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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Ninety-fifth Meeting
Montreal, 4-8 December 2024
Item 12 of the provisional agenda¹

**MAPPING OF REPORTING REQUIREMENTS AND THE STREAMLINING OF
REPORTING ON PROGRESS ACROSS THE SPECTRUM OF REPORTS
(decision 93/1(b))**

Introduction

1. At the 93rd meeting, it was reported that during the inter-agency coordination meetings (IACMs), the implementing agencies had requested streamlined reporting requirements to reduce their workload and address the repetitive content of the spectrum of reports on progress. The importance of reporting as a monitoring tool for identifying gaps in implementation was recognized; so was the need to balance between reporting and implementation. It was pointed out that the new ways of operating that were under development as part of the knowledge management system could be used to that end.
2. Subsequently, the Executive Committee requested the Secretariat to prepare, for consideration at the 95th meeting, a document on the mapping of reporting requirements and the streamlining of reporting on progress across the spectrum of reports, taking into account the ongoing development of the knowledge management system (decision 93/1(b)).
3. In line with the decision, the Secretariat has prepared the present document which contains four sections: mapping of reporting requirements; consultation with bilateral and implementing agencies; Secretariat's observations and a recommendation. To prepare the document, the Secretariat first mapped all the reporting requirements that require agencies' inputs. The Secretariat also prepared and sent a questionnaire to one bilateral and four implementing agencies and further discussed their responses to the questionnaire at the IACM.²

Mapping of reporting requirements

4. Table 1 lists the reports, by main agenda item of the Executive Committee meeting, that require inputs from bilateral and implementing agencies. A summary of the purpose and content of these reports, as well as their submission timing or frequency are provided.

Table 1. Reporting requirements by main agenda item¹ UNEP/OzL.Pro/ExCom/95/1² Held from 10-12 September 2024, Montreal

Agenda item	Report that requires agencies' inputs	Purpose	Content	Timing / frequency
Financial matters	Reports on completed projects with balances	To address balances from completed projects until all funds are disbursed or returned for reprogramming.	Information on balances returned and outstanding, on when the accounts would be closed and funds returned as applicable.	Each meeting.
	Reconciliation of accounts	To reconcile financial information in annual progress and financial reports and inventory of approved projects with annual accounts.	Explanation on differences and identifying items that need to be further reconciled.	2 nd meeting.
Project implementation	Annual progress and financial reports	To monitor the achievement of project milestones and any impediments for Executive Committee (ExCom) action / notation, key project dates, and financial information reconciled with annual accounts.	Defined by the operational guidelines (reporting through both a database and a narrative report). Financial data as at 31 December of the subject year. Latest project progress under the "remarks" column in the database.	1 st / 2 nd meeting depending on ExCom meeting dates. Usually at the 2 nd meeting.
	Reports on implementation delays and additional status reports	To address projects until impediments are resolved resulting in possible ExCom action and/or notation.	Brief reports until project impediments are removed or for delayed projects until they are assessed with progress or completed.	Each meeting as stand-alone item (an excel table containing only relevant projects) or as part of annual progress and financial reports (along with the requirements of the "remarks" column).
	Reports on projects with specific reporting requirements	To address projects for which the ExCom has requested specific reports.	Detailed status report addressing required information based on specific ExCom decisions (e.g., temporary use of high-GWP substances, implementation of the last tranche of an MYA with extended commitments).	Depending on the specific ExCom decisions (e.g., per meeting for the use of high-GWP substances, yearly for the implementation of the last tranche of an MYA with extended commitments).
	Special final project reports	To address projects for which the ExCom has requested reports upon completion (e.g., end-user / technology demonstration / pilot projects and enabling activities).	Detailed narrative reports / specific formats developed by the Secretariat based on the ExCom decisions.	Upon operational completion of the project at a time based on the specific ExCom decision.
	Project completion reports (PCRs)	To ensure that the Fund's objectives are being carried out and to consider lessons learned in future operations.	Defined by PCR formats (universal format to be used in 2025).	Within six months of operational completion of projects.
Business planning	Reports on multi-year agreement (MYA) tranche submission delays	To address and monitor delays in the tranche submission of MYAs.	Reasons for delays in tranche submission and assessment of impact on compliance until the tranche due is submitted.	Each meeting. Tranches due according to the timeframe specified in MYAs but not submitted.
Project proposals	MYA tranche requests including a progress report on the previous tranche implementation plan and a plan of action for the next tranche	To assess compliance with the MYA consumption commitments, achievement of activities planned in the previous tranche and level of tranche disbursement.	Defined by the MYAs and the guide and submission form for MYA tranches.	Tranches due according to the timeframe specified in MYAs.
	Institutional strengthening (IS) renewal requests including a terminal report on the previous IS phase and a plan of action for the next phase	To assess the achievement of activities planned in the previous phase and expenditure report.	Defined by the guide and submission form for IS projects.	Every 3 years as each IS phase has a duration of 3 years.
	Compliance Assistance Programme including a progress report on the previous year programme and the work programme for the next year	To assess and report on the achievement of activities planned in the previous year programme.	Detailed progress report in narrative.	2 nd meeting.
	Core unit costs including a report on costs for the previous two years and proposed budget for the next year	To assess and report on the budget expenditures.	Defined by the format approved by the Executive Committee.	2 nd meeting.

