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

Tenth Meeting
Montreal, 28–30 June 1993

STATUS REPORT ON COUNTRY PROGRAMMES

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(As at March 1993)

Background Information

1. At its Ninth Meeting, the Executive Committee decided "to discuss at its Tenth Meeting a status report on country programmes in light of the increasing tendency to approve projects separately rather than within the context of country programmes". To this end, the Executive Committee requested the Secretariat to prepare a report on the status of country programmes and submit it to the Meeting.

2. This paper is submitted in fulfilment of the request of the Executive Committee.

Legislative Authority for Country Programmes

3. Paragraph 10(g) of the Terms of Reference of the Executive Committee, (UNEP/OzL.Pro/4/15, Annex X) indicates as one of the functions of the Executive Committee:

"To consider and, where appropriate, approve country programmes for compliance with the Protocol and, in the context of those country programmes, assess and where applicable approve all project proposals or groups of project proposals where the agreed incremental costs exceed \$500,000";

4. Furthermore, paragraph 2(a) of the Terms of Reference of the Multilateral Fund (UNEP/OzL.Pro/4/15, Annex IX) enjoins the Executive Committee to request the implementing agencies "in the context of country programmes developed to facilitate compliance with the Protocol, to cooperate with and assist the Parties within their respective areas of expertise";

Actions by the Executive Committee Relating to Country Programmes

5. At its Third Meeting in April 1991, the Executive Committee adopted the Implementation Guidelines and Criteria for Project Selection (UNEP/OzL.Pro/ExCom/3/8/Rev.1). Section II.1 of the Guidelines, made country programmes approved by the Executive Committee, the basis for project preparation and further co-operation between Article 5 Parties and the implementing agencies. In view of circumstances dictated by the start-up phase of the Fund, this requirement was made flexible by making individual projects prepared prior to the completion of a country programme eligible for funding if consistent with project eligibility criteria approved by the Executive Committee.

6. The Executive Committee started allocating funds for the preparation of country programmes at its Fourth Meeting in June 1991. Thus far, funds amounting to over US \$3.3 million have been allocated through the Implementing Agencies for the preparation of country programmes in 44 Article 5 countries (UNDP - 12 countries, UNEP - 19 countries, World Bank - 12 countries). Table 1 provides the list of countries for which funds have been made available for the preparation of country programmes, the responsible Implementing Agencies and the expected date of transmission of completed country programme for approval of governments concerned. Annex I also provides a brief description of the status of preparation of the country programmes.

7. Except for China which is the largest Article 5 producer and consumer of controlled substances, UNDP has generally assisted small to medium consuming countries, while UNEP has been assisting the small consuming countries and the World Bank generally the large consuming countries. One country, Malaysia prepared the Country Programme on its own. In three countries (Ecuador, Mexico and Venezuela) US Government provided additional assistance amounting to US \$272,000 as bilateral contribution to the Fund.

8. Out of the 44 country programmes for which funds have been provided, ten have been completed and approved by the Executive Committee between the Sixth and the Ninth Meetings. These are country programmes of Chile, China, Costa Rica, Ecuador, Egypt, Ghana, Malaysia, Mexico, Turkey and Zambia. The ten approved Country programmes account for 78,286 tonnes of ODS or nearly 50% of the total consumption of the current 67 Article 5 countries (See Table 1). The approved country programmes have provided credible frames of reference for monitoring the process of the phase-out in the countries concerned and facilitated co-ordination in the development of their activities and projects by the Implementing Agencies.

9. Review of the phase-out schedules in the approved country programmes indicate a faster phase-out than that of the Protocol if the country programmes are implemented. Figure 1 shows the differences in ODS consumption patterns between unconstrained growth, allowable consumption according to the Montreal Protocol phase-out schedule and the adopted accelerated phase-out schedules in the country programmes.

10. In three instances - Chile, Costa Rica, Ghana - project proposals for which funds were requested were closely based on the action plan proposed in the country programme. The requested funds were approved together by the Executive Committee with the country programmes. In other cases, China, Ecuador, Egypt, Malaysia, Mexico and Turkey, project proposals submitted for approval were taken from the list of activities and projects developed as part of the Governments' action plans in the country programmes.

