UNITED
NATIONS

EP

United Nations
Environment
Programme

Distr.
LIMITED

UNEP/OzL.Pro/ExCom/23/13
20 October 1997

ORIGINAL: ENGLISH

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

1998 UNDP DRAFT BUSINESS PLAN

COMMENTS AND RECOMMENDATIONS FROM THE FUND SECRETARIAT

1. The total value of investment projects currently proposed to be submitted by UNDP in 1998 is US $44.9 million including 15 per cent overprogramming (US $39.7 million excluding agency fees) from project preparation of US $1.796 million (including an expected US $350,000 carryover from 1997 project preparation approvals). This level of funding is expected to result in the phase-out of 4,297 ODP tonnes. The largest amount of funding is targeted for the foam sector (US $17 million) followed by the refrigeration sector (US $12 million).

2. UNDP is expected to submit requests for US $3.6 million (US $3.2 million excluding agency fees) for non-investment activities in 1998 for 17 non-investment projects including 12 institutional strengthening renewals at a cost of US $2.2 million (US $1.9 million excluding agency fees).

3. UNDP expects to disburse US $28 million for investment projects and phase-out 3,635 ODP tonnes in 1998. UNDP specified performance indicators on page 7 of its business plan. The cost of project preparation is expected to be 3.8 per cent of investment project funding. The cost-effectiveness of its projects is expected to be US $8.83/kg. for non-LVC projects and US $13.53/kg. for LVC projects.

COMMENTS

4. Six months into its 1997 business plan, UNDP has phased out 3,491 of its 7,614 ODP tonne phase-out target. It has disbursed US $9.7 million of its US $30.4 million disbursement target for 1997.

5. UNDP plans to provide information by sector and country for following years in its revised business plan.

Resource allocation and contingency projects

6. As a result of the Parties decision to allocate an additional US $25 million for methyl bromide projects, the Executive Committee's allocations for LVCs, the Committee's decisions to assist Article 5 countries in meeting their 1999 freeze obligations, and the Three-year Business Plan's priority for the development of halon projects, UNDP indicated that US $10 million of contingency projects ready for submission were not included in its business plan. UNDP itemized these projects in the narrative of its business plan on pages 4 and 5.

Non-investment projects

7. UNDP plans to request US $1.4 million (US $1.2 million excluding agency fees) for the following technical assistance projects.

- SME survey in Brazil (US $100,000)
- Global MACs project Phase III (US $500,000)
- Global MDI strategy framework (US $500,000)
- Solvent sector phase-out in Uruguay (US $60,000)
- Survey of SMEs in Argentina (US $60,000)

8. The Secretariat's comments on the SME Survey in Brazil are found under UNDP's work programme request. The Global MACs project is the continuation of two previous approvals of the Executive Committee which primarily provide the equipment component of MAC recycling and recovery demonstration projects implemented under bilateral cooperation.

9. The objective of the Global MDI strategy framework is to review, with the assistance of TEAP, the available technologies and costs to develop draft incremental cost guidance for future projects at a cost of US $500,000. A detailed cost proposal will be provided if the Committee decides to allow the inclusion of this activity in UNDP's business plan. Several non-Article 5 countries continue to seek, and are granted, exemptions for the essential use of CFCs in the production of MDIs. Available information suggests that few Article 5 countries are producers of MDIs. It is not clear how this project will contribute to assisting the relevant Article 5 countries in meeting their freeze obligations.

10. UNDP is planning to request technical assistance funds to develop a solvent sector phase-out strategy for Uruguay at a cost of US $60,000. At its Twenty-second Meeting, the Executive Committee approved a technical assistance project for the World Bank to develop an innovative approach to phase-out the remainder of the ODS uses in Uruguay based on a market survey. In approving this request, the Executive Committee agreed that the market survey conducted under the project would strive to identify the maximum possible number of consumers of ODS (decision 22/35). UNDP plans to use the results of the Bank's market survey to develop a phase-out programme for the solvent sector.

11. UNDP is planning to request US $60,000 for an SME survey in Argentina. Argentina's country programme identified consumption in the six industrial sectors (including 268 ODP tonnes in the solvent sector) and noted that there is a small balance for other unidentified sectors, however, UNDP indicated that some of the SME use was not identified in the country programme.

Project preparation

12. UNDP will be requesting funding for project preparation in several countries where less than 10 per cent of the investment project funds already approved over a year ago for UNDP

implementation have been disbursed: Bangladesh, Indonesia, and Brazil. However, UNDP expects that around 30 per cent of funds approved for Brazil and 45 per cent of funds approved for Indonesia will have been disbursed by the end of 1997.

Policy and financial issues

13. UNDP notes in its Policy Issues Section on page 11 of its business plan that the Executive Committee was requested to assist agencies in cases where government level taxes or duties on equipment. The countries in which UNDP is facing such difficulties were not provided.

14. UNDP noted its difficulty in balancing the competing needs of helping countries meet their 1999 freeze obligations, a more aggressive approach to the needs of SMEs, and the need to complete sector phase-out projects. It noted difficulty in meeting the Parties' decision to allocate US $25 million for methyl bromide projects given the lack of guidance from the Committee on the duration period for the calculation of incremental operating costs. UNDP indicated that the implementing agencies' preference would be to prepare demonstration projects in 1998 in the amount of US $10-15 million and US $35 to $40 million in 1999.

15. UNDP notes that it can accept promissory notes with a memorandum of understanding with the Treasurer under the Administrative and financial matters section of its plan. UNDP also notes its concern about any reduction in the current 13 per cent agency fee.

RECOMMENDATIONS

The Executive Committee may wish to consider:

1. Recommending modifications to UNDP's draft 1998 business plan to enable it to be finalized for submission to the Twenty-fourth Meeting of the Executive Committee bearing in mind that UNDP has submitted an advance on its 1998 work programme to this meeting for approval.

2. UNDP's requests for SME surveys in Argentina and Brazil and its request for the solvent sector in Uruguay.

3. UNDP's concerns about the readiness of methyl bromide projects for submission in 1998 in the light of UNDP's list of contingency projects and the likelihood of approving project preparation in countries where there are ongoing implementation difficulties (low levels of fund disbursement and taxes and duties).

4. The other policy and administrative/financial issues raised by UNDP in its draft 1998 business plan.

UNDP DRAFT 1998 BUSINESS PLAN: NARRATIVE

(7 October 1997)

A. UNDP's 1998 BUSINESS PLAN RELATIONSHIP TO THE 1991 TO JUNE 1997 UNDP PROGRAMME

UNDP 1998 BUSINESS PLAN IN A HISTORICAL CONTEXT

1. A review of UNDP's 1991 to June 1997 investment projects as of 30 June 1997, and the sectoral relationship to the draft UNDP 1998 Business Plan shows the following trends by sector:

SECTOR	1991 - JUNE 1997 INV. PROJECTS		1998 DRAFT BUSINESS PLAN	
	APPROVALS		PROPOSED BUDGET	
	$ millions	Percent	$ millions	Percent
Aerosols	4.28	3.2	0.91	2.3
Foams	67.95	50.1	17.42	43.9
Halons	0.51	0.4	1.40	3.5
Methyl Bromide	-	-	6.00	15.1
Refrigeration	55.59	41.1	11.63	29.3
Solvents	7.04	5.2	2.33	5.9
TOTAL	135.37	100.0	39.69	100.0

2. Whereas foams and refrigeration combined accounted for 91% of UNDP's cumulative approval total for investment projects during 1991 thru June 1997, in 1998 these two sectors combined will decrease to 73% of the UNDP programme. The difference is primarily made up by a new 15% share for methyl bromide alternative projects which will account for $6 million of the UNDP portfolio in 1998. This follows the direction given at the Ninth Meeting of the Parties to the Montreal Protocol in September 1997 and the subsequent guidance received from the Fund Secretariat. While the shares of the aerosols and solvents sectors will remain about the same as historical trends, UNDP will re-enter the halons field with projects in three countries.

3. Overall UNDP investment project cost-effectiveness (in $/kg.) by year of approval decreased during 1992-95, it being $9.5/kg. in 1992, $7.8/kg. in 1993, $7.5/kg. in 1994 and $5.3/kg. in 1995. By end-1995, however, most of the very large cost-effective projects had already been approved, and UNDP was increasingly being requested to also start investment project preparation for low-volume ODS consuming countries (LVCCs). As a result, overall programme cost-effectiveness in 1996 increased to $6.9/kg., and should be close to $8/kg. in 1997. For 1998, UNDP's investment project portfolio cost-effectiveness would be $7.84/kg. excluding methyl bromide alternative projects, and $9.24/kg. including those projects.

4. Thus, ODS phaseout investment projects in UNDP's 1998 Business Plan would not be as cost-effective as in previous years. The reasons include the following:
   - o the completion of most large projects and many of the bigger mid-sized projects
   - o the greater number of mid-to-smaller sized enterprises left whose cost-effectiveness should be close to (or exceed) the sectoral/subsectoral CE threshold levels
   - o increased coverage of LVCCs, especially in Africa and Latin America/Caribbean
   - o an increasing proportion of higher-cost integral skin foam and commercial refrigeration projects
   - o a mandated substantial increase in methyl bromide alternatives demonstration projects which may not contribute directly to ODP phaseout
   - o an increasing number of sectoral/subsectoral ODS phaseout projects that, in general, cover a large number of SMEs.

