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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Forty-third Meeting
Geneva, 5-9 July 2004

SECRETARIAT ACTIVITIES

For reasons of economy, this document is printed in a limited number. Delegates are kindly requested to bring their copies to the meeting and not to request additional copies.

Notification of the Decisions of the 42nd Meeting of the Executive Committee

1. The report of the 42nd Meeting, containing the decisions of the Executive Committee, was communicated to all Executive Committee members and other participants of the 42nd Meeting. Additionally, decisions related to project approvals were sent to the relevant Article 5 countries, and to bilateral and implementing agencies.
2. Decisions requesting certain action by the Secretariat and/or implementing agencies were addressed or communicated as directed by the Committee.
3. The Secretariat instructed the Treasurer to transfer resources covering all funding requests approved at the 42nd meeting to the implementing agencies, and/or to credit them as bilateral contributions of the relevant non-Article 5 Parties.

Review of submissions to the 43rd Meeting

4. The Secretariat has undertaken the following tasks in preparation for the 43rd Meeting:

Status of resources and planning

5. The Secretariat prepared information on the availability of resources vis-à-vis the business plans and the status of compliance in accordance with Decision 41/92.
6. The Secretariat reviewed the total balances of completed projects held by agencies and any agency support costs associated with those funds remaining from projects, and calculated the total amount of resources available to the Executive Committee for approval at the 43rd meeting. These resources comprise cash and promissory notes recorded in the Status of Contributions (UNEP/OzL.Pro/ExCom/43/3) plus the amount of funds returned from projects in the balances.
7. The Secretariat examined approvals to date together with the total amount of funds requested at the 43rd meeting in view of the allocations in the 2004 business plan, and highlighted projects in the business plans that have not been submitted but are needed to assist countries to return into compliance with the current controls and/or achieving compliance with the 2005 control measures of the Montreal Protocol. An assessment of the forward commitments approved to-date and the additional commitments submitted to the 43rd Meeting for approval was prepared.
8. The Secretariat requested National Ozone Units to provide data on progress of implementation of country programmes for the year 2003, and in some cases for one or more years in the period 1998-2002. Using the data, the Secretariat prepared its annual update of the status of compliance of Article 5 countries. In the analysis, the phase-out from ongoing projects was deducted from the last reported consumption in order to indicate the prospects countries in achieving compliance. An update on the status of implementation of ongoing projects for all Article 5 countries that have been found to be in non-compliance, and of the ODS sectoral consumption data on the implementation of country programmes was also prepared.

Monitoring and Evaluation

9. As a first step of the evaluation of methyl bromide (MB) projects, the Senior Monitoring and Evaluation Officer coordinated a desk study of projects in horticulture, cut flowers, tobacco and post-harvest uses in order to identify issues and questions that will need to be addressed in the ensuing field visits.

10. An evaluation of the regional halon banking projects in the Gulf, Caribbean and African countries, along with a number of national halon management plans, was carried out by way of missions to selected countries and discussions of the projects during the four relevant regional network meetings. Since discussions were only held recently and were to some extent controversial, the preparation of the final evaluation report was delayed. The final report will be presented to the 44th meeting of the Executive Committee following consultation with all stakeholders and clarification of the outstanding issues.

11. Subsequent to the consideration at the 42nd meeting of the report on the intermediate evaluation of the CFC production sector phase-out agreements, the Government of India submitted a report to the Secretariat detailing methods of reporting on CFC production in India. The Senior Monitoring and Evaluation Officer prepared comments concerning the use of gross versus net production of CFC's to plan and verify allowable CFC production in India.

Consolidated progress report

12. The Secretariat compiled data from all of the implementing and bilateral agencies to summarize the progress and financial information on projects and activities supported by the Multilateral Fund up to 31 December 2003.

Evaluation of the Implementation of the 2003 Business Plans

13. The Secretariat reviewed and evaluated the agencies' investment project targets and achievements based on performance indicators, and the progress and financial reports submitted to the 43rd meeting. The evaluation demonstrated that the overall performance of the Multilateral Fund was above that targeted in terms of both ODP phased out and disbursement.

Implementation of Decision 42/49 in the context of decision Ex.I/2

14. The Secretariat prepared a list of methyl bromide phase-out projects together with related associated data previously reported to the Ozone Secretariat under Article 7, including the inventory of approved projects, relevant project evaluation sheets, agreements between governments and the Executive Committee, project proposals and final reports of meetings of the Executive Committee. The list was provided to Implementing and bilateral agencies as a database, and they were requested to review and update the data on the status of the implementation of the projects within their portfolios, and provide a precise summary of the current status of the projects. On receipt of the information the Secretariat prepared a consolidated summary of responses.