Table 1. STATUS OF COUNTRY PROGRAMME

Country	ODS (mton)	Lead I. A.	Funds allo- cated (\$)	1991	1992												1993											
				Jun	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
AFRICA																												
Algeria	-	2,000	UNEP	15,000																								
Botswana		N/A	UNEP	40,000																								
Burkina Faso		N/A	UNEP	30,000																								
Cameroon		175	UNEP	30,000																								
Egypt	-	1,897	IBRD	96,507	•																							
Gambia		N/A	UNEP	30,000																								
Ghana		100	UNEP	25,000	•																							
Kenya	-	420	UNDP	25,000																								
Malawi		N/A	UNEP	30,000																								
Mauritius	-	N/A	UNEP	10,000																								
Nigeria		4,000	IBRD	306,355																								
Togo		N/A	UNEP	30,000																								
Tunisia		1,073	IBRD	133,200																								
Uganda		N/A	UNEP	25,000	•																							
Zambia		22	UNEP	25,000	•																							
Zimbabwe		N/A	UNEP	40,000																								
Total		9,687		891,062																								
ASIA AND THE PACIFIC																												
Bangladesh		N/A	UNDP	25,000																								
China		48,239	UNDP	200,000																								
Fiji		N/A	UNEP	25,000	•																							
India		11,985	UNDP	200,000																								
Indonesia	-	4,000	UNDP	200,000																								
Iran		1,840	UNDP	35,000																								
Jordan		635	IBRD	78,200																								
Malaysia	-	3,891	Govern.	0																								
Maldives		N/A	UNEP	25,000	•																							
Pakistan	-	2000	UNEP	60,000																								
Philippines	-	4,650	UNDP	104,772	•																							
Sri Lanka		N/A	UNDP	35,000																								
Syrian Arab Rep.		N/A	UNEP	25,000	•																							
Thailand		15,648	IBRD	190,909	•																							
Total		92,888		1,203,881																								
EUROPE																												
Turkey		3,653	IBRD	13,515																								
Total		3,653		13,515																								
LATIN AMERICA AND THE CARIBBEAN																												
Argentina	-	5,766	IBRD	234,337																								
Barbados		N/A	UNEP	30,000																								
Brazil	-	31,875	IBRD	153,788																								
Chile	-	1,120	IBRD	121,166	•																							
Costa Rica		253	UNDP	40,000	•																							
Cuba		N/A	UNDP	22,600																								
Ecuador		723	IBRD	132,100																								

