



United Nations Environment Programme

Distr.
Limited



UNEP/OzL.Pro/ExCom/13/3/Corr.1/Rev.1
25 July 1994

ORIGINAL: ENGLISH

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

Thirteenth Meeting
Montreal, 25-27 July 1994

Corrigendum

OVERVIEW OF ISSUES IDENTIFIED DURING PROJECT REVIEW

Replace paragraphs 3 to 6 by the following:

Likely shortfall of funds for requested amount of financing

3. The resources of the Fund, as at 30 June 1994, stood at US \$53.6 million, including US \$24.8 million in promissory notes. The Committee has received for its current session, requests for approval of approximately US \$63.2 million, which represents the total of project proposals, amended work programmes and a request for US \$450,000 from the 10th Meeting of the Open-Ended Working Group of the Parties for the Study on the Financial Mechanism.

4. Depending on the decisions made at this meeting, several situations might happen with regard to the resource requirement and the Fund standing (surplus or shortfall).

Situation 1: If all the requests are approved at the meeting, a shortfall of US \$9.6 million would take place. (US \$53.6 million - US \$63.2 million = US \$-9.6 million).

Situation 2: The Secretariat is recommending US \$41.0 million out of the requested US \$63.2 million. If this is the amount this Meeting approves, a surplus of US \$12.6 million would result. (US \$53.6 million - US \$41.0 million = US \$12.6 million).

Situation 3: Of the portfolio of projects submitted to this Meeting, a few projects still have unresolved issues where guidance of the Executive Committee is expected. These projects demand an estimated budget of about US \$13 million in addition to the recommended approval of US \$41.0 million. If these issues are solved thus making approval of these projects possible, the total approval will be US \$54 million (US \$41.0 million + US \$13 million). In that event, the Fund will run a shortfall of US \$0.4 million. (US \$53.6 million - US \$54 million = US \$-0.4 million).

**FUNDS REQUESTED BY IMPLEMENTING AGENCIES
AT THE THIRTEENTH MEETING**

	UNDP US \$	UNEP US \$	UNIDO US \$	World Bank US \$	Total US \$	%
Work programme activities	768,900	918,015	15,000	629,500	2,331,415	3.7
Projects costing below US \$500,000	5,596,500			2,270,562	7,867,062	12.5
Project proposals						
Aerosols				1,744,000	1,744,000	2.8
Foams	3,702,000		1,182,701	1,311,000	6,195,701	9.9
Halons		685,000		2,500,182	3,185,182	5.1
Refrigeration	9,712,964		12,877,081	12,524,315	35,114,090	56.0
Solvent			799,154	790,000	1,589,154	2.5
Sub-Total	19,780,364	1,603,015	14,873,936	21,769,559	58,026,933	92.5
Agency support costs	2,571,447	208,392	1,933,611		4,713,450	7.5
TOTAL	22,351,811	1,811,407	16,807,547	21,769,559	62,740,324	100

5. In view of the above situations, the promissory notes should be encashed in their entirety on demand.

6. In case Situations 1 or 3 take place at the Meeting, the Committee would be restrained in its approval process by the terms of reference under which it cannot approve amounts in excess of its cash holdings (UNEP/OzL.Pro/2/3 Annex IV, Chapter D, paragraph 19).

Delete paragraph 7.

Replace paragraph 13 by the following:

13. Disbursements are still at a low level, although UNDP's progress has been improving recently. According to the World Bank's progress report, its commitment for projects, project preparation advances, and engineering studies represented by signed grant and letter agreements stand at US \$35.4 million, 39.3 per cent of the total funds allocated. However, the actual disbursement from existing agreements is US \$5.1 million or 5.7 per cent of total fund allocation.

Replace the Table in paragraph 14 by the following:

Status of Disbursement as at 31 May 1994

(US \$ millions)

Agency	Funds Allocated ¹	Funds Disbursed
UNDP	43.8	14.8 (34%)
UNEP ²	11.6	4.0 (34%)
UNIDO ²	6.8	1.2 (18%)
WORLD BANK	90.1	14.0 ³ (16%)

¹ Interest earned is not included. Support costs for UNDP, UNEP and UNIDO and administrative cost of Bank operations are included.

² As at 31 December 1993.

³ Includes US \$5.1 million disbursed on agreements and US \$8.9 million disbursed through agency work programmes.