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

Seventeenth Meeting
Montreal, 26-28 July 1995

WORLD BANK PROGRESS REPORT

This document includes Comments and Recommendations from the Fund Secretariat.

COMMENTS AND RECOMMENDATIONS OF THE FUND SECRETARIAT

COMMENTS

1. During the reporting period, the World Bank prepared 80 project proposals. No new investments projects were reported as completed since the last progress report and no new phase-out has been verified. The Bank has increased its disbursements for investment projects to US $15 million (excluding pre-investment project preparation) from the US $8 million last reported.

2. The Bank's new format for its input to the consolidated progress report is very difficult to read since it must be read from two separate pages. Its organization by Bank region also makes it difficult to quickly locate information. The Bank does not provide a section on completed activities as it did in the past. Annex IV of UNEP/OzL.Pro/ExCom/10/40 presents a format for the Consolidated Progress Report that was used by the World Bank in its input to the report presented to the 11th through 13th Meetings of the Executive Committee. A consistent format used by all agencies would facilitate progress report review.

Investment projects

3. The Executive Committee has allocated US $138 million for investment projects that will lead to the phase-out of over 37,000 ODP tonnes. Only US $15 million has been disbursed and despite reports of future anticipated phase-out, the Bank has only confirmed 651 tonnes phased out to-date.

4. Project preparation and supervision is proceeding at a rapid rate with 80 project proposal submitted to this meeting. The Bank has US $2.6 million[1] available for project preparation and supervision for the remainder of 1995. In addition to this amount, the Bank has advanced project preparation funds to Article 5 countries to enable them to prepare their own project proposals for Bank implementation. Approximately another US $1.2 million is available for project preparation at the national level.

5. A project must be classified as "effective" before the World Bank can begin to disburse funds. According to Table I-3, 14 investment projects have effectiveness dates excluding the two engineering project preparation advances. It is not clear how many other projects must be listed effective to enable all of the Executive Committee's approvals to-date to begin disbursing.

1 This amount is based on information included in the Bank's financial report which indicates that US $3.7 million was approved for project preparation activities and US $1.1 million was reported disbursed.

Administration

6. As noted in the comments on the Bank's financial report, since the Bank does not provide disbursements at the sub-project level, an assessment of possible dormant projects can not be performed. However, through its progress report, the Bank reports that US $2,867,325 has been identified as a result of projects that have been closed, modified, transferred, or canceled. Therefore, this amount of funds is available for offset against future approvals for the World Bank. The following adjustments should be made to the accounts:

- Project approved for Brazil in 1992 was canceled (credit US $530,000)
- The MCMC (Egypt) project's budget was reduced due to foreign ownership (credit US $700,000)
- Tianjin (China) conversion project was also approved for UNDP (credit US $400,000)
- Chiller retrofit project (Venezuela) is not ready for implementation (credit US $851,000)
- FAACA project (Venezuela) budget was reduced (credit US $380,000)
- Two unspecified project closures (credit US $6,365).

RECOMMENDATIONS

7. The Fund Secretariat recommends that US $2,867,325 should be offset against future approvals for the World Bank and the Treasurer should be so informed and that the Executive Committee should take note of, with appreciation, the progress report of the World Bank.

8. It is further recommended that the Executive Committee request the World Bank to use the format provided for input into the consolidated progress report from Annex IV of the Report of the Tenth Meeting of the Executive Committee (UNEP/OzL.Pro/ExCom/10/40) and to provide different sections on completed and ongoing projects, and provide information by country in alphabetical order.