SPECIAL AREA RESOURCE ALLOCATIONS

5. a) **Low-ODS Consuming Countries (LVCCs).** In 1997, UNDP had programmes in 33 low-ODS consuming countries (Bahamas, Bahrain, Bangladesh, Bolivia, Botswana, Central African Republic, Congo, Costa Rica, Cuba, Dominican Republic, Georgia, El-Salvador, Gabon, Gambia, Ghana, Guatemala, Jamaica, Kenya, Lesotho, Malawi, Mauritius, Mozambique, Niger, Panama, Paraguay, Peru, Sri Lanka, Tanzania, Trinidad & Tobago, Uganda, Uruguay, Vietnam, Zambia). During 1998, within this group, Botswana, Gabon and Niger would have investment projects submitted for the first time. By end-1998, UNDP should have programmes in a total of 52 countries comprising 33 LVCCs and 19 medium-to-high level ODS consuming countries.

b) **Refrigerant Recovery/Recycling in LVCCs as Part of RMPs.** Ten national refrigerant recovery/recycling programmes were approved in 1996. In its 1997 Business Plan, UNDP had expected to prepare and submit for approval 13 national refrigerant recovery/recycling programmes in the Bahamas, Bahrain, Bangladesh, Botswana, Dominican Republic, El Salvador, Gabon, Lesotho, Mozambique, Niger, Tanzania, Trinidad & Tobago and Venezuela. However, at its 22nd Meeting in May 1997, the Executive Committee under Decision 22/25 (Development of Refrigeration Management Plans) made development of national refrigerant management plans (RMP) a precondition for any other project activity in LVCCs so as to ensure sustainability of proposed activities, and that recovery/recycling projects should only be submitted if fully justified by an RMP. Due to delays in agreement on RMP guidelines and the consequent delay in RMP preparation, potential recovery/recycling programmes for Bangladesh, Botswana, Congo, Dominican Republic, Gabon and Niger could not be submitted in 1997 and these six projects have now been rescheduled for 1998. Since other RMPs are being prepared by UNEP and thru bilateral assistance, and due to the extended period now seen necessary for their finalization, no additional national recovery/recycling projects are being proposed in 1998.

c) **Methyl Bromide (MeBr).** Following the decision of the 9th Meeting of the Parties to the Montreal Protocol in September 1997 and guidance received from the Fund Secretariat, UNDP had intensive discussions with UNIDO in order to coordinate activities in this area; the World Bank was kept fully informed of these discussions. Accordingly, UNDP has received requests and/or identified MeBr alternative demonstration projects in 13 countries (Argentina, Brazil, Chile, Costa Rica, Egypt, Indonesia, Lebanon, Malawi, Malaysia, Morocco, Peru, Philippines, Tanzania). Total budgets amount to $6 million or 15.1% of UNDP's 1998 programme.

d) **Production Sector**. UNDP has been requested by Venezuela to be lead agency for its ODS production sector activities. This would constitute UNDP's first involvement in this sector. It is anticipated that the guidelines would be approved in 1998 with project formulation activities starting in 1999 under UNDP's 1999 Business Plan.

SPECIAL INITIATIVES

6. a) **Assisting Mid-size/Larger ODS Consuming Countries Meet their 1999 CFC Freeze Targets**. In its 1998 Business Plan, UNDP has programmed ODS phaseout activities in several mid-size/larger ODS consuming countries to help them meet their 1999 CFC freeze targets. In fact, at least 71% of UNDP's draft 1998 Business Plan funding is targeted for eight such countries (Brazil, China, India, Indonesia, Mexico, Morocco, Nigeria and Thailand). Special efforts are being made to accelerate UNDP programmes in Brazil, China, Indonesia, Morocco and Nigeria in this regard.

b) **Strategies for ODS Phaseout in SMEs**. In 1996, UNDP submitted and the ExCom approved an aerosols sector ODS phaseout programme for Malaysia, a commercial refrigeration ODS phaseout programme in Egypt, and the first phase of a two phase solvents sector ODS phaseout programme in the Philippines. At its 22nd Meeting in May 1997, the Executive Committee approved umbrella projects for rigid spray thermoware in India and for rigid spray foam in Mexico. At its 23rd Meeting in November 1997, UNDP is submitting umbrella projects in rigid foam and commercial refrigeration in Guatemala, umbrella rigid spray foam and umbrella integral skin foam projects in Mexico, an umbrella foam project for Paraguay, and an umbrella rigid foam project for the Philippines. In 1998, UNDP will continue to target the SMEs which often comprise critical sectors in many developing countries, accounting proportionately and in total for more employees than in larger companies. A key objective is also to prevent growth in SME consumption of ODS while the Multilateral Fund is funding projects to eliminate ODS consumption in larger enterprises in the same country. In general, due to their small scale, SME investment projects will not be as cost-effective as those in larger enterprises; UNDP has therefore pioneered and continues to develop new approaches to facilitate an effective ODS phaseout in SMEs.

c) **Increased Coverage in Africa**. In 1997, UNDP has work programmes in 18 African countries (3 mid-sized, 15 LVCCs). This number will remain the same in 1998. The three mid-size countries are Egypt, Morocco and Nigeria. The 15 LVCCs are Botswana, Central African Republic, Congo, Gabon, Gambia, Ghana, Kenya, Lesotho, Malawi, Mauritius, Mozambique, Niger, Tanzania, Uganda and Zambia.

d) **Sectoral Approaches**. In May 1997 UNDP received approval for a foam sector ODS phaseout project for Egypt as well as funding for development of a solvents sector strategy and financing plan for China. In its 1998 Business Plan, UNDP has decreased somewhat its previous heavy concentration on foams and refrigeration, and has compensated by an increase in halons sector activities and in methyl bromide alternatives demonstration programmes.

e) **Global MDI Transition Strategy Framework**. A global project will be requested to develop the framework for national transition strategies for MDIs, so that Article 5 countries follow the same general framework. This would facilitate Executive Committee review of transition strategies in the future as well as provide the substantive basis for investment project identification and development in this subsector.

PROJECTS THAT COULD NOT BE INCLUDED IN UNDP's 1998 BUSINESS PLAN

7. Almost $10 million in project preparation requests could not be included in the UNDP 1998 Draft Business Plan due to budgetary limitations. As specified above, four key Parties/ExCom directives severely limited UNDP's flexibility in this regard. The four priority areas were:

    a) <u>ExCom Directive on Special Allocation for LVCCS</u>. UNDP will have projects in 16 countries: Bangladesh, Bolivia, Botswana, Congo, Costa Rica, Cuba, Dominican Republic, El-Salvador, Gabon, Malawi, Niger, Peru, Sri Lanka, Tanzania, Trinidad & Tobago and Vietnam. The budget is $5.02 million or 12.6% of the UNDP programme.

    b) <u>Parties/ExCom Directive on Urgent Needs for Countries (espy. non-LVCCs) who otherwise cannot meet the 1999 CFC Freeze Target</u>. At least seven countries fall into this category (Brazil, China, India, Indonesia, Mexico, Morocco, Nigeria) and together account for $28.05 million or 70.7% of the UNDP programme.

    c) <u>Parties Directive on Special Allocation for Methyl Bromide Alternatives Projects</u>: This decision taken at the 9th Meeting of the Parties in September 1997 has forced the dropping of several consumption sector projects that had previously been allocated funding in UNDP's planning for its 1998 programme. UNDP has identified potential MeBr alternatives demonstration projects in 13 countries (Argentina, Brazil, Chile, Costa Rica, Egypt, Indonesia, Lebanon, Malawi, Malaysia, Morocco, Peru, Philippines, Tanzania), with four of these countries also being LVCCs (Costa Rica, Malawi, Peru, Tanzania). The allocated budget is $6 million or 15.1% of UNDP's 1998 Business Plan.

    d) <u>ExCom Priority for Halons Projects</u>. Projects in three countries (Egypt, India, Mexico) have been identified with a combined budget of $1.4 million or 3.5% of the UNDP programme.

8. The projects that had to be removed from UNDP's 1998 Draft Business Plan were the following:

    a) Large national recovery/recycling projects in both Egypt and Iran had to be removed to accommodate MeBr alternative demonstration projects. Each project was expected to be around $1 million. Significant work has already been done on the Egypt project and commitments made on the Iran proposal. Unfortunately, neither project met the "urgency" criteria specified above.

    b) The Executive Committee, at its 22nd Meeting, decided to give priority to projects that had the highest ODP value and short implementation durations to help countries meet their 1999 CFC freeze obligations. As a consequence of this decision, the following projects were deferred:
        - o The heat exchange from MACs programme in Venezuela.
        - o Removal of tiny projects in mid-size countries which would not contribute much to helping them meet the 1999 CFC freeze (Morocco solvents).
        - o In several mid-size/larger countries, preference was given to subsectors with better cost-effectiveness. Thus projects in domestic/commercial refrigeration and integral skin foam were removed with flexible/rigid foams projects remaining. Several countries were affected by these cuts.

c) LVCCs whose country programme preparation is still ongoing were eliminated until such time as their CPs are approved by the ExCom (Mongolia, Nepal).

d) Projects in countries where other agencies are very active and the UNDP programme is small or negligible were postponed (Pakistan, Tunisia).

