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EXECUTIVE COMMITTEE OF  
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**EXTENDED DESK STUDY ON THE EVALUATION OF  
NATIONAL PHASE-OUT PLANS**

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## **I. Introduction**

### **I.1 Objective**

1. The objective of the evaluation is to undertake a review of experiences to date under the new modalities (NPPs, Sector Plans and TPMPs) with a view to determining whether the anticipated benefits have accrued and thus, they remain useful and relevant or in need of adjustment or updating.

2. The intent of the present desk study is to involve the implementing and bilateral agencies in the preparation of this evaluation and to obtain feedback from the Executive Committee on the suggested evaluation issues and approach. The implementing agencies, during and after an Inter-Agency Meeting held in Montreal on 2<sup>nd</sup> and 3<sup>rd</sup> February 2005, commented on the key issues and on their experiences. For a second phase, field visits to selected countries are suggested.

### **I.2 Background information**

3. Performance based funding agreements for ODS phase-out were introduced as a modality in 1997 and are increasingly being adopted by Article 5 countries as a preferred modality for managing their sector and/or national ODS phase-out programmes. The need for permanent reductions of national aggregate consumption levels is set out in Decision 35/56 and Decision 35/57. There have been a number of additional decisions by the Executive Committee on the preparation, implementation and management of performance-based phase-out plans.

4. Since the advantage of the performance-based phase-out plans is the matching of the funding commitment by the Executive Committee with the commitment of countries concerned to comply with the Montreal Protocol obligations, it is essential that the performance targets in such plans conform with, or advance, the phase-out schedules for the various controlled substances. The plans which have been prepared and implemented to date show a great degree of similarity and convergence, although in some aspects variance exists both in format and substance among these plans. Such plans have now become the predominant funding modality and Guidelines for the preparation, implementation and management of performance-based sector and national ODS phase-out plans were prepared by the Secretariat and adopted by the 38<sup>th</sup> Meeting of the Executive Committee to formalize experiences and lessons learned in applying this funding modality.

5. The project-by-project approach was largely implementing agency driven, that is, many activities are/were identified, prepared, implemented and reported upon by the implementing agencies plus financial intermediaries (FI) in the case of the World Bank. The Sector or National Phase-out Plan Approach, was introduced in the context of strategic planning, combining investment and non-investment interventions. It left countries with the flexibility to determine in the framework of annual work plans, the optimum package of investment, technical assistance, training and policy activities to achieve their ODS phase-out obligations. This created a major shift in the direction of enhanced country ownership of the plans.

6. National Phase-out Plans (NPPs), and Terminal Phase-out Management Plans (TPMPs), as they are called for LVCs, are by definition multi-sectoral, often including large numbers of SMEs in the service sectors, are performance based, with compensation based on the total CFC consumption (instead of individual companies), demand a series of coordinated policy and regulatory measures, investment activities, and technical assistance components. The Executive Committee introduced TPMPs as an alternative to RMP up-dates for LVC countries that wish to achieve accelerated phase-out. As for NPPs, the CFC phase-out in the service sector is supported by technical assistance and investment components for a large number of service shops; legal and economic incentives for service shops and end-users; technical assistance for relevant government agencies to strengthen enforcement capacity; public awareness and other outreach programs.

7. With the NPP/TPMP, the day to day implementation is the responsibility of the countries. In addition to support for the NOU, the MLF provides support for a project management unit (PMU) for enhancing project stewardship, self monitoring and evaluation, and a clear assignment of responsibilities and accountabilities. PMUs which are sometimes separate new units and sometimes part of the NOUs assume full responsibility for day-to-day implementation of the phase-out plans. The role of implementing agencies is reduced to: monitoring overall implementation progress of the annual programmes; organizing performance verification and audits; safeguarding MLF resources (funding being disbursed against proof of expenditures for eligible costs); and providing policy and technical guidance, if and when needed. In reality, the transition of responsibilities takes time and effort and the implementing agencies, in particular UNDP and UNIDO, are often still very much involved in the procurement of equipment, disbursement of funds, financial monitoring, technical troubleshooting, facilitation role among stakeholders.

8. National phase-out plans (NPPs) have two parts: a formal agreement and the yearly work programme. The agreement must include performance targets, indicators and fund disbursement schedules; importation and consumption data; completion of investment projects and associated phase-out, enactment and enforcement of government policies, and other quantifiable indicators. The funding is dispensed in annual tranches against achievement of performance targets, verified by national auditing authorities that are not involved in the implementation of the plans; submission of annual programmes for the upcoming period; and confirmation of the achievement of activities included in the previous annual programmes. The agreement also defines the timing for submission of a report on the independent verification of the implementation of the target; timing for submission of annual programmes; fund reallocations which are considered as major changes must be reviewed by the Executive Committee; provision for a mid term evaluation by the SMEO of the Secretariat; provision for failing to honour commitments; grant reduction of two times the average cost-effectiveness of the plans for each kg of CFC consumption that exceeds the target; and submission of annual programmes 12 weeks prior to the meeting of the Executive Committee.

9. Observations from the implementing agencies note that the new modalities provide fully formulated phase-out strategies combining investment and non-investment projects, policies and regulations as needed, with a precise timetable for phase-out targets and related funding tranches.

They also note that the NPPs/TPMPs create the long term perspective where it is perhaps needed most, namely in the service sector.

10. They also underline that the plans are developed with full stakeholder participation resulting in up-front commitments from all regarding the path forward, the expectations and the obligations. This bodes well for problem ownership, country commitment and potential for sustaining results. Effective compliance is likely to be achieved through enforcement measures by the governments and the active participation of industry in the plan development (their buy-in) and their internal enforcement measures (via associations, voluntary agreements, etc.). The envelope of predicable funds is providing the incentive to change behaviour and to be aware of the cost of failure to deliver.

11. The NPPs are designed with the aim to ensure the sustainability of the phase-out. This, however, does not follow automatically. The implementing agency needs to support the PMU and NOU in the development and implementation of the associated legislation and regulations. It should ensure that the NPP is mainstreamed in the national plans and policies of the country. This may need cooperation with other agencies to help the PMUs and NOUs achieve this. NPPs, therefore, also provide the opportunity for implementing agencies to work together, including with the CAP teams in the regions, but, on the other hand, too many actors might increase the density of assistance beyond the useful level.

## **II. Approach of the desk study**

12. This study reviewed documents and reports available to the Secretariat with a view to assessing:

- (a) The compliance situation of the countries with NPPs in terms of phase-out and reporting requirements;
- (b) Any detectable risks of countries not meeting the current or pending ODS reduction obligations;
- (c) The general phase-out performance relative to what is prescribed in the country / Executive Committee agreements;
- (d) Identify reasons for delays in approving annual work programmes and funding tranches with a view to assess the risk of not meeting the agreement targets in the next years;
- (e) Whether activities were sequenced and implemented as scheduled and, if not, why not. (As much as possible from the analysis of annual reports, and then further from field visits);
- (f) The disbursement situation and the probable causes for the low rate of disbursement relative to funds approved;

- (g) Any possible observations on the efficacy of, and practical experience arising from, the institutional frameworks requested via the guidelines (division of labour and coordination between NOU/PMU, financial intermediary/implementing agency, steering committee/national ozone committee);
- (h) Determine, to the degree possible, whether these modality shifts have resulted in improved coordination and communication;
- (i) Whether the NPP offers a better modality than investment and umbrella projects for addressing SMEs and the servicing sector;
- (j) Assignment of accountabilities, monitoring and performance measurement, awareness and contribution to ensuring sustainability of results;
- (k) The roles and responsibilities of the designated focal points and their contribution;
- (l) Whether, within the management frameworks, there is clear evidence of problem ownership in the right places and at the right levels thus maximizing the potential for sustaining results;
- (m) Data and report quality and to determine, if possible, the reasons for the report and data variations between implementing agencies;
- (n) Whether the necessary import / export control / licensing systems are in place and whether there is evidence that knowledgeable enforcement is occurring;
- (o) If there has been reconciliation of import data from customs, NOU and importers;
- (p) The level of cooperation and information exchange between exporting and importing countries and, to the degree possible, conformity with permit levels;
- (q) Whether R&R schemes are active, whether equipment provided is being used, and to what extent;
- (r) Verification modalities being used to verify consumption by checking the verification methods used, and the independence and qualifications of auditors;
- (s) The quality/consistency/uniformity of annual reports;
- (t) Whether the NPP preparation guidelines are useful and/or in need of updating.

13. This desk study consisted of the review of 37 “country packages”. Each country package included the following documents (see Table 8 in Annex I):

- (a) The National or Sector Phase-Out Plan Agreements;
- (b) The Project Documents submitted by the implementing agency including reports on annual program implementation;

- (c) The Project Evaluation Sheet for each annual programme;
- (d) The Progress Report Remarks for each project under the plan.

14. In addition, several overview tables and statistical summaries using data from the Inventory and Progress Report were also reviewed, analyzed and compared with the country-specific documentation.

15. Draft country evaluation reports on licensing systems, customs training and NPPs in the Philippines and Thailand have been consulted. They provided an up-to-date insight into the present state of implementation, the experiences encountered so far and the approaches developed for reaching the next targets in the agreed phase-out schedules.

16. These country reports, with extensive sections on NPPs, as well as similar reports on Turkey and Sudan, are available as hard copies on request, and are being placed also on the Intranet site of the Secretariat in the section for the Executive Committee, Evaluation Document Library, Customs Training Evaluation.

17. It is recognized that many of the above listed issues cannot be adequately assessed based on the limited information contained in the documents available to the Secretariat. However, the overarching aim of the desk review is to identify key evaluation issues that need to be addressed via field visits prior to arriving at conclusions and recommendations.

### **III. Overview of the current situation**

#### **III.1 Plans approved**

18. Until the end of 2004, 64 national and/or sector plans have been approved for 44 countries (see Table 7 in Annex I). The characteristics are as follows:

- (a) There are ODS phase-out plans in 11 countries; CFC phase-out plans in 23 countries; CTC phase-out plans in 3 countries; and sector phase-out plans in 12 countries;
- (b) 37 countries have NPPs (26) and TPMPs (11) in place;
- (c) Of the 26 NPPs, 10 are for ODS, 13 are for CFCs and 3 are for CTC phase-out;
- (d) Of the 11 TPMPs, 10 are for CFCs and 1 is for ODS phase-out;
- (e) There are 23 sector plans (5 Countries have Solvent Sector Phase-out Plans; 6 Countries have Foam Sector Phase-out plans; 5 Countries have Refrigeration Phase-out plans; 2 Countries have Halon Sector Phase-out plans; 1 Country has a Tobacco Sector Phase-out plan; 1 Country has a Process Agent phase-out plan; 1 Country has Accelerated Phase-Out Plan; and 2 Countries have Aerosol Sector phase-out plan).

### **III.2 Findings Regarding Compliance**

19. From the documentation available, 2 countries with plans covering CFCs and TCA are in non-compliance with the respective control measure:

- (a) Bosnia and Herzegovina for 2002 and 2003 with the CFC freeze (due 1 July 1999). Bosnia and Herzegovina submitted to the 15<sup>th</sup> Meeting of the Parties in November 2003 an Action Plan with time-specific benchmarks to ensure a prompt return to compliance; this plan was accepted (Dec. XV/30) and taken into account for the phase-out plan which was approved at the 41<sup>st</sup> meeting of the Executive Committee in December 2003;
- (b) Bangladesh and Bosnia and Herzegovina for 2003 with the TCA freeze (due 1 January 2003). Both countries have been requested by the 16<sup>th</sup> Meeting of the Parties in November 2004 to submit explanations for their excess consumption, together with plans of actions with time-specific benchmarks to ensure a prompt return to compliance (Dec. XVI/20).

20. 14 Countries might be at risk of non-compliance, as their latest reported consumption is above the reduction targets for 2005 for the ODS indicated:

- (a) Five Countries (Bosnia and Herzegovina, Cuba, Ecuador, Iran and Peru) with the 1 January 2005, 50% reduction in CFCs;
- (b) Bangladesh and Bosnia and Herzegovina with the 30% TCA reduction from 1 January 2005;
- (c) Nine Countries (Albania, Argentina, Bangladesh, China, India, Korea DPR, Pakistan, Sri Lanka and Sudan) with the 85% reduction in CTCs due 1 January 2005.

21. There is an absence of information in the project documents, or in the annual reports, concerning risks of realizing the implementation schedule which would need to be monitored very carefully.

### **III.3 Funding Volumes and Cost-Effectiveness**

22. Table 1 below shows the list of national and sector phase-out plans approved, including the funds approved in principle, the ODS consumption to be phased-out and the resulting cost-effectiveness. The annual tranches approved so far under these agreements are shown in Annex I, Table 6.

