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**PROGRESS OF IMPLEMENTATION OF COUNTRY PROGRAMMES:
IMPLICATIONS OF USING DIFFERENT BASELINE YEARS**

This document includes:

- Implications of Using Different Baseline Years
- Draft New Format for Reporting Data on Progress of Implementation of Country Programmes

PROGRESS OF IMPLEMENTATION OF COUNTRY PROGRAMMES

Introduction

1. At its 20th Meeting, the Executive Committee following discussion of an updated report on progress of implementation of country programmes decided (Decision 20/36) inter alia:

- (a) To note that the Secretariat would revise the document to reflect the additional progress reports submitted by the following countries: Brazil, Botswana, Colombia, Ecuador, Guatemala, Islamic Republic of Iran, and Philippines;
- (b) To request the Secretariat to prepare a document on the implications of using different baseline years;
- (c) To invite members of the Executive Committee to submit to the Fund Secretariat in writing proposals on improving the presentation of the implementation data so that the Secretariat could propose a new format to the Committee.

2. This paper has been prepared in response to the above-mentioned Decision. It is arranged as follows:

- Part I - "Implications of Using Different Baseline Years" responds to the latter part of the Decision.
- Part II - Draft format for reporting data to the Executive Committee on Progress of Implementation of Country Programmes.

3. Document UNEP/OzL.Pro/ExCom/20/56 (Progress of Implementation of Country Programmes) has been revised to reflect the additional progress reports of the countries mentioned in paragraph 1 above and can be made available on request.

4. All Executive Committee members including co-opted members, were reminded by the Chief Officer in writing of the invitation to them to submit proposals as indicated in paragraph 2(c) above. Responses from 7 countries were received. These responses have been taken into consideration in preparing all the papers relating to data reporting.

PART I: IMPLICATIONS OF USING DIFFERENT BASELINE YEARS

IMPLICATIONS OF USING DIFFERENT BASELINE YEARS

Definition

1. In line with its terms of reference, the Executive Committee adopted guidelines for the preparation of country programmes at its Fifth Meeting. Under these guidelines countries are requested to provide data on consumption of each ODS by substance as well as by application or user sector for a specific year which is used as the base year for determining the growth path of the country's ODS consumption and its subsequent phase-out scenario. The year for which data are available to the country either through a survey or other means and used in the country programme as the base year is currently used as the baseline year for monitoring the progress of implementation of the country programme.
2. Following completion of a country programme it is approved by the Executive Committee. The date or year of approval signifies the de facto commencement of the government's programme to comply with the provisions of the Montreal Protocol. This year could also be considered as the base year for the purpose of monitoring the progress of implementation of the country programme.
3. The Montreal Protocol also prescribes specific baseline years applicable to parties operating under paragraph 1 of Article 5 (Article 5 countries), for each group of controlled substances for purposes of complying with the control measures under the Protocol. These have also been suggested as possible baseline years for purposes of monitoring progress of implementation of country programmes.

Scope of the paper

4. The paper will discuss the implications of using different baseline years under paragraphs one and two as well as the implications of using any of the different alternatives mentioned above as the baseline year.
5. As mentioned earlier, the purpose of setting a baseline year under the Multilateral Fund is to project the ODS consumption growth path, draw up the ODS elimination strategy and monitor the implementation of the country programme. The efficacy of any approach used should be determined by its ability to meet the needs of the Fund operation.

Using the Year for Which Data have been Collected Through Country Programme Preparation as the Baseline Year

6. This baseline year which is being used currently is set at the year for which data was collected when preparing the country programme. The purpose is to set a reference point on

ODS consumption to project the ODS consumption growth, draw up the ODS elimination strategy and monitor the implementation of the country programme. Under the Multilateral Fund, resources are provided to assist Article 5 Parties individually to phase out the controlled substances in accordance with the strategies and needs expressed in their country programmes. Thus using this baseline the Executive Committee would be able to review, monitor or evaluate, the performance of the Fund activities in each country relative to the level of consumption/production with which that country entered the process. Thus the data specified for the year in the country programme could be considered as the best estimate of baseline data.