B. PLANNED BUSINESS ACTIVITIES: UNDP

ONGOING ACTIVITIES

9. **Table 1 on Funded Investment Projects by Sector** shows that, as of June 1997, UNDP had 363 approved investment projects in 49 countries with cumulative budgets of $135.37 million. The sector shares for ongoing projects are aerosols (3.2%), foams (50.1%), halons (0.4%), refrigeration (41.1%), and solvents (5.2%). These 363 projects will eliminate 20,115 ODP tonnes/annum. Investment project disbursements by UNDP during 1991 - June 1997 (excluding obligations) amount to $47.64 million with 4,509 ODP tonnes already eliminated. UNDP's 1997 Business Plan proposed cumulative investment project disbursements (excluding obligations) of $69.47 million. Thus a balance of $21.83 million is to be disbursed in second-half 1997.

10. During 1998, investment project disbursements are targeted at $28 million with 3,635 ODP tonnes to be eliminated. In the following years, project disbursements should total $37.9 million with 8,481 ODP tonnes to be phased out. The level of expected disbursements by UNDP in 1998 is conditioned on the expected completion of several projects approved in late-1995 and in 1996, based on the 24-28 month duration that UNDP has now found to be typical of its investment projects.

11. **Table 4, based on Table 1, shows Funded Investment Projects by Country**. UNDP has investment projects in 39 countries, 14 in Africa, 10 in Asia/Pacific and 15 in Latin America/Caribbean. Table 4 shows that project approval shares by region are 12.9% for Africa, 50.3% for Asia/Pacific and 36.8% for Latin America/Caribbean. The shares of ODP phaseout by region are 13.3% for Africa, 54.4% for Asia/Pacific and 32.3% for Latin America/Caribbean, reflecting both the larger-size countries and enterprises in the Asia/Pacific region and also the significant number of smaller countries currently being assisted in Africa and Latin America/Caribbean. For several countries, UNDP's 1998 plans include "umbrella" projects to close out the remaining enterprises and/or activities in sectors/subsectors where UNDP has been active.

12. **Table 3 on Non-Investment Projects** covers 66 ongoing non-investment projects (28 technical assistance programmes, 3 demonstration projects, 2 training programmes, one CP update and 32 institutional strengthening projects (covering Phases I and II in several countries, and Phase III in a few countries). Disbursements as of end-June 1997 (excluding obligations) were $10.228 million, with $4 million to be expended in second-half 1997, $2.63 million in 1998 and $3.57 million in future years. Several of the projects are global or institutional strengthening projects which last 2-3 years, which helps explain why disbursements last over several years.

13. The following four projects, with budgets amounting to $613,000, have been submitted to the ExCom for approval at its 23rd Meeting in November 1997:

a)	Brazil:	SME Survey	($ 100,000)
a)	Indonesia:	Institutional Strengthening: Phase II	($ 210,000)
b)	Iran:	Institutional Strengthening: Phase II	($ 200,000)
c)	Sri Lanka:	Institutional Strengthening: Phase II	($ 103,000)

14. The following 13 projects, with budgets amounting to $2,539,000, will be submitted to the ExCom for approval in 1998:

a)	Argentina:	SME Survey	($ 60,000)
b)	Bangladesh:	Institutional Strengthening: Phase II	($ 100,000)
c)	Brazil:	Institutional Strengthening: Phase II	($ 270,000)
d)	Colombia:	Institutional Strengthening: Phase II	($ 213,000)
e)	Cuba:	Institutional Strengthening: Phase II	($ 115,000)
f)	Global:	Global MDI Strategy Framework	($ 500,000)
g)	Global:	Global MACs Project: Phase III	($ 500,000)
h)	Kenya:	Institutional Strengthening: Phase II	($ 120,000)
i)	Pakistan:	Institutional Strengthening: Phase II	($ 174,000)
j)	Thailand:	Institutional Strengthening: Phase II	($ 267,000)
k)	Trinidad & Tobago:	Institutional Strengthening: Phase II	($ 44,000)
l)	Uruguay:	Institutional Strengthening: Phase III	($ 116,000)
m)	Uruguay:	Solvent sector phaseout technical assistance	($ 60,000)

15. Nine of the above 13 projects are renewals of ongoing Institutional Strengthening projects. Argentina has requested that UNDP conduct a survey of SMEs to evaluate its remaining ODS consumption and estimate technology transfer requirements; the SME survey form used for Mexico will also be used in Argentina. A new global technical assistance project is being proposed -- the Global MDI Strategy Framework -- which will seek to develop a common framework for preparation of national MDI transition strategy approaches so as to enable their comparability; UNDP has already been designated lead agency in this area by China, Cuba and other countries. And following on the success of the second phase of the Global MACs project, the third phase is being proposed, with UNDP working closely with USEPA and other interested Governments in this area. Finally, Uruguay has requested technical assistance to phaseout ODS use in its solvents sector; since the remaining enterprises are too small for individual projects, the objective is to provide them with the required technical advice so that they can complete their ODS phaseout efforts on their own.

PROGRAMME EXPANSION

16. **Table 2 shows UNDP requests for project preparation by sector.** UNDP, by end-1997, should have a remaining balance of $310,000. UNDP will have to prepare $39.69 million in investment projects in 1998. In addition to carrying over the $310,000 balance, UNDP would require $1.28 million in additional project preparation assistance. This would enable UNDP to formulate and submit for approval a total of 146 projects amounting to $39.69 million to eliminate 4,297 ODP tonnes. Project value by sector would be: aerosols (2.3%), foams (43.9%), halons (3.5%), methyl bromide (15.1%), refrigeration (29.3%) and solvents (5.9%). Expected ODP phaseout by sector is: aerosols (5.1%), foams (50.1%), halons (22.1%), refrigeration (19.0%) and solvents (3.7%).

17. With respect to methyl bromide alternative demonstration projects, no ODP phaseout value has been specified since these will be some of the first demonstration projects to be undertaken and not enough information is available on the actual costs of ODP phaseout in this sector.

18. **Table 5, based on Table 2, shows UNDP requests for investment project preparation by country**. A total of 32 countries are covered; of total project preparation funds of $1.59 million (the remaining $310,000 plus the requested $1.28 million), Africa has 20% which includes investment project formulation in Botswana, Congo, Egypt, Gabon, Malawi, Morocco, Niger, Nigeria and Tanzania. Asia/Pacific will have 44% covering investment project formulation in Bangladesh, China, India, Indonesia, Lebanon, Malaysia, Philippines, Sri Lanka, Thailand and Vietnam. Latin America/Caribbean will have 36% covering investment project formulation in Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, El Salvador, Mexico, Peru, Trinidad & Tobago and Uruguay.

19. Countries that would receive their first investment project would include Botswana, Gabon and Niger. Given the very tight budgetary constraint and the fact that $10 million in project requests could not be included into the UNDP 1998 Business Plan, no monies are being requested to meet unforseen requests for investment project preparation, since UNDP could not even meet its existing requests.

C. PERFORMANCE INDICATORS

20. **Project Disbursements**. Project disbursements by UNDP in 1998, excluding obligations, should total $32.1 million comprising $28 million on investment projects, $2.6 million on non-investment projects and $1.5 million of project preparation funds.

21. The disbursement targets are possible only if no critical delays are encountered, such as disagreements with Governments on implementation modalities, delays in signing project documents, inability of equipment suppliers to meet deadlines, inability of joint venture companies or companies that have accepted partial funding to provide their share in foreign exchange, and the tendency of some Governments to levy taxes/duties on equipment purchased through MLF projects, with enterprises refusing to complete their projects until the policies change. Total disbursements by year (excluding obligations) would be:

Year	Disbursements ($ millions)	Cumulative Disbursements ($ millions)
1991	0.251	0.251
1992	0.518	0.769
1993	3.862	4.631
1994	6.467	11.098
1995	11.532	22.630
1996	29.501	52.131
mid-1997	9.994	62.125
Rest of 1997 Target	26.006	88.131
1998 Target	32.137	120.268

22. For the period 1991 - June 1997, UNDP project disbursements of $62.125 million as compared to total approvals of $158.14 million gives a delivery rate of 39.3%. By the end of 1997, estimated 1991-97 disbursements of $88.1 million would comprise around 47% of total expected 1991-97 approvals of $186.5 million. In 1998, net additional disbursements of $32.1 million are anticipated. A comparison of disbursements on investment, non-investment and project preparation activities during 1991-June 1997, expected 1991-1997 totals, in calendar year 1998 and cumulatively during 1991-1998 is as follows:

Period	Inv. Project Disbursements ($ millions)	Non-Inv. Project Disbursements ($ millions)	Project Prep. Disbursements ($ millions)	Total Disbursements ($ millions)
1991-June 97	47.644	10.226	4.255	62.125
1991 - Dec 97 (target)	69.471	14.245	4.415	88.131
1998 Target	28.005	2.632	1.500	32.137
1991-98 Target	97.476	16.877	5.915	120.268

23. **Speed of Investment Project Delivery**. Analysis of UNDP's speed of delivery and completion for investment projects shows the following:

Year	Months from Approval to First Disbursement	Months from Approval to Completion	Cost-Effectiveness
1992	18	29	9.5
1993	14	26	7.8
1994	14	32	7.5
1995	15	24	5.3
1996	9	22	6.9
1997/98 (target)	12	27	8.0

24. Based on evaluation of UNDP's May 1997 Progress Report for the period ending December 1996, and since these detailed tables are only prepared once a year, UNDP will stay with its previously proposed estimates as follows:

a) The average length of time between investment project approval and first disbursement for investment projects averaged between 9-18 months for projects approved during 1992-96. For 1997, UNDP targeted a maximum of 12 months between investment project approval and first disbursement and will strive to shorten this period. The same target will hold for 1998.

b) UNDP's investment projects, approved during 1992-96, have taken between 22-32 months to complete their ODS phaseout. UNDP targeted a completion period of 27 months for investment projects approved in 1997; this would take into account a number of umbrella projects, often covering SMEs, since such projects would have a duration of three years or longer. The same duration is being targeted for 1998.