**Table 1: Overview of National and Sector Phase-out Plans (1)**

Country	Agency	Subsector	Funds Approved in Principle (US\$)	Consumption Phase-Out (ODP Tonnes)	Consumption Cost-Effectiveness (US\$/kg)	Production Phase-Out (ODP Tonnes)
Albania	UNEP/UNIDO	ODS phase out plan	653,125	68.0	9.6	0.0
Antigua and Barbuda	IBRD	CFC phase out plan	97,300	1.8	54.1	0.0
Argentina	UNIDO	CFC phase out plan	7,360,850	1,809.5	4.1	0.0
Bahamas	IBRD	CFC phase out plan	560,000	66.0	8.5	0.0
Bangladesh	UNDP/UNEP	ODS phase out plan	1,355,000	267.6	5.1	0.0
Bosnia and Herzegovina	UNIDO	ODS phase out plan	864,160	121.1	7.1	0.0
Brazil	UNDP/Germany	CFC phase out plan	26,700,000	5,801.0	4.6	0.0
China	USA	Sector Plan - Accelerated Phase-Out Plan	10,000,000	0.0		0.0
China	UNIDO/Italy	Sector Plan - Domestic Refrigeration Manufacture	7,360,530	1,099.0	6.7	0.0
China	IBRD	Sector Plan - Foam	53,846,000	14,143.0	3.8	0.0
China	IBRD	Sectoral Plan - Halon	62,000,000	24,480.0	2.5	30,060.0
China	IBRD	Sectoral Plan - Process Agent	65,000,000	11,160.2	5.8	51,935.0
China	UNIDO/Japan	Sector Plan - Refrigeration Servicing	7,885,000	3,902.0	2.0	0.0
China	UNDP	Sector Plan - Solvent	52,000,000	4,031.0	12.9	0.0
China	UNIDO	Sector Plan - Tobacco	11,000,000	1,090.0	10.1	0.0
Colombia	UNDP	ODS phase out plan	4,500,000	805.9	5.6	0.0
Croatia	UNIDO/Sweden	CFC phase out plan	379,700	98.0	3.9	0.0
Cuba	Germany/France/Canada/UNDP	ODS phase out plan	2,145,000	361.6	5.9	0.0
Ecuador	IBRD	CFC phase out plan	1,689,800	246.0	6.9	0.0
India	IBRD/France/Germany/Japan	CTC phase out plan	52,000,001	11,505.0	4.5	11,553.0
India	UNDP	Sector Plan - Foam	5,424,577	639.0	8.5	0.0
India	IBRD	Sector Plan - Halon	2,600,000	556.0	4.7	321.0
India	UNDP/UNIDO	Sector Plan - Refrigeration Manufacturing	3,609,186	535.0	6.7	0.0
India	Germany/Switzerland/UNEP/UNDP	Sector Plan - Refrigeration Servicing	6,338,120	848.0	7.5	0.0
Indonesia	IBRD/UNDP	Sector Plan - Aerosol	595,910	150.0	4.0	0.0
Indonesia	IBRD	Sector Plan - Foam	2,957,564	352.0	8.4	0.0
Indonesia	IBRD	Sector Plan - Refrigeration MAC	4,317,000	915.0	4.7	0.0
Indonesia	UNDP	Sector Plan - Refrigeration Manufacturing	6,398,000	1,141.0	5.6	0.0
Indonesia	UNDP	Sector Plan - Refrigeration Servicing	4,912,300	1,072.0	4.6	0.0
Indonesia	UNIDO	Sector Plan - Solvent	1,464,733	100.1	14.6	0.0

**Table 1: Overview of National and Sector Phase-out Plans (1)**

Country	Agency	Subsector	Funds Approved in Principle (US\$)	Consumption Phase-Out (ODP Tonnes)	Consumption Cost-Effectiveness (US\$/kg)	Production Phase-Out (ODP Tonnes)
Iran	Germany/France/UNEP/UNDP/UNIDO	CFC phase out plan	11,250,000	1,708.5	6.6	0.0
Jamaica	UNDP/Canada	CFC phase out plan	380,000	59.5	6.4	0.0
Jordan	IBRD/UNIDO	ODS phase out plan	1,000,000	198.4	5.0	0.0
Kenya	France	CFC phase out plan	725,000	138.8	5.2	0.0
Korea, DPR	UNIDO	CTC phase out plan	5,684,844	1,634.2	3.5	0.0
Korea, DPR	UNIDO	Sector Plan - Refrigeration	1,365,011	56.0	24.4	0.0
Lebanon	UNDP	CFC phase out plan	2,091,420	417.0	5.0	0.0
Lesotho	Germany	CFC phase out plan	127,300	2.6	49.0	0.0
Libya	UNIDO	CFC phase out plan	2,497,947	450.5	5.5	0.0
Malaysia	IBRD	ODS phase out plan	11,517,005	1,910.5	6.0	0.0
Mauritius	Germany	ODS phase out plan	212,030	4.0	53.0	0.0
Mexico	UNIDO	CFC phase out plan	8,794,500	1,535.0	5.7	0.0
Namibia	Germany	CFC phase out plan	252,500	12.0	21.0	0.0
Nigeria	UNDP/UNIDO	CFC phase out plan	13,130,786	2,489.7	5.3	0.0
Nigeria	UNIDO	Sector Plan - Solvent	1,575,200	198.0	8.0	0.0
Pakistan	UNIDO	CTC phase out plan	2,745,665	489.0	5.6	0.0
Panama	UNDP/UNEP	CFC phase out plan	993,152	168.4	5.9	0.0
Papua New Guinea	Germany	CFC phase out plan	700,000	35.0	20.0	0.0
Philippines	IBRD/Sweden	CFC phase out plan	10,575,410	1,749.3	6.0	0.0
Serbia and Montenegro	UNIDO/Sweden	CFC phase out plan	2,742,544	327.0	8.4	0.0
Sri Lanka	UNEP/Japan	ODS phase out plan	1,015,000	152.6	6.7	0.0
Sudan	UNIDO	ODS phase out plan	1,139,480	217.4	5.2	0.0
Thailand	IBRD	ODS phase out plan	14,728,626	3,107.5	4.7	0.0
Trinidad and Tobago	UNDP	CFC phase out plan	460,000	77.0	6.0	0.0
Turkey	IBRD	CFC phase out plan	9,000,000	977.0	9.2	0.0
Venezuela	UNIDO	CFC phase out plan	6,240,555	1,035.0	6.0	0.0
Zimbabwe	Germany	CFC phase out plan	280,000	0.0		0.0
<b>Total</b>			<b>517,237,831</b>	<b>106,515</b>	<b>Av'ge (2) 9.6</b>	<b>93,869</b>

(1) For LVCs, ODS Phase-out plans are also called Terminal Phase-out Management Plans (TPMP).

(2) Arithmetic average. The weighted average cost effectiveness for all plans (all funds approved in principle divided by all ODS consumption phase-out to be achieved) is 4.86 US\$/kg ODP.

23. The overall cost-effectiveness is 4.86 US\$/kg ODP. There are important variations by country with small LVC countries like Antigua and Barbuda, Lesotho, Mauritius and Namibia on the high end and big sector plans in China and other large countries as well as halon and CTC sector plans on the low end. It has also to be kept in mind when comparing differences in cost-effectiveness between countries that some have specific circumstances, such as remaining phase-out in the manufacturing sector or temporarily low levels of consumption due to extraordinary circumstances (PDR Korea). Generally, for the refrigeration servicing sector in non-LVC countries 5 US\$ per ODP kg of remaining consumption were approved, plus 10-12% for managing, monitoring and reporting by the PMU or NOU. Some LVC countries that only

have a TPMP received higher funding than those that had an earlier RMP, followed by a TPMP. Finally, as said above, some VLVC countries with very low remaining consumption show high cost per kg to be phased out.

24. Table 6 in Annex I provide an overview and detailed data for the 64 national or sector phase-out plans in 44 countries (see Annex I).

#### **IV. Performance considerations**

##### **IV.1 Policy development**

25. The NPP and TPMPs are designed to accelerate policy development and in-country implementation. This policy development is driven by, inter alia, economic considerations especially for the industry sector which needs financial assistance to make the transition away from ODS. The plans also enhance awareness amongst all stakeholders. In some cases, it is the stakeholders themselves that have identified the need for new and/or enhanced ODS-related policies and regulations. The commitments stipulated in the formal agreements signed by governments have thus made easier the work of the PMUs/NOUs in accelerating the implementation of regulations necessary in order to meet obligations and secure future funding tranches. This, for the same reasons, has led to inter-departmental cooperation, and shared databases which in turn has improved monitoring and enforcement.

26. The agreed envelope of predictable funding appears to have facilitated the cooperation of stakeholders and allowed industries to commit to a specific phase-out plan because they are assured of a level playing field. Industries appear to be better able to adjust their production and consumers their consumption patterns where there is certainty regarding the timing of future activities and framework conditions.

27. The success of the phase-out plans depends on the degree to which the anticipated advantages will accrue in each country utilizing the new modalities. This, in turn, will be contingent upon the level of cooperation and assumption of problem ownership by the PMU, NOU, Government officials (Environment, Agriculture, Customs and others), industry, focal points and in some cases, NGOs and community based organizations. The phase-out plans may have facilitated improved efficiencies, such as more timely implementation of policy and regulations, since the government is under additional pressure from all stakeholders to meet its part of the phase-out agreement. However, this may not be the case in all countries.

##### **IV.2 Implementation delays**

28. So far, there have been no cases when the annual consumption reduction target has not been met, and hence the penalty clause in the agreements has never been applied. In a few cases, submission of the request for a new annual tranche was delayed by one or two meetings of the Executive Committee, either because the activities had not been completed as scheduled or because the verification report was not ready. The latter also resulted in three cases where the next tranche was approved but disbursement withheld until a satisfactory verification report has been presented (see paragraph 51 below).

29. There is a paradox in some countries, in that the phase-out is achieved as planned or even much faster, but the activities under the plan and in particular the disbursements take place more slowly than foreseen. There might be three reasons which would need to be explored on a case by case basis:

- (a) Phase-out from previously approved projects has been realized and reported after the NPP has started;
- (b) A number of companies phase out on their own, possibly influenced by market or technology changes;
- (c) Policy changes introduced before or under the plan, like licensing schemes, import quotas, stricter customs inspections and monitoring, taxes with resulting changes in relative prices for CFCs and substitutes.

30. Given the fact that there are many reasons for implementation delays that are beyond the reach of the implementing agencies (examples include: political will, legislation), discussion will be required with the implementing agencies and the NOU to evaluate the efficacy of the phase-out plans. As the plans are still in their early years of implementation, any lessons learnt need to be implemented quickly if their potential enhanced efficacy is to be achieved. In view of the heterogeneous conditions in countries the analysis of the reasons for delays has to be done on a case-by-case basis.

31. The country-driven approach and the reductions in the support cost received by the agencies had implications for the intermediaries and modalities of implementation. It should be noted that UNOPS is not involved in the implementation of the sector/national plans on behalf of UNDP because it requested 8% implementation fee which is no longer possible. Instead, the plans are all implemented through national execution which implies working more closely with UNDP's country offices; the Montreal Protocol unit had to spend much time to train them for work that UNOPS used to carry out in the past. Programme Management Offices were set up in larger countries (India, Nigeria, Brazil and Indonesia) which took time and UNDP Regional and National Coordinators had to be recruited/ assigned.

32. The World Bank choose in some countries new or additional financial intermediaries, but their role seems to remain largely the same as before. The division of labour of the financial intermediaries with the newly created PMUs and between them and the Ozone Units need further analysis, as do the implications of the new modalities for UNIDO's ways of operating which seem to be similar to those used before.

33. The issue of whether some delays are related to the fact that most of the remaining consumption is in the refrigeration servicing sector consisting mostly of small enterprises needs to be looked into, considering that they are geographically dispersed and difficult to identify and to be convinced to change. Some reports indicate that every initiative and decision requires consultation, discussion, agreement and coordination with several stakeholders at the local level, which takes longer than working with large individual companies.

34. On a final note, these new modalities offer the potential of contributing to increased efficiency for the work of the Executive Committee since the Executive Committee needs only to review one project rather than several. However, if the plan's implementation were to be fraught with difficulties, detailed discussions in the Executive Committee might become necessary, when the funding of annual work programmes is requested.

### **IV.3 Disbursement rates**

35. Since its inception in 1990, and until the end of 2004, the Executive Committee has approved projects at a total funding level of US \$1,597,303,204 and until the end of 2003 US \$1,105,585,249 have been disbursed (both figures without support cost). Since 1997, US\$517,237,831 have been approved in principle for national and sector phase-out plans; of this amount, US \$341,749,114 have been approved for annual tranches of funding but, until the end of 2003, only some US \$88,645,718 or just 25.9% have been disbursed. This raises several questions and concerns. It needs to be analyzed whether this is indicative of a management problem or whether the implementing agencies have been entrusted with more money than they can possibly manage given their staff strength, whether there is a lack of priority assignment (implementing agency or country), or whether implementing agencies' internal operating rules and procedures delay recruitments and procurement for example, or whether the delays are a consequence of responsible management by the implementing agencies (by not releasing the money until certain in-country conditions have been met), and are thus of a temporary nature, as the implementing agencies maintain. Implementing agencies needed to shift gears during the last 2 to 3 years to implement decisions of the Executive Committee that triggered new ways of implementation, particularly for UNDP. The question of whether all the funds approved would be needed to achieve the agreed phase-out schedule also needs addressing, which will become apparent once the phase-out will have been completed.

36. In any case, disbursement is and should be tied to meaningful activities indicated in annual programmes, and the frontloading of most agreements should not result in a rush of spending for insufficiently prepared, equipment intensive activities. The next planned activities will require substantial disbursements, and they will need to be accelerated in order to enable the countries achieve the 2007 reductions step of 85% compared to the CFC baseline consumption.

## **V. Results of two case studies**

37. There was a recent evaluation undertaken of the NPPs in the Philippines and Thailand in the context of case studies conducted for the evaluation of licensing systems and custom officers training projects. Based on the findings as set out in the draft reports, the National CFC Phase-out Plans (NPP) are contributing significantly to the reduction of CFC consumption. In fact, the consumption of CFCs had declined so far faster than scheduled in the agreements and both countries have achieved the 50% reduction level compared to their baseline already in 2003. However, the consultants noted that some problems may arise in reaching the 85% reduction target by 2007 due to the existence of an extended informal SME sector in RAC and MAC servicing and the increasing demand for refrigerants following the overall economic growth in the countries.

