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COMITÉ EXÉCUTIF DU
FONDS MULTILATÉRAL AUX FINS
D'APPLICATION DU PROTOCOLE DE MONTRÉAL
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**PLAN D'ACTIVITES DE LA BANQUE MONDIALE
POUR LA PERIODE 2011-2014**

OBSERVATIONS ET RECOMMANDATIONS DU SECRETARIAT DU FONDS

1. Ce document présente de façon concise les activités que la Banque mondiale prévoit de mener, pour éliminer les substances appauvrissant l'ozone (SAO), entre 2011 et 2014. Il contient aussi les indicateurs de performance du plan d'activités de la Banque et des recommandations destinées au Comité exécutif pour examen.
2. On trouvera au Tableau 1 ci-dessous l'enveloppe financière annuelle des activités figurant au plan de la Banque mondiale, ces activités sont réparties selon « les catégories exigées pour la conformité » et les « catégories non exigées pour la conformité ».

Tableau 1

REPARTITION DES RESSOURCES DU PLAN D'ACTIVITES (2011-2014) DE LA BANQUE MONDIALE TEL QUE SOUMIS AU COMITE EXECUTIF (en milliers de \$US)

« exigé »/ « non exigé », par catégorie	2011	2012	2013	2014	Total (2011 à 2014)
Exigé pour la conformité (APA et coûts courants)	3 756	2 241	2 503	2 395	10 896
Exigé pour la conformité (HCFC)	50 267	85 645	100 724	68 243	304 879
Non exigé pour la conformité (mobilisation des ressources)	269	0	0	0	269
Total global	54 292	87 887	103 227	70 638	316 043

3. La Banque mondiale a prévu des activités au montant de 54,29 millions de \$US en 2011 et au montant global de 316,04 millions de \$US sur la période 2011-2014.

Accords pluriannuels (APA) et coûts courants

4. Le Tableau 2 contient des informations sur l'APA de la Banque mondiale, le renforcement des institutions (RI) et les activités d'unité de base estimées nécessaires pour la conformité dans le cadre du plan d'activité ajusté.

Tableau 2

EXIGES POUR LES BESOINS DE CONFORMITE POUR L'APA ET LES COÛTS COURANTS (2011 A 2014) (en milliers de \$US)

Par modèle	2011	2012	2013	2014	Total (2011 to 2014)
APA approuvé	1 424	0	63	43	1 530
RI	568	424	568	424	1 984
Unité de base	1 764	1 817	1 872	1 928	7 382
Total (exigé pour la conformité pour l'APA et les coûts courants)	3 756	2 241	2 503	2 395	10 896

5. Le montant correspondant à l'APA, pour la période 2011-2014, consiste en 235 000 \$US pour les activités relatives au bromure de méthyle (BM) et 1,3 million de \$US pour une activité de production de CFC. Selon le Secrétariat du Fonds, la Banque mondiale a proposé des montants pour l'APA qui sont supérieurs de 345 \$US à ceux qui restent sous cette enveloppe (APA). Le Secrétariat propose d'ajuster les chiffres de l'APA figurant dans le plan d'activités de la Banque mondiale afin qu'ils soient conformes aux chiffres du Secrétariat du Fonds.

6. Même si les niveaux de financement du RI sont connus, la Banque mondiale a fourni des montants dans son plan d'activités pour cette rubrique qui diffèrent de 860 \$US de ceux autorisés, dans le cadre de la structure actuelle de financement.

7. Aucune question n'a été soulevée concernant les autres activités considérées comme nécessaires pour la conformité. Les coûts d'unité de base de la Banque mondiale sont prévus à la hausse au taux de 3% par an.

Activités de HCFC

Impact du climat dans le plan d'activités de la Banque mondiale

8. Le Tableau 3 expose les résultats de l'évaluation de l'impact climatique que la Banque mondiale a fournis dans son plan d'activités, par sous-secteur, et conclut que le plan pourrait conduire à une réduction de l'ordre de 27,72 millions de tonnes équivalent CO₂.