5. As shown in table 1, there are a number of reports that need agency input. These reports are related to financial matters, project implementation, business planning or as part of project proposals. Some of these reports require only data or simple information while others require a detailed narrative, and in some cases, together with data. Most reports have a defined format and/or a guide for submission developed by

the Secretariat, and the frequency of submission of these reports are guided by Multilateral Fund policies, procedures and guidelines and could range from twice a year to every three years. In line with decision 93/1(b), the present document will consider only those reports that address project progress, which are shown in bold in table 1.

Consultation with bilateral and implementing agencies

6. In order to see whether there is room for streamlining reporting on progress across the spectrum of reports, the Secretariat sent a questionnaire to one bilateral and four implementing agencies. The questionnaire aimed to help estimate the time spent by agencies on reporting against project preparation and implementation; understand their process for preparing different reports; identify possible overlap of content among reports; and explore potential for streamlining and adjustment to the frequency of the reports. The questionnaire also asked agencies about the extent to which the recent Executive Committee decisions on extending duration of institutional strengthening projects (decision 91/63) and allowing a lower number of tranches be included in stage I of Kigali HFC implementation plans (KIPs) (decision 94/59) help alleviate reporting burden and to share their experience in reporting on progress when working with other financial mechanisms.

7. In their responses to the questionnaire, which were further discussed at the IACM,³ agencies indicated that significant amount of staff time was spent on reporting, with progress reports on the previous tranche implementation plans and annual progress and financial reports the most time-consuming due to the detailed information required for the former, and the rigid and humongous reporting format for the latter which could take months of staff time to complete.

8. For the annual progress and financial reports, agencies questioned the part of project progress reporting when substantial information has already been provided in the progress reports of the previous tranche implementation plans and suggested to limit the annual reporting as a financial exercise. In terms of the reporting format, it was indicated that the current Excel format does not facilitate data analysis, and a digital solution will be preferable. It was also noted that the reporting format includes all projects since the inception of the Multilateral Fund and that by keeping those historical projects where new information is no longer required, makes the format cumbersome. The need to revise the narrative was also raised to include most relevant information. The advantage of splitting a tranche funding into many single-entry components was doubted noting that it complicates and doubles the reporting work, and it complicates the reporting when countries use the allowable flexibility to move around a certain percentage of project component budgets. It was further noted that a brief narrative reporting, under the “remarks” column of the reporting format, on the specific tranche annually is more important.

9. On overlapping and streamlining of reports, suggestions from agencies also included to: minimize/combine reporting on the same matters/projects, for instance, by requesting additional reports of projects as part of tranche requests or progress and financial reports and avoiding reports on specific reporting requirements; simplify reporting requirements for low-volume-consuming (LVC) countries; avoid overlap among various reports through ensuring that requests for reports should not be above once on the same project at the same meeting; reduce the reporting of tranche submission delays to once a year as a business planning tool; to schedule report submission to the first meeting of the year whenever possible when the workload is usually less; to streamline the tranche progress reports through a simplified template for tranche requests incorporated in the knowledge management system (KMS); to streamline the reporting for final reports and PCRs. Agencies also indicated that longer duration between reporting for projects with specific reporting requirement is required to allow evident progress and expected that the KMS platform would allow different Secretariat staff to assess the information to avoid similar questions/requests for reports for the same project.

10. Agencies agreed that the lower number of tranches in stage I of KIPs help alleviate reporting burden; however, they were also unsure if fewer tranches of stage I of KIPs would translate into more

³MLF/IACM.2024/2/2, paragraphs 61-65

reporting into other types of reports and whether additional reporting requirements would be introduced to projects approved under new funding windows. In view of the reporting requirements of other financial mechanisms, agencies believed that it is important to strike a good balance on reporting while ensuring donor countries are aware of how their contribution is being spent.

Secretariat's observations

11. In reviewing agencies' responses to the questionnaire and following discussions at the IACM, the Secretariat notes that there exist overlaps of some reports on project progress and room for streamlining of its reporting while not comprising accountability of funds spent, and project sustainability.

