



**United Nations
Environment
Programme**



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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Twenty-third Meeting
Montreal, 12-14 November 1997

UNDP WORK PROGRAMME AMENDMENTS

COMMENTS AND RECOMMENDATIONS FROM THE FUND SECRETARIAT**COMMENTS**

1. UNDP is requesting approval from the Executive Committee for US \$691,300 for work programme amendments as indicated in Table 1.

Table 1:

UNDP 1997 Work Programme Amendments and corresponding funding levels

Country	Activity/Project	Type	Completion Date	Amount Requested (US \$)	Amount Recommended (US \$)
Brazil	SME survey for Brazil and approaches for ODS elimination	TAS	May 1999	100,000	pending
Indonesia	Institutional strengthening renewal	INS		208,650	208,650
Iran	Institutional strengthening renewal	INS		200,000	133,470
Sri Lanka	Institutional strengthening renewal	INS		103,120	103,120
Sub-Total				611,770	445,240
Agency support costs	(13%)			79,530	57,881
Total				691,300	503,121

COMMENTS

SME survey in Brazil

2. The Executive Committee has approved about US \$29.5 million for Brazil (against which US \$3.4 million was disbursed through 1996) that is expected to result in the phase-out of 3,243 ODP tonnes. As noted in the proposal, the 1996 level of consumption in Brazil is 10,632 ODP tonnes. These approvals include project preparation, investment projects, a national recovery and recycling network, a halon banking project, institutional strengthening, and country programme development.

3. The intent of this project is to identify SMEs and develop approaches to ODS elimination for SMEs. The project will include a data survey and national/state-level workshops. The main focus of this survey is to identify companies in the servicing sector which represent 4000-5000 ODP tonnes of the country's consumption. The Executive Committee has approved a US \$2 million recovery and recycling project at its Seventh Meeting for World Bank implementation.

4. The action plan in Brazil's country programme identifies awareness programmes to reach out to the small size industries to create an economic climate which will allow labeling to have an economic incentive impact, using the services of the Small and Medium Enterprise Fostering organizations to disseminate ozone issue awareness and training demand their public and associates as well as themselves provide training courses. Moreover, the Executive Committee has formed a small contact group to consider the funding of projects in the SME sector. The Committee's decision on SMEs may have a bearing on what should be collected in a survey.

5. Information has been provided to the Secretariat by the Government of Brazil that indicates that the Government was carrying out a sectoral survey including the servicing sector. Following the completion of this undertaking, Brazil was planning to consolidate the data. UNDP informed the Secretariat that this survey was unsuccessful. This is why UNDP has requested this activity.

Institutional strengthening renewals

6. The original approval for institutional strengthening in Iran was at the level of US \$200,200. Per decision 19/29 (b), the maximum level of support for the renewal of this activity is US \$133,470. The requested level of funding for the renewals of institutional strengthening in Indonesia and Sri Lanka are consistent with decision 19/29.

RECOMMENDATION

1. The Secretariat requests the Executive Committee to consider whether the likelihood of a successful implementation of the SME survey in Brazil and its eligibility given the previous approval for a recovery and recycling network which is currently under revision with the assistance of the World Bank.

2. The Secretariat recommends approval of the institutional strengthening renewal requests as listed in Table 1 in the amount of US \$445,240 and agency fees of US \$57,881.

1997 UNDP WORK PROGRAMME AMENDMENT

(22 September 1997)

REQUEST FOR NON-INVESTMENT PROJECT APPROVAL AT THE **23rd EXECUTIVE COMMITTEE MEETING** **(19-21 November 1997, Montreal)**

1. UNDP submitted its draft 1997 Business Plan for consideration at the 21st ExCom Meeting in Feb. 1997. The revised Business Plan was approved at the 22nd ExCom Meeting in May 1997. At both Meetings, UNDP had requested and received under its Work Programme for non-investment activities. Only one non-investment project is being submitted for approval at the 23rd ExCom meeting.
2. **BRAZIL: SURVEY OF ODS USE IN SMEs AND APPROACHES TO ODS ELIMINATION (\$100,000, completion date May 1999).**
3. The Brazil MP Country Programme (CP) was approved at the 13th ExCom Meeting in March 1994. At that time national ODP consumption was estimated at 8,918 ODP tonnes based on data collected in 1993. ODP consumption rose to 10,684 ODP tonnes in 1994, dropped to 9,484 ODP tonnes in 1995 and then again rose to 10,632 ODP tonnes in 1996. The growth rate of ODP consumption in Brazil is high.
4. The Executive Committee has, to date, approved 70 projects that will eliminate 3,080 ODP tonnes. Based on estimated 1996 ODP consumption, the following is the ODP phaseout project approval situation by sector and subsector:

Sector	Subsector	1996 ODP Consumption	ODP: Approved Projects	ODP Remaining
Aerosol		50	-	50
Foams	All	2,363	946	1,417
Halons		68	68	0
Refrig.	Domestic	1,849	1,849	0
"	Commercial	594	154	440
"	Recov/Recy.	4,851	-	4,851
Solvents	MCF	144	63	81
"	CFC-113	68	-	68
"	CTC	645	-	645
TOTAL		12,628	3,080	9,548