Project Review

15. The Secretariat reviewed 96 projects and activities from 48 Article 5 countries with a total level of funding, as submitted, of US \$128.5 million. In four countries the projects addressed complete phase-out of CFCs. In seven other LVC countries the projects were to achieve the 2007 Montreal Protocol commitment for CFCs. In addition, two country programmes (Cape Verde and Guinea-Bissau) and two country programme updates (Lebanon and Romania) were reviewed.

Institutional strengthening projects

16. The Secretariat carried out an examination of the basis for the funding of institutional strengthening projects, particularly as applied to low- or very low-consuming (VLVC) countries and their ensuing compliance situations, analyzing the financial implications for the Multilateral Fund of any increase in the level of institutional support

Production Sector

17. The Government of China submitted a request for a technical audit of the methyl bromide production sector in China to prepare the ground for a funding request for phasing-out methyl bromide production for controlled uses. China also provided the preliminary data on its three methyl bromide producers.

18. The Secretariat also received a proposal for a strategy for gradual phase-out of TCA production from the Government of China that included details of the first stage of the strategy for 2004-2008. A technical review of this project was carried out by a member of the World Bank's Ozone Operations Resource Group (OORG).

19. On behalf of the Government of India, the World Bank completed and submitted a draft verification framework of the carbon tetrachloride (CTC) production and CTC and CFC13 consumption, and a revised 2004 work programme and monitoring system. This was originally scheduled for the 42nd meeting however the development of the verification framework and securing the clearance of the Government of India took longer time than anticipated

20. The Government of Venezuela submitted a proposed strategy for the gradual phase-out of CFC-11 and CFC-12 production in Venezuela. A technical review of the proposal by a member of the Ozone Operations Resource Group (OORG) was carried out.

Documents and policy papers prepared by the Fund

21. Of the documents submitted for consideration at the 42nd Meeting, the following were prepared by the Fund Secretariat:

- (i) Provisional agenda and annotated agenda of the Executive Committee
- (ii) Secretariat activities
- (iii) Balances report and availability of resources
- (iv) 2004 Business Plan
- (v) Status/prospects of Article 5 countries in achieving compliance with the initial and intermediate control measures of the Montreal Protocol
- (vi) Desk study on methyl bromide projects
- (vii) Follow-up to Decision 42/12 (c) on the intermediate evaluation of CFC production sector phase-out agreements
- (viii) Consolidated progress report
- (ix) Evaluation of the implementation of the 2003 business plans
- (x) Project implementation delays
- (xi) Report on implementation of approved projects with specific reporting requirements;
- (xii) Report on implementation of Decision 42/49 in the context of Decision Ex.I/2
- (xiii) Overview of issues identified during project review
- (xiv) Bilateral cooperation
- (xv) Comments and recommendations the 2004 work programme amendments of UNEP, UNDP, UNIDO and the World Bank
- (xvi) Investment projects for individual consideration
- (xvii) Project evaluation sheets and comments and recommendations on all the projects and activities submitted to the 43rd Meeting
- (xviii) Comments on the country programmes of Guinea-Bissau and the country programme updates of Lebanon and Romania

- (xix) Potential implications of subsequently increasing the amounts approved for institutional strengthening projects (Decision 42/22 (b))
- (xx) Reconciliation of the 2002 account of the Multilateral Fund (follow-up to decision 42/41)
- (xxi) Report on programme support costs of bilateral cooperation projects (decision 42/45 (c))
- (xxii) Export and import licensing systems: An update (Decision 41/79)
- (xxiii) Monitoring of trade in ozone-depleting substances and preventing illegal trade in ozone-depleting substances (Decision XIV/7)

Meetings attended and missions undertaken

Missions of the Chief Officer

22. On the invitation of the organizers, the Chief Officer accompanied by the Deputy Chief Officer (Technical Cooperation) and a Senior Project Management Officers attended the Earth Technologies Forum (13-14 April 2003). The Deputy Chief Officer and Senior Programme Officer stayed on for the 21st Meeting of the Ozone Operations Resource Group (OORG) and a workshop on chillers, where they had the opportunity to interact with international experts, implementing agencies and ozone officers and make presentations on the "compliance oriented ODS phase-out model of the Multilateral Fund" and on relevant decisions taken by the Executive Committee at its 41st and 42nd Meetings.

