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

Twentieth Meeting
Montreal, 16-18 October 1996

UNDP WORK PROGRAMME AMENDMENTS

COMMENTS AND RECOMMENDATIONS FROM THE FUND SECRETARIAT

COMMENTS

1. UNDP is requesting approval from the Executive Committee for US $1,605,652 for work programme amendments as indicated in Table 1.

Table 1:

UNDP 1996 Work Programme Amendments and corresponding funding levels

Country	Activity/Project	Amount Requested	Amount Recommended (US $)
China	Extension of institutional strengthening	300,000	300,000
Ghana	Extension of institutional strengthening	107,000	107,000
India	Extension of institutional strengthening	287,100	287,100
Malaysia	Extension of institutional strengthening	219,952	215,000
Mexico	Extension of institutional strengthening	190,000	190,000
Trinidad and Tobago	Institutional strengthening	66,000	66,000
Uruguay	Extension of institutional strengthening	116,000	116,000
Venezuela	Extension of institutional strengthening	219,600	219,600
Venezuela	Preparation of a sectoral plan for the production sector	100,000	0
Sub-Total		1,605,652	1,500,700
Agency support costs		208,735	195,091
Total		1,814,387	1,695,791

2. Renewal for institutional strengthening is requested for seven countries. Based on Decision 19/29 of the Executive Committee (UNEP/OzL.Pro/ExCom/19/64), the requests are for two years calculated at the same level of funding as the first approval. Each country submitted a comprehensive progress report of activities implemented during the period covered by the first approval and an articulated plan of future actions by the ozone units. The UNDP Progress Report (UNEP/OzL.Pro/ExCom/20/42) indicates that by the end of 1996 all their remaining funds for institutional strengthening will have been disbursed.

3. The amount recommended by the Fund Secretariat for renewal of the institutional strengthening in Malaysia has been calculated on the basis of the criteria in Decision 19/29. Malaysia's first approval amounted to US $322,520.

4. The Government of Trinidad and Tobago has submitted its country programme for consideration by the Executive Committee. A project for the establishment of an ODS Sub-Unit within the Environment Management Authority was included in the country programme. The Government of Trinidad and Tobago is requesting financial support for the implementation of this project totaling US $66,000. The project document is included with the Trinidad and Tobago Country Programme (UNEP/OzL.Pro/ExCom/20/55).

5. Request for preparation of a sectoral plan for the production sector has been submitted by the Government of Venezuela. This activity was not included in UNDP's 1996 business plan or its Work Programme for 1996. In Decision 19/10 the Executive Committee decided that project preparation activities additional to the business plans should not be funded.

RECOMMENDATION

1. The Secretariat recommends approval of the 1996 work programme amendments for UNDP at a level of US $1,500,700 and US $195,091 support cost as listed in Table 1 above.

PROJECT COVER SHEET

COUNTRY :	CHINA
PROJECT TITLE :	Institutional Strengthening for the Phaseout of Ozone Depleting Substances under the Montreal Protocol - Phase II.
SECTORS COVERED:	All
PROJECT IMPACT :	An effective national team to plan, manage and oversee the implementation of the national Montreal Protocol Programme
PROJECT DURATION:	2 Years
PROPOSED MLF GRANT:	US $300,000
GRANT EFFECTIVENESS:	N/A
COORDINATING MINISTRY:	National Environment Protection Agency (NEPA)
IMPLEMENTING AGENCY:	UNDP
APPRAISAL DATE:	July 1996

PROJECT SUMMARY

The project will strengthen the capacity of the National Environment Protection Agency (NEPA) for the phaseout of ozone depleting substances (ODS) in China. Under Phase I of the project, a Programme Management Office (PMO) was established to oversee the national programme for ODS phaseout activities which have been initiated. The foundation and framework for the implementation of ODS phaseout has also been established. However, the necessary legislative and regulatory framework is not yet in place to complement the phaseout activities. Therefore, under the proposed Phase II, PMO/NEPA will put emphasis on the formulation of appropriate policies and legislation for the control of ODS production, import and consumption. In addition, it will develop appropriate institutional arrangements for a more efficient and effective implementation of the national Montreal Protocol programme. The proposed project will thus consolidate the capacity thus far developed and established in the area of ministry and sectoral co-ordination, information network and exchange, ODS awareness campaign, and liaison with enterprises for project formulation. The project inputs will help finance the personnel and operational costs involved.

