EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Thirty-seventh Meeting
Montreal, 17-19 July 2002

SECRETARIAT ACTIVITIES
1. This document provides a summary of the activities undertaken by the Fund Secretariat since the 36th Meeting of the Executive Committee.

**Notification of the Decisions of the 36th Meeting of the Executive Committee**

2. The report of the 36th Meeting, which contains all the decisions of the Executive Committee, was sent to all the Parties to the Montreal Protocol.

3. Decisions related to project approvals, including work programmes and work programme amendments were sent to the relevant Article 5 countries, and to cooperating bilateral and implementing agencies.

4. Decisions inviting comments on specific issues and draft papers prepared by the Secretariat were communicated, as directed by the Executive Committee, to members of the Committee, and the bilateral and implementing agencies, as pertinent.

5. Additionally, the Secretariat provided background information, and clarification on certain decisions to participants of the Ozone Officers Network meetings held since the 36th meeting.

6. Decisions requesting certain action by the Secretariat and/or implementing agencies were addressed/communicated as directed by the Committee.

7. Resources covering all funding requests approved at the 36th meeting were transferred to the implementing agencies; approved bilateral activities were credited to the contributions of the relevant non-Article 5 Parties.

**Submissions to the 37th Meeting**

8. The Secretariat reviewed, commented on and prepared the required briefs on the following documents submitted by the bilateral and implementing agencies:

   (a) Progress reports (as of 31 December 2001) of the bilateral and implementing agencies;

   (b) Evaluation of the implementation of the implementing agencies 2001 business plans;

   (c) Addenda to the 2002 business plans of UNDP, UNIDO and the World Bank;

   (d) 153 investment and non-investment projects and activities totalling about US $304 million;

   (e) Country programmes of Djibouti, Kuwait and Kyrgyzstan
9. The Secretariat has undertaken the following tasks in preparing its submission to the 37th meeting:

**Monitoring and Evaluation**

10. The Secretariat’s Senior Monitoring and Evaluation Officer prepared the following reports: status report on the evaluation of aerosol projects; the report on the desk study on halon projects; and the report on the information collected concerning the status of implementation of MAC projects: follow-up to Decision 36/3.

**Completed projects with balances and implementation delays**

11. The Secretariat requested the implementing agencies to provide updated information on projects experiencing delays that were considered at the 36th Meeting. The Secretariat also identified data from the implementing agencies submissions on completed and cancelled projects with balances, as well as adjustments proposed in the agencies’ progress reports. The Secretariat compiled and analysed the submissions of the implementing and bilateral agencies, accordingly.

**Consolidation of 2001 progress reports**

12. The Secretariat consolidated the information provided by the bilateral and implementing agencies in their progress reports into the consolidated progress report.

**Review of LCD guidelines for liquid carbon dioxide (LCD) technology in foam projects**

13. Pursuant to Decision 35/16, the study to re-examine the LCD technology and guidelines began after the 36th Meeting in March 2002. A consultant engaged to carry out the study has visited and held discussions with all the LCD technology suppliers as well as some foam manufacturers in non-Article 5 countries that have installed and are producing foam from this technology. He is scheduled to visit selected foam manufacturers with approved LCD projects in Article 5 countries in June 2002. As the study turned out to be much more complex than expected, the report will only be ready for submission by the 38th Meeting.

**Draft guidelines for Metered Dose Inhalers (MDI) projects**

14. Pursuant to the Parties’ Decisions XII/2 and XIII/9, and to Executive Committee’s Decisions 35/4 and 36/9, the Secretariat has completed the draft guidelines for Metered Dose Inhaler (MDI) projects.

**Funding of technology that is not in the public domain**

15. In response to Decision 36/52, the Secretariat invited comments from Executive Committee members and Implementing Agencies on “Funding of Technology not in the Public Domain”, a paper submitted by the Faculty of Law at McGill University for the 36th Meeting. The issues raised in the above-noted comments were subsequently addressed by the Faculty of Law and the document was sent for comments to the World Intellectual Property Organization (WIPO).
Review of the implementation of the Fixed-Exchange-Rate Mechanism

16. The Secretariat engaged a consultant as directed by Decision XIII/4 of the Meeting of the Parties to finalize the review of the implementation of the fixed-exchange-rate mechanism as per Decision XI/6. The Secretariat and the Treasurer cooperated closely to develop the terms of reference for the study and to design a questionnaire to seek relevant information from the contributing parties.

ODS Production Sector

17. The Secretariat commissioned two technical audits in the CFC production sector since the 36th Meeting, one in Mexico and the other in Venezuela. The consultant contracted by the Secretariat has already started his work, and will soon embark on a field audit of the Mexican plant.

18. The Secretariat has also developed the terms of reference for the technical audit of the CTC production in India, and the CTC and TCA production in China, and is in the process of inviting bids from consulting firms for undertaking the audits.

Implementation of the Framework for the Strategic Planning of the Fund

19. The Secretariat invited members of the Executive Committee, and bilateral and implementing agencies to comment on a draft paper prepared by the Secretariat in response to Decisions 35/56 and 36/53. A final draft has been submitted for the consideration of the Executive Committee.

20. The Secretariat has developed a funding model, taking into consideration all the forward commitments decided previously by the Executive Committee. The result of the model will be used as the basis for the preparation of the document on business planning in accordance with Decision 36/53.

