNIDO and the World Bank in relation to the investment projects included in the strategy.</i>					
	Total for India	188.5	\$2,580,901	\$321,786	\$2,902,687
INDONESIA					
FOAM					
Rigid					
Phase-out of CFC-11 by conversion to HCFC-141b in the manufacture of rigid polyurethane foam (cooler box products) at Dua Roda Industrial Co.	World Bank	11.2	\$52,457	\$6,819	\$59,276 4.68
Phase-out of CFC-11 by conversion to HCFC-141b in the manufacture of rigid polyurethane foam (house ware products) at PT Maspion Plastic and Metal Industry	World Bank	18.1	\$141,723	\$18,424	\$160,147 7.83
Phase-out of CFC-11 by conversion to HCFC-141b in the manufacture of rigid polyurethane foam (steel door) at PT Bostinco	World Bank	11.3	\$88,479	\$11,502	\$99,981 8.53
Integral skin					
Phase-out of CFC-11 by conversion to 100% water based technology in the manufacture of polyurethane integral skin shoe soles at PT Udapana Swasti	World Bank	28.0	\$165,201	\$21,476	\$186,677 5.90
Conversion from CFC-11 to fully water-based technology in the manufacture of flexible molded polyurethane foam at PT Kemenangan	UNDP	13.1	\$104,817	\$13,626	\$118,443 8.02
REFRIGERATION					
Commercial					
Conversion from CFC-11 to HCFC-141b technology and from CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment and rigid foam at PT Leoindo Kreasi	UNDP	15.7	\$119,394	\$15,521	\$134,915 7.59
Conversion from CFC-11 to HCFC-141b technology and from CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment and rigid foam at PT Nikoteknik	UNDP	27.9	\$238,903	\$31,057	\$269,960 8.56
Conversion from CFC-11 to HCFC-141b technology and from CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at PT Sapporo Mestika	UNDP	11.2	\$153,768	\$19,990	\$173,758 13.76
Conversion from CFC-11 to HCFC-141b technology and from CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at PT Alfa Metalindo Agra	UNDP	9.7	\$146,960	\$19,105	\$166,065 15.21
Conversion from CFC-11 to HCFC-141b technology and from CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at PT Gastro Gizi Sarana	UNDP	15.5	\$221,049	\$28,736	\$249,785 15.21
Conversion from CFC-11 to HCFC-141b technology and from CFC-12 to HFC-134a technology in the manufacture of	UNDP	9.6	\$145,894	\$18,966	\$164,860 15.21

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Project Title (US\$/kg)	Agency	ODP (tonnes)	Funds Approved (US\$)		C.E.
			Project	Support	Total
commercial refrigeration equipment at PT Hatindo Metal Utama					
	Total for Indonesia	171.2	\$1,578,645	\$205,224	\$1,783,869
IRAN					
FOAM					
Flexible slabstock					
Conversion of the use of CFC to LCD in the manufacture of flexible foam at Efsanj Jajerood foam company <i>Approved on the understanding that the US \$50,000 licencing fee for the LCD technology will not be committed for expenditure until the Executive Committee has considered a report on revision of the guidelines for LCD</i>	Germany	89.0	\$499,299	\$64,909	\$564,208 5.63
Phasing out of ODS in the manufacture of flexible slab stock foam through the use of LCD blowing technology at Abre Shomal, Co. <i>Approved on the understanding that the US \$50,000 licencing fee for the LCD technology will not be committed for expenditure until the Executive Committee has considered a report on revision of the guidelines for LCD</i>	UNIDO	90.4	\$552,148	\$70,736	\$622,884 6.10
Integral skin					
Conversion from CFC-11 to water-blown technology in the manufacture of flexible molded polyurethane foam at Sandalisazi Efsanje Ghalebi Iran	UNDP	22.4	\$188,820	\$24,547	\$213,367 8.43
Preparation of project proposal					
Project preparation for the phase-out of ODS use in the flexible foam sub-sector in 5 companies	Germany		\$23,750	\$3,088	\$26,838
REFRIGERATION					
Domestic					
Conversion from CFC-11 to HCFC-141b and CFC-12 to HFC-134a technology in the manufacture of domestic refrigeration equipment at Ariz Pooyaye Sanat (Ariz Co.)	UNIDO	7.6	\$86,365	\$11,227	\$97,592 11.40
Conversion from CFC-11 to HCFC-141b technology and from CFC-12 to HFC-134a technology in the manufacture of domestic refrigerators at Parto Shiva Sanaat	UNDP	23.9	\$283,948	\$36,913	\$320,861 11.90
Conversion from CFC-11 to HCFC-141b and CFC-12 to HFC-134a technology in the manufacture of domestic refrigeration equipment at Yaghouballi Bazdid Vahdat (Isun Co.)	UNIDO	10.5	\$131,605	\$17,109	\$148,714 12.56
Conversion from CFC-11 to HCFC-141b technology and from CFC-12 to HFC-134a technology in the manufacture of domestic refrigerators at Garm Iran Co.	UNDP	11.8	\$153,447	\$19,948	\$173,395 13.00
Conversion from CFC-11 to HCFC-141b and CFC-12 to HFC-134a technology in the manufacture of domestic refrigeration equipment at Borna Sanat Arak	UNIDO	8.0	\$108,238	\$14,071	\$122,309 13.52
Commercial					
Conversion from CFC-11 to HCFC-141b technology and from CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment and rigid foam at Tehran Sardaszi Industrial Co.	UNDP	15.5	\$125,244	\$16,282	\$141,526 8.08
Conversion from CFC-11 to HCFC-141b technology and from CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment and rigid foam at	UNDP	17.7	\$144,715	\$18,813	\$163,528 8.20

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Project Title (US\$/kg)	Agency	ODP (tonnes)	Funds Approved (US\$)			C.E.
			Project	Support	Total	
Mehran Sard, Co.						
Conversion from CFC-11 to HCFC-141b technology and from CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at Havasaz Manufacturing and Industrial Co.	UNDP	24.5	\$252,294	\$32,798	\$285,092	10.30
Conversion from CFC-11 to HCFC-141b and CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at Sarma Gostar Co.	UNIDO	9.3	\$100,384	\$13,050	\$113,434	10.80
Conversion from CFC-11 to HCFC-141b technology and from CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at Sanaye Boroudati Maleki	UNDP	17.9	\$215,052	\$27,957	\$243,009	12.03
Conversion from CFC-11 to HCFC-141b technology and from CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at Sarma Fan, Co.	UNDP	20.8	\$267,075	\$34,720	\$301,795	12.82
Conversion from CFC-11 to HCFC-141b and CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at Sardintous Co.	UNIDO	10.3	\$145,879	\$18,964	\$164,843	14.19
Conversion from CFC-11 to HCFC-141b and CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at Abbaspour Company	UNIDO	9.7	\$144,206	\$18,747	\$162,953	14.83
Conversion from CFC-11 to HCFC-141b and CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at Sard Va Garm	UNIDO	8.4	\$125,350	\$16,296	\$141,646	14.95
Conversion from CFC-11 to HCFC-141b and CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at Darvish Mohamad Nazari company (Jahan Nama)	UNIDO	9.3	\$139,970	\$18,196	\$158,166	15.08
Conversion from CFC-11 to HCFC-141b and CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at the Sherkate Taavoni 435 (Khorsandi Co.)	UNIDO	5.4	\$82,107	\$10,674	\$92,781	15.18
Conversion from CFC-11 to HCFC-141b technology and from CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at Alireza Abdolrezazadeh Co.	UNDP	7.7	\$116,646	\$15,164	\$131,810	15.21
Domestic/commercial						
Conversion from CFC-11 to HCFC-141b technology and from CFC-12 to HFC-134a technology in the manufacture of domestic and commercial refrigeration equipment at Ghotb Jonoub Industrial Group	UNDP	14.6	\$170,125	\$22,116	\$192,241	11.68
Conversion from CFC-11 to HCFC-141b and CFC-12 to HFC-134a technology in the manufacture of domestic and commercial refrigeration equipment at Alborz Neishabour	UNIDO	16.0	\$189,669	\$24,657	\$214,326	11.88
Conversion from CFC-11 to HCF-141b and CFC-12 to HFC-134a technology in the manufacture of domestic and commercial refrigeration equipment at Bouran Saz Karaj (Kohsar Co.)	UNIDO	9.6	\$120,526	\$15,668	\$136,194	12.52
Conversion from CFC-11 to HCFC-141b and CFC-12 to HFC-134a technology in the manufacture of domestic and	UNIDO	6.4	\$82,400	\$10,712	\$93,112	12.91

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Project Title (US\$/kg)	Agency	ODP (tonnes)	Funds Approved (US\$)		C.E.	
			Project	Support	Total	
commercial refrigeration equipment at Moradi company						
Conversion from CFC-11 to HCFC-141b technology and from CFC-12 to HFC-134a technology in the manufacture of domestic and commercial refrigeration equipment at Sain Electric Co.	UNDP	11.2	\$152,024	\$19,763	\$171,787	13.60
	Total for Iran	477.6	\$4,601,286	\$597,124	\$5,198,410	
JAMAICA						
SEVERAL						
Institutional strengthening						
Renewal of the institutional strengthening project	UNEP		\$44,000	\$5,720	\$49,720	
	Total for Jamaica		\$44,000	\$5,720	\$49,720	
KENYA						
SOLVENT						
Preparation of project proposal						
Project preparation for the solvent sector	Germany		\$15,000	\$1,950	\$16,950	
	Total for Kenya		\$15,000	\$1,950	\$16,950	
KOREA, DPR						
REFRIGERATION						
Preparation of project proposal						
Development of a refrigerant management plan	UNEP		\$60,000	\$7,800	\$67,800	
	Total for Korea, DPR		\$60,000	\$7,800	\$67,800	
LIBYA						
FOAM						
Flexible slabstock						
Phase-out of CFC-11 by conversion to methylene chloride in the manufacture of flexible polyurethane foam at Tasharoukiate El Hani	UNDP	28.0	\$112,440	\$14,617	\$127,057	4.02
Phase-out of CFC-11 by conversion to liquid carbon dioxide (LCD) in the manufacture of flexible polyurethane foam at El Houria Unit Plant	UNDP	96.0	\$520,405	\$67,245	\$587,650	5.42
<i>Approved on the understanding that the US \$50,000 licencing fee for the LCD technology will not be committed for expenditure until the Executive Committee has considered a report on revision of the guidelines for LCD</i>						
Phase-out of CFC-11 by conversion to methylene chloride in the manufacture of flexible polyurethane foam at Tasharoukiate Ali Sannoga	UNDP	23.0	\$125,640	\$16,333	\$141,973	5.46
	Total for Libya	147.0	\$758,485	\$98,195	\$856,680	
MACEDONIA						
SEVERAL						
Institutional strengthening						
Renewal of the institutional strengthening project (phase III)	UNIDO		\$101,950	\$13,254	\$115,204	
	Total for Macedonia		\$101,950	\$13,254	\$115,204	
MALAYSIA						
PHASEOUT PLAN						
CFC phase-out plan						
National CFC phase-out plan	World Bank		\$1,799,940	\$140,395	\$1,940,335	
<i>Approved in accordance with the agreement between the Government of Malaysia and the Executive Committee.</i>						

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Project Title (US\$/kg)	Agency	ODP (tonnes)	Funds Approved (US\$)		C.E.
			Project	Support	Total
Total for Malaysia			\$1,799,940	\$140,395	\$1,940,335
MALI					
SEVERAL					
Institutional strengthening					
Renewal of the institutional strengthening project	UNEP		\$46,667	\$6,067	\$52,734
Total for Mali			\$46,667	\$6,067	\$52,734
MEXICO					
FOAM					
Multiple-subsectors					
Foam sector ODS phase-out plan (first tranche)	UNDP	145.0	\$833,150	\$101,647	\$934,797
<p><i>The Executive Committee (a) noted that the Government of Mexico had provided a commitment that implementation of its Foam Sector Phase-out Plan would yield a sustained permanent reduction of 543.4 ODP tonnes (subject to confirmation by the audits indicated below) from Mexico's 2000 national aggregate CFC consumption of 3,059.5 ODP tonnes;</i></p> <p><i>(b) approved in principle the Foam Sector Phase-out Plan and allocated the amount of US \$833,150 including US \$100,000 as project management funding on condition that UNDP and the Government of Mexico will: (i) implement within a period of 18 months an initial phase of the plan for enterprises which should be identified through an audit of their baseline conditions with the objective of phasing out 145 ODP tonnes. In implementing this initial phase, while exercising flexibility, UNDP and the Government should take due care to ensure that funding of the enterprises selected is consistent with the policies and guidelines of the Multilateral Fund; (ii) prepare final audit(s) of the remaining enterprises and on the basis of such audit or audits prepare the final phase of the plan, including incremental costs, reflecting fully the amount of US \$833,150 approved at this meeting in the final plan and taking into account the comments provided, for submission to the Executive Committee not later than its 38th Meeting; and request UNDP to communicate to the Secretariat the results of the audits to be conducted and all other relevant information used to determine the eligible costs of the plan; and (iii) ensure that the total national Annex A Group I consumption in Mexico is permanently reduced to a level no higher than the 2000 national aggregate consumption reported to the Ozone Secretariat from which has been taken the consumption to be phased out from approved but not yet implemented projects (306.8 ODP tonnes) and the phase-out resulting from the foam sector plan.</i></p> <p><i>(c) requested UNDP to report on the status of implementation of this initial phase of the plan at its 38th Meeting.</i></p>					
HALON					
Banking					
National halon management and banking programme	UNDP	230.0	\$500,000	\$65,000	\$565,000
<p><i>Approved with the understanding that this will be the final halon project for Mexico and that the consumption in Mexico will cease in January 2005.</i></p>					
Total for Mexico		375.0	\$1,333,150	\$166,647	\$1,499,797