25. **Speed of Non-Investment Project Delivery**. Analysis of UNDP's speed of delivery and completion for non-investment projects done on the basis of UNDP's Progress Report to the 22nd ExCom Meeting in May 1997 showed the following:

Year	Months from Approval to First Disbursement	Months from Approval to Completion
1991	11	24
1992	16	33
1993	10	33
1994	6	24
1995	4	15
1996	6	24
1997/98 (target)	6	24

26. The above table shows the following:

a) The average length of time between non-investment project approval and first disbursement averaged 10-16 months during 1991-93 and has been falling since then. It averaged 6 months in 1996 and UNDP is targeting the same 6 month period in 1997 and in 1998.

b) UNDP's non-investment projects, approved during 1991-96, have taken between 15-33 months to complete. UNDP is targeting an average completion period of 24 months for non-investment projects approved in 1997 and the same duration for 1998.

27. **ODS Phaseout.** With 4,509 ODP tonnes already eliminated as of end-June 1997, UNDP proposes to eliminate an additional 3,491 ODP tonnes in second-half 1997 so that by end-1997 UNDP would have eliminated a total of 8,000 ODP tonnes/annum. This would amount to 40% of the existing UNDP programme of 20,115 ODP tonnes. The actual and projected ODS phaseout expressed in ODP tonnes is as follows:

Year	ODP Tonnes/Yr Phased Out	Cumulative ODP Tonnes/Yr Phased Out
1992	0	0
1993	178	178
1994	227	405
1995	1,497	1,902
1996	1,658	3,560
June 1997	949	4,509
1997 (rest)	3,491	8,000
1998 (target)	3,635	11,635
Future years	8,481	20,115

28. **1998 ODS Phaseout as a Percentage of UNDP Programme**. The total ODP to be eliminated in 1998 under UNDP investment projects would be 3,635 ODP tonnes. This amounts to 18% of the total UNDP programme of 20,115 ODP tonnes.

29. **Project Costing and Use of Contingency Costs**. For several projects approved during 1995-1997, contingency costs will have to be utilized fully and in many cases additional funding from the recipient enterprises will be essential since equipment costs have in several instances been going up rather than down. With the smaller size of enterprises being covered, project cost-effectiveness is also not as favourable. Revised baseline equipment calculations would increase the counterpart funding required from recipient enterprise.

30. **Cost of Investment Project Preparation**

a) During 1991 - June 1997, $4.255 million in project preparation funds disbursed resulted in the approval of $135.37 million in investment projects. The cost of preparation was 3.14% of the total value of the projects approved. It should be noted that some of the project preparation funds resulted in approval of a few non-investment projects also.

b) During 1997, around $0.9 million in project preparation funds would be disbursed with the expected approval of $48.6 million in investment projects. This would result in a ratio of 1.85%. However, since at least half of these expenditures incurred in 1997 will not be formally recorded until 1998, the "true" cost of project preparation will be double that shown, namely 3.7%.

c) For 1998, around $1.5 million in project preparation funds would be disbursed with the expected approval of $39.69 in investment projects. This ratio would be 3.8% reflecting the growing cost of investment project preparation as the projects get smaller and more numerous, together with the increasing use of umbrella projects. UNDP is also able to record such disbursements faster in its accounts.

31. **Cost-Effectiveness of UNDP Investment Projects**

a) The average cost-effectiveness of approved UNDP ODS phaseout investment projects decreased during 1992-95, it being $9.5/kg. in 1992, $7.8/kg. in 1993, $7.5/kg. in 1994 and $5.3kg. in 1995. However, in 1996 the cost-effectiveness figure was $6.9/kg. reflecting both a smaller number of large cost-effective projects and a larger number of small projects, especially in LVCCs. During 1997, fewer large highly cost-effective projects are expected, as a result of which the cost-effectiveness of UNDP's 1997 investment programme was previously estimated at around $7.34/kg but should be closer to $8.00/kg.

b) For 1998, 146 projects would be prepared amounting to $39.69 million that would eliminate 4,297 ODP tonnes. Overall programme cost-effectiveness would be $9.24/kg. including methyl bromide and $7.84/kg. excluding methyl bromide.

c) During 1998, UNDP's should have project submissions from 16 LVCCs amounting to $5.02 million and which would eliminate 371 ODP tonnes. This would give a cost-effectiveness of $13.53/kg. for LVCC projects.

c) During 1997, UNDP's should have project submissions from 16 non-LVCCs amounting to \$34.67 million and which would eliminate 3,926 ODP tonnes. This would give a cost-effectiveness of \$8.83/kg. for non-LVCC countries.

Category	Value of 1998 Submissions (\$ millions)	ODP Tonnes	Cost-Effectiveness
LVCC (16)	5.02	371	13.53
Other (16)	34.67	3,926	8.83

D. POLICY ISSUES TO BE ADDRESSED IN 1998

32: a) The Executive Committee is again requested to advise UNDP on how, in practice, to balance between the following competing needs in 1998:
- o helping countries meet the 1999 CFC freeze targets
- o a significantly large allocation for methyl bromide alternatives demonstration projects where immediate ODP eliminations is questionable and where long-standing requests for consumption sector projects cannot be met
- o a more aggressive approach to tackling the needs of SMEs
- o the need to complete sectoral/subsectoral phaseout programmes in countries so as to ensure that past ODS phaseout successes are not lost as SME consumption increases in those countries.

b) The Executive Committee is requested to assist agencies in cases where Governments levy taxes or duties on equipment purchased through Multilateral Fund projects; as a consequence enterprises are unwilling to complete such projects until their Governments reverse these policies.

c) **Methyl Bromide** UNDP, UNIDO and the World Bank discussed this issue and conveyed agency views to the Secretariat on 30 Sept. 1997. A key question concerns the type (objectives, scope, implementation, results) of methyl bromide projects to be submitted. Agencies at present have no guidance on what the period should be for consideration of net incremental operating costs and their calculation. Due to the above, agencies can develop a much larger and more logical MeBr alternative project portfolio in 1999 than in 1998. A solution proposed by the agencies was to handle the expected \$59 million allocation for 1998-99 in such a way that a greater share is allocated in 1999, the process being as follows:
- o Agencies submit in 1998 MeBr alternative demonstration projects while at the same time the Executive Committee develops guidelines for MeBr alternative projects including eligibility of incremental capital costs and the level and duration of incremental operating costs. A total of \$10-15 million in MeBr alternative demonstration programmes would then be submitted for approval under agency 1998 Business Plans.
- o In their 1999 Business Plans, based on guidelines that would have been approved by the Executive Committee, agencies submit the balance -- \$44-49 million or whatever is feasible -- of MeBr alternative projects.

d) **Global Project: MDI Strategy Framework** UNDP, following requests by several countries, is proposing a global project for development of a framework for national transition strategies for MDIs covering technical issues, health implications and implementation modalities. The overall objective is to have Article 5 countries follow the same general framework so as to facilitate Executive Committee review of transition strategies in the future as well as provide the substantive basis for investment project identification and development in this subsector. Three very specific objectives would include:

- o Determination and analysis of the special circumstances in different Article 5 countries which would affect their national transition strategies.
- o Formulation of a prototype MDI National Transition Strategy Framework and review and acceptance of it in due course by the Executive Committee.
- o Investigate the opportunity for global action to reduce transition costs through most favourable terms for imports and technology cooperation for local manufacturers.

The Executive Committee's views on this issue are requested.

E. ADMINISTRATIVE AND FINANCIAL MATTERS

33. a) UNDP could accept promissory notes provided a memorandum of understanding between the Treasurer of the Fund and the UNDP Treasurer is agreed upon.

b) The level of support costs is also of serious concern to UNDP which feels that any reduction from the current 13% level may not be justified nor acceptable.