Tableau 3

IMPACT CLIMATIQUE DES ACTIVITES HCFC PREVUES DANS LE PLAN D'ACTIVITES 2011-2014 DE LA LA BANQUE MONDIALE (EN MILLIONS DE TONNES EQUIVALENT CO₂)

Sous-secteur	Total des montants du plan d'activités* (en milliers de \$US)	Tonnes en équivalent CO ₂ - (en millions) pour une année de réductions
Mousses	136 740	3,14
Production de HCFC	132 590	24,39
PGEH	30 029	0,17
Refrigération AC	1 854	0,02
Refrigération commerciale	3 666	0,00
Total	304 879	27,72

*Comprend également les montants après 2014.

Secteur de production des HCFC

9. Les activités relevant du secteur de production des HCFC, au montant de 132,59 millions de \$US, figurent dans le plan d'activités 2011-2014. Une somme de 290 250 \$US est prévue, en 2012, pour les activités de préparation de projet en Argentine et en Inde. A sa 60^e réunion, le Comité exécutif avait alloué, dans sa décision 60/5(j), la somme de 147 millions de \$US au secteur de la production au titre de la période 2010-2014. Les activités du secteur de production pour l'Argentine, la Chine et l'Inde ont été distribuées proportionnellement en sorte de demeurer dans l'enveloppe allouée aux termes de la décision pertinente du Comité exécutif.

10. La Banque mondiale a fait savoir que le niveau de financement, de son plan d'activités, pourrait être complété par des fonds supplémentaires après 2014. Comme le taux d'élimination de la production ne peut être connu avant 2015 ou 2016, le Secrétariat propose d'ajuster le plan d'activités pour y insérer le solde de l'allocation prévue à la décision 60/5(j) à l'horizon 2015, soit 13,691 millions de \$US.

Plan de gestion de l'élimination du HCFC (PGEH)/préparation du projet HCFC

11. Le financement global pour la préparation des projets d'investissement du PGEH est de 32 250 \$US. Aucun ajustement n'est nécessaire pour la préparation du projet dans ce secteur.

PGEH pour les pays ne faisant pas partie des pays à faible volume de consommation de SAO (PFV)

12. Le niveau global de financement des PGEH des pays ne faisant pas partie des pays à faible volume de consommation de SAO, est de 30,03 millions de \$US, ce qui représente le montant utilisé pour éliminer 192,1 tonnes PAO pendant la période 2011-2014. Il n'y a aucun ajustement à cette catégorie puisqu'elle contient en son sein aussi bien le secteur de la fabrication que celui de l'entretien.

Mousse (en général)

13. Le financement total des projets relevant du secteur des mousses s'élève à 136,74 millions de \$US pour l'élimination de 1 646 tonnes PAO durant la période 2011-2014. Une combinaison de l'étude de reconstitution des fonds, préparée en 2008, et de la décision 60/44(f) a arrêté un plafond de 6,92 \$US/kg pour le secteur des mousses. Les ajustements proposés par le Secrétariat limiteraient le plafond de financement au maximum du seuil convenu correspondant au rapport coût-efficacité et réduiraient le financement total de ces projets de quelques 2,75 millions de \$US.

Refrigération (en général)

14. Le niveau total de financement des projets relevant du secteur de la réfrigération est de 5,49 millions de \$US pour l'élimination de 25 tonnes PAO au cours de la période 2011-2014. Aucun ajustement à cette catégorie n'est requis.

Autres activités non requises pour la conformité (mobilisation des ressources, études et ateliers de travail)

15. La Banque mondiale n'a pas inclus d'autres activités non requises pour la conformité, hormis la mobilisation du montant de 269 000 \$US. Bien que la mobilisation des ressources ne soit pas requise pour la conformité, le Comité exécutif a reporté la mobilisation demandée aux réunions précédentes pour examen à la 63^e réunion, dans le cadre du programme de travail de la Banque mondiale (voir : UNEP/OzL.Pro/ExCom/63/21).

