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Executive Committee of
the Multilateral Fund for the
Implementation of the Montreal Protocol
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Cairo, 11-13 November 1998

UNDP 1998 WORK PROGRAMME AMENDMENTS

COMMENTS AND RECOMMENDATIONS FROM THE FUND SECRETARIAT

1. UNDP is requesting approval from the Executive Committee for US \$911,533 for 1998 work programme amendments as indicated in Table 1.

Table 1
UNDP 1998 Work Programme Amendments

Year	Country/Region	Activity/Project	Amount requested (US \$)	Amount recommended (US \$)
1998	Nigeria	Project preparation in the foam sector	20,000	20,000
1998	China	Institutional strengthening (Phase 3)	300,000	300,000
1998	Cuba	Institutional strengthening (Phase 2)	114,666	114,666
1998	Ghana	Institutional strengthening (Phase 3)	107,000	107,000
1998	Malaysia	Institutional strengthening (Phase 3)	215,000	215,000
Sub-Total			756,666	756,666
Agency support costs	(13%)		98,367	98,367
Total			855,033	855,033

Project preparation in the foam sector in Nigeria

2. UNDP included project preparation for Nigeria in its 1998-business plan. However, the Executive Committee decided to defer action on the request for project preparation pending the finalization of Nigeria's country programme. Nigeria's country programme was approved at the 25th Meeting; therefore, the request for project preparation is recommended for approval.

Institutional strengthening in China (Phase 3)

Summary of the Project and Country Profile	
Implementing Agency:	UNDP
Amount originally approved:	(Phase I, 1992) US \$450,000 (Phase II, 1996) US \$300,000
Amount requested for renewal:	US \$300,000
Date of approval of country programme	1993
ODS consumption reported in country programme (1991), (ODP Tonnes)	55,948 ODP Tonnes
ODS production reported in country programme (1991), (ODP Tonnes)	25,000 ODP Tonnes
Latest reported ODS consumption (1996) (ODP tonnes)	85,639 ODP Tonnes
Latest reported ODS production (1996) (ODP tonnes)	97,260 ODP Tonnes
Amount approved for investment projects (as of December 1997) (US \$)	190,063,286
Amount disbursed (as at December 1997) (US \$)	66,611,606
ODS to be phased out (tonnes ODP)	50,023 ODP Tonnes
ODS phased out (as at December 1997) (tonnes ODP)	27,418 ODP Tonnes

Progress Report

3. The Executive Committee has approved US \$13.3 million for China for non-investment related activities.

4. The main achievements reported in the progress report include: the China Country Programme was adopted in 1993; the mobilization of expertise in both the development and management of policy; review of environmental and fiscal policies and establishment of annual ODS phaseout targets; development and implementation of plans to control ODS consumption; national policies and legislation for ODS phaseout activities in the production, solvent and tobacco sectors; monitoring of performance of the national implementing agency as well as the compliance of enterprises with Multilateral Fund guidelines after project completion; coordination of various ministries and industries involved in the country programme; collection of data on ODS production and consumption at all levels to be employed for input into other sectoral plans; and efforts to increase awareness on the part of both decision-makers and the public on ozone layer protection.

Plan of Action

5. The Ozone Units report that the country programme was updated in 1998 to consider various technological changes and to have a better understanding and accuracy of costs and funding mechanisms available from the Multilateral Fund.

6. Immediate objectives involve the strengthening of SEPA's capacity to initiate rapid phaseout of ODS and enable China to meet its obligations to the 1999 freeze and the subsequent phaseout Montreal Protocol targets. During the project under consideration, SEPA is proposing a shift in focus to national implementations, emphasizing policy actions, sector approaches, and development of umbrella projects to achieve further improvements in implementation and cost efficiency, as well as better monitoring and enforcement mechanisms.

Institutional strengthening in Cuba (Phase 2)

Summary of the Project and Country Profile	
Implementing Agency:	UNDP
Amount originally approved:	(1993) US \$172,000
Amount requested for renewal:	US \$114,666
Date of approval of country programme	1993
ODS consumption reported in country programme (1991), (ODP Tonnes)	331.4 ODP Tonnes
Latest reported ODS consumption (1996) (ODP tonnes)	
Amount approved for projects (US \$)	510,505
Amount disbursed (as at December 1997) (US \$)	326,698
ODS to be phased out (tonnes ODP)	52 ODP Tonnes
ODS phased out (as at December 1997) (tonnes ODP)	49 ODP Tonnes

Progress Report

7. The following non-investment activities have been approved and funded by the Executive Committee:

	Cuba	US \$
(a)	Country programme preparation	15,000
(b)	Institutional strengthening: Establishment of OTOZ	172,000
(c)	Project preparation for development of a refrigerant management plan	22,600
(d)	Preparation of an investment project (hospitals) in the commercial refrigeration sector	50,000
(e)	Project preparation in the aerosol sector	15,000
(f)	Preparation of a phase out project (tobacco)	20,000
(g)	Development of an ODS phase out strategy in the refrigeration sector	20,000
(h)	Implementation of a national programme for recovery and recycling of refrigerant	169,000
	Total	483,600

8. The main achievements reported in the progress report include: the establishment of the Ozone Technical Office, preparation of the country programme and the national ODS phase out strategy; existing legislation was modified and new regulations related to the control of ODS were proposed; advisory services were provided to relevant government departments for ratification of amendments to the Montreal Protocol; 14 investment and demonstration projects were identified (seven under implementation); and the use of hydrocarbons as a refrigerant in domestic refrigeration equipment was promoted.

