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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL

Twenty-fifth Meeting
Montreal, 29-31 July 1998

ADMINISTRATIVE COSTS OF THE IMPLEMENTING AGENCIES

1. Decision VIII/4 of the Eighth Meeting of the Parties requested:

“That the Executive Committee should, over the next three years, work toward the goal of reducing agency support costs from their current level of 13 per cent to an average of below 10 per cent to make more funds available for other activities. The Executive Committee should report to the Parties annually on their progress, and the Parties may adjust the goal accordingly.”

2. At its 21st Meeting, the Executive Committee approved the terms of reference for the recruitment of a consultant to work with the Secretariat and the implementing agencies to identify options and approaches for reducing the overall level of administrative costs, focusing on revising the current uniform, fee-based system (decision 21/2). The Secretariat subsequently informed the Committee at its 22nd Meeting that a consultant, Coopers and Lybrand, had been selected.

3. The Consultant visited the implementing agencies and collected information during these visits. The Consultant then submitted a Memorandum of Discussion. The Memorandum indicated a departure from the Terms of Reference. The Secretariat reviewed several subsequent discussion drafts. These drafts are available for review. After reviewing these drafts, it was determined that additional information was needed to complete the analysis.

4. The Consultant then prepared a questionnaire that was reviewed by the Secretariat and submitted to the implementing agencies in May 1998 with a completion date of 9 June 1998. The implementing agencies responded that they would not be able to complete the questionnaire until the end of July. The Consultant, was requested and agreed to submit, by 18 June 1998, an interim report for presentation to the 25th Meeting of the Executive Committee. The Secretariat is awaiting the submission of that report.

5. The Secretariat will provide an update of this study at the Executive Committee Meeting.