Prepared by : Programme Management Office, NEPA

PROJECT REVISION SHEET

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COUNTRY:	GHANA
PROJECT NUMBER:	GHA/SEV/08/INS/005
PROJECT TITLE:	Renewal of Institutional Strengthening
SECTOR:	Several
ODS CONSUMPTION:	451 Tonnes/yr ODP
PROJECT DURATION:	2 years (Jan 97 - Dec 98)
PROJECT IMPACT:	Accelerated phase out of ODS
TOTAL PROJECT COST:	US$ 107,000
SOURCE OF FUNDS:	Multilateral Fund (MLF) for the Implementation of the Montreal Protocol.
NATIONAL IMPLEMENTING AGENCY:	(NACODS) within the Environmental Protection Agency
IMPLEMENTING AGENCY:	UNDP
SUBMISSION DATE:	August 1996

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PROJECT REVISION SUMMARY

This project proposal is submitted to extend institutional strengthening support to NACODS for two additional years of operation. The project will allow NACODS to continue to plan, organize, direct and coordinate all activities required for the implementation of Ghana's strategy in all areas related to the Phaseout of Ozone Depleting Substances under the Montreal Protocol.

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Project/Annexes prepared by NACODS

PROJECT COVER SHEET

COUNTRY:	INDIA
PROJECT TITLE:	Institutional Strengthening Project for the Phaseout of Ozone Depleting Substances under the Montreal Protocol: Phase II
SECTOR COVERED:	All sectors
PROJECT DURATION:	Two Years (1997-1998)
PROJECT IMPACT:	Continued support to the national coordinating unit to facilitate actions for the implementation and monitoring of the India Country Programme under the Montreal Protocol.
MLF GRANT:	US $287,100
NATIONAL EXECUTING: AGENCY	Ministry of Environment & Forests (Ozone Cell)
IMPLEMENTING AGENCY:	UNDP

PROJECT SUMMARY

The objective of the project is to continue the functioning of the established Ozone Cell in the Ministry of Environment and Forests, Government of India, as the nodal point to deal with all matters relating to the phaseout of Ozone Depleting Substances (ODS) under the Montreal Protocol. The first phase of this Institutional Strengthening Project was approved by the Executive Committee in October 1992 with a three year budget of US$ 430,600; it is expected to end by December 1996. The Government has made substantial progress in preparing and implementing ODS phaseout projects and activities, including a number of policy and regulatory measures to support national ODS phaseout efforts.

Under Phase II (January 1997 - December 1998), work will continue on development of legal and other measures towards attaining the objectives of the India Country Programme. Therefore, it is essential that the continued functioning of the Ozone Cell be supported by the Multilateral Fund in order to maintain programme momentum and to derive sustained benefits from the first phase. MLF funding of US$ 287,100 is being requested for Phase II of this project, consistent with Decision 19/29 adopted at the 19th Meeting of the Executive Committee in May 1996.

Prepared by: Ozone Cell, MOEF, India

MALAYSIA

EXTENSION OF THE INSTITUTIONAL STRENGTHENING PROJECT IN RELATION TO THE ELIMINATION OF THE OZONE DEPLETING SUBSTANCES

PURPOSE

The purpose of this paper is to seek financial assistance from the Multilateral Fund (MLF) of the Implementation of the Montreal Protocol (MP) for another two-years extension of the present Project Management Office (Montreal Protocol Unit, MPU) in the Department of Environment (DOE) under the Institutional Strengthening Project (ISP).

BACKGROUND

With reference to the Decision 19/29 of the Executive Committee (EXCOM) Meeting, the Government of Malaysia (GOM) would like to seek a financial assistance from MLF for the extension of the present MPU for the period of 1997 - 1998. The first phase of Malaysia's ISP was approved by the MLF in 1993 and costed US$ 322,520. The ISP namely MPU under the supervision of the UNDP has been operating since 1994 until 1996. With the current Vienna Adjustment of the MP as well as Parties to the original MP (in 1989) and its Amendment (in 1993), the GOM strongly feels that the extension of ISP is very crucial. It is an effective way to phase out the ODS and depicts our serious commitment in the implementation of the MP.

OBJECTIVES

Long Term Objective

The operational objective of the extension of ISP is to monitor the provision of financial and technical assistance to the GOM in carrying out projects as outlined in the ODS Phase-out Strategy and Master Plan in the Malaysia Country Programme (CP) which was updated in 1995. The overall objective is to assist DOE and industry in phasing out ODS effectively and more efficiently through the adoption of policy, strategy, control measures, technological and monitoring measures in compliance with the provision of the MP.

Short Term Objective

- to strengthen current implementing capacity of MPU and to facilitate expeditious implementation of the projects to reduce ODS;

- to provide more effective administration of national institutional mechanism for coordinating national and international efforts for the protection of the ozone layer;

- to plan an effective elimination and control measures on import of ODS (Application Permit System), ODS Labelling Scheme and monitoring of illegal movement of ODS (under Dumping Act);

- to strengthen the mechanism on information exchange and dissemination and to promote activities related to the ODS phase out in the country; and

- to audit, implement and monitor ODS phase-out projects approved by the M to identify, prepare, review, monitor any new proposed project in future.