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Project Title (US\$/kg)	Agency	ODP (tonnes)	Funds Approved (US\$)		C.E.	
			Project	Support	Total	
MONGOLIA						
REFRIGERATION						
Recovery/recycling						
Implementation of the RMP: recovery and recycling of CFC-12 refrigerant	UNDP	5.6	\$108,600	\$14,118	\$122,718	19.36
Total for Mongolia		5.6	\$108,600	\$14,118	\$122,718	
MOROCCO						
REFRIGERATION						
Commercial						
Conversion from CFC-11 to HCFC-141b and CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at Climatisation et Froid Loudaya (CFL)	UNIDO	15.0	\$177,312	\$23,051	\$200,363	11.80
Conversion from CFC-11 to HCFC-141b and CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at Etablissement Lahdar	UNIDO	7.4	\$101,451	\$13,189	\$114,640	13.76
Conversion from CFC-11 to HCFC-141b and CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at First Clim Co.	UNIDO	9.0	\$135,258	\$17,584	\$152,842	15.09
Total for Morocco		31.4	\$414,021	\$53,823	\$467,844	
NIGERIA						
FOAM						
Flexible slabstock						
Phasing out of CFC-11 in the manufacture of flexible slabstock foam by conversion to methylene chloride at Bamako Industrial, Ltd.	UNDP	24.0	\$114,510	\$14,886	\$129,396	4.77
Conversion from CFC-11 to methylene chloride (MC) technology in the manufacture of flexible polyurethane at ten box-foam enterprises in Lagos area	UNDP	199.2	\$1,062,808	\$126,909	\$1,189,717	5.33
Rigid						
Phasing out of CFC-11 in the manufacture of rigid polyurethane foam by conversion to a combination of water+HCFC-141b based systems at Agric Services (Nig.), Ltd.	UNDP	43.7	\$239,160	\$31,091	\$270,251	5.47
REFRIGERATION						
Domestic/commercial						
Replacement of refrigerant CFC-12 with HFC-134a and foam blowing agent CFC-11 with HCFC-141b in the manufacture of commercial refrigeration equipment at Polade	UNIDO	8.3	\$70,382	\$9,150	\$79,532	8.51
Replacement of refrigerant CFC-12 with HFC-134a and foam blowing agent CFC-11 with HCFC-141b in the manufacture of domestic and commercial refrigeration equipment at Ristian	UNIDO	11.0	\$143,729	\$18,685	\$162,414	13.10
Total for Nigeria		286.1	\$1,630,589	\$200,720	\$1,831,309	

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/35/67

Annex IV

Project Title (US\$/kg)	Agency	ODP (tonnes)	Funds Approved (US\$)		C.E.	
			Project	Support	Total	
PAKISTAN						
PROCESS AGENT						
Process conversion						
Conversion of carbon tetrachloride as process solvent to 1,2-dichloroethane at Himont Chemicals Ltd.	UNIDO	80.0	\$485,701	\$63,141	\$548,842	6.07
<i>In approving the project, the Executive Committee decided to take note of the need for full data to be provided on the relevant sub-sector, including the remaining consumption to be phased out in the sub-sector, with a view to considering the scope for industrial consolidation.</i>						
REFRIGERATION						
Domestic						
Replacement of refrigerant CFC-12 with HFC-134a and foam blowing agent CFC-11 with HCFC-141b in the production of domestic refrigerators at Ideal Appliances, Ltd.	UNIDO	12.9	\$173,101	\$22,503	\$195,604	13.73
SEVERAL						
Institutional strengthening						
Renewal of the institutional strengthening project (phase II)	UNDP		\$172,666	\$22,447	\$195,113	
Total for Pakistan		92.9	\$831,468	\$108,091	\$939,559	
PERU						
FOAM						
Multiple-subsectors						
Foam sector ODS phase-out plan	UNDP	33.8	\$325,277	\$42,286	\$367,563	8.37
<i>Approved on the understanding that the Government will not submit any further requests for assistance in the foam sector and that the Government will have the flexibility in disbursing the approved funds provided that all the project objectives are met.</i>						
Total for Peru		33.8	\$325,277	\$42,286	\$367,563	
PHILIPPINES						
MULTI-SECTOR						
Preparation of project proposal						
Preparation of a national CFC phase-out plan	World Bank		\$70,000	\$9,100	\$79,100	
<i>Approved on the understanding that: (i) the World Bank will co-ordinate closely with the Government of Sweden and UNEP to ensure that no overlapping will occur between the phase-out plan, the bilateral project in the refrigeration servicing sector and the customs training programme; (ii) no additional funding will be made available to Philippines for project preparation and/or country programme update; and (iii) if the World Bank, in developing the national phase-out plan, determined, however, that the level of funding initially approved would be inadequate to complete the implementation of the project, and could provide appropriate justification for the need for further funding, the Executive Committee would be willing to give due consideration to such a request for additional funding.</i>						
REFRIGERATION						
Training programme/workshop						
Training programme for customs officials and other key stakeholders	UNEP		\$170,250	\$22,133	\$192,383	
<i>Approved on the understanding that no additional funding will be requested for customs training in the Philippines.</i>						

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/35/67

Annex IV

Project Title (US\$/kg)	Agency	ODP (tonnes)	Funds Approved (US\$)		C.E.	
			Project	Support	Total	
Total for Philippines			\$240,250	\$31,233	\$271,483	
RWANDA						
SEVERAL						
Technical assistance/support						
Formulation of national phase-out strategy <i>Approved on an exceptional basis only because of the special situation of Rwanda as a new Party, and to avoid delay in the provision of Fund assistance to help the country meet its obligations under the Montreal Protocol.</i>	UNEP		\$50,000	\$6,500	\$56,500	
Total for Rwanda			\$50,000	\$6,500	\$56,500	
SAINT LUCIA						
REFRIGERATION						
Preparation of project proposal						
Preparation of update of refrigerant management plan	Canada		\$7,500	\$975	\$8,475	
Total for Saint Lucia			\$7,500	\$975	\$8,475	
SIERRA LEONE						
SEVERAL						
Technical assistance/support						
Formulation of national phase-out strategy	UNEP		\$40,000	\$5,200	\$45,200	
Total for Sierra Leone			\$40,000	\$5,200	\$45,200	
SOMALIA						
SEVERAL						
Technical assistance/support						
Formulation of national phase-out strategy	UNEP		\$60,000	\$7,800	\$67,800	
Total for Somalia			\$60,000	\$7,800	\$67,800	
SYRIA						
REFRIGERATION						
Commercial						
Conversion from CFC-11 to HCFC-141b and from CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at Al-Saad Refrigeration	UNDP	20.1	\$166,323	\$21,622	\$187,945	8.28
Total for Syria			20.1	\$166,323	\$21,622	\$187,945
THAILAND						
PHASEOUT PLAN						
CFC phase-out plan						
National CFC phase-out plan <i>Approved in accordance with the agreement between the Government of Thailand and the Executive Committee.</i>	World Bank		\$540,000	\$27,000	\$567,000	
Total for Thailand			\$540,000	\$27,000	\$567,000	
TOGO						
REFRIGERATION						
Preparation of project proposal						
Development of a refrigerant management plan	UNEP		\$60,000	\$7,800	\$67,800	
Total for Togo			\$60,000	\$7,800	\$67,800	

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/35/67

Annex IV

Project Title (US\$/kg)	Agency	ODP (tonnes)	Funds Approved (US\$)		C.E.	
			Project	Support	Total	
TURKEY						
FUMIGANT						
Methyl bromide						
Phase-out of methyl bromide in protected tomato, cucumber and carnation crops (first tranche) <i>The Executive Committee approved in principle US \$3,408,844 as the total funds that will be available to Turkey to achieve the complete phase-out of MB used in protected tomato, cucumber, and carnation crops (for a total phase-out of 292.2 ODP tonnes with a cost effectiveness of US \$11.67/kg), subject to the conditions agreed between the Government of Turkey and the Executive Committee.</i>	UNIDO	29.2	\$1,000,000	\$120,000	\$1,120,000	34.24
SOLVENT						
Multiple solvents						
Umbrella project for the phase-out of MCF used as solvent by water cleaning at 21 enterprises	World Bank	15.4	\$518,693	\$67,056	\$585,749	33.75
PHASEOUT PLAN						
CFC phase-out plan						
Total phase-out of CFCs plan: implementation of the 2001 and 2002 plan <i>Approved in accordance with the agreement between the Government of Turkey and the Executive Committee.</i>	World Bank	97.0	\$3,500,000	\$295,000	\$3,795,000	36.00
Total for Turkey		141.6	\$5,018,693	\$482,056	\$5,500,749	
YEMEN						
REFRIGERATION						
Commercial						
Conversion from CFC-11 to HCFC-141b and CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at Nagman Co.	UNIDO	7.3	\$105,641	\$13,733	\$119,374	14.58
Conversion from CFC-11 to HCFC-141b and CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at Styrco	UNIDO	6.1	\$90,231	\$11,730	\$101,961	14.85
SEVERAL						
Institutional strengthening						
Renewal of the institutional strengthening project	UNEP		\$118,000	\$15,340	\$133,340	
Total for Yemen		13.3	\$313,872	\$40,803	\$354,675	
YUGOSLAVIA						
FOAM						
Flexible slabstock						
Conversion from CFC-11 to methylene chloride in the production of flexible slabstock foam at Prva Iskra-Poliuretani	UNIDO	34.4	\$100,240	\$13,031	\$113,271	3.30
Rigid						
Phase-out of CFC-11 by conversion to n-pentane technology in the production of continuous rigid polyurethane foam insulating panels at Prva Iskra-Fim, Co.	UNIDO	75.0	\$475,728	\$61,845	\$537,573	6.34
HALON						
Banking						
Halon bank management programme	UNIDO	370.0	\$249,700	\$32,461	\$282,161	0.67
Total for Yugoslavia		479.4	\$825,668	\$107,337	\$933,005	

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/35/67

Annex IV

Project Title (US\$/kg)	Agency	ODP (tonnes)	Funds Approved (US\$)		C.E.	
			Project	Support	Total	
REGION: AFR						
HALON						
Banking						
Establishment of a regional halon bank for Eastern and Southern African countries (Botswana, Ethiopia, Kenya, Lesotho, Namibia, Tanzania and Zimbabwe) <i>Approved on the condition that this will be the final project in the halon sector for the participating countries.</i>	Germany	27.0	\$350,000	\$45,500	\$395,500	1.30
Total for Region: AFR		27.0	\$350,000	\$45,500	\$395,500	
GLOBAL						
MULTI-SECTOR						
Technical assistance/support						
2002 work programme: compliance assistance programme <i>Approved with the following conditions: (a) The use of this budget and related CAP employees shall not be used for implementation of projects approved before 2002; (b) UNEP will submit a preliminary report to the 38th Meeting of the Executive Committee on the use of the Programme Support Cost, with a detailed report to be submitted at the 40th Meeting in 2003; (c) UNEP should also report during 2002 on the progress made in the implementation of the CAP programme to the Executive Committee, specifically on the lessons learned during the first steps of CAP implementation; (d) Funds approved annually for the CAP but not spent be returned to the Multilateral Fund for re-programming at the second meeting of the Executive Committee in the year following that for which they had been approved; (e) Consideration by the Executive Committee should be given to benefit of developing a unified budget in future years, and request UNEP to provide a proposal for such a budget at the 38th Meeting of the Executive Committee.</i>	UNEP		\$5,351,450	\$428,116	\$5,779,566	
SEVERAL						
Preparation of project proposal						
Project preparation advance (2002)	UNIDO		\$176,250	\$22,913	\$199,163	
Project preparation advance (2002)	UNDP		\$200,000	\$26,000	\$226,000	
Project preparation advance (2002)	World Bank		\$180,000	\$23,400	\$203,400	
Total for Global			\$5,907,700	\$500,429	\$6,408,129	
GRAND TOTAL		8,309.0	\$52,981,56	\$5,693,242	\$58,674,81	

