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Executive Committee of the
Interim Multilateral Fund for the
Implementation of the Montreal Protocol

Sixth Meeting
Montreal, 27-28 February 1992

REPORT BY THE FUND SECRETARIAT

This document reports on activities undertaken by the Fund Secretariat since the Fifth Meeting of the Committee. It also records the status of contributions and disbursements as of 31 January 1992.

1. Activities

1.1. Documentation for the Sixth Meeting of the Executive Committee

The Secretariat has prepared the following documents:

- Report of the Fifth Meeting of the Executive Committee (UNEP/OzL.Pro/ExCom/5/16).
- Consolidated Work Programmes of UNDP, UNEP and the World Bank (UNEP/OzL.Pro/ExCom/6/3).
- Draft Guidelines for Presentation of Projects to the Executive Committee (UNEP/OzL.Pro/ExCom/6/7).
- A cover sheet for Malaysia's country programme
- Evaluation sheets of the following country programmes:
 - Malaysia
 - Mexico
 - Ecuador

- Project evaluation sheets on project proposals costing more than US \$500,000.
 - Malaysia (UNEP/OzL.Pro/ExCom/6/8).
 - Egypt (UNEP/OzL.Pro/ExCom/6/9).

1.2. Participation at Meetings

The Fund Secretariat participated in the following meetings:

1. Two Regional Workshops on the use of alternatives to CFCs and other ozone-depleting substances (ODS), one for Asia and the Pacific, in Jomtien, Thailand (25-29 November 1991), and the other for Arabic-speaking countries, held in Cairo, Egypt (9-13 December 1991). Both workshops were organized by UNEP.

The Chief Officer represented the Fund Secretariat at these workshops and made the following presentations:

- o Opening statement.
- o International response and implications for governments and industry at the national level.
- o Implementation of the Interim Multilateral Fund.
- o Procedures on how to request funding.

He also undertook discussions with representatives of industries and governments from the two regions and with the workshop's resource persons. He urged government representatives to prepare and submit Country Programmes to help them comply with the Montreal Protocol's control measures; and invited the industry representatives to provide information on their ODS consumption as well as technical support for phase-out.

The Chief Officer also met with representatives of the Governments of Thailand and Egypt concerning the next steps to follow for project proposals submitted to the Secretariat for the Committee's consideration.

Relevant questions raised by participants can be summarized as follows:

- How shall applications for support from the Multilateral Fund be channelled? Which procedures should be followed? by the governments? by the implementing agencies? How and when will the decision to allocate funds be taken?
- How can co-ordination between projects be assured? How can results be shared so as to avoid duplication of activities all over the world? How will the projects and their costs be evaluated and who will do this?
- Types of costs: investment and initial costs/operational costs. Should the cost of developing new products or phasing-out CFCs in new facilities be paid by the Fund?
- Which projects will be funded on soft loan basis, and which will be funded through grants? Should the Fund finance projects in multinational-owned

enterprises in Article 5 countries?

2. Northern Telecom's celebrations entitled "A Clear Day", which marked the corporation's successful efforts in the phase-out of CFC-11.
3. Third co-ordination meeting of the implementing agencies and the Fund Secretariat, Montreal, 25 January 1992. The following issues were discussed in the meeting: draft consolidated document; 1992 implementing agencies' work programmes; implementing agencies co-ordination; sector-based approach; and draft guidelines for project presentation.

1.3. Work Programmes

Pursuant to the decision adopted by the Fifth Meeting of the Executive Committee, and based on the 1992 Work Programmes presented by the implementing agencies to that Meeting, the Secretariat prepared a draft consolidated document focusing on the sectoral approach. A copy of this document was submitted to the three implementing agencies on 20 January 1992 for review.

