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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Fifty-eighth Meeting
Montreal, 6-10 July 2009

REPORT OF THE FIFTY-EIGHTH MEETING OF THE EXECUTIVE COMMITTEE

Introduction

1. The 58th Meeting of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol was held at the headquarters of the International Civil Aviation Organization, Montreal, Canada, from 6 to 10 July 2009.
2. The Meeting was attended by representatives of the following countries, Members of the Executive Committee, in accordance with decision XX/22 of the Twentieth Meeting of the Parties to the Montreal Protocol:
 - (a) Parties not operating under paragraph 1 of Article 5 of the Protocol: Australia, Belgium, Germany, Japan, Romania, Sweden (Chair) and the United States of America; and
 - (b) Parties operating under paragraph 1 of Article 5 of the Protocol: Bolivia, China, Dominican Republic (Vice-Chair), Gabon, Georgia, Namibia and Yemen.
3. In accordance with the decisions taken by the Executive Committee at its Second and Eighth Meetings, representatives of the United Nations Development Programme (UNDP), the United Nations Environment Programme (UNEP), as implementing agency and Treasurer of the Fund, the United Nations Industrial Development Organization (UNIDO) and the World Bank attended the Meeting as observers.
4. The President and Vice-President of the Implementation Committee also attended the Meeting.
5. The Deputy Executive Secretary of the Ozone Secretariat was also present.
6. A representative of the Alliance for Responsible Atmospheric Policy also attended as an observer.

AGENDA ITEM 1: OPENING OF THE MEETING

7. The Meeting was opened at 10:00 a.m. on Monday, 6 July 2009, by the Chair, Mr. Husamuddin Ahmadzai (Sweden).

8. Welcoming the participants, he recalled that less than six months remained until the end of 2009, when CFC consumption in Article 5 countries was due to reach zero. The present Meeting would be considering some of the remaining tranches of terminal phase-out management (TPMPs), approval of which would be instrumental in enabling countries to reach the total phase-out target. He called upon all bilateral and implementing agencies to expedite implementation of the remaining TPMPs.

9. The Executive Committee would also consider the status of compliance of Article 5 countries. Less than 50 per cent of the 143 Article 5 countries had reported their country programme data for 2008, and among them were nine countries that were possibly in non-compliance with regard to CFCs. Every effort should be made to help those countries meet their obligations. He noted that none of the countries had submitted their data using the web-based system that aimed to facilitate and expedite data analysis.

10. A number of policy issues needed urgent attention as they would have an impact on the development of projects and subsequent project approvals. They included: second-stage HCFC conversions, cut-off dates for funding eligibility, and guidance for HCFC phase-out management plans (HPMPs); institutional strengthening beyond 2010; and a special facility for additional income from loans and other sources. For the latter, the paper originally submitted to the 57th Meeting had been updated on the basis of comments received at that Meeting.

11. Other issues to be considered were: the progress reports of the bilateral and implementing agencies; the revised terms of reference for the Senior Monitoring and Evaluation Officer; and carbon tetrachloride (CTC) emission reduction and phase-out, for which a report had been prepared.

12. The Chair recalled that the present Meeting directly preceded the Twenty-ninth Meeting of the Open-ended Working Group of the Parties to the Montreal Protocol, where important issues that would affect the work of the Executive Committee would be discussed, including high global-warming-potential (GWP) alternatives, ODS banks, and HFCs as controlled substances, and he asked the Committee to bear in mind such issues during its own deliberations.

AGENDA ITEM 2: ORGANIZATIONAL MATTERS

13. The Executive Committee adopted the following agenda on the basis of the provisional agenda contained in document UNEP/OzL.Pro/ExCom/58/1:

(a) Adoption of the agenda

1. Opening of the meeting.
2. Organizational matters:
 - (a) Adoption of the agenda;
 - (b) Organization of work.
3. Secretariat activities.
4. Status of contributions and disbursements.

5. Status of resources and planning:
 - (a) Report on balances and availability of resources;
 - (b) 2009 business plans and annual tranche submission delays;
 - (c) Status of implementation of delayed projects and prospects of Article 5 countries in achieving compliance with the next control measures of the Montreal Protocol.

6. Programme implementation:
 - (a) Monitoring and evaluation:
 - (i) Terms of reference and workload for the Senior Monitoring and Evaluation Officer (decisions 56/8(e) and 57/12);
 - (ii) Final report on the evaluation of TPMPs;
 - (iii) Desk study on the evaluation of chiller projects;
 - (b) Progress reports as at 31 December 2008:
 - (i) Consolidated progress report;
 - (ii) Bilateral cooperation;
 - (iii) UNDP;
 - (iv) UNEP;
 - (v) UNIDO;
 - (vi) World Bank;
 - (c) Evaluation of the implementation of the 2008 business plans;
 - (d) Report on implementation of approved projects with specific reporting requirements.

7. Project proposals:
 - (a) Overview of issues identified during project review;
 - (b) Draft report on criteria and guidelines for the selection of ODS disposal projects (decision 57/6);
 - (c) Bilateral cooperation;

- (d) Amendments to work programmes for 2009:
 - (i) UNDP;
 - (ii) UNEP;
 - (iii) UNIDO;
 - (iv) World Bank;
- (e) Investment projects.
- 8. Country programmes.
- 9. Cost considerations surrounding the financing of HCFC phase-out:
 - (a) Prioritization of HCFC phase-out technologies to minimize other impacts on the environment (decision 57/33);
 - (b) Analysis of new approaches on second-stage conversions, determination of cut-off date and other outstanding HCFC policy issues (decision 57/34).
- 10. Institutional strengthening: Options for funding after 2010.
- 11. Special funding facility for additional income from loans and other sources (decisions 55/2 and 57/37).
- 12. Report on emission reductions and phase-out of CTC (decision 55/45).
- 13. Provisional 2008 accounts.
- 14. Draft report of the Executive Committee to the Twenty-first Meeting of the Parties to the Montreal Protocol.
- 15. Other matters.
- 16. Adoption of the report.
- 17. Closure of the meeting.

14. The Chief Officer proposed the inclusion of two additional items under agenda item 15, "Other matters": a review of the agreement between the Executive Committee and UNEP regarding the services of the Treasurer; and the date and venue of the 59th Meeting of the Executive Committee and provisional information about the 60th Meeting.

15. In response to a question about the functional unit approach, the Chief Officer explained that an update would be given under agenda item 9(a), "Prioritization of HCFC phase-out technologies to minimize other impacts on the environment (decision 57/33)".

(b) Organization of work

16. The Executive Committee agreed to follow its customary procedures.

AGENDA ITEM 3: SECRETARIAT ACTIVITIES

17. The Chief Officer drew the Meeting's attention to document UNEP/OzL.Pro/ExCom/58/2, containing a report on the activities of the Secretariat since the 57th Meeting of the Executive Committee. In addition to the usual intersessional activities, and in response to decisions XX/4 and XVII/6 of the Twentieth and Seventeenth Meeting of the Parties, respectively, the Secretariat had updated the draft reports on the status of agreements to convert metered-dose inhaler (MDI) manufacturing facilities in Article 5 countries, and on reducing emissions of controlled substances from process agent uses, by incorporating new information and comments from Executive Committee Members. The final reports had been forwarded to the Ozone Secretariat for submission to the Twenty-ninth Meeting of the Open-ended Working Group following clearance by the Chair.

18. The Secretariat had prepared more than 55 documents for the present Meeting, including 20 relating to specific Article 5 countries. A total of 82 funding requests had been received by the Secretariat, of which 77 were for consideration by the Committee following review by the Secretariat. Of that number, 33 projects and activities were for individual consideration. The Chief Officer highlighted key documents prepared by the Secretariat, which included an analysis of the 2009 business plans of the agencies, resulting in modifications to the allocated resources; a document on the terms of reference and workload of the Senior Monitoring and Evaluation Officer; and draft criteria and guidelines for the selection of ODS disposal projects.

19. The Chief Officer and various professional staff had participated in several meetings since the 57th Meeting. While attending the Second International Conference on Chemical Management in Geneva, Switzerland, the Chief Officer had briefly presented the report on the Multilateral Fund's contribution to the Strategic Approach to International Chemicals Management that had been submitted following comments by several Executive Committee Members. Other senior staff had participated in the meeting of the South-East Asia and Pacific ozone officers network in Thailand, and in the joint network meetings of ozone officers in West Asia and South Asia in Bahrain. One Senior Programme Officer had participated in the Global Environment Facility (GEF) Chemicals Technical Advisory Group, which was considering ODS, and another Senior Programme Officer had attended the 35th GEF Council. In addition, the Senior Administrative and Fund Management Officer had visited Cairo and Sharm El-Sheikh to discuss arrangements for the 59th Meeting of the Executive Committee with the Government of Egypt.

20. The Chief Officer informed the Committee that an external audit of the 2008 accounts and the programmatic work of the Fund had taken place over a two-week period in June 2009 as part of a general audit of UNEP mandated by the United Nations General Assembly. The final report would be made available to the Committee as soon as it had been finalized by the external board of auditors.

21. In response to a question about Multilateral Fund representation at meetings on GEF replenishment, the Chief Officer explained that the Secretariat's workload at the time of the meeting had prevented the Secretariat from attending. The Deputy Executive Secretary of the Ozone Secretariat recalled that the relationship between the Montreal Protocol and the GEF was unique among multilateral environmental agreements in that the Protocol did not seek GEF funding. There was no formal role for the Montreal Protocol in the process of GEF replenishment, so any attendance would be in the capacity of an observer.

22. During discussion on whether the GEF Chemicals Technical Advisory Group was considering the destruction of ODS, and whether the Secretariat should be involved in the process, the representative of the Secretariat said that it was his understanding that the Group was considering the life cycle of chemicals as a whole, which included destruction, but was not focusing on ODS destruction in particular. The Deputy Executive Secretary of the Ozone Secretariat said that he would consult the Open-ended Working Group and the Meeting of the Parties to see whether they wanted to engage differently with GEF

on issues such as ODS destruction, HCFCs, and HFCs. One Executive Committee Member called on the other Members to promote such synergies when they returned to their capitals.

23. The Secretariat was urged to avoid, as much as possible, holding meetings that coincided with major meetings of Parties to other multilateral environmental agreements or of the GEF, for example. Regarding the timing of the 59th Meeting of the Executive Committee, the Chief Officer said that it had been scheduled well in advance, at a time that did not clash with any other major meetings that were then known. In any case, the wishes and constraints of the host country also had to be taken into account.

24. Following the discussion, the Executive Committee took note, with appreciation, of the report on Secretariat activities.

AGENDA ITEM 4: STATUS OF CONTRIBUTIONS AND DISBURSEMENTS

25. The Treasurer introduced the report on the status of the Fund (UNEP/OzL.Pro/ExCom/58/3) as at 27 May 2009. He said that, since that date, cash contributions had been received from Austria, Bulgaria and Canada, and that Canada had also notified the Treasurer of the deposit of a promissory note towards its 2009 pledge. Thus, 21 countries had paid their 2009 pledges either partly or in full, while one country had made a payment toward its pre-2008 pledge. He also informed the Meeting that Andorra, as a new Party to the Montreal Protocol, had requested an invoice for its obligation for 2009. Andorra's pro-rated amount was assessed at US \$8,868.36 and Andorra had been added to the list of countries pledging a contribution to the Fund.

26. The Treasurer also reported that, since the 57th Meeting of the Executive Committee, the Fund had suffered a loss amounting to US \$2,670,137 on the fixed-exchange-rate mechanism (FERM). The total gain from the FERM since its inception had therefore fallen to US \$34,887,400. He also said that, as a result of the receipt of new promissory notes, the stock of promissory notes had increased to US \$37,830,504. The Fund's total income currently stood at US \$2,548,364,116, and the balance for new allocations was US \$94,830,147, comprising US \$56,999,643 in cash and US \$37,830,504 in promissory notes.

27. The representative of Sweden said that both Austria and Sweden would continue to use the FERM and that Sweden would make its contribution for 2009 in the near future.

28. The Executive Committee decided:

- (a) To note the report of the Treasurer on the status of contributions and disbursements and the information on promissory notes, as contained in Annex I to the present report;
- (b) To note the list of Parties that had opted to use the fixed-exchange-rate mechanism when making their contributions to the Multilateral Fund during the 2009-2011 replenishment period, as contained in Annex I to the present report; and
- (c) To urge all Parties to pay their contributions to the Multilateral Fund in full and as early as possible.

(Decision 58/1)

AGENDA ITEM 5: STATUS OF RESOURCES AND PLANNING

(a) Report on balances and availability of resources

29. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/58/4, which contained a summary of the balances relating to completed projects, the return of funds from cancelled

projects and the total resources available at the 58th Meeting of the Executive Committee. She said that implementing agencies were returning US \$366,750, and bilateral agencies US \$369,076 in project and support costs respectively, as well as interest accrued. All the returns being made by the bilateral agencies would be made in cash, except for Germany's, which would be credited against future bilateral projects. With the addition of the balances being returned from completed and cancelled projects at the present Meeting, and the updated information on the status of contributions and disbursements provided by the Treasurer under agenda item 4, the total resources available for new commitments at the present Meeting amounted to US \$95,503,111.

30. She also said that, of the total balance of US \$7,983,528 from completed projects, US \$6,503,880 were obligated, while the remaining US \$1,479,648 were un-obligated. The World Bank held an un-obligated balance of US \$461,338 for projects in Turkey that included the total phase-out plan for CFCs, which had been completed in 2005.

31. The representative of the World Bank explained that, following the reconciliation of the amounts allocated for two institutional strengthening (IS) projects and the total CFC phase-out plan for Turkey, the World Bank was returning the un-obligated balance of US \$461,338 to the Multilateral Fund, together with US \$28,289 in support costs.

32. After having heard the explanation by the representative of the World Bank, the Executive Committee decided:

- (a) To note:
 - (i) The report on balances and availability of resources contained in document UNEP/OzL.Pro/ExCom/58/4;
 - (ii) The net level of funds being returned by the implementing agencies to the 58th Meeting amounting to US \$801,736 against projects, which included the return of US \$59,829 from UNDP, US \$209,562 from UNEP, US \$64,015 from UNIDO, and US \$468,330 from the World Bank;
 - (iii) The net level of support costs being returned by the implementing agencies to the 58th Meeting amounting to US \$54,641 against projects, which included the return of US \$4,396 from UNDP, US \$14,621 from UNEP, US \$6,426 from UNIDO, and US \$29,198 from the World Bank;
 - (iv) The net level of funds and support costs being returned to the 58th Meeting by the bilateral agencies amounting to US \$309,713 against projects;
 - (v) That implementing agencies had balances totalling US \$5,290,966, excluding support costs, from projects completed over two years previously, which included US \$519,466 from UNDP, US \$1,530,274 from UNEP, US \$521,077 from UNIDO, and US \$2,720,149 from the World Bank;
 - (vi) That France had balances totalling US \$165,917, including support costs, from projects completed over two years previously;
 - (vii) That the World Bank had informed the Committee at its 58th Meeting that it was returning the un-obligated balance of US \$461,338 against two institutional strengthening projects and the total CFC phase-out for Turkey, which had been completed in 2005, as well as US \$28,289 in support costs; and

- (b) To request the Treasurer:
 - (i) To reduce bilateral funding by US \$47,598 for Canada, US \$43,947 for Denmark, US \$76,855 for Finland, and US \$78,451 for Italy; and to record US \$59,363 in interest accrued; and
 - (ii) To apply US \$62,862 for future bilateral projects against Germany's bilateral contribution for the previous triennia.

(Decision 58/2)

(b) 2009 business plans and annual tranche submission delays

33. The representative of the Secretariat introduced documents UNEP/OzL.Pro/ExCom/58/5 and Add.1, which addressed decisions taken at the 57th Meeting with respect to the business plans by which the Committee had removed MDI, HCFC production and several HCFC and ODS disposal activities. The document indicated that the total value of the 2009 business plans was US \$113.5 million. The addendum showed that requests submitted to the 58th Meeting for funding amounting to US \$5.7 million were more than those indicated in the business plans, although the suggested funding levels proposed by the Secretariat for projects for individual consideration would reduce that figure by US \$4.8 million.

34. The representative of the Secretariat reported further that 50 annual tranches due for submission to the 58th Meeting had not been submitted, 21 of which had been delayed for a second consecutive meeting. Another two annual tranches had been submitted, but had been withdrawn because they were incomplete. The Executive Committee was asked to note that the level of annual tranches submitted for approval to the 58th Meeting amounted to US \$7,238,300 and, as a result, the total level of commitments for the period 2010 to 2014 amounted to US \$108.7 million.

35. The Executive Committee decided:

- (a) To note:
 - (i) The report on the status of the 2009 business plans as contained in documents UNEP/OzL.Pro/ExCom/58/5 and Add.1;
 - (ii) That US \$47.5 million in activities required for compliance had not been submitted to the 58th Meeting;
 - (iii) That the value of forward commitments approved at the 58th Meeting was below that in the 2009-2011 business plan of the Multilateral Fund by US \$5,129,388;
 - (iv) The information on annual tranches of multi-year agreements submitted to the Secretariat by Canada, Italy Spain, UNDP, UNEP, UNIDO, and the World Bank as contained in document UNEP/OzL.Pro/ExCom/58/5;
- (b) To request bilateral and implementing agencies to submit those activities required for compliance in the 2009 business plans to the 59th Meeting;
- (c) To note that 23 of the 73 annual tranches of multi-year agreements due for submission had been submitted on time to the 58th Meeting, but the remaining 50 had not been;

- (d) To note that letters should be sent for the annual tranches, as indicated in Table 1 of Annex II to the present document, that had been due for submission to the 57th and 58th Meetings, with the reasons indicated for the delay, and to encourage implementing agencies and the relevant Article 5 Governments to take action to expedite the implementation of the approved tranches so that the overdue tranches could be submitted to the 59th Meeting;
- (e) To note that letters should be sent for the annual tranches, as indicated in Table 2 of Annex II to the present document, that had been due for submission to the 58th Meeting, with the reasons indicated for the delay, and to encourage implementing agencies and the relevant Article 5 Governments to submit those annual tranches to the 59th Meeting;
- (f) To encourage the Government of Costa Rica to expedite completion of the existing tranche in order to submit the annual tranches for the methyl bromide project in Costa Rica;
- (g) To encourage the Government of India to complete the documentation necessary for the accelerated CFC production closure project in India, as soon as possible; and
- (h) To note that the level of annual tranches submitted for approval to the 58th Meeting amounted to US \$7,238,300 and, as a result, the total level of commitments for the period 2010 to 2014 would amount to US \$108.7 million.

(Decision 58/3)

(c) Status of implementation of delayed projects and prospects of Article 5 countries in achieving compliance with the next control measures of the Montreal Protocol

36. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/58/6, which contained an executive summary and five parts. He noted that, although for several countries the 2008 data suggested possible non-compliance based on Article 7 or country programme data, all the countries had either received support from the Fund or had been included in business plans for support. The document contained information on those Article 5 countries subject to decisions of the Parties and recommendations of the Implementation Committee on compliance. The representative of the Secretariat indicated that a copy of the document had been submitted to the 42nd Meeting of the Implementation Committee. The document also included the methodology employed for risk assessment for the use of interested Article 5 countries in conducting their own assessments, as directed in decision 57/5.

37. The representative of the Secretariat indicated that the only remaining issue with respect to additional status reports concerned a report from the Government of Australia on the status of the Pacific Island Countries (PIC) strategy in Vanuatu. The representative of the Government of Australia reported that activities currently being undertaken in Vanuatu relating to the establishment of a licensing system and subsequent customs training were expected to yield results, which could be reported to the next Meeting of the Executive Committee.

38. One Member called on the Secretariat to clarify the specific information that had been included in Tables 1 to 4 of document UNEP/OzL.Pro/ExCom/58/6, in particular with respect to the criteria for including countries in the tables, as that suggested a risk of non-compliance. The representative of the Secretariat explained that the methodology used to produce the report on the status of compliance was based on an analysis of the latest data available, including Article 7 data or country programme data. Furthermore, the tables indicated whether the most recent levels of consumption would exceed the control measures, acknowledged whether the country had an action plan, adopted by the Meeting of the Parties, and whether it was in compliance with that plan. Following a request from the Member, the representative

of the Secretariat agreed to review the latest information available with the countries concerned in order to assess whether they might be reclassified with respect to being at risk of non-compliance. A corrigendum would be issued to address any discrepancies.

39. Following a discussion, the Executive Committee decided:

- (a) To note:
 - (i) With appreciation, the status reports on projects with implementation delays submitted to the Secretariat by the Governments of Australia, Germany, Japan, and the four implementing agencies addressed in documents UNEP/OzL.Pro/ExCom/58/6 and Corr.1;
 - (ii) The completion of one of the 19 projects listed with implementation delays and the removal of another project from the list of projects with implementation delays, owing to progress;
 - (iii) That the Secretariat and the implementing agencies would continue monitoring those projects listed in Table 1 of Annex III to the present document as having had “some progress”, and report to the 59th Meeting;
- (b) To request additional status reports on the projects listed in Table 2 of Annex III to the present document to be submitted to the 59th Meeting; and
- (c) To cancel the following projects by mutual agreement of the implementing agencies and countries concerned:

Agency	Code	Project title
Canada	BEN/PHA/49/PRP/15	Project preparation for TPMP in Benin
Canada	TRI/FUM/49/TAS/19	Technical assistance on MB in Trinidad and Tobago
UNIDO	IVC/ARS/46/INV/23	Phase-out of CFC-12 in the manufacture of cosmetics aerosols by conversion to hydrocarbon aerosol propellant (HAP) at COPACI, Abidjan, Côte d'Ivoire

(Decision 58/4)

AGENDA ITEM 6: PROGRAMME IMPLEMENTATION

- (a) **Monitoring and evaluation**
 - (i) **Terms of reference and workload for the Senior Monitoring and Evaluation Officer (decisions 56/8(e) and 57/12)**

40. The interim Senior Monitoring and Evaluation Officer introduced document UNEP/OzL.Pro/ExCom/58/7 containing the assessment of the workload of the Senior Monitoring and Evaluation Officer, taking into account the Multilateral Fund’s short-term, medium-term, and long-term monitoring and evaluation needs. The document also contained a revised job description for the Senior Monitoring and Evaluation Officer, which had been designed to provide the incumbent with the necessary independence to ensure credible and valid evaluations. Given the forthcoming challenges of HCFC

phase-out, the role of Senior Monitoring and Evaluation Officer would continue to be of great importance for another five to ten years.

41. Following the presentation, there was a discussion on the activities listed under “Immediate and short-term needs” and “Future and long-term needs”. It was felt that some of the activities under “Future and long-term needs” might be reclassified as “Immediate and short-term needs”. It was suggested that the immediate and long-term needs should be reflected in future monitoring and evaluation work plans. It was also indicated that some of the Secretariat’s monitoring activities might be undertaken by the Senior Monitoring and Evaluation Officer to free up time on the part of Senior Programme Officers. The issue of an auditing function for the Senior Monitoring and Evaluation Officer, which had been discussed at the 57th Meeting, was also raised and it was pointed out that the job description included the task of aggregating information on the performance of the Fund, even though the previous incumbent had never reported on the issue. One Member stressed the importance of defining such a function clearly in the job description and another Member said that assigning such a task to the Senior Monitoring and Evaluation Officer did not preclude an independent evaluation by the Parties, if considered appropriate.

42. During discussion of UNEP practices for appointing evaluation officers and other UNEP staff, it was explained that UNEP staff rules did not contemplate initial five-year term appointments for such positions. The norm in such cases was two years, renewable indefinitely based on performance. However, it was possible to request the Executive Director of UNEP to issue an initial five-year term appointment on an exceptional basis, or to limit the number of times a given term could be renewed, regardless of its length should the Executive Committee so decides.

43. Following a discussion, the Chair invited interested Members to meet informally with the Secretariat to come to an agreement on outstanding issues. Following the report to plenary on the informal consultation, the Executive Committee decided:

- (a) To note the document “Terms of reference and workload for the Senior Monitoring and Evaluation Officer (decisions 56/8(e) and 57/12)” presented in document UNEP/OzL.Pro/ExCom/58/7;
- (b) To agree on the assessment of the workload of the Senior Monitoring and Evaluation Officer as presented in document UNEP/OzL.Pro/ExCom/58/7;
- (c) To adopt the revised job description for the Senior Monitoring and Evaluation Officer as presented in Annex IV to the present report;
- (d) To agree that the maximum period of engagement of the Senior Monitoring and Evaluation Officer should be up to ten years, consistent with appointment practices in other agencies; and
- (e) To request the Senior Monitoring and Evaluation Officer to reflect, in the future work plan, the discussions held at the 58th Meeting regarding short-term and medium-term needs.

(Decision 58/5)

(ii) Final report on the evaluation of TPMPs

44. The interim Senior Monitoring and Evaluation Officer introduced document UNEP/OzL.Pro/ExCom/58/8, based on the desk study on the evaluation of TPMPs presented at the 55th Meeting of the Executive Committee in document UNEP/OzL.Pro/ExCom/55/8. This second and final part of the full evaluation of TPMPs in low-volume-consuming (LVC) countries covered the

findings of individual country case studies carried out by different consultants in eight LVC countries during the period from December 2008 to May 2009. The final evaluation report's recommendations highlighted the need to improve the quality and reliability of data collection and monitoring systems used to control ODS trade; the importance of establishing programme management units to manage phase-out activities under the Montreal Protocol; the importance of ODS legislation, including licensing and import quota systems, in addressing HCFC phase-out; and the importance of considering specific training modalities for assisting the informal sector when developing and/or designing training programmes for refrigeration technicians for upcoming HCFC phase-out.

45. During the ensuing discussion, Members focused on lessons learned from the TPMP evaluation report that could be applied to HPMP preparation. One Member referred to the discussion that had taken place at the 55th Meeting, saying that some of the questions raised at that time had remained unanswered in the final evaluation report, for example, how to improve reporting on recovery and recycling centres because existing data were contradictory. The final evaluation report stated that there were not enough data, whereas the report on the status of implementation indicated that 12,000 tonnes of CFCs had been recovered in 2008. Another question raised during preparation of the TPMP evaluation desk study dealt with equipment installed through the Multilateral Fund to phase out CFCs, which could be used to phase out HCFCs. The final evaluation report confirmed that such installed equipment capacity should be used to phase out HCFCs, but gave no indication of how to do so. With regard to reclamation centres, the need for information on the centres' technical feasibility and economic viability was considered paramount. It was also suggested that it might be useful to develop a set of criteria that could be used by countries to prove technical feasibility and economic viability before proposing such centres under TPMP tranches, or as part of HPMPs. One Member suggested that consideration be given to developing such criteria should reclamation centres be found to be truly relevant to HPMPs. It was also proposed that the technical feasibility and economic viability of any recycling centres included in HPMPs be similarly demonstrated.

46. The Committee also dealt more specifically with the final evaluation report's recommendations. One such recommendation requested bilateral and implementing agencies regularly to provide updated financial reports on disbursed and committed funds to National Ozone Units (NOUs). In some cases, funds were provided by the agencies directly to NOUs, in which case the latter should equally be requested to provide updated financial reports on funds disbursed and committed. Clarification was also sought on the recommendation requesting bilateral and multilateral agencies to assist Article 5 countries in reviewing ODS legislation during the last tranche of the TPMP. The interim Senior Monitoring and Evaluation Officer explained that the purpose of such assistance was to incorporate HCFC import/export regulations into existing ODS legislation and licensing systems. With regard to the establishment of programme management units, as recommended in the final evaluation report, it was pointed out that none of the countries examined in the case studies had in fact established such units. They were assumed to be useful, but there were no data in the evaluation report to weigh their relative effectiveness. One Member considered that project funds might be better used to build the capacity of NOUs to fulfil their two-pronged technical and political role, rather than to set up project management units. In this regard, it was pointed out that funding under TPMPs was flexible enough for countries to decide whether a programme management unit best suited their monitoring and reporting needs. With regard to refrigeration technician training, specific modalities should be developed to target technicians who had received no formal training. Finally, the important role of refrigeration technicians' associations in promoting best practices and preventing unnecessary use of ODS was stressed, and it was considered appropriate to include a recommendation on the need to strengthen such associations.