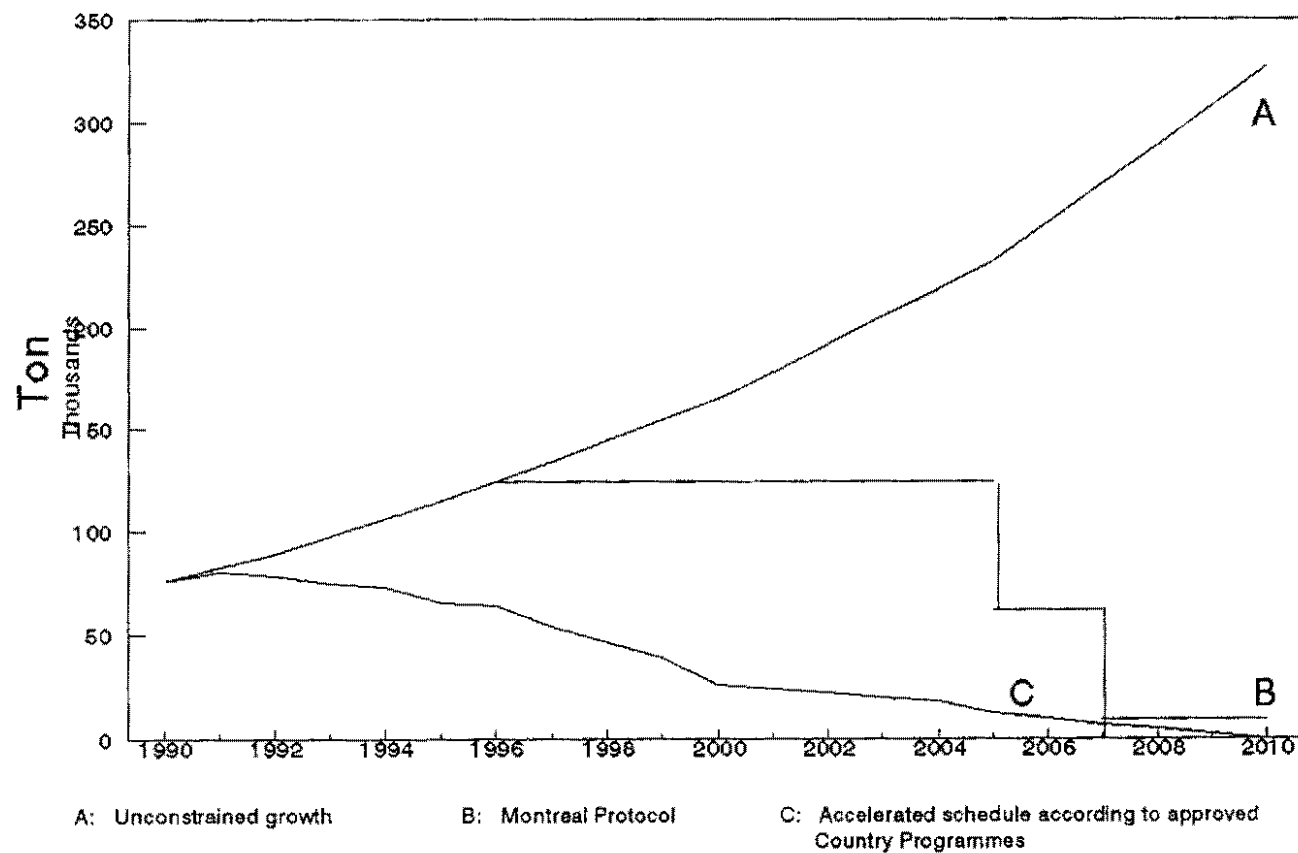
• Funds allocated to Implementing Agencies for country programme preparation

○ Expected date of transmission of the country programme to the Government by the Implementing Agency

- Country study is available

X Approved by the Executive Committee

Figure 1: OZONE DEPLETING SUBSTANCES PHASE-OUT SCHEDULE
According to Approved Country Programmes



11. As at the Ninth Meeting of the Executive Committee (March 1993) 165 projects and various activities (excluding country programme preparation, regional and global activities or projects) worth about US \$64.9 million had been approved for 27 countries. The ten countries which had their country programmes approved by the Executive Committee accounted for about US \$37 million while the other 17 countries accounted for US \$27.9 million. 44 per cent of the 165 country specific activities and projects approved were derived from country programmes (See Table 2).

Table 2: Funds Approved for Projects and Activities and their Relationship to Country Programmes (CP)

Executive Committee Meeting		Number of Projects Approved ⁽¹⁾			Funds Allocated Million US \$ ⁽²⁾		
		Total	Derived from CP	%age of Total	Total	Derived from CP	%age of Total
Fourth	(Jun 1991)	22	3	14	1.38	0.30	22
Fifth	(Nov 1991)	2	2	100	4.29	4.29	100
Sixth	(Feb 1992)	29	16	55	5.01	3.25	65
Seventh	(Jun 1992)	29	13	45	20.57	13.18	64
Eighth	(Oct 1992)	28	17	60	14.80	11.61	78
Ninth	(Mar 1993)	55	22	40	18.83	4.39	23
Total:		165	73	44	64.89	37.01	57

(1) Some approved country programmes listed projects which were approved prior to the approval of the country programme. These projects were also considered as projects derived from the country programmes.

