



**United Nations
Environment
Programme**

Distr.
GENERAL

UNEP/OzL.Pro/ExCom/48/24
1 March 2006

ORIGINAL: ENGLISH



EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Forty-eighth Meeting
Montreal, 3-7 April 2006

WORLD BANK WORK PROGRAMME FOR 2006

Pre-session documents of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol are without prejudice to any decision that the Executive Committee might take following issue of the document.

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

COMMENTS AND RECOMMENDATIONS OF THE FUND SECRETARIAT

1. The World Bank is requesting approval from the Executive Committee for US \$428,403 for its 2006 Work Programme, plus agency support costs of US \$32,130.
2. The activities proposed in the World Bank's Work Programme are presented in Table 1 below:

Table 1: the World Bank's Work Programme

Country	Activity/Project	Amount Requested US \$	Amount Recommended US \$
SECTION A: ACTIVITIES RECOMMENDED BLANKET APPROVAL			
A1. Renewal of institutional strengthening projects:			
	ODP tonnes		
Philippines	Renewal of institutional strengthening project, phase V	14.97	181,133
Tunisia	Renewal of institutional strengthening project, phase IV	20.05	247,270
Subtotal for institutional strengthening:		428,403	428,403
Subtotal :		428,403	428,403
Agency support costs (7.5 per cent):		32,130	32,130
Total:		460,533	460,533

SECTION A: ACTIVITIES RECOMMENDED FOR BLANKET APPROVAL**A1: Renewal of institutional strengthening projects**

(a)	Philippines (phase V)	US \$181,133
(b)	Tunisia (phase IV)	US \$247,270

Project Description

3. The descriptions of the institutional strengthening projects for the above countries are presented in Annex I to this document.

Fund Secretariat's Comments

4. The levels of funding for the renewal of the institutional strengthening projects have been agreed between the Fund Secretariat and the World Bank. There are no issues to be noted in the case of the Philippines.

5. Tunisia reported methyl bromide consumption of 10.2 ODP tonnes in 2004 which exceeds its baseline consumption of 8.25 ODP tonnes. However decision XV/12 of the 15th Meeting of the Parties to the Montreal Protocol defers consideration of compliance with methyl bromide control measures by Parties which use methyl bromide predominantly for high moisture dates, as in the case of Tunisia. The provision applies as long as the relevant Party does not *inter alia* increase consumption of methyl bromide on products other than high moisture dates beyond 2002 levels. Tunisia's 2004 consumption of 10.2 ODP tonnes is lower than its 2002 consumption of 10.8 ODP tonnes. Consequently Tunisia's request for renewal of its institutional project has been submitted for blanket approval.

Fund Secretariat's recommendations

6. The Fund Secretariat recommends blanket approval of the above projects at the level of funding shown in Table 1. The Executive Committee may wish to express to the Governments of the Philippines and Tunisia the comments which appear in Annex II to this document.

Annex I

INSTITUTIONAL STRENGTHENING PROJECT PROPOSALS

Philippines: Renewal of institutional strengthening

Summary of the Project and Country Profile		
Implementing Agency:		World Bank
Amount originally approved:	Phase I: March 1993 Phase II: July 1999 Phase III: March 2002 Phase IV: April 2004	US \$209,000 US \$139,333 US \$181,133 US \$181,133
	Total	US \$710,599
Amount requested for renewal (Phase V) (US \$):		181,133
Amount recommended for approval (Phase V) (US \$)		181,133
Agency support costs (US \$)		13,585
Total cost of institutional strengthening Phase V to the Multilateral Fund (US \$)		194,718
Equivalent amount of CFC phase-out due to institutional strengthening Phase V at US \$12.1/kg (ODP tonnes)		14.97
Date of approval of country programme		June 1993
Date of approval of country programme update (if applicable)		2000
Total ODS consumption reported in country programme (1991), (ODP tonnes)		2,536.1
Latest reported total ODS consumption (2004) (ODP tonnes)		1,570.68
Baseline consumption of controlled substances (ODP tonnes):		
(a) Annex A Group I (CFCs) (Average 1995-1997)		3,055.9
(b) Annex A Group II (Halons) (Average 1995-1997)		103.9
(c) Annex B Group II (Carbon tetrachloride) (Average 1998-2000)		0
(d) Annex B Group III (Methyl chloroform) (Average 1998-2000)		0
(e) Annex E (Methyl bromide) (Average 1995-1998)		8.0
Latest consumption of controlled substances (2004) (ODP tonnes):		
(a) Annex A Group I (CFCs)		1,389.81
(b) Annex A Group II (Halons)		0
(c) Annex B Group II (Carbon tetrachloride)		0
(d) Annex B Group III (Methyl chloroform)		0
(e) Annex C Group I (HCFCs)		171.13
(f) Annex E (Methyl bromide)		9.74
Amount approved for projects (as at December 2004) (US \$)		28,236,550
Amount disbursed (as at December 2004) (US \$):		19,966,592
ODS to be phased out (ODP tonnes)		2,144.6
ODS phased out (as at December 2004) (ODP tonnes)		1,638.1