47. Following the discussion, the Chair invited interested Members to meet informally with the Secretariat to come to an agreement on outstanding issues. Following the report to plenary on the informal consultation, the Executive Committee decided:

- (a) To take note of the final report on the evaluation of terminal phase-out management plans (TPMPs) as presented in document UNEP/OzL.Pro/ExCom/58/8;

- (b) To request:
- (i) Bilateral and implementing agencies assisting Article 5 countries in implementing TPMPs to provide the National Ozone Units regularly with updated financial reports on fund disbursement and commitments associated with the activities in the TPMP projects so that they would be in a position to account to their respective governments;
 - (ii) Article 5 countries to give due consideration to enhancing their data collection and monitoring systems for control of ODS trade in order to improve the quality and reliability of the import/export data from customs authorities, companies and servicing workshops, where applicable;
 - (iii) Bilateral and implementing agencies, when implementing the last tranche(s) of the TPMPs, to advise and assist Article 5 countries in reviewing current ODS regulations, including licensing systems, and in incorporating import/export regulations on HCFCs;
 - (iv) Bilateral and implementing agencies and Article 5 countries to consider establishing effective and targeted monitoring and reporting mechanisms, which could include establishment of programme management units if countries chose to do so, in order to ensure adequate assessment, monitoring and reporting of the results of TPMPs, in particular regarding recovery and recycling and end-user projects;
 - (v) Bilateral and implementing agencies assisting Article 5 countries to provide information on technical feasibility and economic viability when considering the establishment of new ODS reclamation and recycling centres in future requests for TPMP tranches;
 - (vi) Article 5 countries, when developing and/or designing training programmes for technicians, to include specific modalities for assisting the refrigeration service technicians who had not received formal training; and
- (c) To encourage Article 5 countries to establish and/or strengthen refrigeration technicians' associations in order to promote good practices in the refrigeration sector through recovery, recycling, leak detection and prevention of unnecessary use of ODS.

(Decision 58/6)

(iii) Desk study on the evaluation of chiller projects

48. The interim Senior Monitoring and Evaluation Officer introduced document UNEP/OzL.Pro/ExCom/58/9 containing a desk study and associated country studies on the evaluation of chiller projects. It was based on a desk review and analysis of more than 90 project documents and reports available to the Multilateral Fund Secretariat, as well as on three country case studies covering Croatia, the former Yugoslav Republic of Macedonia and Turkey. The document examined efforts to set up co-funding programmes between the Multilateral Fund and other institutions, looked at the technical feasibility and financial attractiveness of chiller replacements and presented a number of conclusions, lessons learned and recommendations. The report had concluded that, although co-financing might not prove very effective in addressing the centrifugal chiller sector, it was nevertheless expected that, in future, co-financing would occur for a wide range of activities, including ODS destruction.

49. In the ensuing discussion, the ability to draw any conclusions on the merits of co-financing was questioned, given that the desk study had highlighted a lack of data relating to co-financed projects under way. Furthermore, in previous reports, there had been positive feedback from co-financing of chiller demonstration projects, with the amount of refrigerant replaced under co-financed projects being substantially higher than it would have been with Multilateral Fund support alone. Further comprehensive research was required and any thought of disseminating the conclusions of the report should wait until that had been conducted. Although the need to focus on climate co-benefits when exploring co-financing options was underlined, it was stressed that other kinds of co-financing options should also be explored. One Member, however, said that greater transparency could be ensured if funding came from the Multilateral Fund alone.

50. Concern was expressed regarding the number of chiller facilities remaining in Article 5 countries and their functioning after the end of 2009 when the countries would no longer be able to import CFCs. Sustainable solutions were required. Although in decision 47/26 the Executive Committee had decided that it would approve no more funding for chiller replacement, it was pointed out that chiller conversion projects might be included in HPMPs.

51. The representative of UNIDO said that the data on his agency included in the desk study pertained only to 2007, whereas UNIDO had provided data for 2008. By the end of 2008, UNIDO had disbursed US \$1 million and had obligated US \$670,000, and although no projects had yet been completed, the progress that had been made was far greater than it appeared in the study.

52. Following the discussion, the Executive Committee decided:

- (a) To take note of the desk study on the evaluation of chiller projects as presented in document UNEP/OzL.Pro/ExCom/58/9;
- (b) To urge the bilateral and implementing agencies to accelerate implementation of the current chiller projects with co-funding modalities and to provide a progress report to the 59th Meeting of the Executive Committee, as requested by decision 47/26(f);
- (c) To encourage bilateral and implementing agencies to continue in their efforts to explore the applicability of carbon market instruments and other forms of co-financing, as appropriate, for the replacement of HCFC equipment, particularly chiller equipment; and
- (d) To urge the bilateral and implementing agencies, for any activities related to chiller conversions they might undertake in the context of HCFC phase-out management plans, to complete a thorough analysis of the technical, economic, financial, co-funding and environmental issues associated with the replacement, and to demonstrate the economic viability and long-term sustainability prior to submitting a request for approval.

(Decision 58/7)

(b) Progress reports as at 31 December 2008

(i) Consolidated progress report

53. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/58/10, which summarized progress in implementing activities and projects up to 31 December 2008. He indicated that the main issues common to all agencies related to the slow implementation of IS projects required to meet the 2010 phase-out, projects under the chiller-funding window, along with HPMP preparation and data inconsistencies. Agencies had advised that the delays would not have an impact on compliance owing to the existence of licensing systems. There had been no initial disbursement of funds for several of the

chiller demonstration projects, which had been approved at the 47th Meeting, and those cases had been addressed in the comments on the respective agencies.

54. The representative of the Secretariat also noted that HPMP preparation was expected to be completed over one year late, with most projects expected to be submitted in December 2010. He indicated that key elements of the guidelines did not appear to have been addressed and that the Executive Committee might wish to urge implementing agencies to complete HPMP development taking into account decision 54/39(e), which concerned the need to include HCFC control measures in legislation, regulations and licensing systems as part of the funding of HPMP preparation. Agencies should also take into account paragraph (h) of decision 54/39 with respect to exploring potential financial incentives and opportunities for additional resources to maximize environmental benefits.

55. The final issues raised were related to data inconsistencies and the need for implementing agencies to use the operational guidelines and verification programmes to minimize such errors in the future. Moreover, several issues were noted in the individual progress reports dealing with financial matters, including possible project overruns, use of project preparation funds to support NOU coordination, advances accounted for as disbursements, and offsetting funds for the loss of unaccounted funds. There were also administrative issues with respect to the ability to transfer funds to a country and on the lack of response to the Secretariat's questions, which had been addressed in the individual agency reports.

56. The Executive Committee decided:

- (a) To note:
 - (i) The consolidated progress report of the Multilateral Fund as contained in document UNEP/OzL.Pro/ExCom/58/10;
 - (ii) With concern that HCFC phase-out management plan (HPMP) preparation activities were expected to take longer than originally planned in general and to urge implementing agencies to complete HPMP development, taking into account in particular decision 54/39(e and h); and
- (b) To urge implementing agencies to follow the operational guidelines for progress reporting and use the Secretariat's verification programme to avoid data inconsistencies.

(Decision 58/8)

(ii) Bilateral cooperation

57. The representative of the Secretariat, introducing the progress report on bilateral cooperation as at 31 December 2008 contained in document UNEP/OzL.Pro/ExCom/58/11, said that progress reports had not been received from Israel and Portugal and that the Executive Committee might wish to request that they be submitted to the 59th Meeting. There were also several projects with implementation delays for which there was a recommendation requesting that reports be submitted to the 59th Meeting, as well as projects with slow implementation, for which additional status reports were being requested.

58. He also informed the Committee that the Government of Japan had clarified the cost overruns with respect to its project for the refrigeration servicing sector in China (CPR/REF/31/TAS/359). In the ensuing discussion, the representative of Germany explained that the Government of France considered that cost overruns were not policy but accounting issues and that France would deal with any cost overruns on that basis as it was not the intention of the Government of France to have cost overruns for projects.

59. Following the discussion, the Executive Committee decided:

- (a) To note with appreciation the progress reports submitted by the Governments of Australia, Canada, Finland, France, Germany, Italy, Japan, Spain, Sweden, Switzerland, and the United States of America contained in document UNEP/OzL.Pro/ExCom/58/11;
- (b) To note that since decision 17/22, no overruns had been allowed for Fund-supported activities;
- (c) To request that, in light of decision 17/22, the Governments of France and Japan address the rule of no overruns in their next progress reports to the Executive Committee and adjust their accounting accordingly;
- (d) To request the Governments of Israel and Portugal to provide their progress reports to the 59th Meeting of the Executive Committee;
- (e) To request the Governments of Australia, Canada, Italy, Japan, and Spain to provide reports on the projects with implementation delays contained in Table 1 of Annex V to the present report to the 59th Meeting of the Executive Committee;
- (f) To request additional status reports on the following projects:
 - (i) The Pacific Island Countries (PIC) strategy for Tonga (TON/REF/36/TAS/01), implemented by Australia;
 - (ii) The ODS phase-out plan in Cuba, (CUB/PHA/45/INV/32), implemented by Canada;
 - (iii) The methyl bromide phase-out plan in Mexico (MEX/FUM/42/TAS/122), implemented by Canada;
 - (iv) The CFC phase-out plan in Saint Lucia (STL/PHA/52/INV/12), implemented by Canada;
 - (v) The CFC phase-out plan in Kenya (KEN/PHA/44/INV/37), implemented by France;
 - (vi) The CFC phase-out plan in Seychelles (SEY/PHA/51/INV/12), implemented by France;
 - (vii) The refrigerant management plan (RMP) project in Ethiopia (ETH/REF/44/TAS/14), implemented by France;
 - (viii) The RMP project in the United Republic of Tanzania (URT/REF/46/TAS/18), implemented by France;
 - (ix) The ODS recycling network in Morocco (MOR/REF/23/TAS/17), implemented by France;
 - (x) CFC phase-out plan for the foam, mobile air-conditioning training and Management in the Islamic Republic of Iran (IRA/PHA/51/INV/181 and IRA/PHA/54/INV/186), implemented by Germany;
 - (xi) HCFC phase-out management plan (HPMP) preparation in Mauritius

- (MAR/PHA/55/PRP/20), implemented by Germany;
- (xii) HPMP preparation in India (IND/PHA/56/PRP/426), implemented by Germany;
 - (xiii) The RMP update in Swaziland (SWA/REF/41/TAS/08), implemented by Germany;
 - (xiv) The RMP update for the refrigeration and air conditioning sector in Zambia (ZAM/REF/42/TAS/13), implemented by Germany;
 - (xv) The Eastern and Southern African countries regional halon bank (AFR/HAL/35/TAS/29) with respect to the status of halon decommissioning in Kenya, Ethiopia and the United Republic of Tanzania, implemented by Germany;
 - (xvi) The methyl bromide project in Mexico (MEX/FUM/54/INV/137), implemented by Italy;
 - (xvii) The methyl bromide project in Morocco (MOR/FUM/56/INV/62), implemented by Italy;
 - (xviii) CFC phase-out plan in the Philippines (PHI/PHA/44/TAS/77), implemented by Sweden;
 - (xix) CFC phase-out plan in Serbia (YUG/PHA/43/TAS/22), implemented by Sweden; and
- (g) To request the Chair of the Executive Committee to write to the Government of Vanuatu urging the completion of legislation to enable the training of customs officers in order to facilitate compliance with the Montreal Protocol with respect to the PIC strategy in Vanuatu (VAN/REF/36/TAS/02).

(Decision 58/9)

(iii) UNDP

60. The representative of UNDP introduced the agency's progress report as at 31 December 2008, as contained in document UNEP/OzL.Pro/ExCom/58/12. She said that during the reporting period UNDP had phased out 3,747 ODP tonnes and had disbursed US \$26.98 million and that, as at 31 December 2008, the cumulative disbursement was 88 per cent. As at 31 December 2008, the agency was active in 79 countries, and at the time of the present Meeting was implementing 253 projects. The average size of the projects was small, since the larger ones had already been completed or were close to completion. UNDP was also currently implementing 61 multi-year agreements (MYAs), for which 70 per cent of the approved funding had been disbursed.

61. UNDP was accelerating HPMP preparation activities and, of a total of 39 HPMPs under preparation, most were expected to be submitted during 2010. With respect to the evaluation of chiller projects at the present Meeting, she said that it was important to mention that the development of technical solutions for HCFC chillers based in Article 5 and non-Article 5 countries had to go hand-in-hand, and there was also a need to address HCFC chillers as an integral part of HPMPs.

62. The Executive Committee decided:

- (a) To note:
 - (i) UNDP's progress report contained in document UNEP/OzL.Pro/ExCom/58/12;
 - (ii) That UNDP would report to the 59th Meeting on up to 11 projects with implementation delays contained in Table 1 of Annex V to the present report including five projects that had been classified as such in 2007;
- (b) To request:
 - (i) The submission of additional status reports on the following multi-year agreements to the 59th Meeting:
 - a. Bangladesh: National ODS phase-out plan;
 - b. Peru: Terminal phase-out management plan (TPMP);
 - c. Togo: TPMP;
 - (ii) The submission of additional status reports on the following HCFC phase-out management plan preparation activities to the 59th Meeting:
 - a. Angola (ANG/PHA/55/PRP/08);
 - b. El Salvador (ELS/PHA/55/PRP/23);
 - c. Panama (PAN/PHA/55/PRP/28);
 - (iii) The submission of additional status reports on the following refrigeration management plan projects to the 59th Meeting:
 - a. Barbados (BAR/REF/43/TAS/11&12);
 - b. Maldives (MDV/REF/38/TAS/05);
 - (iv) The submission of an additional status report on the methyl bromide project in Fiji (FIJ/FUM/47/TAS/17) to the 59th Meeting;
 - (v) The submission of additional status reports on the following halon banking projects to the 59th Meeting:
 - a. Chile (CHI/HAL/51/TAS/164);
 - b. Sierra Leone (SIL/HAL/51/TAS/15);
 - (vi) The submission of an additional status report to the 59th Meeting on the metered-dose inhaler project in the Republic of Moldova (MOL/ARS/54/TAS/20) due to lack of activities; and

- (vii) The submission of additional status reports on the following chiller projects to the 59th Meeting:
 - a. Brazil (BRA/REF/47/DEM/275);
 - b. Colombia (COL/REF/47/DEM/65);
 - c. Cuba (CUB/REF/47/DEM/36);
 - d. Latin American region (LAC/REF/47/DEM/36).

(Decision 58/10)

(iv) UNEP

63. The representative of UNEP presented the progress report of the agency as at 31 December 2008 contained in document UNEP/OzL.Pro/ExCom/58/13. He indicated that UNEP's overall disbursement had been 81 per cent. At the end of 2008, out of US \$8.4 million in approved funds for annual tranches of MYAs, it had disbursed US \$4.2 million leaving a balance of US \$4.2 million. It was expected that country agreements with Kuwait, Qatar and Saudi Arabia would be signed and first payments disbursed in July-August 2009. Brunei Darussalam had signed the RMP agreement and had been active in monitoring the implementation of Phase II training for both customs and refrigeration technicians, which was due to be completed in 2009.

64. In decision 57/16, the Executive Committee had decided to defer consideration of the HPMP and the fifth tranche of the national phase-out plan (NPP) to be implemented by UNEP in the Democratic People's Republic of Korea to the 58th Meeting. Accordingly, the representative of UNEP reported that the agency had organized a mission to the country during the first week of June 2009. As the UNDP office would not be fully operational before late 2009, as an interim solution, the World Food Programme (WFP) could provide administrative services to UNEP by facilitating payments for activities under the projects. However, a Memorandum of Understanding needed to be negotiated between UNEP and the WFP, under which UNEP would transfer funds to the WFP Headquarters in Rome. Then, WFP Pyongyang would transfer funds in the local currency to the bank account specified by the NOU. Certification of required outputs and of financial reports would be UNEP's responsibility. UNEP considered the WFP to be the only viable option for making payments to the Government of the Democratic People's Republic of Korea.

65. Members sought clarification from the Secretariat with respect to some recommendations. Although the information had already been shared, the results of the global study on challenges associated with halon banking in developing countries could have been misinterpreted and should be cleared through the Executive Committee and the Secretariat prior to being released. It would be important to have a report on when that study would be available. With respect to the global chiller project, no activities had been undertaken, although it was noted that as the project was to report lessons learned from chiller projects that had not yet been completed, it was understandable that the project had not yet reported findings. Finally, the importance of reporting under the progress reports, including for project preparation, was noted.

66. Following the discussion, the Executive Committee decided:

- (a) To note:
 - (i) UNEP's progress report contained in UNEP/OzL.Pro/ExCom/58/13;
 - (ii) UNEP's report on its mission to the Democratic People's Republic of Korea and

the status of UNEP's ability to transfer funds into the country for project implementation;

- (b) To request additional status reports to be submitted to the 59th Meeting for the individual projects/plans indicated below:

Country	Project title	Code
Barbados	Implementation of RMP: import-export licensing system and establishment of refrigeration and air-conditioning association	BAR/REF/43/TAS/10
Brunei Darussalam	Implementation of the RMP: monitoring of the activities included in the RMP	BRU/REF/44/TAS/09
Grenada	Terminal phase-out management plan (first tranche)	GRN/PHA/49/TAS/09
Grenada	Terminal phase-out management plan (second tranche)	GRN/PHA/55/TAS/12
Guyana	Terminal phase-out management plan for the phase-out of ODS in the refrigeration and air-conditioning sector (first tranche)	GUY/PHA/53/TAS/14
Haiti	Implementation of the refrigerant management plan: training for customs officials	HAI/REF/39/TRA/07
Iran, Islamic Republic of	National CFC phase-out plan: first tranche	IRA/PHA/41/TAS/161
Kuwait	Implementation of the RMP: training programme on good refrigerant management practices and hydrocarbon (HC) refrigerants safe handling	KUW/REF/37/TRA/04
Kuwait	Terminal phase-out management plan for Annex A (Group I) substances (first tranche)	KUW/PHA/52/TAS/10
Republic of Moldova	Terminal CFC phase-out management plan (first tranche)	MOL/PHA/52/TAS/17
Myanmar	Implementation of the RMP: preparation of ozone regulations for control of ODS	MYA/REF/45/TAS/05
Myanmar	Implementation of the RMP: monitoring implementation of the RMP	MYA/REF/45/TAS/06
Panama	National phase-out plan for Annex A (Group I) substances (first tranche)	PAN/PHA/44/TAS/23
Panama	National phase-out plan or Annex A (Group I) substances (third tranche)	PAN/PHA/50/TAS/27
Yemen	Implementation of the RMP: training programme for customs officers	YEM/REF/37/TRA/18

- (c) To note that UNEP had eight projects classified with implementation delays contained in Table 1 of Annex V to the present report, including five projects that had been so classified in 2008, and that a report on those projects would be submitted to the 59th Meeting;
- (d) To request additional status reports to be submitted to the 59th Meeting for the HCFC phase-out management plan preparation activities that had been delayed:

Antigua and Barbuda (ANT/PHA/55/PRP/12)	Bahamas (BHA/PHA/55/PRP/15)
Bahrain (BAH/PHA/55/PRP/19)	Barbados (BAR/PHA/55/PRP/18)
Belize (BZE/PHA/55/PRP/21)	Grenada (GRN/PHA/55/PRP/13)
Guyana (GUY/PHA/55/PRP/16)	Honduras (HON/PHA/55/PRP/25)
Oman (OMA/PHA/55/PRP/17)	Paraguay (PAR/PHA/55/PRP/20)
Saint Kitts and Nevis (STK/PHA/56/PRP/14)	Saint Lucia (STL/PHA/55/PRP/13)
Saint Vincent and the Grenadines (STV/PHA/55/PRP/13)	Sao Tome and Principe (STP/PHA/55/PRP/15)
Sri Lanka (SRL/PHA/55/PRP/34)	Suriname (SUR/PHA/55/PRP/14)

- (e) To request UNEP to submit the global study on challenges associated with halon banking in developing countries (GLO/HAL/52/TAS/281) to the Secretariat and Executive Committee for clearance in advance of its release and to report to the 59th Meeting on the likely date that the study would be put forward to the Executive Committee;
- (f) To request that an additional status report be submitted to the 59th Meeting for UNEP's global chiller project (GLO/REF/48/TAS/275);
- (g) To request that an additional status report be prepared for the global metered-dose inhaler workshops (GLO/ARS/52/TAS/282) and presented at the 59th Meeting, through which UNEP could indicate activities remaining under the project;
- (h) To request additional status reports to be submitted to the 59th Meeting:
 - (i) For the institutional strengthening (IS) projects contained in Tables 2 and 3 in Annex V to the present report;
 - (ii) For addressing the Secretariat questions indicated in document UNEP/OzL.Pro/ExCom/58/13 with respect to the following IS projects: Palau (TTR/SEV/53/INS/05), Guyana (GUY/SEV/48/INS/13), and Iraq (IRQ/SEV/54/INS/01);
- (i) To request the Fund Secretariat to send a letter of possible cancellation for the IS project in Brunei Darussalam (BRU/SEV/43/INS/05), urging the signing of the appropriate documents to support IS in Brunei Darussalam, and that a report on those efforts be submitted to the 59th Meeting;
- (j) To urge the hiring of the National Ozone Officer for the IS project in Barbados (BAR/SEV/46/INS/13) and the signing of the project agreement as soon as possible, and to request that an additional status report on activities be submitted to the 59th Meeting;
- (k) To request that an additional status report be provided to the 59th Meeting on:
 - (i) The IS project in Peru (PER/SEV/37/INS/31) concerning administrative difficulties and their resolution;

- (ii) The use of project preparation funding for NOU coordination in the IS project in Guinea-Bissau (GBS/SEV/50/INS/09);
- (l) To request UNEP to record clearly advances separately from disbursements for activities in progress reports submitted to the Multilateral Fund; and
- (m) To offset unaccounted funds versus any future approval for IS projects in Uganda (UGA/SEV/13/INS/02).

(Decision 58/11)

(v) UNIDO

67. The representative of UNIDO introduced the agency's 2008 progress report as contained in document UNEP/OzL.Pro/ExCom/58/14. He reported that as at the end of 2008 UNIDO's overall rate of disbursement had been 84 per cent. During 2008, US \$29 million had been disbursed for ongoing projects and an additional US \$34 million had been released for new activities and for existing MYAs. During 2008, 12 new multi-year performance-based projects had been approved, and the total number of ongoing performance-based MYAs under UNIDO's implementation was 58. The total funds committed for those agreements by the Executive Committee amounted to US \$168 million.

68. UNIDO was implementing three chiller demonstration projects: in Europe, Africa and West Asia. Substantial progress had been achieved in 2008; most of the chillers had been delivered and installed, while some would be retrofitted during 2009. At the 56th Meeting, in 2008, an MDI phase-out project in China had been approved for implementation by UNIDO. In 2008 it had also continued implementing IS projects in 10 countries. At the end of 2008, UNIDO was preparing 39 HPMPs, the majority of which were at an advanced stage. Pending resolution of policy issues, the agency expected to submit a few HPMPs during 2009, with the majority to be submitted in 2010.

69. The Executive Committee decided:

- (a) To note UNIDO's progress report contained in document UNEP/OzL.Pro/ExCom/58/14;
- (b) To request additional status reports on the following projects to be submitted to the 59th Meeting:
 - (i) Terminal phase-out management plans (TPMPs) in Burundi, Eritrea, Guinea, Honduras, and Niger;
 - (ii) Project preparation in the fumigants sector (methyl bromide) in Serbia (YUG/FUM/45/PRP/26);
 - (iii) HCFC phase-out management plan (HPMP) preparation activities in Bahrain (BAH/PHA/55/PRP/20), Bosnia and Herzegovina (BHE/PHA/55/PRP/23), Qatar (QAT/PHA/55/PRP/11), Saudi Arabia (SAU/PHA/55/PRP/05), Sudan (SUD/PHA/55/PRP/21) and Yemen (YEM/PHA/55/PRP/29);
 - (iv) Institutional strengthening (IS) in Bosnia and Herzegovina (BHE/SEV/43/INS/19);
 - (v) IS in Qatar (QAT/SEV/49/INS/08);
 - (vi) Halon banking project in Bosnia and Herzegovina (BHE/HAL/42/TAS/18);

- (vii) Halon banking project in the Libyan Arab Jamahiriya (LIB/HAL/47/TAS/26);
- (c) To note that UNIDO would report to the 59th Meeting on up to seven projects with implementation delays in 2008 contained in Table 1 of Annex V to the present report, including four projects that had been classified as such in 2007;
- (d) To request the Government of Bosnia and Herzegovina to expedite the signature of the project document to facilitate the disbursement of funds for the IS project (BHE/SEV/43/INS/19); and
- (e) To request the Government of Qatar to expedite the signature of the required agreements and provide all of the associated required documentation to facilitate the disbursement of funds for the IS project (QAT/SEV/49/INS/08).

(Decision 58/12)

(vi) World Bank

70. The representative of the World Bank introduced the agency's 2008 progress report, as contained in document UNEP/OzL.Pro/ExCom/58/15. She noted that only eight individual investment projects remained active and most were in the final stages of implementation. The majority of the remaining work was associated with the 27 MYAs where the Bank served as a lead or cooperating agency. The Executive Committee had released all the funding for 60 per cent of these MYAs.

71. The most recent grant agreement had come into effect in February 2009 for the Antigua and Barbuda CFC NPP, the last CFC NPP under the Bank officially to begin implementation. New work had focused on identifying funding opportunities to help countries to manage and dispose of unwanted ODS safely. The Executive Committee's approval of a related study in 2008 had catalysed interest in the established voluntary markets and methodology development. In 2008, the World Bank had reconstituted its Ozone Operations Resource Group as a result of the Parties' decision on accelerated HCFC phase-out, and the Group's work would begin with a decision-tree for selecting alternatives in the foam sector.

72. The Bank also developed internal studies on programmatic approaches and resource mobilization to give countries greater flexibility in choosing technologies and approaches that generated environmental co-benefits, which would feed into the four HPMPs and two HCFC sector plans being undertaken.

73. The representative of the World Bank reported that the Philippines component of the global chiller replacement project had received the go-ahead from Bank management, the India chiller replacement project had been approved by the Bank's board, and endorsed by the Bank's Chief Executive Officer, and there had been significant progress in the Jordan chiller replacement project.

74. Following a discussion, the Executive Committee decided:

- (a) To note the World Bank's progress report contained in document UNEP/OzL.Pro/ExCom/58/15;
- (b) To request that additional status reports on the following projects be submitted to the 59th Meeting:
 - (i) National CFC phase-out management plan in Antigua and Barbuda (ANT/PHA/44/INV/10);
 - (ii) The chiller component of the national CFC phase-out plan in Argentina (ARG/PHA/47/INV/148);

- (iii) National ODS phase-out plan in Tunisia (TUN/PHA/49/INV/47);
 - (iv) HCFC phase-out management plan preparation activities in China (CPR/PHA/55/PRP/467 and CPR/PHA/55/PRP/468), Ecuador (ECU/PHA/55/PRP/40), Philippines (PHI/PHA/55/PRP/84), Thailand (THA/PHA/55/PRP/151) and Viet Nam (VIE/PHA/55/PRP/50);
 - (v) Argentina methyl bromide demonstration project (ARG/FUM/29/DEM/93);
 - (vi) Global chiller project (GLO/REF/47/DEM/268); and
- (c) To note that the World Bank would report to the 59th Meeting on three projects with implementation delays contained in Table 1 of Annex V to the present report, all of which had been classified as such in 2007.

(Decision 58/13)

(c) Evaluation of the implementation of the 2008 business plans

75. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/58/16, which contained the evaluation of the implementation of the 2008 business plans. He said that implementing agencies' weighted performance was based on the agreed targets in their business plans and an assessment of their progress reports, as well as the assessment of UNEP's performance and the special Compliance Assistance Programme (CAP) activities provided during 2008. The evaluation also included the qualitative assessment of the implementing agencies submitted by the NOUs, which indicated satisfactory or highly satisfactory performance assessments for the bilateral and implementing agencies in the overall assessments of performance in 2008.

76. It was emphasized that the qualitative indicators provided useful information that was not always revealed by the quantitative indicators, but that only 27 countries had provided such assessments. Although that was an improvement on the 20 countries that had provided assessments the previous year, it still represented a low level of response. It was recalled that, by decision 55/11, the Executive Committee had requested UNEP's CAP, through its regional networks, to include an item in the agenda of each of its network meetings addressing the Executive Committee's reporting requirements, including the qualitative performance questionnaire, so as to ensure a better response to the survey in the future.