7. The Parties enter the Montreal Protocol process at different points in time. Consequently the baseline year for the purposes of country programmes would differ from country to country resulting only in groups of countries having the same baseline year. For instance analysis of the 79 country programmes so far approved shows that 26, 21 and 16 countries have 1991, 1993 and 1994 respectively as their baseline years, while the rest have other different years between 1989 to 1995. Thus the limitation of using this baseline year is the difficulty of aggregating data of all the countries for a particular year and making general conclusions on them

Using the Year of the Approval of Country Programme as the Baseline Year

8. As indicated earlier this milestone of a country's participation in the Montreal Protocol process could be used as the baseline year. The advantage is that it would align the baseline year with the approval of the country programme and de facto commencement of the phase-out programme in the country.

9. The disadvantage in using this baseline year is that, since the ODS consumption data of the current year will not be available until the latter half of the following year, the consumption data of the year of the approval of the country programme would not be available at the time when the country programme was prepared. On average, the time gap between the preparation of the country programme and its approval by the Executive Committee has been one year or more. Therefore, using the year of the country programme approval as the baseline year may not meet the need to project the ODS consumption growth path and prepare the ODS elimination strategy, which are the necessary component of the country programme

10. The use of this baseline year will also be country-specific and have the same advantages and disadvantages as in the case of the baseline year used currently.

Using the baseline year of the Montreal Protocol as the baseline year for the Multilateral Fund

11. The main advantage in using this baseline year is that it will align the baseline year of the Multilateral Fund with the baseline year used in the Montreal Protocol. However, there are some disadvantages or limitations to the use of this option. Some of the limitations are as follows:

- The baseline years differ for different groups of substances. For Annex A substances the baseline consumption is average of 1995-1997 while for Annex B substances it is 1998-2000.
- Although resources have been and continue to be allocated for the phase-out of Annex B substances (carbon tetrachloride and methyl chloroform), the use of the average of 1998-2000 as baseline would not allow the evaluation of the phase-out in countries where projects have been undertaken to phase out these substances earlier than that period (1998-2000).
- Unless a country programme is being prepared in 1996 and future years, it would be impossible to use the Montreal Protocol baseline year for ODS consumption growth projection or the preparation of phase-out strategy on a retroactive basis. In addition, it would not be possible to monitor the implementation of the country programmes which have been approved prior to the Montreal Protocol baseline years. Thus the total performance of the Multilateral Fund would not be captured in any evaluation based on performance of the country programmes.

Conclusion

12. Measured against the purpose of the baseline year under the Multilateral Fund, it is advisable to continue using the current method of setting the baseline year at the year when data was collected to prepare the country programme. The only drawback of the current approach is that it usually lags two years behind the year of the approval of the country programme, and therefore it may under-represent the consumption by the growth rate of those two years.

13. The possibility, however, of using the time country programmes were approved as baseline year may be worth considering, particularly against the background of the draft new format being proposed for consideration of the Executive Committee. This new format includes a form for provision of data for the baseline year which the Committee may define.

**PART II: DRAFT NEW FORMAT FOR REPORTING DATA TO THE
EXECUTIVE COMMITTEE ON PROGRESS OF IMPLEMENTATION OF
COUNTRY PROGRAMMES**

DRAFT NEW FORMAT FOR REPORTING DATA TO THE EXECUTIVE COMMITTEE ON PROGRESS OF IMPLEMENTATION OF COUNTRY PROGRAMMES

Introduction

1. Acting on the Executive Committee's decisions which on the one hand noted that there was a need to explore ways to reconcile and harmonize the two streams of data reporting to the Ozone Secretariat and the Fund Secretariat, in order to avoid duplication of work and reporting, and to ensure greater transparency of data provided (Decision 20/37 (c)); and on the other hand requested the Fund Secretariat to propose a new format for reporting data to the Committee (Decision 20/36(e)), the Fund Secretariat initiated a review of the reporting format in collaboration with the Ozone Secretariat. The main objectives of the review were:

- to reduce the work load involved in data reporting for governments;
- to facilitate quantitative analysis of data collected;
- to improve the utility of data reported as monitoring and planning tools;
- to harmonize data reporting to the Fund Secretariat with data reporting to the Ozone Secretariat to the maximum extent practicable.

