

Annex I

MANAGEMENT RESPONSE FROM THE EXECUTIVE COMMITTEE TO THE SECRETARIAT OF THE MULTILATERAL ORGANISATION PERFORMANCE ASSESSMENT NETWORK IN RELATION TO THE 2019 ASSESSMENT OF THE MULTILATERAL FUND

Introduction

The Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol (MLF) welcomes the 2019 Assessment of the MLF by the Multilateral Organisation Performance Assessment Network (MOPAN) and commends the MOPAN Secretariat and the assessment team for the constructive engagement and the wide-ranging and insightful review of the MLF's performance.

The Executive Committee appreciates the opportunity provided to the MLF through the MOPAN assessment, to continue to strengthen its delivery and to draw the attention of the Secretariat and its partners to areas where their further active support was needed.

The Executive Committee also expresses its strong appreciation to the Institutional Lead Country, Canada, and Canada's leadership in the conduct of the assessment, which has been key in the success of the process. The availability of Canada and the MOPAN representatives to present the assessment report at the 86th meeting of the MLF's Executive Committee, is greatly valued.

This MLF's first assessment by MOPAN proved to be a collaborative and positive one. We are also appreciative of the efforts made by the assessment team to understand the specific features of the MLF's business model and its differences from other multilateral organisations, and the professionalism with which the assessment was conducted.

The Executive Committee welcomes the key strengths and areas for improvement identified by the assessment, as well as its overall positive conclusions and consideration that the MLF, as the Montreal Protocol's financial instrument, has been key to the success of the Protocol, considered one of the most effective international environmental treaties to date. We are proud of the assessment's affirmation that the Multilateral Fund has significantly contributed to the global phase-out of ozone depleting substances (ODS), and to environmental and human health impacts by supporting developing countries in this endeavour.

Overall, the MOPAN's assessment concludes that the MLF has proved to be very effective in delivering on its mandate, and that the almost USD 4 billion contributed to the MLF in the period 1991-2019 could possibly be considered the most effective international expenditure to date.

The MOPAN assessment has provided the MLF with valuable opinions and recommendations, which have been carefully considered to enhance organisational improvement, and have been incorporated into the Fund's strategic analysis, planning and aspirations.

Key strengths

The positive findings of the assessment that the Executive Committee is satisfied to note include that:

- The MLF is a uniquely focused organisation with an extremely clear set of internationally mandated and achievable targets and has been extremely successful in supporting the compliance of Article 5 countries in phasing out controlled substances that affect the ozone layer and global climate.

- In terms of results, the MLF has achieved, or is on track to achieve, most of the targets set under the Montreal Protocol for Article 5 countries. It has contributed to substantial, global-scale environmental, human health and climate change mitigation impacts.
- The organisation makes efficient use of a relatively small budget and limited staff. It is very cost-conscious and operates via a close network of small professional teams. The periodic reporting and independent verification for each tranche of the national phase-out plans is one of the key strengths.
- The MLF is staffed with dedicated and technically focused professionals ensuring high quality scrutiny of project proposals and monitoring.

The Executive Committee is pleased to reaffirm that the MLF is building on the strengths and the important organisational lessons outlined in the report.

Areas for improvement

The assessment also provides insights into areas where there may be potential to improve the performance of the MLF. The Executive Committee has made important decisions on the basis of proposals made by the MLF Secretariat to address the areas identified and wishes to note that several actions are already underway to further increase the MLF's achievements through addressing the highlights of the assessment.

The main areas for improvement noted by the assessment refer to the results framework, the information and communications function, sustainability, the evaluation function, and gender equality.

The Executive Committee considered, at its 89th meeting a document prepared by the MLF Secretariat,¹ which outlined observations and actions proposed by the Secretariat related to the five key areas of improvement identified.

In its decision 89/1, the Executive Committee requested the MLF Secretariat, taking into account the discussions held on the matter:

- To develop a results framework and a scorecard that fit the operations of the Multilateral Fund for consideration by the Executive Committee at its 92nd meeting;
- To update the information strategy of the Multilateral Fund, to include a detailed plan for information and knowledge management, the website/information technology requirements, the resources needed and clear timelines for implementation and to submit the strategy for consideration by the Executive Committee at the 91st meeting;
- To explore opportunities to further highlight how the sustainability of activities supported by the Multilateral Fund would be ensured, including by further clarifying in the documents submitted by the Secretariat how partner capacity, risks and critical assumptions were considered, and to report to the Executive Committee at its 91st meeting.

The Executive Committee also requested the Senior Monitoring and Evaluation Officer (SMEO) to include in the monitoring and evaluation work programme for the year 2023 for consideration by the Executive Committee at its 91st meeting, actions to enhance the evaluation function outlined in document UNEP/OzL.Pro/ExCom/89/2/Add.1.

¹ UNEP/OzL.Pro/ExCom/89/2/Add.1

On the development of a results framework and a scorecard, the Secretariat has made a preliminary analysis of the current MLF indicators, actions, and deliverables. Based on this analysis, the Secretariat will develop a results framework that identifies objectives and performance indicators that demonstrate the results of MLF-supported activities across Montreal Protocol-related and other areas of social, economic and environmental stewardship more effectively, for consideration by the Executive Committee at its 92nd meeting. The goals of the results framework will be largely achieved by reorganizing the data already available at the Secretariat, and with guidance from the Executive Committee.