Summary

Sector	Tonnes ODP	Funds Approved (US\$)		
		Project	Support	Total
BILATERAL COOPERATION				
Foam	89.0	\$523,049	\$67,997	\$591,046
Halon	222.0	\$609,500	\$79,235	\$688,735
Refrigeration	51.5	\$1,118,541	\$129,461	\$1,248,002
Solvent		\$15,000	\$1,950	\$16,950
TOTAL:	362.5	\$2,266,090	\$278,643	\$2,544,733
INVESTMENT PROJECT				
Aerosol	8.8	\$128,900	\$16,757	\$145,657
Foam	3,371.8	\$18,275,169	\$1,911,799	\$20,186,968
Fumigant	131.3	\$2,909,186	\$353,968	\$3,263,154
Halon	3,489.0	\$4,449,700	\$467,461	\$4,917,161
Process agent	118.5	\$871,068	\$113,239	\$984,307
Refrigeration	677.0	\$8,939,262	\$1,147,634	\$10,086,896
Solvent	15.4	\$518,693	\$67,056	\$585,749
Sterilants	19.8	\$412,741	\$53,656	\$466,397
Phase-out plan	115.0	\$6,079,940	\$493,595	\$6,573,535
TOTAL:	7,946.5	\$42,584,659	\$4,625,165	\$47,209,824
WORK PROGRAMME AMENDMENT				
Fumigant		\$180,000	\$23,400	\$203,400
Multi-sector		\$5,421,450	\$437,216	\$5,858,666
Refrigeration		\$724,750	\$94,218	\$818,968
Solvent		\$169,000	\$21,970	\$190,970
Several		\$1,635,620	\$212,631	\$1,848,251
TOTAL:		\$8,130,820	\$789,434	\$8,920,254

Summary by Parties and Implementing Agencies

Canada	40.0	\$905,270	\$101,736	\$1,007,006
Germany	322.5	\$1,360,820	\$176,907	\$1,537,727
UNDP	1,500.0	\$12,587,212	\$1,590,053	\$14,177,265
UNEP		\$7,377,267	\$691,472	\$8,068,739
UNIDO	1,358.4	\$9,814,507	\$1,225,101	\$11,039,608
World Bank	5,088.0	\$20,936,493	\$1,907,973	\$22,844,466
GRAND TOTAL	8,309.0	\$52,981,569	\$5,693,242	\$58,674,811

Annex V

VIEWS EXPRESSED BY THE EXECUTIVE COMMITTEE ON RENEWALS OF INSTITUTIONAL STRENGTHENING PROJECTS SUBMITTED TO THE 35TH MEETING

Bangladesh

1. The Executive Committee has reviewed the information presented regarding the institutional strengthening project for Bangladesh and notes that the CFC consumption reported by the Government of Bangladesh for 1999 was 813 ODP tonnes, while the baseline for compliance has been established at 580 ODP tonnes. Therefore, the country is not in compliance with the 1999 freeze. The Executive Committee notes that the Government of Bangladesh has completed the conversion of the aerosol project and, once it is commissioned by the aerosol equipment supplier, it will phase out 595 ODP tonnes of CFCs, which will place Bangladesh in compliance with the 1999 CFC freeze. Also the Executive Committee notes that the Ministry of Environment and Forest of Bangladesh is in the process of approving the Rules on Ozone-Depleting Substances which will include: licensing for import, sale and use of ODSs. The Government will also report the 2000 ODS consumption in December 2001. Based on the actions undertaken by the Government, the Executive Committee may request the renewal of the institutional strengthening project on the understanding that UNDP will not disburse the approved funding until the aerosol project is fully operational, the Rules on Ozone-Depleting Substances are enacted, and the report on the 2000 ODS consumption data has been sent to the Multilateral Fund and Ozone Secretariats.

Costa Rica

2. The Executive Committee has reviewed the information presented regarding the institutional strengthening renewal request for Costa Rica. The Executive Committee notes with appreciation that the 2000 CFC consumption reported to the Ozone Secretariat is below the 1995-1997 compliance baseline. However, the Executive Committee expresses concern that the current methyl bromide consumption is above the baseline level. In its submission, Costa Rica reported on a number of initiatives it has undertaken, including the conversion to non-CFC technology in three commercial refrigeration manufacturers; advancement on the national legislation that will prohibit the use of CFCs in newly manufactured refrigeration equipment and the draft legislation establishing MB imports control; and implementation of awareness campaigns. These and other activities reported are encouraging, and the Executive Committee appreciates the efforts of Costa Rica. Over the next two years, Costa Rica intends to enact new ODS regulations, implement the remaining RMP activities needed and a methyl bromide phase-out project. The Executive Committee notes that, despite the country's efforts to reverse the increasing consumption of MB in soil fumigation, an additional reduction of at least 100 ODP tonnes must be made to meet the 2002 freeze level, and will make the utmost effort to assist Costa Rica in achieving the phase-out requirements.

Pakistan

3. The Executive Committee has reviewed the information presented in regard to the institutional strengthening project for Pakistan and notes that the CFC consumption reported by the Government of Pakistan for 1999 was 1,421 ODP tonnes, while the baseline for compliance has been established at 1,679 ODP tonnes. Therefore, the country is in compliance with the 1999 freeze. In 1999, the Ministry of Commerce introduced an import authorization system to regulate the consumption of ODS. The Government has also banned the import of used CFC-based refrigerators, deep freezers and air-conditioning units. Activities in public awareness and education have been implemented, and seminars for ODS users, schools, universities and research institutes have been conducted. The Ozone Cell has drafted and submitted a national ODS phase-out policy to the Government, which is to assist in the acceleration of the implementation of ODS phase-out projects in the country. The Executive Committee notes with concern the serious discrepancies in the consumption data that have been previously reported to the Multilateral Fund and Ozone Secretariats and requests the Government of Pakistan to submit the revised data as soon as the review is completed.

Albania

4. The Executive Committee has reviewed the information presented in the institutional strengthening request for Albania and notes with appreciation the fact that the Government of Albania is taking the initiative to freeze CFC consumption. The Executive Committee acknowledges that Albania has several activities which will be implemented in the coming two years, mainly: establishing an Ozone Unit, coordinating and monitoring the implementation of the national phase-out plan and RMP, developing a monitoring system for ODS imports, establishing a legal and regulatory system to manage ODS, developing a system to discourage the use and imports of ODS, communicating or providing training to the stakeholders through various mediums, and reporting data as required to the Multilateral Fund and Ozone Secretariats. Albania expects to strengthen its national institutional capacity to effectively coordinate and administer the actions outlined in the National Phase-out Plan and RMP of Albania.

Guatemala

5. The Executive Committee has reviewed the information presented in the institutional strengthening renewal for Guatemala and notes with appreciation the fact that Guatemala reported 1999 CFC consumption to the Ozone Secretariat that is lower than its CFC compliance baseline, and that Guatemala appears to be able to comply with the CFC consumption freeze. The Executive Committee also notes that Guatemala has taken some significant steps to phase out its consumption of ODS, including the ratification of all the amendments to the Montreal Protocol, the implementation of a licensing system, the completion of investment projects in the foam and refrigeration sectors and the implementation of the recovery and recycling project in the MAC sector. These and other activities are encouraging, and the Executive Committee appreciates the efforts of Guatemala to reduce the consumption of CFCs. The Executive Committee expressed the expectation that, in the next two years, Guatemala will continue the implementation of the RMP, have fully implemented its licensing system to limit ODS imports

to levels allowed under the Montreal Protocol, and sustain and build upon its current levels of reductions in CFCs.

Jamaica

6. The Executive Committee has reviewed the information presented in the institutional strengthening renewal for Jamaica and notes with appreciation the fact that the reported 2000 CFC consumption to the Ozone Secretariat is lower than its CFC baseline for compliance, and that Jamaica appears to be able to comply with the CFC consumption freeze. The Executive Committee also notes that Jamaica has taken significant steps to phase out its consumption of ODS, including the establishment of a committee to prepare the Ozone Act; the completion of officers' training and certification; the implementation of public awareness activities involving NGOs; the creation of a methyl bromide working group and the organization of two methyl bromide workshops. These and other activities are encouraging, and the Executive Committee appreciates the efforts of Jamaica to reduce the consumption of ODSs. The Executive Committee expressed the expectation that, in the next two years, Jamaica will continue the implementation of the RMP project, have fully implemented its licensing system to limit imports to levels no higher than those allowed under the Montreal Protocol, and sustain and build upon its current levels of reductions in CFCs and other controlled substances.

Mali

7. The Executive Committee has reviewed the information presented in the institutional strengthening renewal for Mali and notes with appreciation the fact that the 1999 and 2000 CFC consumption figures reported to the Ozone Secretariat are lower than its CFC compliance baseline, and that Mali appears to be able to comply with the CFC consumption freeze. In its submission, Mali reported on a number of important initiatives it has undertaken, including the ratification of the London, Copenhagen and Montreal Amendments to the Montreal Protocol, the preparation and implementation of the RMP project, the re-conversion of a company in the foam sector and the preparation of legislation to control import/export and use of ODS and ODS-based equipment. These and other activities reported are encouraging, and the Executive Committee appreciates the efforts of Mali to reduce their consumption of CFCs. Over the next two years, Mali intends to focus on the enforcement of legislation drafted, continue implementation of the activities contained in the RMP, improve its data collection system, strengthen the relations with NGOs and environmental agencies and increase public awareness activities. The Executive Committee expressed the expectation that, in the next two years, Mali will have fully implemented its licensing system to limit imports to levels no higher than those allowed under the Montreal Protocol, and will sustain and build upon its current levels of reductions in CFCs.

Yemen

8. The Executive Committee has reviewed the information presented in the institutional strengthening renewal for Yemen and notes with appreciation the fact that the 1999 and 2000 CFC consumption figures reported to the Ozone Secretariat are lower than its CFC compliance baseline, and that Yemen appears to be able to comply with the CFC consumption freeze. The Executive Committee notes that Yemen has taken some significant steps, including

the ratification of the London, Copenhagen and Montreal Amendments to the Montreal Protocol; the establishment of a decree to ban imports of CFC-based equipment; the undertaking of awareness-raising activities; and has commenced implementation of the phase-out programme through projects in the aerosol sector and the preparation of the RMP. These and other activities reported are encouraging, and the Executive Committee greatly appreciates the efforts of Yemen to reduce its consumption of ODSs. Over the next two years, Yemen intends to implement the RMP project and to reinforce ODS legislation. While these and other activities proposed for the future are encouraging, the Executive Committee expressed the expectation that, in the next two years, Yemen will have fully implemented its licensing system to limit imports to levels no higher than those allowed under the Montreal Protocol, and will sustain and build upon its current levels of reductions in CFCs.

Macedonia

9. The Executive Committee has reviewed the information presented with the institutional strengthening renewal request for Macedonia and notes with appreciation the fact that Macedonia is in compliance with the 1999 CFC freeze, and it expects to meet the methyl bromide freeze in 2002 and achieve a complete phase-out by end of 2005. The implementation of the aerosol phase-out project and RMP will contribute towards the interim reductions in consumption of CFCs in 2005. The Executive Committee also notes the number of activities that the Government of Macedonia has undertaken to further improve the legislative framework, to ratify the Beijing Amendment to the Montreal Protocol (possibly by the end of 2001) and to issue an import permit for all ODS. The Executive Committee expresses the expectation that, in the coming years, Macedonia will continue with the progress achieved and sustain and build upon its current level of ODS reduction to achieve its goal of complying with the Protocol's ODS phase-out schedules.

Annex VI

Compliance Assistance Programme (CAP) Budget

					2002 (US\$)	2003 (US\$)	2004 (US\$)
10 PROJECT PERSONNEL COMPONENT							
1100	<i>Project personnel</i>						
	Title	Location	Grade	m/m			
1101	Chief	Paris	D1	9	132,000	137,280	142,771
1102	Network and Policy manager	Paris	P5	12	150,500	156,520	162,781
1103	Capacity building manager	Paris	P4	12	129,500	134,680	140,067
1104	Information manager	Paris	P4	12	129,500	134,680	140,067
1105	Monitoring and administration Officer	Paris	P3	12	108,500	112,840	117,354
1106	Information Officer	Paris	P3	12	108,500	112,840	117,354
1107	HelpDesk Officer	Paris	P1	12	87,500	91,000	94,640
1108	IS/RMP/NCAP Officer	Paris	P3	12	108,500	112,840	117,354
1109	IT specialist	Paris	P3	6	54,250	56,420	58,677
1110	RNC Africa	Nairobi	P3/P4	24	236,800	246,272	256,123
1111	Policy/enforcement Officer	Nairobi	P3/P4	12	118,400	123,136	128,061
1112	RMP implementation officer	Nairobi	P2/P3	12	92,200	95,888	99,724
1113	MBr phase out officer	Nairobi	P2/P3	12	92,200	95,888	99,724
1114	RNC LAC	Mexico	P3/P4	12	108,864	113,219	117,747
1115	Policy/enforcement Officer	Mexico	P3/P4	12	108,864	113,219	117,747
1116	RMP implementation officer	Mexico	P2/P3	12	89,586	93,169	96,896
1117	MBr phase out officer	Mexico	P2/P3	12	89,586	93,169	96,896
1118	RNC SA	Bangkok	P3/P4	12	110,000	114,400	118,976
1119	Policy/enforcement Officer	Bangkok	P3/P4	12	110,000	114,400	118,976
1120	RMP implementation officer	Bangkok	P2/P3	12	85,000	88,400	91,936
1121	MBr phase out officer	Bangkok	P2/P3	12	85,000	88,400	91,936
1122	RNC WA	Bahrain	P3/P4	12	109,000	113,360	117,894
1123	RMP implementation officer	Bahrain	P3/P4	12	109,000	113,360	117,894
1124	Halon Phaseout officer	Bahrain	P2/P3	12	89,500	93,080	96,803
1199	<i>Sub-total</i>				2,642,750	2,748,460	2,858,398
1200	<i>Consultants (Description of activity/service)</i>						
1201	Consultants				0	0	0
1299	<i>Sub-total</i>				0	0	0
1300	<i>Administrative support (General Service staff)</i>						
	Title/Description	Location	Level	m/m			
1301	Secretary Chief	Paris	G6	12	74,000	76,960	80,038
1302	Assistant Network Manager	Paris	G5	12	67,000	69,680	72,467
1303	Assistant Clearinghouse	Paris	G5	12	67,000	69,680	72,467
1304	Assistant Monitoring	Paris	G5	12	67,000	69,680	72,467
1305	Assistant IS/RMP	Paris	G5	12	67,000	69,680	72,467
1306	Programme assistant	Paris	G5	12	67,000	69,680	72,467
1307	Technical data/documentation assistant	Paris	G5	12	67,000	69,680	72,467
1308	Mailroom Clerk	Paris	G4	12	59,500	61,880	64,355
1309	Assistant RNC Nairobi	Nairobi	G5	12	21,600	22,464	23,363
1310	ROA Assistance	Nairobi	G5	12	21,600	22,464	23,363
1311	Assistant RNC Mexico	Mexico	G5	12	40,500	42,120	43,805
1312	ROLAC Assistance	Mexico	G5	12	40,500	42,120	43,805
1313	Assistant RNC South Asia	Bangkok	G5	12	23,000	23,920	24,877
1314	ROAP Assistance	Bangkok	G5	12	23,000	23,920	24,877
1315	Assistant RNC West Asia	Bahrain	G5	12	35,000	36,400	37,856
1316	ROWA Assistance	Bahrain	G5	12	35,000	36,400	37,856
1317	Temporary Assistance	Various			100,000	104,000	108,160
1399	<i>Sub-total</i>				875,700	910,728	947,157