During the third co-ordination meeting of the implementing agencies it was agreed that the Secretariat revise and reformat the consolidated work programmes document based on the agencies' comments and revised work programmes. This document (UNEP/OzL.Pro/ExCom/6/3) now consists of a synthesis of sectoral activities by country as well as at the global and regional level, based on information provided in the work programmes of the agencies. These work programmes are included as annexes to the document.

1.4. Country Programmes

As of the Fifth Meeting of the Executive Committee, two countries submitted their country programmes to the Fund Secretariat for the Committee's consideration. The Secretariat reviewed these country programmes and sent its comments to the country concerned. Another country sent its country programme cover sheet with a formal letter of transmittal on 7 February 1992, pending the transmittal of the country programme document at a later date.

Country	Submissions to the Secretariat	Comments sent to Government	UNEP/OzL.Pro/ExCom/
Malaysia	1. 18/Nov/1991 2. 28/Dec/1991 3. 31/Jan/1992	1. 07/Dec/1991 2. 18/Jan/1992	5/13 6/4
Mexico	1. 08/Oct/1991 2. 23/Jan/1992 3. 04/Feb/1992	1. 22/Nov/1991 2. 30/Jan/1992	5/6 6/5
Ecuador	1. 07/Feb/1992		6/6 (cover sheet only)

1.5. Project proposals

The Mexico Country Programme identified several projects to be implemented with financial support from the Multilateral Fund. Most of the project proposals identified by the government of Mexico are over US \$500,000; therefore, the Secretariat indicated to the government that individual project documentation should be submitted to the Executive Committee for their consideration and approval. Specific comments on these projects were forwarded by The Fund's Secretariat.

The government of Malaysia submitted to the Fifth Meeting of the Executive Committee the following project proposals:

- The Conservation, Leakage Control and Recycling of CFC-12, and Demonstration Project in Automobile Air-Conditioning Sector.
- Servicing, Maintenance and Recovery Charging Kit for Portable Extinguisher (Halon 1211) and Training Project in Halon Sector.

The Secretariat sent specific comments on these project proposals to the government of Malaysia on 7 December 1991, as well as on 7 and 18 January 1992.

The Government of Egypt sent to the Secretariat the following project proposals:

- Conservation of refrigerating compressors to HFC-134a by Misr Compressors Manufacturing Co. (MCMC).
- Recovering and phasing-out of ODS in foam production in Taki Vita Co.
- Technology transfer and using non-ODS in foam production.
- Recycle and waste disposal.

However, only the first proposal was properly documented; the Secretariat sent specific comments on this project on 4 February 1992 to the government of Egypt.

The Secretariat engaged consultants to evaluate the two proposals from Malaysia and the first project from Egypt. The consultants' assessments were incorporated into the Secretariat's comments which were communicated to the respective countries.

2. Administration

2.1. Staff Recruitment

The Secretariat is staffed at the present time by eight professional officers (including the Chief Officer), one administrative assistant, three secretaries and one registry clerk. The vacant position of Information Officer has been re-advertised by UNEP and is expected to be filled by the end of April 1992.

2.2. Procurement of Equipment

The Secretariat is establishing a computerized network system which consists of 18 work stations (including the six already in house), with word processing in five UN languages, data bases, spread sheets, and communication facilities.

The Secretariat is also establishing a cost-effective system for the electronic transfer of information and documentation among member-countries of the Executive Committee, implementing agencies, eligible Parties, other agencies and organizations as well as the Fund Secretariat. Access to United Nations (UNIENET, ICPIC, INFOLAC) and private (OZONET, ECONET, COMPUSERVE) electronic systems and data bases is also under consideration. The system will be operational by the end of May 1992.

The Secretariat is grateful to UNEP/ROLAC and ICAO for the assistance they rendered in choosing, acquiring and installing these systems.

2.3. Preparation for the Sixth Meeting of the Executive Committee

The Secretariat has co-ordinated all the arrangements for the Sixth Meeting of the Executive Committee including hiring of conference staff (interpreters, translators, etc.) and provision of other logistics. Letters of invitation and meeting documentation were sent to members of the Executive Committee, implementing agencies, regional development banks, and one NGO.