(2) Excludes funds approved for country programme preparation, regional and global projects.

Pertinent Issues

12. The cost of preparation of country programmes has varied widely (See Table 1). The actual cost of preparing country programmes is, however, not certain since Implementing Agencies have not reported on actual expenditures incurred in each country.

13. In several cases additional funds have been approved for the preparation of the country programmes. (See Table 1 and Annex I). Such supplementary funding ranges between 5% and 55% of original funds. In one instance there was additional funding of over 150%. Only in a few cases were reasons given for the increased funding, such as Philippines (to cover cost of national workshops), Botswana (inadequate earlier estimate).

14. The time spent on the preparation of country programmes that have been approved (from the time funds are approved to the time the completed document is submitted for approval by the Executive Committee) has ranged from eight months (Mexico, Turkey) to sixteen months (Costa Rica, Egypt, Ghana, Zambia). There are two key phases which can potentially cause delays in the preparation of country programmes. These are the start-up (which includes initial surveys) and in-country review and/or government approval. There have been instances where government approval of the completed country programme has been delayed for 10 months or longer.

15. In four countries - China, Guatemala, Indonesia and Philippines - there has been collaboration between the Implementing Agencies in the preparation of the country programmes. Such collaboration has facilitated development of activities, such as project identification and preparation.

16. Bilateral assistance provided for the preparation of country programmes has generally expedited their completion, as in the cases of Mexico and Ecuador country programmes which were among the first three country programmes to be approved (February 1992).

17. Financial and/or technical assistance provided through the implementing agencies to non-Parties prior to their becoming Parties for country studies and other related activities have facilitated faster preparation and reduced costs to the Fund as in the case of Algeria, China, Mauritius, Pakistan and Zimbabwe. Similarly, such assistance provided from outside the Fund to Article 5 Parties for country studies has expedited and/or reduced the cost to the Fund of the preparation of the country programmes as in the case of Ghana, Philippines and China. Denmark, Finland and the European Community have provided such assistance.

18. The duration of the country programmes is usually three years, except Egypt and Turkey Country Programmes each of which has a duration of 8 years (to year 2000) and China Country Programme which covers a 17 year period (to the year 2010). All the countries make provisions for review and/or update of the document as circumstances may demand. It is important that any updated country programme is resubmitted to the Executive Committee.

19. According to the information available, as at the end of March 1993, there was no activity relating to country programme preparation in 21 Article 5 countries, namely Antigua and Barbuda, Central African Republic, Croatia, Cyprus, El Salvador, Guinea, Kiribati, Kuwait, Libyan Arab Jamahiriya, Marshall Islands, Nicaragua, Niger, Papua New Guinea, Paraguay, St. Kitts and Nevis, Samoa, Seychelles, Slovenia, Sudan, Swaziland and Yugoslavia

Conclusion

20. The review of the status of country programmes leads to the following conclusions:

- In order to serve the purpose for which country programmes were conceived, their preparation should be completed in a timely manner, possibly within a time frame specified by the Executive Committee. With the expected increase in the number of Article 5 Parties following the tightening of sanctions against non-Parties in trade in ODS and ODS-containing products, the use of country programmes as a guide for setting phase-out priorities and funding levels and a framework for monitoring the progress of implementation of the mandate of the Fund, both at the national and international levels, will become much more critical.
- After two and half years of operation of the Fund the time is ripe to encourage the Article 5 countries as well as the implementing agencies to give a higher priority to country programmes in accordance with the Terms of Reference of the Fund and the Executive Committee as well as the Implementation Guidelines adopted by the Committee for the effective operation of the Fund.
- There is the need to encourage Governments which have had their country programmes approved, to pursue their implementation in accordance with the schedules indicated in the country programmes in order to meet their phase out targets and to provide periodic reports on progress of implementation.
- There is the need for the implementing agencies to report on the actual expenditure incurred on preparation of approved country programmes, and where approved country programmes are available to indicate the relationship between an activity or project being submitted for consideration and the Country Programme in its documentation.