Compliance Assistance Programme (CAP) Budget

		2002 (US\$)	2003 (US\$)	2004 (US\$)
1600	<i>Travel on official business (UNEP staff)</i>			
1601	Travel on official business and outreach - Paris	250,000	260,000	270,400
1602	Travel Africa (Network + Training/MeBr)	50,000	52,000	54,080
1603	Travel Latin America & Caribbean (Network + Training/Policy)	50,000	52,000	54,080
1604	Travel South East Asia & Pacific Network ***	0	To be renewed	To be renewed
1605	Travel South Asia (Network + Training/Refrigeration)	40,000	41,600	43,264
1606	Travel West Asia (Network + Halon)	20,000	20,800	21,632
1699	<i>Sub-total</i>	<i>410,000</i>	<i>426,400</i>	<i>443,456</i>
1999	COMPONENT TOTAL	3,928,450	4,085,588	4,249,012
20 SUB CONTRACT COMPONENT				
2100	<i>Sub-contracts (MOUs/LAs for cooperating agencies)</i>			
2101	Sub-contracts with cooperating agencies	0	0	0
2199	<i>Sub-total</i>	<i>0</i>	<i>0</i>	<i>0</i>
2200	<i>Sub-contracts (MOUs/LAs for supporting organizations)</i>			
2201	Sub-contracts with supporting organizations	0	0	0
2299	<i>Sub-total</i>	<i>0</i>	<i>0</i>	<i>0</i>
2300	<i>Sub-contracts (for Commercial purposes)</i>			
2301	Technical support for information systems (OASIS)	75,000	78,000	81,120
2302	OzonAction Newsletter	100,000	104,000	108,160
2303	Illustration/graphics/layout design	40,000	41,600	43,264
2399	<i>Sub-total</i>	<i>215,000</i>	<i>223,600</i>	<i>232,544</i>
2999	COMPONENT TOTAL	215,000	223,600	232,544
30 TRAINING COMPONENT				
3300	<i>Meetings/conferences</i>			
3301	Advisory Group and Consultative Meetings - Paris	75,000	78,000	81,120
3302	Workshops Africa Network	198,000	205,920	214,157
3303	Workshops Latin America & Caribbean Network	145,000	150,800	156,832
3304	Workshops South East Asia & Pacific Network ***	0	To be renewed	To be renewed
3305	Workshops South Asia Network	56,000	58,240	60,570
3306	Workshops West Asia Network	56,000	58,240	60,570
3399	<i>Sub-total</i>	<i>530,000</i>	<i>551,200</i>	<i>573,248</i>
3999	COMPONENT TOTAL	530,000	551,200	573,248
40 EQUIPMENT AND PREMISES COMPONENT				
4100	<i>Expendable equipment (items under \$1,500 each)</i>			
4101	Office supplies - Paris	24,000	24,960	25,958
4102	Office supplies - Regions	20,000	20,800	21,632
4199	<i>Sub-total</i>	<i>44,000</i>	<i>45,760</i>	<i>47,590</i>
4200	<i>Non-expendable equipment</i>			
4201	Office equipment/Computer hardware - Paris	30,000	31,200	32,448
4202	Office equipment/Computer hardware - Regions	26,000	27,040	28,122
4299	<i>Sub-total</i>	<i>56,000</i>	<i>58,240</i>	<i>60,570</i>
4300	<i>Rental of premises</i>			
4301	Office rental - Paris	220,000	228,800	237,952
4302	Office rental - Regions	50,000	52,000	54,080
4399	<i>Sub-total</i>	<i>270,000</i>	<i>280,800</i>	<i>292,032</i>
4999	COMPONENT TOTAL	370,000	384,800	400,192

Compliance Assistance Programme (CAP) Budget

		2002 (US\$)	2003 (US\$)	2004 (US\$)
50 MISCELLANEOUS COMPONENT				
5100	<i>Operation and maintenance of equipment</i>			
5101	Rental and maintenance of office equipment - Paris	50,000	52,000	54,080
5102	Rental and maintenance of office equipment - Regions	30,000	31,200	32,448
5199	<i>Sub-total</i>	80,000	83,200	86,528
5200	<i>Reporting cost</i>			
5201	Reporting costs	25,000	26,000	27,040
5299	<i>Sub-total</i>	25,000	26,000	27,040
5300	<i>Sundry</i>			
5301	Communications (telephone, fax, email, mail, courier, freight) - Paris	160,000	166,400	173,056
5302	Communications (telephone, fax, email, mail, courier, freight) - Networks ***	40,000	41,600	43,264
5399	<i>Sub-total</i>	200,000	208,000	216,320
5400	<i>Hospitality</i>			
5401	Hospitality	3,000	3,120	3,245
5499	<i>Sub-total</i>	3,000	3,120	3,245
5999	COMPONENT TOTAL	308,000	320,320	333,133
99	TOTAL DIRECT PROJECT COST	5,351,450	5,565,508	5,788,128
	<i>Programme support costs (8%)</i>	428,116	445,241	463,050
	GRAND TOTAL	5,779,566	6,010,749	6,251,179

Notes

- * Indicative figures only, to be revised in light of the replenishment of the Multilateral Fund and the priorities of the Executive Committee. Figures for 2003-2004 include 4% increase for inflation each year. Staffing costs reflect official UN post costs at the time of Work Programme submissions.
- ** Costs shared with Environment Fund.
- *** Costs of SEAP Network funded by Government of Sweden.
- **** Costs shared with Environment Fund and GEF
- ***** Under discussion.

Annex VII

AGREED CONDITIONS FOR PHASE-OUT OF METHYL BROMIDE IN BOLIVIA

1. The Executive Committee agrees to approve, in principle, US \$221,032 as the total funds that will be available to achieve the phase-out of methyl bromide (MB) used for all purposes in Bolivia, excluding quarantine and pre-shipment applications, subject to the following understandings and considerations.

2. As reported to the Ozone Secretariat, and consistent with information in the project document presented to the Executive Committee, the MB baseline for compliance for Bolivia is 0.6 ODP tonnes and the consumption reported in 2000 was 0.41 ODP tonnes of controlled use. However, the average consumption of MB in the 12 months preceding project preparation (July 2000-July 2001) was 1.5 ODP tonnes of controlled use. Bolivia will therefore, have to reduce its consumption of MB by at least 0.92 ODP tonnes to achieve compliance with the Montreal Protocol's 2002 freeze obligation, and by at least 1 ODP tonne to achieve compliance with the Protocol's 20 per cent reduction in 2005.

3. However, the Government of Bolivia commits to stabilising consumption at the freeze level no later than 2003 through import restrictions and other policies deemed necessary to control its MB consumption and achieve a complete phase-out by 2004. Thus, the Government of Bolivia commits to a permanent national reduction in aggregate consumption of controlled uses of methyl bromide to no more than the following level:

2001	1.5 ODP tonnes
2002	1.5 ODP tonnes
2003	0.6 ODP tonnes
2004	0.0 ODP tonnes

4. The Government of Bolivia has reviewed the consumption data identified in this project and is confident that it is correct. Accordingly, the Government is entering into this agreement with the Executive Committee on the understanding that, should additional MB consumption be identified at a later date, the responsibility to ensure its phase-out will lie solely with the Government.

5. The Government of Bolivia will have flexibility in organizing and implementing the project components which it deems more important in order to meet its phase-out commitment noted above. UNDP agrees to manage the funding for this project in a manner designed to ensure the achievement of the specific MB reductions agreed for the sector.

Annex VIII

AGREED CONDITIONS FOR PHASE-OUT OF METHYL BROMIDE IN COSTA RICA

1. The Executive Committee agrees to approve, in principle, US \$4,845,283 as the total funds that will be available to achieve the phase-out of methyl bromide (MB) used for all purposes in Costa Rica, excluding quarantine and pre-shipment applications, subject to the following understanding and considerations.

2. As reported to the Ozone Secretariat, and consistent with information in the project document presented to the Executive Committee, the MB baseline for compliance for Costa Rica is 342.5 ODP tonnes (1995-1998) and the average MB consumption for the years 1998-2000 is 426.9 ODP tonnes, excluding quarantine and pre-shipment applications. Accordingly, Costa Rica must reduce its consumption of MB to 342.5 ODP tonnes to achieve compliance with the Montreal Protocol's 2002 freeze obligation, and to no more than 274 ODP tonnes in 2005 to achieve compliance with the Protocol 20 per cent reduction.

3. Reductions in accordance with the terms of this project will ensure that Costa Rica will meet the reduction schedule listed below. In that regard Costa Rica commits, through the implementation of this project, to reduce total national consumption of controlled uses of MB to no more than the following levels of consumption in the years listed below:

2002	342.5 ODP tonnes (reduction of 84.4 ODP tonnes from 426.9 ODP tonnes)
2004	253.5 ODP tonnes (reduction of additional 89.0 ODP tonnes)
2006	169.9 ODP tonnes (reduction of additional 83.60 ODP tonnes)
2008	0 ODP tonnes (reduction of additional 169.9 ODP tonnes)

4. The project will phase out all uses of MB in Costa Rica, excluding quarantine and pre-shipment and other essential uses. Costa Rica will not request any further assistance from the Multilateral Fund projects for the non-QPS MB sector in order to achieve this phase-out. The phase-out will be permanently sustained through the use of import restrictions and other policies deemed necessary. UNDP shall report back annually to the Executive Committee on the progress achieved in meeting the reductions required in the project.

5. Following an initial disbursement of 25 per cent of the funds, funding for later years will be disbursed by UNDP in accordance with the following schedule, and with the understanding that a subsequent year's funding will not be disbursed until the Executive Committee has favourably reviewed the prior year's progress report:

2002	20 per cent of the funds
2003	20 per cent of the funds
2004	20 per cent of the funds
2006	15 per cent of the funds

6. The Government of Costa Rica has reviewed the consumption data identified in this project and is confident that it is correct. Accordingly, the Government is entering into this agreement with the Executive Committee on the understanding that, should additional MB

consumption be identified at a later date, the responsibility to ensure its phase-out will lie solely with the Government.

7. The Government of Costa Rica will have flexibility in organizing and implementing the project components which it deems more important in order to meet its phase out commitment noted above. UNDP agrees to manage the funding for this project in a manner designed to ensure the achievement of the specific MB reductions agreed for the sector.

Annex IX

AGREED CONDITIONS FOR PHASE-OUT OF METHYL BROMIDE IN CROATIA

1. The Executive Committee agrees to approve US \$476,833 as the total funds that will be available to achieve the commitments noted in this document for the phased reduction in the use of methyl bromide (MB) in Croatia subject to the following understandings and considerations:

2. As reported to the Ozone Secretariat, and consistent with information in the project document presented to the Executive Committee, Croatia had a consumption of 16.2 ODP tonnes of methyl bromide in 2000. In accordance with the data submitted to the Ozone Secretariat by Croatia for the years 1995-1998, Croatia has a methyl bromide baseline of 15.70 ODP tonnes. Accordingly, Croatia must reduce the consumption by at least 0.50 ODP tonnes by the end of 2002 to achieve compliance with the Protocol's 2002 freeze.

3. The Government of Croatia commits to a permanent national reduction in aggregate consumption of controlled uses of methyl bromide to no more than the following level:

2002	13.0 ODP tonnes
2003	9.8 ODP tonnes
2004	6.6 ODP tonnes
2005	3.4 ODP tonnes
2006	0 ODP tonnes

4. In addition, Croatia commits to sustain this phase-out of methyl bromide through the use of bans in the use of methyl bromide for the uses covered by this project. The specific reductions in consumption noted above would be those achieved through this project.