2. Following the review of data reporting by countries operating under Article 5 para 1 (Article 5 countries) to the two Secretariats, it was concluded that:

- There was the need to simplify and consolidate the data reporting questionnaires;
- For purposes of implementing the various decisions of the Executive Committee, reporting of sector-based data to the Fund Secretariat will be essential;
- The sector-based data reported to the Fund Secretariat should be the break-down of the same production, import or export data reported to the Ozone Secretariat;
- The deadlines of 31 March and 30 September for reporting data to the Fund Secretariat and Ozone Secretariat respectively may need to be reviewed. The deadline should allow adequate time for governments to collect the necessary data and the Secretariats to analyze them and submit the results to the Parties or the Executive Committee within the same year that the data are reported and that this would enhance the utility of the data reporting.
- There was the need to have electronic versions of the forms which could be made available on request.

3. Consequently, draft new format has been developed based on above considerations and is being submitted for consideration of the Executive Committee.

New format for data reporting

4. In preparing the new format, the Fund Secretariat took account of Decision VIII/21 of the Eighth Meeting of the Parties and worked closely with the Ozone Secretariat on the ongoing review of format and procedures for reporting data under Article 7 of the Protocol and other Decisions of the Parties and considered various suggestions and proposals made by the Parties to both the Fund Secretariat and the Ozone Secretariat.

5. The new format for reporting on progress of implementation of country programmes is designed, both at the level of data collection and data analysis to make maximum use of other sources of data available to the Executive Committee. Primarily, data from the progress reports of implementing agencies and bilateral cooperation agencies, inventory of approved projects prepared by the Fund Secretariat and updated after each meeting, country programmes and country programme updates and progress reports and action plans presented by Governments for request for institutional strengthening or renewal of institutional strengthening will be used to supplement the data provided in completed data forms by governments. Thus, results from analysis of data obtained through the new format could provide consolidated information on the situation in each country which reports data in accordance with the Executive Committee's decisions requiring countries to report annually on progress of implementation of their country's programmes. Such information would enable the Committee, as well as the implementing agencies to assess the progress and the needs of each country.

6. In order to ensure the utility of the reports, timing of submission of completed data forms by countries is of essence. Deadline for submission should take account of the following:

- the length of time which would make collection of the required data reasonably feasible;
- the frequency of Executive Committee meetings;
- the deadline for submission of progress reports by implementing agencies; which is currently September for the half year's report and March for the whole of the preceding year; i.e., the year to which the report on progress of implementation of country programmes also relate;
- the period during which implementing agencies begin planning of their annual business plans; and
- the deadline for reporting data to the Ozone Secretariat.

Deadline for submission of data

7. Based on the above considerations and the experience gained so far in data reporting as well as comments made by some members of the Executive Committee, consideration may be given to a deadline of 30 June instead of the current 31 March, namely, six months after the end of the year to which the data to be reported relate. Since the progress reports of implementing agencies and bilateral cooperation agencies for the year to which the data on implementation of country programmes would relate would also be submitted within the same period, the proposed deadline would facilitate analysis of the data and timely distribution of the report by the Fund Secretariat in time for use by implementing agencies in their business planning.

Brief description of the new data forms

8. Four draft data forms have been prepared for reporting on progress of implementation of country programmes. These are Data Forms FS-CP.1 to FS-CP.4 which will have both manual and electronic versions. The data forms are attached as Annexes I to IV. Paragraphs 9-13 below provide brief descriptions of the data forms.