Recommendations

The following recommendations are made for the consideration of the Executive Committee:

To request Article 5 Parties and their collaborating Implementing Agencies:

1. to give priority to early completion of country programmes.
2. to strive to submit completed country programme documents within nine months of the disbursement of the funds to the Article 5 Parties for their preparation;
3. in preparing projects on institutional strengthening, to make provision to address the needs of the country with respect to the data submission requirements of Article 7 of the Montreal Protocol.

To request Article 5 Parties:

1. when submitting project proposals to the Executive Committee prior to approval of their country programmes, the proposals should be for priority projects consistent with the country's emerging strategy for phasing out ozone depleting substances.
2. to present annually, information to the Executive Committee on progress being made in the implementation of their country programmes.

ANNEX I

STATUS OF COUNTRY PROGRAMMES (COUNTRY BY COUNTRY DESCRIPTION)

Explanatory Notes

ODS CONSUMPTION

Provides the amount of ozone depleting substances (ODS) consumed in the country in metric tonnes, and the year.

I.A.

Denotes the implementing agency (IBRD, UNDP, UNEP, UNIDO) or bilateral when the project is financed through bilateral assistance (e.g., Australia, Germany, US EPA).

US\$ FOR CPG PREPARATION

Represents the amount of money approved by the Executive Committee for the preparation of country programme.

DATE FUNDS APPROVED

Indicates the month and year of the Executive Committee meeting at which funds were allocated for preparation of country programme.

DATE OF TRANSMISSION TO GOVT.

Indicates expected date when the implementing agency completes the country programme and submit it to the relevant Government.

STATUS

Indicates the status of country programme preparation.

DATE CPG APPROVED BY EX. COM.

Denotes the month and year of the Executive Committee meeting at which the country programme was approved.

Country	ODS consumption (m tonnes)	I. A.	US\$ for CPG preparation	Date funds approved	Date of transmission to Govt.	Status	Date CPG approved by Ex. Com.
<i>Region: Africa</i>							
Algeria	2000 (in 1993)	UNEP	\$15,000	Mar 1993	Expected Jun 1993	UNEP started preparing CPG before Algeria became a Party to the Montreal Protocol. ODS-survey completed	
Botswana	N/A	UNEP	\$40,000	Feb 1992	Expected Dec 1993	Contacts with Govt. made and consultants selected. First mission arranged	
Burkina Faso	N/A	UNEP	\$30,000	Feb 1992	Feb 1993	ODS survey completed (Sep 1992). Data analysis and activities related to draft CPG completed (Jan 1993)	
Cameroon	N/A	UNEP	\$30,000	Feb 1992	Feb 1993	ODS survey completed (Sep 1992). Data analysis and activities related to draft CPG completed (Jan 1993)	
Egypt	1897 (in 1991)	IBRD IBRD	\$68,981 \$27,526	Jun 1991 Feb 1992	Dec 1991	Completed	Oct 1992
Gambia	N/A	UNEP	\$30,000	Feb 1992	N/A	First contacts with Govt. made. First mission being arranged	
Ghana	100 (in 1991)	UNEP	\$25,000	Jun 1991	Sep 1992	Completed	Oct 1992
Kenya	N/A	UNDP	\$25,000	Feb 1992	Expected Dec 1993	CPG formulation delayed to await results for a UNIDO ODS survey sponsored by the Swedish Govt. ODS survey completed (Oct 1992). CPW will be submitted at 11th ExCom Meeting	
Malawi	N/A	UNEP	\$30,000	Feb 1992	Mar 1993	ODS survey initiated (Oct 1992). Formulation of action plan, identification of project proposals and draft CPG submitted to Govt. (Mar 1993)	
Mauritius	N/A	UNEP	\$10,000	Mar 1993	Expected Jun 1993	UNEP started preparing CPG before Mauritius became a Party to the Montreal Protocol. Draft CPG completed (Feb 1993). National review seminar held Apr 1993	