(BPLAN98B)

Table 1: FUNDED INVESTMENT PROJECTS BY SECTOR --- UNDP -- (1) (2) (3) 4-Oct-97

Sector	Sub-Sector	No. Of Countries	Approvals by the Executive Committee				Disbursement by the Agencies ($'000)				ODP Phase Out (tons/yr)			
									Planned				Planned	
			Amount ($'000)	ODP to be Phased Out (4)	Number of Projects	Cost Effectiveness	1991 through June 97	Estimate Jul-Dec 97	Year of Plan- (1998)	Following Years	1991 through June 97	Estimate Jul-Dec 97	Year of Plan- (1998)	Following Years
Aerosol	Aerosol	18	4,277	1,164	18	4	1,360	809	896	1,212	193	272	210	489
Foam	Foam Flexible PUF	48	15,784	3,677	48	4	7,638	1,800	2,697	3,649	1,254	463	588	1,372
Foam	Foam General	9	4,601	764	9	6	1,590	354	1,129	1,527	95	132	161	376
Foam	Foam Integral Skin	30	7,293	674	30	11	2,841	295	1,767	2,391	114	167	118	275
Foam	Foam Polystyrene/Polyethylene	38	14,023	3,243	38	4	5,460	2,254	2,681	3,628	755	974	454	1,060
Foam	Foam Rigid PUF	89	26,245	3,650	89	7	8,703	3,422	6,001	8,119	598	627	728	1,698
Halon	Halon Non-Recycling	4	356	656	4	1	24	123	89	120	579	0	23	54
Halon	Halon Recycling	1	155	0	1	n/a	120	13	9	13	0	0	0	0
Refrigeration	Refrigeration Commercial	33	10,397	677	33	15	3,592	1,872	2,097	2,837	72	205	120	280
Refrigeration	Refrigeration Domestic	32	25,438	3,009	32	8	9,770	4,362	4,805	6,501	638	473	569	1,329
Refrigeration	Refrigeration Domestic Hydrocarbon	5	11,579	1,493	5	8	659	3,990	2,945	3,985	72	0	426	995
Refrigeration	Refrigeration MAC & Compressors	4	1,867	1	4	n/a	1,041	523	129	174	0	1	0	0
Refrigeration	Refrigeration Recycling	27	6,311	774	27	8	2,642	330	1,419	1,920	63	152	168	392
Solvents	Solvents CFC-113	19	5,511	299	19	18	1,158	1,459	1,230	1,664	52	26	66	155
Solvents	Solvents TCA	6	1,530	34	6	45	1,047	221	111	150	24	2	3	6
Sub-Total		**49**	**135,366**	**20,115**	**363**	**6.7**	**47,644**	**21,828**	**28,005**	**37,889**	**4,509**	**3,491**	**3,635**	**8,481**
Support Costs (13%)			17,598											
Total			152,964											

Footnotes:

(1) Implementing agencies will only provide data for those sectors/categories for which there are funded or planned activities.

(2) Funded activities include all investment projects approved by the Executive Committee.

(3) In some cases, project implementation (e.g. ODS phase-out or workshop completion) may have occurred but the financial transactions may not have been completed.

(4) The amount of ODP in the proposal that led to the approval.

(5) Recov/recycl. projects in the Bus. Plan are INV. projects but in the Prog. Rep. are TAS projects as per Secretariat format. The two tables are not directly comparable.

Table 2: PROJECT PREPARATION BY SECTOR --- UNDP (1) (2) 4-Oct-97

Sector	Sub-Sector	No. Of Countries	Project Preparation Funds ($'000)		Projects to be Submitted					
					Year of Plan (1998)			Following Year (1999)		
			Surplus from 1997	Addl. Project Prep. Request	Number of Projects	Value ($'000)	ODP to be Phased Out (tons/yr)	Number of Projects	Value ($'000)	ODP to be Phased Out (tons/yr)
Aerosol		4	0	100	8	912	220			
Foam	General	11	70	325	56	10,600	1,160			
Foam	Flexible Polyurethane	2	15	40	3	1,167	187			
Foam	Integral Skin	2	10	30	4	1,400	225			
Foam	Polystyrene/ Polyethylene	0	0	0	-	0	0			
Foam	Rigid Polyurethane	3	15	95	13	4,253	581			
Halon	Recycling	1	0	25	1	300	50			
Halon	Non-Recycling	2	0	60	11	1,100	900			
Refrigeration	Commercial	6	90	95	18	3,570	249			
Refrigeration	Domestic	2	10	50	3	6,463	406			
Refrigeration	Domestic (hydrocarbon)	0	0	0	-	0	0			
Refrigeration	MACs and Compressors	1	0	20	1	260	25			
Refrigeration	Recycling	6	90	35	6	1,350	135			
Solvent	CFC-113	3	10	90	8	2,325	159			
Solvent	TCA	0	0	0	-	0	0			
MeBrom	Methyl Bromide	13	0	315	14	6,000	0			
Production	CFC	0	0	0	0	0	0			
Production	Halons	0	0	0	0	0	0			
Unforeseen Requests										
Sub-Total		56	310	1,280	146	39,690	4,297			
Support Costs (13%)			40	166		5,160				
Total			350	1,446		44,850	4,297			
			minus 15% overprogramming:			39,000				

Footnotes:

(1) Implementing agencies will only provide data for those sectors/categories for which there are funded or planned activities.

(2) Includes project preparation advances.

Table 3: NON-INVESTMENT PROJECTS - UNDP (1) (2) (3)

Project Code					Re-gion	Title	Status	Project Funding: Already Approved	Project Funding: To be Requested	Disbursements: To-Date (Jun 97)	Disbursements: Jul-Dec 97	Disbursements: Year of Plan (1998)	Disbursements: Future Years	Date Completed		Status
AFR	FUM	17	TAS	015	AFR	Methyl Bromide Survey: Africa-ES	ONG	180		83	68	20	9	Dec-97		
AFR	REF	06	TRA	003	AFR	Training and demonstration programm	TRANSF	0		0	0	0	0	Jun-93	Jun-93	
ARG	HAL	13	TAS	007	LAC	TA for national halons programme	COMP	50		50	0	0	0	Dec-96		
ARG	SEV	04	CP	001	LAC	TA for CP preparation	COMP	25		25	0	0	0	Dec-94		
ARG	SEV	13	INS	011	LAC	Institutional strengthening	ONG	360		14	104	121	121	Dec-98		
ARG	SEV	24	TAS		LAC	Survey of SME's	NEW	0	60	0	0	20	40	Jun-99		New request (1998)
ASP	FOA	06	TRA	005	ASP	Reg foam workshop (Asia/Pacific)	COMP	37		37	0	0	0	Dec-93		
ASP	FUM	17	TAS	019	ASP	Methyl Bromide Survey: SE Asia	COMP	102		102	0	0	0	Mar-96		
ASP	REF	06	TRA	002	ASP	Training and demonstration programm	TRANSF	0		0	0	0	0	Jun-93	Jun-93	
ASP	REF	06	TRA	003	ASP	Reg MAC train/demo prog (Asia)	COMP	45		45	0	0	0	Aug-96		
ASP	REF	06	TRA	004	ASP	Training and demonstration programm	TRANSF	0		0	0	0	0	Jun-93	Jun-93	
BGD	SEV	04	TAS	001	ASP	ODS survey and training	COMP	54		54	0	0	0	Jun-93		
BGD	SEV	06	CP	002	ASP	Country programme preparation	COMP	25		25	0	0	0	Sep-94		
BGD	SEV	14	INS	004	ASP	Institutional strengthening	ONG	150		27	85	20	18	Dec-97		
BGD	SEV	24	INS		ASP	Institutional strengthening: Phase II	NEW	0	100	0	0	20	80	Dec-99		New request (1998)
BRA	REF	06	DE	004	LAC	Demo prog for refrig CFC reuse	COMP	25		25	0	0	0	Dec-94		
BRA	SEV	10	INS	010	LAC	Institutional strengthening	ONG	403		217	123	32	32	Dec-97		
BRA	SEV	23	TAS		LAC	SME Survey	NEW	0	100	0	0	50	50	Jun-99		Submitted to 23rd ExCom (Nov 97)
BRA	SEV	24	INS		LAC	Institutional strengthening: Phase II	NEW	0	270	0	0	80	190	Dec-99		New request (1998)
CHI	REF	06	DE	002	LAC	Demo prog: refrig. servicing	COMP	25		25	0	0	0	Sep-93		
COL	SEV	12	INS	002	LAC	Institutional strengthening	ONG	318		186	84	24	24	Jun-97		
COL	SEV	24	INS		LAC	Institutional strengthening: Phase II	NEW	0	213	0	0	40	173	Dec-99		New request (1998)
COS	FOA	08	TRA	005	LAC	Seminar/workshop in foams	ONG	21		21	0	0	0	May-97		
COS	SEV	04	TAS	001	LAC	ODS reconnaissance study	COMP	23		21	3	0	0	Jun-92		
COS	SEV	06	CP	002	LAC	Country programme preparation	COMP	23		23	0	0	0	Sep-92		
COS	SEV	08	INS	003	LAC	Institutional strengthening	COMP	213		181	32	0	0	Dec-96		
COS	SEV	21	INS	010	LAC	Institutional Strengthening: Phase II	ONG	108		0	40	34	34	Jan-98		Approved at the 21st ExCom (Feb 97)
COS	SOL	08	TRA	006	LAC	Seminar/workshop in solvents	COMP	21		7	14	0	0	Dec-95		
CPR	ARS	06	TAS	002	ASP	GUANGDONG: aerosols project TA	COMP	75		75	0	0	0	Dec-96		
CPR	FOA	06	TAS	003	ASP	TA: flexible PUF technology	COMP	70		70	0	0	0	Dec-94		
CPR	FOA	06	TAS	007	ASP	Quality control: home refrig.	COMP	60		60	0	0	0	Sep-93		
CPR	FOA	06	TAS	013	ASP	TA: subs. technologies rigid PUF	COMP	70		70	0	0	0	Sep-93		
CPR	FOA	09	TAS	022	ASP	BHEARI: TA for foam inv. project	ONG	480		227	172	41	41	Jun-97		
CPR	FOA	10	TAS	038	ASP	Strategy/action programme foams	ONG	200		178	16	6		Jul-97		
CPR	FUM	12	TAS	060	ASP	Methyl bromide survey	ONG	87		48	25	14		Jun-97		
CPR	HAL	06	TAS	009	ASP	Halons uses/substitutes study	COMP	43		43	0	0	0	Jun-93		
CPR	HAL	10	TAS	040	ASP	Halon phaseout plan/codes/train.	ONG	280		196	48	20	16	Jul-97		
CPR	HAL	10	TAS	041	ASP	Halons phaseout: alter. systems	ONG	300		153	86	31	31	Dec-97		
CPR	REF	06	TAS	004	ASP	Study: HFC-134a in MAC/recycling	COMP	25		25	0	0	0	Dec-93		
CPR	REF	06	TAS	006	ASP	Quality control testing: refrig.	ONG	70		40	21	9		Jun-97		
CPR	REF	06	TRA	005	ASP	Study: Non-ODS refrig. technol.	COMP	75		75	0	0	0	Sep-93		
CPR	REF	09	TAS	027	ASP	Testing CFC substitutes: refrig.	COMP	100		100	0	0	0	Dec-95		