9. Data Form FS-C.P.1 (Annex I) would provide data on production and consumption of the controlled substances known to be used in Article 5 countries. Data on production, export and import reported on this form should be the same as those to the Ozone Secretariat. Countries which neither produce nor export controlled substances (majority of Article 5 countries) will only provide data for imports (which should be equivalent to the consumption).

10. Data Form FS-C.P.2 (Annex II) is similar to Form FS-CP.1. However, its only purpose is for reporting data for the base year and should be completed only once, where necessary.

11. Data Form FS-C.P.3 (Annex III) would provide information on administrative and supportive actions taken to promote the phase-out activities, usually as indicated in the country programme.

12. Data Form FS-C.P.4.A and 4.B (Annex IV) is in two parts - FS-C.P.4.A and FS-C.P.4.B. The purpose of the forms is to provide information to facilitate forward planning. Information in this form could help identify sectors and/or countries where business plans of implementing agencies could give priority to would provide some indications of which sectors and in which countries that implementing agencies would have to give priority.

13. Form FS-C.P.4.A is for providing data on expected activities by sector, while Form FS-C.P.4.B would provide information on specific beneficiaries and the government's own ordered priorities.

Recommendations

14. The Executive Committee may wish:

- (a) To take note of the paper on the new format for reporting data on progress of implementation of country programmes to the Executive Committee.
- (b) To adopt the new data forms in Annex I - Annex IV for reporting on progress of implementation of country programmes with effect from the 1997 reporting year. However, countries which have not reported their data for previous years and which are requested to do so after the adoption of the new format, should provide the data using the new forms.
- (c) To adopt 30 June of each year as the new deadline for submission of data on progress of implementation of country programmes for the preceding year. The new deadline takes effect in 1998.

Annex I : PROGRESS OF IMPLEMENTATION OF COUNTRY PROGRAMMES

Data on Controlled Substances

COUNTRY:

YEAR: January to December 199.....

Substance ¹	Consumption by Sector in Metric Tonnes							Import	Export ³	Production ³
	Aerosol	Foam	Fire Fighting	Refrigeration	Solvent applications	Fumigation etc.	Other ²			
Annex A, Group I										
CFC-11										
CFC-12										
CFC-113										
CFC-114										
CFC-115										
Sub-Total										
Annex A, Group II										
Halon 1211										
Halon 1301										
Sub-Total										
Annex B, Group II										
Carbon Tetrachloride										
Sub-Total										
Annex B, Group III										
Methyl Chloroform										
Sub-Total										
Annex C, Group I										
HCFC-22										
HCFC-141b										
HCFC-142b										
HCFC-123										
Sub-Total										0
Annex E										
Methyl Bromide										
OTHER ⁴										
Sub-Total										0
TOTAL										0

¹ Where the data involves a blend of two or more substances, the quantities of individual components of controlled substances must be indicated separately, e.g.: For R502 consisting of 51.2% CFC-115 and 48.8% HCFC-22, indicate the total quantity of each controlled substance (i.e., CFC-115 and HCFC-22) in the appropriate row.

² Indicate relevant sector, e.g. tobacco.

³ Where applicable

⁴ Indicate relevant controlled substance(s).

ANNEX II: PROGRESS OF IMPLEMENTATION OF COUNTRY PROGRAMMES

FORM FS-C.P.2

Data on Controlled Substances for the Baseline Year¹ 199x

COUNTRY:

Substance ²	Consumption by Sector in Metric Tonnes								Import	Export ⁴	Production ⁴
	Aerosol	Foam	Fire Fighting	Refrigeration	Solvent applications	Fumigation etc.	Other ³	TOTAL			
<u>Annex A, Group I</u> CFC-11 CFC-12 CFC-113 CFC-114 CFC-115											
Sub-Total											
<u>Annex A, Group II</u> Halon 1211 Halon 1301											
Sub-Total											
<u>Annex B, Group II</u> Carbon Tetrachloride											
Sub-Total											
<u>Annex B, Group III</u> Methyl Chloroform											
Sub-Total											
<u>Annex C, Group I</u> HCFC-22 HCFC-141b HCFC-142b HCFC-123											
Sub-Total											
<u>Annex E</u> Methyl Bromide OTHER ⁵											
Sub-Total											
TOTAL											

