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Executive Committee of
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WORLD BANK WORK PROGRAMME AMENDMENTS

COMMENTS AND RECOMMENDATIONS FROM THE FUND SECRETARIAT**COMMENTS**

1. The World Bank is requesting approval from the Executive Committee for US \$1,246,000 for work programme amendments as indicated in Table 1.

Table 1:

World Bank 1997 Work Programme Amendments and corresponding funding levels

Country	Activity/Project	Type	Completion Date	Amount Requested (US \$)	Amount Recommended (US \$)
Brazil	Project preparation in the foam sector	PRP	Dec. 1997	75,000	75,000
China	Preparation of investment projects in the production sector for 1998 submission	PRP	Dec. 1998	350,000	350,000 (condition: funds should not be used until guidelines are approved)
China	Technical support to ODS phaseout in the commercial refrigeration industry	TAS	June 2001	180,000	0
China	Development of product licensing and quality control system	TAS	June 2000	160,000	0
China	Preparation of technical standards and codes for substitute products	TAS	June 2000	130,000	0
India	Preparation of investment projects in the domestic refrigeration for submission in 1997 and 1998	PRP	Dec. 1997	80,000	80,000

Country	Activity/Project	Type	Completion Date	Amount Requested (US \$)	Amount Recommended (US \$)
Jordan	Project preparation to phase out CFC consumption (in the aerosol and foam sectors) that is not accounted for in the original country programme	PRP	Dec. 1997	30,000	30,000
Jordan	Institutional Strengthening - Renewal	INS	June 1999	136,000	113,333 (release of funds conditional on receipt of report)
Pakistan	Project preparation to phase out CFC consumption (in the foam sector) that is not accounted for in the country programme	PRP	Dec. 1997	25,000	25,000
Uruguay	Project preparation [Market survey] to develop a country-wide scheme to phase out remaining ODS	PRP [TAS]	Dec. 1998	80,000	23,000 (condition: all remaining ODS consumers will be identified)
Sub-Total				1,246,000	696,333
Agency support costs	(13%)			161,980	90,523
Total				1,407,980	786,856

2. The World Bank is requesting funds for the preparation of projects to be submitted in 1998 for China's production sector in advance of the approval of production sector guidelines. In decision 21/25, the Executive Committee agreed to fund a request for UNDP to prepare projects in Venezuela including projects in the production sector on the "understanding that no funds would be expended on the production sector component of the activity until guidelines for that sector had been approved".

3. The Bank is requesting three technical assistance projects for China that would not be completed until after the year 2000. The only information provided about these projects in the request is that they "are essential to the facilitation of an accelerated ODS phase-out". Additional information on these activities was requested to which the Bank indicated that the

technical assistance projects will be designed to help commercial refrigerator manufacturers implement their conversions as expeditiously as possible. The Executive Committee has approved projects in China's refrigeration sector that will lead to the phase out of 8,852 tonnes according to agency progress reports while China's country programme indicated that the refrigeration sector had a consumption 2,869 tonnes in 1992. The Executive Committee has approved three projects concerning quality control testing and two projects concerning the development of standards in China's refrigeration sector. The Committee has also approved several other technical assistance projects for China that may address the same issues as the proposed projects, but without more information it is difficult to assess the commercial refrigeration technical assistance request.

4. The Secretariat is recommending approval of the project preparation request for India although the request may include projects that will not be prepared in time for submission in 1997.

5. The Bank is requesting US \$30,000 for project preparation to phase out consumption that was not identified in Jordan's country programme. The Executive Committee has already approved projects that will lead to the phase out of 136 per cent of the consumption identified in Jordan's country programme. The Bank indicated that the rate of disbursement on approved projects in Jordan has increased and five projects have been identified in the foam and aerosol sectors.

6. Decision 19/29 requires that a report of progress and an articulated plan of future actions should be submitted six months before the end of the three-year approval period in order for a country to qualify for institutional strengthening renewal. The report has not yet been received. Also, the level of funding requested for the renewal is greater than that which is eligible under decision 19/29. The eligible level of funding for the renewal of institutional strengthening in Jordan is US \$113,333.