Table 3: NON-INVESTMENT PROJECTS - UNDP (1) (2) (3)																	
								Project Funding		Disbursements				Date Completed		Status
Project Code					Re-gion	Title	Status	Already Appro-ved	To be Reques-ted	To-Date (Jun 97)	Jul-Dec 97	Year of Plan (1998)	Future Years			
CPR	REF	10	TAS	039	ASP	Design standards: cold storage	ONG	200		4	146	25	25	Dec-97		
CPR	REF	11	TAS	055	ASP	Nat. policy CFC recov/recycling	ONG	100		50	29	21		Sep-97		
CPR	REF	17	DE	131	ASP	Food stores refrig. demo project	ONG	76		50	18	8		Jun-97		
CPR	SEV	06	CP	011	ASP	Country programme preparation	COMP	200		200	0	0	0	Mar-93		
CPR	SEV	06	INS	010	ASP	Institutional strengthening	COMP	450		445	5	0	0	Dec-96		
CPR	SEV	09	TAS	026	ASP	Survey: small CFC plant convers.	ONG	90		76	8	6		Jun-97		
CPR	SEV	11	TAS	056	ASP	Non-ODS Alt. Standards - SIOFM	ONG	363		38	227	49	49	Sep-97		
CPR	SEV	20	INS	181	ASP	Instituional Strengthening: Phase II	ONG	300		10	201	45	45	Oct-98		
CPR	SEV	21	CP	188	ASP	Country Programme Update	ONG	225		0	125	100	0	Feb-98		Approved at the 21st ExCom (Feb 97)
CPR	SOL	06	TAS	008	ASP	Study: Non-ODS electron. clean.	COMP	42		42	0	0	0	Mar-93		
CPR	SOL	12	TAS	061	ASP	Cleaning Applications Centre	ONG	489		206	148	68	68	Sep-97		
CPR	SOL	21	TAS	001	ASP	Sectoral financing plan for solvents	ONG	200		94	56	25	25	Feb-98		Approved at the 21st ExCom (Feb 97)
CUB	REF	13	TAS	003	LAC	Phaseout strategy: Refrigeration	ONG	30		20	7	3		Sep-97		
CUB	SEV	08	CP	001	LAC	Country programme preparation	COMP	15		15	0	0	0	Jun-93		
CUB	SEV	10	INS	002	LAC	Institutional strengthening	COMP	172		93	79	0	0	Dec-96		
CUB	SEV	24	INS		LAC	Institutional strengthening: Phase II	NEW	0	115	0	0	30	85	Dec-99		New request (1998)
DOM	REF	18	TAS	006	LAC	Demonstration project	ONG	78		20	41	17		Dec-97		
ECU	SEV	06	TRA	003	LAC	CFC refrigerant conversion trng.	COMP	140		140	0	0	0	Jun-94		
EGY	HAL	12	TAS	023	AFR	TA: National halons action plan	ONG	27		27	0	0	0	Mar-97		
EGY	SEV	04	TRA	002	AFR	Study tours: govt./industry	COMP	44		44	0	0	0	Jun-92		
GHA	FOA	08	TAS	003	AFR	TA: flexible PUF technology	COMP	85		85	0	0	0	Jun-95		
GHA	REF	04	TRA	002	AFR	Refrig training prog/technicians	TRANSF	5		5	0	0	0	Dec-92	Dec-92	
GHA	SEV	08	INS	005	AFR	Institutional strengthening	COMP	183		139	44	0	0	Dec-96		
GHA	SEV	20	INS	008	AFR	Institutional Strengthening (2)	ONG	107		0	32	38	38	Oct-98		
GLO	ARS	06	TAS	024	GLO	TA: aerosols	COMP	60		60	0	0	0	Jul-96		
GLO	ARS	24	DEM		GLO	Global MDI Strategy Framework	NEW	0	500	0	0	193	307	Dec-00		New request (1998)
GLO	FOA	06	TAS	008	GLO	TA: flexible PUF	COMP	40		40	0	0	0	Dec-93		
GLO	FOA	06	TAS	019	GLO	TA: rigid PUF	COMP	60		60	0	0	0	Dec-93		
GLO	FOA	06	TRA	017	GLO	Reg. foam workshop (M.E./Africa)	COMP	38		38	0	0	0	Dec-93		
GLO	FOA	12	TAS	063	GLO	Safety assessment: foam, solvent	COMP	28		28	0	0	0	Jun-95		
GLO	FOA	14	TAS	071	GLO	TA: Small foam phaseout strategy	COMP	50		50	0	0	0	Dec-95		
GLO	HAL	06	TAS	010	GLO	TA: halons	COMP	70		70	0	0	0	Jun-94		
GLO	HAL	06	TRA	016	GLO	Halons training prog (Africa/ME)	COMP	39		39	0	0	0	Dec-93		
GLO	HAL	07	DE	025	GLO	Buy 40 H-1211 recycle machines	COMP	250		250	0	0	0	Sep-93		
GLO	HAL	08	TAS	027	GLO	Global Halons Project	ONG	345		234	78	20	13	Dec-97		
GLO	HAL	13	TAS	069	GLO	Halon small country action plan	COMP	50		50	0	0	0	Jun-95		
GLO	REF	06	TAS	006	GLO	TA: MAC	ONG	50		25	18	7		Jun-97		
GLO	REF	06	TAS	007	GLO	TA: refrigeration	COMP	90		90	0	0	0	Sep-94		
GLO	REF	06	TRA	005	GLO	Reg MAC prog (Africa/Middle East)	COMP	45		45	0	0	0	Jun-96		
GLO	REF	06	TRA	018	GLO	Training and demonstration programm	TRANSF	0		0	0	0	0	Jun-93	Jun-93	
GLO	REF	08	TAS	028	GLO	Global MAC project	COMP	319		319	0	0	0	Dec-95		
GLO	REF	18	TAS	090	GLO	Global MACs project: Phase II	ONG	500		162	236	51	51	Nov-97		

Table 3: NON-INVESTMENT PROJECTS - UNDP (1) (2) (3)