5. The Government of Croatia has reviewed the consumption data identified in this project and is confident that it is correct. Accordingly, the Government is entering into this agreement with the Executive Committee on the understanding that, should additional MB consumption be identified at a later date, the responsibility to ensure its phase-out will lie solely with the Government.

6. UNIDO shall report annually to the Executive Committee on the progress in meeting the reductions required by this project. The Government of Croatia will have flexibility in implementing the project components, which it deems more important in order to meet its phase-out commitment noted above. UNIDO agrees to manage the funding for this project in a manner designed to ensure that the specific annual reductions agreed are met.

Annex X

AGREED CONDITIONS FOR PHASE-OUT OF METHYL BROMIDE IN TURKEY

1. The Executive Committee:
 - (a) at its 31st Meeting, approved US \$479,040 (World Bank) as the total funds that will be available to Turkey to achieve the complete phase-out of methyl bromide (MB) used in the dried fig sector (30 ODP tonnes);
 - (b) at its 35th Meeting, approved in principle, an additional US \$3,408,844 (UNIDO) as the total funds that will be available to Turkey to achieve the complete phase-out of MB used in protected tomato, cucumber, and carnation crops (additional 292.2 ODP tonnes).

2. The methyl bromide baseline for compliance for Turkey was calculated at 479.7 ODP tonnes. The 1999 consumption was 342.6 ODP tonnes (reported to the Ozone Secretariat), and the 2000 consumption was 363.6 ODP tonnes (as reported in the project document). Accordingly, Turkey will have achieved compliance with both the Montreal Protocol's 2002 freeze and the 20 per cent reduction by 2005, if it does not exceed its current consumption level.

3. Through the implementation of the above investment projects, the Government of Turkey commits to reduce its total national consumption of controlled uses of MB, from its 1999 consumption, as follows:

Year	Annual level of MB to be phased out by crop (ODP tonnes)		Maximum national level of consumption (ODP tonnes)
	Dried figs	Tomatoes, cucumbers, carnations	
2000	0.0	0.0	342.6
2001	10.0	0.0	332.6
2002	10.0	29.2	293.4
2003	10.0	58.0	225.4
2004	0.0	58.0	167.4
2005	0.0	89.0	78.4
2006	0.0	58.0	20.4

4. Upon completion of the projects, the remaining level of MB consumption in Turkey will be 20.4 ODP tonnes. Turkey also commits to permanently sustain the consumption levels indicated above through the use of import restrictions and other policies it may deem necessary. UNIDO and the World Bank shall report back annually to the Executive Committee on the progress achieved in meeting the reductions required by the two investment projects.

5. Following an initial disbursement of US \$1,000,000 in the year 2001, funding for later years in the protected tomato, cucumber and carnation crops project will be disbursed by UNIDO in accordance with the following schedule, and with the understanding that a subsequent year's

funding will not be disbursed until the Executive Committee has favourably reviewed the prior year's progress report:

2002	US \$1,000,000
2003	US \$700,000
2004	US \$708,844

6. The Government of Turkey has reviewed the consumption data identified in this project and is confident that it is correct. Accordingly, the Government is entering into this agreement with the Executive Committee on the understanding that, should further MB consumption in addition to that indicated in the above table (20.4 ODP tonnes) be identified at a later date, the responsibility to ensure its phase-out will lie solely with the Government.

7. The Government of Turkey will have flexibility in implementing the project components which it deems more important in order to meet its phase-out commitment noted above. UNIDO and the World Bank agree to manage the funding of the projects in a manner designed to ensure that the specific annual reductions agreed are met.

8. The agreed conditions between the Government of Turkey and the Executive Committee have taken into account the already approved MB phase-out projects in dried figs; therefore, this agreement supersedes the conditions agreed at the 31st Meeting of the Executive Committee.

Annex XI

AGREEMENT FOR CFC PHASE-OUT IN THE POLYURETHANE FOAM SECTOR IN CHINA

1. The Executive Committee approves in principle a total of US \$53,846,000 (including US \$2 million for technical assistance) in funding for the phased reduction and complete phase-out in the consumption of CFC-11 used in the polyurethane foam sector in China. This is the total funding that would be available to China from the Multilateral Fund for the total elimination of CFC use in the polyurethane foam sector in China. The agreed level of funding would be paid out in instalments in the exact amount of US dollars specified in paragraph 2, and on the basis of the understanding set out in this agreement.

2. By this agreement, China commits that in exchange for the funding level specified below, it will eliminate its total CFC consumption in the manufacturing of polyurethane foam in accordance with the phase-out target and CFC-11 consumption limits as indicated in the Table 1 below. CFC consumption phase-out achieved in the polyurethane foam sector in excess of the specified target for a given year will contribute to achievement of the phase-out targets in subsequent years.

**Table 1:
Control Targets for CFC-11 Consumption in the Polyurethane Foam Sector
in China (ODP tonnes) and Equivalent Funding (US\$ '000)**

	2002	2003	2004	2005	2006	2007	2008	2009	2010	Total
Annual national CFC-11 consumption limit(ODP tonnes)	17,200	15,500	13,100	10,400	7,700	4,130	3,800	300	0	
Annual CFC-11 consumption limit in PU foam sector (ODP tonnes)	14,143	13,830	11,666	9,646	7,164	3,821	3,553	102	0	
Annual CFC-11 phase-out targets in PU foam sector (ODP tonnes)	2,000	2,500	2,500	2,500	600	551				10,651
Total annual funding	9,940	12,570	10,903	10,903	3,320	2,676	1,767	1,767		53,846
Programme Support Cost	886.6	1,115.3	961.27	961.27	282.8	240.84	159.03	159.03		4,766.14
Total cost to the Multilateral Fund	10,826.6	13,685.3	11,864.27	11,864.27	3,602.8	2,916.84	1,926.03	1,926.03		58,612.14

3. The Executive Committee also agrees in principle that the funds for the implementation of the annual programme for any given year will be provided at the last meeting of the Executive Committee in the preceding year, in accordance with the above table for the exact amount listed in the table for that year and on the basis of the implementation programme for the year, subject to the performance requirements contained in this agreement. On this basis, the payment indicated in year 2003 will be provided at the last meeting in 2002, and so on.

4. Payments noted in Table 1, other than the 2002 implementation programme, will be released based on confirmation that: all agreed phase-out targets and consumption limits in Table 1 for the previous year have been achieved; it has been verified that the activities planned for the previous year were undertaken in accordance with the annual implementation programme, and CFC phase-out contracts had been signed amounting to at least 50% of the current year contract targets and 100% of the previous year contract targets. Verification would be contingent upon site inspection of a minimum of 15% of the conversion activities accounting for a minimum of 15% of the CFC consumption of the annual implementation programme to confirm performance. For example, payment in 2003 for the implementation of the 2004 implementation programme will be conditional on satisfactory verification that China had, as a minimum, met all phase-out targets and consumption limits for 2002 and signed phase-out contracts for 50% of the 2003 phase out contract targets and 100% of the 2002 phase out contract targets as specified in Table 1 and as provided in detail in the 2002 and 2003 implementation programmes. Payment in 2004 for the 2005 implementation programme would be released based on confirmation that the 2003 phase-out targets and consumption limits had been met, all 2004 implementation programme activities had been completed and phase out contracts amounting to at least 50% of the 2004 annual programme contract targets and 100% of the 2003 annual programme contract targets had been signed; and so on for future years. In the event that there was a shortfall in the phase-out total of signed contracts against any of the contract targets for the given and previous years, funding equivalent to the deficit would be held back and considered for release by the Executive Committee when all additional contracts had been signed and the targets met.

5. China acknowledges that approval and funding of this project will leave a residual amount of 18,441 ODP tonnes of national aggregate consumption of CFCs that are unfunded (29,092 ODP tonnes of CFC consumption after approved but unimplemented projects are netted out less 10,651 ODP tonnes funded through this project). In addition, China acknowledges that implementation and subtraction of related reductions from the already approved tobacco sector project, solvents sector project and commercial refrigeration sector phase-out projects in accordance with agreements covering those sectors will result in a total level of CFCs remaining unfunded of 6,604 ODP tonnes. (In the commercial refrigeration sector, it is assumed that agreed incremental cost for the remaining projects will be approved at the Thirty-sixth Meeting of the Executive Committee). Finally, China has acknowledged through this project that 1,859 ODP tonnes of current CFC consumption in the foams sector are ineligible for Fund assistance because related capacity was installed after July of 1995. Therefore, China acknowledges that fulfilment of this foam sector project, together with the other projects noted above will leave China with a maximum level of further assistance aimed at reducing a residual of 4,745 ODP tonnes of CFCs.

6. The Government of China agrees to ensure accurate monitoring of the phase-out. The Government of China will provide regular reports, as required by its obligations under the Montreal Protocol and this Agreement. Consumption figures provided under this agreement will be consistent with China's reports to the Ozone Secretariat under Article 7 of the Montreal Protocol.

7. The Government of China also agrees to allow independent verification audits as provided for in this agreement, and in addition, external evaluation as may be directed by the Executive Committee, to verify that annual CFC consumption levels correspond to those agreed in Table 1 and that implementation of the sector plan proceeds as scheduled and agreed in annual implementation programmes.

8. The Chinese polyurethane foam sector plan which supports this Agreement, Chinese Country Programme and other related documentation may include estimates of specific funds that were thought to be needed for specific items. Notwithstanding this, the Executive Committee wishes to provide China with flexibility in using the agreed funds to meet the consumption limits agreed in the Table 1. The Executive Committee has the understanding that during implementation, as long as it is consistent with this Agreement, the funds provided to China pursuant to this Agreement may be used in the manner that China believes will achieve the smoothest possible CFC polyurethane foam sector phase-out, consistent with operational procedures as agreed between China and the World Bank in the polyurethane foam sector plan as revised and as indicated in the annual implementation programmes. In the Executive Committee's acknowledgement of the flexibility available to China in achieving a complete CFC phase-out in the polyurethane foam sector, it is noted that China is committing to contribute the necessary level of resources for the implementation of the plan and for achieving the consumption limits in paragraph 2 of this agreement.

9. The Government of China agrees that the funds being agreed in principle by the Executive Committee at its 35th Meeting for the complete phase-out of CFC-11 consumption in the polyurethane foam sector are the total funding that will be available to China to enable its full compliance with the reduction and phase-out as agreed with the Executive Committee, and that no additional Multilateral Fund resources will be forthcoming for any related activities in the polyurethane foam sector. It is also understood that aside from the agency fee referred to in paragraph 11 below, the Government of China, the Multilateral Fund, and its Implementing Agencies, and bilateral donors will neither request nor provide further Multilateral Fund related funding for the accomplishment of the total phase-out of CFCs in the polyurethane foam sector.

10. The Government of China agrees that if the Executive Committee meets its obligations under this Agreement, but China does not meet the reduction requirements outlined in paragraph 2, and other requirements outlined in this document, the Implementing Agency and the Multilateral Fund will withhold funding for subsequent tranche of funding outlined in paragraph 2 until such time as the required reduction has been met. It is clearly understood that the fulfilment of this agreement depends on the satisfactory performance of its obligations by both the Government of China and the Executive Committee. In addition, China understands that regarding all calendar year targets beginning with 2002, in paragraph 2 of this agreement, the Multilateral Fund will reduce the subsequent tranche and therefore the total funding for CFC-11 phase-out in the polyurethane foam sector on the basis of US\$ 10,000 per ODP tonne of reduction not achieved in any year.

11. The World Bank has agreed to be the Implementing Agency for the implementation of this Sector Plan which will be completed in 2010. A fee of a total of 9 per cent of the value of investment activities and 5 percent of the value of the technical assistance and support activities has been agreed in accordance with provisions of this Agreement as indicated in Table 1. The

technical assistance and support activities shall be identified in objects of expenditures as per the agreement between the World Bank and the Executive Committee. As the implementing agency, the World Bank would be responsible for the following:

- a) Ensuring performance and financial verification in accordance with specific World Bank procedures and requirements as specified in the polyurethane foam sector plan, as revised;
- b) Reporting on the implementation of the annual implementation programmes to be included as part of each annual programme starting with the submission for the 2003 annual implementation programme prepared in 2002;
- c) Providing verification to the Executive Committee that the control targets listed in Table 1 and the associated activities have been met;
- d) Ensuring that technical reviews undertaken by the World Bank are undertaken by appropriate independent technical experts;
- e) Assisting China in preparation of annual implementation programmes, which will incorporate achievements in previous annual programmes;
- f) Carrying out required supervision missions;
- g) Ensuring the presence of an operating mechanism to enable effective, transparent implementation of the programme, and accurate data reporting;
- h) Verifying for the Executive Committee that CFC consumption phase-out in the polyurethane foam sector has been completed based on the schedules listed in Table 1;
- i) Ensuring that disbursements are made to China based on agreed performance targets in the project and provisions in this Agreement;
- j) Providing policy development assistance when required.

12. The funding components of this Decision shall not be modified on the basis of future Executive Committee decisions that may affect the funding of any other consumption sector projects or any other related activities in the country.