¹ THIS FORM IS TO BE COMPLETED ONE TIME ONLY.² Where the data involves a blend of two or more substances, the quantities of individual components of controlled substances must be indicated separately, e.g.: For R502 consisting of 51.2% CFC-115 and 48.8% HCFC-22, indicate the total quantity of each controlled substance (i.e., CFC-115 and HCFC-11) in the appropriate row.³ Indicate relevant sector, e.g. tobacco.⁴ Where applicable⁵ Indicate relevant controlled substance(s).

**Annex III: IMPLEMENTATION OF COUNTRY PROGRAMMES
ADMINISTRATIVE AND SUPPORTIVE ACTIONS**

FORM FS-CP.3

COUNTRY:

YEAR: January to December 199.....

(Any comments concerning items can be put in on second page)

TYPE OF ACTION / LEGISLATION	Action was proposed in country programme	Action taken this year or ongoing for less than 1 year	Action is ongoing for longer than 1 year
1. REGULATIONS:			
1.1 Establishing general guidelines to control import (production and export) ¹ of ODS			
1.2 Requiring special permits for import or sale of bulk ODS			
1.3 Requiring special permits for import or sale of products or equipment containing ODS			
Banning import or sale of bulk quantities of:			
1.4 CFC-11			
1.5 CFC-12			
1.6 Halon 1211			
1.7 Halon 1301			
Banning import or sale of:			
1.8 used CFC-containing domestic refrigerators or freezers			
1.9 ODS-containing aerosols except those for essential uses such as MDI ²			
1.10 automobiles containing mobile air conditioning equipment using CFC-12			
1.11 air conditioners and chillers using CFC			
1.12 Requiring training of refrigeration service technicians			
1.13 Requiring certification of refrigeration service technicians			
1.14 Banning the use of ODS in production of some or all types of foam			
Other Regulations			
1.15			
1.16			
1.17			
2. ESTABLISHMENT OF INSTITUTIONAL FRAMEWORK FOR MANAGMENT OF ODS PHASE-OUT (e.g. national/sectoral committees, working groups)			

¹ Where applicable

² MDI: metered dose inhalers

TYPE OF ACTION / LEGISLATION	Action was proposed in country programme	Action taken this year or ongoing for less than 1 year	Action is ongoing for longer than 1 year
3. ESTABLISHMENT OF PROCEDURES FOR CERTIFICATION OF SERVICE TECHNICIANS			
4. ESTABLISHMENT OF CHANNELS FOR PUBLIC INFORMATION ON ODS CONTROL ACTIONS			
5. MONITORING ACTIVITIES:			
5.1 Establishment of a system for monitoring and monitoring of import, (production, export) ¹ and use of ODS			
5.2 Establishment of monitoring and evaluation system for implementation of MLF projects and monitoring/evaluation of MLF projects			
5.3 Establishment of procedures for ODS data collection/update and transmission/dissemination			
5.4 Annual collection/update and transmission/dissemination of ODS data			
5.5 Monitoring of recovery and recycling of ODS ¹			
5.6 Monitoring and evaluation of training activities			
5.7 Establishment of product quality standards ¹ , e.g.: "Ozone Seal", "Green Label", etc.			
5.8 Enforcement of product quality standards ¹			
6. OTHER ³			

¹ Where applicable

³ Please indicate type of activity

**IF YOU HAVE ANY COMMENTS ON THE ABOVE ACTIONS (including their impacts) PLEASE
INDICATE THEM BELOW.**

(You may add additional page(s) if necessary)