77. The Executive Committee decided:

- (a) To note:
 - (i) The evaluation of the implementing agencies' performance against their 2008 business plans as contained in document UNEP/OzL.Pro/ExCom/58/16;
 - (ii) The quantitative assessment of the performance of the implementing agencies for 2008 on a scale of 100 as follows: UNDP (76), UNEP (88), UNIDO (95), and the World Bank (72);
 - (iii) That UNEP indicated that it had fully achieved the performance indicators approved in decision 48/7 for its Compliance Assistance Programme (CAP);
 - (iv) That the bilateral and implementing agencies (Canada, France, Germany, UNDP, UNEP, UNIDO and the World Bank) were marked with satisfactory or highly satisfactory performance in the qualitative performance assessments by the National Ozone Units in the overall assessments of performance in 2008; and

- (b) To urge UNEP to continue to include an item in the agenda of each CAP network meeting addressing reporting requirements, as provided in decision 55/11 (b).

(Decision 58/14)

(d) Report on implementation of approved projects with specific reporting requirements

78. Introducing the item, the representative of the Secretariat said that document UNEP/OzL.Pro/ExCom/58/17 contained progress reports on the implementation of the NPP for Lebanon and the verification report of the CFC production phase-out programme for the Bolivarian Republic of Venezuela. It also included a request to review the methyl bromide phase-out targets stipulated in the revised conditions agreed for Morocco. UNIDO had pointed out an error in the calculation of remaining consumption from 2009 onwards, and requested that phase-out targets be reviewed accordingly. The Government of Morocco had committed to achieving the complete phase-out of methyl bromide in 2012 without a request for additional funding.

79. The Executive Committee decided:

- (a) To note document UNEP/OzL.Pro/ExCom/58/17 on the implementation of approved projects with specific reporting requirements;
- (b) With regard to Lebanon:
 - (i) To take note of the progress report on the implementation of the fifth tranche of the national CFC phase-out plan in Lebanon;
 - (ii) To take note of the verification report of the 2008 CFC consumption;
 - (iii) To approve the 2009-2010 annual implementation programme;
- (c) With regard to Morocco:
 - (i) To note that the total methyl bromide phase-out in Morocco would be achieved in 2012 and that no additional funding was being requested for the phase-out of 58.7 ODP tonnes;
 - (ii) To adjust the schedule for the phase-out of methyl bromide consumption in the revised agreed conditions for Morocco as shown in the following table:

Year	ODP tonnes						Total consumption (tonnes)
	Strawberry	Banana and cut flowers	Tomato	Green beans and melon	Other(*)	Total phased out	
2000							767.4
2001	23.4					23.4	744.0
2002	15.6	40.0				55.6	688.4
2003	20.4	21.0	34.1			75.5	612.9
2004	42.2					42.2	570.7
2005	50.0		39.0			89.0	481.7
2006			56.4			56.4	425.3
2007			78.0			78.0	347.3
2008			86.4			86.4	260.9
2009			96.0	20.0		116.0	144.9
2010				30.0	20.0	50.0	94.9
2011				28.2	20.0	48.2	46.7
2012				28.0	18.7	46.7	-
2013				-		-	
Total	151.6	61.0	389.9	106.2	58.7	767.4	

(*) Consumption to be phased out by the Government of Morocco without funding from the Multilateral Fund

- (d) With regard to the Bolivarian Republic of Venezuela:
- (i) To commend the Government of the Bolivarian Republic of Venezuela and the World Bank for the good efforts made to comply with decision 54/15(a) and for successfully implementing the audit for 2008 to confirm the sustained cessation of CFC production at the PRODUVEN plant in Venezuela;
 - (ii) To request:
 - (a) The Government of the Bolivarian Republic of Venezuela and the World Bank to submit the annual plan for 2009 to the Fund Secretariat for inclusion in the report on approved projects with special reporting requirements, to be submitted to the 59th Meeting;
 - (b) The World Bank to urge PRODUVEN to implement the measures it suggested to minimize losses, including a thorough assessment of leaks and an effort to produce the best possible vacuum in emptying vessels and hoses; and
 - (c) The World Bank to continue the verification of the PRODUVEN facility for a report on 2009 activities to be submitted in time for consideration at the second meeting of 2010, to ensure the permanent closure of the CFC production capacity at the plant.

(Decision 58/15)

AGENDA ITEM 7: PROJECT PROPOSALS

(a) Overview of issues identified during project review

80. The Chair introduced document UNEP/OzL.Pro/ExCom/58/18, which provided a statistical analysis of the projects and activities submitted by bilateral and implementing agencies to the

58th Meeting. It also contained the policy issues identified during the project review process; the projects and activities submitted for blanket approval; investment projects for individual consideration; and the activities and projects being proposed that were not required for compliance.

Levels of funding for institutional strengthening projects beyond 2010

81. The representative of the Secretariat recalled that, since the adoption of decision 47/49, the Executive Committee had considered several policy papers on the issue of IS. The Secretariat was highlighting this under the present agenda item because the implementing agencies had submitted a number of requests for the renewal of funding for IS projects beyond 2010 and, as a result, the Secretariat had been unable to recommend those projects for blanket approval.

82. Some Members were of the view that it was necessary to consider the issue of the funding of IS beyond 2010 under agenda item 10 and together with the outstanding issues related to HCFC phase-out. Others were concerned by the link being established between the phase-out of specific chemicals and IS, as IS was relevant in the phase-out of all controlled substances, and should be considered as a comprehensive project. Some Members noted the essential role that IS had played in promoting the overall objectives of the Montreal Protocol, especially with respect to the creation of NOUs, which had ensured that there was someone at the national level dedicated to promoting the Montreal Protocol among ministries. One Member indicated that the level of funding for IS represented only five per cent of the total support being provided and that there was a need to further strengthen such support. It was nevertheless pointed out that such IS was not eligible for consideration as an incremental cost. While many Members agreed that there was no need to change the current system of IS for NOUs, some also thought that it would be important for Article 5 countries to take on funding of the NOUs at some point in the future.

83. Following the discussion, the Executive Committee decided to approve institutional strengthening renewals up to 31 December 2010.

(Decision 58/16)

Confidentiality of HCFC data reported under Article 7

84. The representative of the Secretariat reminded the Executive Committee that, at its First Meeting, the Parties to the Montreal Protocol had decided that the Ozone Secretariat would publish total aggregated data for all Parties by individual controlled substance. He said that whenever the Fund Secretariat had requested disaggregated ODS data, the Ozone Secretariat had provided it, and that those data had been treated as confidential and had never been disclosed in a disaggregated form in any document or other communication. The issue of disclosing disaggregated HCFC data was, however, currently being discussed with the Ozone Secretariat as such data were needed to assess submissions for funding HCFC phase-out, to review the performance of phase-out projects and to undertake other relevant analysis. He said that the Executive Committee might wish to consider the option of using, on an interim basis until the issue was resolved, the data reported under the progress reports on the implementation of country programmes in order to determine the eligibility of individual sectors in Article 5 countries with regard to the phase-out of HCFC consumption.

85. The representative of the Ozone Secretariat said that he had reviewed both the relevant decisions on data reporting and the Ozone Secretariat's past practice with regard to the Executive Committee. According to decision I/11 of the First Meeting of the Parties, any Party that submitted data to the Ozone Secretariat could request that they be treated as confidential. Decision II/9 of the Second Meeting of the Parties also provided that such data on consumption submitted to the Ozone Secretariat in accordance with Article 7 of the Protocol were not confidential. He informed the Executive Committee of the intention of the Ozone Secretariat to advise the Twenty-ninth Meeting of the Open-ended Working Group

that it planned in the future to provide unrestricted access to the disaggregated data needed by the Executive Committee as long as those data were not subject to a claim of confidentiality by the Party that had submitted the data.

86. Noting that the Ozone Secretariat would advise the Twenty-ninth Meeting of the Open-ended Working Group that it would provide disaggregated ODS data reported without a claim of confidentiality by Article 5 Parties under Article 7 of the Protocol, the Executive Committee decided to request the Fund Secretariat to report back to the 59th Meeting of the Executive Committee on any discussions on the issue that might take place at the Twenty-ninth Meeting of the Open-ended Working Group.

(Decision 58/17)

List of projects and activities submitted for blanket approval

87. The Chair drew the Executive Committee's attention to the list of projects and activities recommended for blanket approval presented in Annex I to document UNEP/OzL.Pro/ExCom/58/18.

88. The representative of the World Bank, as lead agency for HPMP preparation in Thailand, informed the Executive Committee that the country had communicated its desire to develop the HPMP in a strategic manner. The Government of Thailand had therefore requested that the HPMP sector plan preparations submitted by relevant implementing agencies to the Executive Committee for approval at the present Meeting be deferred until the results of its economic impact study on HCFC phase-out and its overarching HPMP were available.

89. Following a discussion, the Executive Committee decided:

- (a) In accordance with the request of the Government of Thailand, to defer approval of the following projects originally contained in the list of projects submitted for blanket approval:
 - (i) Preparation of a HCFC phase-out management plan (refrigeration and air-conditioning sectors, except air-to-air conditioning sub-sector) submitted by UNDP;
 - (ii) Preparation for HCFC phase-out investment activities (air-to-air conditioning sector) submitted by UNIDO;
 - (iii) Preparation for HCFC phase-out investment activities (solvent sector) submitted by UNIDO;
 - (iv) Preparation for HCFC phase-out investment activities (extruded polystyrene foam sector) submitted by UNIDO; and
- (b) To approve:
 - (i) The projects and activities submitted for blanket approval at the levels of funding indicated in Annex VI to the present report, together with the conditions or provisos included in the corresponding project evaluation documents and the conditions attached to the projects by the Executive Committee;
 - (ii) The implementation programmes associated with relevant tranches of multi-year projects; and

- (iii) The Agreement between the Government of Haiti and the Executive Committee for the terminal phase-out management plan, contained in Annex VII to the present report, at a total amount in principle of US \$190,000 plus agency support costs of US \$24,700 for UNEP and US \$150,000 plus agency support costs of US \$13,500 for UNDP, and the first tranche for the project at the amount indicated in Annex VI to the present report.

(Decision 58/18)

(b) Draft report on criteria and guidelines for the selection of ODS disposal projects (decision 57/6)

90. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/58/19 on criteria and guidelines for the selection of ODS disposal projects, prepared pursuant to decision 57/6 and taking into account decision XX/7 of the Twentieth Meeting of the Parties and discussions held by the contact group on ODS disposal project selection at the 57th Meeting.

91. In the ensuing discussion there was a difference of opinion regarding whether a decision on the criteria and guidelines should be taken at the present Meeting. Several Members thought that decision XX/7 of the Twentieth Meeting of the Parties was a clear statement of the urgent need to decide on guidelines and that it could not be ignored. Others deemed it better to postpone consideration of the matter until after the Twenty-ninth Meeting of the Open-ended Working Group and the workshop on the management and destruction of ODS banks and implications for climate change, and until after the studies on ODS destruction being conducted by an implementing agency had been completed. The Executive Committee would then be better informed in its decision-making. Those who wanted to press ahead said that only by implementing demonstration projects could meaningful data be generated, collected and analysed; that would be far more useful in informing future decisions.

92. By way of compromise, it was suggested that the draft criteria and guidelines be adopted on a provisional basis at the present Meeting for the purposes of approving destruction demonstration projects and then revisited at a later date when additional and more in-depth information was available. Additional proposals for demonstration projects, including those not discussed at the 57th Meeting as part of the agencies' business plan submissions, could be submitted to the 59th Meeting for consideration on the basis of the present draft criteria and guidelines. In order to address the concerns raised by some Members during the present discussion, those proposals should be in some way different from the ones already approved, for example: in terms of the substance or the sector concerned, in the way they were co-financed, or because they related to other geographical areas, to ensure equitable geographical representation. Total cost could also be examined at that time.

93. Responding to a question on possible procedures for data-collection, monitoring and verification of the ODS being destroyed, the representative of the Secretariat said that the data collection activities used for monitoring of recovery and recycling in a number of RMPs and TPMPs could, with minor amendments, be used for reporting on the provenance of recovered ODS. It was necessary to ensure that the collected ODS had indeed been recovered/recycled and had not been produced illegally with the intent to gain revenue within carbon market schemes.

94. A contact group, convened by the representative of the Dominican Republic, was set up to enable interested Members to consider the matter further. Reporting back, the representative of the Dominican Republic thanked the group for its efforts and the Secretariat for its support. He introduced a draft decision prepared by the group containing a proposal for interim criteria and guidelines for the selection of ODS disposal projects. The group had also made some alterations to document UNEP/OzL.Pro/ExCom/58/19, which had been issued in a revised version (UNEP/OzL.Pro/ExCom/58/19/Rev.1).

95. Following the report of the contact group, the Executive Committee decided:
- (a) To approve the following interim guidelines for the funding of demonstration projects for the disposal of ODS in accordance with paragraph 2 of decision XX/7 of the Meeting of the Parties:
 - (i) For each separate category of activities for ODS disposal, namely collection, transport, storage and destruction, the definitions are as set out in Annex VIII to the present report;
 - (ii) The Multilateral Fund will fund a limited number of demonstration projects under the following conditions:
 - a. No funding would be available for the collection of ODS, except as a contribution to the monitoring of the sources of the ODS for an already existing, separately funded, collection effort for CFCs;
 - b. A limited number of demonstration projects for ODS disposal related to paragraph 2 of decision XX/7, covering aspects not yet covered by other demonstration projects, will be considered only at the 59th Meeting for project preparation funding;
 - c. The funding would be limited to a maximum level of up to US \$13.2/kg of ODS to be destroyed for non-low-volume-consuming countries, on the understanding that this would be based on expectation of high start-up costs for these new activities, and would not constitute a precedent. Should the project not foresee activities related to all of the following areas (transport, storage and destruction), this threshold would be adjusted accordingly;
 - d. For the disposal of halon and for the disposal of carbon tetrachloride (CTC), funding would be provided for a maximum of one demonstration project each, provided the respective projects have an important demonstration value;
 - (iii) Bilateral and implementing agencies are requested to report annually to the first meeting of the Executive Committee on progress and experiences gained in demonstration projects on disposal, commencing in the first year after project approval. These reports should cover the amounts of the different ODS collected or identified, transported, stored and destroyed, as well as financial, managerial and co-funding arrangements, and any other relevant issues;
 - (iv) Bilateral and implementing agencies are requested, when submitting activities for funding that are related to the disposal of ODS, to provide:
 - a. In the case of requests for project preparation funding:
 - i. An indication of the category or categories of activities for the disposal of ODS (collection, transport, storage, destruction), which will be included in the project proposal;
 - ii. An indication whether disposal programmes for chemicals related to other multilateral environmental agreements are presently ongoing in

the country or planned for the near future, and whether synergies would be possible;

- iii. An estimate of the amount of each ODS that is meant to be handled within the project;
 - iv. The basis for the estimate of the amount of ODS; this estimate should be based on known existing stocks already collected, or collection efforts already at a very advanced and well-documented stage of being set up;
 - v. For collection activities, information regarding existing or near-future, credible collection efforts and programmes that are at an advanced stage of being set up and to which activities under this project would relate;
 - vi. For activities that focus at least partially on CTC or halon, an explanation of how this project might have an important demonstration value;
- b. In the case of project submissions:
- i. Updated and more detailed information for all issues mentioned under project preparation funding contained in all sub-paragraphs of (iv) a. mentioned above;
 - ii. A detailed description of the foreseen management and financial set-up; this should include details such as the total cost of the disposal activity including costs not covered by the Multilateral Fund, the sources of funding for covering these costs, description of the sustainability of the underlying business model, and an identification of time-critical elements of the implementation, which subsequently might be used to monitor progress;
 - iii. A clear indication how the project will secure other sources of funding; these other sources of funding should be available, at least partially, before the end of 2011. In case of activities of the collection type, any other sources of funding necessary in line with sub-paragraph (iv) a. iv. above related to collection would need to be secured before the project is submitted to the Executive Committee;
 - iv. A concept for monitoring the origin of recovered ODS for future destruction, with the objective of discouraging the declaration of virgin ODS as used ODS for destruction. This concept should include or at least allow for external verification of the amounts destroyed, and the costs for its operation should be covered sustainably;
 - v. The project proposal should include valid assurances that the amount of ODS mentioned in the proposal will actually be destroyed, and the agencies should submit proof of destruction with the financial closure of the project;

- vi. An exploration of other disposal options for the used ODS such as recycling and reuse opportunities;
- (b) To consider at its 60th Meeting any decision taken by the Parties at their Twenty-first Meeting that might relate to these interim guidelines and definitions;
- (c) To request the Fund Secretariat to provide, to the second Meeting of the Executive Committee in 2011, a report on the experience gained in the implementation of the disposal projects, using reports from bilateral and implementing agencies and other relevant sources of information; and
- (d) To consider whether to review the interim guidelines and related definitions at the 64th Meeting in light of the experience gained and any additional information and guidance available at that time.

(Decision 58/19)

(c) Bilateral cooperation

96. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/58/20, which provided an overview of two requests from the Government of Germany, with a value of US \$192,100, (including agency fees) that had been submitted to the 58th Meeting for possible approval. The two requests were for the preparation of HPMPs in Kenya and Seychelles, which had been approved under agenda item 7(a). She reported that the value of the request (US \$192,100), together with the amount covering Germany's bilateral projects approved at the 57th Meeting (US \$1,748,779), did not exceed 20 per cent of Germany's bilateral contribution for 2009 of US \$2,776,808. She also noted that the Executive Committee had approved Germany's return of a balance of US \$62,862 on completed projects to the 58th Meeting (see decision 58/2) and recommended that this amount be applied to Germany's future bilateral projects.

97. The Executive Committee decided:

- (a) To note the approval of the requests for project preparation for HCFC phase-out management plans for Kenya and Seychelles under agenda item 7(a) "Overview of issues identified during project review"; and
- (b) To request the Treasurer to offset the amount of US \$62,862 (including agency fees) against Germany's bilateral contribution for the previous triennia and the amount of US \$129,238 (including agency fees) against Germany's bilateral contribution for 2009.

(Decision 58/20)

(d) Amendments to work programmes for 2009

(i) UNDP

98. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/58/21 containing the work programme amendments requested by UNDP. The requests for additional project preparation in the HCFC sector for Cuba, Kyrgyzstan, and Mexico had been approved under agenda item 7(a) in the list of projects for blanket approval, while the project preparation in the HCFC investment sector for Thailand had been deferred at the request of the Government of Thailand (decision 58/18(a)(i)). Three activities had been submitted for individual consideration.

Colombia: Renewal of institutional strengthening project (Phase VII)
Malaysia: Renewal of institutional strengthening project (Phase VIII)

99. UNDP had submitted two requests for funding up to two years of the IS renewal projects for Colombia and Malaysia, which the Secretariat presented for individual consideration in light of decision 57/36, and discussions on agenda item 7(a) “Overview of issues identified during project review”.

100. Following the discussion, the Executive Committee decided to approve the requests for renewal of the institutional strengthening projects for Colombia and Malaysia at the corresponding level of funding indicated in Annex VI to the present report for a period up to the end of December 2010 only, taking into account decision 58/16, and to communicate the views expressed in Annex IX to the present report to the Governments of Colombia and Malaysia.

(Decision 58/21)

Global: Resource mobilization to address climate co-benefits in HCFC phase-out

101. UNDP’s work programme amendment included one request for technical assistance for mobilizing resources to maximize climate benefits of HCFC phase-out. The request had first been submitted to the 57th Meeting, at which the Executive Committee had discussed a facility for additional income from loans and other sources, and had requested the Secretariat to provide further analysis of a facility for consideration at the 58th Meeting. The representative of the Secretariat noted that the project proposal had been resubmitted in anticipation of a decision on the special funding facility for additional income from loans and other sources (see agenda item 11).

102. Following the discussion, the Executive Committee decided to defer consideration of the request for technical assistance for mobilizing resources to maximize climate benefits of HCFC phase-out to a future meeting.

(Decision 58/22)

(ii) UNEP

103. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/58/22, which contained proposed amendments to UNEP’s work programme for 2009. She indicated that the additional funding for HPMP preparation for Djibouti and Mozambique and the TPMPs for Côte d’Ivoire, Haiti, Maldives, Niger, Paraguay and the United Republic of Tanzania had already been approved under agenda item 7(a). In addition, 10 requests had been made for the renewal of IS projects, one request for additional project preparation funding for HPMP preparation in the Democratic People’s Republic of Korea, and a request for a NPP in Iraq, which would be discussed separately under agenda item 7(e) “Investment projects”. Eleven projects were to be considered individually under the present agenda item.

Federated States of Micronesia: Renewal of institutional strengthening project (Phase II, year 2)

104. The Executive Committee considered the request for funding of phase II, year 2 of the IS project for the Federated States of Micronesia, which was presented for individual consideration because no country programme data for 2008 had been received to date. The Secretariat noted, however, that the country had submitted 2007 data.

105. The Executive Committee decided to approve the request for phase II, year 2 of the institutional strengthening project for the Federated States of Micronesia, at the corresponding level of funding indicated in Annex VI to the present report, on the condition that country programme data for 2008 were

submitted to the 59th Meeting, and to communicate the views expressed in Annex IX to the present report to the Government of the Federated States of Micronesia.

(Decision 58/23)

Afghanistan: Renewal of institutional strengthening project (Phase IV)

Bhutan: Renewal of institutional strengthening project (Phase III)

Cambodia: Renewal of institutional strengthening project (Phase V)

Democratic Republic of the Congo: Renewal of institutional strengthening project (Phase V)

Kenya: Renewal of institutional strengthening project (Phase VII)

Myanmar: Renewal of institutional strengthening project (Phase II)

Saint Vincent and the Grenadines: Renewal of institutional strengthening project (Phase IV)

Samoa: Renewal of institutional strengthening project (Phase V)

Sudan: Renewal of institutional strengthening project (Phase V)

106. The Executive Committee considered the requests for renewal of IS projects for nine countries in light of decision 57/36, and discussions on agenda item 7(a), "Overview of issues identified during project review". With respect to the renewal of the IS project (Phase II) in Myanmar, the representative of the Secretariat reported that the country had not yet submitted a country programme report for 2008. After discussion of this agenda item, however, the Secretariat received information from UNEP containing Myanmar's 2008 country programme data.

107. Following the discussion, the Executive Committee decided to approve the requests for renewal of the institutional strengthening projects for Afghanistan, Bhutan, Cambodia, the Democratic Republic of the Congo, Kenya, Myanmar, Saint Vincent and the Grenadines, Samoa and Sudan at the corresponding level of funding indicated in Annex VI to the present report for a period up to the end of December 2010 only, taking into account decision 58/16, and to communicate the views expressed in Annex IX to the present report to the recipient Governments.

(Decision 58/24)

Democratic People's Republic of Korea: HCFC phase-out management plan preparation

108. The Executive Committee considered the request for additional project preparation for an HPMP for the Democratic People's Republic of Korea in light of decision 57/16(a), whereby UNEP was requested to confirm the means for disbursing the funds in the country. The representative of UNEP indicated that the request was for a new project and that the explanation provided in UNEP's progress report applied. Based on UNEP's recent mission to the country, and given that the UNDP office was not expected to be operational until the end of 2009, UNEP had indicated the possibility of disbursing funds through the WFP. However, the representative of UNEP indicated that discussions with the WFP were ongoing. Several Members noted that it was important to gather more information on the potential administrative arrangements, as well as the costs that might be associated with working with the WFP on the issue. UNEP was requested to continue to pursuing this approach and re-submit the project to the 61st Meeting of the Executive Committee.

109. Following the discussion, the Executive Committee decided to defer the request for additional HPMP preparation funding for the Democratic People's Republic of Korea, pending further information from UNEP on the administrative arrangements associated with transferring financial resources to the Government of the Democratic People's Republic of Korea, and to request that the project be resubmitted to the 61st Meeting of the Executive Committee.

(Decision 58/25)

(iii) UNIDO

110. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/58/23 containing the work programme amendments requested by UNIDO. Nine activities recommended for blanket approval had been approved under agenda item 7(a), while the funds requested for HPMP preparation for Thailand had been deferred at the request of the Government (decision 58/18(a)(ii), (iii) and (iv)). Three requests for IS renewals and one activity for resource mobilization were marked for individual consideration.

Mexico: Renewal of institutional strengthening project (Phase IX)

Syrian Arab Republic: Renewal of institutional strengthening project (Phase IV)

Turkey: Renewal of institutional strengthening project (Phase IV)

111. The Executive Committee considered the requests for IS renewal projects for Mexico, the Syrian Arab Republic and Turkey in light of decision 57/36, and discussions under agenda item 7 (a), “Overview of issues identified during project review”.

112. Following the discussion, the Executive Committee decided to approve the requests for renewal of the institutional strengthening projects for Mexico, the Syrian Arab Republic and Turkey at the corresponding level of funding indicated in Annex VI to the present report, for a period up to the end of 2010 only, taking into account decision 58/16, and to communicate the views expressed in Annex IX to the present report to the recipient Governments.

(Decision 58/26)

Global: Resource mobilization to address climate co-benefits in HCFC phase-out

113. The Executive Committee considered the request for technical assistance for mobilizing resources to maximize climate benefits of HCFC phase-out in light of its discussion on a special funding facility for additional income from loans and other sources.

114. Following the discussion, the Executive Committee decided to defer consideration of the request for technical assistance for mobilizing resources to maximize climate benefits of HCFC phase-out to a future Meeting.

(Decision 58/27)

(iv) World Bank

115. The representative of the Secretariat introduced the World Bank’s amendments to its work programme for 2008 (document UNEP/OzL.Pro/ExCom/58/24). One activity recommended for blanket approval had been approved under agenda item 7(a) “Overview of issues identified during project review” and three activities were marked for individual consideration.

Jordan: Renewal of institutional strengthening project (Phase VIII)

Thailand: Renewal of institutional strengthening project (Phase VI)

116. The Executive Committee considered the requests for IS renewal projects for Jordan and Thailand in light of decision 57/36, and discussions under agenda item 7 (a), “Overview of issues identified during project review”.

117. Following the discussion, the Executive Committee decided to approve the requests for renewal of the institutional strengthening projects for Jordan and Thailand at the corresponding level of funding

indicated in Annex VI to the present report, for a period up to the end of 2010 only, taking into account decision 58/16, and to communicate the views expressed in Annex IX to the present report to the recipient Governments.

(Decision 58/28)

Global: Resource mobilization to address climate co-benefits in HCFC phase-out

118. The Executive Committee considered the request for technical assistance for mobilizing resources to maximize climate benefits of HCFC phase-out in light of its discussion on a special funding facility for additional income from loans and other sources.

119. Following the discussion, the Executive Committee decided to defer consideration of the request for technical assistance for mobilizing resources to maximise climate benefits of HCFC phase-out to a future Meeting.

(Decision 58/29)

(e) Investment projects

Foam sector

Brazil: Pilot project to validate methylal as blowing agent in the manufacture of polyurethane foams (phase I) (UNDP)

120. Introducing document UNEP/OzL.Pro/ExCom/58/27, the representative of the Secretariat said that the project proposed to develop, optimize and validate the use of methylal in polyurethane foam applications. One of the issues discussed during project review related to the laboratory equipment required for validation of the technology. In that connection, the representative of the Secretariat stated that it had not been feasible to implement the suggestion made to use the same equipment purchased for the validation of methyl formate in Brazil approved at the 56th Meeting for the purposes of this validation. UNDP had indicated that the laboratory equipment would be used intensively during the two phases of the project, after which it would no longer be needed. Also, the systems house involved in the project was willing to donate the equipment to a not-for-profit research facility to support testing that might be required during the HCFC phase-out, and would provide all necessary training to the facility's staff. That would also be the case for the laboratory equipment used in the demonstration project for methyl formate approved at the 56th Meeting of the Executive Committee.

121. During the discussion, one Member asked whether there might be a risk of supporting a monopoly in Brazil as there was only one company that manufactured methylal there. The representative of UNDP clarified that the issue had been raised during discussions with the Secretariat, and stated that methylal was freely available on the market. Another Member enquired whether the two foam dispensers used in the validation project could be passed on to downstream foam manufacturers following project completion. It was pointed out that the foam dispensers were included in the laboratory equipment to be donated to the research facility.