1. Summary of activities and funds approved by the Executive Committee:

		<u>US \$</u>
(a)	Country programme preparation	127,360
(b)	Project preparation	1,234,948
(c)	Training	262,773
(d)	Technical assistance (including institutional strengthening)	2,450,492
(e)	Demonstration	304,107
(f)	Investment projects	23,856,870
	Total:	28,236,550

Progress report

2. During the reporting period, the Philippines Ozone Desk (POD) prepared and began implementation of a halon management strategy involving the Department of National Defence and Bureau of Fire Protection among others. It conducted orientation seminars for Bureau of Fire Protection officers. About 1.9 tonnes of halon-1211 was recovered by the halon bank from October 2002 to December 2005. The POD continued to involve key Government agencies in rigorous monitoring of ODS imports and enforcement of ODS regulations. ODS identifiers were provided to all major ports. Circulars on procedures for importing ODS alternatives and guidelines on registration of dealers, resellers and retailers of ODS were issued. In 2004 and 2005 a total of 180 certificates of registration and 718 pre-shipment import clearance certificates were issued to dealers of CFCs and CFC alternatives. The POD implemented the Methyl Bromide strategy, establishing a project management unit and a technical committee for the purpose. Other achievements of the POD included:

- Monitoring of on-going and completed projects to ensure their compliance with the rules of the Fund and obligations to the Montreal Protocol. These included recipients of CFC-12 recovery and recycling machines, recipient enterprises in the foam, commercial refrigeration, aerosol, solvent and packaging industries and halon bank;
- Liaising with the Department of Foreign Affairs and the Senate to follow up the schedule of briefings and hearings on the Montreal and Beijing Amendments resulting in ratification approval in the Senate Committee on Foreign Relations on December 2005, now awaiting action by plenary.
- Production of 20,000 copies of ozone flyers, 10,000 copies of newsletters, 2,500 copies of the MB primer, 2,500 story books and several thousand copies of other public awareness materials, including posters, stickers, calendars and flyers.

Plan of Action

3. The proposed institutional strengthening renewal project will continue to assist the POD and its partner agencies in ensuring that the Philippines complies with ODS phase-out targets set forth by the Montreal Protocol and its amendments. The focus of the two-year institutional strengthening renewal will be to strengthen the enforcement of control mechanisms to address illegal trade in ODS. In the period 2006-2008 the POD will oversee the implementation of the

national CFC phase-out plan and the national MB phase-out strategy, and continue regular inspection of on-going and completed projects to ensure sustained compliance with the country's obligations. It will continue efforts to expedite the ratification of the Montreal and Beijing Amendments in the Senate and eventually by the Department of Foreign Affairs. The POD in cooperation with relevant agencies will review the Chemical Control Order and enhance the enforcement of the licensing system. It will work on a plan of action to phase out CFCs in the chiller sector and CTC and continue the public awareness programme through printed and electronic media.