38. In Thailand, a 30% import duty on CFCs has resulted in an equivalent increase of market prices and a significant decline of demand for CFCs, while demand for substitutes has increased. Contrary to Thailand, the Philippines have not introduced increased import taxes or excise duties on CFCs. Thus, reduction of consumption is left to be achieved through import restrictions under the licensing system and several interrelated technical and educational measures rather than by changing price relationships and thereby creating incentives and disincentives. The reason for the choice made by the Philippines is to avoid creating an incentive to increase illegal trade which would be difficult to control given the country's geographic characteristics. Analyzing these and similar experiences is an important evaluation issue in the context of understanding factors affecting phase-out performance.

39. As the phase-out schedule progresses, the service sector has the largest part of the remaining consumption. Codes of good practice and mandatory MAC inspection of vehicles are important and useful components of NPPs. Financial subsidies for purchasing MAC servicing equipment and R&R machines for MAC service shops ("voucher systems") may contribute to the acceleration of the CFC phase-out process but would also raise several questions. Based on experience to date only small volumes of refrigerants are recovered in most servicing shops, and R&R machines should be supplied only to workshops with significant potential for recovering CFCs. Subsidies for equipment under voucher systems should generally not exceed the financial contributions by the servicing workshops themselves, in order to avoid stimulating them to request equipment which they do not really need for regular use.

40. It appears that the low disbursement rate of funds, in both countries, may be due, at least in part, to front loading of the agreements. More funds were approved than the countries are able to spend given the implementing agency's rules, procedures and safeguards in place. Efforts to create the appropriate institutional and management set-up, legislative framework and active participation of stakeholders also took longer than anticipated. Future evaluation case studies need to explore whether this is a general phenomenon and how funding allocations and disbursement can be better co-coordinated.

41. In 2003 and 2004, Customs seized significant amounts of illegally imported CFCs in both countries. This demonstrates the efficiency of customs controls, but indicates also that demand for cheap CFCs continues to be important and, therefore, more smuggling cannot be ruled out. The incentive for illegal imports is the price difference between CFCs and alternative substances as well as the uncontrollability of some borders and perhaps, the insufficiency of public awareness programmes engaging end users in voluntary changes of consumer behaviour and self-policing within the sector. These are also key issues to be considered during future evaluations.

## **VI. Reporting, Monitoring and Verification**

### **VI.1 Reporting and Monitoring**

42. The annual reports generally contain the required information about activities foreseen and completed. They do not elaborate on what type of import/export licensing system is in place, whether there has been the necessary reconciliation of import data with customs, and whether

knowledgeable enforcement of import controls is occurring. During field visits, such information will be collected and the potential for providing it in the annual reports will be explored.

43. Whereas annual reports sometimes (but not always) indicate whether R&R equipment has been supplied in a timely manner or whether a voucher system is in place, they do not seem to report on the most relevant issue of whether the equipment supplied is used, and if not, what the problem is (chemical price disincentive, lack of penalties and enforcement etc) and the planned remedy.

44. Based on the reports reviewed, there is almost no explanation for delays and/or anomalies contained in the annual reports. However, as noted earlier, the WB reports that they routinely meet with their countries (once a year or so) and conduct progress review missions and, in some cases, regional workshops where they table the NPP or TPMP work plans and ask the countries to report on the status of each element and explain the reasons behind any problems. The objective of this is that the World Bank can determine where help might be needed to formulate work plans for the next year. The reports from these workshops contain valuable evaluation documentation. This desk study did not come across any such workshop reports from UNDP, UNEP or UNIDO.

45. There is now a need, on a regional basis, to reconcile supply of ODS with consumption if illegal trade is to be avoided. This activity takes on special importance as producers in China plan to close CFC production by 2007, which is earlier than some countries in the region had anticipated. It was recommended at a regional workshop that China's and India's authorities should receive a list of licensed importers so they could restrict the CFC exports to legitimate clients in countries in the region. While for India this is already taking place, there is no evidence from this desk study that such producer /consumer data exchange is happening also for China or in any other region.

## **VI.2 Verification**

46. There is only one plan (refrigeration sector plan for the DPR Korea) out of 49 national and sector phase-out plans for 37 countries reviewed for this desk study that does not have a clause in the agreement calling for the verification of activities and consumption targets as a precondition for approval of funding for the next tranche by the Executive Committee. This plan relates to one company and has only two funding tranches which have been approved at the 40<sup>th</sup> and 42<sup>nd</sup> Meeting of the Executive Committee.

47. The purpose of such verifications is to confirm that annual consumption (and production) remains within the targets set forth in the Agreement showing that maximum allowable total consumption and maximum allowable total production were indeed met. The verification reports are usually due from the third tranche onwards, thus constituting a pre-condition for the funding of the third tranche. The dates of presentation of the request for the third tranche vary according to each agreement and when the funding is actually requested.

48. The Fund Secretariat has on several occasions considered the ODS consumption data provided by an implementing agency and the country insufficient to confirm whether the commitments set out in the agreements have been met. Acceptability of a verification report

depends on several factors: the independence of the auditing body and the implied level of trust inherent in their registration or affiliation; the methodology used and the quality (thoroughness) of the audit; and the adequacy of the supporting rationale for the conclusions reached. To date, the Executive Committee has not reached a decision with respect to what constitutes the appropriate independence of auditors. Some of the verification reports have been prepared by registered chartered accountants in auditing firms where the consequences of false reporting are punishable under domestic law. Some reports have been prepared by local and well respected academics and others by local consulting firms. Generally speaking, the utilization of professional auditors carries with it an enhanced cost, although they are much less expensive in developing than in industrialized countries. There is no decision on guidelines to date as to what constitutes an appropriate framework (methodology and standard of independence) for a proper audit of ODS consumption. However, work in this regard is in progress. (See Executive Committee Decision 44/58, following the debate concerning the issues raised in document 44/70).

49. The Government of India, following the example of China, worked in close cooperation with the World Bank and other co-implementing agencies to develop a model verification framework for its CTC agreement. In the draft verification agreement presented to the 43<sup>rd</sup> Meeting of the Executive Committee, India agreed that the use of CTC in the production of DV acid chloride is a feedstock use, in addition to the use of CTC in the production of CFCs and that the total quantity of all chloromethane products (methylene chloride, chloroform, and carbon tetrachloride) will be verified from production logs and excise records. To determine compliance with the production and consumption targets, the World Bank has suggested that the following items must be monitored and verified on an annual basis which would provide the elements for the two equations: *production equals total production minus destroyed quantities minus feedstock*, and *consumption equals production plus imports minus exports*:

- (a) Total CTC production of each CTC producing facility in India;
- (b) Total quantity of CTC destroyed by technologies approved by the Fifteenth Meeting of the Parties of the Montreal Protocol (Dec. XV/9);
- (c) Total quantity of CTC use as feedstock in the manufacture of other chemicals;
- (d) CTC imports;
- (e) CTC exports.

50. There are other problems / impediments associated with verification. For example, in relation to the CFC phase-out plan verification, Nigeria notes that there is no binding agreement between importers and exporters to supply data to the Government and/or permit an independent auditor to review their books. The verification of consumption data becomes difficult if not impossible under such conditions. This points to the need to adjust the legal frameworks to require and accept independent audits. In the absence of a capacity for reconciling data it is also unlikely that any acceptable standard of verification can be met.

51. It is important to note that Nigeria, India and Indonesia only received approval in principal for their requested next annual tranches of their NPPs at the 44<sup>th</sup> Executive Committee meeting in December 2004 (Decision 44/39), making release of the funding for the next tranche of their plans conditional upon presentation of verification reports and acceptance of their content. This was the first time such a decision had been taken and establishes an enhanced priority for timely submission and adequate quality of verification reports. The reference to “acceptability” also brings into focus the need to examine all verification reports submitted with a view to assessing their independence, methodology, thoroughness, conclusions and the adequacy of the supporting rationale.

52. Another example of verification difficulties relates to sector plans. While consumption figures are available on a national level, their generation and verification is much more difficult for sectors and sub-sectors, for example China’s foam sector agreement. The World Bank agreed to develop a methodology for determining foam sector CFC-11 consumption, as well as a reporting and verification format, in cooperation with the Secretariat. (Decision 44/37).

53. Field visits will be needed to assess some of the intricacies of the verification reports and the possible difficulties encountered. Some key questions might include:

- (a) Whether there are binding agreements between the Government and importers / exporters to submit data to government or permit independent audit of their records;
- (b) Whether the Government has the legal right to undertake independent audits in the private sector;
- (c) Whether there are local standards for audits (i.e. audits can only be undertaken by certified chartered accountants etc); and
- (d) Whether there are penalties for fraudulent reporting that might be revealed by such audits.

## **VII. Evaluation field visit work plan**

### **VII.1 Approach to field visits**

54. As a first step, it is suggested that the evaluation should focus on NPPs and Sector Plans in a number of non-LVC countries which have been under implementation already for several years, and to foresee a later evaluation of TPMPs which are generally more recent and concern LVC countries.

55. Taking into account the complex character of these new modalities and the many influencing factors and circumstances that need to be investigated, attention should be paid to a sufficient duration of field visits. Such an inquiry needs to assess the impact and or problems with the new modalities from a large variety of perspectives: the government officials, the NOU staff,

the PMU, the private sector and NGOs that are active, the Financial Intermediaries of the World Bank (FI), UNDP and UNIDO country offices.

56. In the context of Government it will be necessary to conduct interviews beyond the Environment Agencies and perhaps the evaluation will need to include Customs, Agriculture and Planning departments and/or treasury.

57. Special attention will need to be paid to better understand of the data upon which funding for the next tranche is based. The data reconciliation and the independent verification will need to be assessed.

58. Since the focus of this exercise is to assess the efficacies of these new modalities, there will be a number of key questions that will need to be posed and answered. A preliminary listing of such questions is contained as a checklist in Annex II.

## **VII.2 Countries to be visited**

59. The travel plans for this evaluation missions will be established by the Multilateral Fund Secretariat, in consultation with the Ozone Units of the countries to be visited and the Implementing and Bilateral Agencies concerned. Final selection of the countries should depend on the results of these consultations. The selection should use the following criteria to provide a balance of information:

- (a) countries of different sizes and regions;
- (b) projects implemented by various Implementing and Bilateral Agencies, including cases with several agencies working on different components of one plan;
- (c) countries with NPPs and Sector plans in compliance and others in non-compliance;
- (d) different sectors covered by sector plans.

## **VII.3 Evaluation issues to assess new modalities**

60. The following list of evaluation issues is tentative and will be adapted and made more specific for each country to be visited:

- (a) Whether and how the country has taken hold of the “steering wheel”;
- (b) Whether countries are internally prepared (have the prerequisite capacity) to undertake the envisioned country-driven approach;
- (c) Whether there has been a marked change of the way the cooperation between the implementing agency and the countries proceeds under the new modalities;
- (d) Whether and to what extent the implementation and disbursement delays are temporary, due to changes in implementation modalities which are getting fully operational now, or structural, that means due to inherent difficulties, such as

dealing with large numbers of dispersed companies, long consultation processes, difficulties to enforce national regulations, etc.;

- (e) Whether the new modalities provide a better management regime for dealing with SMEs and the service sector;
- (f) Whether the new modalities have assisted in generating the necessary policy/regulations in a timely manner;
- (g) Whether the newly acquired flexibility has been used and whether it is helpful for facilitating implementation;
- (h) Whether there is any evidence of improved programme management (i.e. coordinating the roles of the various players – PMU, NOU, FP, FI, and Government Officials);
- (i) Whether, in countries where several implementing agencies are involved, the “lead agency” concept works. If not, why not;
- (j) Whether the lag between approval of funds and disbursement is to be considered a problem or a benefit, and whether efforts should be made to reduce the time lag. If so, what could / should be done;
- (k) Whether the verification reports prepared by independent auditors are sufficiently detailed and solid to justify funding of a subsequent tranche;
- (l) Whether the NPP guidelines are helpful or in need of updating. If so, what and how;
- (m) Whether economic instruments such as excise taxes or import duties have been utilized to change the price relationship between ODS and their alternatives;
- (n) Whether the phase-out plan has advanced schedules compared to obligations under the Montreal Protocol;
- (o) Whether there are risks of non-compliance with the future phase-out obligations;
- (p) What are the lessons learned that need to be taken into consideration in the design and implementation of future NPPs and TPMPs;
- (q) What is and what should be the role of CAP in implementing the new modalities.

61. Finally an attempt will be made to take into account the most important external factors influencing the speed of phase-out in the countries, such as economic growth, technical progress, new substitutes and changes of relative prices, decreasing availability of CFC on international markets, market requirements of non-A5 countries, etc.

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Annex I

**NATIONAL AND SECTOR PHASE-OUT PLANS**

**Table 1: Approved Projects by Sector**

Sector	Number of Countries	Number of Projects Approved*	Number of Projects Completed	Funds Approved in Principle (US\$)**	Actual Funds Approved (US\$)	Funds Disbursed (US\$)	Funds Disbursed as % of Funds Approved****	Consumption to be Phased Out (ODP Tonnes)	Consumption Phased Out (ODP Tonnes)	Production to be Phased Out** (ODP Tonnes)	Production Phase-Out** (ODP Tonnes)	PCR Received
CFC Phase-Out Plans	23	50	4	107,028,764	62,965,061	5,204,801	8.3%	5,741.0	1,741.0	0.0	0.0	0
CTC Phase-Out Plans	3	8	0	60,430,510	27,900,955	0	0.0%	129.7	0.0	0.0	0.0	0
ODS Phase-Out Plans	11	37	4	39,129,426	26,129,184	852,841	3.3%	2,133.3	0.0	0.0	0.0	0
Sector Phase-Out Plans	12	74	16	310,649,131	224,753,914	82,588,076	36.7%	44,246.8	32,356.0	39,283.0	29,988.0	1
<b>Total</b>		<b>169</b>	<b>24</b>	<b>517,237,831</b>	<b>341,749,114</b>	<b>88,645,718</b>	<b>25.9%</b>	<b>52,250.8</b>	<b>34,097.0</b>	<b>39,283.0</b>	<b>29,988.0</b>	<b>1</b>

\* Most of these projects are tranches for multi-year agreements.