Subject matter	Unit	1997(USD)	1998(USD)
I PERSONNEL			
• Professional Staff	2 persons		
• Supporting Staff	1 persons	} 42,400	} 42,400
• Consultant (as required 4 man- month)	One person	6,000	-
II OPERATIONAL AND SUPPORT COST (including training in service, publications, public-awareness, travel, sundries / misc.)	-	45,000	51,160
III COMPUTER (Package Unit)	1	13,000	-
IV CONTINGENCY (10%)	-	10,640	9, 356
TOTAL COST		117,040	102,912

OUTPUT

The main output of this proposed extension of ISP is to implement activities that have been develop and monitor the on-going approved projects in all sectors. Based on this approach, the GOM estimates more than 4000 MT of ODS (particularly CFCs) will be phased out during the extension period. At the same time more than 100 activities and projects related to phase-out will be developed.

PROJECT REVISION COVER SHEET

COUNTRY:	Mexico
PROJECT NUMBER:	MEX/SEV/17/INS/036
PROJECT TITLE:	Renewal of the Institutional Strengthening project for the Phaseout of Ozone Depleting Substances under the Montreal Protocol
SECTOR COVERED:	All Sectors
ODS CONSUMPTION:	4,995 Tonnes/yr ODP (for 1995)
PROJECT IMPACT:	Accelerated phase out of ODS
PROJECT DURATION:	2 years (1 Nov 96 - 31 Oct 98)
PROJECT COST:	**190,000 US$**
SOURCE OF FUNDS:	Multilateral Fund (MLF) for the Implementation of the Montreal Protocol.
COORDINATING NATIONAL BODY:	National Institute of Ecology (INE) Ozone Protection Unit (OPU)
IMPLEMENTING AGENCY:	UNDP
SUBMISSION DATE:	August 1996

This project proposal is submitted to extend institutional strengthening support to the OPU. The original project request implemented through US-EPA was twice extended for six-month periods at the 17th and 19th Executive Committee Meetings. The current revision extends the project for an additional two years.

The project will allow INE to continue to plan, organize, direct and coordinate all activities required for the implementation of Mexico's strategy in all areas related to the Phaseout of Ozone Depleting Substances under the Montreal Protocol.

Prepared by INE

PROJECT PROPOSAL:	Project Number: 1
Project Title:	Institutional Strengthening for the Phase-Out of Ozone Depleting Substances under the Montreal Protocol
Sector Covered:	All
ODS Consumption in Sector:	98.59 ODP Tonnes in 1994
Project Duration:	Three (3) years
Total Incremental Cost:	US$ 66,000
Implementing Agency:	UNDP
National Implementing Agency:	The ODS SUB-UNIT under the ENVIRONMENT MANAGEMENT AUTHORITY

Project Description

The main activity in which Ozone Depleting Substances are used in the country is in the maintenance and repair of Refrigeration and Air Conditioning equipment.

The Government created the Environmental Management Authority (EMA) in 1995 in its pursuit of improving the environment by directly dealing with the issues. An ODS Sub-Unit was established under EMA to ensure, among other things, compliance with the Vienna Convention for the Protection of the Ozone Layer and the Montreal Protocol on Substances that Deplete the Ozone Layer.

For the successful implementation of the *Country Programme*, a focused approach will be necessary to achieve the following:

- To formulate, implement and monitor Refrigeration Projects and Projects in the other Sectors that use ODS;
- To monitor the ongoing developments in the efforts to protect the Ozone Layer;
- To assist in the preparation of budgets and advise on the release of funds from the Multilateral Fund;
- To coordinate public awareness programmes;
- To coordinate requirements for the identification and quantification of controlled substances at the point of entry;
- To assist training bodies in setting up technical training programmes;
- To coordinate technology monitoring activities;
- To report annually to the Ozone Secretariat, UNEP in Nairobi-Kenya on the ODS consumption in the country according to Article 7 of the Montreal Protocol; and
- To report annually to the Executive Committee of the Multilateral Fund on the progress in the implementation of the Country Programme.

An ODS Sub-Unit has been established with the responsibilities listed above. All costs associated with the establishment of this Sub-Unit which is essential to the successful phase out of ODS are incremental costs to be borne by the Multilateral Fund.

Project Time Frame: The project commencement date is January 1997 and the completion date is December 1999

Impact: This project will facilitate the early phase-out of controlled substances in Trinidad and Tobago.