Tunisia: Renewal of institutional strengthening

Summary of the Project and Country Profile		
Implementing Agency:		World Bank
Amount originally approved:	Phase I: October 1992 Phase II: July 1998 Phase III: April 2003	US \$280,000 US \$186,700 US \$242,667
Total		US \$709,367
Amount requested for renewal (phase IV) (US \$):		247,270
Amount recommended for approval (Phase IV) (US \$)		247,270
Agency support costs (US \$)		18,545
Total cost of institutional strengthening phase IV to the Multilateral Fund (US \$)		265,815
Equivalent amount of CFC phase-out due to institutional strengthening Phase IV at US \$12.1/kg (ODP tonnes)		20.05
Date of approval of country programme		May 1996
Date of approval of country programme update (if applicable)		
ODS consumption reported in country programme (1994), (ODP tonnes)		526.4
Latest reported ODS consumption (2004) (ODP tonnes)		355.5
Baseline consumption of controlled substances (ODP tonnes):		
(a) Annex A Group I (CFCs) (Average 1995-1997)		870.1
(b) Annex A Group II (Halons) (Average 1995-1997)		104.33
(c) Annex B Group II (Carbon tetrachloride) (Average 1998-2000)		2.93
(d) Annex B Group III (Methyl chloroform) (Average 1998-2000)		0.08
(e) Annex E (Methyl bromide) (Average 1995-1998)		8.25
Latest consumption of controlled substances (2004) (ODP tonnes):		
(a) Annex A Group I (CFCs)		271
(b) Annex A Group II (Halons)		42
(c) Annex B Group II (Carbon tetrachloride)		0.44
(d) Annex B Group III (Methyl chloroform)		0
(e) Annex C Group I (HCFCs)		31.86
(f) Annex E (Methyl bromide)		10.20
Amount approved (as at December 2004) (US \$):		7,914,251
Amount disbursed (as at December 2004) (US \$):		7,253,723
ODS to be phased out (as at December 2004) (ODP tonnes)		1018.3
ODS phased out (as at December 2004) (ODP tonnes)		722.9

4. Summary of activities and funds approved by the Executive Committee:

		<u>US \$</u>
(a)	Country programme preparation	259,003
(b)	Project preparation	465,211
(c)	Technical assistance (including institutional strengthening)	1,494,645
(d)	Demonstration	327,494
(e)	Investment projects	5,367,897
	Total:	7,914,251

Progress report

5. The main objective of phase III of Tunisia's institutional strengthening project was to assist Tunisia to sustain its compliance with its Montreal Protocol obligations, specifically the reduction and control of ODS consumption through enforcement of the legal framework to better control import and use of ODS. The Ozone Bureau continued its public awareness programme through press releases, interviews, radio and television programmes and conferences. It continued the training programmes in good maintenance practices and new techniques in the implementation of on-going projects. The NOU also reviewed legislation on the implementation of the Montreal Protocol and prepared amendments for adoption by the Government, and collected and updated the annual data on import and use of ODS in the country.

Plan of action

6. As in the past the main objective of phase IV of the institutional strengthening project would be to ensure Tunisia's continued compliance with the ODS phase-out schedules set out in the Montreal Protocol. To this end the NOU, among other activities, will monitor the implementation of investment projects in the various ODS-consuming sectors and prepare and implement new projects, in particular the proposed national phase-out plan and phase-out in the methyl bromide sector in response to decision XV/12. It will continue and intensify the public awareness programme focusing on specific target groups within the administration, public and private sectors, further develop and update all legislation and regulations, and strengthen the commitment of the Government by way of decision-makers, industry, importers and commercial dealers and other concerned parties with the view to ensuring sustainable ODS phase-out.

Annex II

VIEWS EXPRESSED BY THE EXECUTIVE COMMITTEE ON RENEWALS OF INSTITUTIONAL STRENGTHENING PROJECTS SUBMITTED TO THE 48TH MEETING

Philippines

1. The Executive Committee has reviewed the terminal report presented with the institutional strengthening project renewal request for the Philippines. The Committee notes with appreciation the continued efforts made by the Government of the Philippines to phase out ODS consumption through its national strategies addressing CFC and methyl bromide; its independent work on halon inventories and management; its demonstrated effectiveness in engaging various government agencies to develop, coordinate and implement ODS policy; and, its ongoing monitoring, enforcement and public awareness raising activities. The Executive Committee notes in particular the balanced approach applied by the Government of Philippines in curbing demand while reducing legal and illegal supply of ODS and hopes that the country will be successful in its endeavour to ratify the Montreal and Beijing amendments in the near future.