122. Following the discussion, the Executive Committee decided to approve the pilot project for validation of methylal as a blowing agent in the manufacture of polyurethane foam (phase I) in Brazil at a cost of US \$464,200, plus agency support costs of US \$34,815 for UNDP, on the understanding that the laboratory equipment required for the validation of the technology would be donated to a not-for-profit research facility once phases I and II of the demonstration project had been completed.

(Decision 58/30)

Egypt: Validation/Demonstration of low-cost options for the use of hydrocarbons as foaming agent in the manufacture of PU foams (UNDP)

123. Introducing document UNEP/OzL.Pro/ExCom/58/33, the representative of the Secretariat said that the project included the development, optimization and validation of premixed hydrocarbon systems that could be used directly by foam manufacturers; the development of a three-component foam dispenser capable of directly injecting hydrocarbons; the demonstration and optimization of the pre-blended system and the three-component foam dispenser at a foam manufacturer; and the dissemination of results. During the project review process, issues related to the development of the hydrocarbon-based polyol system, and to technology transfer and information dissemination had been raised. As the systems houses in Egypt were owned by multinational corporations and therefore not eligible for funding, UNDP, in full agreement with the Government, had decided to develop the hydrocarbon-based systems through a competitive bidding process for qualified suppliers without the involvement of any systems houses. Considering the importance of the dissemination of the results of the demonstration project to a large number of stakeholders in the country and in other Article 5 countries, dissemination activities in the project had been expanded.

124. During the ensuing discussion, one Member requested clarification as to how the validation component of the project applied to small and medium-sized enterprises in Egypt, considering that hydrocarbon technology was not particularly new. The representative of UNDP explained that safety concerns and regulatory provisions linked to handling hydrocarbons on site constituted a barrier to the adoption of that technology by small and medium-sized enterprises. In this case, the demonstration project dealt with delivering fully formulated hydrocarbon premixed polyols, thus eliminating storage and handling concerns, and making the technology more cost-effective for small and medium-sized enterprises.

125. Following the discussion, the Executive Committee decided to approve the validation/demonstration of low-cost options for the use of hydrocarbons as a foaming agent in the manufacture of polyurethane foams in Egypt at a cost of US \$473,000, plus agency support costs of US \$35,475 for UNDP.

(Decision 58/31)

Phase-out plan

Iraq: National phase-out plan (first tranche) (UNEP/UNIDO)

126. Introducing document UNEP/OzL.Pro/ExCom/58/36, the representative of the Secretariat reminded the Executive Committee that Iraq had become a Party to the Montreal Protocol only in June 2008, and would have to phase-out completely consumption of CFCs, halons, CTC and methyl chloroform (TCA) solely through the implementation of the phase-out plan. The plan would help the Government of Iraq to phase out completely CFC consumption used in the manufacture of rigid polyurethane foam products and commercial refrigerators through two investment project components; implement a phase-out plan addressing CFC consumption in the refrigeration servicing sector; phase out halon consumption through a technical assistance programme; and phase out CTC, CFC-113 and TCA used as solvents through a technical assistance programme. The phase-out of methyl bromide would be achieved through a project that would be submitted to a future meeting. The total cost of the phase-out plan as submitted was almost US \$10.5 million. Following resolution of policy issues identified during the project review process, the phase-out schedule under the NPP had been revised to include zero consumption of ODS by 1 January 2010, excluding HCFCs and methyl bromide.

127. Following the presentation, one Member sought clarification with regard to the investment project component of the NPP to convert CFC-12 to HFC-134a technology in the commercial

refrigeration manufacturing sector. In his view, the justification provided for the use of HFC-134a, namely the level of refrigerant needed, did not suffice as the refrigerant charge would, in fact, be reduced if hydrocarbon technology were used instead. The importance of refraining from choosing HFC-134a when a viable technological alternative existed was also mentioned.

128. The representative of UNIDO explained that the real problem with using hydrocarbon technology in the particular situation of the enterprises in Iraq was linked to safety concerns. The cost of converting to hydrocarbon technology would become prohibitive for smaller companies participating in the project, as they would have to relocate outside densely populated areas. All alternatives had been discussed extensively with stakeholders, and HFC-134a was found to be the best solution given the circumstances.

129. An informal group of interested Members met to discuss the issue further, and reported back to the Executive Committee on their discussion. A number of points had been raised, including Iraq's legal provisions regarding the presence of explosive and flammable gases in populated areas. It was suggested that it be verified whether all companies involved in the project were, in fact, located in densely populated areas.

130. A number of Members commended the efforts of both Iraq and the implementing agencies in moving quickly to propose phase-out activities, not to mention dealing with the difficult circumstances prevailing in the country. They also applauded Iraq's commitment to complying with its Montreal Protocol obligations in its exceptional situation. An Article 5 country's choice of technology for conversion was a sovereign decision that should not be second-guessed by the Executive Committee. A number of Members stressed that it was important not to delay the implementation of phase-out activities in Iraq, given the existing time constraints.

131. Following further consultations with stakeholders in Iraq, the representative of UNIDO said that in principle, Iraq did not object to using hydrocarbon as the replacing refrigerant, subject to ensuring that: the technology was technically feasible in terms of the availability of components and raw materials for such products; the final product price was comparable to HFC-134a products; safety considerations were fulfilled within the project, covering both manufacturing and servicing aspects; the performance of hydrocarbon-based products was similar to that of HFC-134a products, keeping in mind that the temperature in Baghdad could easily reach 50 degrees Celsius in the summertime; and information was provided on similar experience with projects funded by the Multilateral Fund for shifting commercial refrigeration to hydrocarbon technology. The representative of UNIDO went on to explain that stakeholders in Iraq were also concerned about increasing the use of hydrocarbon refrigerants contained in pressurized cylinders with larger charges, which could be misused in hostile circumstances and have a negative impact on the security situation. Technically speaking, the use of hydrocarbon technology could be implemented for small-sized products with charges of less than 400 g, subject to carefully studying other components in the circuit, which would have to be explosion spark-proof, with associated costs. Hydrocarbon technology was not considered applicable for technical and safety reasons in large-sized products with a charge of over 1 kg. Finally, the representative of UNIDO thanked the national team in Baghdad.

132. One Member expressed thanks to UNIDO for all of the efforts made to clarify the issue, and reiterated that there had never been any intent to delay projects for Iraq. The intent had rather been to improve the project document. Given the constructive discussions that had taken place, and the information provided, it could be said that all options were being explored in an attempt to find low GWP alternatives wherever possible.

133. Following the discussion, the Executive Committee decided:

- (a) To note with appreciation the commitment by the Government of Iraq completely to phase out consumption of CFCs, halons, methyl chloroform and carbon tetrachloride by 1 January 2010;
- (b) Further to note with appreciation the assistance and guidance provided to the Government of Iraq by UNEP and UNIDO, which had led to the ratification of the Vienna Convention and the Montreal Protocol and all the amendments thereto, the establishment of an ODS licensing system, and the preparation and submission of the national phase-out plan (NPP) for Iraq,
- (c) To approve, in principle, the NPP for Iraq, at the amount of US \$6,297,530, plus agency support costs of US \$213,330 for UNEP, and agency support costs of US \$349,240 for UNIDO;
- (d) To approve the draft agreement between the Government of Iraq and the Executive Committee for the implementation of the NPP as contained in Annex X to the present report;
- (e) To approve the 2009 annual implementation programme (first tranche);
- (f) To urge UNEP and UNIDO to take full account of the requirements of decisions 41/100 and 49/6 of the Executive Committee during the implementation of the NPP; and
- (g) To approve the first tranche of the 2009 annual plan at the total cost of US \$1,136,000, plus agency support costs of US \$147,680 for UNEP and US \$4,353,530 plus agency support costs of US \$326,515 for UNIDO; and
- (h) To request the implementing agencies to continue the discussion with the National Ozone Unit and the enterprises in Iraq on the choice of technology for those sectors that might be able to select a low global-warming-potential alternative, considering the flexibility inherent in the Agreement.

(Decision 58/32)

Democratic People's Republic of Korea: National phase-out plan (fifth tranche) (UNEP/UNIDO)

134. In his presentation of the request for the fifth tranche of funding for the NPP for the Democratic People's Republic of Korea (UNEP/OzL.Pro/ExCom/58/37), the representative of the Secretariat said that, as the discussions between UNEP and the WFP for the transfer of funding to the Democratic People's Republic of Korea had not yet been concluded, as described in paragraph 64, the request for funding could not be recommended for approval at the present Meeting.

135. The Executive Committee decided to defer approval of the request for the fifth tranche for the national phase-out plan for the Democratic People's Republic of Korea, pending further information from UNEP on the administrative arrangements and costs associated with transferring financial resources to the Government of the Democratic People's Republic of Korea, and to request that the project be resubmitted to the 61st Meeting of the Executive Committee.

(Decision 58/33)

Production sector

India: CFC production sector gradual phase-out: 2009 annual implementation programme (World Bank)

136. Introducing document UNEP/OzL.Pro/ExCom/58/35, the representative of the Secretariat said that the World Bank had submitted, on behalf of the Government of India, the final request for the release of funding for the CFC production closure project, together with the 2009 work programme, the progress report on 2008 activities and a verification report. However, while the total level of production of CFCs had been consistent with the accelerated CFC production phase-out plan, the representative of the Secretariat said that the associated request for funding for accelerated production phase-out had been withdrawn pending receipt of Article 7 data and that the results of the import audit had not been submitted.

137. The Executive Committee decided to defer the request for the final tranche of the India production closure project pending the submission of Article 7 data for 2008, and the audit report associated with the accelerated production sector agreement.

(Decision 58/34)

India: CTC phase-out plan for the consumption and production sectors: 2009 annual programme (World Bank)

138. The representative of the Secretariat introduced documents UNEP/OzL.Pro/ExCom/58/35 and Add.1, and said that the Secretariat had reviewed both the report of the 2008 annual programme and the plan for 2009 and had found the progress to be fully acceptable. It had also reviewed the verification report for 2008. While the verifiers had concluded that India had met its 2008 targets for production and consumption of CTC, the Secretariat disagreed, based on the figures in the verification report. India had produced a certain quantity of CTC for use as feedstock, but not all of that CTC had been used during 2008. The remaining amount was 1,169 ODP tonnes above the maximum allowable consumption under the Agreement.

139. In response to a request for clarification as to whether India had submitted its Article 7 data or its country programme data for 2008, the representative of the Secretariat confirmed that, as at the present Meeting, no such information had been received, although Article 7 data were not due until September 2009.

140. The representative of the World Bank explained that India had taken a proactive approach to address the issue of the use of CTC for feedstock and had restricted the import of CTC for feedstock to ensure that the 1,169 ODP tonnes were used for that purpose. He said that the CTC in question represented less than 10 per cent of India's domestic feedstock use.

141. In the ensuing discussion, there was general agreement to defer disbursement of the funding approved until the use of the 1,169 ODP tonnes of CTC as feedstock had been verified and the verification accepted as sufficient by the Secretariat.

142. The Executive Committee decided:

- (a) To take note of the verification of the seventh tranche of the carbon tetrachloride (CTC) phase-out plan for the consumption and production sectors, and the resulting consumption figure for CTC of 1,437 ODP tonnes;

- (b) To note that the World Bank had informed the Secretariat that India intended to use the full difference between allowed consumption and actual consumption (1,169 ODP tonnes), as feedstock use for future years;
- (c) To approve the funding of US \$3,211,874 and US \$240,891 as support costs for the World Bank for the implementation of the 2009 work programme (eighth tranche) for the CTC phase-out plan for the consumption and production sectors:
- (d) To request the World Bank not to commence disbursement of the funding approved by this decision until verification had been submitted to the Secretariat that the excess amount of 1,169 ODP tonnes as per paragraph (b) above had been used as feedstock, and until that verification had been found sufficient by the Secretariat;
- (e) To request the World Bank to continue the verification of the CTC phase-out plan for the consumption and production sectors in India, using the established format, until verification of the 2010 production and consumption had been submitted, and to provide, as part of this undertaking, verification that the amount of 1,169 ODP tonnes from the 2007 production for feedstock use had been used for that purpose; and
- (f) To request the Secretariat to inform the Executive Committee at its 59th Meeting of the progress achieved.

(Decision 58/35)

AGENDA ITEM 8: COUNTRY PROGRAMMES

143. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/58/45, containing the country programme for Iraq, submitted by UNEP and UNIDO on behalf of the Government of Iraq. He indicated that, in the context of the NPP already considered by the Executive Committee under agenda item 7, several issues had been addressed related to the country's current status of compliance with the Montreal Protocol, including ODS legislation and licensing systems, levels of ODS consumption, a request for essential use nominations for CFCs in 2010 and 2011, and specific technical and cost issues associated with phase-out activities.

144. The Executive Committee decided:

- (a) To approve the Iraq country programme, noting that approval of the country programme did not denote approval of the projects identified therein or their funding levels. Approval of the Iraq country programme should be without prejudice to the operation of the Montreal Protocol's mechanism for addressing non-compliance; and
- (b) To request the Government of Iraq to present information annually to the Executive Committee on progress being made in the implementation of the country programme, in accordance with the decision of the Executive Committee on implementation of country programmes (UNEP/OzL.Pro/ExCom/10/40, para. 135). Using the approved format, the initial report covering the period 1 January 2009 to 31 December 2009 should be submitted to the Fund Secretariat no later than 1 May 2010.

(Decision 58/36)

AGENDA ITEM 9: COST CONSIDERATIONS SURROUNDING THE FINANCING OF HCFC PHASE-OUT

(a) Prioritization of HCFC phase-out technologies to minimize other impacts on the environment (decision 57/33)

145. In decision 55/43(h) the Executive Committee requested the Secretariat to continue developing the basis for an indicator for prioritizing HCFC phase-out technologies to minimize other impacts on the environment, including on the climate, as originally envisaged in decision XIX/6 of the Nineteenth Meeting of the Parties. In decision 57/33 the Executive Committee requested the Secretariat, *inter alia*, to prepare a document that contained four concrete examples of the application of the methodology to assist in its further consideration of the issue.

146. The representative of the Secretariat reported that considerable progress had been made in developing such tools. In particular, in addition to the work already undertaken for foams, a model for the refrigeration and air conditioning sector had been developed and was in the process of being refined further. The model, which employed several input variables, calculated the energy consumption and the emission profile of appliances with respect to a number of refrigerants and compared them with the values for HCFC-22.

147. Nevertheless, the representative of the Secretariat indicated that progress to date with respect to validation and calculation of the results was insufficient to enable it to present a document to the Executive Committee at its 58th Meeting, and so had decided not to issue the related document. He reported that a full analysis of the tools for determining an indicator for the climate impact of projects funded by the Multilateral Fund would be presented to the Executive Committee at the 59th Meeting. In the meantime, the models would be shared in a timely manner with the implementing agencies to ensure that their feedback could be taken into account when preparing the Secretariat's document prior to the 59th Meeting.

148. The Executive Committee took note of the information provided by the Secretariat.

(b) Analysis of new approaches on second-stage conversions, determination of cut-off date and other outstanding HCFC policy issues (decision 57/34)

149. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/58/47, which was prepared in response to decision 57/34. It presented an analysis of the outstanding issues on HCFC phase-out that the Executive Committee would need to address, including, among other things, the cut-off date, second-stage conversion and eligible incremental costs for HCFCs.

150. In presenting the issue related to the cut-off date for HCFC phase-out projects, the representative of the Secretariat stated that the proposed cut-off dates of 2003, 2005 and 2007 appeared to have the widest support, with 2007 as the date that appeared to be more consistent with the underlying principle of technological advances in decision 17/7 of the Meeting of the Parties. The issues of second-stage conversion and the calculation of incremental costs had been discussed at the 57th Meeting in the context of an informal meeting called by the Chair. At that meeting, one member proposed two modalities for providing Fund assistance for second-stage conversion projects. Another member proposed to calculate incremental costs for HCFC phase-out by shifting IOC from direct payment to beneficiary manufacturing plants to payment to Article 5 Governments. Comments made by Members at the informal meeting, and received by the Secretariat in the interim, had been incorporated into the analysis document.

151. After further analysis of the uncertainties associated with the calculation of operating costs, the Secretariat had attempted to formulate alternative methodologies to determine those costs, to be used in HCFC phase-out projects in the foam and refrigeration manufacturing sectors during the first

implementation stage of HPMPs. A methodology for establishing funding levels for HCFC phase-out in the servicing sector, based on the main components of TPMPs and NPPs, was also being proposed. The methodologies were summarized in the document, and the implementing agencies had been consulted on the technical soundness of the methodologies proposed.

152. The issues of cost-effectiveness thresholds, technological upgrades and conversion before the end of the equipment's useful life, as well as the applicability of the LVC country category with regard to HCFCs were also examined by the Secretariat in the document, which presented the relevant decisions on those issues and their applicability to HCFC phase-out.

153. The final issue presented by the representative of the Secretariat was the starting point for aggregate reductions in HCFC consumption, as explained in the analysis document. Uncertainty regarding the establishment of starting points in the absence of established HCFC baselines left a number of questions unanswered for Article 5 countries trying to prepare their HPMPs. Those questions included whether, for Article 5 countries that submitted projects in advance of completion of their HPMP, the starting points should be established at the first submission of the project or when the HPMP was being submitted. Furthermore it remained to be determined whether Article 5 countries, in calculating starting points, would be able to choose between the most recent HCFC consumption reported under Article 7 at the time of the submission of their HPMP and the average of consumption forecast for 2009 and 2010, excluding HCFC consumption from enterprises considered not be eligible for funding. Finally, a decision was needed on whether the agreed starting points would be adjusted downward in cases where calculated HCFC baselines based on reported Article 7 data were lower than established starting points for aggregate reductions.

154. Before concluding his presentation, the representative of the Secretariat provided some clarification regarding the recommendations in the analysis paper. He explained that the proposed principles for calculating incremental costs would apply only to the first stage of the implementation of HPMPs to meet the 2013 and 2015 compliance targets. Seeing as the methodology for calculating incremental operating costs in the foam sector had been based on actual capital and operating costs that had been approved, there was no need to specify a transitional period for applying the costs. Finally, the proposed level of funding for the servicing sector was based on the level of HCFC consumption in the servicing sector at the country level, and did not imply that ten times the level of funding would be required to achieve the complete phase-out of HCFCs.

155. Following the presentation, Members requested clarification on certain points. In response to a question regarding the proposed alternate methodologies for calculating incremental costs in the foam and refrigeration sectors, the representative of the Secretariat explained the process and rationale behind the proposed figures for calculating the incremental operating costs for HCFC phase-out in those two sectors. One member also pointed out that the analysis paper advocated using the current cost-effectiveness threshold values as guidelines during the implementation of the first stage of the HPMPs. It was therefore considered appropriate to propose a recommendation to that effect.

156. Following the requests for clarification, Members took the floor to stress the urgent need to resolve outstanding policy issues linked to HCFC phase-out. Doing so would help reduce the burden of Article 5 countries attempting to propose HPMP activities, and would speed up the HPMP proposal process. One member also reiterated the need to consider all remaining issues as well as funding for IS beyond 2010 as a package.

157. Following the discussion, the Chair convened a contact group, to be composed of Executive Committee Members only, for the purpose of discussing and resolving outstanding issues. The contact group reported back to the Executive Committee on its deliberations. Following that report, the Chair informed Members that a working document reflecting the conclusions of the contact group would be posted on the intranet. The contact group would be reconvened to continue its deliberations, in the hopes

of coming to an agreement on all outstanding issues, immediately preceding the 59th Meeting of the Executive Committee, at a date to be decided.

AGENDA ITEM 10: INSTITUTIONAL STRENGTHENING: OPTIONS FOR FUNDING AFTER 2010

158. The representative of the Secretariat recalled that, at its 57th Meeting, the Executive Committee had briefly considered the policy for funding options for IS projects beyond 2010 in the context of the outstanding policy issues related to HCFC phase-out (document UNEP/OzL.Pro/ExCom/57/63). As there had been no conclusion, the only guidance available at present was decision 57/36 in which the Committee had agreed to continue to fund renewal requests at current levels up to December 2010. The issue was therefore deemed important enough to be considered separately from the remaining issues related to HCFC phase-out, which had been discussed under agenda item 9(b), “Analysis of new approaches on second-stage conversions, determination of cut-off date and other outstanding HCFC policy issues (decision 57/34)”. Document UNEP/OzL.Pro/ExCom/58/48 included the paper submitted to the 57th Meeting for the Executive Committee to consider, taking into account the issues outlined by the Secretariat in paragraph 5 of the document and the comments made by an Executive Committee Member on the matter as contained in Annex I Part B to document UNEP/OzL.Pro/ExCom/58/47.

159. One Member, recalling the discussions on the same issue under agenda item 7(a) “Overview of issues identified during project review”, reiterated the importance of IS projects for Article 5 countries. Another Member remarked that document UNEP/OzL.Pro/ExCom/58/48 highlighted important elements pertaining to IS other than funding allocation, and urged further discussion on those points.

160. Given that some Members wanted to discuss IS as part of a larger package on HCFC policy, the Executive Committee agreed to refer consideration of IS to the contact group convened under agenda item 9(b), “Analysis of new approaches on second-stage conversions, determination of cut-off date and other outstanding HCFC policy issues (decision 57/34)”. The contact group was nevertheless asked to examine funding options for IS projects beyond 2010 as a separate topic.

161. The contact group reported back to the Executive Committee on its deliberations. Following that report, the Chair informed Members that a working document reflecting the conclusions of the contact group would be posted on the intranet. The contact group would be reconvened to continue its deliberations, in the hopes of coming to an agreement on all outstanding issues, immediately preceding the 59th Meeting of the Executive Committee, at a date to be decided.

AGENDA ITEM 11: SPECIAL FUNDING FACILITY FOR ADDITIONAL INCOME FROM LOANS AND OTHER SOURCES (DECISIONS 55/2 AND 57/37)

162. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/58/49, which aimed to facilitate the Executive Committee’s continued consideration of possible uses of a special facility to house additional income and loans. The document included a discussion of possible legal, structural and administrative issues related to such a facility. He indicated that, while ultimately all legal issues would be determined by the Parties themselves, it appeared that the Multilateral Fund would not be precluded from funding other activities from additional income as long as those activities were related to ODS phase-out or considered to be agreed incremental costs. Although the paper suggested that funds might be raised from interested donors for pilot projects to further capitalize the facility, it also concluded that additional study by the Treasurer was needed and input from an external carbon market specialist would be useful to address those issues related to carbon credits, which might be put forward for further consideration by the Executive Committee.

163. Several Members expressed support for exploring opportunities for co-financing or other arrangements to maximize benefits for the climate and the environment. One Member supported the pilot

initiative for a limited trial period to create a special facility to leverage environment and energy-related financing, which would be open for cooperation and would create synergies between ozone and climate change with other institutions. Another Member suggested that modalities for co-financing with the GEF should be explored and that the issue should be placed on the agenda of the 59th Meeting of the Executive Committee. The Secretariat could prepare a paper, in consultation with the GEF Secretariat, to examine opportunities for co-financing, with particular emphasis on available funding resources and modalities for bringing projects forward for consideration.

164. It was generally agreed that issues related to establishing a facility should be taken up by the Meeting of the Parties because of the associated high-level policy and legal issues. It was suggested that the Report of the Executive Committee to the Meeting of the Parties include the detailed discussions on the issue at the 58th Meeting. Consideration was given to making reference to some or all of the information contained in document UNEP/OzL.Pro/ExCom/58/49 in the Report to the Meeting of the Parties. It was also pointed out that the document was available to the general public and all Parties on the Secretariat's website.

165. The representative of the Ozone Secretariat reminded the Committee that the paper prepared for the Workshop on Management and Destruction of ODS banks and implications for Climate Change (decision XX/7 of the Twentieth Meeting of the Parties), to be held in Geneva on 13 July 2009, contained information on the Committee's discussions on a facility at its 57th Meeting. At the Workshop, the Fund Secretariat would provide an update of the Committee's discussion at its 58th Meeting.

166. It was also generally agreed that an additional study in the form of a further concept paper was needed for consideration at the 59th and possibly the 60th Meetings of the Executive Committee. Several Members agreed that a further concept paper should explore the following elements:

- Definition of a facility (was it just an accounting line with special reporting requirements or did it have a separate personality?);
- Benefits of establishing a facility compared to soliciting voluntary contributions to the Fund itself;
- Description of what activities would be eligible for assistance from a facility and how they differed from activities currently eligible for Multilateral Fund assistance;
- Who would contribute to a facility and the role of extra-budgetary contributors within the Executive Committee?
- The time horizon over which a facility would be active;
- How a facility would initially be capitalized;
- How a facility would maintain funding over time;
- Criteria for receiving funding from a facility (such as repayment of money provided by the facility); and
- The potential role of carbon markets.

167. It was noted that several of the foregoing issues had been well covered in the Secretariat's paper, in particular with respect to timing, capitalization and funding, whereas others required more in-depth treatment. The importance of defining a facility and clearly explaining its function was stressed. One member stated that his delegation was against the creation of any new funding entities in principle, and

therefore could not support the creation of the facility. It was felt that there was a need to justify the creation of a new entity, clearly demonstrating its added value. It was noted that co-financing and additional resources were key issues with respect to what the Executive Committee would like to achieve related to climate co-benefits flowing from decision XIX/6 of the Nineteenth Meeting of the Parties. It was also proposed that the agenda of the 59th Meeting should allow for a direct and explicit discussion of the benefits of establishing a facility versus using the Multilateral Fund structure to maximize the benefits for the climate.

168. One Member emphasized that it was important to clarify the extent to which a facility might add a burden to the work and operation of the Secretariat. The importance of identifying what would, and what would not, be eligible for funding under a facility was also mentioned. It was suggested that the further concept paper should expand consideration of the scope of Article 10 and other legal issues. The need to consider additional information on carbon markets and carbon credits was also mentioned.

169. The representative of the World Bank said that the Bank was very interested in exploring additional and innovative financing. He offered to make a representative from the Bank's Treasury Department available to the Executive Committee to present mechanisms, such as advanced commitments, for dealing with additional financing and blending Multilateral Fund funds with carbon financing.

170. Concerning the issue of the approval of the resource mobilization projects that had been included in the work programme amendments, it was decided that a decision on those projects should be deferred pending further discussions on this topic.

171. Following discussions, the Executive Committee decided:

- (a) To note the report on a special funding facility for additional income from loans and other sources (decisions 55/2 and 57/37) as contained in document UNEP/OzL.Pro/ExCom/58/49;
- (b) That the detailed account of the Executive Committee's discussion on the establishment of a facility for additional income and loans and other sources would be included in the Report of the Executive Committee to the Twenty-first Meeting of the Parties, together with a reference to the document considered by the Executive Committee on the subject (UNEP/OzL.Pro/ExCom/58/49);
- (c) To request the Secretariat to prepare a further concept paper for the 59th Meeting expanding on papers presented to date with respect to the elements raised at the 58th Meeting, and in particular, highlighting a definition of a facility and the added value of establishing a facility;
- (d) To request the Secretariat and the Treasurer to address the implications of optimally managing credits for climate change and other environmental benefits from the global carbon markets with a view to making that component of a facility operational;
- (e) To request the Secretariat to seek advice from external carbon market specialists on how the market might best be employed in the longer term in the context of a facility;
- (f) To accept the offer of the World Bank to make a representative from its Treasury Department available to the 59th Meeting of the Executive Committee to present mechanisms, such as advanced commitments, for dealing with additional financing and blending Multilateral Fund funds with carbon financing; and

- (g) To defer consideration of requests for resource mobilization pending further discussion on this topic.

(Decision 58/37)

AGENDA ITEM 12: REPORT ON EMISSION REDUCTIONS AND PHASE-OUT OF CTC (DECISION 55/45)

172. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/58/50, which provided a report by the Secretariat on emission reductions and phase-out of CTC, prepared in response to decision 55/45. The document included information on emission-related data from atmospheric scientists, Article 7 data reporting, and from industry experts, and examined a number of chemical production processes and the associated CTC production, destruction, feedstock and emission. He said that, as a result, a comprehensive picture of the global production and use of CTC as process agent and feedstock could be established. Possible sources of emission had been investigated, but despite those efforts, the narrowing of the difference between the emissions calculated from atmospheric data and those based on information from industry and Article 7 data had remained elusive. The difference was of the order of 40,000 metric tonnes and was equal to more than 20 per cent of global CTC production and was similar in magnitude to the impact of HCFCs on the ozone layer.