\*\* Including Halon Production (India and China) and CTC Production (China). Excluding CFC production sector phase-out plans.

\*\*\* Only for Projects under Agreements with the Executive Committee.

\*\*\*\* As per 2003 Progress Reports.

**Table 2: National Phase-Out Plans by Agency**

Agency	Number of Projects Approved*	Number of Projects Completed	Funds Approved in Principle (US\$)***	Actual Funds Approved (US\$)	Share of Total Funds Approved	Funds Disbursed (US\$)	Percent Disbursed ****	Consumption to be Phased Out (ODP Tonnes)	Consumption Phased Out (ODP Tonnes)	Average Delays (Months)	PCR Received
Bilateral	28	0	26,612,069	12,710,697	10.9%	577,446	4.5%	151.5	0.0	0	0
IBRD	22	8	90,399,608	53,755,674	45.9%	4,509,630	8.4%	3,196.4	490.0	0.51	0
UNDP	14	0	45,350,372	28,391,289	24.3%	831,454	2.9%	4,035.2	1,251.0	0	0
UNEP**	10	0	987,978	723,478	0.6%	0	0.0%	0.0	0.0	0	0
UNIDO	21	0	43,238,673	21,414,062	18.3%	139,112	0.6%	620.9	0.0	0	0
<b>Total</b>	<b>95</b>	<b>8</b>	<b>206,588,700</b>	<b>116,995,200</b>	<b>100.0%</b>	<b>6,057,642</b>	<b>5.2%</b>	<b>8,004.0</b>	<b>1,741.0</b>	<b>0.51</b>	<b>0</b>

\* Most of these projects are tranches for multi-year agreements.

\*\* Non-Investment Components of the National Phase-Out Plans.

\*\*\* Only for Projects under Agreements with the Executive Committee.

\*\*\*\* As per 2003 Progress Reports.

**Table 3: Sector Phase-Out Plans by Agency**

Agency	Number of Projects Approved*	Number of Projects Completed	Funds Approved in Principle (US\$)***	Actual Funds Approved (US\$)	Share of Total Funds Approved	Funds Disbursed (US\$)	Percent Disbursed ****	Consumption To Be Phased Out (ODP Tonnes)	Consumption Phased Out (ODP Tonnes)	Production To Be Phased Out ** (ODP Tonnes)	Production Phased Out** (ODP Tonnes)	Average Delays (Months)	PCR Received
Bilateral	7	0	19,804,851	8,913,031	4.0%	0	0.0%	181.0	0.0	0.0	0.0	0.00	0
IBRD	21	11	191,092,474	140,877,310	62.7%	66,476,567	47.2%	36,067.0	30,868.0	39,283.0	29,988.0	1.29	0
UNDP	27	2	73,417,123	53,500,476	23.8%	9,493,726	17.7%	5,900.2	1,018.0	0.0	0.0	28.92	1
UNEP	2	0	800,000	512,600	0.2%		0.0%	0.0		0.0		0.00	0
UNIDO	17	3	25,534,683	20,950,497	9.3%	6,617,783	31.6%	2,098.6	470.0	0.0		-2.36	0
<b>Total</b>	<b>74</b>	<b>16</b>	<b>310,649,131</b>	<b>224,753,914</b>	<b>100.0%</b>	<b>82,588,076</b>	<b>36.7%</b>	<b>44,246.8</b>	<b>32,356.0</b>	<b>39,283.0</b>	<b>29,988.0</b>	<b>4.06</b>	<b>1</b>

\* Most of these projects are tranches for multi-year agreements.

\*\* Including Halon Production (India and China) and CTC Production (China). Excluding CFC production sector phase-out plans.

\*\*\* Only for Projects under Agreements with the Executive Committee.

\*\*\*\* As per 2003 Progress Reports.

**Table 4: Completed Projects with Implementation Delays by Sector\***

Sector	Delays in Months					Total
	Early Completion	On Time	1-6	13-24	25 and More	
CFC Phase-Out Plans		4				4
ODS Phase-Out Plans		3	1			4
Sector Phase-Out Plans	2	11		1	2	16
<b>Total</b>	<b>2</b>	<b>18</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>24</b>

\* Some Approved Tranches are completed for the following countries: Bahamas (CFC Phase-Out), China (Foam, Halon, Process Agent, Solvent and Tobacco), India (Halon), Indonesia (Refrigeration MAC Servicing), Malaysia (ODS Phase-Out), Philippines (CFC Phase-Out), Thailand (ODS Phase-Out), Turkey (CFC Phase-Out) and Uruguay (Aerosol).

**Table 5: Completed Projects with Implementation Delays by Agency\***

Agency Projects with Delays	Delays in Months					Total
	Early Completion	On Time	1-6	13-24	25 and More	
IBRD ----- 2		17	1	1		19
UNDP ----- 2					2	2
UNIDO ----- 0	2	1				3
<b>Total ----- 4</b>	<b>2</b>	<b>18</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>24</b>

\* Some Approved Tranches are completed for the following countries: Bahamas (CFC Phase-Out), China (Foam, Halon, Process Agent, Solvent and Tobacco), India (Halon), Indonesia (Refrigeration MAC Servicing), Malaysia (ODS Phase-Out), Philippines (CFC Phase-Out), Thailand (ODS Phase-Out), Turkey (CFC Phase-Out) and Uruguay (Aerosol).

**Table 6: Overview of Projects Approvals and Implementations by Country**

Country	Agency	Subsector	Approved in Principle (As Per Agreements)			Actual Approvals and Implementations									
			Total Funds (US\$)	Consumption Phase-Out (ODP Tonnes)	Production Phase-Out (ODP Tonnes)	Agency	Code	Project Title	Status	Total Funds Approved	Funds Disbursed	Consumption ODP To Be Phased Out	Consumption ODP Phased Out*	Production ODP To Be Phased Out	Production ODP Phased Out*
Albania	UNEP/ UNIDO	ODS phase out plan	653,125	68.0	0.0	UNIDO	ALB/PHA/39/ INV/10	National ozone depleting substances phase-out plan: conversion of cleaning installations from carbon tetrachloride (CTC) to tetrachloroethylene (PER) at Energy Combinat Ltd., Elbasan	ONG	45,000	0	2.3	0.0		
						UNIDO	ALB/PHA/39/ TAS/05	National ODS phase-out plan: refrigerant recovery and recycling network	ONG	100,000	0	21.0	0.0		
						UNIDO	ALB/PHA/39/ TAS/08	National ODS phase-out plan: awareness workshop to prevent the introduction of methyl bromide	ONG	20,000	16	0.0	0.0		
						UNIDO	ALB/PHA/39/ AS/09	National ODS phase-out plan: programme management and auditing	ONG	16,068	0	0.0	0.0		
						UNEP	ALB/PHA/39/ TRA/06	National ODS phase-out plan: training of customs officers in monitoring of ODS	ONG	35,700	0	0.0	0.0		
						UNEP	ALB/PHA/39/ TRA/07	National ODS phase-out plan: training of trainers in good practices of refrigeration	ONG	82,425	0	0.0	0.0		
Antigua and Barbuda	IBRD	CFC phase out plan	97,300	1.8	0.0	IBRD	ANT/PHA/44/ INV/10	CFC phase-out management plan	ONG	69,400		2.0			
Argentina	UNIDO	CFC phase out plan	7,360,850	1,809.5	0.0	UNIDO	ARG/PHA/42/ INV/138	National CFC phase-out plan: 2004 work programme	ONG	2,740,000		0.0			
		Sector Plan - Solvent				UNIDO	ARG/SOL/41/ INV/137	Plan for phase-out of ODS in the solvent sector	ONG	635,986	0	42.0	0.0	0.0	
Bahamas	IBRD	CFC phase out plan	560,000	66.0	0.0	IBRD	BHA/PHA/35/ INV/08	Terminal phase out management plan	COM	240,000	0	18.0	18.0		
						IBRD	BHA/PHA/44/ INV/12	Terminal phase-out management plan: 2004-2005 biennial programme	ONG	200,000		23.0			
Bangladesh	UNDP/ UNEP	ODS phase out plan	1,355,000	267.6	0.0	UNEP	BGD/PHA/42/ TAS/18	National ODS phase-out plan: public awareness and information dissemination to main stakeholders (2004 work programme)	ONG	30,000		0.0			
						UNDP	BGD/PHA/42/ TAS/19	National ODS phase-out plan: technical assistance programme for the refrigeration servicing sub-sector (2004 work programme)	ONG	96,000		36.0			
						UNDP	BGD/PHA/42/ TAS/20	National ODS phase-out plan: technical assistance for the phase-out of ODS solvents (2004 work programme)	ONG	25,000		0.0			

Country	Agency	Subsector	Approved in Principle (As Per Agreements)			Actual Approvals and Implementations										
			Total Funds (US\$)	Consumption Phase-Out (ODP Tonnes)	Production Phase-Out (ODP Tonnes)	Agency	Code	Project Title	Status	Total Funds Approved	Funds Disbursed	Consumption ODP To Be Phased Out	Consumption ODP Phased Out*	Production ODP To Be Phased Out	Production ODP Phased Out*	
						UNDP	BGD/PHA/42/TAS/21	National ODS phase-out plan: monitoring and management unit (2004 work programme)	ONG	34,000		0.0				
						UNEP	BGD/PHA/42/TRA/16	National ODS phase-out plan: training and certification programme for refrigeration service technicians, including development of a code of good practices (2004 work programme)	ONG	39,500		0.0				
						UNEP	BGD/PHA/42/RA/17	National ODS phase-out plan: training programme for custom officers (2004 work programme)	ONG	21,000		0.0				
Bolivia	UNDP	Sector Plan - Foam				UNDP	BOL/FOA/35/INV/15	Foam sector ODS phase-out (two enterprises: Isolcruz and Teplo)	ONG	161,211	78,948	4.9	0.0	0.0	0.0	
Bosnia and Herzegovina	UNIDO	ODS phase out plan	864,160	121.1	0.0	UNIDO	BHE/PHA/41/INV/16	National ODS phase-out plan: first tranche	ONG	265,300	0	0.0	0.0			
						UNIDO	BHE/PHA/44/INV/21	National ODS phase-out plan: second tranche	ONG	295,860		0.0				
Brazil	UNDP/ Germany	CFC phase out plan	26,700,000	5,801.0	0.0	UNDP	BRA/PHA/37/INV/262	National CFC phase-out plan: first tranche	ONG	7,860,000	821,897	1,251.0	1,251.0			
						Germany	BRA/PHA/37/TRA/260	National CFC phase out plan: training of customs officers	ONG	141,200	65,330	0.0				
						Germany	BRA/PHA/37/TRA/261	National CFC phase-out plan: training of refrigeration mechanics in domestic and commercial refrigeration service sub-sectors (first tranche)	ONG	1,498,800	251,487	0.0				
						UNDP	BRA/PHA/41/INV/264	National CFC phase-out plan: second tranche	ONG	5,720,000	0	737.0	0.0			
						Germany	BRA/PHA/41/INV/265	National CFC phase-out plan: second tranche	ONG	700,000	0	0.0				
China	UNIDO/ Italy	Sector Plan - Domestic Refrigeration Manufacture	7,360,530	1,099.0	0.0	Italy	CPR/REF/38/INV/393	Sector plan CFC final phase-out: domestic refrigeration and domestic refrigeration compressors	ONG	1,788,991	0	181.0	0.0	0.0	0.0	
						UNIDO	CPR/REF/38/INV/394	Sector plan CFC final phase-out: domestic refrigeration and domestic refrigeration compressors (first tranche)	ONG	3,400,000	1,100,000	600.0	0.0	0.0		
						UNIDO	CPR/REF/41/INV/406	Sector plan CFC final phase-out: domestic refrigeration and domestic refrigeration compressors (second tranche)	ONG	2,171,539	0	318.0	0.0	0.0		
	IBRD	Sector Plan - Foam	53,846,000	14,143.0	0.0	IBRD	CPR/FOA/35/INV/380	Sector plan for phase-out of CFC-11 in the China foam sector: 2002 annual programme	COM	9,940,000	5,200,814	2,000.0	2,000.0	0.0	0.0	
						IBRD	CPR/FOA/38/INV/396	Sector plan for phase-out of CFC-11 in the China foam sector: 2003 annual programme	COM	12,570,000	6,405,000	2,500.0	2,721.0	0.0	0.0	