3. Status of Fund

Contributions to the Fund received by UNEP as at 2 February 1992 increased from US \$21,550,526 (as at 30 September 1991) to US \$35,045,579 (as at 2 February 1992), which represents about 66 per cent of the amount pledged for 1991. Annex I provides details of contributions received as reported by UNEP; a graphic representation of these figures is also provided.

Status of Fund (as at 3 February 1992)

	US \$
Income	
1. Contributions received during 1990/1991 (as at 3 February 1992)	35,045,579
2. Interest accrued in 1990/91 (as at 31 December 1991)	302,493
Total income (as at 3 February 1992)	35,348,072
Commitments and disbursements	
1. Fund Secretariat (1991 and 1992)	3,537,763
2. Disbursement to UNDP (1991)	1,761,800
3. Disbursement to UNEP (1991)	1,976,920
4. Disbursement and commitments ¹ to the World Bank (1991)	10,125,000
5. Provisions for Programme support cost	179,400
Total commitments and disbursements (as at 31 January 1992)	17,580,883
BALANCE	17,767,189

¹ The Fifth Meeting of the Executive Committee approved \$ 4 million for the financing of projects to phase-out CFCs in Mexico subject that all projects over \$ 500,000 should be presented to the Executive Committee for their approval.

ANNEX I
STATUS OF 1991 CONTRIBUTIONS TO THE INTERIM MULTILATERAL FUND
as reported by UNEP, as at 3 February 1992 (in US dollars)

	Pledge	Paid	Outstanding
Australia	985,407.00	387,800.00 597,607.00 399,850.00 ⁽⁴⁾	0.00
Austria	464,459.00	464,459.00	0.00
Bahrain	12,553.00		12,553.00
Belgium	734,348.00		734,348.00
Byelorussian SSR	207,124.00		207,124.00
Canada	1,939,432.00	1,939,432.00	0.00
Denmark	433,077.00	433,077.00	0.00
Finland	320,100.00	320,100.00 ⁽¹⁾	0.00
France	3,922,799.00		3,922,799.00
Germany	5,874,784.00	5,874,784.00	0.00
Greece ⁽²⁾	251,059.00	2,118.00	248,941.00
Hungary	131,806.00		131,806.00
Iceland	18,829.00	18,829.00	0.00
Ireland	112,977.00	112,977.00 ⁽³⁾	0.00
Italy	2,504,315.00		2,504,315.00
Japan	7,142,633.00	7,142,633.00	0.00
Liechtenstein	6,276.00	6,276.00	0.00
Luxembourg	37,659.00	37,659.00	0.00
Malta	6,276.00	6,264.00	12.00
Netherlands	1,035,619.00	1,035,619.00	0.00
New Zealand	150,635.00	150,635.00	0.00
Norway	345,206.00	345,206.00 ⁽¹⁾ 464,866.00 ⁽⁴⁾	0.00
Portugal	112,977.00		112,977.00
Singapore	69,041.00		69,041.00
South Africa	282,442.00		282,442.00
Spain	1,223,913.00	1,223,913.00	0.00
Sweden	759,454.00	759,454.00	0.00
Switzerland	677,860.00	677,860.00	0.00
Ukrainian SSR	784,560.00		784,560.00
USSR	6,270,202.00		6,270,202.00
United Arab Emirates	119,253.00		119,253.00
United Kingdom	3,050,369.00		3,050,369.00
United States of America	13,333,333.00	1,000,000.00 5,000,000.00 2,500,000.00 2,500,000.00 822,080.50 822,080.50 ⁽³⁾	689,172.00 ⁽⁵⁾
TOTAL	53,320,777.00	35,045,579.00	19,139,914.00

(1) Paid in 1990.

(2) Greece sent a letter dated 21 May 1991 informing UNEP that the 1991 and 1992 payments will be made together "by end of the year 1992".