PROJECT REVISION SHEET

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COUNTRY:	URUGUAY
PROJECT NUMBER:	URU/SEV/10/INS/003
PROJECT TITLE:	Renewal of Institutional Strengthening
SECTOR:	Several
ODS CONSUMPTION:	314 MT in 1992
PROJECT DURATION:	2 years (Oct 96 - Sept 98)
PROJECT IMPACT:	Accelerated phase out of ODS
TOTAL PROJECT COST:	US$ 116,000
SOURCE OF FUNDS:	Multilateral Fund (MLF) for the Implementation of the Montreal Protocol.
IMPLEMENTING AGENCY:	UNDP
NATIONAL IMPLEMENTING AGENCY:	COGO
SUBMISSION DATE:	August 1996

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PROJECT REVISION SUMMARY

This project proposal is submitted to extend institutional strengthening support to COGO for two additional years of operation. The project will allow COGO to continue to plan, organize, direct and coordinate all activities required for the implementation of Uruguay's strategy in all areas related to the Phaseout of Ozone Depleting Substances under the Montreal Protocol.

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Project prepared by COGO / UNDP
Annexes prepared by COGO

PROJECT REVISION SHEET

COUNTRY:	VENEZUELA
PROJECT NUMBER:	VEN/SEV/09/INS/013
PROJECT TITLE:	Renewal of Institutional Strengthening
SECTOR:	Several
ODS CONSUMPTION:	3,273 ODP tonnes (in 1994)
PROJECT DURATION:	2 years (Jan 97 - Dec 98)
PROJECT IMPACT:	Accelerated phase out of ODS
TOTAL PROJECT COST:	US$ 219,600
SOURCE OF FUNDS:	Multilateral Fund (MLF) for the Implementation of the Montreal Protocol.
IMPLEMENTING AGENCY:	UNDP
NATIONAL IMPLEMENTING AGENCY:	FONDOIN
SUBMISSION DATE:	August 1996

PROJECT REVISION SUMMARY

This project proposal is submitted to extend institutional strengthening support to FONDOIN for two additional years of operation. The project will augment the significant contribution that has been catalyzed by the government of Venezuela so far, and will allow FONDOIN to continue to plan, organize, direct and coordinate all activities required for the implementation of Venezuela's strategy in all areas related to the Phaseout of Ozone Depleting Substances under the Montreal Protocol.

Project prepared by FONDOIN / UNDP
Annexes prepared by FONDOIN

PROGRAMME AMENDMENT - SECTORAL STUDY - PRODUCTION

COUNTRY:	VENEZUELA
PROJECT TITLE:	Preparation of Sectoral Plan for the Production Sector
SECTOR COVERED:	Production Sector
ODS USE IN SECTOR:	849.3 MT CFC-11, and 3435.6 MT CFC-12 in 1995
PROJECT IMPACT:	Develop Sectoral Strategy and Inputs for a Project to Eliminate Production of Above substances
PROJECT DURATION:	6-8 months
TOTAL PROJECT COST:	$ 100,000
IMPLEMENTING AGENCY:	UNDP
COORDINATING AGENCY:	FONDOIN

PROJECT DESCRIPTION

The objective of this effort is to develop a sectoral plan in accordance with the decision of the 19th ExCom meeting regarding the production sector, in which Sectoral Plans would be developed, along with technical audits by the production sector expert group. In the 19th ExCom meeting, the decisions relative to the Production Sector were based upon the recommendations of the Production Sector expert group, which described a need for these sectoral plans and technical audits before any project could be submitted for funding (in addition to the setting in place of production sector phase out policies). It was decided that the Executive Committee should approve funding for the preparation of the sector plans and the technical audits.

FONDOIN in consultation with PEQUIVEN, the national partner of PRODUVEN, which is the Venezuelan joint venture that is the sole in-country producer of CFC-11, CFC-12, and HCFC-22, is seeking to define their sectoral strategy so that a project can be developed to address the phaseout of their ODS production. In accordance with the 19th ExCom decision, they seek assistance in the preparation of a sectoral plan. It will include a study which

- reviews the markets currently served and the trends in those markets, and will project the future markets to be served by the production sector, analyzed by products, applications, local demand, and export demand. This is dynamically changing, with CFC production now serving more regional applications (vs local applications) than in the past.
- reviews future suppliers and the demand in those changing markets, and identifies unfilled needs that are possible based on product/application demand and supply.
- Develops a model which identifies costs and benefits vs the options/ scenarios.
- Integrates the expert group input audit and prepares recommended options, such as shutdown, or conversion, including projected cost of the options.

Overall costs are $100,000, including the International subcontract ($83,000) for modelling, travel, plant visits and report preparation; Policy consultant and study supervision ($10,000); National consultant ($5,000), Miscellaneous Expenses ($2,000)