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EXECUTIVE COMMITTEE OF  
THE MULTILATERAL FUND FOR THE  
IMPLEMENTATION OF THE MONTREAL PROTOCOL  
Fiftieth Meeting  
New Delhi, 6-10 November 2006

**ANNUAL TRANCHE SUBMISSION DELAYS**

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.

## Overview

1. This document is submitted as a follow-up to the decision taken at the 47<sup>th</sup> Meeting requesting a separate sub-agenda item at future meetings on delays in the submission of annual tranches and disbursement of funds for tranches and obligations (decision 47/50, paragraph d). The request for a sub-agenda item emanates from a history of late submissions of annual tranches that result in delays in transferring funds and also delays in fulfilling obligations to fund the activities required by the annual tranches. This agenda item is intended to enable the Executive Committee to encourage countries and relevant agencies to increase their efforts to submit annual tranches as soon as possible and to address difficulties in meeting deadlines with respect to the submission of annual tranches.

2. The document addresses delays in the submission of tranches that were due at the 50<sup>th</sup> Meeting and presents recommendations for consideration by the Executive Committee. It also contains a new section covering annual tranches that were submitted incomplete and therefore withdrawn from consideration at the 50<sup>th</sup> Meeting.

### **Annual Tranche Delays (tranches due for submission to the 50<sup>th</sup> Meeting)**

3. Forty-nine annual tranches were due for submission to the 50<sup>th</sup> Meeting. Of these, eleven tranches have not been submitted. These are broken down as follows: UNDP (3), UNIDO (3), UNEP (2), the World Bank (2), and France (1). Table 1 presents those tranches that were not submitted with the reasons as provided by the relevant implementing agency.

Table 1**ANNUAL TRANCHES NOT SUBMITTED**

<b>Country</b>	<b>Agency</b>	<b>Sector</b>	<b>Tranches</b>	<b>Reason Not Submitted Provided by the Implementing Agency</b>
Antigua and Barbuda	World Bank	CFCs Phase-Out	2006	Being transferred to UNIDO.
Bahamas	World Bank	CFCs Phase-Out	2005	The Grant Agreement is not in place.
Bangladesh	UNDP	ODS Phase-Out	2005	There were inconsistencies in the verification audit and the draft annual plan provided to the Bank that need to be resolved.
Bangladesh	UNDP	ODS Phase-Out	2006	Signature of the project document is still delayed. The NOU has indicated that the project should be signed by end of September.
Bangladesh	UNEP	ODS Phase-Out	2005	Signature of the project document is still delayed. The NOU has indicated that the project should be signed by end of September.
Bangladesh	UNEP	ODS Phase-Out	2006	Government delayed signature of project document.
Bosnia and Herzegovina	UNIDO	ODS Phase-Out	2005	Government delayed signature of project document.
Iran	UNIDO	CFCs Phase-Out (Refrigeration Servicing/ Assembly/ Solvents)	2007 due in 2006 (as per 2006 BP)	The verification audit could not be completed on time.
Iran	UNIDO	CFCs Phase-Out (Refrigeration Servicing/ Assembly/ Solvents)	2008 due in 2006 (as per 2006 BP)	Submitted to the 48 <sup>th</sup> Meeting but withdrawn at request of Secretariat.
Kenya	France	CFCs Phase-Out	2005	Submitted to the 48 <sup>th</sup> Meeting but withdrawn at request of Secretariat.
Nigeria	UNDP	CFCs Phase-Out	2006	Recently obtained the signature of the ODS regulations and therefore there was no need for the 2006 tranche at this time.

**Annual tranches submitted with incomplete information**

4. Seven MYA tranches were submitted to the 50<sup>th</sup> Meeting but after review it was determined that the submission was incomplete, a condition of approval had not been met, and/or the project document had not been signed. In some cases the tranche was withdrawn and in other the request was submitted without a positive recommendation.

5. Table 2 presents the annual tranches of multi-year agreements that were submitted incomplete:

Table 2

**ANNUAL TRANCHES SUBMITTED BUT NOT FORWARDED FOR APPROVAL**

<b>Country</b>	<b>Agency</b>	<b>Sector</b>	<b>Tranches</b>	<b>Reason the Submission not Considered for Approval</b>
China	World Bank	Foam	2007 due in 2006	Milestone not achieved. Approval will be considered at the 51 <sup>st</sup> Meeting.
China	UNIDO	Refrigeration Servicing	2006	Verification report not submitted.
Cuba	UNDP	ODS Phase-Out	2006	Agreement not signed and submission agreed for the 51 <sup>st</sup> Meeting.
Nigeria	UNDP	CFC Phase-Out	2005	Verification report not submitted.
Pakistan	UNIDO	CTC Phase-Out	2005	Verification was inadequate and there were compliance issues.
Philippines	World Bank	CFC Phase-Out	2006	Missing verification report.
Venezuela	UNIDO	CFC Phase-Out	2006	Previous tranche not released prior to the submission of the current request and verification report not received in time.