In connection with information and knowledge management, the Secretariat, with the support of a consultant, undertook a technical feasibility study to assess the current state of knowledge management within the Secretariat based on reviews of the website, documents, submission processes, existing databases, and discussions with stakeholders (users). The update of the information strategy of the MLF is essentially the development of a new knowledge management system, which is proposed in the document submitted to the 91st meeting.²

The new knowledge management system aims at preserving the existing data and information and providing efficient, secure, and user-friendly access to them by all stakeholders; and organizing and transforming these data and information to knowledge that could be passed on to various types of stakeholders to facilitate decision-making processes through different tools (i.e., a revamped website and meeting portal, an online reporting tool under the country programme data extending to HFCs, a data portal, country profiles, a searchable online collection of the MLF policies, guidelines, and procedures).

The document includes recommendations for improvements, and a detailed plan on information and knowledge management, website/information technology requirements, resources needed, and clear implementation timelines.

In response to the matter on sustainability, the Secretariat submitted a document to the 91st meeting,³ where it reports on the areas addressed under the project review process and on opportunities to highlight and communicate those areas. The Secretariat's project review encompasses a detailed review of the consumption and, where relevant, production data for the country concerned; the capacity of institutions and enterprises to undertake the planned activities; the policy and regulatory frameworks to support the sustained phase-out; and measures that may have been undertaken in case of delays and challenges in implementation. To communicate those assessments more clearly, the Secretariat has identified a few changes that will be introduced to documents for tranches and new stages of HPMPs, aimed at ensuring that sustainability, risk assessment and assessment of partner capacity are an integral part of project preparation, implementation and completion undertaken by the bilateral and implementing agencies and the overall project review process. The necessary indicators and metrics on sustainability and risk management will also be considered, to be included in the results framework and the scorecard to be submitted at the 92nd meeting of the Executive Committee.

In response to the request to enhance the evaluation function, the SMEO has prepared a 2023 Work Programme on Monitoring and Evaluation,⁴ which includes two new activities aimed at achieving the highlighted improvements. The first activity is the undertaking of a self-assessment of the evaluation function at the MLF, to be prepared based on the United Nations Evaluation Group methodology to assess the maturity of evaluation functions in the UN organizations. This would be followed by an external independent assessment to validate the findings and propose a road map to strengthen the evaluation function, as recommended in the MOPAN assessment.

² UNEP/OzL.Pro/ExCom/91/70. The consultant's full report is contained in document UNEP/OzL.Pro/ExCom/91/Inf.2.

³ UNEP/OzL.Pro/ExCom/91/68

⁴ UNEP/OzL.Pro/ExCom/91/11/Rev.1

In its decision 90/28(g), the Executive Committee requested the SMEO to identify how to improve the relevance and use of Project Completion Reports. The second activity proposed in the 2023 Work Programme aims at satisfying this request, through the evaluation of the relevance, formats and usefulness of project completion and verification reports.

Responding on gender, the Secretariat mentioned in document UNEP/OzL.Pro/ExCom/89/2/Add.1 that, in accordance with decision 84/92(e), it would review the implementation of the MLF Operational Policy on Gender Mainstreaming and would prepare a report for consideration of the Executive Committee at its 90th meeting. The report submitted to the 90th meeting referred to the application of the policy by the bilateral and implementing agencies throughout the project cycle, to how such implementation had contributed to achieving the objective of the policy, as well as to the performance indicators used by the agencies that measure the achievement of outcomes of gender mainstreaming activities in project proposals. The response to the MOPAN considerations on gender equality was discussed in the context of the review of the implementation of the gender mainstreaming policy at the 90th meeting of the Executive Committee.

The discussions demonstrated the level of awareness and commitment of the members of the Executive Committee towards gender mainstreaming, and that its consistent integration into policy interventions, programmes, projects, monitoring and evaluation processes should show results in achieving the policy objectives of gender equality and women's empowerment. Thus, indicators that capture the transformative dimension of this change as well as potential barriers to achieving this outcome are to be employed. The Executive Committee decided through its decision 90/48, to encourage bilateral and implementing agencies to continue ensuring that the gender mainstreaming policy was applied to all Montreal Protocol projects, taking into consideration the specific activities presented in the review document; to request bilateral and implementing agencies to provide a brief report on key gender mainstreaming results achieved, as part of their annual progress reports, as of 2023; and to request the Secretariat to develop, for consideration of the Executive Committee at its 92nd meeting, improved project requirements, including specific outputs and outcomes, and related key performance indicators for the systematic application of the gender mainstreaming policy; and to incorporate within the proposed scorecard an overarching results statement on gender mainstreaming, on the basis of the reports by the bilateral and implementing agencies. An update on the implementation of the gender mainstreaming policy will be submitted to the last meeting of 2024 for the consideration of the Executive Committee.

Conclusion

The Executive Committee very much appreciates and embraces the findings and recommendations of the MOPAN assessment and is glad to reassure MOPAN that the MLF institutions are working tirelessly to address them towards an ever more efficient and effective delivery of the Fund.

The valuable guidance provided by the assessment supports us in our quest to further strengthen the MLF's organizational effectiveness and in maximising the Fund's contribution to achieving the targets and ultimate objectives of the Montreal Protocol and the Kigali Amendment, with a wide-ranging impact on the ground in changing people's lives and contributing to wider social, economic, and environmental betterment.