173. It was pointed out that the problem of emission profiles might be a regional and not necessarily only a national issue.

174. The representative of the United States of America thanked the Secretariat for its report and said that it would be a useful input to the deliberations of the Scientific Assessment Panel and the Technology and Economic Assessment Panel. He further advised that the United States of America would undertake steps towards reconciling the North American regional emissions profile from atmospheric data and the reported emissions from CTC use.

175. Following the discussion, the Executive Committee decided:

- (a) To note the report on emissions of carbon tetrachloride (CTC) in Article 5 and non-Article 5 countries contained in Annex I to document UNEP/OzL.Pro/ExCom/58/50; and
- (b) To request the Secretariat to bring the report to the attention of relevant bodies, in particular the Scientific Assessment Panel and the Technology and Economic Assessment Panel.

(Decision 58/38)

AGENDA ITEM 13: PROVISIONAL 2008 ACCOUNTS

176. The Treasurer introduced document UNEP/OzL.Pro/ExCom/58/51, which contained the provisional 2008 accounts of the Fund, the four implementing agencies and the Secretariat, as compared with the budget for the year 2008. The final 2008 accounts would be submitted to the Executive Committee at its 59th Meeting. Those accounts had formed part of the financial statements of UNEP, which had been audited by the United Nations Board of Auditors in June 2009. UNEP expected to receive the report of the auditors in the near future and would bring any findings and recommendations of a material nature to the attention of the Executive Committee.

177. Following the presentation by the Treasurer, the Executive Committee decided:

- (a) To take note of the 2008 provisional accounts of the Fund as contained in document UNEP/OzL.Pro/ExCom/58/51;
- (b) To note:
 - (i) The action taken by the Treasurer to reflect adjustments resulting from the reconciliation of the 2007 accounts exercise;
 - (ii) That the 2008 final accounts of the Fund would be submitted to the Committee at its 59th Meeting; and
 - (iii) That UNEP, including the Multilateral Fund, had been subject to an external audit in June - July 2009 and that the external auditors had visited Montreal from 15 to 26 June 2009.

(Decision 58/39)

AGENDA ITEM 14: DRAFT REPORT OF THE EXECUTIVE COMMITTEE TO THE TWENTY-FIRST MEETING OF THE PARTIES TO THE MONTREAL PROTOCOL

178. The Chief Officer presented the draft report of the Executive Committee to the Twenty-first Meeting of the Parties (UNEP/OzL.Pro/ExCom/58/52), which summarized the most important decisions taken by the Committee at its 57th Meeting. She proposed that the Secretariat update the draft report in light of decisions taken at the 58th Meeting, specifically taking into account comments related to a special funding facility for additional income from loans and other sources, as agreed. She said that the Chair would examine and clear the final report before it was forwarded to the Ozone Secretariat for transmission to the Twenty-first Meeting of the Parties.

179. The Executive Committee decided:

- (a) To take note of the draft report of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol to the Twenty-first Meeting of the Parties (UNEP/OzL.Pro/ExCom/58/52); and
- (b) To authorize the Secretariat to finalize the draft report in light of the discussions held and decisions taken at the 58th Meeting of the Executive Committee.

(Decision 58/40)

AGENDA ITEM 15: OTHER MATTERS

Agreement between the UNEP as Treasurer of the Multilateral Fund and the Executive Committee

180. The Chief Officer introduced document UNEP/OzL.Pro/ExCom/58/Inf.2, which contained a copy of the Agreement between the UNEP as Treasurer of the Multilateral Fund and the Executive Committee, signed in July 2004 pursuant to decision 42/42. Article III of the Agreement stated that the Executive Committee would remunerate UNEP by US \$500,000 annually for its services as Treasurer, and that sum would remain unchanged for a period of five years as of the date of entry into force of the Agreement.

181. By decision 53/43, the Executive Committee had approved the sum of US \$500,000 for the year 2009, as part of the Secretariat's budget for that year, but funding for the year 2010 onwards needed to be decided. The Executive Committee was therefore being asked to consider whether the amount of US \$500,000 should be maintained. To date, the Secretariat had received no communication from UNEP about any wish to review the fee.

182. In order to have time to examine the matter more thoroughly, the Executive Committee agreed to defer consideration of UNEP's remuneration for its services as Treasurer to its 59th Meeting.

Dates and venues of the 59th and 60th Meetings of the Executive Committee

183. The Chief Officer recalled that the 59th Meeting of the Executive Committee would be held from 10 to 14 November 2009 in Egypt, back to back with the Twenty-first Meeting of the Parties. One Member asked the Secretariat to explore the possibility of holding the 59th Meeting from 11 to 14 November, reconvening the contact group on HCFC cost issues and institutional strengthening on 10 November.

184. She also gave provisional dates for the 60th Meeting. Taking into account the business planning cycle and public holidays, she proposed that the Meeting take place in Montreal from 12 to 16 April 2010.

AGENDA ITEM 16: ADOPTION OF THE REPORT

185. The Executive Committee adopted its report on the basis of the draft reports contained in documents UNEP/OzL.Pro/ExCom/58/L.1 and Add.1.

AGENDA ITEM 17: CLOSURE OF THE MEETING

186. Following the customary exchange of courtesies, the Chair declared the Meeting closed at 12:10 p.m. on Friday, 10 July 2009.

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL
Table 1 : STATUS OF THE FUND FROM 1991-2009 (IN US DOLLARS)

As at 3 July 2009

INCOME		
Contributions received:		
- Cash payments including note encashments		2,172,326,011
- Promissory notes held		37,830,504
- Bilateral cooperation		128,971,947
- Interest earned		196,451,476
- Additional income from loans and other sources		1,198,947
- Miscellaneous income		11,585,231
Total Income		2,548,364,116
ALLOCATIONS* AND PROVISIONS		
- UNDP	570,369,099	
- UNEP	162,164,928	
- UNIDO	541,301,339	
- World Bank	1,005,152,419	
Unspecified projects	1,198,947	
Less Adjustments	-	
Total allocations to implementing agencies		2,280,186,732
Secretariat and Executive Committee costs (1991-2009)		
- includes provision for staff contracts into 2011		72,255,676
Treasury fees (2003-2009)		3,050,550
Monitoring and Evaluation costs (1999-2009)		2,941,754
Technical Audit costs (1998-2005)		909,960
Information Strategy costs (2003-2004)		
- includes provision for Network maintenance costs for 2004		104,750
Bilateral cooperation		128,971,947
Provision for fixed-exchange-rate mechanism's fluctuations		
- losses/(gains) in value		(34,887,400)
Total allocations and provisions		2,453,533,969
Cash		56,999,643
Promissory Notes:		
	2009	12,345,988
	2010	8,654,402
	2011	3,826,829
	Unscheduled	13,003,285
		37,830,504
BALANCE AVAILABLE FOR NEW ALLOCATIONS		94,830,147

* Amounts reflect net approvals for which resources are transferred including promissory notes that are not yet encashed by the Implementing agencies. It reflects the Secretariat's inventory figures on the net approved amounts. These figures are under review in the on-going reconciliation exercise.

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

Table 2 : 1991 - 2009 SUMMARY STATUS OF CONTRIBUTIONS AND OTHER INCOME

BALANCE AVAILABLE FOR NEW ALLOCATIONS

As at 3 July 2009

Description	1991-1993	1994-1996	1997-1999	2000-2002	2003-2005	2006-2008	1991 - 2008	2009	1991 - 2009
Pledged contributions	234,929,241	424,841,347	472,567,009	440,000,001	474,000,000	368,028,480	2,414,366,078	133,342,202	2,547,708,280
Cash payments/received	206,290,209	381,511,308	412,430,905	407,789,221	415,073,241	302,529,915	2,125,624,799	46,701,212	2,172,326,011
Bilateral assistance	4,366,255	11,953,761	21,699,586	21,393,850	48,181,291	19,083,103	126,677,846	2,294,101	128,971,947
Promissory notes	0	0	0	0	2,315,000	31,660,282	33,975,282	3,855,222	37,830,504
Total payments	210,656,464	393,465,069	434,130,491	429,183,071	465,569,532	353,273,300	2,286,277,927	52,850,535	2,339,128,462
Disputed contributions	0	8,098,267	0	0	0	32,471,642	40,569,909	0	40,569,909
Outstanding pledges	24,272,777	31,376,278	38,436,518	10,816,930	8,430,468	14,755,180	128,088,151	80,491,667	208,579,818
Payments %age to pledges	89.67%	92.61%	91.87%	97.54%	98.22%	95.99%	94.69%	39.64%	91.81%
Interest earned	5,323,644	28,525,733	44,685,516	53,946,601	19,374,449	43,537,814	195,393,757	1,057,719	196,451,476
Additional income						1,198,947	1,198,947	0	1,198,947
Miscellaneous income	1,442,103	1,297,366	1,223,598	1,125,282	1,386,177	3,377,184	9,851,710	1,733,521	11,585,231
TOTAL INCOME	217,422,212	423,288,168	480,039,605	484,254,955	486,330,158	401,387,245	2,492,722,341	55,641,775	2,548,364,116
Accumulated figures	1991-1993	1994-1996	1997-1999	2000-2002	2003-2005	2006-2008	1991 - 2008	2009	1991-2009
Total pledges	234,929,241	424,841,347	472,567,009	440,000,001	474,000,000	368,028,480	2,414,366,078	133,342,202	2,547,708,280
Total payments	210,656,464	393,465,069	434,130,491	429,183,071	465,569,532	353,273,300	2,286,277,927	52,850,535	2,339,128,462
Payments %age to pledges	89.67%	92.61%	91.87%	97.54%	98.22%	95.99%	94.69%	39.64%	91.81%
Total income	217,422,212	423,288,168	480,039,605	484,254,955	486,330,158	401,387,245	2,492,722,341	55,641,775	2,548,364,116
Total outstanding contributions	24,272,777	31,376,278	38,436,518	10,816,930	8,430,468	14,755,180	128,088,151	80,491,667	208,579,818
As % to total pledges	10.33%	7.39%	8.13%	2.46%	1.78%	4.01%	5.31%	60.36%	8.19%
Outstanding contributions for certain Countries with Economies in Transition (CEITs)	24,272,777	31,376,278	32,764,258	9,811,798	7,511,983	6,366,431	112,103,525	2,975,674	115,079,199
CEITs' outstandings %age to pledges	10.33%	7.39%	6.93%	2.23%	1.58%	1.73%	4.64%	2.23%	4.52%

PS: CEITs are Azerbaijan, Belarus, Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Russian Federation, Slovakia, Slovenia, Tajikistan, Ukraine and Uzbekistan, including Turkmenistan up to 2004 as per decision XVI/39.

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

Table 3 : 1991-2009 Summary Status of Contributions

As at 3 July 2009

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions	Exchange (Gain)/Loss. NB:Negative amount = Gain
Andorra	8,868	0	0	0	8,868.36	0
Australia*	48,100,535	46,828,628	1,271,907	0	0	625,325
Austria	26,949,218	26,817,428	131,790	0	0	-1,264,056
Azerbaijan	877,648	311,683	0	0	565,965	0
Belarus	2,692,898	0	0	0	2,692,898	0
Belgium	33,386,048	31,602,183	0	0	1,783,865	193,941
Bulgaria	1,185,200	1,185,200	0	0	0	0
Canada*	89,673,321	75,571,060	9,500,408	3,855,222	746,631	-4,566,976
Cyprus	415,396	344,170	0	0	71,225	0
Czech Republic	7,153,586	6,996,531	157,055	0	0	90,458
Denmark	21,973,938	20,572,679	205,000	0	1,196,258	-1,271,724
Estonia	219,063	219,062	0	0	0	3,432
Finland	17,318,499	16,866,629	451,870	0	0	-885,890
France	194,764,331	161,002,855	14,616,020	9,148,063	9,997,393	-15,656,955
Germany	285,593,298	216,021,483	42,959,096	14,473,719	12,139,000	-2,469,867
Greece	13,548,017	11,055,929	0	0	2,492,088	-1,496,005
Hungary	4,519,635	4,458,166	46,494	0	14,976	-76,259
Iceland	987,764	927,870	0	0	59,894	-32,755
Ireland	7,968,462	7,968,462	0	0	0	335,944
Israel	10,211,328	3,724,671	152,462	0	6,334,195	0
Italy	152,115,128	129,225,248	14,710,259	0	8,179,621	3,291,976
Japan	503,279,089	481,459,137	16,243,746	0	5,576,206	0
Kuwait	286,549	286,549	0	0	0	0
Latvia	421,695	392,557	0	0	29,138	-2,483
Liechtenstein	241,465	241,464	0	0	0	0
Lithuania	638,329	55,078	0	0	583,251	0
Luxembourg	2,211,785	2,211,785	0	0	0	-109,316
Malta	125,750	51,445	0	0	74,305	0
Monaco	177,961	177,961	0	0	0	-1,388
Netherlands	50,968,899	47,936,975	0	0	3,031,924	0
New Zealand	7,284,806	7,284,806	0	0	0	176,109
Norway	19,016,557	19,016,557	0	0	0	17,242
Panama	16,915	16,915	0	0	0	0
Poland	8,336,016	7,066,002	113,000	0	1,157,014	0
Portugal	11,214,523	8,775,618	101,700	0	2,337,205	198,162
Romania	213,435	100,122	0	0	113,313	0
Russian Federation	101,188,721	0	0	0	101,188,721	0
Singapore	531,221	459,245	71,976	0	0	0
Slovak Republic	2,212,588	2,196,065	16,523	0	0	0
Slovenia	1,094,600	1,094,600	0	0	0	0
South Africa	3,793,691	3,763,691	30,000	0	0	0
Spain	74,635,481	68,077,179	2,318,844	0	4,239,458	-1,462,766
Sweden	34,186,681	30,624,620	1,828,377	0	1,733,684	-1,181,509
Switzerland	37,202,922	33,321,288	1,913,230	0	1,968,403	-1,775,249
Tajikistan	103,266	8,686	0	0	94,580	0
Turkmenistan**	293,245	5,764	0	0	287,481	0
Ukraine	9,072,002	1,082,925	0	0	7,989,076	0
United Arab Emirate	559,639	559,639	0	0	0	0
United Kingdom	168,592,306	168,027,306	565,000	0	0	-7,566,790
United States of America	589,481,261	526,143,489	21,567,191	10,353,500	31,417,081	0
Uzbekistan	664,704	188,606	0	0	476,098	0
SUB-TOTAL	2,547,708,280	2,172,326,011	128,971,947	37,830,504	208,579,818	-34,887,400
Disputed Contributions***	40,569,909	0	0	0	40,569,909	0
TOTAL	2,588,278,189	2,172,326,011	128,971,947	37,830,504	249,149,727	

* The bilateral assistance recorded for Australia and Canada was adjusted following approvals at the 39th Meeting and taking into consideration a reconciliation carried out by the Secretariat through the progress reports submitted to the 40th Meeting to read US \$1,208,219 and US \$6,449,438 instead of US \$1,300,088 and US \$6,414,880 respectively.

** In accordance with decisions VI/5 and XVI/39 of the Meeting of the Parties to the Montreal Protocol, Turkmenistan has been reclassified as operating under Article 5 in 2004 and therefore its contribution of US \$5,764 for 2005 should be disregarded.

*** Amounts for France, Germany, Italy, Japan and the United Kingdom netted off from the 1996 contributions and are shown here for records only. Amount for the United States of America netted off from the 2007 and 2008 contributions.

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

Table 4 : Status of Contributions for 2009

As at 3 July 2009

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	8,868				8,868
Australia	2,892,711	2,892,711			0
Austria	1,435,834	1,435,834			0
Azerbaijan	8,094				8,094
Belarus	32,375				32,375
Belgium	1,783,865				1,783,865
Bulgaria	32,375	32,375			0
Canada	4,819,027	178,984	99,440	3,855,222	685,381
Cyprus	71,225				71,225
Czech Republic	454,869	363,904	90,965		0
Denmark	1,196,258				1,196,258
Estonia	25,900	25,900			0
Finland	912,976	912,976			0
France	10,199,760		202,367	0	9,997,393
Germany	13,884,041		1,748,779	0	12,135,262
Greece	964,777				964,777
Hungary	394,976	380,000			14,976
Iceland	59,894				59,894
Ireland	720,345	720,345			0
Israel	678,257				678,257
Italy	8,221,645		152,550		8,069,095
Japan	26,910,144	26,910,144			0
Latvia	29,138				29,138
Liechtenstein	16,188	16,188			0
Lithuania	50,181				50,181
Luxembourg	137,594	137,594			0
Malta	27,519				27,519
Monaco	4,856	4,856			0
Netherlands	3,031,924				3,031,924
New Zealand	414,401	414,401			0
Norway	1,265,865	1,265,865			0
Poland	810,995				810,995
Portugal	853,083				853,083
Romania	113,313				113,313
Russian Federation	1,942,503				1,942,503
Slovak Republic	101,981	101,981			0
Slovenia	155,400	155,400			0
Spain	4,804,458				4,804,458
Sweden	1,733,684				1,733,684
Switzerland	1,968,403				1,968,403
Tajikistan	1,619				1,619
Ukraine	72,844				72,844
United Kingdom	10,751,755	10,751,755			0
United States of America	29,333,333				29,333,333
Uzbekistan	12,950				12,950
TOTAL	133,342,202	46,701,212	2,294,101	3,855,222	80,491,667

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

Table 5 : Status of Contributions for 2008

As at 3 July 2009

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Australia	2,660,143	2,660,143			0
Austria	1,435,341	1,435,341			0
Azerbaijan	8,355				8,355
Belarus	30,077				30,077
Belgium	1,786,239	1,786,239			0
Bulgaria	28,406	28,406			0
Canada	4,700,366	3,903,141	940,073		(142,848)
Cyprus	65,167	65,167			0
Czech Republic	305,783	305,783			0
Denmark	1,199,738	1,199,738			0
Estonia	20,051	20,051			0
Finland	890,613	890,613			0
France	10,075,793		842,980	9,148,063	84,750
Germany*	14,473,719	964,915	2,891,058	4,824,573	5,793,173
Greece	885,600				885,600
Hungary	210,539	210,539			0
Iceland	56,812	56,812			0
Ireland	584,830	584,830			0
Israel	780,331		114,356		665,975
Italy	8,162,562	4,665,805	1,521,994		1,974,763
Japan	29,362,667	29,362,667	33,900		(33,900)
Latvia	25,064	25,064			0
Liechtenstein	8,355	8,355			0
Lithuania	40,103				40,103
Luxembourg	128,663	128,663			0
Malta	23,393				23,393
Monaco	5,013	5,013			0
Netherlands	2,823,896	1,671,687			1,152,209
New Zealand	369,279	369,279			0
Norway	1,134,571	1,134,571			0
Poland	770,305	424,287			346,018
Portugal	785,344				785,344
Romania	100,122	100,122			0
Russian Federation	1,838,039				1,838,039
Slovak Republic	85,218	85,218			0
Slovenia	137,017	137,017			0
Spain	4,210,779	4,044,217	731,562		(565,000)
Sweden	1,667,602	1,667,602			0
Switzerland	2,000,120	1,997,218	91,689		(88,787)
Tajikistan	1,671				1,671
Ukraine	65,167				65,167
United Kingdom	10,237,875	10,237,875			0
United States of America	11,780,749	4,000,000		5,697,000	2,083,749
Uzbekistan	23,393				23,393
SUB-TOTAL	115,984,871	74,176,379	7,167,612	19,669,636	14,971,244
Disputed Contributions**	17,581,918	0	0	0	17,581,918
TOTAL	133,566,789	74,176,379	7,167,612	19,669,636	32,553,162

* Bilateral assistance of US \$572,817 approved at the 51st Meeting of the Executive Committee applied in 2008 and US \$353,814 approved at the 52nd Meeting of the Executive Committee applied in 2008.

** Balance of USA Disputed contribution of US \$32,471,642 of which US \$14,889,724 was applied to 2007.

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

Table 6 : Status of Contributions for 2007

As at 3 July 2009

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Australia	2,660,143	2,530,193			129,950
Austria	1,435,341	1,435,341			0
Azerbaijan	8,355				8,355
Belarus	30,077				30,077
Belgium	1,786,239	1,786,239			0
Bulgaria	28,406	28,406			0
Canada	4,700,366	4,362,036	339,959		(1,629)
Cyprus	65,167	65,167			0
Czech Republic	305,783	305,783			0
Denmark	1,199,738	1,199,738			0
Estonia	20,051	20,051			0
Finland	890,613	890,613			0
France	10,075,793	9,287,393	839,250		(50,850)
Germany	14,473,719	7,236,859	2,894,691	7,236,859	(2,894,691)
Greece	885,600				885,600
Hungary	210,539	210,539			0
Iceland	56,812	56,812			0
Ireland	584,830	584,830			0
Israel	780,331				780,331
Italy	8,162,562	6,761,775	1,632,512		(231,724)
Japan	29,362,667	29,362,667	62,150		(62,150)
Latvia	25,064	25,064			0
Liechtenstein	8,355	8,355			0
Lithuania	40,103				40,103
Luxembourg	128,663	128,663			0
Malta	23,393				23,393
Monaco	5,013	5,013			0
Netherlands	2,823,896	3,400,000			(576,104)
New Zealand	369,279	369,279			0
Norway	1,134,571	1,134,571			0
Poland	770,305	770,305			0
Portugal	785,344	86,566			698,778
Russian Federation	1,838,039				1,838,039
Slovak Republic	85,218	85,218			0
Slovenia	137,017	137,017			0
Spain	4,210,779	4,210,779			0
Sweden	1,667,602	1,667,602			0
Switzerland	2,000,120	1,603,225	14,844		382,051
Tajikistan	1,671				1,671
Ukraine	65,167				65,167
United Kingdom	10,237,875	10,237,875			0
United States of America	14,472,943	14,472,943			(0)
Uzbekistan	23,393				23,393
SUB-TOTAL	118,576,943	104,466,918	5,783,406	7,236,859	1,089,759
Disputed Contributions*	14,889,724	0	0	0	14,889,724
TOTAL	133,466,667	104,466,918	5,783,406	7,236,859	15,979,483

* Portion of total Disputed contribution of US \$32,471,642 partly offset in 2007 and the balance in 2008.

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

Table 7 : Status of Contributions for 2006

As at 3 July 2009

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Australia	2,660,143	2,660,143	129,950		(129,950)
Austria	1,435,341	1,435,341			0
Azerbaijan	8,355				8,355
Belarus	30,077				30,077
Belgium	1,786,239	1,786,239			0
Bulgaria	28,406	28,406			0
Canada	4,700,366	4,095,934	399,455		204,977
Cyprus	65,167	65,167			0
Czech Republic	305,783	305,783			0
Denmark	1,199,738	1,199,738			0
Estonia	20,051	20,051			0
Finland	890,613	890,613			0
France	10,075,793	9,342,968	675,400		57,425
Germany	14,473,719	12,061,432	2,894,744	2,412,286	(2,894,744)
Greece	885,600				885,600
Hungary	210,539	210,539			0
Iceland	56,812	56,812			0
Ireland	584,830	584,830			0
Israel	780,331				780,331
Italy	8,162,562	8,162,562	1,632,512		(1,632,512)
Japan	29,362,667	29,362,667			0
Latvia	25,064	25,064			0
Liechtenstein	8,355	8,355			0
Lithuania	40,103				40,103
Luxembourg	128,663	128,663			0
Malta	23,393	23,393			0
Monaco	5,013	5,013			0
Netherlands	2,823,896	3,400,000			(576,104)
New Zealand	369,279	369,279			0
Norway	1,134,571	1,134,571			0
Poland	770,305	770,305			0
Portugal	785,344	785,344			0
Russian Federation	1,838,039				1,838,039
Slovak Republic	85,218	85,218			0
Slovenia	137,017	137,017			0
Spain	4,210,779	4,215,179			(4,400)
Sweden	1,667,602	1,667,602			0
Switzerland	2,000,120	1,603,345	400,024		(3,249)
Tajikistan	1,671				1,671
Ukraine	65,167				65,167
United Kingdom	10,237,875	10,237,875			0
United States of America	29,362,667	27,021,167		2,341,500	(0)
Uzbekistan	23,393				23,393
TOTAL	133,466,667	123,886,618	6,132,085	4,753,786	(1,305,822)

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

Table 8 : Status of Contributions for 2006-2008

As at 3 July 2009

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Australia	7,980,429	7,850,479	129,950	0	0
Austria	4,306,023	4,306,023	0	0	0
Azerbaijan	25,064	0	0	0	25,064
Belarus	90,231	0	0	0	90,231
Belgium	5,358,718	5,358,718	0	0	0
Bulgaria	85,218	85,218	0	0	0
Canada	14,101,098	12,361,111	1,679,487	0	60,500
Cyprus	195,500	195,500	0	0	0
Czech Republic	917,348	917,348	0	0	0
Denmark	3,599,214	3,599,214	0	0	0
Estonia	60,154	60,154	0	0	0
Finland	2,671,840	2,671,840	0	0	0
France	30,227,380	18,630,361	2,357,630	9,148,063	91,325
Germany*	43,421,156	20,263,206	8,680,493	14,473,719	3,738
Greece	2,656,801	0	0	0	2,656,801
Hungary	631,617	631,617	0	0	0
Iceland	170,436	170,436	0	0	0
Ireland	1,754,491	1,754,491	0	0	0
Israel	2,340,993	0	114,356	0	2,226,637
Italy	24,487,687	19,590,142	4,787,018	0	110,527
Japan	88,088,000	88,088,000	96,050	0	(96,050)
Latvia	75,192	75,192	0	0	0
Liechtenstein	25,064	25,064	0	0	0
Lithuania	120,308	0	0	0	120,308
Luxembourg	385,988	385,988	0	0	0
Malta	70,180	23,393	0	0	46,786
Monaco	15,038	15,038	0	0	0
Netherlands	8,471,687	8,471,687	0	0	0
New Zealand	1,107,836	1,107,836	0	0	0
Norway	3,403,713	3,403,713	0	0	0
Poland	2,310,916	1,964,897	0	0	346,019
Portugal	2,356,031	871,909	0	0	1,484,122
Romania	100,122	100,122	0	0	0
Russian Federation	5,514,116	0	0	0	5,514,116
Slovak Republic	255,654	255,654	0	0	0
Slovenia	411,052	411,052	0	0	0
Spain	12,632,338	12,470,176	731,562	0	(569,400)
Sweden	5,002,807	5,002,807	0	0	0
Switzerland	6,000,361	5,203,789	506,557	0	290,015
Tajikistan	5,013	0	0	0	5,013
Ukraine	195,500	0	0	0	195,500
United Kingdom	30,713,625	30,713,625	0	0	0
United States of America	55,616,358	45,494,110	0	8,038,500	2,083,748
Uzbekistan	70,180	0	0	0	70,180
TOTAL	368,028,480	302,529,915	19,083,103	31,660,282	14,755,180

* Bilateral assistance of US \$572,817 approved at the 51st Meeting of the Executive Committee applied in 2008 and US \$353,814 approved at the 52nd Meeting of the Executive Committee applied in 2008 for Germany.