Incidences des ajustements, selon les décisions du Comité exécutif, sur les plans d'activités présentés

16. Les ajustements proposés ci-dessus faits, la valeur globale du plan d'activités 2011-2014 de la Banque mondiale s'élève à 313,29 millions de \$US, comme indiqué au Tableau 4 ci-dessous :

Tableau 4

REPARTITION DES RESSOURCES SELON LE PLAN D'ACTIVITES DE LA BANQUE MONDIALE SOUMIS AU COMITE EXECUTIF ET TEL QU'AJUSTE PAR LES DECISIONS PERTINENTES DU MEME COMITE (2011-2014) (en milliers de \$US)

Exigé/Non exigé, par catégorie	2011	2012	2013	2014	Total (2011 à 2014)	Total (2015 à 2020)	Total (après 2020)
Exigé pour la conformité (APA et coûts courants)	3 756	2 242	2 502	2 395	10 894	0	0
Exigé pour la conformité (HCFC)	49 716	84 543	100 173	67 692	302 124	13 691	0
Non exigé pour la conformité (mobilisation des ressources)	269	0	0	0	269	0	0
Total global	53 741	86 785	102 675	70 087	313 287	13 691	0

Indicateurs de performance

17. On trouvera au Tableau 5 ci-dessous un résumé des indicateurs de performance de la Banque mondiale, conformément aux décisions 41/93, 47/51 et 49/4(d) :

Tableau 5

INDICATEURS DE PERFORMANCE

Indicateurs	Objectifs de 2011
Nombre de programmes annuels d'accord pluriannuels approuvés par rapport à ceux prévus (nouveaux + tranches d'APA en cours)	7/7*
Nombre de projets/activités individuels (projets d'investissement et de démonstration, TAS, renforcement des institutions) approuvés par rapport à ceux prévus	3/3
Activités achevées/niveaux de SAO réalisés pour les tranches annuels de programmes pluriannuels par rapport à celles prévues.	2/2**
Elimination de SAO par projets individuels par rapport à ceux prévus dans les rapports périodiques	697***
Achèvement de projet (conformément à la décision 28/2 pour les projets d'investissement) et tel que défini pour les projets hors investissement par rapport à ceux prévus dans les rapports périodiques	5***
Nombre de tâches d'assistance aux politiques/réglementations réalisées par rapport à celles prévues	100%
Rapidité de bouclage financier par rapport aux dates de bouclage prévues dans les rapports périodiques	11 mois
Communication dans les délais des rapports de fin de projets par rapport aux délais arrêtés	100%
Communication dans les délais des rapports périodiques et des réponses, sauf accord contraire	100%

* Suite à la recommandation du Secrétariat, les sous-secteurs figurant dans un PGEH ne sont pas comptabilisés séparément même s'ils relèvent d'agences différentes.

** 8 autres APA sont en cours d'exécution, sous la supervision de la Banque mondiale pour ce qui est de l'élimination durable, pour lesquels aucun financement n'est demandé.

*** Ce chiffre ressort du rapport périodique de 2009, suite à la recommandation du Secrétariat. Une mise à jour sera fournie plus tard dans l'année en s'appuyant sur le rapport périodique de 2010.

RECOMMANDATIONS

18. Le Comité exécutif pourrait souhaiter:

- (a) Prendre note du plan d'activités de la Banque mondiale pour la période 2011-2014 figurant au document UNEP/OzL.Pro/ExCom/63/12; et
- (b) Approuver les indicateurs de performance de la Banque mondiale tels qu'ils sont fournis au Tableau 5 du document UNEP/OzL.Pro/ExCom/63/12.