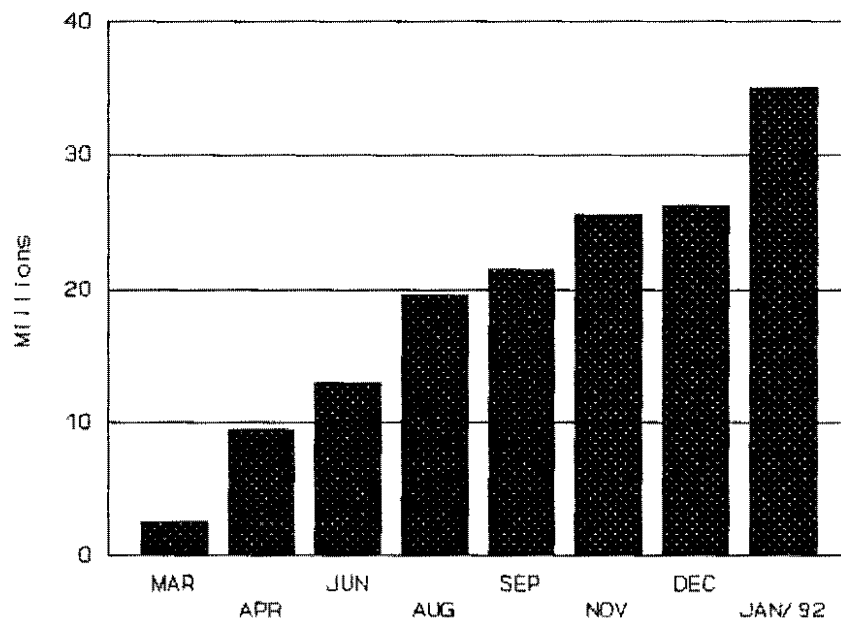
(3) Paid in 1992 for 1991.

(4) Contribution for 1992.

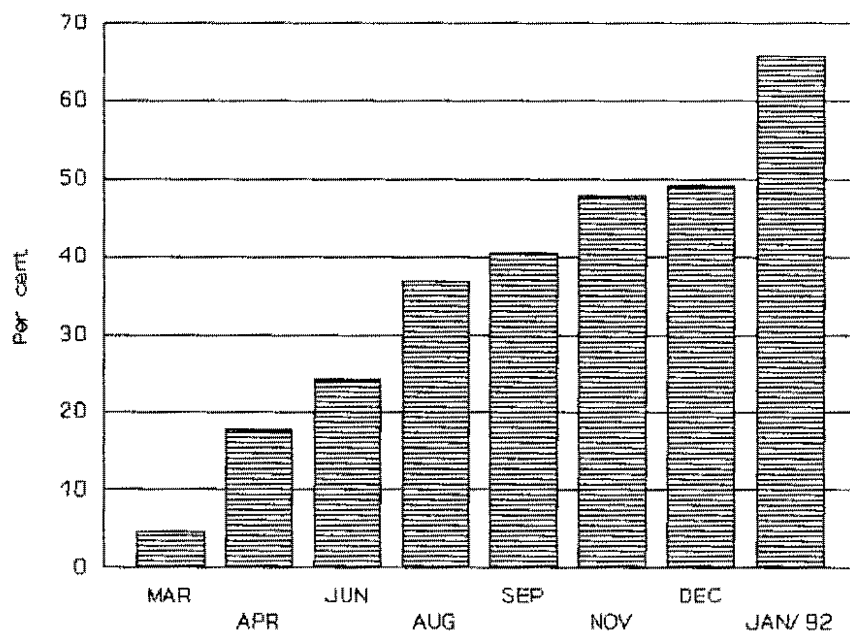
(5) Contributions from Australia and Norway for 1992 are included.

**Status of contributions
as at 3 February 1992**

US dollars



% of contributions



1991 CONTRIBUTIONS (US dollars)