21. Also in accordance with Decision 36/53 the Secretariat prepared a document on the work of the Executive Committee taking into consideration comments received from some members of the Executive Committee on the issue.

Documents and policy papers prepared by the Fund Secretariat

22. Of the documents submitted for consideration at the 37th Meeting, the following were prepared by the Fund Secretariat:

- Provisional agenda of the Executive Committee
- Provisional and annotated agendas of both Sub-Committees
- Secretariat activities
- Status report on the evaluation of aerosol projects
Meetings attended and missions undertaken

23. During the reporting period, the Secretariat participated in the following:

- Seminar on Polyurethane Equipment, Pittsburgh, 2-3 April 2002
- Main Meeting of the South Asia Network of ODS Officers, 1-4 April 2002
- Joint Main Meeting of the Central American, Spanish-speaking Caribbean and South America Networks of ODS Officers, Santo Domingo, 23-26 April 2002
Officers Network Meeting for the English-speaking African countries, Mbabane, 7-10 May 2002
West Asia Network Meeting, Muscat, 27-29 May 2002
Several Missions were taken for the purpose of evaluating completed aerosol projects and coordinating discussions with NOUs in the following countries: Algeria, Cote d’Ivoire - 19 April-1 May 2002, China, Vietnam - 25 May-1 June 2002,


25. On the invitation of the Government of Nigeria, the Chief Officer visited Abuja (Nigeria, 19-21 May) and held discussion with the Chairman of the Executive Committee, Federal Minister of Environment, State Minister of the Environment, Nigerian Parliamentarians, and other Senior Government Officials.

26. The Chief Officer held discussions with the Executive Director of UNEP and other UNEP and UNON staff (23-25 May).

Participation in network meetings

27. The Secretariat attended in the months of April and May 2002 the meetings of the South Asia network, the Central and Latin American network, the English-speaking African network, the French-speaking African network and the West Asian network, and sent a set of presentations to the English speaking Caribbean network which it could not attend.

28. The presentations prepared by the Secretariat for the meetings included compliance profiles of network member countries; a summary of the discussions of the Executive Committee on the strategic planning that resulted in the decisions taken at the 35th Meeting; the content of Decision 35/57 and the calculation of the two options; and the implications of Decision 35/57 and the other decisions.

29. These presentations proved to be necessary to reinforce the transparency of the decision-making process at the Executive Committee, and remove any mystery that could have existed about the adoption of the two options. The discussions at the meetings also cleared a few misconceptions about how countries should select their options.

30. The Secretariat was made aware of the technical issues which still had to be reviewed and resolved, regarding the actual implementation of the options. These, among other things, included the continuing problems with sound data reporting, and the accounting for the impact of non-investment activities with the new cost-effectiveness of US$12.10/kg.
31. The Secretariat recommends that it is very important that the decisions taken by the Executive Committee at its recent past meetings should be fully explained to participants of the network meetings.

Other activities undertaken by the Secretariat

World Summit on Sustainable Development

32. As per Decision 36/58 the Fund Secretariat proposed to the Ozone Secretariat to include the launching of a booklet on the Multilateral Fund (currently in the final stages of preparation) during a side event in Johannesburg on the margins of the World Summit on Sustainable Development (WSSD). The side event, which will be chaired by the Executive Director of UNEP, will also include the launching of a book on the Official History of the Ozone Treaties. The Fund Secretariat informed the Ozone Secretariat that the Chairman and Vice-Chairman of the Executive Committee, as well as the Chief Officer of the Secretariat might participate in this side event. The date and venue of the events have yet to be announced.

Recruitment of the Administrative and Fund Management Officer and the Information Management Officer

33. Ms. Bouthena Bendahmane joined the Secretariat on 3 June 2002 as the new Administrative and Fund Management Officer. The recruitment of the Information Officer is in its final stages, and the selected person will be announced at the 37th meeting.

Planning for the 37th Meeting of the Executive Committee

34. The Secretariat communicated and discussed with the implementing agencies the various actions required to be undertaken by them and by the Secretariat as a result of decisions taken at the 36th Meeting of the Executive Committee, as well as actions outstanding from reports of earlier meetings of the Executive Committee.

Review and update of databases, documents and operational guidelines by the Fund Secretariat

35. The Fund Secretariat reviewed and updated the following databases, documents and operational guidelines:
   - Inventory of Approved Projects as at March 2002
   - Policies, Procedures, Guidelines and Criteria as at March 2002
   - Country Programmes Summary Sheets as at March 2002
   - Project Completion Reports Summary Sheets
   - Update of the web site of the Fund Secretariat
Preparation for the meetings of the Executive Committee and its Sub-Committees

36. The Fund Secretariat has arranged for the Meetings of the Sub-Committee on Project Review, the Monitoring, Evaluation and Finance Sub-Committee and the 37th Meeting of the Executive Committee to be held in Montreal, Canada. Letters of invitation and meeting documentation have been dispatched to members of the Executive Committee, the President of the Bureau, the Vice-President of the Implementation Committee, the Ozone Secretariat, the Implementing Agencies and NGOs.

Preparation for other meetings

37. The Fund Secretariat provided logistical support to the Ozone Secretariat in the organization of the meetings of: the Implementation Committee, the Bureau of the 13th Meeting of the Parties and the Open-ended Working Group to be held in Montreal as well as for the convening by UNEP DTIE of the workshop on Concessional Lending.