2011 BUSINESS PLAN

WORLD BANK

INVESTMENT AND NON-INVESTMENT
OPERATIONS FUNDED BY THE
MULTILATERAL FUND OF THE
MONTREAL PROTOCOL

Presented to the 63rd Meeting
of the Executive Committee

22 February, 2011

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Annex II: Implementation of Ongoing MYAs and New Activities

I. MULTILATERAL FUND TARGETS**A. Meeting the Objectives of the Multilateral Fund**

1. The 2011 Business Plan for the World Bank has been prepared on the basis of projected funding needs for the period 2011-2014.
2. The objectives of the proposed 2011 Business Plan for the World Bank are to:
 - (i) ensure Article 5 partner countries' sustainable phase-out of CFCs, halons, and CTC; and,
 - (ii) assist Article 5 countries in meeting the first two obligations pertaining to HCFC consumption and production phase-out : the 2013 freeze in consumption and the 10% consumption reduction by 2015.
3. The proposed 2011 Business Plan of the World Bank includes a number of HCFC phase-out and sector plans that will be put forward for the consideration of the Executive Committee (ExCom). In addition, it includes ongoing work associated with the implementation of annual work programs of sector and national plans, previously approved, to phase out consumption and production of CFCs, halons, CTC, TCA, and methyl bromide, as well as renewal of institutional strengthening projects.
4. The expected impact of proposed new investment activities for 2011 is summarized in Table I – 1. Information for each individual investment activity is presented in Annex II.

Table I-1: Expected impact of new investment activities anticipated to be requested by the World Bank for the years 2011-2014 (ODP tonnes)

ODS to be phased out	2011	2012	2013	2014	TOTAL
HCFC Phase-out Plans	510	452	649	253	1,863
HCFC Production Sector Projects		2,449	2,449	2,449	7,347
TOTAL	510	2,901	3,098	2,702	9,210

5. Table I – 1 includes information on new activities for the period 2011 through 2014, further to relevant decisions taken at previous meetings of the Executive Committee. It is to be noted that activities planned for these years are included on an indicative basis, and that they may later be revised as part of individual project submissions or future year World Bank business plan submissions.
6. Other than the ODP to be phased out from new investment activities proposed for the 2011-2014 period, additional phase-out will be achieved through the implementation of a previously approved multi-year agreement. This additional phase-out is captured in Table I – 2. Other activities remain under implementation and are leading to ongoing sustainable phase-out.

Table I-2: Impact of multi-year agreements implemented by the World Bank approved prior to 63rd Executive Committee Meeting (ODP tonnes)

ODP Impact approved prior to ExCom 63	2011	2012	2013	2014	Total
Methyl bromide (consumption)	9		5	3	17

B. Strategic Approach to ODS Phase-out in the Proposed 2011 Business Plan

7. Decision XIX/6: The proposed World Bank 2011 Business Plan includes a carry-over funding request from the previous Business Plan, to conduct a feasibility study on resource mobilization in support of the Multilateral Fund to provide greater levels of upfront financing to the MLF for supporting its efforts in meeting the incremental cost of the first two HCFC phase-out obligations in Article 5 countries; and to mobilize additional funding to garner and maximize climate co-benefits associated with the substitution of HCFC with low-carbon and/or more energy efficient technologies.

8. The proposal will analyze the feasibility of monetizing long term donor commitments, capitalizing on the excellent track record of the Multilateral Fund to attract consistent funding, and underpinned by the World Bank's triple-A credit rating and ability to issue bonds in the international capital markets. Key aspects would include scenarios of increased funding to the MLF, the costs of frontloading, risks, the financial mechanisms that may be employed to increase the leverage of contributions made to the Multilateral Fund, as well as the level of financial returns that might be expected. The feasibility study will provide concrete recommendations based on a number of donor scenarios that would enhance understanding regarding the possibility of designing a program to scale up Multilateral Fund financing. Both the monetization of advance commitments and the potential of using the carbon market for any climate benefits that would accrue from the HCFC phase out, as well the monetization of future carbon credits, would be explored.