Annex XII

AGREEMENT FOR THE TERMINAL CFC PHASE-OUT MANAGEMENT PLAN FOR THE BAHAMAS

1. The Executive Committee approves a total of US \$560,000 in funding for the phased reduction and complete phase-out in the consumption of Annex A, Group I substances used in the Bahamas. This is the total funding that would be available to the Bahamas from the Multilateral Fund for the total elimination of CFC use in the Bahamas. The agreed level of funding would be paid out in instalments for two-year periods in the exact amount of US dollars specified in paragraph 2, and on the basis of the understanding set out in this agreement.

2. By this agreement, the Bahamas commits that in exchange for the funding level specified below, it will eliminate its total CFC consumption in accordance with the annual consumption limits given in Table 1 below in the manufacturing, installation and servicing of refrigeration and air conditioning equipment.

Table 1: Annex A, Group I (CFCs) ODP tonnes

	Baseline 2000	2001	2002	2003	2004	2005	2006	2007	2008- 2009	Total
Maximum allowable Annex A, Group I consumption	66	66	58	48	36	25	14	0	0	66
Agreed funding for annual programmes* US \$'000		240		200		120				560
Agency support costs US \$'000		31.2		26		15.6				72.8

* The funding for the annual programmes to be released are given in paragraph 3.

3. The Executive Committee also agrees in principle that the funds will be provided at the last meeting of the Executive Committee in 2001, 2003 and 2005 for two-year periods in accordance with the above table for the exact amounts listed in the table and on the basis of an annual implementation plan for the following two-year period, subject to the performance requirements contained in this agreement. On this basis, the payment indicated in year 2001 will be for activities to be undertaken in the following two years, 2002 and 2003, and so on.

4. Payments noted in Table 1, other than the 2002-2003 implementation programme, will be released based on confirmation that the agreed phase-out amounts targets noted in the Table 1 for the previous year have been achieved and it has been verified that the activities planned for the previous year were undertaken in accordance with the annual implementation plan. Payment in 2003 for the 2004 – 2005 implementation plan would be released based on confirmation that the 2002 consumption target had been met and all 2002 –2003 implementation plan activities had been completed: and so on for future years.

5. The Government of the Bahamas agrees to ensure accurate monitoring of the phase-out. The Government of the Bahamas will provide regular reports, as required by its obligations under the Montreal Protocol and this Agreement. Consumption figures provided under this

agreement will be consistent with the Bahamas reports to the Ozone Secretariat under Article 7 of the Montreal Protocol.

6. The Government of the Bahamas also agrees to allow independent verification audits as provided for in this agreement, and in addition, external evaluation as may be directed by the Executive Committee, to verify that annual CFC consumption levels correspond to those agreed in Table 1 and that implementation of the sector plan as scheduled and agreed in annual implementation programmes.

7. The Bahamas Terminal CFC Phase-out Management Plan, which supports this Agreement, the Bahamas Country Programme and other related documentation, may include estimates of specific funds that were thought to be needed for specific items. Notwithstanding this, the Executive Committee wishes to provide the Bahamas with maximum flexibility in using the agreed funds to meet the consumption limits agreed in the Table 1. The Executive Committee has the understanding that during implementation, as long as it is consistent with this Agreement, the funds provided to the Bahamas pursuant to this Agreement may be used in any manner that the Bahamas believes will achieve the smoothest possible CFC refrigeration sector phase-out, consistent with operational procedures as agreed between the Government of the Bahamas and the World Bank in the Terminal Phase out Management Plan and as indicated in the bi-annual implementation programmes.

8. The Government of the Bahamas agrees that the funds being agreed in principle by the Executive Committee at its 35th Meeting for the complete phase-out of Annex A, Group I substances are the total funding that will be available to the Bahamas to enable its full compliance with the reduction and phase out as agreed with the Executive Committee of the Multilateral Fund, and that no additional Multilateral Fund resources will be forthcoming for any related activities. It is also understood that aside from the agency fee referred to in paragraph 10 below, the Government of the Bahamas, the Multilateral Fund, and its Implementing Agencies, and bilateral donors will neither request nor provide further Multilateral Fund related funding for the accomplishment to the total phase-out of CFC in the refrigeration sector.

9. The Government of the Bahamas agrees that if the Executive Committee meets its obligations under this Agreement, but the Government of the Bahamas does not meet the reduction requirements outlined in paragraph 2, and other requirements outlined in this document, the Implementing Agency and the Multilateral Fund will withhold funding for subsequent tranche of funding outlined in paragraph 2 until such time as the required reduction has been met. It is clearly understood that the fulfilment of this agreement depends on the satisfactory performance of its obligations by both the Government of the Bahamas and the Executive Committee. In addition, the Bahamas understands that regarding all calendar year targets beginning with 2002, in paragraph 2 of this agreement, the Multilateral Fund will reduce the subsequent tranche and therefore the total funding for CFC-11, CFC-12 and CFC-115 phase-out in the refrigeration sector on the basis of US\$ 15,000 per ODP tonnes of reduction not achieved in any year.

10. The World Bank has agreed to be the Implementing Agency for the implementation of this Sector Plan, which will be completed in 2007. A fee of a total of 13% of the annual funds

has been agreed in accordance with provisions of this Agreement and distributed as shown in Table 1. As the implementing agency, the World Bank would be responsible for the following:

- (a) Ensuring performance and financial verification in accordance with specific World Bank procedures and requirements as specified in the Bahamas Terminal CFC Phase-out Management Plan;
- (b) Reporting annually on the implementation of the bi-annual implementation programmes;
- (c) Providing verification to the Executive Committee that the control targets listed in Table 1 and the associated activities have been met;
- (d) Ensuring that technical reviews undertaken by the World Bank are undertaken by appropriate independent technical experts;
- (e) Assisting the Bahamas in preparation of bi-annual implementation programmes, which will incorporate achievements in previous annual programmes;
- (f) Carrying out required supervision missions;
- (g) Ensuring the presence of an operating mechanism to enable effective, transparent implementation of the programme, and accurate data reporting;
- (h) Verification for the Executive Committee that CFC consumption for the refrigeration sector has been completed based on the schedule listed in Table 1;
- (i) Ensuring that disbursement are made to the Bahamas based on agreed performance targets in the project; and provisions in this Agreement;
- (j) Provide policy development assistance when required.

11. The funding components of this Decision shall not be modified on the basis of future Executive Committee decisions that may affect the funding of any other consumption sector projects or any other related activities in the country.

Annex XIII

AGREEMENT FOR THE NATIONAL CFC PHASE-OUT PLAN FOR MALAYSIA

1. The Executive Committee decided to approve, in principle, a total of US \$11,517,005 in funding for the phased reduction and complete phase-out of consumption of Annex A, Group I, CFCs in Malaysia. This is the total funding that would be available to Malaysia from the Multilateral Fund for the total elimination of the use of Annex A, Group I, CFCs; 1,1,1-TCA; and CTC from its current level of consumption. The agreed level of funding would be paid out in instalments in the exact amount specified in paragraph 3, and on the basis of the following understanding:

2. By this approval, Malaysia agrees that in exchange for the funding level specified in paragraph 3, it will eliminate its 1,1,1-TCA and CTC consumption by 2010 (except any consumption that is considered by the Parties as essential uses), and also agrees to reduce its total Annex A, Group I, CFCs consumption and undertake key activities in accordance with the following schedule:

Year	Max. Allowable Consumption Level for Annex A Group I (ODP tonnes)	Max. Allowable Consumption Level for 1,1,1-TCA (ODP tonnes)	Max. Allowable Consumption Level for CTC (ODP tonnes)	Additional Performance Target
2002	1,855	51	4.51	<ul style="list-style-type: none"> • Import control policy in place and operational;
2003	1,566	48	4.51	<ul style="list-style-type: none"> • Announcement of import quotas for CFCs from 2002 – 2010; • Criteria and procedures for financial support for investment projects completed and distributed;
2004	1,136	48	4.51	<ul style="list-style-type: none"> • Announcement of the MAC inspection programme; • Ban on the use of CFCs in the manufacturing sector in 2005 in place;
2005	699	18	0.68	<ul style="list-style-type: none"> • Annual MAC inspection requirement is operational; • Database of trained technicians in the MAC sector is functional;
2006	579	18	0.68	
2007	490	18	0.68	
2008	401	18	0.68	
2009	332	18	0.68	
2010	0	0	0	

3. In order to assist Malaysia in establishing its implementation structure within the country, and working toward the other reduction targets included in paragraph 2, the Executive Committee decides at its 35th meeting to provide US \$1,799,940 in funding to Malaysia upon approval of this agreement. The Executive Committee has also agreed in principle that it will

continue to provide funds at the level indicated below to support annual programmes for this plan. In the annual work programme, a detailed description of the activities that have been implemented in the previous year as well as those undertaken in the year of plan with matching expenditures and a report on any changes that have been made from the original plan and budget, will be included. The funds for each annual programme will be provided before or within the period which the annual programme covers.

Annual Programme	Actual Amounts (US\$) To be paid
2001	1,799,940
2002	2,969,065
2003	2,013,100
2004	1,688,300
2005	1,208,300
2006	1,013,300
2007	275,000
2008	275,000
2009	275,000

Payments noted in this paragraph (other than the initial tranche for 2001 and 2002) are dependent upon submission of annual programmes. In addition, payments for 2004 onwards are also conditioned upon confirmation by the implementing agency that the agreed reduction targets noted in paragraph 2 and relevant performance milestone have been achieved. For example, payment in 2004 will be conditional on satisfactory verification by the implementing agency that Malaysia had, at a minimum, met its consumption target for 2002.

4. Malaysia agrees to ensure accurate monitoring of the phase out, and to report regularly, consistent with its obligations under the Protocol and this agreement. Malaysia also agrees to allow for independent technical audits administered by the implementing agency, a periodic mid-term examination, every 2 – 3 years, to be administered as part of the annual work programme of the monitoring and evaluation of the Fund, and in addition, as may be directed by the Executive Committee to verify that annual consumption targets of Annex A, Group I, CFCs; 1,1,1-TCA; and CTC agreed in paragraph 2 are actually met.

5. The Executive Committee wishes to provide Malaysia with maximum flexibility in using the agreed funds to meet the reduction requirements agreed in paragraph 2. Accordingly, while the National CFC Phase-out Plan discussed during the preparation of this agreement may have included estimates of specific funds that were thought to be needed for specific items, the Executive Committee is of the understanding that with the exception of US \$1.54 million which must be used by the Government of Malaysia solely to implement, monitor and effectuate full compliance with this agreement and the Annex A, Group I, CFCs; 1,1,1-TCA; and CTC phase-out, as long as expenditures are otherwise consistent with this agreement, the remaining funds provided to Malaysia pursuant to this agreement may be used in any manner that Malaysia believes will achieve the smoothest and most efficient phase-out of the above chemicals.

6. Malaysia agrees that the funds being agreed in principle by the Executive Committee at its 35th meeting for complete phase-out of its Annex A, Group I, CFCs; 1,1,1-TCA; and CTC consumption is the total funding that will be available to it to enable its full compliance with the consumption phase-out requirements of Annex A, Group I, CFCs; 1,1,1-TCA; and CTC of the Montreal Protocol, and that no additional Multilateral Fund resources will be forthcoming for any related activities. It is also understood that aside from the agency fee referred to in paragraph 8 below, Malaysia and the Multilateral Fund and its implementing agencies and bilateral donors will neither provide nor request further Multilateral Fund related funding for the accomplishment of the total phase-out of consumption of Annex A, Group I, CFCs; 1,1,1-TCA and CTC in accordance with the schedule noted above and the terms of the strategy being approved.

7. Malaysia understands that if the Executive Committee meets its obligations under this agreement, but Malaysia does not meet the reduction requirements outlined in paragraph 2, and the other requirements outlined in this document, the implementing agency and the Multilateral Fund will withhold funding for the subsequent tranche until such time Malaysia has demonstrated that the implementation of its National CFC Phase-out Plan has been brought back on track, according to the schedule in paragraph 2. It is clearly understood that the fulfilment of this agreement depends on satisfactory performance of its obligations by both Malaysia and the Executive Committee.