STATUS OF COUNTRY PROGRAMME

As at March 1993
Annex I Page 2

Country	ODS consumption (m tonnes)	I. A.	US\$ for CPG preparation	Date funds approved	Date of transmission to Govt.	Status	Date CPG approved by Ex. Com.
Nigeria	4000 (in 1991)	IBRD	\$271,255 \$35,100	Feb 1992 Mar 1993	Expected Sep 1993	World Bank assisted in selecting consulting firm for CPG preparation and project identification (Aug 1992). Contract to be signed in Apr 1993	
Togo	N/A	UNEP	\$30,000	Feb 1992	N/A	ODS survey completed (Oct 1992). Completion of CPG held up due to internal problems	
Tunisia	1073 (in 1991)	IBRD IBRD	\$125,000 \$8,200	Feb 1992 Mar 1993	May 1992	Govt. review completed (Mar 1993). CPG will be submitted at 10th ExCom Meeting	
Uganda	N/A	UNEP	\$25,000	Jun 1991	Expected Apr 1993	Held up (wrong account number provided for fund transfer)	
Zambia	22 (in 1991)	UNEP	\$25,000	Jun 1991	Oct 1992	Completed	Oct 1992
Zimbabwe	N/A	UNEP	\$40,000	Mar 1993	Expected Dec 1993	Due to start	
<i>Region: Asia and the Pacific</i>							
Bangladesh	N/A	UNDP	\$25,000	Feb 1992	Expected 3rd quarter 1993	ODS survey completed (Feb 1993). CPG formulation has started. CPG will be submitted at 11th ExCom Meeting	
China	48239 (in 1991)	UNDP	\$200,000	Feb 1992	Dec 1992	Completed	Mar 1993
Fiji	N/A	UNEP	\$25,000	Jun 1991	Nov 1992	Completion pending on response from Gov. (Jan 1993). CPG will be submitted at 10th ExCom Meeting	
India	11985 (in 1993)	UNDP	\$200,000	Mar 1993	Expected Dec 1993	Govt. action in CPG preparation well advanced. UNDP assistance completed (Mar 1993)	
Indonesia	4000 (in 1990)	UNDP	\$200,000	Oct 1992	Expected Dec 1993	UNDP assisting Govt. in CPG preparation with World Bank collaboration. CPG project document signed and funds disbursed (Mar 1993). CPG formulation mission completed (Apr 1993)	

Country	ODS consumption (m tonnes)	I. A.	US\$ for CPG preparation	Date funds approved	Date of transmission to Govt.	Status	Date CPG approved by Ex.Com.
Iran	1840 (in 1993)	UNDP	\$35,000	Feb 1992	Sep 1992	CPG submitted at 8th ExCom Meeting and later withdrawn for modifications on recommendations of the Secretariat and UNDP. Govt. response to comments received by UNDP 15 Feb 1993. Follow-up mission (Dec 1992) not allowed entry. Another mission for Apr 1993	
Jordan	635 (in 1991)	IBRD IBRD	\$70,000 \$8,200	Feb 1992 Mar 1993	Apr 1992	Govt. review completed (Mar 1993). Gov. has taken lead. CPG to be submitted at 10th ExCom Meeting	
Malaysia	3891 (in 1990)	IBRD	\$16,294	Jun 1991	-	Completed. CPG prepared by Govt.	Feb 1992
Maldives	N/A	UNEP	\$25,000	Jun 1991	Feb 1993	Analysis pending data to be provided by Govt.	
Pakistan	2000 (in 1993)	UNEP	\$60,000	Mar 1993	Expected Dec 1993	UNEP started preparing CPG before Pakistan became a Party to the Montreal Protocol. ODS survey has started	
Philippines	4650 (in 1990)	IBRD UNDP UNDP	\$19,952 \$45,000 \$39,820	Jun 1991 Oct 1992 Mar 1993	-	Govt. has lead. Assistance from World Bank completed (Dec 1992). Completion of CPG expected mid-1993 with further assistance from UNDP	
Sri Lanka	N/A	UNDP	\$35,000	Feb 1992	Expected end-1993	Selection of consulting firm to prepare CPG delayed (from Feb to Nov 1992). Agreement signed (Jan 1993). Completion of ODS survey by mid-1993	
Syrian Arab Republic	N/A	UNEP	\$25,000	Jun 1991	Mar 1993	Analysis pending on completion of ODS data by Govt.	
Thailand	15645 (in 1991)	IBRD IBRD	\$30,909 \$160,000	Jun 1991 Feb 1992	-	Draft CPG completed. Govt. has lead without additional assistance from the Fund. CPG to be submitted at 10th ExCom Meeting	