12. There are occasions where a report on project implementation delays and an additional status report are requested for the same project. Noting that reports on projects with implementation delays are meant for projects that are subject to procedures for project cancellation in line with decisions 26/2 and 84/45 (e.g., individual investment projects, tranches of MYA) while additional status reports are meant for projects that are not subject to such procedures in line with decision 36/14 (e.g., project preparation, demonstration projects, institutional strengthening), the Secretariat will continue to follow the established policies whenever possible and avoid overlaps of these two reports.

13. With regard to reports on projects with specific reporting requirements, the Secretariat noted agencies' concerns in terms of the time required for preparing these individual reports due to the details that need to be provided, the duration required to fulfil conditions or achieve results, and the workload at the second Executive Committee meeting of the year, and therefore submission of these reports will be requested, whenever feasible, as part of next tranche/stage requests or next financial and progress reports, as relevant. In circumstances where stand-alone reports are unavoidable, their submission will be requested for the first Executive Committee meeting of the year where the workload is usually less heavy.

14. On the complex information required for progress reports on previous tranche implementation plans submitted with next tranche requests, as part of development of the KMS, in particular, the module for online project submission, a form is being developed for the submission of MYA tranche requests taking into account user experience in the existing submission guide and template. This form aims to further standardize information to be collected, prefill information that already exists in the system, and streamline the process for submission and review of MYA tranche requests, in particular for LVC countries, whose phase-out/phase-down plan activities are largely similar.

15. Concerning MYA tranche submission delays, it is observed that tranches could not be submitted usually due to delays in implementation of previous tranches including not reaching the 20 per cent fund disbursement threshold of the previous tranche and in preparation of required verification reports as well as few other issues. These delays and issues of previous tranches usually have already been captured during the review of agencies' financial and progress reports and are monitored under projects with implementation delays, additional status reports or by a separate decision as required. The report on the tranche submission delays is a business planning tool and captures the amount of funds that need to be included in the next year business plan due to tranches that were not submitted in the year that were expected to have been submitted. The Executive Committee may wish to consider that the report on tranche submission delays as a business planning tool, be submitted at the second Executive Committee meeting of the year.

16. Agencies noted several issues on the progress and financial reports referred to in paragraph 8 above. The Secretariat noted that the format for progress and financial reports including its narrative has not been substantively reviewed for some time, except for adding columns for reporting on CO₂-equivalent tonnages and gender. The new meta-code created under the master database of the KMS would allow all the codes of a project be linked together under it to facilitate reporting by meta-code. The Secretariat also noted the importance of collecting data that relate to the impact of the Multilateral Fund supported activities and that data would need to be collected for the preparation of the Fund's performance report in line with decision 93/97. In this regard, the Executive Committee may wish to request the Secretariat, in consultation

with implementing agencies, to review the format for such reporting including its narrative, aiming at the streamlining of reporting while allowing collecting data required for the preparation of the Multilateral Fund performance report, and to present the revised format for consideration of the Executive Committee at its 96th meeting.

17. In certain types of projects, agencies require to present final project reports which include comprehensive information, including both financial and operational, of the projects. This information may feed those required for PCRs; on the other hand, by including missing information required by PCRs into the final project reports, that latter could possibly be treated as PCRs. In this regard, the Executive Committee may wish to request the Secretariat and the Senior Monitoring and Evaluation Officer to explore possibility for integrated reporting of PCRs and detailed final project reports taking into account the approved universal PCR format and to report back at the 97th meeting of the Executive Committee.

Recommendation

18. The Executive Committee may wish:

- (a) To note the mapping of reporting requirements and the streamlining of reporting on progress across spectrum of reports contained in document UNEP/OzL.Pro/ExCom/95/91;
- (b) To note the efforts of the Secretariat in streamlining of reporting on project progress referred to in paragraphs 12 to 14 of document UNEP/OzL.Pro/ExCom/95/91;
- (c) To consider that, as business planning tool, the document on tranche submission delays be submitted at the second Executive Committee meeting of the year;
- (d) To request the Secretariat, in consultation with implementing agencies, to review the format for progress and financial reporting including its narrative, aiming at the streamlining of reporting while allowing collecting data required for the preparation of the Multilateral Fund performance report, and to present the revised format for consideration of the Executive Committee at its 96th meeting; and
- (e) To request the Secretariat and the Senior Monitoring and Evaluation Officer to explore possibility for integrated reporting of project completion reports (PCRs) and detailed final project reports taking into account the approved universal PCR format and to report back at the 97th meeting of the Executive Committee.