Annex I

Country	Agency	Subsector	Approved in Principle (As Per Agreements)			Actual Approvals and Implementations									
			Total Funds (US\$)	Consumption Phase-Out (ODP Tonnes)	Production Phase-Out (ODP Tonnes)	Agency	Code	Project Title	Status	Total Funds Approved	Funds Disbursed	Consumption ODP To Be Phased Out	Consumption ODP Phased Out*	Production ODP To Be Phased Out	Production ODP Phased Out*
						IBRD	CPR/FOA/41/INV/405	Sector plan for phase-out of CFC-11 in the China foam sector: 2004 annual programme	ONG	10,903,000	0	2,500.0	0.0	0.0	0.0
						IBRD	CPR/FOA/44/INV/424	Sector plan for phase-out of CFC-11 in the China foam sector: 2005 annual programme	ONG	10,903,000		2,500.0		0.0	
	IBRD	Sector Plan - Halon	62,000,000	24,480.0	30,060.0	IBRD	CPR/HAL/23/INV/231	Sector plan for halon phaseout in China: 1998 Annual Programme	COM	12,400,000	12,400,000	9,939.0	9,939.0	11,739.0	11,739.0
						IBRD	CPR/HAL/26/INV/261	Sector plan for halon phaseout in China: 1999 Annual Programme	COM	9,700,000	9,700,000	5,370.0	5,370.0	5,826.0	5,826.0
						IBRD	CPR/HAL/29/INV/309	Sector plan for halon phaseout in China: 2000 Annual Programme	COM	10,600,000	10,600,000	3,712.0	3,712.0	5,970.0	5,970.0
						IBRD	CPR/HAL/32/INV/364	Sector plan for halon phaseout in China: 2001 Annual Programme	COM	4,500,000	4,500,000	1,389.0	1,389.0	1,980.0	1,980.0
						IBRD	CPR/HAL/35/INV/383	Sector plan for halon phaseout in China: 2002 Annual Programme	COM	3,700,000	2,295,000	2,889.0	2,889.0	2,160.0	2,160.0
						IBRD	CPR/HAL/38/INV/395	Sector plan for halon phaseout in China: 2003 annual programme	COM	5,900,000	230,000	2,292.0	2,292.0	1,992.0	1,992.0
						IBRD	CPR/HAL/41/INV/404	Sector plan for halon phase-out in China: 2004 annual programme	ONG	1,200,000	0	0.0	0.0	0.0	0.0
						IBRD	CPR/HAL/44/INV/423	Sector plan for halon phase-out in China: 2005 annual programme	ONG	1,800,000		0.0		0.0	
	IBRD	Sector Plan - Process Agent	65,000,000	11,160.2	51,935.0	IBRD	CPR/PAG/38/INV/397	Phase out the production and consumption of CTC for process agent and other non-identified uses (phase I): First tranche	COM	2,000,000	2,000,000	0.0	0.0	0.0	0.0
						IBRD	CPR/PAG/39/INV/402	Phase out the production and consumption of CTC for process agent and other non-identified uses (phase I): 2003 annual programme	ONG	20,000,000	10,800,000	0.0	0.0	2,638.0	0.0
						IBRD	CPR/PAG/43/INV/416	Phase out the production and consumption of CTC for process agent and other non-identified uses (phase I): 2004 annual programme	ONG	16,000,000		0.0		6,657.0	
	UNIDO/ Japan	Sector Plan - Refrigeration Servicing	7,885,000	3,902.0	0.0	UNIDO	CPR/REF/44/INV/419	Refrigeration servicing sector CFC phase-out plan (first tranche)	ONG	1,000,000		0.0		0.0	
						Japan	CPR/REF/44/INV/420	Refrigeration servicing sector CFC phase-out plan (first tranche)	ONG	1,000,000		0.0		0.0	
	UNDP	Sector Plan - Solvent	52,000,000	4,031.0	0.0	UNDP	CPR/SOL/30/INV/355	ODS phase-out in China solvent sector: 2000 annual programme	COM	6,750,000	6,750,000	382.8	383.0	0.0	0.0
						UNDP	CPR/SOL/33/INV/373	ODS phase-out in China solvent sector: 2000-2001 annual programme	ONG	6,955,000	1,714,157	534.0	343.0	0.0	0.0
						UNDP	CPR/SOL/36/INV/390	ODS phase-out in China solvent sector: 2002 annual programme	ONG	6,330,000	0	580.0	0.0	0.0	0.0
						UNDP	CPR/SOL/40/INV/403	ODS phase-out in China solvent sector: 2003 annual programme	ONG	5,755,000	0	580.0	187.0	0.0	0.0
						UNDP	CPR/SOL/42/INV/410	ODS phase-out in China solvent sector: 2004 annual programme	ONG	5,555,000	0	733.0		0.0	
	UNIDO	Sector Plan - Tobacco	11,000,000	1,090.0	0.0	UNIDO	CPR/OTH/32/INV/366	Tobacco sector plan for CFC-11 phase-out: 2001 workplan	COM	2,000,000	1,900,000	90.0	90.0	0.0	

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			Total Funds (US\$)	Consumption Phase-Out (ODP Tonnes)	Production Phase-Out (ODP Tonnes)	Agency	Code	Project Title	Status	Total Funds Approved	Funds Disbursed	Consumption ODP To Be Phased Out	Consumption ODP Phased Out*	Production ODP To Be Phased Out	Production ODP Phased Out*	
						UNIDO	CPR/OTH/36/INV/388	Tobacco sector plan for CFC-11 phase-out: 2002 workplan	FIN	2,000,000	2,000,000	120.0	200.0	0.0		
						UNIDO	CPR/OTH/39/INV/400	Tobacco sector plan for CFC-11 phase-out: 2003 workplan	COM	2,000,000	1,600,000	180.0	180.0	0.0		
						UNIDO	CPR/OTH/42/INV/409	Tobacco sector plan for CFC-11 phase-out: 2004 workplan	ONG	1,800,000		200.0		0.0		
	USA	Sector Plan - Accelerated Phase-Out Plan	10,000,000	0.0	0.0	USA	CPR/PRO/44/INV/425	CFCs, CTC and halon accelerated phase-out plan	ONG	5,000,000		0.0		0.0		
Colombia	UNDP	ODS phase out plan	4,500,000	805.9	0.0	UNDP	COL/PHA/41/INV/60	National phase-out plan for Annex A (Group I and II) substances: first implementation programme	ONG	2,146,820	0	174.6	0.0			
Croatia	UNIDO/ Sweden	CFC phase out plan	379,700	98.0	0.0	UNIDO	CRO/PHA/39/INV/20	Terminal phase-out management plan for CFCs (first tranche)	ONG	184,000	4,800	50.0	0.0			
						Sweden	CRO/PHA/39/TAS/18	Terminal phase-out management plan for CFCs (first tranche)	ONG	46,000	8,867	0.0				
						UNIDO	CRO/PHA/42/TAS/22	Terminal phase-out management plan (second tranche)	ONG	48,300		0.0				
						Sweden	CRO/PHA/42/TAS/23	Terminal phase-out management plan (second tranche)	ONG	24,700		0.0				
Cuba	Germany/ France/ Canada/ UNDP	ODS phase out plan	2,145,000	361.6	0.0	Germany	CUB/PHA/43/TAS/25	National CFC phase-out management plan: phase-out of ODS in the refrigeration and air-conditioning sector (first tranche)	ONG	120,000		0.0				
						Canada	CUB/PHA/43/TAS/26	National CFC phase-out management plan: phase-out of ODS in the refrigeration and air-conditioning sector (first tranche)	ONG	400,000		0.0				
						France	CUB/PHA/43/TAS/27	National CFC phase-out management plan: phase-out of ODS in the refrigeration and air-conditioning sector (first tranche)	ONG	200,000		0.0				
Ecuador	IBRD	CFC phase out plan	1,689,800	246.0	0.0	IBRD	ECU/PHA/41/INV/32	National CFC phase-out plan: first tranche	ONG	777,326	0	11.0	0.0			
Egypt	UNIDO	Sector Plan - Solvent				UNIDO	EGY/SOL/44/INV/89	Terminal solvent sector umbrella project	ONG	778,464		41.0		0.0		
						UNIDO	EGY/SOL/44/INV/89	Terminal solvent sector umbrella project	ONG	778,464		41.0		0.0		
India	IBRD/ France/ Germany/ Japan	CTC phase out plan	52,000,001	11,505.0	11,553.0	IBRD	IND/PHA/40/INV/363	CTC phase-out plan for the consumption and production sectors: 2003 work programme	ONG	8,520,843	0	0.0	0.0			
						IBRD	IND/PHA/42/INV/373	CTC phase-out plan for the consumption and production sectors: 2004 work programme	ONG	9,180,112		0.0				
						France	IND/PHA/42/INV/374	CTC phase-out plan for the consumption and production sectors: 2004 work programme	ONG	1,000,000		0.0				

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			Total Funds (US\$)	Consumption Phase-Out (ODP Tonnes)	Production Phase-Out (ODP Tonnes)	Agency	Code	Project Title	Status	Total Funds Approved	Funds Disbursed	Consumption ODP To Be Phased Out	Consumption ODP Phased Out*	Production ODP To Be Phased Out	Production ODP Phased Out*	
						Germany	IND/PHA/42/INV/375	CTC phase-out plan for the consumption and production sectors: 2004 work programme	ONG	700,000		0.0				
						Japan	IND/PHA/42/INV/376	CTC phase-out plan for the consumption and production sectors: 2004 work programme	ONG	2,500,000		0.0				
	UNDP	Sector Plan - Foam	5,424,577	639.0	0.0	UNDP	IND/FOA/37/INV/353	Sectoral phase-out plan for elimination of CFCs in the foam sector (first tranche)	ONG	1,500,000	91,211	162.5	0.0	0.0	0.0	
						UNDP	IND/FOA/41/INV/365	Sectoral phase-out plan for elimination of CFCs in the foam sector (second tranche)	ONG	1,750,000	0	210.0	0.0	0.0	0.0	
						UNDP	IND/FOA/44/INV/384	Sectoral phase-out plan for elimination of CFCs in the foam sector (third tranche)	ONG	1,500,000		301.0		0.0		
	IBRD	Sector Plan - Halon	2,600,000	556.0	321.0	IBRD	IND/HAL/34/INV/315	Halon production and consumption sector phase out plan	COM	2,600,000	2,300,000	556.0	556.0	321.0	321.0	
	UNDP/UNIDO	Sector Plan - Refrigeration Manufacturing	3,609,186	535.0	0.0	UNDP	IND/REF/38/INV/356	Plan for phase out of CFCs in the refrigeration manufacturing sector (first tranche)	ONG	2,000,000	11,015	0.0	0.0	0.0	0.0	
						UNIDO	IND/REF/38/INV/359	Plan for phase out of CFCs in the refrigeration manufacturing (transport refrigeration) sector (first tranche)	ONG	500,000	10,181	79.5	0.0	0.0		
						UNDP	IND/REF/41/INV/364	Plan for phase-out of CFCs in the refrigeration manufacturing sector (second tranche)	ONG	476,536	0	0.0	0.0	0.0	0.0	
						UNIDO	IND/REF/41/INV/366	Plan for phase-out of CFCs in the refrigeration manufacturing sector (transport refrigeration) (second tranche)	ONG	173,200	0	27.5	0.0	0.0		
						UNDP	IND/REF/44/INV/383	Plan for phase-out of CFCs in the refrigeration manufacturing sector (third tranche)	ONG	250,000		141.0		0.0		
	Germany/Switzerland/UNEP/UNDP	Sector Plan - Refrigeration Servicing	6,338,120	848.0	0.0	Germany	IND/REF/42/INV/369	National CFC consumption phase-out plan focussing on the refrigeration service sector (first tranche)	ONG	414,370		0.0		0.0		
						Switzerland	IND/REF/42/INV/370	National CFC consumption phase-out plan focussing on the refrigeration service sector: 2004 work programme	ONG	353,020		0.0		0.0		
						UNDP	IND/REF/42/INV/371	National CFC consumption phase-out plan focussing on the refrigeration service sector: 2004 work programme	ONG	277,200		0.0		0.0		
						UNEP	IND/REF/42/TAS/377	National CFC consumption phase-out plan focussing on the refrigeration service sector: 2004 work programme	ONG	256,300		0.0		0.0		

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			Total Funds (US\$)	Consumption Phase-Out (ODP Tonnes)	Production Phase-Out (ODP Tonnes)	Agency	Code	Project Title	Status	Total Funds Approved	Funds Disbursed	Consumption ODP To Be Phased Out	Consumption ODP Phased Out*	Production ODP To Be Phased Out	Production ODP Phased Out*
						UNDP	IND/REF/44/INV/379	National CFC consumption phase-out plan focussing on the refrigeration service sector: 2005 work programme	ONG	277,050		158.0		0.0	
						Germany	IND/REF/44/INV/380	National CFC consumption phase-out plan focussing on the refrigeration service sector: 2005 work programme	ONG	100,000		0.0		0.0	
						Switzerland	IND/REF/44/INV/381	National CFC consumption phase-out plan focussing on the refrigeration service sector: 2005 work programme	ONG	256,650		0.0		0.0	
						UNEP	IND/REF/44/TAS/382	National CFC consumption phase-out plan focussing on the refrigeration service sector: 2005 work programme	ONG	256,300		0.0		0.0	
Indonesia	IBRD/UNDP	Sector Plan - Aerosol	595,910	150.0	0.0	IBRD	IDS/ARS/44/INV/166	National strategy for phasing out the use of CFC in the aerosol sector: Policies and actions, technical assistance, and enterprise investment initiatives	ONG	371,910		70.0		0.0	
						UNDP	IDS/ARS/44/INV/167	National strategy for phasing out the use of CFC in the aerosol: conversion from CFC to hydrocarbon aerosol propellants at P.T Yulia	ONG	224,000		80.0		0.0	
	IBRD	Sector Plan - Foam	2,957,564	352.0	0.0	IBRD	IDS/FOA/42/INV/160	Phase-out of residual CFCs in the foam sector	ONG	1,725,000		130.0		0.0	
	IBRD	Sector Plan - Refrigeration MAC	4,317,000	915.0	0.0	IBRD	IDS/REF/38/INV/153	Refrigeration sector phase-out plan: MAC servicing sector	COM	1,369,800	45,753	0.0	0.0	0.0	0.0
						IBRD	IDS/REF/41/INV/156	Sector phase-out plan for elimination of CFCs in the refrigeration (MAC servicing) sector: 2004 annual programme	ONG	1,347,300	0	110.0	0.0	0.0	0.0
						IBRD	IDS/REF/44/INV/165	Phase-out of CFCs in the refrigeration sector (MAC) (third tranche)	ONG	1,347,300		110.0		0.0	
	UNDP	Sector Plan - Refrigeration Manufacturing	6,398,000	1,141.0	0.0	UNDP	IDS/REF/37/INV/148	Sector phase-out plan for elimination of CFCs in the refrigeration (manufacturing) sector (2002)	ONG	1,288,000	67,336	0.0	0.0	0.0	0.0
						UNDP	IDS/REF/40/INV/154	Sector phase-out plan for elimination of CFCs in the refrigeration (manufacturing) sector (advance for 2003)	ONG	600,000	0	300.0	0.0	0.0	0.0
						UNDP	IDS/REF/41/INV/155	Sector phase-out plan for elimination of CFCs in the refrigeration (manufacturing) sector (balance of second tranche)	ONG	1,600,000	0	300.0	0.0	0.0	0.0