Table 9: Status of Promissory Notes As At 3 July 2009

MULTILATERAL FUND'S PROMISSORY NOTES

Country	HELD BY			IMPLEMENTING AGENCY FOR WHICH HELD OR ASSIGNED TO					
	A WORLD BANK	B TREASURER	C= A+B TOTAL	D UNDP	E UNEP	F UNIDO	G WORLD BANK	H TREASURER	D+E+F+G+H=I I=C TOTAL
	Net Value	Net Value	Net Value	Net Value	Net Value	Net Value	Net Value	Net Value	Net Value
Canada		3,855,222	3,855,222					3,855,222	3,855,222
France		9,148,063	9,148,063					9,148,063	9,148,063
Germany		14,473,719	14,473,719					14,473,719	14,473,719
The Netherlands			0					0	0
United Kingdom			0					0	0
United States of America		10,353,500	10,353,500					10,353,500	10,353,500
TOTAL	0	37,830,504	37,830,504	0	0	0	0	37,830,504	37,830,504

2004-2009 Ledger of Promissory Notes as at 3 July 2009

Table 10 : SCHEDULE OF MULTILATERAL FUND PROMISSORY NOTES: 2004 - 2009

RECEIPTS												ENCASHMENTS			
Date of Submission a/	Year of contribution	Country of Origin	P/Note code	Denomination/ Type of currency	Amount (in Original denomination)	Note Value in USD per UNEP	Date of transfer	Agency	Transfer amount in Original denomination	Date of Encashment	Actual Encashment value (USD)	Gain /(Loss) to intended value (USD)			
10/25/2004	2004	Canada		Can\$	6,216,532.80	3,963,867.12	11/9/2004	IBRD	6,216,532.80	1/19/2005	5,140,136.76	1,176,269.64			
4/21/2005	2005	Canada		Can\$	6,216,532.78	3,963,867.12	Nov. 2005	TREASURER	6,216,532.78	Nov. 2005	5,307,831.95	1,343,964.83			
12/22/2006	2006	Canada		Can\$	4,794,373.31	3,760,292.79	1/19/2007	TREASURER	4,794,373.31	1/19/2007	4,088,320.38	328,027.59			
6/27/2008	2008	Canada		Can\$	4,794,373.31	3,760,292.79	9/19/2008	TREASURER	4,794,373.31	9/19/2008	4,492,899.74	732,606.95			
6/12/2009	2009	Canada		Can\$	3,834,018.00	3,855,221.70	BALANCE	TREASURER							
12/31/2004	2004	France		Euro	10,597,399.70	9,784,322.50	9/28/2006	TREASURER	10,597,399.70	9/28/2006	12,102,125.26	2,317,802.76			
1/18/2006	2005	France		Euro	11,217,315.23	10,356,675.50	9/28/2006	TREASURER	11,217,315.23	9/28/2006	12,810,062.64	2,453,387.14			
12/20/2006	2006	France		Euro	7,503,239.54	9,342,968.43	7/31/2007	TREASURER	7,503,239.54	7/31/2007	10,249,425.21	906,456.78			
Dec.2007	2007	France		Euro	7,483,781.61	9,287,393.43	9/16/2008	TREASURER	7,483,781.61	9/16/2008	10,629,963.40	1,342,569.97			
Dec.2008	2008	France		Euro	7,371,509.51	9,148,063.43	BALANCE	TREASURER							
8/9/2004	2004	Germany	BU 104 1006 01	US\$	18,914,439.57	18,914,439.57	8/3/2005	TREASURER	6,304,813.19	8/3/2005	6,304,813.19	-			
							8/11/2006	TREASURER	6,304,813.19	8/11/2006	6,304,813.19	-			
							2/16/2007	TREASURER	3,152,406.60	2/16/2007	3,152,406.60	-			
							8/10/2007	TREASURER	3,152,406.60	8/10/2007	3,152,406.60	-			
									18,914,439.57						
7/8/2005	2005	Germany	BU 105 1003 01	US\$	7,565,775.83	7,565,775.83	4/18/2006	TREASURER	1,260,962.64	4/18/2006	1,260,962.64	-			
							8/11/2006	TREASURER	1,260,962.64	8/11/2006	1,260,962.64	-			
							2/16/2007	TREASURER	1,260,962.64	2/16/2007	1,260,962.64	-			
							8/10/2007	TREASURER	1,260,962.64	8/10/2007	1,260,962.64	-			
							2/12/2008	TREASURER	1,260,962.64	2/12/2008	1,260,962.64	-			
							8/12/2008	TREASURER	1,260,962.63	8/12/2008	1,260,962.64	-			
									7,565,775.83						
5/10/2006	2006	Germany	BU 106 1004 01	Euro	11,662,922.38	14,473,718.52	2/28/2007	TREASURER	1,943,820.40	2/28/2007	2,558,067.65	145,781.24			
							8/10/2007	TREASURER	1,943,820.40	8/10/2007	2,681,305.85	269,019.44			
							2/12/2008	TREASURER	1,943,820.40	2/12/2008	2,821,066.54	408,780.12			
							8/12/2008	TREASURER	1,943,820.40	8/12/2008	2,930,114.87	517,828.45			
							2/17/2009	TREASURER	1,943,820.40	2/17/2009	2,492,560.89	80,274.47			
							BALANCE	TREASURER	1,943,820.38						
									11,662,922.38						
7/23/2007	2007	Germany	BU 107 1006 01	Euro	11,662,922.38	14,473,718.52	2/12/2008	TREASURER	1,943,820.40	2/12/2008	2,821,066.54	408,780.12			
							8/12/2008	TREASURER	1,943,820.39	8/12/2008	2,930,114.87	517,828.46			
							2/17/2009	TREASURER	1,943,820.40	2/17/2009	2,492,560.89	80,274.47			
							BALANCE	TREASURER	9,719,101.98						
									11,662,922.38						
8/15/2008	2008	Germany	BU 108 1004 01	Euro	4,665,168.96	5,789,487.42	2/17/2009	TREASURER	777,528.16	2/17/2009	997,024.36	32,109.79			
							BALANCE	TREASURER	3,887,640.80						
									4,665,168.96						
12/8/2003	2004	Netherlands	D 11	US\$	3,364,061.32	3,364,061.32	11/17/2004	TREASURER	3,364,061.32	11/17/2004	3,364,061.32	-			
12/8/2003	2005	Netherlands	D 11	US\$	3,364,061.32	3,364,061.32	12/5/2005	TREASURER	3,364,061.32	12/5/2005	3,364,061.32	-			
5/18/2004	2004	UK		GBP	7,243,564.08	10,718,502.63	8/23/2005	TREASURER	1,207,260.68	8/23/2005	2,166,550.02	380,132.91			
							Feb. 2006	TREASURER	3,621,782.04	Feb. 2006	6,303,711.64	944,460.32			
							7/24/2006	TREASURER	3,621,782.04	7/24/2006	4,473,383.73	900,549.53			
									7,243,564.08		12,943,645.39	2,225,142.76			
6/1/2005	2005	UK		GBP	7,243,564.08	10,718,502.63	7/24/2006	TREASURER	1,207,260.68	7/24/2006	2,236,691.86	450,274.75			
							8/9/2006	TREASURER	3,163,681.03	8/9/2006	6,036,303.40	1,354,916.85			
							8/16/2006	TREASURER	2,672,622.37	8/16/2006	5,429,236.28	1,178,537.31			
									7,243,564.08		13,702,231.54	2,983,728.91			
5/13/2005	2004	USA		US\$	4,920,000.00	4,920,000.00	10/27/2005	TREASURER	2,000,000.00	10/27/2005	2,000,000.00	-			
							11/2/2006	TREASURER	2,000,000.00	11/2/2006	2,000,000.00	-			
							10/25/2007	TREASURER	920,000.00	10/25/2007	920,000.00	-			
									4,920,000.00						
3/1/2006	2005	USA		US\$	3,159,700.00	3,159,700.00	11/2/2006	TREASURER	2,000,000.00	11/2/2006	2,000,000.00	-			
							10/25/2007	TREASURER	1,159,700.00	10/25/2007	1,159,700.00	-			
									3,159,700.00						
4/25/2007	2006	USA		US\$	7,315,000.00	7,315,000.00	10/25/2007	TREASURER	2,500,000.00	10/25/2007	2,500,000.00	-			
							11/19/2008	TREASURER	2,500,000.00	11/19/2008	2,500,000.00	-			
							BALANCE	TREASURER	2,315,000.00						
2/21/2008	2006	USA		US\$	4,683,000.00	4,683,000.00	11/19/2008	TREASURER	2,341,500.00	11/19/2008	2,341,500.00	-			
							BALANCE	TREASURER	2,341,500.00						
4/21/2009	2008	USA		US\$	5,697,000.00	5,697,000.00	BALANCE	TREASURER							

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL**OUTSTANDING PROMISSORY NOTES SCHEDULE OF ENCASHMENT AS AT 3 JULY 2009
(IN US\$)**

	Due in 2009	Due in 2010	Due in 2011	Unscheduled	TOTAL
CANADA Unscheduled				3,855,221.70	3,855,222
FRANCE: Unscheduled				9,148,063.43	9,148,063
GERMANY:					
P. Note: (in US \$ at FERM rate of US \$1:Euro 0.8058)					
2006	2,412,286				2,412,286
2007	2,412,286	4,824,573			7,236,859
2008	964,916	1,929,829	1,929,829		4,824,574
USA:					
2007 Note: (US\$)	2,315,000				2,315,000
2008 Note: (US\$)	2,341,500				2,341,500
2009 Note: (US\$)	1,900,000	1,900,000	1,897,000		5,697,000
	12,345,988	8,654,402	3,826,829	13,003,285	37,830,504

NOTE:

For the triennium 2006 - 2008, Germany opted to pay in Euro, using the FERM.
Germany's annual payment are made in two tranches, February and August.

USA's promissory notes due in 2009 are payable in November.

Annex I

**LIST OF COUNTRIES WHICH AS AT 3 JULY 2009 HAVE EITHER CONFIRMED TO
THE TREASURER IN WRITING THAT THEY WOULD BE USING THE FIXED-
EXCHANGE-RATE MECHANISM DURING
THE 2009 – 2011 REPLENISHMENT PERIOD OR PAID IN NATIONAL CURRENCIES
WITHOUT FORMALLY WRITING TO THE TREASURER**

1. Australia
2. Austria
3. Belgium
4. Canada
5. Czech Republic
6. Estonia
7. Finland
8. France
9. Germany
10. Ireland
11. Luxembourg
12. New Zealand
13. Norway
14. Sweden
15. United Kingdom

Annex II

Table 1

ANNUAL TRANCHES NOT SUBMITTED TO THE 57TH AND 58TH MEETINGS

Country	Agency	Sector	Tranche	Reason for delay
Antigua and Barbuda	World Bank	CFC Phase Out Plan	2006	Due to the need to change the work plan, remaining funds from the first tranche, and the need to conduct a verification audit.
Bahrain	UNEP	CFC Phase Out Plan	2008	Replacement of the Training Institute.
Bahrain	UNDP	CFC Phase Out Plan	2008	Sufficient funds from approved tranches.
Cape Verde	UNEP	CFC Phase Out Plan	2009	Late arrival of training equipment ordered by country according to UNEP.
Congo	UNIDO	ODS Phase Out Plan	2009	UNEP as lead agency determined that the UNIDO investment project did not have sufficient progress for approval and did not submit the request.
Congo	UNEP	ODS Phase Out Plan	2009	UNEP as lead agency determined that the UNIDO investment project did not have sufficient progress for approval and did not submit the request.
Cuba	UNDP	ODS Phase Out Plan	2008	Sufficient funds from approved tranches.
Djibouti	UNEP	CFC Phase Out Plan	2009	UNEP as lead agency determined that the UNDP investment project that was addressed in the first tranche did not have sufficient progress for approval and did not submit the request.
Egypt	UNIDO	CFC Phase Out Plan	2009	Verification in audit not completed in time.
Eritrea	UNIDO	ODS Phase Out Plan	2009	ODS legislation not in place.
Eritrea	UNEP	ODS Phase Out Plan	2009	ODS legislation not in place.
Guyana	UNDP	CFC Phase Out Plan	2009	Sufficient funds from approved tranches.
Guyana	UNEP	CFC Phase Out Plan	2009	Sufficient funds from approved tranches.
Kuwait	UNIDO	ODS Phase Out Plan	2008	Delay in signing agreement for lead agency UNEP.
Kuwait	UNEP	ODS Phase Out Plan	2008	Delay in signing agreement for lead agency UNEP.
Lao, PDR	France	CFC Phase Out Plan	2009	Delay in signing agreement.
Qatar	UNIDO	CFC Phase Out Plan	2009	Delay in signing agreement for lead agency UNEP.
Qatar	UNEP	CFC Phase Out Plan	2009	Delay in signing agreement for lead agency UNEP.
Tunisia	World Bank	ODS Phase Out Plan	2008	Due to lack of verification report.
Turkey	World Bank	CFC Phase Out Plan	2008	Due to slow level of implementation of existing tranche and lack of verification report.
Viet Nam	World Bank	Methyl Bromide	2008	No need until the end of 2009 as the methyl bromide agreement will be included as an amendment to the National Phase-out Plan.

Table 2

**ANNUAL TRANCHEs NOT SUBMITTED THAT WERE DUE FOR THE FIRST TIME FOR
SUBMISSION TO THE 58TH MEETING**

Country	Agency	Sector	Tranche	Reason for delay
Benin	UNIDO	CFC Phase Out Plan	2009	UNEP as lead agency determined that the UNIDO investment project did not have sufficient progress for approval and did not submit the request.
Benin	UNEP	CFC Phase Out Plan	2009	UNEP as lead agency determined that the UNIDO investment project did not have sufficient progress for approval and did not submit the request.
Burundi	UNIDO	CFC Phase Out Plan	2009	UNEP as lead agency determined that the UNIDO investment project did not have sufficient progress for approval and did not submit the request.
Burundi	UNEP	CFC Phase Out Plan	2009	UNEP as lead agency determined that the UNIDO investment project did not have sufficient progress for approval and did not submit the request.
Central African Republic	UNEP	CFC Phase Out Plan	2009	UNEP advised that it was awaiting procurement of equipment by the Government of France.
Central African Republic	France	CFC Phase Out Plan	2009	Insufficient progress made with respect to the implementation of the first tranche due to completion of RMP.
Chile	Canada	CFC Phase Out Plan		Insufficient progress made with respect to the implementation of the first tranche.
Grenada	UNDP	CFC Phase Out Plan	2008	Low disbursement of funds from approved tranches.
Grenada	UNEP	CFC Phase Out Plan	2008	Low disbursement of funds from approved tranches.
Guatemala	UNEP	CFC Phase Out Plan	2009	Delay in signing agreement.
Guinea	UNIDO	CFC Phase Out Plan	2009	Due to delay in signature of the MOU and political situation in the country.
Guinea	UNEP	CFC Phase Out Plan	2009	Due to delay in signature of the MOU and political situation in the country.
Guinea-Bissau	UNEP	CFC Phase Out Plan	2009	Due to delay in signature of the MOU and political situation in the country.
Honduras	UNIDO	CFC Phase Out Plan	2009	Low disbursement of funds from approved tranches.
Honduras	UNEP	CFC Phase Out Plan	2009	Low disbursement of funds from approved tranches.
Kyrgyzstan	UNEP	CFC Phase Out Plan	2008	Due to need to revise the plan.
Kyrgyzstan	UNDP	CFC Phase Out Plan	2008	Sufficient funds from approved tranches.
Malaysia	World Bank	ODS Phase Out Plan	2009	Time needed for review of request for the final tranche.
Mozambique	UNEP	CFC Phase Out Plan	2009	Delay in the signature of UNDP agreement to enable the investment project to start.
Mozambique	UNDP	CFC Phase Out Plan	2009	Delay in signing agreement.
Nicaragua	UNEP	CFC Phase Out Plan	2009	Low disbursement of approved tranche.

Country	Agency	Sector	Tranche	Reason for delay
Peru	UNEP	CFC Phase Out Plan	2009	Delay in signing agreement.
Peru	UNDP	CFC Phase Out Plan	2009	Low disbursement of funds from approved tranches.
Seychelles	France	CFC Phase Out Plan	2009	Delay in determining activities due to lack of CFC imports for several years.
Suriname	UNEP	CFC Phase Out Plan	2009	Low disbursement of funds from approved tranches.
Swaziland	UNEP	CFC Phase Out Plan	2009	Delay in signing agreement.
Swaziland	UNDP	CFC Phase Out Plan	2009	Delay in signing agreement.
Thailand	World Bank	ODS Phase Out Plan	2009	Time required for review of request for the final tranche.
Uganda	France	ODS Phase Out Plan	2009	Delay due to restructuring of Customs Office that has now been restructured and the project is underway.

Annex IIITable 1**PROJECTS THAT ARE CLASSIFIED AS “SOME PROGRESS”**

Agency	Code	Project Title
World Bank	ARG/REF/18/INV/39	Elimination of CFC in the manufacturing plant of domestic refrigerators of Neba S.A.
World Bank	ECU/FUM/26/TAS/23	Demonstration project for testing methyl bromide alternatives in soil treatment for the flower growing industry
World Bank	THA/HAL/32/INV/134	Terminal halon-1211 & halon-1301 phase-out project for fire equipment manufacturers and suppliers converting to ABC powder, CO ₂ , HFC-227ea and inert gases
UNDP	AFR/FUM/38/TAS/32	Technical assistance for methyl bromide reductions and formulation of regional phase-out strategies for low-volume consuming countries
UNDP	CHI/SOL/41/TAS/154	Technical assistance to phase-out ozone depleting solvents
UNDP	COL/PAG/48/INV/66	Phase-out of CTC as process agent in the elimination of nitrogen tri-chloride during chlorine production at Prodesal S.A.
UNDP	MAL/FUM/43/TAS/151	Technical assistance programme to install alternatives and phase-out all remaining non-QPS uses of methyl bromide
UNDP	URU/ARS/43/INV/42	Phase-out of CFC consumption in the manufacture of aerosol metered dose inhalers (MDIs)

Annex III

Table 2

PROJECTS FOR WHICH ADDITIONAL STATUS REPORTS ARE REQUESTED

Code	Project Title	Agency
BHE/SEV/43/INS/19	Extension of the institutional strengthening project (phase II) in Bosnia and Herzegovina	UNIDO
GLO/REF/48/TAS/275	Global technical assistance programme in the chiller sector	UNEP
KUW/HAL/45/PRP/07	Preparation of a halon phase-out plan in Kuwait	UNIDO
LIB/HAL/47/TAS/26	Plan for the phase-out of import and net consumption of halons in the fire fighting sector in Lebanon	UNIDO
PAN/SEV/44/INS/21	Extension of institutional strengthening project (phase IV) in Panama	UNEP
PER/SEV/37/INS/31	Renewal of institutional strengthening project (Phase 3) in Peru	UNEP
VAN/REF/36/TAS/02	Implementation of the PIC Strategy: assistance for enforcing ODS regulations and training programme for customs officers	Australia

Annex IV

REVISED JOB DESCRIPTION AND QUALIFICATIONS OF THE SENIOR MONITORING AND EVALUATION OFFICER

MISSION

The mission of the Senior Monitoring and Evaluation Officer is to contribute to organizational learning through provision of systematic and independent assessment of relevance, effectiveness, efficiency, outcome, impact and sustainability of projects, programmes and activities funded by the Multilateral Fund.

JOB DESCRIPTION

Under the guidance of the Executive Committee of the Multilateral Fund, the Senior Monitoring and Evaluation Officer will be responsible for:

1. Drafting annual and medium term work programmes and work plans for monitoring and evaluation for Executive Committee review and approval;
2. Coordinating monitoring and evaluation functions required by the Executive Committee with those of implementing and bilateral agencies, financial intermediaries and recipient countries and explore ways of ensuring effective monitoring and evaluation of projects supported by the Multilateral Fund;
3. Following any Executive Committee request and/or guidance, and in cooperation with implementing agencies, prepare and update standard monitoring and evaluation guidelines for the content of project proposals, progress reports and completion reports for Fund-supported activities for Executive Committee approval;
4. Evaluating the efficiency of processes of the Multilateral Fund and its implementing agencies, verifying that Executive Committee approved monitoring and evaluation standards are being applied to all facets of the development and implementation of approved projects;
5. Auditing the efficiency and effectiveness of the structure, organization and operation of the Fund and Secretariat, excluding the financial functions, in accordance with United Nations rules and regulations and in line with existing agreements with implementing agencies;
6. Developing monitoring, evaluation and information systems and databases consistent with the need to collect and generate data requested by the Executive Committee with which to describe and analyse activities supported by the Fund;
7. Managing evaluation studies, including the preparation of terms of references, selecting diverse evaluators consistent with any applicable bidding requirements and overseeing the implementation of evaluations;
8. Managing and coordinating, as directed by the Executive Committee, the evaluation of the financial mechanism established under Article 10 of the Montreal Protocol;
9. Reporting to the Executive Committee on the performance of and lessons learned from projects approved under the Multilateral Fund at all stages of implementation based on experience from bilateral and other agencies through periodic reports in relation to Executive Committee policies and guidelines;

10. Preparing, and after Executive Committee approval, disseminating information on best practices, lessons learned, recommendations and successful results to the different stakeholders;
11. Undertaking any task, within his/her field of activity, that the Executive Committee may entrust to him/her.

QUALIFICATIONS

1. At least 10 years of experience in the areas of monitoring, evaluation and result-based management or similar field, involving work at an international level in multilateral or bilateral organizations.
2. Advanced university degree in a relevant field of the social or natural sciences, engineering or another field that is related to the environment, development and/or experience in monitoring and evaluation.
3. Experience with respect to both programme planning and programme implementation is necessary.
4. Demonstrated abilities in assessment techniques and analytical skills.
5. Fluency in English and preferably other United Nations languages.
6. Knowledge of office automation systems and related software is essential.
7. Good writing, interpersonal communications, presentation and administrative skills.

Annex V

Table 1

PROJECTS WITH IMPLEMENTATION DELAYS

Code	Agency	Project Title	Category of Delays
ASP/SEV/50/TAS/52	Australia	Additional support for the regional strategy for 11 Article 5 countries in the Pacific (PIC strategy)	12 & 18 month delay
JAM/FUM/47/TAS/22	Canada	Technical assistance to phase-out the use of methyl bromide in Jamaica	12 & 18 month delay
LAC/SEV/51/TAS/38	Canada	Latin American Customs Enforcement Network: Preventing illegal trade of ODS	12 & 18 month delay
ARG/REF/18/INV/39	IBRD	Elimination of CFC in the manufacturing plant of domestic refrigerators of Neba, S.A. in Argentina	12 month
ECU/FUM/26/TAS/23	IBRD	Demonstration project for testing methyl bromide alternatives in soil treatment for the flower growing industry in Ecuador	12 month
THA/HAL/32/INV/134	IBRD	Terminal halon-1211 and halon-1301 phase-out project for fire equipment manufacturers and suppliers converting to ABC powder, CO ₂ , HFC-227ea and inert gases in Thailand	12 month
DRC/SOL/51/INV/25	Italy	Umbrella project for terminal phase-out of ODS in the solvent sector (first phase) in the Democratic Republic of Congo	12 & 18 month delay
SRL/PHA/43/TAS/26	Japan	National compliance action plan: incentive programme for commercial and industrial refrigeration end-users in Sri Lanka	18 month delay
SRL/PHA/43/TAS/27	Japan	National compliance action plan: MAC recovery/recycling and retrofit in Sri Lanka	12 month
SRL/PHA/43/TAS/28	Japan	National compliance action plan: recovery and recycling programme in Sri Lanka	12 month
BRA/FUM/46/INV/272	Spain	Total phase-out of MB used in tobacco, flowers, ornamental plants, strawberries and other uses in Brazil	12 & 18 Month delay
AFR/FUM/38/TAS/32	UNDP	Technical assistance for methyl bromide reductions and formulation of regional phase-out strategies for low-volume consuming countries in Africa	12 month delay
BGD/ARS/52/INV/26	UNDP	Phase-out of CFC consumption in the manufacture of aerosol MDIs (Beximco, Square Pharmaceutical and Acme Pharmaceutical) in Bangladesh	18 month delay
CHI/SOL/41/TAS/154	UNDP	Technical assistance to phase-out ozone depleting solvents in Chile	12 month delay
COL/PAG/48/INV/66	UNDP	Phase-out of CTC as process agent in the elimination of nitrogen trichloride during chlorine production at Prodesal S.A. in Colombia	12 & 18 month delay
CUB/ARS/41/INV/23	UNDP	Phase-out of CFC consumption in the manufacture of aerosol metered dose inhalers (MDIs) in Cuba	12 month delay
FIJ/FUM/47/TAS/17	UNDP	Technical assistance project to install alternatives, achieve compliance and phase-out methyl bromide in Fiji	12 month delay
MAL/FUM/43/TAS/151	UNDP	Technical assistance programme to install alternatives and phase-out all remaining non-QPS uses of methyl bromide in Malaysia	12 month delay
SIL/HAL/51/TAS/15	UNDP	Technical assistance for awareness raising in the halon sector in Sierra Leone	12 & 18 month delay
URU/ARS/43/INV/42	UNDP	Phase-out of CFC consumption in the manufacture of aerosol metered dose inhalers (MDIs) in Uruguay	12 month delay
ZIM/SOL/50/TAS/35	UNDP	Technical assistance for the phase-out of ODS in the solvent/sterilant sector in Zimbabwe	12 month delay

Code	Agency	Project Title	Category of Delays
AFR/SEV/45/TAS/33	UNEP	Sub-regional project on harmonisation of legislative and regulatory mechanisms to improve monitoring and control of ODS consumption in English-speaking Africa	12 month delay
ARG/REF/32/TRA/115	UNEP	Training programme for the refrigeration servicing sector (Phase III) in Argentina	12 month delay
CPR/SEV/43/TRA/413	UNEP	Policy training for local authorities (third tranche) in China	12 month delay
GLO/ARS/39/TAS/246	UNEP	Development of guidelines to promote safety an aerosol conversions	12 month delay
LAC/SEV/51/TAS/39	UNEP	Latin American Customs Enforcement Network: Preventing illegal trade of ODS	12 month delay
SIL/FUM/47/TAS/12	UNEP	Methyl bromide communication programme in Sierra Leone	12 month delay
SOM/SEV/35/TAS/01	UNEP	Formulation of national phase out strategy in Somalia	12 month delay
SRL/PHA/43/TAS/24	UNEP	National compliance action plan: halon bank management in Sri Lanka	12 month delay
ALG/REF/44/INV/62	UNIDO	Conversion of CFC-11 to HCFC-141b and CFC-12 to HFC-134a technology in the last group of commercial refrigerator manufactures (refrigeration sector terminal project) in Algeria	12 month delay
DOM/FUM/38/INV/33	UNIDO	Phase-out of methyl bromide in melon, flowers and tobacco in Dominican Republic	12 month delay
IRA/FOA/28/INV/50	UNIDO	Phasing out ODS in manufacturing of flexible PU slabstock foam through the use of liquid CO2 blowing technology at Bahman Plastic Co. in the Islamic Republic of Iran	12 month delay
IRA/SOL/50/INV/180	UNIDO	Terminal solvent sector umbrella project in the Islamic Republic of Iran	12 month delay
MEX/PAG/52/INV/133	UNIDO	Umbrella project for terminal phase-out of CTC in Mexico	12 month delay
OMA/HAL/46/TAS/12	UNIDO	Halon consumption phase-out through a technical assistance programme and a halon recycling in Oman	12 month delay
ROM/PAG/50/INV/36	UNIDO	Terminal phase-out management plan of CTC production/consumption for process agent uses in Romania	12 month delay

Table 2

**INSTITUTIONAL STRENGTHENING PROJECTS APPROVED OVER ONE YEAR AGO
WITH NO FUNDS DISBURSED**

COUNTRY	Code
Peru	PER/SEV/37/INS/31
Sudan	SUD/SEV/42/INS/16
Brunei Darussalam	BRU/SEV/43/INS/05
Somalia	SOM/SEV/44/INS/05
Panama	PAN/SEV/44/INS/21
Ethiopia	ETH/SEV/50/INS/16
Zimbabwe	ZIM/SEV/50/INS/34
Saudi Arabia	SAU/SEV/53/INS/02
Cook Islands	CKI/SEV/53/INS/05
Nauru	NAU/SEV/53/INS/05
Tonga	TON/SEV/53/INS/05
Kiribati	KIR/SEV/53/INS/06
Botswana	BOT/SEV/53/INS/10
Lesotho	LES/SEV/53/INS/11
Seychelles	SEY/SEV/53/INS/13
Mauritius	MAR/SEV/53/INS/19
Paraguay	PAR/SEV/53/INS/19
Guatemala	GUA/SEV/53/INS/33
Korea, DPR	DRK/SEV/53/INS/49