STATUS OF COUNTRY PROGRAMME

As at March 1993
Annex I Page 4

Country	ODS consumption (m tonnes)	I. A.	US\$ for CPG preparation	Date funds approved	Date of transmission to Govt.	Status	Date CPG approved by Ex. Com.
<i>Region: Europe</i>							
Turkey	3653 (in 1990)	IBRD	\$13,515	Feb 1992	Jan 1992	Completed	Oct 1992
<i>Region: Latin America and the Caribbean</i>							
Argentina	5766 (in 1986)	IBRD IBRD	\$149,337 \$85,000	Feb 1992 Mar 1993	N/A	In 1991, the Govt. commissioned an ODS survey by a national expert under its own budget, and selected the World Bank as lead agency for CPG and UNDP for technical assistance. A Bank mission visited Argentina (Mar 1993) to establish operational modalities	
Barbados	N/A	UNEP	\$30,000	Mar 1993	Expected end-1993	Due to start	
Brazil	31875 (in 1991)	IBRD IBRD	\$123,788 \$30,000	Feb 1992 Mar 1993	-	Govt. has lead. World Bank assisted in a preliminary assessment (Jul 1992). Govt. developing strategy and action plan	
Chile	1120 (in 1989)	IBRD	\$121,166	Jun 1991	Jun 1992	Completed. CPG prepared by the Govt.	Jun 1992
Costa Rica	253 (in 1991)	UNDP	\$20,000	Jun 1992	Aug 1992	Completed	Oct 1992
Cuba	N/A	UNDP	\$22,600	Oct 1992	Jan 1993	Data survey completed (Dec 1992). Draft CPG being considered by the Gov. CPG will be submitted at 10th ExCom Meeting	
Ecuador	723 (in 1989)	IBRD US EPA US EPA	\$76,100 \$50,000 \$6,000	Feb 1992 Jun 1992 Oct 1992	Feb 1992	Completed	Feb 1992
Guatemala	406 (in 1989)	UNEP	\$30,000	Feb 1992	Feb 1993	ODS survey completed (Nov 1992). World Bank assisting Govt. in identifying investment projects. UNEP-World Bank joint mission planned for Apr 1993	

STATUS OF COUNTRY PROGRAMME

As at March 1993
Annex I Page 5

Country	ODS consumption (in tonnes)	I. A.	US\$ for CPG preparation	Date funds approved	Date of transmission to Govt.	Status	Date CPG approved by Ex. Com.
Mexico	18388 (in 1989)	IBRD US EPA US EPA	\$36,061 \$145,000 \$28,000	Jun 1991 Jun 1992 Oct 1992	Oct 1991	Completed	Feb 1992
Panama	N/A	UNEP	\$30,000	Feb 1992	Feb 1993	ODS survey completed (Nov 1992). ODS data need to be reviewed	
Trinidad and Tobago	N/A	UNDP UNDP	\$53,800 \$25,000	Jun 1991 Feb 1992	Expected Dec 1993	Due to start (Apr 1993). Delayed due to internal problems. Govt. requested UNDP that CARIRI shall be involved in CPG preparation and follow-up activities	
Uruguay	316 (in 1992)	UNDP	\$27,000	Oct 1992	Feb 1992	CPG will be submitted at 10th ExCom Meeting	
Venezuela	3988 (in 1990)	IBRD US EPA	\$61,591 \$43,000	Feb 1992 Oct 1992	Mid-1993	\$61,591 allocated to World Bank returned. US EPA is assisting the Gov.	