Agra, India (19-22 April 2004)

23. The Chief Officer, accompanied by a Senior Project Management Officer, attended the 2004 Joint Meeting of the South Asia and Southeast Asia Networks of ODS Officers. This provided the opportunity to meet with the Secretary of the Indian Ministry of Environment and Forests, and to visit the CFC producing facility (SRF Ltd) outside Delhi.

Geneva, Switzerland (13-14 May 2004)

24. At the invitation of UNEP, the Chief Officer also participated in the first meeting of the Ad Hoc Group on Administrative Matters relating to UNEP-administered MEAs to continue discussion on the provision of administrative support services by UNEP/UNON to UNEP-administered conventions.

Washington D.C., USA (19-21 May 2004)

25. The Chief Officer attended the meeting of the GEF (Global Environment Facility) Council, at which the request from the 15th Meeting of the Parties in respect of funding for

methyl bromide projects in South Africa was discussed and preparation financing was approved by the Council.

Beirut, Lebanon (2-5 June 2004)

26. The Chief Officer, accompanied by a Senior Project Management Officer, attended the 2004 Main Meeting of ODS Officers for the West Asia. Bilateral discussions were held with representatives of the Government of Lebanon (Minister of Environment and the Director General of the Ministry of Environment) and the Lebanese project management team, as well as discussions with representatives of other countries in the region and implementing agencies. This also provided the opportunity for a bilateral meeting with the Secretary General of the Supreme Council for the Environment and Natural Reserves of Qatar, at which the actions taken, since the 15th Meeting of the Parties, to bring Qatar back into compliance regarding CFCs were discussed.

Other Missions

27. The Secretariat attended network meetings in India, Lebanon, Mozambique and Niger and Cuba. Secretariat representatives presented key decisions of the recent Executive Committee meetings, participated in the discussions and held bilateral meetings with country representatives and implementing agencies.

28. The Senior Monitoring and Evaluation Officer participated in meetings of the regional networks for Anglophone and Lusophone African countries in Maputo, Mozambique and for Francophone African countries in Niamey, Niger (10-20 May). He held discussions with staff from Ozone Units on the preliminary evaluation results and re-orientation of the regional halon projects which are currently being evaluated as part of the 2004 Monitoring and Evaluation work programme.

29. In relation to the halon banking project evaluation, a Senior Project Management Officer accompanied by a halon evaluation consultant, traveled to Manama (Bahrain), Doha (Qatar), Johannesburg (South Africa) and Nairobi (Kenya) from 17 April to 1 May 2004, in order to conduct halon surveys and attend workshops with stakeholders from industry.

Secretariat Staffing

30. Mr. Richard Abrokwa Ampadu, a Senior Project Management Officer and one of the Secretariat's longest serving staff members, retired in April 2004. The recruitment procedure for his replacement was concluded in May and an offer of appointment has been accepted by Mr. Stephan Sicars. Mr. Sicars is expected to join the Secretariat in September.

Preparation for the meetings of the Executive Committee

31. Logistical arrangements were made for the 43rd Meeting of the Executive Committee, to be held at the International Conference Centre of Geneva (CICG) in Switzerland from 5 to 9 July 2004. Letters of invitation and meeting documentation were dispatched to members of the

Executive Committee, the President of the Bureau of the 15th Meeting of the Parties, the President and Vice President of the Implementation Committee, the Executive Director of UNEP, the Executive Secretary of the Ozone Secretariat, the Implementing Agencies, the Treasurer and NGOs.

32. Since the Executive Committee may consider the possibility of holding the 44th meeting of the Executive Committee back-to-back with the 16th Meeting of the Parties (MOP) in November 2004, the Secretariat submitted a draft host agreement to the Government of the Czech Republic for their review. In accordance with UN rules and regulations on hosting UN meetings outside the duty station, the agreement included a cost differential based on the meeting taking place in Prague as opposed to the meeting taking place in the Montreal duty station. Subsequently the Czech Government informed the Secretariat that it could not provide financial support for the meeting, therefore the Secretariat requested the Czech Government for information on costs associated with renting meeting premises, provision of security to staff and participants and so on. The Secretariat is still discussing this with the Czech Government, and will provide further information at the meeting.

Information Activities

33. The Fund Secretariat reviewed and updated the following databases, documents and operational guidelines:

- Inventory of Approved Projects as of April 2004
- Policies, Procedures, Guidelines and Criteria as of April 2004
- Country Programme Summary Sheets as of April 2004
- Project Completion Reports Summary Sheets

34. Chinese, English, French and Spanish reports of the 42nd meeting and a press release were posted on the Multilateral Fund web site. Meeting documents for the 43rd meeting were posted on the Multilateral Fund intranet and on an ftp site.