9. HCFC Production: Elaboration of the China HCFC gradual production phase-out plan is expected to proceed in 2012, following completion of the technical audit on HCFC production under preparation by the Multilateral Fund Secretariat. In addition, the Bank has included project preparation requests for the development of HCFC gradual production phase-out plans for Argentina and India. Given policy issues surrounding funding eligibility criteria for swing plants, the Bank will request the release of the project preparation funds for Argentina and India once guidance on these policy issues has been issued by the Production Sub-group.

C. Resource Allocation

10. The proposed 2011 Business Plan includes deliverables of 9 investment activities in the following 6 countries: China, India, Indonesia, Jordan, Thailand and Vietnam. The total amount of funds requested for ongoing and new investment activities in the proposed 2011 Business Plan is US\$ 51,659 million.

11. The 2011 Business Plan also proposes a project preparation funding request for Jordan, to support development of a sector plan to phase out the consumption of HCFCs in the refrigeration/AC sector.

12. The total deliverables contained in the proposed 2011 World Bank Business Plan, including investment, non-investment and preparatory activities amounts to US\$ 54,292 million (including agency support costs and core unit costs). The breakdown of the total deliverables is summarized in Table I-3.

Table I-3: Summary of all activities included in the proposed 2011 Business Plan

Type of activity included in the proposed 2011 Business Plan	Number of Activities	Amount Requested* (US\$ 000s)
Annual Work Programs for sector/national plans previously approved by Executive Committee	2	1,424
New investment activities	7	50,235
Institutional Strengthening Project Renewals in the Philippines and Tunisia	2	568
New project preparation activities	1	32
Global technical assistance activities	1	269
Core Unit (for year 2012)	1	1,764
Total	14	54, 292

* Figures include agency support costs

13. The funding distribution for investment activities included in the proposed 2011 Business Plan is summarized in Table I – 4, and a summary of resource allocations through to 2014 is presented in Table I – 5.

Table I-4: Summary of funding distribution for investment activities in the proposed 2010 World Bank Business Plan

	Total amount of funds requested in 2011 (US\$ 000s)	Percent of Total	Estimated impact in 2011 (ODP tonnes)	Percent of Total
CFC Production	1,295	3	0	0
MB consumption	129	0.25	9	2
HCFC Consumption	50,235	97	510	98
TOTAL	51,659	100	519	100

Note: Figures include agency support costs.

Table I-5: World Bank's proposed resource allocation plan for 2011-2014
(in US\$ 000s)

ACTIVITY	Value (\$000) in 2011	ODP in 2011	Value (\$000) in 2012	ODP in 2012	Value (\$000) in 2013	ODP in 2013	Value (\$000) in 2014	ODP in 2014
Planned New Activities	50,235	510	85,355	2,901	100,724	3,098	68,243	2,702
Approved Multi-year Agreements	1,424	25	-	-	63	12	43	8
Institutional Strengthening	568	-	424	-	568	-	424	-
Technical Assistance	269	-	-	-	-	-	-	-
Project Preparation	32	-	290	-	-	-	-	-
TOTAL	52,528	535	86,069	2,901	101,355	3,110	68,710	2,710

II. PLANNED BUSINESS ACTIVITIES

A. Ongoing Activities

14. Investment Projects for which Funding is Requested in the 2011-2014 BP: As of January 2011, the World Bank's Montreal Protocol portfolio consists of 2 ongoing multi-year projects for which funding will be solicited in 2011, the India CFC Production Sector project and the Vietnam Methyl Bromide Phase-out project.

15. Investment Activities which Remain Ongoing but for which no Funding is Requested: A number of investment activities, both individual and MYA, for which no funding will be solicited will remain ongoing through 2011. These include 11 investment projects, 3 ODS disposal project preparatory activities (funded outside the MLF), and in the order of 30 MYA tranches.

16. Non-investment Projects and Activities: As of January 2011, the World Bank's portfolio includes 4 ongoing institutional strengthening projects, 1 halon bank project in Argentina and the global chiller project, which was approved as a demonstration project.