Tunisia

2. The Executive Committee has reviewed the terminal report presented with the institutional strengthening project renewal request for Tunisia. The Committee notes with appreciation the efforts made by the Government of Tunisia to phase out ODS consumption through its update of its country programme and the preparation of a National ODS Phase-out Plan which will address all remaining consumption of CFCs and halon; as well as through its demonstrated success in engaging various government agencies, industry and major stakeholders to develop, coordinate and implement ODS policy; and, through its ongoing monitoring, enforcement and public awareness raising activities. The Executive Committee is hopeful that the next two years will yield continued success and enable Tunisia to advance towards reaching its goal of phasing out its consumption of ODS within the Montreal Protocol timeframe.

2006 WORK PROGRAM

**PRESENTED TO THE 48th MEETING
OF THE EXECUTIVE COMMITTEE**

**BANK-IMPLEMENTED
MONTREAL PROTOCOL OPERATIONS**

February 21, 2006

WORK PROGRAM FOR THE WORLD BANK-IMPLEMENTED MONTREAL PROTOCOL OPERATIONS

1. This proposed work program for Bank-Implemented Montreal Protocol Operations is prepared on the basis of the World Bank 2006 Business Plan, which will be submitted to the 48th meeting of the Executive Committee in April 2006. The proposed 2006 Business Plan consists of investment and non-investment activities to assist Article 5 countries in adhering to their freeze obligations, and meeting their 85% reduction targets. The proposed Business Plan was developed taking into account results of the revised model three-year phase-out plan prepared by the Multilateral Fund Secretariat, which includes all approved activities through 2005.
2. **The total amount of deliverables of the proposed 2006 World Bank Business Plan is US\$81.5 million, including support costs.** Funds will be used towards new and previously approved activities, which combined will capture an estimated 26,681 ODP tonnes in 2006.
3. **The proposed 2006 Business Plan includes deliverables of 25 investment activities in 16 countries, totaling roughly US\$80.6 million.** Of these: i) twenty activities are multi-year projects that were previously approved by the Executive Committee; ii) three activities are new multi-year projects that will be submitted to the Executive Committee for the first time; and iii) one new investment projects.
4. The proposed Business Plan allocates approximately 72% of the total investment deliverables to support annual work programs of the Argentina, China, India and Venezuela CFC production closure projects, the China Halon Sector Project and the CTC production closure projects in India and China.
5. In 2006, requests to support implementation of previously approved phase-out and sector plans will include subsequent funds for: i) approved CFC phase-out plans in Antigua and Barbuda, Bahamas, Ecuador, Malaysia, Philippines, Thailand and Vietnam; foam phase-out plan for China and Indonesia; ii) MAC refrigeration sector plan for Indonesia and commercial refrigeration sector plan for Turkey; iii) CTC phase-out plans for India, Malaysia and Thailand; and iv) process agent phase-out plans for China.
6. Other than deliverables for ongoing multi-year agreements, the 2006 Business Plan includes one new Methyl Bromide phase-out plan for Vietnam, a TPMP for Tunisia and a pharmaceutical aerosol phaseout plan for China.
7. The 2006 Business Plan includes requests to extend support for implementation of four existing institutional strengthening projects in Ecuador, the Philippines, Tunisia, and Turkey, which total US\$0.86 million. Table 1 summarizes requests for institutional strengthening renewals that will be submitted to the 48th meeting of the Executive Committee.

Table 1: Institutional Strengthening renewal requests to be submitted to the 48th Executive Committee Meeting

Country	Request (US\$)	Duration	Description
Tunisia	247,270	April 2006– April 2008	Renewal of Tunisia’s Institutional Strengthening Project.
Philippines	181,133	April 2006– April 2008	Renewal of Indonesia’s Institutional Strengthening Project.
Support Cost	32,130		
Total	460,533		

8. The 2006 Business Plan also includes a request for US\$1.55 million for Core Unit Costs.