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						UNDP	IDS/REF/44/INV/163	Phase-out of CFCs in the refrigeration sector (manufacturing) (third tranche)	ONG	1,762,000		300.0		0.0	
	UNDP	Sector Plan - Refrigeration Servicing	4,912,300	1,072.0	0.0	UNDP	IDS/REF/38/INV/151	Refrigeration sector phase-out plan: refrigeration servicing (2002)	ONG	2,196,758	92,559	0.0	0.0	0.0	0.0
						UNDP	IDS/REF/41/INV/157	Sector phase-out plan for elimination of CFCs in the refrigeration (servicing) sector (second tranche)	ONG	1,805,987	0	200.0	0.0	0.0	0.0
						UNDP	IDS/REF/44/INV/164	Phase-out of CFCs in the refrigeration sector (servicing) (third tranche)	ONG	500,000		300.0		0.0	
	UNIDO	Sector Plan - Solvent	1,464,733	100.1	0.0	UNIDO	IDS/SOL/44/INV/162	Plan for terminal phase-out of ODS in the solvent sector	ONG	1,464,733		100.5		0.0	
Iran	Germany/ France/ UNEP/ UNDP/ UNIDO	CFC phase out plan	11,250,000	1,708.5	0.0	Germany	IRA/PHA/41/INV/160	National CFC phase-out plan: first tranche	ONG	1,640,529		0.0			
						UNIDO	IRA/PHA/41/INV/162	National CFC phase-out plan: first tranche	ONG	2,465,906	0	274.1	0.0		
						France	IRA/PHA/41/INV/163	National CFC phase-out plan: first tranche	ONG	1,006,620	0	0.0			
						UNEP	IRA/PHA/41/TAS/161	National CFC phase-out plan: first tranche	ONG	140,253	0	0.0	0.0		
						UNDP	IRA/PHA/42/INV/165	National CFC phase-out plan: first tranche	ONG	770,000		56.0			
Jamaica	UNDP/ Canada	CFC phase out plan	380,000	59.5	0.0	Canada	JAM/PHA/37/TAS/16	Terminal phase-out management plan for CFCs: training and recovery and recycling	ONG	240,000	110,000	57.5			
						UNDP	JAM/PHA/37/TAS/17	Terminal phase-out management plan for CFCs: retrofitting/replacement programme	ONG	140,000	9,557	2.0	0.0		
Jordan	IBRD/ UNIDO	ODS phase out plan	1,000,000	198.4	0.0	IBRD	JOR/PHA/38/INV/77	National ODS phase out plan: aerosol, foam, MAC service and solvent sectors	ONG	590,000	0	157.4	0.0		
						UNIDO	JOR/PHA/38/INV/78	National ODS phase out plan: commercial manufacturing and servicing, and transport refrigeration	ONG	410,000	18,345	41.0	0.0		
Kenya	France	CFC phase out plan	725,000	138.8	0.0	France	KEN/PHA/44/INV/37	Terminal CFCs phase-out management plan (first tranche)	ONG	215,914		45.1			
Korea, DPR	UNIDO	CTC phase out plan	5,684,844	1,634.2	0.0	UNIDO	DRK/PHA/41/INV/30	Plan for terminal phase-out of CTC (first tranche)	ONG	3,500,000	0	0.0	0.0		
	UNIDO	Sector Plan - Refrigeration	1,365,011	56.0	0.0	UNIDO	DRK/REF/40/INV/26	Sectoral phase-out in domestic refrigeration sector by conversion of refrigeration and compressor manufacture at 5th October Electronic and Automation Company (first tranche)	ONG	384,000	7,143	0.0	0.0	0.0	

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			Total Funds (US\$)	Consumption Phase-Out (ODP Tonnes)	Production Phase-Out (ODP Tonnes)	Agency	Code	Project Title	Status	Total Funds Approved	Funds Disbursed	Consumption ODP To Be Phased Out	Consumption ODP Phased Out*	Production ODP To Be Phased Out	Production ODP Phased Out*
						UNIDO	DRK/REF/42/INV/32	Sectoral phase-out in domestic refrigeration sector by conversion of refrigeration and compressor manufacture at 5th October Electronic and Automation Company (second tranche)	ONG	981,011		56.0		0.0	
Lebanon	UNDP	CFC phase out plan	2,091,420	417.0	0.0	UNDP	LEB/PHA/44/INV/57	National phase-out management plan for Annex-A Group-I substances (CFCs) (first tranche)	ONG	1,061,420		55.0			
Lesotho	Germany	CFC phase out plan	127,300	2.6	0.0	Germany	LES/PHA/41/INV/08	Terminal CFC phase-out management plan (first tranche)	ONG	75,000	13,850	0.6			
Libya	UNIDO	CFC phase out plan	2,497,947	450.5	0.0	UNIDO	LIB/PHA/41/INV/22	National phase-out plan: first tranche	ONG	1,500,000	0	0.0	0.0		
Malaysia	IBRD	ODS phase out plan	11,517,005	1,910.5	0.0	IBRD	MAL/PHA/35/INV/145	National CFC phase-out plan: 2002 annual programme	COM	1,799,940	629,531	0.0	0.0		
						IBRD	MAL/PHA/37/INV/147	National CFC phase-out plan: 2002 annual plan (release of second tranche)	COM	2,969,065	0	0.0	0.0		
						IBRD	MAL/PHA/40/INV/149	National CFC phase-out plan: 2003 annual work programme	ONG	2,013,100	0	292.0	0.0		
						IBRD	MAL/PHA/44/INV/154	National CFC phase-out plan: 2004 annual programme	ONG	1,688,300		430.0			
Mauritius	Germany	ODS phase out plan	212,030	4.0	0.0	Germany	MAR/PHA/41/INV/15	Implementation of an ODS terminal phase out management plan (first tranche)	ONG	110,000	6,500	2.0			
Mexico	UNIDO	CFC phase out plan	8,794,500	1,535.0	0.0	UNIDO	MEX/PHA/42/INV/120	National CFC phase-out plan: 2004 work programme	ONG	3,517,000		0.0			
	UNDP	Sector Plan - Foam				UNDP	MEX/FOA/35/INV/103	Foam sector ODS phase-out plan (first tranche)	ONG	833,150	418,928	145.0	55.0	0.0	0.0
						UNDP	MEX/FOA/42/INV/117	Foam sector ODS phase-out plan (second tranche)	ONG	1,109,120		192.0		0.0	
Namibia	Germany	CFC phase out plan	252,500	12.0	0.0	Germany	NAM/PHA/41/INV/10	Terminal phase-out management plan for CFCs	ONG	160,000	5,200	10.5			
Nigeria	UNDP/UNIDO	CFC phase out plan	13,130,786	2,489.7	0.0	UNIDO	NIR/PHA/38/INV/105	National CFC phase-out plan: refrigeration manufacturing sub-sector (first tranche)	ONG	682,386	115,951	42.9	0.0		
						UNDP	NIR/PHA/38/INV/106	National CFC phase-out plan: foam sector and refrigeration servicing sector (first tranche)	ONG	5,013,929	0	0.0	0.0		
						UNDP	NIR/PHA/41/INV/108	National CFC phase-out plan (second tranche)	ONG	2,976,827	0	830.0	0.0		
						UNIDO	NIR/PHA/41/INV/109	National CFC phase-out plan (aerosol sector)	ONG	255,000	0	57.9	0.0		
						UNDP	NIR/PHA/44/INV/112	National CFC phase-out plan (third tranche)	ONG	2,077,141		850.7			
	UNIDO	Sector Plan - Solvent	1,575,200	198.0	0.0	UNIDO	NIR/SOL/43/INV/110	Terminal ODS phase out umbrella project in the solvent sector (first tranche)	ONG	530,000		152.1		0.0	
Pakistan	UNIDO	CTC phase out plan	2,745,665	489.0	0.0	UNIDO	PAK/PHA/41/INV/57	Sector phase-out plan of CTC (first tranche)	ONG	1,200,000	0	20.0	0.0		

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						UNIDO	PAK/PHA/44/INV/62	Sector phase-out plan of CTC (second tranche)	ONG	1,300,000		109.7				
Panama	UNDP/UNEP	CFC phase out plan	993,152	168.4	0.0	UNDP	PAN/PHA/44/INV/22	National phase-out plan for Annex A (Group I) substances (first tranche)	ONG	250,152		0.0				
						UNEP	PAN/PHA/44/TAS/23	National phase-out plan for Annex A (Group I) substances (first tranche)	ONG	25,000		0.0				
Papua New Guinea	Germany	CFC phase out plan	700,000	35.0	0.0	Germany	PNG/PHA/39/INV/05	Terminal phase-out management plan for ODS (1st tranche)	ONG	480,000	84,192	30.8				
Peru	UNDP	Sector Plan - Foam				UNDP	PER/FOA/35/INV/30	Foam sector ODS phase-out plan (covering 5 enterprises: Molflex; Zetaflex; EMSA; Metusa; Polishes)	ONG	325,277	209,420	33.8	34.0	0.0	0.0	
Philippines	IBRD/Sweden	CFC phase out plan	10,575,410	1,749.3	0.0	IBRD	PHI/PHA/38/INV/69	National CFC phase out plan: manufacturing sector (first tranche)	COM	2,858,473	149,170	0.0	0.0			
						Sweden	PHI/PHA/38/TAS/68	National CFC phase out plan: servicing sector (first tranche)	ONG	152,400	32,020	0.0				
						IBRD	PHI/PHA/41/INV/71	National CFC phase-out plan (manufacturing sector): 2004 annual programme	ONG	1,877,418	0	150.0	0.0			
						Sweden	PHI/PHA/41/TAS/72	National CFC phase-out plan servicing sector: 2004 annual programme	ONG	166,134	0	0.0				
						IBRD	PHI/PHA/44/INV/75	National CFC phase-out plan: 2005 annual programme	ONG	2,160,071		301.0				
						Sweden	PHI/PHA/44/INV/77	National CFC phase-out plan servicing sector: 2005 annual programme	ONG	40,000		0.0				
Serbia and Montenegro	UNIDO/Sweden	CFC phase out plan	2,742,544	327.0	0.0	Sweden	YUG/PHA/43/TAS/22	National CFC phase-out plan (first tranche)	ONG	148,000		0.0				
						UNIDO	YUG/PHA/43/TAS/23	National CFC phase-out plan (first tranche)	ONG	474,700		2.0				
Sri Lanka	UNEP/Japan	ODS phase out plan	1,015,000	152.6	0.0	UNEP	SRL/PHA/43/TAS/24	National compliance action plan: halon bank management	ONG	40,000		0.0				
						Japan	SRL/PHA/43/TAS/26	National compliance action plan: incentive programme for commercial and industrial refrigeration end-users	ONG	144,000		5.0				
						Japan	SRL/PHA/43/TAS/27	National compliance action plan: MAC recovery/recycling and retrofit	ONG	123,000		0.0				
						Japan	SRL/PHA/43/TAS/28	National compliance action plan: recovery and recycling programme	ONG	290,400		0.0				
						Japan	SRL/PHA/43/TAS/29	National compliance action plan: monitoring the activities proposed in the plan	ONG	108,000		0.0				
						UNEP	SRL/PHA/43/TRA/23	National compliance action plan: enhancement of national capacity to monitor trade and prevent illegal trade of ODS	ONG	135,000		0.0				

Country	Agency	Subsector	Approved in Principle (As Per Agreements)			Actual Approvals and Implementations										
			Total Funds (US\$)	Consumption Phase-Out (ODP Tonnes)	Production Phase-Out (ODP Tonnes)	Agency	Code	Project Title	Status	Total Funds Approved	Funds Disbursed	Consumption ODP To Be Phased Out	Consumption ODP Phased Out*	Production ODP To Be Phased Out	Production ODP Phased Out*	
						UNEP	SRL/PHA/43/TRA/25	National compliance action plan: extension training of the established refrigeration technicians	ONG	174,600		0.0				
Sudan	UNIDO	ODS phase out plan	1,139,480	217.4	0.0	UNIDO	SUD/PHA/44/INV/18	National CFC/CTC phase-out plan (first tranche)	ONG	499,480		0.0				
Syria	UNDP/UNIDO	Sector Plan - Refrigeration Manufacturing				UNDP	SYR/REF/38/INV/86	Sector phase out plan for CFCs in the refrigeration manufacturing sector (except domestic refrigeration)	ONG	1,665,188	6,153	246.2	0.0	0.0	0.0	
						UNIDO	SYR/REF/38/INV/87	Sector phase out plan for CFCs in the refrigeration manufacturing sector (domestic refrigeration)	ONG	353,100	459	51.0	0.0	0.0		
Thailand	IBRD	ODS phase out plan	14,728,626	3,107.5	0.0	IBRD	THA/PHA/35/INV/137	National CFC phase-out plan: 2002 Annual Programme	COM	540,000	196,938	0.0	0.0			
						IBRD	THA/PHA/37/INV/138	National CFC phase-out plan: release of second tranche for implementation of the 2002 annual plan	COM	5,194,380	1,511	0.0	0.0			
						IBRD	THA/PHA/41/INV/140	National CFC phase-out plan: 2003 annual programme	ONG	4,011,846	0	486.0	0.0			
						IBRD	THA/PHA/42/INV/141	National CFC phase-out plan: 2004 annual programme	ONG	1,315,400		486.0				
Trinidad and Tobago	UNDP	CFC phase out plan	460,000	77.0	0.0	UNDP	TRI/PHA/40/INV/16	Terminal phase-out management plan for CFCs (first tranche)	ONG	220,000	0	42.9	0.0			
Turkey	IBRD	CFC phase out plan	9,000,000	977.0	0.0	IBRD	TUR/PHA/35/INV/75	Total phase out of CFCs plan: 2001 and 2002 annual programmes	COM	3,500,000	3,085,023	97.0	97.0			
						IBRD	TUR/PHA/38/INV/79	Total phase out of CFCs plan: 2003 annual programme	COM	2,500,000	447,458	375.0	375.0			
						IBRD	TUR/PHA/41/INV/81	Total phase-out of CFCs plan: 2004 annual programme	ONG	1,000,000	0	218.0	0.0			
						IBRD	TUR/PHA/44/INV/85	Total phase-out of CFCs plan: 2005 annual programme	ONG	750,000		150.0				
Uruguay	UNDP	Sector Plan - Aerosol				UNDP	URU/ARS/18/TAS/16	Total aerosol sector phase-out project (technical assistance)	FIN	53,999	53,999	16.0	16.0	0.0	0.0	
Venezuela	UNIDO	CFC phase out plan	6,240,555	1,035.0	0.0	UNIDO	VEN/PHA/42/INV/98	National CFC phase-out plan: 2004 work programme	ONG	1,895,062		0.0				
Zimbabwe	Germany	CFC phase out plan	280,000	0.0	0.0	Germany	ZIM/PHA/44/INV/29	Terminal phase-out management plan for CFCs (first tranche)	ONG	280,000		0.0				
<b>Total</b>			<b>517,237,831</b>	<b>106,515</b>	<b>93,869</b>					<b>341,749,114</b>	<b>88,645,718</b>	<b>52,251</b>	<b>34,097</b>	<b>39,283</b>	<b>29,988</b>	