7. The Executive Committee has already approved projects that will lead to the phase out of 67 per cent of the consumption identified in Uruguay's country programme. The cost of the preparation of Uruguay's country programme was US \$23,894. The Bank has indicated that the request consists of two components: US \$23,000 for conducting a market survey and development of a mechanism to phase out remaining ODS uses and the balance for project preparation and contingencies. The project preparation component of the request is not expected to result in a project submission until 1998. Project preparation funds might be requested following the completion of the market survey.

RECOMMENDATION

1. The Secretariat recommends approval of the 1997 work programme amendments for World Bank implementation at a level of US \$696,333 and US \$90,523 for support costs as listed in Table 1 above with the following conditions:

- funds for project preparation in China's production sector should not be used until production sector guidelines are approved;
- funds for the renewal of institutional strengthening in Jordan should not be released until a report of progress and an articulated plan of future actions as required under decision 19/29 are submitted to the Secretariat; and,
- the market survey component of the request for Uruguay will result in the identification of all remaining ODS-consuming companies to be phased out.

WORLD BANK'S 1997 WORK PROGRAM AMENDMENT

Introduction

At the 21st Meeting of the Executive Committee (EC), the World Bank requested US\$2.27 million in project preparation to prepare 1997 submissions of 71 projects and initiate preparation of projects to be submitted in 1998. US\$1.49 million was approved with the understanding that additional project preparation funds could be requested when certain issues affecting submission of proposed projects were resolved. At the 21st Meeting the World Bank was given additional allocation of US\$18.9 million which brought the total allocation for investment projects to US\$82.35 million, and was also asked to submit a revised Business Plan and Work Program Amendment, at the next EC Meeting.

Work Program Amendment

To support the increasing volume of business the World Bank would like, as allowed by Decision 21/13, to request additional funds to support its expanded project preparation activities. As the guidelines for the production sector are expected to be approved by the EC at the next meeting, the World Bank, therefore, also resubmits its request for funding to support preparation of projects in this sector in China.

In addition to project preparation requests, the Work Program Amendment also includes non-investment activities that are essential to the facilitation of an accelerated ODS phaseout in a few countries.

The total request for additional funding to support expanded project preparation activities is US\$700,600, and US\$684,780 for non-investment activities.

The World Bank intends to submit additional amendments during the course of the year as additional investment projects are identified.

Project Preparation

Country	Project Title	Sector	ODP to be Captured (ODP tons)	Requested Amount (US\$)	Agency Support Cost (US\$)	Total (US\$)	Date of Completion
Brazil	Project Preparation	Foam	375	75,000	9,750	84,750	Dec 1997
China	Preparation of investment projects in the production sector for 1998 submission	Production	60,000	350,000	45,500	395,500	Dec 1998
India	Preparation of investment projects for submission in 1997 and 1998	Domestic refrigeration	500	80,000	10,400	90,400	Dec 1997
Jordan	Project Preparation To phase out CFC consumption that is not accounted for in the original Country Program.	Aerosol & Foam	60	30,000	3,900	33,900	Dec 1997
Pakistan	Project Preparation To phase out CFC consumption that is not accounted for in the Country Program.	Foam	265	25,000	3,250	28,250	Dec 1997
Uruguay	Project Preparation to develop a country-wide scheme to phase-out remaining ODS	Sovoral	120	80,000	10,400	90,400	Dec 1998
TOTAL			61,320	640,000	83,200	723,200	

Non-Investment Projects

Country	Project Title	Requested Amount (US\$)	Agency Support Cost (US\$)	Total (US\$)	Date of Completion
China	Technical support to ODS phaseout in the commercial refrigeration industry	180,000	23,400	203,400	Jun 2001*
China	Development of product licensing and quality control system	160,000	20,800	180,800	Jun 2000*
China	Preparation of technical standards and codes for substitute products	130,000	16,900	146,900	Jun 2000*
Jordan	Institutional Strengthening - Renewal	136,000	17,680	153,680	Jun 1999
TOTAL		606,000	78,780	684,780	

* most activities will be carried out during 1997 to 1999.