8. The World Bank has agreed to be the implementing agency for this project at a fee of 5 percent for the project implementation and monitoring activity and 9 percent for all investment and other activities. The fee will be distributed over the timeframe of this Plan. The World Bank is given flexibility, on request of the Government of Malaysia, to subcontract Sweden to undertake activities in certain sectors covered under the National CFC Phase-out Plan. As the implementing agency, the World Bank agrees to be responsible for:

- (a) Ensuring that technical reviews undertaken by the World Bank are undertaken by appropriate independent technical experts such as the OORG;
- (b) Assisting Malaysia in the development of its annual work programme which incorporates achievements of previous annual programmes;
- (c) Carrying out supervision missions as required;
- (d) Ensuring the presence of an effective operating mechanism to enable effective, transparent implementation of the programme and accurate, verified reporting of actual consumption reduction against the targets listed in paragraph 2;
- (e) Ensuring that disbursements are made to Malaysia based on agreed performance targets in the project, and the provisions of this agreement;

9. The funding components of this decision shall not be modified on the basis of future Executive Committee decisions.

Annex XIV

AGREEMENT FOR THE NATIONAL CFC PHASE-OUT PLAN FOR THAILAND

1. The Executive Committee decided to approve, in principle, a total of US \$14,728,626 in funding for the phased reduction and complete phase-out of consumption of Annex A, Group I, CFCs; 1,1,1-TCA; and CTC in Thailand. This is the total funding that would be available to Thailand from the Multilateral Fund for the total elimination of the use of Annex A, Group I, CFCs; 1,1,1-TCA; and CTC from its current level of consumption. The agreed level of funding would be paid out in instalments in the exact amount specified in paragraph 3, and on the basis of the following understanding:

2. By this approval, Thailand agrees that in exchange for the funding level specified in paragraph 3, it will eliminate its 1,1,1-TCA and CTC consumption by 2010 (except any consumption that is considered by the Parties as essential uses), and also agrees to reduce its total Annex A, Group I, CFCs consumption and undertake key activities in accordance with the following schedule:

Year	Max. Allowable Consumption Level for Annex A Group I (ODP tonnes)	Max. Allowable Consumption Level for 1,1,1-TCA (ODP tonnes)	Max. Allowable Consumption Level for CTC (ODP tonnes)	Additional Performance Target
2002	3,066	34	7.52	<ul style="list-style-type: none"> • Import control policy in place and operational;
2003	2,777	34	7.52	<ul style="list-style-type: none"> • Announcement of import quotas for CFCs from 2002 – 2010; • Criteria and procedures for financial support for investment projects completed and distributed;
2004	2,291	34	7.52	<ul style="list-style-type: none"> • Announcement of the MAC inspection programme; • Ban on the use of CFCs in the manufacturing sector in 2005 in place;
2005	1,364	4.5	1.13	<ul style="list-style-type: none"> • Annual MAC inspection requirement is operational; • Database of trained technicians in the MAC sector is functional;
2006	1,121	4.5	1.13	
2007	912	4.5	1.13	
2008	704	4.5	1.13	
2009	496	4.5	1.13	
2010	0	0	0	

3. In order to assist Thailand in establishing its implementation structure within the country, and working toward the other reduction targets included in paragraph 2, the Executive Committee decides at its 35th Meeting to provide US \$540,000 in funding to Thailand upon approval of this agreement. The Executive Committee has also agreed in principle that it will continue to provide funds at the level indicated below to support annual programmes for this

plan. In the annual work programme, a detailed description of the activities that have been implemented in the previous year as well as those undertaken in the year of plan with matching expenditures and a report on any changes that have been made from the original plan and budget, will be included. The funds for each annual programme will be provided before or within the period which the annual programme covers.

Annual Programme	Actual Amounts (US \$) To be paid
2001	540,000
2002	5,194,380
2003	4,011,846
2004	1,315,400
2005	1,330,400
2006	851,600
2007	550,000
2008	550,000
2009	385,000

Payments noted in this paragraph (other than the initial tranche for 2001 and 2002) are dependent upon submission of annual programmes. In addition, payments for 2004 onwards are also conditioned upon confirmation by the implementing agency that the agreed reduction targets noted in paragraph 2 have been achieved. For example, payment in 2004 will be conditional on satisfactory verification by the implementing agency that Thailand had, at a minimum, met its consumption target for 2002.

4. Thailand agrees to ensure accurate monitoring of the phase out, and to report regularly, consistent with its obligations under the Protocol and this agreement. Thailand also agrees to allow for independent technical audits administered by the implementing agency, a periodic mid-term examination, every 2 – 3 years, to be administered as part of the annual work programme of the monitoring and evaluation of the Fund, and in addition, as may be directed by the Executive Committee to verify that annual consumption targets of Annex A, Group I, CFCs; 1,1,1-TCA; and CTC agreed in paragraph 2 are actually met.

5. The Executive Committee wishes to provide Thailand with maximum flexibility in using the agreed funds to meet the reduction requirements agreed in paragraph 2. Accordingly, while the National CFC Phase-out Plan discussed during the preparation of this agreement may have included estimates of specific funds that were thought to be needed for specific items, the Executive Committee is of the understanding that with the exception of US \$1.54 million which must be used by the Government of Thailand solely to implement, monitor and effectuate full compliance with this agreement and the Annex A, Group I, CFCs; 1,1,1-TCA; and CTC phase-out, as long as expenditures are otherwise consistent with this agreement, the remaining funds provided to Thailand pursuant to this agreement may be used in any manner that Thailand believes will achieve the smoothest and most efficient phase-out of the above chemicals.

6. Thailand agrees that the funds being agreed in principle by the Executive Committee at its 35th meeting for complete phase-out of its Annex A, Group I, CFCs; 1,1,1-TCA; and CTC consumption is the total funding that will be available to it to enable its full compliance with the consumption phase-out requirements of Annex A, Group I, CFCs; 1,1,1-TCA; and CTC of the Montreal Protocol, and that no additional Multilateral Fund resources will be forthcoming for any related activities. It is also understood that aside from the agency fee referred to in paragraph 8 below, Thailand and the Multilateral Fund and its implementing agencies and bilateral donors will neither provide nor request further Multilateral Fund related funding for the accomplishment of the total phase-out of consumption of Annex A, Group I, CFCs; 1,1,1-TCA; and CTC in accordance with the schedule noted above and the terms of the strategy being approved.

7. Thailand understands that if the Executive Committee meets its obligations under this agreement, but Thailand does not meet the reduction requirements outlined in paragraph 2, and the other requirements outlined in this document, the implementing agency and the Multilateral Fund will withhold funding for the subsequent tranche until such time Thailand has demonstrated that the implementation of its National CFC Phase-out Plan has been brought back on track, according to the schedule in paragraph 2. It is clearly understood that the fulfilment of this agreement depends on satisfactory performance of its obligations by both Thailand and the Executive Committee.

8. The World Bank has agreed to be the implementing agency for this project at a fee of 5 percent for the project implementation and monitoring activity and 9 percent for all investment and other activities. The fee will be distributed over the timeframe of this Plan. The World Bank is given flexibility, on request of the Government of Thailand, to subcontract Sweden to undertake activities in certain sectors covered under the National CFC Phase-out Plan. As the implementing agency, the World Bank agrees to be responsible for:

- (a) Ensuring that technical reviews undertaken by the World Bank are undertaken by appropriate independent technical experts such as the OORG;
- (b) Assisting Thailand in the development of its annual work programme which incorporates achievements of previous annual programmes;
- (c) Carrying out supervision missions as required;
- (d) Ensuring the presence of an effective operating mechanism to enable effective, transparent implementation of the programme and accurate, verified reporting of actual consumption reduction against the targets listed in paragraph 2;
- (e) Ensuring that disbursements are made to Thailand based on agreed performance targets in the project, and the provisions of this agreement;

9. The funding components of this decision shall not be modified on the basis of future Executive Committee decisions.

Annex XV

AGREEMENT FOR THE TOTAL PHASE-OUT OF CFCs IN TURKEY

1. The Executive Committee approves in principle a total of US \$9 million in funding for the phased reduction and complete phase-out of consumption of CFC-11, CFC-12 and CFC-115 in Turkey by 2006. This level of funding takes into account the significant acceleration of the agreed phase-out in Turkey and the resulting reduction in ODS emissions. This is the total funding that will be available to Turkey from the Multilateral Fund for the total elimination of CFC use in the refrigeration sector in Turkey as well as for all other sectors using these substances, (e.g., foams, aerosols, solvents, etc.). The agreed level of funding will be paid out in instalments in the exact amount of US dollars specified in paragraph 2, and on the basis of the understanding set out in this agreement.

2. By this agreement, Turkey commits that in exchange for the funding specified below, it will eliminate its total CFC consumption in accordance with the individual and aggregate consumption targets as indicated in Table 1 below.

Table 1
National Control Targets for CFC-11, CFC-12 and CFC-115 consumption in ODP tonnes

	1999 Baseline	2001	2002	2003	2004	2005	2006	2007	2008	2009
Maximum allowable CFC-12 consumption (ODP tonnes)	736	700	650	334	166	100	0	0	0	0
Maximum allowable CFC-11 consumption (ODP tonnes)	1,049	300	250	200	150	50	0	0	0	0
Maximum allowable CFC-115 consumption (ODP tonnes)	9	9	9	0	0	0	0	0	0	0
Max allowable total ODP (ODP tonnes)		977	909	534	316	150	0	0	0	0
Total agreed funding (US \$ million)		3.5	2.5	1	0.75	0.75	0.5	0	0	0
Agency support costs (US \$ million)		0.295	0.175	0.150	0.045	0.03	0.03	0.03	0.03	0.025

3. The Executive Committee also agrees in principle that the funds will be provided at the last meeting of the Executive Committee in a given year, for the exact amount listed in the above table for that year and on the basis of an annual implementation plan for the following year, subject to the performance requirements contained in this agreement. Thus, for example, the payment indicated in year 2001 will be for activities to be undertaken in 2002, and so on.

4. Payments noted in Table 1, other than those for 2001, will be released based on confirmation that: the agreed phase-out targets noted in Table 1 for the previous year have been achieved; it has been verified that the activities planned for the previous year were undertaken in accordance with the annual implementation plan, and CFC phase-out contracts have been signed

amounting to at least 80 per cent of the Multilateral Fund funding approved for the relevant annual programme. For example, payment in 2002 for the implementation of the 2003 work programme will be conditional on satisfactory verification that Turkey has, as a minimum, met its consumption targets for 2001 as specified in Table 1 and as provided in detail in the 2002 implementation plan. Payment in 2003 for the 2004 implementation plan will be released based on confirmation that the 2002 consumption targets have been met, all 2002 implementation plan activities have been completed and contracts amounting to at least 80 per cent of the 2002 Multilateral Fund grant have been signed; and so on for future years. In the event that contracts totalling 80 per cent of the Multilateral Fund funding available for a given year have not been signed, funding equivalent to the deficit will be held back and considered for release by the Executive Committee when all additional contracts have been signed and the targets met.

5. The Government of Turkey agrees to ensure accurate monitoring of the phase-out. The Government of Turkey will provide regular reports, as required by its obligations under the Montreal Protocol and this Agreement. Consumption figures provided under this agreement will be consistent with Turkey's reports to the Ozone Secretariat under Article 7 of the Montreal Protocol.

6. The Government of Turkey also agrees to allow independent verification audits as provided for in this agreement, and in addition, external evaluation as may be directed by the Executive Committee, to verify that annual CFC consumption levels correspond to those agreed in Table 1 and that implementation of the sector plan proceeds as scheduled and agreed in annual implementation programmes.

7. The Turkish refrigeration plan which supports this Agreement, Turkish Country Programme and other related documentation may include estimates of specific funds that were thought to be needed for specific items. Notwithstanding this, the Executive Committee wishes to provide Turkey with maximum flexibility in using the agreed funds to meet the consumption limits agreed in Table 1. The Executive Committee understands that during implementation, the funds provided to Turkey pursuant to this Agreement may be used in any manner consistent with this Agreement that Turkey believes will achieve the smoothest possible CFC phase-out in the refrigeration sector, consistent with operational procedures as agreed between Turkey and the World Bank in the refrigeration sector plan as revised and as indicated in the annual implementation programmes. In the Executive Committee's acknowledgement of the flexibility available to Turkey to achieve a complete CFC refrigeration sector phase-out, it is noted that Turkey is committing to contribute the level of resources necessary to implement the plan and to achieve the consumption limits in paragraph 2 of this agreement.

8. The Government of Turkey agrees that the funds being agreed in principle by the Executive Committee at its 35th Meeting for the complete phase-out of CFC-11, CFC-12 and CFC-115 consumption are the total funding that will be available to Turkey to allow its full compliance with the reduction and phase-out as agreed with the Executive Committee of the Multilateral Fund, and that no additional Multilateral Fund resources will be forthcoming for any related activities in the refrigeration sector. It is also understood that aside from the agency fee referred to in paragraph 10 below, the Government of Turkey, the Multilateral Fund, and its implementing agencies, and bilateral donors will neither request nor provide further Multilateral

Fund-related funding for the accomplishment of the total phase-out of CFCs in the refrigeration sector.

9. The Government of Turkey agrees that if the Executive Committee meets its obligations under this Agreement, but Turkey does not meet the reduction requirements outlined in paragraph 2, or other requirements outlined in this document, the implementing agency and the Multilateral Fund will withhold funding for subsequent tranches of funding outlined in paragraph 2 until such time as the required reduction has been met. It is clearly understood that the fulfilment of this agreement depends on satisfactory performance by both the Government of Turkey and the Executive Committee of their obligations. In addition, Turkey understands that with respect to all calendar year targets beginning with 2002, as set out in paragraph 2 of this agreement, the Multilateral Fund will reduce the subsequent tranche and therefore the total funding for CFC-11, CFC-12 and CFC-115 phase-out on the basis of US \$15,000 per ODP tonne of reduction not achieved in any year.