**Table 7: Countries with national or sector plans and in non-compliance or at risk of non-compliance**

#	Country	NPP	TPMP	Sector Plans	Non-compliance cases <sup>1</sup> or countries at risk of non-compliance <sup>2</sup>
1	Albania	ODS			85% CTC
2	Antigua and Barbuda		CFC		
3	Argentina	CFC		Solvent	85% CTC
4	Bahamas		CFC		
5	Bangladesh	ODS			85% CTC TCA freeze 30% TCA
6	Bolivia			Foam	
7	Bosnia and Herzegovina	ODS			CFC Freeze 50% CFC TCA freeze 30% TCA
8	Brazil	CFC			
9	China			Accelerated Phase-Out Plans Foam Halon Tobacco Process Agent Refrigeration (Manufacturing/Service) Solvent	85% CTC  85% CTC
10	Colombia	ODS			
11	Croatia		CFC		
12	Cuba	ODS			50% CFC
13	Ecuador	CFC			50% CFC
14	Egypt			Solvent	
15	India	CTC		Foam Halon Refrigeration (Manufacturing/Service)	85% CTC
16	Indonesia			Aerosol Foam Refrigeration (MAC/Manufacturing/Service) Solvent	
17	Iran	CFC			50% CFC
18	Jamaica		CFC		
19	Jordan	ODS			
20	Kenya		CFC		
21	Korea, DPR	CTC		Refrigeration	85% CTC

#	Country	NPP	TPMP	Sector Plans	Non-compliance cases <sup>1</sup> or countries at risk of non-compliance <sup>2</sup>
22	Lesotho		CFC		
23	Lebanon	CFC			
24	Libya	CFC			
25	Malaysia	ODS			
26	Mauritius		ODS		
27	Mexico	CFC		Foam	
28	Nambia		CFC		
29	Nigeria	CFC		Solvent	
30	Pakistan	CTC			85% CTC
31	Panama	CFC			
32	Papua New Guinea		CFC		
33	Peru			Foam	50% CFC
34	Philippines	CFC			
35	Serbia and Montenegro	CFC			
36	Sri Lanka	ODS			85% CTC
37	Sudan	ODS			85% CTC
38	Syria			Refrigeration	
39	Thailand	ODS			
40	Trinidad and Tobago		CFC		
41	Turkey	CFC			
42	Uruguay			Aerosol	
43	Venezuela	CFC			
44	Zimbabwe		CFC		
	<b>Total = 37 Countries</b>	<b>26</b> 10 ODS 13 CFC 3 CTC	<b>11</b> 1 ODS 10 CFC	<b>23</b>	3 cases of non-compliance in 2 countries; 17 cases at risk of non-compliance in 14 countries.

- Note:**
1. Only applicable for freeze.
  2. The “85% CTC reference” for example means the country will likely not meet the January 1, 2005 obligation to reduce CTC consumption by 85%, in view of the latest consumption data reported being above that limit.

**Table 8: NATIONAL AND SECTORAL PHASE-OUT PLANS: DOCUMENTATION RECEIVED**

Country	Agency	Sector	Agreement Conditions regarding Verification and/or Annual Reporting	Date Approved	Project Document	Progress Report	Verification Report	Agency Notes	ExCom Decision
Albania	UNEP/UNIDO	ODS Phase-Out Plan	1) Reporting annually on the implementation of the annual implementation programmes; 2) Providing verification to the ExCom that the control targets listed in the Agreement and the associated activities have been met.	Apr-03	Yes				
Argentina	UNIDO	CFC Phase-Out Plan	The Country agrees to periodic evaluations, which will be carried out under the monitoring and evaluation work programmes.	Apr-04	Yes				
Argentina	UNIDO	Sector Plan - Solvent	1) Reporting annually on the implementation of all activities funded under the sector plan; 2) Providing verification to the ExCom annually that ODS consumption phase-out in the solvent sector has been completed based on the schedules in the agreement.	Dec-03	Yes				
Bahamas	IBRD	CFC Phase-Out Plan	1) Reporting annually on the implementation of the bi-annual implementation; 2) Providing verification to the ExCom that the control targets listed in the Agreement and the associated activities have been met.	Dec-01	Yes	2001-2003	2003		
Bangladesh	UNDP/UNEP	ODS Phase-Out Plan	Providing verification to the ExCom that the Targets have been met and associated annual activities have been completed as indicated in the Annual Implementation Programme	Apr-04	Yes				
Bolivia	UNDP	Sector Plan - Foam	No Agreement for this project.	Nov-01	Yes	N/A	N/A		
Bosnia and Herzegovina	UNIDO	ODS Phase-Out Plan	1) Providing verification to the ExCom that the targets have been met and associated annual activities have been completed as indicated in the annual implementation programme; 2) Reporting on the implementation of the Annual Programme commencing with the Annual Implementation Programme for the 2004 year to be prepared and submitted in 2005.	Dec-03	Yes	2004			
Brazil	UNDP/Germany	CFC Phase-Out Plan	1) Providing verification to the ExCom that the consumption targets listed in the Agreement and the associated annual activities have been met; 2) Reporting on the implementation of the annual implementation programmes commencing with the submission for the 2004 annual implementation programme to be prepared and submitted in 2003.	Jul-02	Yes	2002-2003 2004	2003		
China	UNIDO/Italy	Sector Plan - Domestic Refrigeration Manufacture	1) Providing annually on the implementation of all activities funded under the sector plan; 2) Providing verification to the ExCom annually that CFC consumption phase-out in the Domestic Refrigeration (Manufacturing) Sector had been completed based on the schedules listed in the Agreement.	Nov-02	Yes	2003			

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Country	Agency	Sector	Agreement Conditions regarding Verification and/or Annual Reporting	Date Approved	Project Document	Progress Report	Verification Report	Agency Notes	ExCom Decision
China	IBRD	Sector Plan - Process Agent	1) Providing a verification report to the ExCom bringing evidence that the target have been met and associated annual activities have been completed as indicated in the Annual Programme; 2) Reporting on the implementation of the 2003 activities will be included in the 2004 Annual Programme. After 2004, the annual programmes will be include implementation status of all previous years' annual programmes.	Nov-02	Yes	2003	2003		
China	UNDP	Sector Plan - Solvent	1) China agrees to provide annual reports at the last calendar year meeting of the ExCom, consistent with their obligations under this Agreement; 2) Provide verification to the ExCom citing the phaseout targets and associated activities that have been met.	Mar-00	Yes	2000-2001 2002 2003-2004	2002 2003	The annual performance verification as required in the Agreement will be conducted only starting with the production and consumption level of 2001, to be carried out after the first quarter of 2002, when official data and records of production and consumption become available for the preceding year.	
China	UNIDO	Sector Plan - Tobacco	1) Conduct all necessary audits and verifications; 2) Reporting to the ExCom on implementation progress.	Dec-00	Yes	2001 2002 2003			
China	IBRD	Sector Plan - Foam	1) 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; 2) Providing verification to the ExCom that the control targets listed in the Agreement and the associated activities have been met.	Dec-01	Yes	2002 2003 2004	2002 2003 2004		
China	IBRD	Sector Plan - Halon	China agrees to establish a system to ensure accurate monitoring of the import, export and production (including in free trade zones), and to report regularly, consistent with the reporting and monitoring regime outlined in the Part I, Chapter V of the proposal contained in Doc. 23/11. China also agrees to allow for annual independent technical audits administered as directed by the ExCom to verify that annual halon production and consumption level are actually being met.	Nov-97	Yes	1998 1999 2000 2001 2002 2003 2004	1999 2000 2001 2002 2003		

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Country	Agency	Sector	Agreement Conditions regarding Verification and/or Annual Reporting	Date Approved	Project Document	Progress Report	Verification Report	Agency Notes	ExCom Decision
Colombia	UNDP	ODS Phase-Out Plan	1) Providing verification to the ExCom that the targets have been met and associated annual activities have been completed as indicated in the Annual Implementation programme; 2) Reporting on the implementation of the Annual Implementing Programme commencing with the Annual Implementation Programme for the year 2004 to be prepared and submitted in year 2005.	Dec-03	Yes				
Croatia	UNIDO/Sweden	CFC Phase-Out Plan	1) Reporting annually on the implementation of the annual implementation programmes; 2) Providing verification to the ExCom that the control targets listed in the Agreement and the associated activities have been met.	Apr-03	Yes	2003	2003	Verification Details Included in the Progress Report.	
Cuba	UNDP/Germany / France/Canada	ODS Phase-Out Plan	1) Providing verification to the ExCom that the targets have been met and associated annual activities have been completed as indicated in the annual implementation programmes; 2) Reporting on the implementation of the Annual Implementation Programme of the preceding year and the Annual Implementation Programme for the year are to be prepared and submitted to the first meeting of the year.	Jul-04	Yes				
Ecuador	IBRD	CFC Phase-Out Plan	1) Providing verification to the ExCom that the targets have been met and associated annual activities have been completed as indicated in the annual implementation programme; 2) Reporting on the implementation of the Annual Implementation Programme commencing with the Annual Implementation Programme for the 2004 year to be prepared and submitted in 2005.	Dec-03	Yes	2004	2004		
India	IBRD/France/ Germany/Japan	CTC Phase-Out Plan	Providing verification to the ExCom that the targets have been met and the achievement/progress of associated annual activities as indicated in the annual implementation programme.	Jul-03	Yes	2003		The Government of India will work closely with the World Bank and all co-implementing agencies to develop a verification framework for implementation of the Agreement for the CTC Phase-out Plan between India and the Executive Committee.	
India	UNDP/UNEP/ Germany/ Switzerland	Sector Plan - Refrigeration Servicing	1) Providing verification to the ExCom that the targets have been met and associated annual activities have been completed as indicated in the Annual Implementation Programme; 2) Reporting on the implementation of the Annual implementation Programme commencing with Annual Implementation Programme for the 2004 year to be prepared and submitted in 2005.	Apr-04	Yes	2004			

Table 8: NATIONAL AND SECTOR PHASE-OUT PLANS: DOCUMENTATION RECEIVED

Country	Agency	Sector	Agreement Conditions regarding Verification and/or Annual Reporting	Date Approved	Project Document	Progress Report	Verification Report	Agency Notes	ExCom Decision
India	UNDP/UNIDO	Sector Plan - Refrigeration Manufacturing	1) 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; 2) Providing verification to the ExCom that the control targets listed in the Agreement and the associated activities have been met.	Nov-02	Yes	2003 2004			To note that disbursement of the funding approved for UNDP under subparagraphs (v) and (vi) above should not commence until verification of the 2003 sectoral consumption limits and related annual phase-out specified in the foam and refrigeration manufacturing sector plans had been completed through the provision of appropriate verification reports and agreement between the Secretariat and UNDP on their contents ( <b>Decision 44/38</b> )
India	UNDP	Sector Plan - Foam	1) 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; 2) Providing verification to the ExCom that the control targets listed in the Agreement and the associated activities have been met.	Jul-02	Yes	2002-2003 2003-2004			To note that disbursement of the funding approved for UNDP under subparagraphs (v) and (vi) above should not commence until verification of the 2003 sectoral consumption limits and related annual phase-out specified in the foam and refrigeration manufacturing sector plans had been completed through the provision of appropriate verification reports and agreement between the Secretariat and UNDP on their contents ( <b>Decision 44/38</b> )
Indonesia	UNDP/IBRD	Sector Plan - Refrigeration	Providing subsidiary reports for inclusion in an annual consolidated report on implementation, for submission to the Executive Committee, including verification that the relevant overall control targets listed in the Agreement have been met and programmed activities completed, starting with the 2003 annual implementation programme prepared in 2002.	Jul-02	Yes	2002-2003			To note that disbursement of the funding approved for UNDP and the World Bank for the refrigeration sector referred to at (e) above should not commence until verification of the 2003 sectoral consumption limits and related annual phase out specified in the refrigeration sector plan had been completed through the provision of appropriate verification reports and agreement between the Secretariat and relevant agencies on their contents ( <b>Decision 44/39</b> )