Type of action #	COMMENTS
1.1	
1.2	
1.3	
1.4	
1.5	
1.6	
1.7	
1.8	
1.9	
1.10	
1.11	
1.12	
1.13	
1.14	
1.15	
1.16	
1.17	
2.	
3.	
4.	
5.1	
5.2	
5.3	
5.4	
5.5	
5.6	
5.7	
5.8	
6.	
General Comments	

Annex IV

FORM FS-C.P.4

SUMMARY OF PROJECTS AND ACTIVITIES FOR WHICH FUNDS WILL BE REQUIRED IN FUTURE BUSINESS PLANS OF IMPLEMENTING AGENCIES

COUNTRY:

YEAR: January to December

SECTOR/ACTIVITY		ESTIMATED NUMBER OF ENTERPRISES/PROJECTS	ESTIMATED FUNDING Requirement (US \$ X 10 ³)	ESTIMATED ODS PHASE-OUT (ODP Tonnes)
1.	CONVERSION OF ODS PRODUCTION FACILITIES			
1.1	CFCs			
1.2	Halon			
2.	CONVERSION OF MANUFACTURING FACILITIES			
2.1	Aerosol			
2.2	Foam:			
2.2.1	<i>Flexible slabstock polyurethane</i>			
2.2.2	<i>Rigid polyurethane</i>			
2.2.3	<i>Flexible molded/integral skin</i>			
2.2.4	<i>Extruded polyethylene/polystyrene</i>			
2.2.5	<i>Other</i>			
2.3	Refrigeration & Air Conditioning:			
2.3.1	<i>Domestic Refrigerators/Freezers</i>			
2.3.2	<i>Commercial</i>			
2.3.3	<i>Industrial</i>			
2.3.4	<i>Mobile air conditioners(MAC)</i>			
2.3.5	<i>Fixed air conditioners (Split units, Chillers, etc.)</i>			
2.3.6	<i>Compressors</i>			
2.4	Halon			
2.4.1	<i>Fixed systems</i>			
2.4.2	<i>Fire extinguishers</i>			

SECTOR/ACTIVITY	ESTIMATED NUMBER OF ENTERPRISES/PROJECTS	ESTIMATED FUNDING Requirement (US \$ X 10 ³)	ESTIMATED ODS PHASE-OUT (ODP Tonnes)
2.5 Solvent (cleaning and other applications)			
2.5.1 <i>CFC-113 applications</i>			
2.5.2 <i>TCA applications</i>			
2.5.3 <i>Other</i>			
2.6 Tobacco Fluffing			
3. CONVERSION OF USE/CONSERVATION OF ODS			
3.1 Refrigeration and Air Conditioning			
3.1.1 <i>Retrofit of chillers</i>			
3.1.2 <i>Retrofit of other equipment</i>			
3.1.3 <i>Refrigerant management including recovery & recycling</i>			
3.1.4 <i>Training of servicing technicians</i>			
3.2 Halon			
3.2.1 <i>Recycling and/or banking</i>			
3.3 Methyl Bromide			
3.3.1 <i>Fumigation</i>			
3.3.2 <i>Soil treatment</i>			
3.3.3 <i>Other methyl bromide use</i>			
3.3.4 <i>Training</i>			
3.3.5 <i>Other technical assistance e.g. demonstration</i>			
4. OTHER INVESTMENT ACTIVITIES¹			

¹ Please indicate

Please provide a list of the potential beneficiary enterprises or titles of the projects using the classification in the sector/activity column of Form FS-CP.4.A, i.e. Conversion of ODS Production Facilities, etc. Please indicate also the priority of the project using the following rating: 1 = Action expected in first year

- 1 = Action expected in first year
2 = Action expected in second year
3 = Action expected in third or later years

[illegible]

² Where an umbrella project comprising several enterprises is involved, indicate only as "Group of (X) enterprises", where X denotes the number of enterprises involved.