6. The Executive Committee may wish to encourage these countries and agencies to submit these tranches to the 51<sup>st</sup> Meeting.

**RECOMMENDATIONS**

7. The Executive Committee may wish to consider:

- (a) Noting the information on annual tranches of multi-year agreements submitted to the Secretariat by France, Germany, UNDP, UNIDO, and the World Bank as contained in the document on annual tranche submission delays (UNEP/OzL.Pro/ExCom/50/13);
- (b) Noting that 38 of the 49 annual tranches of multi-year agreements that were due for submission were submitted on time to the 50<sup>th</sup> Meeting, but nine of them could not be considered for approval because the submission was incomplete, a condition of approval had not been met, and/or the project document had not been signed;
- (c) Noting that letters should be sent for the following annual tranches that were due

for submission to the 50<sup>th</sup> Meeting with the reasons indicated for the delay, and encouraging implementing agencies and the relevant Article 5 Governments to submit these annual tranches to the 51<sup>st</sup> Meeting:

Country	Agency	Sector	Tranches	Reason Not Submitted Provided by the Implementing Agency
Antigua and Barbuda	World Bank	CFCs Phase-Out	2006	Being transferred to UNIDO.
Bahamas	World Bank	CFCs Phase-Out	2005	To be submitted to 52 <sup>nd</sup> Meeting.
Bangladesh	UNDP	ODS Phase-Out	2005	To be submitted to 51 <sup>st</sup> Meeting.
Bangladesh	UNDP	ODS Phase-Out	2006	Signature of the project document is still delayed. The NOU has indicated that the project should be signed by end of September.
Bangladesh	UNEP	ODS Phase-Out	2005	Signature of the project document is still delayed. The NOU has indicated that the project should be signed by end of September.
Bangladesh	UNEP	ODS Phase-Out	2006	Government delayed signature of project document.
Bosnia and Herzegovina	UNIDO	ODS Phase-Out	2005	Government delayed signature of project document.
Iran	UNIDO	CFCs Phase-Out (Refrigeration Servicing/ Assembly/ Solvents)	2007 due in 2006 (as per 2006 BP)	The verification audit could not be completed on time.
Iran	UNIDO	CFCs Phase-Out (Refrigeration Servicing/ Assembly/ Solvents)	2008 due in 2006 (as per 2006 BP)	Submitted to the 48 <sup>th</sup> Meeting but withdrawn at request of Secretariat.
Kenya	France	CFCs Phase-Out	2005	Submitted to the 48 <sup>th</sup> Meeting but withdrawn at request of Secretariat.
Nigeria	UNDP	CFCs Phase-Out	2006	Progress on recently obtained concerning the signature of the ODS regulations and therefore there was no need for the 2006 tranche at this time.

- (d) Noting that letters should be sent for the following annual tranches that were submitted to the 50<sup>th</sup> Meeting but were not considered for approval for the reasons indicated, and encouraging implementing agencies and the relevant Article 5 Governments to submit these annual tranches to the 51<sup>st</sup> Meeting:

<b>Country</b>	<b>Agency</b>	<b>Sector</b>	<b>Tranches</b>	<b>Reason the Submission not Considered for Approval</b>
China	World Bank	Foam	2007 due in 2006	Milestone not achieved. Approval will be considered at the 51 <sup>st</sup> Meeting.
China	UNIDO	Refrigeration Servicing	2006	Verification report not submitted.
Cuba	UNDP	ODS Phase-Out	2006	Agreement not signed and submission agreed for the 51 <sup>st</sup> Meeting.
Nigeria	UNDP	CFC Phase-Out	2005	Verification report not submitted.
Pakistan	UNIDO	CTC Phase-Out	2005	Verification was inadequate and there were compliance issues.
Philippines	World Bank	CFC Phase-Out	2006	Missing verification report.
Venezuela	UNIDO	CFC Phase-Out	2006	Previous tranche not released prior to the submission of the current request and verification report not received in time.

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