Plan of Action

9. The action plan for the next period involves preparation of laws and regulations to protect the ozone layer, establishment of a licensing system, further training for the technicians in the refrigeration sector, identification and preparation of investment projects, information exchange and a public awareness campaign.

Institutional strengthening in Ghana (Phase 3)

Summary of the Project and Country Profile	
Implementing Agency:	UNDP
Amount originally approved:	(Phase I, 1992) US \$183,200 (Phase II, 1996) US \$103,000
Amount requested for renewal:	US \$107,000
Date of approval of country programme	1992
ODS consumption reported in country programme (1991), (ODP Tonnes)	101.4 ODP Tonnes
Latest reported ODS consumption (1996) (ODP tonnes)	14 ODP Tonnes
Amount approved for projects (US \$)	1,206,762
Amount disbursed (as at December 1997) (US \$)	753,897
ODS to be phased out (tonnes ODP)	366 ODP Tonnes
ODS phased out (as at December 1997) (tonnes ODP)	50 ODP Tonnes

Progress Report

10. The following non-investment activities have been approved and funded by the Executive Committee:

	Ghana	US \$
(a)	Country programme preparation	25,000
(b)	Institutional strengthening	183,200
(c)	Renewal of institutional strengthening	107,000
(d)	Country programme preparation	29,362
(e)	Technical assistance for technology transfer for phase-out of CFC-11 in flexible foam	85,000
(f)	Improved servicing and maintenance within the refrigeration sector	328,000
(g)	Implementation of train the trainer programme and national demonstration programme	99,000
	Total	856,562

11. The main achievements reported in the progress report include: the establishment of the Ozone Office in 1993 which functions to co-ordinate and facilitate all activities and information related to the phase-out of ODS in the country; implementation of a project involving the conversion of three foam factories to CFC-free technology; inspection and monitoring on a quarterly basis in all the foam factories; training of refrigeration technicians in servicing and maintenance including recovery and recycling of CFCs; and monitoring of national ODS consumption trends.

Plan of Action

12. The action plan for the next period includes public awareness, including a series of seminars, broadcast documentaries, publications, and training in new technologies for all stakeholders, participation in the celebration of World Ozone Day; establishment of regulations and fiscal policies aim to reduce the importation and consumption of ODS; and monitoring of servicing and maintenance of refrigeration equipment and foam enterprises. National Committees will meet to ensure the effective implementation of the country programme. Data reports will be issued to measure ODS consumption. Progress and financial reports will be submitted to UNDP, UNEP, and Multilateral Fund Secretariat.

Institutional strengthening in Malaysia (Phase 3)

Summary of the Project and Country Profile	
Implementing Agency:	UNDP
Amount originally approved:	(Phase I, 1993) US \$322,525 (Phase II, 1996) US \$215,000
Amount requested for renewal:	US \$215,000
Date of approval of country programme	1993
ODS consumption reported in country programme (1990), (ODP Tonnes)	3,744.6 ODP Tonnes
Latest reported ODS consumption (1996) (ODP tonnes)	3,062 ODP Tonnes
Amount approved for projects (US \$)	28,848,909
Amount disbursed (as at December 1997) (US \$)	15,749,573
ODS to be phased out (tonnes ODP)	4,516 ODP Tonnes
ODS phased out (as at December 1997) (tonnes ODP)	2,708 ODP Tonnes

Progress Report

13. The Executive Committee has approved over US \$4.5 million for Malaysia for non-investment related activities.

14. The Ozone office supported by the Institutional Strengthening projects has been very effective in managing the phaseout activities of the country. As a result, significant progress has been achieved by the country both in terms of project implementation and the development of the regulatory framework to comply with the requirements of the Montreal Protocol.

Plan of Action

Long-term objective:

15. The operational objective of the extension of the project is to monitor the provision of financial and technical assistance to the Government in carrying out projects as outlined in the ODS phaseout strategy and master plan in the Malaysia country programme which was updated in 1995. The overall objective is to assist the Department of Environment and industry in phasing out ODS effectively and more efficiently by ensuring that the adoption of policy, strategy, control measures, technological and monitoring measures are in compliance with the provision of the Montreal Protocol and with an added aim of successfully complying with the 1999 freeze.

Short term objective:

16. Identify and formulate new projects, monitor status of ongoing projects, enforce activities, publication, and enhanced public awareness activities; update country programme; close monitoring of completed projects; review status of compliance, develop action plan and new strategy and policies; and develop guidelines, code of practice or regulations to complement existing control measures to meet 50% reduction.

Tasks:

17. Supervise the planning and monitoring activities, establishment of database and network information on ODS consumption; planning implementation of programme development; implementation of monitoring system and enforcement activities; updating ODS information and keeping financial statements; and advise on non-ODS technology and phase-out project formulations.

RECOMMENDATIONS

1. The Fund Secretariat recommends approval of the amount of US \$756,666 and US \$98,367 support cost for UNDP.