Table 3

REPORTS ON INSTITUTIONAL STRENGTHENING FOR WHICH ADDITIONAL DETAIL IS REQUESTED

Country	Code
Bahamas	BHA/SEV/50/INS/13
Bahrain	BAH/SEV/53/INS/18
Comoros	COI/SEV/51/INS/12
Cook Islands	CKI/SEV/53/INS/05
Cote D'Ivoire	IVC/SEV/53/INS/27
Djibouti	DJI/SEV/48/INS/09
Eritrea	ERI/SEV/54/INS/06
Grenada	GRN/SEV/50/INS/11
Guatemala	GUA/SEV/53/INS/33
Guinea	GUI/SEV/50/INS/18
Kenya	KEN/SEV/55/INS/45
Kiribati	KIR/SEV/53/INS/06
Kuwait	KUW/SEV/53/INS/12
Malawi	MLW/SEV/53/INS/26
Marshall Islands	MAS/SEV/53/INS/06
Mauritania	MAU/SEV/49/INS/17
Mauritius	MAR/SEV/53/INS/19
Morocco	MOR/SEV/53/INS/57
Mozambique	MOZ/SEV/50/INS/13
Namibia	NAM/SEV/53/INS/13
Nauru	NAU/SEV/53/INS/05
Niger	NER/SEV/53/INS/19
Niue	NIU/SEV/53/INS/05
Saint Kitts and Nevis	STK/SEV/47/INS/08
Saint Vincent and the Grenadines	STV/SEV/50/INS/12
Sao Tome and Principe	STP/SEV/50/INS/11
Senegal	SEN/SEV/53/INS/25
Seychelles	SEY/SEV/53/INS/13
Solomon Islands	SOI/SEV/53/INS/06
Somalia	SOM/SEV/44/INS/05
Suriname	SUR/SEV/41/INS/03
Togo	TOG/SEV/50/INS/14
Yemen	YEM/SEV/53/INS/27

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
AFGHANISTAN						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase IV) <i>In line with decision 58/16 approving institutional strengthening renewals up to 31 December 2010.</i>	UNEP		\$81,250	\$0	\$81,250	
Total for Afghanistan			\$81,250		\$81,250	
ALBANIA						
PHASE-OUT PLAN						
ODS phase out plan						
National ODS phase out plan (sixth tranche)	UNIDO	2.2	\$22,322	\$1,674	\$23,996	
National ODS phase out plan (seventh tranche)	UNIDO		\$22,322	\$1,674	\$23,996	
Total for Albania			2.2	\$44,644	\$3,348	\$47,992
ALGERIA						
PHASE-OUT PLAN						
HCFC phase out plan						
Preparation of a HCFC phase-out management plan (additional funding)	UNIDO		\$65,000	\$4,875	\$69,875	
ODS phase out plan						
National phase-out plan (second tranche) <i>UNIDO was requested to provide, to the 61st Meeting an additional verification report regarding the consumption of all ODS covered in the Agreement focussing in particular on the recording of imports at customs and the process of forwarding that data to the National Ozone Unit.</i>	UNIDO	72.5	\$198,000	\$14,850	\$212,850	5.54
Total for Algeria			72.5	\$263,000	\$19,725	\$282,725
BHUTAN						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase III) <i>In line with decision 58/16 approving institutional strengthening renewals up to 31 December 2010.</i>	UNEP		\$32,500	\$0	\$32,500	
Total for Bhutan			\$32,500		\$32,500	
BRAZIL						
FOAM						
Technical assistance/support						
Pilot project to validate methylal as blowing agent in the manufacture of polyurethane foams (phase I) <i>Approved on the understanding that the laboratory equipment required for the validation of the technology would be donated to a not-for-profit research facility once phases I and II of the demonstration project had been completed.</i>	UNDP		\$464,200	\$34,815	\$499,015	
Total for Brazil			\$464,200	\$34,815	\$499,015	

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
CAMBODIA						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase V) <i>In line with decision 58/16 approving institutional strengthening renewals up to 31 December 2010.</i>	UNEP		\$61,028	\$0	\$61,028	
Total for Cambodia			\$61,028		\$61,028	
CAMEROON						
PHASE-OUT PLAN						
HCFC phase out plan						
Preparation of a HCFC phase-out management plan (additional funding)	UNIDO		\$65,000	\$4,875	\$69,875	
ODS phase out plan						
Terminal CFC/TCA phase-out management plan (third tranche) <i>The Executive Committee noted with appreciation the actions taken by the Government for the ratification of the Montreal and Beijing Amendments to the Montreal Protocol.</i>	UNIDO	24.0	\$95,000	\$7,125	\$102,125	
Total for Cameroon		24.0	\$160,000	\$12,000	\$172,000	
CHINA						
FUMIGANT						
Methyl bromide						
National phase-out of methyl bromide (phase II, fourth tranche)	UNIDO		\$1,300,000	\$97,500	\$1,397,500	
PROCESS AGENT						
Sectoral phase out plan						
Sector plan for phase-out of ODS process agent applications (phase II) and corresponding CTC production: 2009 annual programme	IBRD		\$1,500,000	\$112,500	\$1,612,500	
Total for China			\$2,800,000	\$210,000	\$3,010,000	
COLOMBIA						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase VII) <i>In line with decision 58/16 approving institutional strengthening renewals up to 31 December 2010.</i>	UNDP		\$160,767	\$12,058	\$172,825	
Total for Colombia			\$160,767	\$12,058	\$172,825	
CONGO, DR						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase V) <i>In line with decision 58/16 approving institutional strengthening renewals up to 31 December 2010.</i>	UNEP		\$48,405	\$0	\$48,405	
Total for Congo, DR			\$48,405		\$48,405	

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
COSTA RICA						
PHASE-OUT PLAN						
CFC phase out plan						
Terminal phase-out management plan for Annex A Group I substances (third tranche)	UNDP	37.5	\$165,000	\$12,375	\$177,375	
Total for Costa Rica		37.5	\$165,000	\$12,375	\$177,375	
COTE D'IVOIRE						
PHASE-OUT PLAN						
CFC phase out plan						
Terminal phase-out management plan (second tranche)	UNIDO	44.1	\$121,000	\$9,075	\$130,075	
Terminal phase-out management plan (second tranche)	UNEP		\$109,000	\$14,170	\$123,170	
Total for Cote D'Ivoire		44.1	\$230,000	\$23,245	\$253,245	
CUBA						
REFRIGERATION						
Preparation of project proposal						
Preparation for HCFC phase-out investment activities (manufacturing sector)	UNDP		\$50,000	\$3,750	\$53,750	
Total for Cuba			\$50,000	\$3,750	\$53,750	
DJIBOUTI						
PHASE-OUT PLAN						
HCFC phase out plan						
Preparation of a HCFC phase-out management plan (additional funding)	UNEP		\$55,000	\$7,150	\$62,150	
Total for Djibouti			\$55,000	\$7,150	\$62,150	
DOMINICAN REPUBLIC						
PHASE-OUT PLAN						
CFC phase out plan						
Terminal phase-out plan for Annex A (Group I) substances: (fifth tranche)	UNDP	53.0	\$200,000	\$15,000	\$215,000	
Total for Dominican Republic		53.0	\$200,000	\$15,000	\$215,000	
EGYPT						
FOAM						
Technical assistance/support						
Validation/demonstration of low cost options for the use of hydrocarbons as foaming agent in the manufacture of polyurethane foams	UNDP		\$473,000	\$35,475	\$508,475	
Total for Egypt			\$473,000	\$35,475	\$508,475	

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
HAITI						
PHASE-OUT PLAN						
CFC phase out plan						
Terminal phase-out management plan for Annex A Group I substances (first tranche)	UNDP	2.0	\$150,000	\$13,500	\$163,500	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. The agencies were urged to take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the TPMP.</i>						
Terminal phase-out management plan for Annex A Group I substances (first tranche)	UNEP		\$125,000	\$16,250	\$141,250	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. The agencies were urged to take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the TPMP.</i>						
Total for Haiti		2.0	\$275,000	\$29,750	\$304,750	
INDIA						
PHASE-OUT PLAN						
CTC phase out plan						
CTC phase-out plan for the consumption and production sectors: 2009 annual programme	IBRD	268.0	\$3,211,874	\$240,891	\$3,452,765	
<i>Note: 268 ODP tonnes of CTC production will be phased out. The Committee noted that the World Bank had informed the Secretariat that India intended to use the full difference between allowed consumption and actual consumption, i.e. 1,169 ODP tonnes, as feedstock use for future years. The World Bank was requested not to commence disbursement of the funding approved until verification had been submitted to the Secretariat that the excess amount of 1,169 ODP tonnes had been used as feedstock, and until that verification had been found sufficient by the Secretariat. The World Bank was requested to continue the verification of the CTC phase-out plan for the consumption and production sectors in India, using the established format, until verification of the 2010 production and consumption had been submitted, and to provide, as part of this undertaking, verification that the amount of 1,169 ODP tonnes from the 2007 production for feedstock use had been used for that purpose. The Secretariat was requested to inform the Committee at its 59th Meeting of the progress achieved.</i>						
Total for India		268.0	\$3,211,874	\$240,891	\$3,452,765	
IRAN						
REFRIGERATION						
Preparation of project proposal						
Preparation for HCFC phase-out investment activities (room air-conditioning and compressors)	UNIDO		\$45,000	\$3,375	\$48,375	
Total for Iran			\$45,000	\$3,375	\$48,375	

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
IRAQ						
FUMIGANT						
Preparation of project proposal						
Project preparation for the elimination of controlled uses of methyl bromide in pre and post-harvest sectors	UNIDO		\$40,000	\$3,000	\$43,000	
<i>Approved on the condition that the resulting national phase out plan constitutes the final phase-out for methyl bromide in Iraq, and that no additional project preparation funds for methyl bromide projects will be approved for the country.</i>						
PHASE-OUT PLAN						
ODS phase out plan						
National phase-out plan (first tranche)	UNEP		\$1,136,000	\$147,680	\$1,283,680	
<i>The Executive Committee noted with appreciation the commitment by the Government completely to phase out consumption of CFCs, halons, TCA and CTC by 1 January 2010. The NPP was approved in accordance with the Agreement between the Government and the Executive Committee. The agencies were urged to take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the NPP. The implementing agencies were requested to continue the discussion with the National Ozone Unit and the enterprises on the choice of technology for those sectors that might be able to select a low global-warming-potential alternative, considering the flexibility inherent in the Agreement.</i>						
National phase-out plan (first tranche)	UNIDO	1,257.9	\$4,353,530	\$326,515	\$4,680,045	5.00
<i>The Executive Committee noted with appreciation the commitment by the Government completely to phase out consumption of CFCs, halons, TCA and CTC by 1 January 2010. The NPP was approved in accordance with the Agreement between the Government and the Executive Committee. The agencies were urged to take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the NPP. The implementing agencies were requested to continue the discussion with the National Ozone Unit and the enterprises on the choice of technology for those sectors that might be able to select a low global-warming-potential alternative, considering the flexibility inherent in the Agreement.</i>						
Total for Iraq		1,257.9	\$5,529,530	\$477,195	\$6,006,725	
JORDAN						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase VIII)	IBRD		\$110,500	\$8,288	\$118,788	
<i>In line with decision 58/16 approving institutional strengthening renewals up to 31 December 2010.</i>						
Total for Jordan			\$110,500	\$8,288	\$118,788	
KENYA						
PHASE-OUT PLAN						
HCFC phase out plan						
Preparation of a HCFC phase-out management plan	Germany		\$85,000	\$11,050	\$96,050	

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase VII)	UNEP		\$107,431	\$0	\$107,431	
<i>In line with decision 58/16 approving institutional strengthening renewals up to 31 December 2010.</i>						
	Total for Kenya		\$192,431	\$11,050	\$203,481	
KYRGYZSTAN						
FOAM						
Preparation of project proposal						
Preparation for HCFC phase-out investment activities (foam sector)	UNDP		\$30,000	\$2,250	\$32,250	
	Total for Kyrgyzstan		\$30,000	\$2,250	\$32,250	
MALAYSIA						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase VIII)	UNDP		\$139,750	\$10,481	\$150,231	
<i>In line with decision 58/16 approving institutional strengthening renewals up to 31 December 2010.</i>						
	Total for Malaysia		\$139,750	\$10,481	\$150,231	
MALDIVES						
PHASE-OUT PLAN						
CFC phase out plan						
Terminal phase-out management plan (second tranche)	UNEP		\$15,000	\$1,950	\$16,950	
	Total for Maldives		\$15,000	\$1,950	\$16,950	
MEXICO						
FOAM						
Preparation of project proposal						
Preparation for HCFC phase-out investment activities (foam sector plan)	UNDP		\$150,000	\$11,250	\$161,250	
MULTI-SECTOR						
Preparation of project proposal						
Preparation for HCFC phase-out investment activities (aerosol and solvent sectors)	UNIDO		\$100,000	\$7,500	\$107,500	
REFRIGERATION						
Preparation of project proposal						
Preparation for HCFC phase-out investment activities (refrigeration manufacturing sector)	UNIDO		\$150,000	\$11,250	\$161,250	
DESTRUCTION						
Preparation of project proposal						
Preparation for the second component of the pilot demonstration project on ODS waste management and disposal	IBRD		\$50,000	\$3,750	\$53,750	
<i>Approved on the understanding that these funds would be deducted from future funds to be approved for Mexico depending on the maximum amount that might be agreed to by the Executive Committee as a limit for the funding of that ODS disposal project.</i>						

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase IX) <i>In line with decision 58/16 approving institutional strengthening renewals up to 31 December 2010.</i>	UNIDO		\$185,250	\$13,894	\$199,144	
Total for Mexico			\$635,250	\$47,644	\$682,894	
MICRONESIA						
SEVERAL						
Ozone unit support						
Renewal of institutional strengthening project (2nd year of phase II) <i>Approved on the condition that country programme data for 2008 were submitted to the 59th Meeting.</i>	UNEP		\$30,000	\$0	\$30,000	
Total for Micronesia			\$30,000		\$30,000	
MONTENEGRO						
PHASE-OUT PLAN						
CFC phase out plan						
Terminal phase-out plan for CFCs (second tranche)	UNIDO	2.2	\$95,295	\$7,147	\$102,442	
Total for Montenegro			\$95,295	\$7,147	\$102,442	
MOZAMBIQUE						
PHASE-OUT PLAN						
HCFC phase out plan						
Preparation of a HCFC phase-out management plan (additional funding)	UNEP		\$55,000	\$7,150	\$62,150	
Total for Mozambique			\$55,000	\$7,150	\$62,150	
MYANMAR						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase II) <i>In line with decision 58/16 approving institutional strengthening renewals up to 31 December 2010.</i>	UNEP		\$30,000	\$0	\$30,000	
Total for Myanmar			\$30,000		\$30,000	
NIGER						
PHASE-OUT PLAN						
CFC phase out plan						
Terminal phase out management plan (second tranche)	UNIDO	4.8	\$53,000	\$4,770	\$57,770	
Terminal phase out management plan (second tranche)	UNEP		\$68,000	\$8,840	\$76,840	
Total for Niger			4.8	\$121,000	\$13,610	\$134,610
NIGERIA						
REFRIGERATION						
Preparation of project proposal						
Preparation for HCFC phase-out investment activities (refrigeration manufacturing sector)	UNIDO		\$50,000	\$3,750	\$53,750	
Total for Nigeria			\$50,000	\$3,750	\$53,750	

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
PARAGUAY						
PHASE-OUT PLAN						
CFC phase out plan						
Terminal phase-out management plan for Annex A Group I substances (second and third tranches)	UNEP		\$90,000	\$11,700	\$101,700	
Terminal phase-out management plan for Annex A Group I substances (second and third tranches)	UNDP		\$190,000	\$14,250	\$204,250	
Total for Paraguay			\$280,000	\$25,950	\$305,950	
SAINT VINCENT AND THE GRENADINES						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase IV) <i>In line with decision 58/16 approving institutional strengthening renewals up to 31 December 2010.</i>	UNEP		\$40,000	\$0	\$40,000	
Total for Saint Vincent and the Grenadines			\$40,000		\$40,000	
SAMOA						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase V) <i>In line with decision 58/16 approving institutional strengthening renewals up to 31 December 2010.</i>	UNEP		\$35,000	\$0	\$35,000	
Total for Samoa			\$35,000		\$35,000	
SEYCHELLES						
PHASE-OUT PLAN						
HCFC phase out plan						
Preparation of a HCFC phase-out management plan	Germany		\$85,000	\$11,050	\$96,050	
Total for Seychelles			\$85,000	\$11,050	\$96,050	
SUDAN						
PHASE-OUT PLAN						
ODS phase out plan						
National CFC/CTC phase-out plan (fourth tranche)	UNIDO	65.3	\$200,000	\$15,000	\$215,000	
SEVERAL						
Ozone unit support						
Extension of institutional strengthening: phase V <i>In line with decision 58/16 approving institutional strengthening renewals up to 31 December 2010.</i>	UNEP		\$109,395	\$0	\$109,395	
Total for Sudan		65.3	\$309,395	\$15,000	\$324,395	
SYRIA						
REFRIGERATION						
Preparation of project proposal						
Preparation for HCFC phase-out investment activities (refrigeration manufacturing sector)	UNIDO		\$60,000	\$4,500	\$64,500	

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
PHASE-OUT PLAN						
CFC phase out plan						
National CFC phase-out plan (third tranche)	UNIDO	70.0	\$154,050	\$11,554	\$165,604	
SEVERAL						
Ozone unit support						
Extension of institutional strengthening (phase IV) <i>In line with decision 58/16 approving institutional strengthening renewals up to 31 December 2010.</i>	UNIDO		\$152,867	\$11,465	\$164,332	
	Total for Syria	70.0	\$366,917	\$27,519	\$394,436	
TANZANIA						
PHASE-OUT PLAN						
CFC phase out plan						
Terminal phase-out management plan (second tranche)	UNDP	38.1	\$72,000	\$5,400	\$77,400	
Terminal phase-out management plan (second tranche)	UNEP		\$78,000	\$10,140	\$88,140	
	Total for Tanzania	38.1	\$150,000	\$15,540	\$165,540	
THAILAND						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase VI) <i>In line with decision 58/16 approving institutional strengthening renewals up to 31 December 2010.</i>	IBRD		\$260,001	\$19,500	\$279,501	
	Total for Thailand		\$260,001	\$19,500	\$279,501	
TUNISIA						
FOAM						
Preparation of project proposal						
Preparation for HCFC phase-out investment activities (polyurethane foam sector)	UNIDO		\$65,000	\$4,875	\$69,875	
	Total for Tunisia		\$65,000	\$4,875	\$69,875	
TURKEY						
FOAM						
Preparation of project proposal						
Preparation for HCFC phase-out investment activities (polyurethane foam sector)	UNIDO		\$150,000	\$11,250	\$161,250	
REFRIGERATION						
Preparation of project proposal						
Preparation for HCFC phase-out investment activities (refrigeration manufacturing sector)	UNIDO		\$150,000	\$11,250	\$161,250	
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase IV) <i>In line with decision 58/16 approving institutional strengthening renewals up to 31 December 2010.</i>	UNIDO		\$195,000	\$14,625	\$209,625	
	Total for Turkey		\$495,000	\$37,125	\$532,125	
	GRAND TOTAL	1,941.6	\$17,940,737	\$1,410,031	\$19,350,768	

Summary

UNEP/OzL.Pro/ExCom/58/53
Annex VI

Sector	Tonnes (ODP)	Funds approved (US\$)		
		Project	Support	Total
BILATERAL COOPERATION				
Phase-out plan		\$170,000	\$22,100	\$192,100
TOTAL:		\$170,000	\$22,100	\$192,100
INVESTMENT PROJECT				
Foam		\$937,200	\$70,290	\$1,007,490
Fumigant		\$1,300,000	\$97,500	\$1,397,500
Process agent		\$1,500,000	\$112,500	\$1,612,500
Phase-out plan	1,941.6	\$10,924,393	\$911,530	\$11,835,923
TOTAL:	1,941.6	\$14,661,593	\$1,191,820	\$15,853,413
WORK PROGRAMME AMENDMENT				
Foam		\$395,000	\$29,625	\$424,625
Fumigant		\$40,000	\$3,000	\$43,000
Multi-sector		\$100,000	\$7,500	\$107,500
Refrigeration		\$505,000	\$37,875	\$542,875
Phase-out plan		\$240,000	\$24,050	\$264,050
Destruction		\$50,000	\$3,750	\$53,750
Several		\$1,779,144	\$90,311	\$1,869,455
TOTAL:		\$3,109,144	\$196,111	\$3,305,255
Summary by Parties and Implementing Agencies				
Germany		\$170,000	\$22,100	\$192,100
IBRD	268.0	\$5,132,375	\$384,929	\$5,517,304
UNDP	130.6	\$2,244,717	\$170,604	\$2,415,321
UNEP		\$2,306,009	\$225,030	\$2,531,039
UNIDO	1,543.0	\$8,087,636	\$607,368	\$8,695,004
GRAND TOTAL	1,941.6	\$17,940,737	\$1,410,031	\$19,350,768

**ADJUSTMENTS ARISING FROM THE 58TH MEETING OF THE EXECUTIVE COMMITTEE FOR BALANCES ON
PROJECTS AND ACTIVITIES**

Agency	Project Costs (US\$)	Support Costs (US\$)	Total (US\$)
UNDP (per decision 58/2(a)(ii)&(iii))	59,829	4,396	64,225
UNEP (per decision 58/2(a)(ii)&(iii))	209,562	14,621	224,183
UNIDO (per decision 58/2(a)(ii)&(iii))	64,015	6,426	70,441
World Bank (per decision 58/3(a)(ii)&(iii)&(vii))	468,330	29,198	497,528
Canada (per decision 58/2(a)(ii)&(iii)&(vii))	42,122	5,476	47,598
Denmark (per decision 58/2(b)(i))	43,947	0	43,947
Finland (per decision 58/2(b)(i))	76,855	0	76,855
Germany (per decision 58/2(b)(i)&(ii))	55,630	7,232	62,862
Italy (per decision 58/2(b)(i))	70,915	7,536	78,451
Total	1,091,205	74,885	1,166,090

**NET ALLOCATIONS TO IMPLEMENTING AGENCIES AND BILATERAL CONTRIBUTIONS BASED ON DECISIONS
OF THE 58TH MEETING OF THE EXECUTIVE COMMITTEE**

Agency	Project Costs (US\$)	Support Costs (US\$)	Total (US\$)
Germany (1)	170,000	22,100	192,100
UNDP	2,184,888	166,208	2,351,096
UNEP	2,096,447	210,409	2,306,856
UNIDO	8,023,621	600,942	8,624,563
World Bank	4,664,045	355,731	5,019,776
Total	17,139,001	1,355,390	18,494,391

(1) To offset the amount of US \$62,862 (including Project Support Cost) against previous triennium and US \$129,238 (including Project Support Cost) against 2009 per decision 58/20(b)

Annex VII

**AGREEMENT BETWEEN THE REPUBLIC OF HAITI AND THE EXECUTIVE COMMITTEE
OF THE MULTILATERAL FUND FOR THE PHASE-OUT OF OZONE-DEPLETING
SUBSTANCES**

1. This Agreement represents the understanding of the Government of Haiti (the “Country”) and the Executive Committee with respect to the complete phase-out of controlled use of the ozone-depleting substances set out in Appendix 1-A (the “Substances”) prior to 1 January 2010 in compliance with Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 2 of Appendix 2-A (the “Targets, and Funding”) in this Agreement. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to the Substances.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 6 of Appendix 2-A (the “Targets, and Funding”) to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (the “Funding Approval Schedule”).
4. The Country will meet the consumption limits for each of the Substances as indicated in Appendix 2 -A. It will also accept independent verification by the relevant implementing agency of achievement of these consumption limits as described in sub-paragraph 5(b) of this Agreement.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least 60 days prior to the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Targets for the applicable year;
 - (b) That the meeting of these Targets will be independently verified, if requested by the Executive Committee consistent with paragraph (d) of decision 45/54;
 - (c) That the Country has substantially completed all actions set out in the last annual implementation programme; and
 - (d) That the Country has submitted and received endorsement from the Executive Committee for an annual implementation programme in the form of Appendix 4-A (the “Format of Annual Implementation Programme”) in respect of the year for which tranche funding is being requested.
6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (the “Monitoring Institutions and Roles”) will monitor and report on that monitoring in accordance with the roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in sub-paragraph 5(b).
7. While the Funding was determined on the basis of estimates of the needs of the Country to carry out its obligations under this Agreement, the Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances

to achieve the goals prescribed under this Agreement. Reallocations categorized as major changes must be documented in advance in the next annual implementation programme and endorsed by the Executive Committee as described in sub-paragraph 5(d). Reallocations not categorized as major changes may be incorporated in the approved annual implementation programme, under implementation at the time, and reported to the Executive Committee in the report on implementation of the annual implementation programme.

8. Specific attention will be paid to the execution of the activities in the refrigeration-servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation;
- (b) The technical assistance programme for the refrigeration-servicing sub-sector will be implemented in stages so that remaining resources can be diverted to other phase-out activities such as additional training or procurement of service tools in cases where the proposed results are not achieved, and will be closely monitored in accordance with Appendix 5-A of this Agreement; and
- (c) The Country and the implementing agencies will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfill the obligations under this Agreement. The United Nations Environment Programme (UNEP) has agreed to be the lead implementing agency (the "Lead IA") and The United Nations Development Programme (UNDP) has agreed to be cooperating implementing agency (the "Cooperating IA") under the lead of the Lead IA in respect of the Country's activities under this Agreement. The Lead IA will be responsible for carrying out the activities listed in Appendix 6-A including but not limited to independent verification as per sub-paragraph 5(b). The Country also agrees to periodic evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund. (The Cooperating IA will be responsible for carrying out the activities listed in Appendix 6-B.) The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 7 and 8 of Appendix 2-A.

10. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in Appendix 2-A of the Montreal Protocol or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised funding approval schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amounts set out in Appendix 7-A in respect of each ODP tonne of reductions in consumption not achieved in any one year.

11. The funding components of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

12. The Country will comply with any reasonable request of the Executive Committee and the Lead IA (and the Cooperating IA) to facilitate implementation of this Agreement. In particular, it will provide the Lead IA (and the Cooperating IA) with access to information necessary to verify compliance with this Agreement.

13. All of the agreements set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Protocol unless otherwise defined herein.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Annex A:	Group I	CFC-11; CFC-12; CFC-115
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APPENDIX 2-A: THE TARGETS, AND FUNDING

		2009	2010	Total
1	Montreal Protocol reduction schedule of Annex A, Group I substances (ODP tonnes)	25.0	0.0	
2	Max. allowable total consumption of Annex A, Group I substances (ODP tonnes)	25.0	0.0	
3	New reduction under plan (ODP tonnes)	2.3	0.0	2.3
4	Lead IA agreed funding (US \$)	125,000	65,000	190,000
5	Cooperating IA agreed funding (US \$)	150,000		150,000
6	Total agreed funding (US \$)	275,000	65,000	340,000
7	Lead IA support costs (US \$)	16,250	8,450	24,700
8	Cooperating IA support costs (US \$)	13,500		13,500
9	Total agreed support costs (US \$)	29,750	8,450	38,200
10	Grand total agreed funding (US \$)	304,750	73,450	378,200

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Following approval of the first tranche in 2009, funding for the second tranche will be considered for approval not earlier than the first meeting of 2010.

APPENDIX 4-A: FORMAT OF ANNUAL IMPLEMENTATION PROGRAMME

1. **Data**

Country	_____
Year of plan	_____
# of years completed	_____
# of years remaining under the plan	_____
Target ODS consumption of the preceding year	_____
Target ODS consumption of the year of plan	_____
Level of funding requested	_____
Lead implementing agency	_____
Cooperating agency(ies)	_____

2. **Targets**

Indicators		Preceding year	Year of plan	Reduction
Supply of ODS	Import			
	Total (1)			
Demand of ODS	Manufacturing			
	Servicing			
	Stockpiling			
	Total (2)			

3. **Industry Action**

Sector	Consumption preceding year (1)	Consumption year of plan (2)	Reduction within year of plan (1) – (2)	Number of projects completed	Number of servicing related activities	ODS phase-out (in ODP tonnes)
Manufacturing						
Total						
Refrigeration						
Total						
Grand total						

4. **Technical Assistance**

Proposed Activity:
Objective:
Target Group:
Impact:

5. **Government Action**

Policy/Activity planned	Schedule of implementation
Type of policy control on ODS import: servicing, etc.	
Public awareness	
Others	

6. **Annual Budget**

Activity	Planned expenditures (US \$)
Total	

7. **Administrative Fees**

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The Government will establish a project monitoring mechanism (PMM) to monitor project implementation, report on progress, monitor the impact of projects and recommend remedial actions if project implementation is delayed or impacts not achieved. UNEP, as the lead IA will be responsible for establishing this mechanism and UNDP, as the cooperating IA will support UNEP in executing this function

Verification and reporting

2. In accordance to decision 45/54 (d), the Executive Committee reserves the right for independent verification in case the Executive Committee selects Haiti for related auditing. Based on discussion with the Lead IA, Haiti should select the independent organization (auditing) to carry out the verification of the TPMP results and this independent monitoring programme.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities to be specified in the project document as follows:

- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's phase-out plan;
- (b) Assisting Haiti in preparation of the Annual Implementation Programme;
- (c) 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 consistent with Appendix 5-A. In case the Executive Committee selects Haiti consistent with paragraph (d) of decision 45/54, separate funding will be provided by the Executive Committee to the Lead IA for this undertaking;
- (d) Ensuring that the achievements in previous annual implementation programmes are reflected in the future annual implementation programme;
- (e) Reporting on the implementation of the current Annual Implementation Programme and preparing for the annual implementation programme for the following year, for submission to the Executive Committee;
- (f) Ensuring that appropriate independent technical experts carry out the technical reviews undertaken by the Lead IA;
- (g) Carrying out required supervision missions;
- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Annual Implementation Programme and accurate data reporting;
- (i) Providing verification for the Executive Committee that consumption of the Substances has been eliminated in accordance with the Targets, if requested by the Executive Committee;
- (j) Coordinating the activities of the Cooperating IA;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (l) Providing assistance with policy, management and technical support when required.