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Country	Agency	Sector	Agreement Conditions regarding Verification and/or Annual Reporting	Date Approved	Project Document	Progress Report	Verification Report	Agency Notes	ExCom Decision
Iran	UNDP/UNEP/UNIDO/Germany/France	CFC Phase-Out Plan	1) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Annual Implementation Programme; 2) Reporting on the implementation of the Annual Implementation Programme commencing with the Annual Implementation Programme for the year 2004 to be prepared and submitted in year 2005.	Dec-03	Yes	2004			
Jamaica	UNDP/Canada	CFC Phase-Out Plan	1) Reporting annually on the implementation of the annual implementation programmes; 2) Providing verification to the ExCom that the control targets listed in the Agreement and the associated activities have been met.	Jul-02	Yes				
Jordan	IBRD/UNIDO	ODS Phase-Out Plan	The World Bank will be responsible for reporting annually on the implementation of all activities funded under the National ODS Phase out Plan; and providing verification to the Executive Committee annually, that ODS consumption phase-out in the National Phase-out Plan has been completed based on the schedules listed in the Agreement.	Nov-02	Yes				
Korea, DPR	UNIDO	CTC Phase-Out Plan	1) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the annual implementation programme; 2) Reporting on the implementation of the Annual Implementation Programme commencing with the Annual Implementation Programme for the year 2004 to be prepared and submitted in 2005.	Dec-03	Yes				
Korea, DPR	UNIDO	Sector Plan - Refrigeration	None.	Jul-03	Yes	N/A	N/A		
Lesotho	Germany	CFC Phase-Out Plan	Germany will be responsible for reporting annually on the implementation of activities funded under the TPMP and providing verification to the Executive Committee annually that the CFC consumption reductions in the TPMP have been completed according to the schedule.	Dec-03	Yes				

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Country	Agency	Sector	Agreement Conditions regarding Verification and/or Annual Reporting	Date Approved	Project Document	Progress Report	Verification Report	Agency Notes	ExCom Decision
Libya	UNIDO	CFC Phase-Out Plan	1) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the annual implementation programme; 2) Reporting on the implementation of the Annual Implementation Programme commencing with the Annual Implementation Programme for the 2004 year to be prepared and submitted in 2005.	Dec-03	Yes	2004	2004	Verification Details Included in the Progress Report.	
Malaysia	IBRD	ODS Phase-Out Plan	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.	Dec-01	Yes	2002 2003	2002 2003		
Mauritius	Germany	ODS Phase-Out Plan	Germany will be responsible for reporting annually on the implementation of activities funded under the TPMP and providing verification to the Executive Committee annually that the ODS consumption reductions in the TPMP have been completed according to the schedule.	Dec-03	Yes				
Mexico	UNIDO	CFC Phase-Out Plan	1) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the annual implementation programme; 2) Report on the implementation of the Annual Implementation Programme of the preceding year and the Annual Implementation Programme for the year are to be prepared and submitted to the first meeting of the Executive Committee of the year.	Apr-04	Yes	2004		The CFC production data were audited and verified by independent auditors contracted by UNIDO.	
Mexico	UNDP	Sector Plan - Foam	To request UNDP to report on the status of implementation of this initial phase of the plan at its 38th Meeting.	Dec-01	Yes	Status Report	N/A		
Namibia	Germany	CFC Phase-Out Plan	Germany will be responsible for reporting annually on the implementation of activities funded under the TPMP and providing verification to the Executive Committee annually that the CFCs consumption reductions in the TPMP have been completed according to the schedule.	Dec-03	Yes				

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Country	Agency	Sector	Agreement Conditions regarding Verification and/or Annual Reporting	Date Approved	Project Document	Progress Report	Verification Report	Agency Notes	ExCom Decision
Nigeria	UNDP/UNIDO	CFC Phase-Out Plan	1) Providing verification to the ExCom that the consumption targets listed in the Agreement and the associated annual activities have been met; 2) Reporting on the implementation of the annual implementation programmes commencing with the submission for the 2004 annual implementation programme to be prepared and submitted in 2003.	Nov-02	Yes	2002-2003 2003-2004		<b>Methodology for Audit:</b> Currently there is no binding requirement for importers and exporters to provide import/export data to the Government. Thus developing a methodology for independent audit to verify consumption limits is proving to be difficult. Once the legislation is in place, it will be possible to have a methodology to verify the data for each year. In the meanwhile, some independent auditors are being identified and it is proposed to discuss the issue with them. Pending the finalisation and implementation of the legislation, UNDP proposes to suggest development of a sample audit procedure to understand whether such a procedure can come up with justifiable consumption verification.	1) To request UNDP to make provision in the 2004 annual implementation programme for development of methodology for an independent audit to be used to verify consumption limits for 2003 and subsequent years, as required under the agreement on the national CFC phase out plan ( <b>Decision 41/57</b> ); 2) To note that disbursement of the funding should not commence until the requirements of decision 41/57 had been met and verification of the 2003 sectoral consumption limits and related annual phase-out specified in the national CFC phase-out plan had been completed through the provision of appropriate verification reports and agreement between the Secretariat and UNDP on their contents ( <b>Decision 44/40</b> ).
Nigeria	UNIDO	Sector Plan - Solvent	UNIDO will be responsible for reporting annually on the implementation of activities funded under the project and for providing verification to the Executive Committee annually that the CTC and TCA consumption limits in the project have been achieved according to the schedule.	Jul-04	Yes				
Pakistan	UNIDO	CTC Phase-Out Plan	1) Providing verification to the ExCom that the targets have been met and associated annual activities have been completed as indicated in the annual implementation programme; 2) Reporting on the implementation of the Annual implementation Programme commencing with the Annual Implementation Programme for the 2004 year to be prepared and submitted in 2005.	Dec-03	Yes	2004			
Papua New Guinea	Germany	CFC Phase-Out Plan	1) Reporting annually on the implementation of the annual implementation programmes; 2) Providing verification to the ExCom that the control targets listed in the Agreement and the associated activities have been met.	Apr-03	Yes				
Peru	UNDP	Sector Plan - Foam	No Agreement for this project.	Dec-01	Yes	N/A	N/A		

Table 8: NATIONAL AND SECTOR PHASE-OUT PLANS: DOCUMENTATION RECEIVED

Country	Agency	Sector	Agreement Conditions regarding Verification and/or Annual Reporting	Date Approved	Project Document	Progress Report	Verification Report	Agency Notes	ExCom Decision
Philippines	IBRD/Sweden	CFC Phase-Out Plan	1) Providing verification to the ExCom that the consumption targets listed in the Agreement and the associated annual activities have been met; 2) Reporting on the implementation of the Annual Implementation Programmes commencing with the submission for the 2004 annual implementation programme to be prepared and submitted in 2003.	Nov-02	Yes	2003 2004	2002 2003		
Serbia and Montenegro	UNIDO/Sweden	CFC Phase-Out Plan	1) Providing verification to the ExCom that the targets have been met and associated annual activities have been completed as indicated in the annual programme; 2) Reporting on the implementation of the Annual Implementation Programme of the preceding year and the Annual Implementation Programme for the year are to be prepared and submitted to the first meeting of the year.	Jul-04	Yes				
Sri Lanka	UNEP/Japan	ODS Phase-Out Plan	1) Japan would be responsible for reporting annually on the implementation of activities funded under the national compliance action plan and for providing verification to the ExCom annually that the ODS consumption reductions in the national compliance action plan had been completed according to the schedule in the Agreement.	Jul-04	Yes				
Syria	UNDP/UNIDO	Sector Plan - Refrigeration Manufacturing	1) Reporting annually on the implementation of all activities funded under the sector plan; 2) Providing verification to the ExCom annually that CFC consumption phase-out in the Refrigeration (Manufacturing) Sector has been completed based on the schedules listed in the Agreement.	Nov-02	Yes				
Thailand	IBRD	ODS Phase-Out Plan	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 1, CFCs; 1,1,1-TCA; and CTC agreed in paragraph 2 are actually met.	Dec-01	Yes	2002 2003 2004	2002 2003		
Trinidad and Tobago	UNDP	CFC Phase-Out Plan	1) Report annually on the implementation of the two action programmes; 2) Providing verification to the ExCom that the control targets listed in the Agreement and the associated activities have been met.	Jul-03	Yes				

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Country	Agency	Sector	Agreement Conditions regarding Verification and/or Annual Reporting	Date Approved	Project Document	Progress Report	Verification Report	Agency Notes	ExCom Decision
Turkey	IBRD	CFC Phase-Out Plan	1) Reporting on the implementation of the annual programmes to be included as part of each annual programme starting with the submission for the 2003 annual implementation programme prepared in 2002; 2) Providing verification to the ExCom that the control targets listed in the Agreement and the associated activities have been met.	Dec-01	Yes	2002 2003 2004	2001-2002 2002-2003 2003-2004		
Uruguay	UNDP	Sector Plan - Aerosol	No Agreement for this project.	Nov-95	Yes	N/A	N/A		
Venezuela	UNIDO	CFC Phase-Out Plan	1) Providing verification to the ExCom that the targets have been met and associated annual activities have been completed as indicated in the annual implementation programme; 2) Report on the implementation of the Annual Implementation Programme of the preceding year and the Annual Implementation Programme for the year are to be prepared and submitted to the first meeting of the year.	Apr-04	Yes	2004			

## Annex II

### Checklist of evaluation issues and questions

What follows are evaluation issues / key questions that need to be explored more fully via field visits

#### ***I. Overarching Evaluation Issues***

- (a) In what way has the country taken hold of the “steering wheel”?
- (b) Has there been a marked change of the way the cooperation between the IA and the countries proceeds under the new modalities?
- (c) Do these modalities provide a better management regime for dealing with SMEs and the service sector? If so, why?
- (d) How have the new modalities assisted in generating the necessary policy/regulations in a timely manner?
- (e) How has the newly acquired flexibility been used and is this helping or adding value?
- (f) Is there any evidence of improved program management (i.e. coordinating the roles of the various players – PMU, NOU, FP, FI, and Government Officials)?
- (g) Where there are several IAs involved, does the “lead agency” concept work? If not, why not?
- (h) Is the lag between approval of funds and disbursement a problem or a benefit? Should efforts be made to reduce the time lag? If so, what could / should be done?
- (i) Are the verification reports prepared by independent auditors sufficiently detailed and solid to justify funding of a subsequent tranche?
- (j) Are the NPP guidelines helpful or are they in need of updating? If, so what and how?
- (k) Have economic instruments such as excise taxes or import duties been utilized to change the price relationship between ODS and their alternatives?
- (l) Has the phase-out plan advanced schedules compared to obligations under the Montreal Protocol?
- (m) Is there a risk of non-compliance with the future phase-out obligations?
- (n) What are the lessons learned that need to be taken into consideration in the design and implementation of future NPPs and TPMPs?

#### ***II. Analysis of Claimed Advantages of the New Modalities***

- (a) Have the new modalities enhanced the phase-out in the service sector? If so, how?
- (b) What is the country’s perspective on the time lag between funds approved and disbursed?
- (c) Have the new modalities created enhanced “buy-in” of stakeholders? How?
- (d) Have the new modalities created enhanced efficiencies? If so, how?
- (e) Has the envelope of predictable funds played a positive role? If so, how?

- (f) Have the new modalities facilitated the PMU/NOU in obtaining support from the Government?
- (g) Has cooperation between various government ministries and institutions been facilitated by the new modalities?
- (h) What are the disadvantages, if any, associated with the new modalities?

### ***III. Analysis of PMU***

- (a) Who is on the PMU with what role and responsibility?
- (b) How is the division of labour of the PMU with the Ozone Unit and the Financial Intermediary defined and working?
- (c) How is integrated program management (i.e. coordinating the roles of the various stakeholders) working?
- (d) How are the rules and procedures of the IA impacting the performance (positively or negatively) of the PMU?
- (e) Are the experiences of the IAs in procurement and recruitment being utilized by the new PMUs or are they going through the learning curves themselves?
- (f) Is timely reporting and report quality understood as an important task for the PMU and one that affects personnel performance reviews?
- (g) Are there clear accountabilities and consequences for poor performance?

### ***IV. Disbursement***

- (a) If there are delays due to legislation or procurement, why are these delays not anticipated and factored into the work plan and cash-flow considerations?
- (b) Should efforts be made to reduce the time lag? If so, what could / should be done?
- (c) Have pressures to disburse more rapidly resulted in equipment purchases that exceed needs?
- (d) How best can any such perverse incentives (if they exist) be removed?

### ***V. The Flexibility Provisions***

- (a) How are countries using the flexibility provisions in the agreements?
- (b) Has the flexibility provisions weakened the leadership roles of the IAs?
- (c) Have historical roles of key players (FI etc) changed as a result of the new modality and flexibility provided? If so, how?
- (d) What authority / responsibility is vested with the lead agency in the context of the flexibility provisions?

### ***VI. Data and Reporting Issues***

- (a) What is the role of the PMU and the NOU for the annual data reporting and verification?

- (b) How is the requirement for independent verification addressed?
- (c) How are customs and other data reconciled?
- (d) What can be done to improve the confidence level associated with data submitted to justify funding of a subsequent tranche?

***VII. On Coordination, Cooperation and Learning from each other***

- (a) What are the ongoing liaison practices (within the government, with the multi-stakeholder community and with other countries in the region)?
- (b) Have MOUs been signed between Departments (example: Customs and Environment departments to work together and spell out specific tasks of each)?
- (c) Has there been contact to date between the importing and exporting countries to confine exports to an authorized list of importers? If not, why not?
- (d) Has the country recognized the need for export controls as well as import controls?