5. Almost all ODS elimination projects approved to date in Brazil are for large and medium scale enterprises. Very limited knowledge is available on the Brazilian small-scale ODS consuming sectors, and the Government is concerned that the programme may be conceived as favouring larger enterprises at the expense of SMEs. The SME sector in Brazil has developed in a widely dispersed manner and as a result has various technological and administrative problems. No one technology model fits the needs of all SMEs in a specific sector due to cost, availability and adaptability of technology and the markets they serve. Due to this, the approaches to ODS elimination for SMEs would have to be qualitatively different from those adopted for larger enterprises.
6. The requested survey will be completed by May 1999, will be managed by the Ministry of Environment which is the new national focal point for MP-related activities in Brazil. It will concentrate on the refrigeration servicing sector as well as on the foams and solvents sectors. Full use will be made of various industry associations within Brazil, and national staff will gather detailed information on exact ODS consumption, technologies used, investment levels, technician skill levels, employment levels and other data. The data survey form developed for the India and Mexico SME surveys will be adapted for use in Brazil. The survey will assist the Government introduce direct and indirect measures to facilitate the transition to non-ODS substances.
7. The estimated costs are \$100,000 comprising: national/state-level initiation and report dissemination workshops (\$30,000), national consultants (\$30,000), data survey assistants (\$20,000), local travel for survey and workshop (\$10,000), report preparation (\$5,000) and document translation/printing (\$5,000).

(23ECWP1)

PROJECT REVISION SHEET

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COUNTRY:	INDONESIA
PROJECT NUMBER:	IDS/SEV/10/INS/005
PROJECT TITLE:	Renewal of Institutional Strengthening
SECTOR:	Several
ODS CONSUMPTION:	7800 tonnes (1992)
PROJECT DURATION:	2 years (1 Jan 1998 to 31 Dec. 1999)
PROJECT IMPACT:	Accelerated phaseout of ODS
TOTAL PROJECT COST:	US\$208,650
SOURCE OF FUNDS:	Multilateral Fund (MLF) for the Implementation of the Montreal Protocol
IMPLEMENTING AGENCY:	UNDP
NATIONAL IMPLEMENTING AGENCY:	State Ministry for Environment
SUBMISSION DATE:	September 1996

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PROJECT REVISION SUMMARY

This project proposal is submitted to extend institutional strengthening support to The State Ministry for Environment to continue the work started by the created Ozone Office in planning, organizing, directing and coordinating all activities required for the implementation of Indonesia's strategy in all areas related to the Phaseout of Ozone Depleting Substances under the Montreal Protocol.

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Project prepared by SME/UNDP
Annexes prepared by SME

PROJECT REVISION SHEET

COUNTRY:	ISLAMIC REPUBLIC OF IRAN
PROJECT NUMBER:	IRA/SEV/08/INS/005
PROJECT TITLE:	Renewal of Institutional Strengthening
SECTOR:	Several
ODS CONSUMPTION:	1337 MT in 1992
PROJECT DURATION:	2 years (1 Jan. 98 - 30 Dec. 99)
PROJECT IMPACT:	Accelerated phase out of ODS
TOTAL PROJECT COST:	US \$ 372,600
SOURCE OF FUNDS:	Multilateral Fund (MLF) for the Implementation of the Montreal Protocol.
IMPLEMENTING AGENCY:	UNDP
NATIONAL IMPLEMENTING AGENCY:	DOE
SUBMISSION DATE:	September 1997

PROJECT REVISION SUMMARY

This project proposal is submitted to extend institutional strengthening support to DOE for two additional years of operation. The project will allow DOE to continue to plan, organize, direct and coordinate all activities required for the implementation of Islamic Republic of Iran's strategy in all areas related to the Phaseout of Ozone Depleting Substances under the Montreal Protocol.

**Project prepared by DOE / UNDP
Annexes prepared by DOE**

PROJECT REVISION COVER SHEET

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COUNTRY: Sri Lanka

UNDP'S PROJECT NUMBER: SRL/94/G61

PROJECT TITLE: Renewal of the Institutional
Strengthening project for the Phaseout
of Ozone Depleting Substances under the
Montreal Protocol

SECTOR COVERED: All Sectors

ODS CONSUMPTION: 231 ODP tonnes/year (base-year 1994)

PROJECT IMPACT: Accelerated phase out of ODS

PROJECT DURATION: 2 years (1 Jan 98 - 31 Dec 99)

PROJECT COST: 103,120 US\$

SOURCE OF FUNDS: Multilateral Fund (MLF) for the
Implementation of the Montreal Protocol.

COORDINATING NATIONAL Ministry of Forest and Environment
Montreal Protocol Unit

IMPLEMENTING AGENCY: UNDP

SUBMISSION DATE: September 1997

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This project proposal is submitted to extend institutional strengthening support to the Montreal Protocol Unit of the Ministry of Forest and Environment (MPU). The first phase of the project was approved at the Twelfth Meeting of the Executive Committee for an amount of US\$ 154,680. The current revision extends the project for an additional two years.

The project will allow MPU to continue to plan, organize, direct and coordinate all activities required for the implementation of Sri Lanka's strategy in all areas related to the Phaseout of Ozone Depleting Substances under the Montreal Protocol.

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