10. The World Bank has agreed to be the implementing agency for the implementation of this sector plan which will be completed in 2006. It is also agreed that monitoring will continue until 2009 in order to ensure compliance during the period 2006 to 2009. A fee of 9 per cent of the sector plan annual funding has been agreed in accordance with the provisions of this Agreement, and distributed as shown in Table 1. As the implementing agency, the World Bank will be responsible for the following:

- (a) Ensuring performance and financial verification in accordance with specific World Bank procedures and requirements as specified in the Turkish refrigeration sector plan, as revised;
- (b) Reporting on the implementation of the annual implementation programmes to be included as part of each annual programme starting with the submission for the 2003 annual implementation programme prepared in 2002;
- (c) Providing verification to the Executive Committee that the control targets listed in Table 1 and the associated activities have been met;
- (d) Ensuring that technical reviews undertaken by the World Bank are carried out by appropriate independent technical experts;
- (e) Assisting Turkey in preparation of annual implementation programmes, which will incorporate achievements in previous annual programmes;
- (f) Carrying out required supervision missions;
- (g) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the programme, and accurate data reporting;
- (h) Verification for the Executive Committee that CFC consumption for the refrigeration sector has been completed based on the schedules listed in Table 1;

- (i) Ensuring that disbursements are made to Turkey based on agreed performance targets in the project and provisions in this Agreement;
- (j) Providing policy development assistance when required.

11. The funding components of this Decision shall not be modified on the basis of future Executive Committee decisions that may affect the funding of any other consumption sector projects or any other related activities in the country.

Annex XVI

ADJUSTED FUNDING POLICIES OF THE MULTILATERAL FUND, AS CONTAINED IN DOCUMENT UNEP/OzL.Pro/ExCom/34/53 (REVISED), AS AMENDED AT THE 35TH MEETING OF THE EXECUTIVE COMMITTEE

(c) Adjustment of the current funding policy

1. Emphasizing the impact of individual projects largely assisted the Fund in achieving the goal of maximizing the global reduction of ODS in Article 5 countries during the grace period. However, recognizing that all Article 5 countries have to achieve compliance simultaneously, the Executive Committee has now directed that the Fund's goal will have to shift to assisting individual Article 5 countries to implement time-bound compliance targets. This would necessitate an adjustment of the funding policy from emphasizing impact of individual projects to putting greater emphasis on demonstrated relevance of such projects to compliance. The key to the adjustment is the demonstrated relevance to compliance, as distinct from the current practice because, as noted in the strategic planning framework agreed at the last meeting, "Funding must be predicated on a commitment by the country to achieve sustainable, permanent aggregate reductions in consumption and production, as relevant."
2. Demonstrated relevance to compliance is defined as a direct and, if applicable, quantifiable linkage between the funded activities and the specific Montreal Protocol compliance target to be achieved.

(d) Modalities to implement the adjusted funding policy

3. Depending on the preference and readiness of the country concerned, there could be two modalities to implement the adjusted funding policy of ensuring demonstrated relevance to compliance: funding of performance-based group-wide phase-out agreements; and funding of individual projects or stand-alone sector phase-out plans based on national phase-out strategies. These two modalities are discussed in the following paragraphs.

(i) Performance-based substance-wide phaseout agreements

4. Scope: A group-wide phase out agreement will encompass the total remaining consumption of the concerned controlled substance (e.g.: halons, CFCs) in all its user sectors in the country. Depending on the residual consumption in each of these sectors, the agreement could consist of more than one sector strategy or if the residual consumption is exclusively in the refrigeration servicing sector, which is usually the case towards the completion of the CFC phase out in the relevant manufacturing sectors, the agreement can be detailed as part of a refrigerant management plan, as elaborated in Decision 31/48.
5. Features: A performance-based group-wide agreement would need to include an action plan and a schedule of implementation of well-coordinated activities of industry and government, a level of funding to be agreed with the Executive Committee, a disbursement schedule by the Multilateral Fund against national ODS reduction targets, and a national management structure to ensure achievement of the objective of the agreements.

6. Advantages: The proposed agreements could offer the best chance to implement the funding policy of demonstrated relevance to compliance because funding would be tied to the compliance targets stipulated in the agreement (either according to the Montreal Protocol or, an accelerated schedule preferred by the country), and disbursement of resources would be tied to performance milestones.

7. The agreements would offer an alternative to the sometimes cumbersome project-by-project submission and approval process. They would also provide an assurance of predictable funding by the Multilateral Fund over a period of time, and would offer the country concerned with a flexibility to use the agreed funds to implement the activities to achieve the goals of the agreement.

8. Experience to date: The modality has been applied to the phase out of ODS in the production and other sectors and also followed to a certain extent in funding of RMPs in low-volume-consuming countries. The sector agreements approved so far are being implemented as planned, however, most of them were prepared and negotiated on a case-by-case basis over a long period of time.

9. Operational guidelines: It is time to review the need for standard guidelines, based on the experience of the Multilateral Fund, for the preparation, implementation and management of such agreements if this modality will be increasingly adopted.

10. Recommended further steps: It is recommended that in order to enable countries which are ready to adopt the modality of performance-based substance-wide agreement, the Secretariat should work with Article 5 countries, bilateral agencies and the implementing agencies to develop draft guidelines for the preparation, implementation and management of performance-based substance-wide phase-out agreements.

- (ii) Funding of individual projects (including umbrella or terminal phase-out projects) and stand-alone sector phaseout plans based on national compliance strategy

11. The current modality of funding of individual projects can continue to be applied however such funding should be made on condition that the requested project demonstrate its position in the national compliance strategy of phasing out the concerned controlled substance. It is understood that, until national compliance strategies have been developed, nothing will prevent the funding of individual projects or stand-alone sector phase-out plans, in accordance with the guidelines and procedures of the Fund, to the extent that these projects should indicate:

- (a) The impact of requested project on the compliance target (for instance, the CFC freeze, the 50 per cent reduction in 2005 and others);
- (b) The impact of the on-going projects on the balance of a consumption level of the substance to be determined by the Executive Committee in the discussion on the remaining ODS consumption eligible for funding and the mandatory consumption level for compliance with the specific target;

- (c) The impact of the requested project on remaining national consumption of the substance(s) concerned.

12. The same requirement should be applied to a stand-alone sector phase out plan. These sector phase-out plans may include the total consumption of the concerned controlled substance, a plan of action by both industry and government and agreed funding level and disbursement schedule, as in the case of a substance-wide agreement. Since a controlled substance could be used in more than one sector, it is important to establish the direct impact of such projects on the national compliance targets of the controlled substance concerned.

13. Advantages: Requiring that funding requests be put in the context of a national compliance strategy provides the possibility of determining the impact of funding on the specific compliance target and of assessing the urgency of such requests, and therefore the funding priority. Funding projects according to the national compliance strategy provides the government the possibility of determining the pace of phase out according to its domestic demand and supply of the controlled substances and readiness of its consumers. The steps that are proposed in the above Table for analysing the demonstrated relevance of projects to compliance will make up for the inadequacy in the current funding policy which does not link project impact with country compliance. These steps are also being proposed in the draft guidelines for the preparation of country programme updates. The proposed guidelines are intended to assist countries in the preparation of their national compliance strategies.

14. Operational guidelines: The proposed guidelines for the preparation of country programme updates which are being submitted by the Secretariat to the 34th Meeting could serve as operational guidelines for the preparation of national compliance strategies. This was also noted by the Executive Committee which decided that “updates to country programmes and refrigerant management plans would provide Article 5 countries with a mechanism for national phase out strategies and to encourage Article 5 countries to take advantage of that opportunity” (Decision 33/54).

15. Until these strategies are prepared, it is recommended that the sector context currently included in the project document be revised to provide an analysis of the demonstrated relevance of the requested funding to compliance.

Annex XVII

FORMAT FOR COUNTRY PROGRAMME UPDATE

Part I Review of Implementation of the Current Country Programme

I.1 ODS Phase-out

ODS	Consumption/ Production in C.P. (in tonne/ODP)	Year of Data	Phase-out Achieved (in tonne/ODP)	Compliance Baseline (in tonne/ODP)	Latest Consumption (in tonne/ODP)	Latest Consumption Year (in tonne/ODP)	Comments
CFC							
Halons							
Methyl bromide							
TCA							
CTC							

I.2 Industry Conversion

Sector	Consumption in C.P. (in tonne/ODP)	Year of Data	No. of plants in C.P.	No. of plants converted	ODS phased out (in tonne/ODP)	Funds received (in US\$)	Estimated No. of plants to be converted	ODS consumption (in tonne/ODP)	Comments
Refrigeration									
Manufacturing									
Servicing									
Foams									
Aerosol									
Solvents									
Halons									
Manufacturing									
Servicing									
Fumigant									
Total									

I.3 Government Actions

Policy	Proposed in C.P. (Y/N)	Year of implementation in C.P.	Status of Implementation (Y/N)	Year of Implementation	Comment if experiencing delay
Control on ODS import					
Control on import of ODS-containing equipment					
Ban ODS import					
Ban on import of ODS-containing equipment					
Ban on new uses of ODS					

I.4 Overall Assessment of the Implementation of the Current Country Programme

NOTES:

Review of Implementation of the Current Country Programme

- I.1 ODS Phase-out should include an update on the phase-out achieved and the remaining consumption to be phased out under each Annex/Group of controlled substances of the Montreal Protocol.
- I.2 Industry Conversion should include an update on number of plants which have already completed their industrial conversions and an estimated remaining number of plants that have not been converted for each ODS consuming sector and sub-sector, especially remaining manufacturing plants with significant ODS consumption.
- I.3 Government actions should include an update on the implementation of the policy controls such as: control of ODS imports; control of import of equipment that contains ODS, and control on new uses of ODS.
- I.4 Overall Assessment of the Current Country Programme Implementation should describe the experiences and lessons learned in the country programme implementation up to the time of preparing the update. Among other things, it should include such items like relation between policies and industry conversions, the interaction between non-investment and investment activities, the role of implementing agencies versus that of the government and others.

Part II Country Programme Update

II.1 Schedule and Action Plan for Implementing Compliance

A schedule with an action plan, as shown below, should be prepared for each controlled substance consumed/produced in the country according to the Montreal Protocol schedule. The schedule could be adjusted according to national circumstances if the government concerned intends to implement an accelerated phase-out.

SCHEDULE AND ACTION PLAN FOR IMPLEMENTING CFC COMPLIANCE

Year	Phase-out schedule		Envisaged reduction from approved projects (in tonne/ODP)	Envisaged reduction from new approvals (in tonne/ODP)	Means of delivery foreseen*	Gov. Planned action(s)	Estimated additional funding needed (in US \$)	Source of funding (national and Multilateral Fund)	Types of funding (investment and/or non-investment)
	Montreal Protocol	Accelerated							
1999	Baseline								
2000									
2001									
2002									
2003									
2004									
2005	50% reduction								
2006									
2007	85% reduction								
2008									
2009									
2010	Total phase-out								

* Could be performance-based sector-wide or substance-wide agreements, individual or umbrella projects, RMP, and others.

II.2 Review and Updating

Year of plan:		
Target in the Schedule and Action Plan	Implementation at end of Year	Comments
ODS reduction	Achieved (Y/N)	
Reduction from approved projects	Achieved (Y/N)	
Reduction expected from new projects	Achieved (Y/N)	
Government policy control	Implemented (Y/N)	
Overall assessment	Satisfactory (Y/N)	
Corrective action needed	Y/N	
Revision of schedule and action plan	Y/N	

II.3 Implementation Mechanism Planned

NOTES:

II.1 Schedule and action plan for implementing compliance which should be done for each Annex/Group of controlled substances consumed/produced in the country, using the format. While compliance with the Montreal Protocol schedule is expected, an accelerated phase-out schedule could be prepared if it is the desire of the government. For each substance data is required for:

- schedule of the reductions, by year if possible, needed to implement compliance for each Annex/Group of controlled substances starting from the year of the preparation of the country programme update;
- the envisaged amount of reduction to be realized from projects under implementation;
- the envisaged amount of reduction to be achieved from projects to be approved in the year;
- government actions planned to be implemented to achieve reductions;
- additional funding estimated for new projects, specifying sources of funding (national or Multilateral Fund) and types of funding (national or Multilateral Fund) and types of funding (investment and/or non-investment);
- means of delivery foreseen could include performance-based sector-wide or substance-wide agreements, individual or umbrella projects, RMPs and others.

II.2 Review and updating

The schedule and action plan for implementing compliance of each Annex/Group of controlled substances are intended as a dynamic document to assist the government concerned to monitor implementation of its compliance with the Montreal Protocol. Therefore the government should update it as it deems necessary in terms of its strategic planning needs.

II.3 Implementation mechanism planned should include a description of the institutional arrangements both within and without the country to implement the strategy. It should include a discussion of the planned implementation modality, e.g. project by project approach or a sector-wide and substance-wide performance-based agreement; and the role of the government and that of the implementing agencies.

Part III Performance-Based National Phase-out Agreement

Countries which are ready to conclude a performance-based national phase-out agreement should provide:

III.1 Total Budget

Element/Year	Year 1	Year 2	Year 3	Year 4*
Total				

*Till the completion of the agreement

III.2 Performance Milestones and Disbursement Schedule

Year	Milestones	Disbursement

III.3 Verification and Reporting

Institution for conducting the verification:

Frequency of verification and reporting:

NOTES:

Performance-Based National Phase-out Agreement

This part is required only when a country is ready to conclude a performance-based national phase-out agreement with the Executive Committee and take full ownership of the national phase-out programme.

- III.1 Total budget should include total cost of implementing the agreement and a breakdown of the cost elements.
- III.2 Performance milestones and disbursement schedule should include a list of quantifiable performance indicators to measure progress and a schedule of funds to be released upon verified achievement of the performance milestones.
- III.3 Verification and reporting should describe the monitoring system to be established for verification and reporting on progress in the implementation of the agreement.