Project Code					Re-gion	Title	Status	Project Funding		Disbursements				Date Completed		Status
								Already Appro-ved	To be Reques-ted	To-Date (Jun 97)	Jul-Dec 97	Year of Plan (1998)	Future Years			
GLO	REF	24	TAS		GLO	Global MACs project: Phase III	NEW	0	500	0	0	75	425	Jun-00		New request (1998)
GLO	SEV	06	TRA	011	GLO	3 national policy workshops	COMP	45		45	0	0	0	Dec-96		
GLO	SEV	06	TRA	012	GLO	2 study tours: govt/industry rep	ONG	50		37	9	4		Jun-97		
GLO	SEV	06	TRA	013	GLO	Participate: workshops/meetings	COMP	140		140	0	0	0	Sep-95		
GLO	SOL	06	TAS	009	GLO	TA: solvents	COMP	50		50	0	0	0	Sep-93		
IDS	SEV	08	CP	001	ASP	Country programme preparation	COMP	200		200	0	0	0	Mar-94		
IDS	SEV	10	INS	005	ASP	Institutional strengthening	ONG	315		245	49	21		Jun-97		
IDS	SEV	23	INS		ASP	Institutional strengthening: Phase II	NEW	0	210	0	0	90	120	Jun-97		Submitted to 23rd ExCom (Nov 97)
IND	ARS	19	DE	069	ASP	5 small Aerosol Filling Installations	ONG	176		0	53	62	62	Apr-98		
IND	FOA	13	TAS	029	ASP	Strategy/action prog. for foams	ONG	200		0	140	30	30	Dec-97		
IND	HAL	13	DE	028	ASP	Demo/eval/TA: non-halons technol	ONG	309		193	92	20	4	Dec-97		
IND	SEV	08	INS	002	ASP	Institutional strengthening (1)	COMP	431		185	168	78	0	Dec-96		
IND	SEV	09	CP	003	ASP	Country programme preparation	COMP	200		200	0	0	0	Nov-93		
IND	SEV	11	TAS	011	ASP	ODS small-scale plant survey	COMP	120		109	11	0	0	Dec-96		
IND	SEV	20	INS	107	ASP	Institutional Strengthening: Phase II	ONG	287		0	86	101	101	Oct-98		
IRA	SEV	04	TAS	001	ASP	ODS reconnaissance survey	COMP	30		30	0	0	0	Feb-92		
IRA	SEV	06	CP	002	ASP	Country programme preparation	COMP	35		35	0	0	0	Jun-93		
IRA	SEV	08	INS	005	ASP	Institutional strengthening	ONG	200		70	90	20	20	Dec-97		
IRA	SEV	23	INS		ASP	Institutional strengthening: Phase II	NEW	0	200	0	0	70	130	Dec-99		Submitted to 23rd ExCom (Nov 97)
JAM	REF	06	TRA	002	LAC	Training and demonstration programm	TRANSF	0		0	0	0	0	Jun-93	Jun-93	
JOR	ARS	04	TAS	001	ASP	TA: aerosols sector	COMP	29		29	0	0	0	Feb-92		
JOR	ARS	06	TAS	004	ASP	LPG deodorization for aerosols	COMP	12		12	0	0	0	Jun-93		
KEN	REF	04	TRA	001	AFR	National Workshop on Refrigeration	TRANSF	0		0	0	0	0	Jun-93	Jun-93	
KEN	REF	04	TRA	004	AFR	Demo/training prog. in refrig/AC	TRANSF	10		10	0	0	0	Jun-93	Jun-93	
KEN	SEV	06	CP	002	AFR	Country programme preparation	COMP	23		23	0	0	0	Jun-94		
KEN	SEV	09	INS	003	AFR	Institutional strengthening	ONG	175		46	90	20	19	Dec-97		
KEN	SEV	24	INS		AFR	Institutional strengthening: Phase II	NEW	0	120	0	0	30	90	Dec-99		New request (1998)
LAC	FOA	06	TRA	002	LAC	Reg. foam workshop (L. America)	COMP	54		54	0	0	0	Dec-93		
LAC	FUM	17	TAS	014	LAC	Methyl Bromide Survey: S.America	COMP	58		58	0	0	0	Mar-96		
LAC	HAL	06	TRA	003	LAC	Halons training prog (L.America)	COMP	45		45	0	0	0	Jun-94		
LAC	REF	06	TRA	004	LAC	Reg. MAC train/demo prog (LA)	COMP	45		45	0	0	0	Nov-95		
LAC	REF	06	TRA	005	LAC	Train/demo prog refrig (LA)	COMP	23		23	0	0	0	Sep-92		
LAC	REF	18	TAS	015	LAC	MACs: Phase1(Argentina, Colombia)	COMP	207		207	0	0	0	Dec-96		
MAL	ARS	12	TAS	030	ASP	Aerosols: safety & TA programme	COMP	146		87	58	0	0	Dec-95		
MAL	REF	04	TRA	001	ASP	Training in MAC sector	COMP	50		50	0	0	0	Dec-95		
MAL	SEV	09	INS	008	ASP	Institutional strengthening	COMP	323		294	29	0	0	Dec-96		
MAL	SEV	10	TRA	013	ASP	TA: National ODS Conference	COMP	40		40	0	0	0	Jul-93		
MAL	SEV	20	INS	091	ASP	Institutional Strengthening: Phase II	ONG	215		0	65	75	75	Oct-98		
MEX	HAL	06	TAS	014	LAC	Preparatory study on halons	COMP	27		27	0	0	0	Sep-95		
MEX	SEV	17	INS	040	LAC	Institutional strengthening: Phase II	COMP	95		95	0	0	0	Oct-96		
MEX	SEV	20	INS	050	LAC	Institutional Strengthening: Phase III	ONG	190		29	30	66	66	Oct-98		
MEX	SEV	22	TAS	059	LAC	Survey of ODS use in SMEs	ONG	60		28	32	0	0	May-98		Approved at the 22nd ExCom (Jun 97)

Table 3: NON-INVESTMENT PROJECTS - UNDP (1) (2) (3)

Project Code					Region	Title	Status	Project Funding: Already Approved	Project Funding: To be Requested	Disbursements: To-Date (Jun 97)	Disbursements: Jul-Dec 97	Disbursements: Year of Plan (1998)	Disbursements: Future Years	Date Completed		Status
NIR	SEV	04	TRA	001	AFR	Nat. non-ODS industry seminar	COMP	26		26	0	0	0	Dec-92		
NIR	SEV	09	INS	006	AFR	Institutional strengthening	ONG	300		31	102	127	41	Dec-97		
PAK	SEV	14	INS	005	ASP	Institutional strengthening	ONG	259		29	110	85	35	Sep-97		
PAK	SEV	24	INS		ASP	Institutional strengthening: Phase II	NEW	0	174	0	0	20	154	Dec-99		New request (1998)
PHI	REF	04	TRA	002	ASP	Training prog: refrig servicing	COMP	62		62	0	0	0	Dec-92		
PHI	SEV	08	CP	006	ASP	Country programme preparation	COMP	80		80	0	0	0	Jun-93		
PHI	SEV	11	TAS	022	ASP	ODS survey: small-scale industry	COMP	100		100	0	0	0	Sep-96		
SRL	SEV	06	CP	001	ASP	Country programme preparation	COMP	35		35	0	0	0	Mar-94		
SRL	SEV	12	INS	002	ASP	Institutional strengthening	ONG	155		93	41	21	0	Jun-97		
SRL	SEV	23	INS		ASP	Institutional strengthening: Phase II	NEW	0	103	0	0	30	73	Dec-99		Submitted to 23rd ExCom (Nov 97)
THA	ARS	15	TAS	038	ASP	TA and safety prog: aerosols	ONG	127		24	71	20	12	Dec-97		
THA	SEV	04	TRA	002	ASP	Training: Govt technical staff	COMP	54		54	0	0	0	Dec-92		
THA	SEV	09	INS	009	ASP	Institutional strengthening	ONG	400		223	121	28	28	Dec-97		
THA	SEV	24	INS		ASP	Institutional strengthening: Phase II	NEW	0	267	0	0	67	200	Dec-99		New request (1998)
TRI	SEV	04	TRA	001	LAC	Training and tech. assistance	COMP	54		54	0	0	0	Jul-95		
TRI	SEV	06	CP	003	LAC	Country programme preparation	COMP	26		26	0	0	0	Jul-95		
TRI	SEV	20	INS	004	LAC	Institutional Strengthening	ONG	66		0	20	23	23	Oct-98		
TRI	SEV	24	INS		LAC	Institutional Strengthening: Phase II	NEW	0	44	0	0	0	44	Oct-00		New request (1998)
URU	ARS	18	TAS	016	LAC	Total aerosol sector CFC phaseout.	ONG	54		34	12	8		May-97		
URU	SEV	04	TAS	001	LAC	Consultant: technical assistance	COMP	14		14	0	0	0	Dec-92		
URU	SEV	08	CP	002	LAC	Country programme preparation	COMP	25		25	0	0	0	Jun-93		
URU	SEV	10	INS	003	LAC	Institutional strengthening: Phase I	COMP	203		192	11	0	0	Dec-96		
URU	SEV	20	INS	022	LAC	Institutional Strengthening: Phase II	ONG	116		0	35	41	41	Oct-98		
URU	SEV	24	INS		LAC	Institutional Strengthening: Phase III	NEW	0	116	0	0	20	96	Dec-99		New request (1998)
URU	SOL	24	TAS		LAC	Solvents Sector Phaseout	NEW	0	60	0	0	20	40	Dec-99		New request (1998)
VEN	HAL	09	TAS	012	LAC	Workshops: halon recycle/banking	COMP	23		23	0	0	0	Jun-94		
VEN	REF	04	TRA	001	LAC	TA/training: refrig technicians	COMP	19		19	0	0	0	Jun-92		
VEN	REF	09	TAS	016	LAC	Workshops: Non-ODS A/C systems	COMP	13		13	0	0	0	Jun-94		
VEN	SEV	09	INS	013	LAC	Institutional strengthening: Phase I	COMP	439		430	9	0	0	Dec-96		
VEN	SEV	11	CP	021	LAC	Country programme finalization	COMP	12		12	0	0	0	Jun-95		
VEN	SEV	20	INS	050	LAC	Institutional Strengthening: Phase II	ONG	220		0	66	77	77	Oct-98		
						SUBTOTAL		17,294	3,152	10,228	4,020	2,632	3,565			
						13% Overhead		2,248	410							
						GRAND TOTAL		19,542	3,562							

Footnotes:

(1) Implementing agencies will only provide data for those sectors/categories for which there are planned activities.

