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Montreal, 15-19 April 1991

WORK PROGRAMME OF THE WORLD BANK

INTERIM MULTILATERAL FUND OF THE MONTREAL PROTOCOL

World Bank Work Program for Investment Project Preparation and Related Studies

Introduction

1. This work program and budget has been prepared for review by the Executive Committee of the Interim Multilateral Fund at its April 15-19, 1991, meeting in Montreal. Detailed plans and cost estimates are provided for activities proposed for support by the Protocol Fund for the remainder of 1991 (April-December, 1991). The first three months of 1991 were spent preparing, or updating and consolidating, for review with Governments, individual country work programs for the remainder of calendar 1991, and for fiscal year 1992, the Bank's planning and fiscal year. Support from respective Governments has been obtained in writing for almost work programs [1]. While the budget and planned outputs presented in this executive summary are for calendar 1991, individual country programs are presented through December 1991, and FY 92, serving the needs of both the Executive Committee and the Bank for planning and budgeting purposes. Indeed, for some countries in Latin America and the Caribbean, planning for Protocol implementation is sufficiently advanced to enable projections to be made of three year work plans, budgets and outputs, hence the CY 1991 budgets and work plans are presented in the context of these longer planning periods.

2. While work programs are presented here only for those countries which have ratified the Montreal Protocol, work programs have been prepared for certain countries which are expected to ratify in the course of the next year. Work programs for six "non-ratified" countries were prepared using the Bank's own resources and are being held in abeyance for presentation to the Executive Committee when the countries concerned become eligible for Protocol Fund support.

3. During the remainder of CY 1991, as missions are mounted country by country, a more accurate appraisal will be possible of the time required for proposed studies, and preparation and appraisal activities for investment operations for calendar 1992 and 1993. In effect, the absorptive capacity of our clients, and the capacity of the Bank to deliver planned assistance will become apparent during CY 1991, enabling more precise work planning and budget estimates to be prepared for the Executive Committee towards the end of the second half of CY 1991 for the remainder of the three-year period.

Program Scope

4. The proposed work program envisages activities in 17 countries during CY 1991. Though beyond the time frame of this work program and budget, it is noteworthy that an additional three country programs are planned to start in CY 1992 (Argentina, Panama and Guatemala). Work programs are presented for each country for which Bank supervised assistance is proposed. Although the level of assistance proposed varies greatly between countries, all countries have had or anticipate receiving the benefits of initial reconnaissance missions leading frequently to Country Program Framework Papers. In some cases, reconnaissance missions have been in the field during March, hence more detailed work program descriptions will be available upon their return in April. Due to the Gulf War, for several countries in Eastern Europe, the Middle East and North Africa, it has not been possible during the first two months of CY 1991 to review proposed work programs, face to face. In addition to the work program preparation costs of $500,000, supported by an advance of that amount from the Protocol Fund, support required for the proposed work programs is estimated to be $2.01 million in CY 1991, of which $.89 million is for policy framework and technical reviews, including country studies and CFP's, $.82 million is for project preparation

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[1] Government's were invited to confirm in writing their support for programs that had been prepared by the Bank in consultation with them. The relevant documentation is available on request.

activities and project appraisals, and $. 30 million is for operations coordination and related policy work, including financial and legal administration (Tables 2 and 3 and para. 8).

Country Eligibility

5. All countries for which assistance is requested from the Protocol Fund during CY 1991 have ratified the Protocol and have notified the Bank in writing of their desire to have the Bank provide the assistance identified.

Project Pipeline

6. The Bank's primary contribution to the implementation of the Montreal Protocol is to manage the investment project cycle, including assistance to countries in their developments which would facilitate and sustain the benefits anticipated from those investments. In the course of CY 1991, it is anticipated that a total of 10 country studies and CFP's, and 2 pre-investment studies will be completed, leading to the appraisal of 2 projects during CY 1991.

Interagency Cooperation

7. The proposed work program has been prepared in close consultation with UNDP and UNEP, and ongoing collaboration is anticipated between the Bank and these agencies in the course of project cycle for Montreal Protocol Fund-supported investment projects. The Bank is already working closely with UNDP in 3 country studies and CFP's. See Table 1.

Budget Assumptions

8. The underlying assumption in the proposed CY 1991 budget is that the Bank will be reimbursed reasonable costs incurred in fulfilling its role as an implementing agency. The proposed budget does not include any costs attributable to time devoted by senior World Bank managers and related support staff and services in formalizing and overseeing the Bank's participation as an implementing agency, including their attendance at meetings of the Montreal Protocol. Reimbursement is being requested for all costs incurred in preparing, appraising and supervising investment operations of the Montreal Protocol, including overall operations coordinations functions and preparaiton of policy papers dedicated entirely to Protocol Fund implementation. These include direct staff and consultant costs, and all overheads, including operational line management support functions, office and communications expenses, travel and expenses. Given the substantial commitment of senior management to Montreal Protocol deliberations, the Bank will recover less than the full costs of undertaking its role as an implementing agency. See Tables 2 and 3. The budget for Montreal Protocol operations coordination, related policy analysis and review, and legal and financial administration, is $295,176 for the period May 1-December 31st, 1991.

Financial Commitment and Disbursement Schedules

9. The Bank will make no investment project disbursements until funding for the total investment prject has been committed up-front. Using scheduled investment project approval dates as the benchmark dates for the timing of required project funding commitments, a total financial commitment of US$9.7 million is now anticipated during CY 1991, as shown in Table 4.

10. Assuming that these commitments are made as anticipated, no disbursements are expected during CY 1991. In fact, the first disbursements for investment project funding will not take place until early in the following year. As a consequence, the current schedule of quarterly investment project disbursements, the forst disbursements will be made in the first and second quarters of CY1992 (or the third and fourth quarter of the Bank's FY92) and are estimated to total US$3.49 million. These disbursements are shown in Table 5 which has been prepared to reflect activity to reflect activity in the Bank's FY92.

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The World Bank
CY1991 Budget Summary
(May-December 1991)

	WORKPROGRAM	BUDGET (in US$)
I.	Country Studies/Policies/Technical Review	894,381
II.	Project Preparation/Appraisal	821,288
III.	Operations Coordination/Policy (Incl. Financial and Legal Administration)	295,176
	TOTAL	2,010,845

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