APPENDIX 6-B: ROLE OF COOPERATING IMPLEMENTING AGENCY

1. The Cooperating IA will:
 - (a) Provide policy development assistance when required;
 - (b) Assist Haiti in the implementation and assessment of the activities funded for by the Cooperating IA; and
 - (c) Provide reports to the Lead IA on these activities, for inclusion in the consolidated reports.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 10 of the Agreement, the amount of funding provided may be reduced by US \$10,000 per ODP tonne of reductions in consumption not achieved in the year.

Annex VIII

DEFINITIONS OF ACTIVITIES INCLUDED IN THE INTERIM GUIDELINES FOR THE FUNDING OF DEMONSTRATION PROJECTS FOR THE DISPOSAL OF ODS

Definitions and characterisation

1. For the purposes of these guidelines, "Collection" will be defined as aggregating a significant quantity of ODS, in relatively uncontaminated liquid form, at a site usable for interim storage in suitable leak-tight containers/cylinders ready for transport. The Executive Committee decided to define the significant quantity of ODS to be aggregated under "collection" as the equivalent in terms of direct climate impact of 145 tonnes of CO₂. This is on the basis of the mass of CFC-12 contained in a refrigerant cylinder of 13.6 kg (standard refrigerant container), multiplied by the GWP of CFC-12 of 10,720. The relation to climate change implied in this concept is based on decision XX/7 of the Meeting of the Parties which underlined the intention of achieving climate benefits. This translates into, e.g., 31.2 kg (metric) of CFC-11, 113.9 kg (metric) of halon 1211, 21.5 kg (metric) of halon 1301 or 105.7 kg (metric) of CTC. The definition of "Transport" will cover the aggregation of quantities required for destruction or economic long-distance transportation starting with quantities of no less than the equivalent of 145 tonnes of CO₂, the transportation itself, as well as arranging the necessary procedures. "Destruction" will cover the process from the arrival of bulk ODS at the facility to its physical destruction as defined in decisions IV/11, V/26, VII/35 and XIV/6, of the Meeting of the Parties. "Storage" will cover the storage of ODS in suitable containers at suitable locations beginning with quantities equivalent to 145 tonnes of CO₂ for the time required to arrange for suitable transport, destruction or recycling/reclamation.

2. The following paragraphs illustrate the four categories of activities to make the requirements for each transparent. What activities are necessary and effective, and how they should be funded, is to be determined in each individual case.

Collection

3. Based on the above definition, "Collection" includes all efforts to extract ODS from an application or a product. In addition, for products that contain less ODS than specified as "significant", it would include aggregating the extracted ODS until the necessary quantity is reached. Collection would therefore cover, for example:

- (a) The collection of refrigerators, their transport to a central disassembly or recycling site, and extracting the CFCs from the refrigerators, compressing and transferring them into a transport container;
- (b) Similarly, it would cover the transport of foam, extraction of CFC-11 from it and transferring it into a suitable container; and
- (c) It would also cover the collection of small halon cylinders and their refilling into transport containers, or the recovery of CFCs from a supermarket refrigeration system of 13.6 kg or more of CFC-12 content or a respective amount of other refrigerants with the same climate impact.

4. The effort necessary to collect ODS will depend on:
- (a) The level of integration of ODS with the product, i.e. if the ODS can be recovered at the location of the product, or if the product needs to be transported to a central recovery facility; in the latter case, volume and weight of the product vs. the amount of recoverable ODS are also important factors;
 - (b) The geographical distribution of equipment containing ODS, and the amount of ODS contained in the equipment; and
 - (c) Its environmental impact, measured in ozone depletion potential (ODP) and greenhouse warming potential (GWP).
5. As defined here, Collection is the category of activity where the decisions are being made on whether the environmental impact of the ODS in the product surpasses the economical and/or ecological cost of its collection, and whether specific approaches for collection would fit into the economics of a planned project or activity. At the present point in time, ODS for some sub-sectors, e.g. building foams, are not collected systematically in any country because of economic and logistic considerations. In other cases, other considerations facilitate the collection of ODS, e.g. the need to collect and dispose of old refrigerators in the event of an energy-efficiency driven refrigerator replacement programme.

Transport

6. Based on the above definition for Collection, Transport includes the actual transportation of significant quantities, as defined above, in transport containers, both within a country as well as, where necessary, as transboundary transport. Furthermore, where applicable, necessary efforts to transfer ODS from containers for collection to potentially larger transport units, e.g. 13.6 kg cylinders of CFC-12 to 720 kg transport containers, and tests for substances contained for the purpose of labelling or to avoid undesired mixing will be needed. Transport would therefore cover, for example:
- (a) The transportation of collected, contaminated refrigerant in cylinders from recovery/recycling centres in a country to a central location in the country for subsequent further transport;
 - (b) The transportation of halon 1301 in transport cylinders of 21.5 kg or above from building sites to destruction facilities; and
 - (c) Arranging of export/import and transit permits, where applicable consistent with the Basel convention, to prepare for transporting from a national storage site to a destruction facility in another country.
7. Paragraph 6 of decision XX/7 of the Meeting of the Parties specifically notes that "... any project implemented pursuant to the present decision when applicable should be done in conformity with national, regional, and/or international requirements, such as those mandated by the Basel Convention and Rotterdam Convention".

Destruction

8. Based on the definitions for Collection and Transport above, “Destruction” covers preparation of ODS for destruction and the actual destruction itself, using destruction technologies approved by the Meeting of the Parties and operating them taking into account the Code of Good Housekeeping as per the Annex III of the report of the Fifteenth Meeting of the Parties. It would therefore cover, for example:

- (a) The testing of ODS containers for composition, determining the exact content and the contaminants. This could serve to identify impurities in case of destruction facilities being sensitive to contamination, as well as necessary purification processes; at the same time, this allows exact determination of the quantities of the different substances being destroyed, e.g. to serve the reporting needs under Article 7 of the Montreal Protocol, as well as other monitoring needs where exact quantification of substances may be of importance;
- (b) Destruction of CTC from by-production of other chloro-methanes on-line with the chloro-methane production process;
- (c) Minor changes to existing facilities;
- (d) Environmental assessments and application for permits, including, where applicable and required, continuous monitoring of the environmental impact; and
- (e) Destruction of ODS and measurement of the effectiveness of destruction.

9. In the course of project review the Secretariat will need to pay particular attention to the assessment of the cost efficiency of destruction activities given that there appears to be a large amount of destruction capacity available at competitive prices. Agencies should therefore be encouraged to discuss related matters with the Multilateral Fund Secretariat early on during the project preparation phase to avoid a project design based on funding expectations which might not be seen as eligible once the project is assessed.

Storage

10. Based on the above definitions, “Storage” includes all requirements for proper storage such as e.g. suitable containers and storage sites, as well as the necessary supervision, storage permits, and environmental assessments where applicable.

Annex IX

VIEWS EXPRESSED BY THE EXECUTIVE COMMITTEE ON RENEWALS OF INSTITUTIONAL STRENGTHENING PROJECTS SUBMITTED TO THE 58th MEETING

Afghanistan

1. The Executive Committee has reviewed the report of the institutional strengthening project extension for Afghanistan and notes with appreciation that Afghanistan has reported data to the Ozone Secretariat indicating that it is on track to phase-out its CFC consumption. The Executive Committee is therefore hopeful that Afghanistan will continue with the implementation of its country programme and activities with outstanding success, in particular, on the implementation of the national phase-out plan and that it will initiate the activities required to phase out HCFC.

Bhutan

2. The Executive Committee has reviewed the report of the institutional strengthening project extension for Bhutan and notes with appreciation that Bhutan has consistently reported zero CFC consumption to the Ozone Secretariat in 2007 indicating that Bhutan is meeting its CFC phase out targets. The Executive Committee is therefore hopeful that Bhutan will continue with the implementation of its country programme and activities with outstanding success, in particular, on the implementation of the country's terminal phase-out management plan. The Executive Committee also encourages Bhutan to initiate the activities required for the phase-out of HCFCs in the country.

Cambodia

3. The Executive Committee has reviewed the report of the institutional strengthening project extension for Cambodia and notes with appreciation that Cambodia has reported data to the Ozone Secretariat indicating that Cambodia is on track to phase-out its remaining consumption of CFC by 1 January 2010. The Executive Committee is therefore hopeful that Cambodia will complete the implementation of its country programme and terminal phase-out management plan in accordance with the Montreal Protocol's control measures. The Executive Committee also encourages Cambodia to initiate the activities required for the phase-out of HCFCs in the country.

Colombia

4. The Executive Committee has reviewed the terminal report presented with the institutional strengthening project renewal request for Colombia and notes with appreciation the outstanding achievements made by Colombia's national ozone unit during the implementation of the sixth phase of the project. In particular the Executive Committee notes the progress made by Colombia towards achieving the 85 per cent reduction in CFC in 2007 and maintaining compliance in 2008 with the Montreal Protocol schedules established for all controlled substances. The Executive Committee also notes the implementation of recent phase-out projects in key ODS-consuming sectors such as CTC and metered-dose inhalers (MDI), and the continuation of already existing activities under the National CFC Phase-Out Plan through the regional centers established. The Executive Committee commends the Government of Colombia for its achievements during the current phase and expresses the expectation that Colombia will continue the implementation of its programmed activities with outstanding progress, and will complete the phase-out of CFCs by 1 January 2010 and sustain CFC phase-out thereafter.

Democratic Republic of Congo

5. The Executive Committee has reviewed the report presented with the institutional strengthening project renewal for Democratic Republic of Congo and notes with appreciation that the country has reported data to the Ozone Secretariat showing that it reduced its CFC consumption in 2007 beyond the 85 per cent reduction target required by the Montreal Protocol. The Executive Committee is therefore hopeful that the Democratic Republic of Congo will continue with the implementation of its Country Programme and related activities with outstanding success towards total phase-out of its ODS consumption ahead of the Montreal Protocol phase-out schedule. It also hopes that the country initiates activities required for the phase-out of HCFCs as soon as possible.

Jordan

6. The Executive Committee has reviewed the terminal report presented with the institutional strengthening project renewal request for the Hashemite Kingdom of Jordan and notes with appreciation that Jordan has more than achieved its 2007 phase-out targets under the Montreal Protocol and its National ODS Phase-out Plan. The Executive Committee also notes that within the framework of the institutional strengthening project, Jordan has taken significant steps to phase out ODS consumption in other areas and continues to demonstrate a proactive role. The Executive Committee encourages Jordan to continue working towards complete and sustainable phase-out of Annex A and Annex B substances by 1 January 2010 and beyond through the completion of the National ODS Phase-out Plan; its chiller replacement project; its methyl bromide phase-out strategy; ongoing monitoring and public awareness raising activities; and, effective enforcement of policies to reduce risks of illegal ODS trade.

Kenya

7. The Executive Committee notes the institutional strengthening renewal request for Kenya and notes with appreciation the fact that it reported 2007 data to the Ozone Secretariat that shows it is in compliance with the CFC reduction measures under the Montreal Protocol. It also notes with appreciation that Kenya complied with the Action Plan for return to CFC consumption compliance. The Executive Committee further noted that Kenya has finally commenced the implementation of their ODS licensing system through the issuance of quotas. The Executive Committee expressed the expectation that Kenya will continue the implementation of the licensing and quota system, complete the CFC terminal phase-out management plan, phase out methyl bromide, and sustain and build upon its current levels of reductions in ODS and subsequently achieve zero CFC consumption by 2010. It also hopes that the country will initiate the required activities for the phase-out of HCFCs as soon as possible.

Malaysia

8. The Executive Committee has reviewed the report presented with the institutional strengthening project renewal request for Malaysia and notes with appreciation that Malaysia reported data in 2007 to the Ozone Secretariat indicating that CFC consumption was lower than its 1995-1997 average CFC baseline and that has met the 85 per cent reduction target of the Montreal Protocol. The Executive Committee greatly supports the efforts of Malaysia to reduce the consumption of ODS. The Executive Committee is therefore hopeful that Malaysia will continue with the implementation of its country programme and national phase-out activities with outstanding success.

Mexico

9. The Executive Committee has reviewed the report presented with the institutional strengthening project renewal request for Mexico and notes with appreciation that Mexico reported Article 7 data to the Ozone Secretariat that indicates compliance with the Montreal Protocol. The Executive Committee notes that the ongoing regulatory efforts will be further enhanced by the implementation of ODS monitoring

system. The Executive Committee also acknowledges the achievements of Mexico to date, which include completion of many of the activities in their national phase out plan. It also appreciates the leadership role that Mexico plays in the Regional Ozone Network for Latin America. The Executive Committee greatly supports the efforts of Mexico to phase-out the consumption of CFCs and to initiate measures in regard of the HCFCs phase-out management plan.

Micronesia (Federated States of)

10. The Executive Committee has reviewed the report of the institutional strengthening project extension for the Federated States of Micronesia and notes with appreciation that the Federated States of Micronesia has reported Article 7 data to the Ozone Secretariat indicating that the Federated States of Micronesia is on track to phase-out its CFC consumption and has finally established the licensing system to control the import and export of ODS. The Executive Committee is therefore hopeful that the Federated States of Micronesia will complete the implementation of its activities under the Regional Strategy, and start the preparation and implementation of the HCFC phase-out management plan with outstanding success.

Myanmar

11. The Executive Committee has reviewed the report of the institutional strengthening project extension for Myanmar and notes with appreciation that Myanmar has reported Article 7 data to the Ozone Secretariat indicating that Myanmar has reported zero consumption of CFC consumption during 2006-2007. The Executive Committee is therefore hopeful that Myanmar will continue with the implementation of its country programme and refrigerant management plan, and start the preparation and implementation of the HCFC phase-out management plan with outstanding success.

Saint Vincent and the Grenadines

12. The Executive Committee has reviewed the report submitted with the institutional strengthening project renewal request for Saint Vincent and the Grenadines and notes with appreciation that the country reported 2008 Article 7 data to the Ozone Secretariat demonstrating that the Party maintained zero consumption of CFCs. The Executive Committee also notes that activities under the terminal phase-out management plan have been completed with success, and that any remaining activities will be completed in an expeditious manner. The Executive Committee hopes that the country will also initiate the preparation of the HCFC phase-out management plan and the other actions required to phase out HCFCs.

Samoa

13. The Executive Committee has reviewed the report of the institutional strengthening project extension for Samoa and notes with appreciation that Samoa has reported Article 7 data to the Ozone Secretariat indicating that Samoa has reported zero consumption of CFC consumption during 2006-2007. The Executive Committee is therefore hopeful that Samoa will continue with the implementation of its country programme and refrigerant management plan in accordance with the Montreal Protocol's control measures, and start the preparation and implementation of the HCFC phase-out management plan with outstanding success.

Sudan

14. The Executive Committee has reviewed the report presented with the institutional strengthening project renewal for Sudan and notes with appreciation that the country has reported Article 7 data to the Ozone Secretariat showing that its 2007 consumption is consistent with the Montreal Protocol targets. The Executive Committee is therefore hopeful that Sudan will continue with the implementation of its Country Programme and related activities with outstanding success towards total phase-out of its ODS

consumption ahead of the Montreal Protocol phase-out targets. It also hopes that the country could initiate activities required to phase out HCFCs as soon as possible.

Syrian Arab Republic

15. The Executive Committee has reviewed the report presented with the institutional strengthening project renewal request for Syrian Arab Republic, and notes with appreciation that within the framework of the institutional strengthening project, Syrian Arab Republic has taken significant steps to phase out its ODS consumption, in particular, the implementation of the national sector phase out plan in the refrigeration manufacturing in cooperation with UNDP and UNIDO that led to the elimination of ODS in this sector. The Committee also notes that the Syrian Arab Republic is an active member of the Regional Ozone Network for West Asia. The Executive Committee is therefore hopeful that Syrian Arab Republic will continue with the implementation of its country programme and the TPMP activities with outstanding success to achieve complete phase-out of CFCs by 1 January 2010 and to freeze levels of HCFCs by 2013.

Thailand

16. The Executive Committee has reviewed the report presented with the institutional strengthening project renewal request for Thailand. The Committee notes with appreciation that Thailand has effectively implemented its National CFC Phase-out Plan and its National Methyl Bromide Phase-out Plan on schedule and that it has successfully met the commitments outlined by both programmes over the past two years. The Committee acknowledges, and will continue to support, the considerable steps that have been taken by the Government of Thailand to reduce its overall ODS consumption. These actions include, among others, interagency coordination efforts to ensure national compliance with Montreal Protocol commitments, as well as training, monitoring, enforcement activities and awareness raising campaigns. The Executive Committee is hopeful that, in future, Thailand will continue its strategic approach to ODS phase-out and that it will make strides in its efforts to phase out HCFCs.

Turkey

17. The Executive Committee has reviewed the report presented with the institutional strengthening (IS) project renewal request for Turkey, and notes with appreciation the completed activities during the period of the IS project which was implemented through the World Bank, in particular the country's efforts to phase out methyl bromide and raise awareness about its alternatives. The Executive Committee is also encouraged by the country's continuing efforts to reduce CFC consumption in the country, and notes the fact that it will prioritize the development of the HCFC phase-out management plan in this new phase. The Executive Committee greatly supports the efforts of Syria to reduce the consumption of CFCs. The Executive Committee is therefore hopeful that the country will be able to sustain the phase out of CFCs beyond 2010 with outstanding success, and expeditiously initiate activities for HCFC phase out as soon as possible.

Annex X

**AGREEMENT BETWEEN REPUBLIC OF IRAQ AND THE EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE PHASE-OUT OF OZONE DEPLETING
SUBSTANCES**

1. This Agreement represents the understanding of the Government of Iraq (the “Country”) and the Executive Committee with respect to the complete phase-out of controlled use of the ozone-depleting substances set out in Appendix 1-A (the “Substances”).
2. The Country agrees to meet the annual consumption limits of the Substances as set out in rows 2, 5, 8 and 11 of Appendix 2-A (the “Targets, and Funding”) in this Agreement. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to the Substances.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 15 of Appendix 2-A (the “Targets, and Funding”) to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (the “Funding Approval Schedule”).
4. The Country will meet the consumption limits for each of the Substances as indicated in Appendix 2 -A. It will also accept independent verification by the relevant implementing agency of achievement of these consumption limits as described in sub-paragraph 5(b) of this Agreement.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least 60 days prior to the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Targets for the applicable year;
 - (b) That the meeting of these Targets will be independently verified;
 - (c) That the Country has substantially completed all actions set out in the last annual implementation programme; and
 - (d) That the Country has submitted and received endorsement from the Executive Committee for an annual implementation programme in the form of Appendix 4-A (the “Format of Annual Implementation Programme”) in respect of the year for which tranche funding is being requested.
6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (the “Monitoring Institutions and Roles”) will monitor and report on that monitoring in accordance with the roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in sub-paragraph 5(b).
7. While the Funding was determined on the basis of estimates of the needs of the Country to carry out its obligations under this Agreement, the Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the goals prescribed under this Agreement. Reallocations categorized as major changes must be documented in advance in the next annual implementation programme and endorsed by the Executive

Committee as described in sub-paragraph 5(d). Reallocations not categorized as major changes may be incorporated in the approved annual implementation programme, under implementation at the time, and reported to the Executive Committee in the report on implementation of the annual implementation programme.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation;
- (b) The technical assistance programme for the refrigeration servicing sub-sector will be implemented in stages so that remaining resources can be diverted to other phase-out activities such as additional training or procurement of service tools in cases where the proposed results are not achieved, and will be closely monitored in accordance with Appendix 5-A of this Agreement; and
- (c) The Country and the implementing agencies will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the "Lead IA") and UNIDO has agreed to be cooperating implementing agency (the "Cooperating IA") under the lead of the Lead IA in respect of the Country's activities under this Agreement. The Lead IA will be responsible for carrying out the activities listed in Appendix 6-A including but not limited to independent verification as per sub-paragraph 5(b). The Country also agrees to periodic evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund. The Cooperating IA will be responsible for carrying out the activities listed in Appendix 6-B. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 16 and 17 of Appendix 2-A.

10. Should the Country, for any reason, not meet the Targets set out in this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised funding approval schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amounts set out in Appendix 7-A in respect of each ODP tonne of reductions in consumption not achieved in any one year.

11. The funding components of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

12. The Country will comply with any reasonable request of the Executive Committee and the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to information necessary to verify compliance with this Agreement.

13. All of the agreements set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Protocol unless otherwise defined herein.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Annex A:	Group I	CFC-11, CFC-12, CFC-113, CFC-115
Annex A:	Group II	Halon-1211, halon-1301, halon-2402
Annex B:	Group II	CTC
Annex B:	Group III	TCA

APPENDIX 2-A: THE CONSUMPTION TARGETS, AND FUNDING

		2008	2009	2010	2011	Total
1	Montreal Protocol reduction schedule of Annex A, Group I substances (ODP tonnes)	227.6	227.6	0.0	0.0	
2	Max allowable total consumption of Annex A, Group I substances (ODP tonnes)	n/a	n/a	0.0	0.0	
3	New reductions of Annex A, Group I substances (ODP tonnes)		1,597.1			1,597.1
4	Montreal Protocol reduction schedule of Annex A, Group II substances (ODP tonnes)	35.2	35.2	0.0	0.0	
5	Max allowable total consumption of Annex A, Group II substances (ODP tonnes)	n/a	n/a	0.0	0.0	
6	New reductions of Annex A, Group II substances (ODP tonnes)		39.1			39.1
7	Montreal Protocol reduction schedule of Annex B, Group II substances (ODP tonnes)	3.2	3.2	0.0	0.0	
8	Max allowable total consumption of Annex B, Group II substances (ODP tonnes)	n/a	n/a	0.0	0.0	
9	New reductions of Annex B, Group II substances (ODP tonnes)		4.6			4.6
10	Montreal Protocol reduction schedule of Annex B, Group III substances (ODP tonnes)		0.0	0.0	0.0	
11	Max allowable total consumption of Annex B, Group III substances (ODP tonnes)		0.0	0.0	0.0	
12	New reduction of Annex B, Group III substances (ODP tonnes)		*			*
13	Lead IA (UNEP) agreed funding (US\$)		1,136,000		505,000	1,641,000
14	Cooperating IA (UNIDO) agreed funding (US\$)		4,353,530		303,000	4,656,530
15	Total agreed funding (US\$)		5,489,530		808,000	6,297,530
16	Lead IA (UNEP) support costs @13% (US\$)		147,680		65,650	213,330
17	Cooperating IA (UNIDO)) support costs @7.5% (US\$)		326,515		22,725	349,240
18	Total agreed support cost		474,195		88,375	562,570
19	Total agreed funding (US\$)		5,963,725		896,375	6,860,100

*0.2 metric tonnes of Annex B, Group III

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the second tranche will be considered for approval at the second meeting of 2011.

APPENDIX 4-A: FORMAT OF ANNUAL IMPLEMENTATION PROGRAMME

1. **Data**

Country _____
 Year of plan _____
 # of years completed _____
 # of years remaining under the plan _____
 Target ODS consumption of the preceding year _____
 Target ODS consumption of the year of plan _____
 Level of funding requested _____
 Lead implementing agency _____
 Cooperating agency _____

2. **Targets**

Indicators		Preceding year	Year of plan	Reduction
Supply of ODS	Import			
	Total (1)			
Demand of ODS	Manufacturing			
	Servicing			
	Stockpiling			
	Total (2)			

2. **Industry Action**

Sector	Consumption on preceding year (1)	Consumption year of plan (2)	Reduction within year of plan (1)-(2)	Number of projects completed	Number of servicing related activities	ODS phase-out (in ODP tonnes)
Manufacturing						
Aerosol						
Foam						
Refrigeration						
Solvents						
Other						
Total						
Servicing						
Refrigeration						
Total						
Grand total						

4. **Technical Assistance**

Proposed Activity:

Objective:

Target Group:

Impact:

5. **Government Action**

Policy/Activity planned	Schedule of implementation
Type of policy control on ODS import: servicing, etc.	
Public awareness	
Others	

6. **Annual Budget**

Activity	Planned expenditures (US \$)
Total	

7. **Administrative Fees**

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. Government of Iraq in consultation with the Lead IA will select and contract an independent local organization/firm to undertake this task and report annually on the outcomes and deliverables of the NPP. The selection of this organization/firm will depend on the outcomes of the capacity building exercise as proposed in the Policy component of the NPP.

2. The organisation will have full access to all financial and technical data and information concerning the implementation of the Plan to phase out the Substances for reliable data collection and cross checking.

3. The organisation will prepare and submit to the NOU and the Lead IA reports of activities on a quarterly basis and the reports on the status of implementation of the Plan to phase out the Substances and consumption figures annually for consideration and follow up.

4. The responsibility of the selected organization will be:

- Develop and present to the Lead IA and NOU the approach to independent monitoring of the NPP implementation.
- Undertake independent monitoring of all the activities implemented in the NPP
- Undertake independent annual monitoring, through site-visits, of the commercial refrigeration enterprises receiving support through this project, determining amount of and substance used as blowing agents, with at least one visit shortly before implementation of the NPP is being completed, and report the findings to the NOU and the Lead IA;
- Present reports on NPP implementation status and CFC consumption in the country on half-yearly basis;
- Prepare periodic (annual) assessment of the consumption of ODS in the refrigeration sector and evaluate the impact of the projects being undertaken
- Take into consideration comments and recommendations of the Lead IA and NOU on activities and react accordingly.

5. The NOU will be responsible for:

- Providing the selected organization with all relevant information in possession
- Providing the selected organization with full information on NOU activities and partners.
- Providing the selected organization with the necessary support/documentation to ensure its access to relevant official institutions and other organizations
- Providing the reasonable support in independent data collection

Verification and reporting

6. Based on discussion with the country, the Lead IA should mandate an independent organization to carry out the annual verification of the NPP results and the consumption of the substances mentioned in Appendix 1-A and this independent monitoring programme.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities to be specified in the project document as follows:

- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's phase-out plan;
- (b) Assisting the Country in preparation of the Annual Implementation Programme;
- (c) 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 consistent with Appendix 5-A;
- (d) Ensuring that the achievements in previous annual implementation programmes are reflected in the future annual implementation programme;
- (e) Reporting on the implementation of the Annual Implementation Programme of 2009/2010 and preparing for annual implementation programme for 2010/2011 for submission to the Executive Committee.
- (f) Ensuring that appropriate independent technical experts carry out the technical reviews undertaken by the Lead IA;
- (g) Carrying out required supervision missions;
- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Annual Implementation Programme and accurate data reporting;
- (i) Providing verification for the Executive Committee that consumption of the Substances has been eliminated in accordance with the Targets, if requested by the Executive Committee;
- (j) Coordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators; and

- (l) Providing assistance with policy, management and technical support when required.

APPENDIX 6-B: ROLE OF COOPERATING IMPLEMENTING AGENCY

1. The Cooperating IA will:

- (a) Provide policy development assistance when required;
- (b) Assist Iraq in the implementation and assessment of the activities funded for by the Cooperating IA, and refer to the lead IA to ensure a co-ordinated sequence in the activities; and
- (c) Provide reports to the Lead IA on these activities, for inclusion in the consolidated reports.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 10 of the Agreement, the amount of funding provided may be reduced by US \$13,000 per ODP tonne of reductions in consumption not achieved in the year.