(2) Include funded activities

(3) In some cases project implementation (eg ODS phaseout or workshop completion) may have occurred but financial transactions may not have been completed.

Table 4: FUNDED INVESTMENT PROJECTS BY COUNTRY — UNDP (1) (2) (3)

4-Oct-97

Country	Region	Approvals by Ex. Committee ($'000)				Disbursement by UNDP ($'000)				ODP Phase Out (tonnes/yr)			
		Amount US$000	ODP to be Phased Out (4)	Number of Projects	Cost Effecti-veness	1991 through June 97	Estimate Jul-Dec 97	Year of Plan-(1998)	Following Years	1991 through June 97	Estimate Jul-Dec 97	Year of Plan-(1998)	Following Years
C.AFR.REP	AFR	128	6	2	21.4	0	48	34	47	0	0	2	4
CONGO	AFR	201	19	1	10.6	0	74	54	73	0	0	6	13
EGYPT	AFR	13,542	1,710	28	7.9	6,338	2,148	2,149	2,907	814	209	206	481
GAMBIA	AFR	64	11	1	5.8	0	0	27	37	0	0	3	8
GHANA	AFR	673	366	2	1.8	320	136	92	125	0	183	55	128
LESOTHO	AFR	56	3	1	18.7	0	0	24	32	0	0	1	2
MALAWI	AFR	106	7	1	15.2	0	39	28	39	0	0	2	5
MAURITIUS	AFR	649	38	4	17.1	365	80	87	118	28	5	2	4
MOROCCO	AFR	1,066	323	3	3.3	0	44	434	588	13	0	93	217
MOZAMBIQUE	AFR	116	6	1	19.3	0	0	49	67	0	0	2	4
NIGERIA	AFR	530	166	4	3.2	0	196	142	192	0	0	50	116
TANZANIA	AFR	162	10	1	16.2	0	0	69	93	0	0	3	7
UGANDA	AFR	56	4	1	14.0	0	21	15	20	0	0	1	3
ZAMBIA	AFR	106	7	1	15.2	0	39	28	39	0	0	2	5
SUBTOTAL AFR		17,456	2,676	51	6.5	7,023	2,825	3,233	4,374	855	397	427	997
BAHRAIN	ASP	242	20	1	12.1	0	0	103	139	0	0	6	14
BANGLADESH	ASP	323	124	1	2.6	0	119	86	117	0	62	19	43
CHINA	ASP	29,624	4,569	51	6.5	5,136	8,285	6,886	9,316	389	1,133	914	2,133
INDIA	ASP	7,986	1,251	38	6.4	2,263	560	2,194	2,969	160	169	277	646
INDONESIA	ASP	707	92	7	7.7	-25	334	169	229	27	11	16	38
MALAYSIA	ASP	14,466	2,356	52	6.1	7,913	1,662	2,078	2,812	1,567	0	237	552
PHILIPPINES	ASP	5,427	680	16	8.0	2,294	1,082	872	1,180	189	146	104	242
SRI LANKA	ASP	1,165	56	5	20.8	630	170	155	210	0	13	13	30
THAILAND	ASP	7,291	1,565	21	4.7	3,902	695	1,145	1,549	455	275	251	585
VIET NAM	ASP	802	220	4	3.6	327	91	163	221	0	96	37	87
SUBTOTAL ASP		68,032	10,933	196	6.2	22,441	12,998	13,852	18,741	2,787	1,903	1,873	4,370
ARGENTINA	LAC	5,941	850	15	7.0	2,393	68	1,479	2,001	19	43	237	552
BOLIVIA	LAC	146	14	1	10.4	0	54	39	53	0	0	4	10
BRAZIL	LAC	11,101	1,896	23	5.9	748	2,278	3,432	4,643	0	88	542	1,265
COLOMBIA	LAC	8,300	768	15	10.8	5,168	669	1,051	1,422	0	379	117	273
COSTA RICA	LAC	710	64	2	11.1	110	156	188	255	0	14	15	35
CUBA	LAC	169	49	1	3.4	24	44	43	58	0	25	7	17
DOMINICAN R	LAC	423	31	1	13.7	0	0	180	243	0	0	9	22
EL SALVADOR	LAC	306	22	1	13.9	0	0	130	176	0	0	7	15
GUATEMALA	LAC	607	54	3	11.2	466	0	60	81	24	15	5	11
JAMAICA	LAC	768	98	2	7.8	146	0	265	358	17	0	24	57
MEXICO	LAC	12,115	1,680	19	7.2	5,554	1,827	2,012	2,722	680	361	192	447
PANAMA	LAC	667	85	3	7.8	189	0	203	275	0	22	19	44
PERU	LAC	3,377	248	12	13.6	1,871	0	640	866	0	89	48	112
URUGUAY	LAC	1,102	115	5	9.6	938	74	38	52	103	6	2	4
VENEZUELA	LAC	4,145	533	13	7.8	585	836	1,158	1,567	24	153	107	250
SUBTOTAL LAC		49,878	6,506	116	7.7	18,181	6,005	10,919	14,773	867	1,192	1,334	3,113
ALL REGIONS		135,366	20,115	363	6.7	47,644	21,828	28,005	37,889	4,509	3,491	3,635	8,481
SUPPORT COSTS (13%)		17,598											
GRAND TOTAL		152,964											

Footnotes:

(1) Implementing agencies will only provide data for those sectors/categories for which there are funded or planned activities.

(2) Funded activities include only those projects and activities approved by the Executive Committee but for which financial transactions have not been completed.

(3) In some cases, project implementation (e.g. ODS phase-out or workshop completion) may have occurred but the financial transactions may not have been completed.

(4) the amount of ODP in the proposal that led to the approval.

(5) disbursements do NOT include obligations

Table 5: PROJECT PREPARATION BY COUNTRY — UNDP (1) (2) 4-Oct-97

Country	Region	Project Preparation		Projects to be Submitted					
				Year of Plan (1998)			Following Year (1999)		
		Surplus from 1997	Addl. Project Prep. Needed	Number of Projects	Value ($'000)	ODP to be Phased Out (Tons/Yr)	Number of Projects	Value ($'000)	ODP to be Phased Out (Tons/Yr)
Botswana	AFR	20	0	1	150	15			
Congo	AFR	0	25	1	150	15			
Egypt	AFR	0	70	3	1,500	500			
Gabon	AFR	20	0	1	150	15			
Malawi	AFR	0	25	1	500	0			
Morocco	AFR	10	45	3	800	30			
Niger	AFR	15	0	1	150	15			
Nigeria	AFR	15	35	8	1,000	100			
Tanzania	AFR	0	45	2	487	27			
SUBTOTAL	AFR	80	245	21	4,887	717			
Bangladesh	ASP	15	10	1	350	35			
China	ASP	60	130	17	13,253	1,281			
India	ASP	10	130	29	3,600	740			
Indonesia	ASP	50	70	11	2,200	165			
Lebanon	ASP	0	25	1	500	0			
Malaysia	ASP	0	55	5	843	70			
Philippines	ASP	0	45	2	625	50			
Sri Lanka	ASP	0	25	1	300	15			
Thailand	ASP	0	60	5	800	110			
Viet Nam	ASP	0	20	1	170	40			
SUBTOTAL	ASP	135	570	73	22,641	2,506			
Argentina	LAC	10	55	5	1,300	100			
Bolivia	LAC	15	30	3	470	32			
Brazil	LAC	20	110	21	5,900	570			
Chile	LAC	0	25	1	500	0			
Colombia	LAC	0	30	3	400	50			
Costa Rica	LAC	20	20	3	450	10			
Cuba	LAC	0	20	1	250	25			
Dominican Rep.	LAC	20	15	2	650	57			
El Salvador	LAC	0	25	2	250	30			
Mexico	LAC	10	55	4	1,300	150			
Peru	LAC	0	40	5	500	30			
Trinidad & Tob.	LAC	0	20	1	42	10			
Uruguay	LAC	0	20	1	150	10			
SUBTOTAL	LAC	95	465	52	12,162	1,074			
ALL REGIONS		310	1,280	146	39,690	4,297			
Unforeseen Requests		0	0						
GRAND TOTAL		310	1,280	146	39,690	4,297			
Support Costs		40	166		5,160				
Grand Total		350	1,446		44,850				
					39,000				

Footnotes:

(1) Implementing agencies will only provide data for those sectors/categories for which there are funded planned activities.

(2) Includes project preparation advances.