17. Annex I presents a country-by-country analysis of the progress and status of ongoing World Bank Montreal Protocol operations.

B. Program Expansion in 2011

18. The following section provides an overview of the new activities that have been included in the World Bank's proposed 2011 Business Plan.

19. Annex II lists all new and approved activities to be implemented during 2011–2014, their associated levels of funding, and projected ODP impact.

New submissions

20. HCFC Production Phase-out: The World Bank 2011-2014 Business Plan proposes to include the development of HCFC gradual production phase-out plans for Argentina, China and

India as part of the World Bank's 2012 Work Program, once the required technical audits have been completed and instruction pertaining to swing plants (Argentina/India) has been rendered by the Production Sub-group and approved by the Executive Committee.

21. **HCFC Consumption Phase-out:** As part of its 2011 Work Program, the World Bank has resubmitted HCFC foam sector plans for China and Indonesia, and submitted the HPMP and foam and refrigeration A/C sector plans for Vietnam. Over the course of the year, the World Bank will continue to expedite preparation of the HCFC sector plans and HPMPs in the Philippines and Thailand. These plans will include strategies to phase out HCFCs in a cost-effective manner while maximizing climate benefits. To finance these plans, the Bank will explore, to the extent possible, opportunities to mobilize resources outside of the Multilateral Fund to support energy efficiency gains possible through HCFC conversion projects.

22. **Feasibility Study on Resource Mobilization for Maximizing Climate Benefits:** Paragraphs 7 and 8 above provide an outline of the proposed World Bank study to explore the possibility of scaling-up financing to meet Montreal Protocol obligations and beyond, including monetization of advance donor commitments and monetization of future carbon credits.

Submissions of annual work plans for approved multi-year projects

23. As per previously approved agreements, 2 annual work plans will be submitted for the consideration of the Executive Committee in 2011. Table II-1 provides the breakdown:

Table II-1: Annual or biennial work programs of previously approved multi-year plans that will be submitted to the ExCom in 2011

Approved multi-year agreement	Country
CFC Production Closure	India
Methyl Bromide Phase-out	Vietnam

Renewal of institutional strengthening

24. Requests for renewal of institutional strengthening projects will be submitted for the Philippines and Thailand during 2011.

C. Measures to Expedite Implementation of Approved Projects and Those Critical to Compliance

25. With the complete phase-out date for CFCs, halons, and CTC now past, the World Bank is focusing any ongoing operations in these sectors primarily on assisting countries to ensure that the long-term management mechanisms required to ensure sustainable phase-out of these chemicals are in place.

26. In order to assist countries in meeting the impending HCFC phase-out challenges, the World Bank will step up its efforts and work closely with its client countries to develop and begin implementation of comprehensive strategies for the phase-out of HCFCs. The 2011 BP

planned deliverables reflect this objective as do the planned missions cited in Annex I on a country-by-country basis. Moreover, the focus of work in the Bank-sponsored, ongoing technical assistance activities will be on developing effective HCFC phase-out strategies, selecting technically-appropriate alternative technologies and strengthening regulatory and policy frameworks.

27. The Bank will host the Fifteenth Annual Financial Agents Workshop in early April 2011, and two OORG meetings in 2011 to channel this support. The Bank will also provide targeted support to the region where most of its ODS clients reside - the East Asia Region - in order to promote coordination and the exchange of ideas on strategies, technologies, policies, and related trade aspects. These workshops and meetings combined will consequently include extensive discussion on the policy, technical, and financial considerations associated with HCFC phase-out.

III. PERFORMANCE INDICATORS

28. As per Decision 41/93, the following performance indicators are included in the World Bank's 2011 Business Plan:

A. Quantitative Performance Indicators

29. Approval Performance Indicators

a) Number of annual programs of multi-year agreements approved vs. those planned (Weighting: 20)

Table III-1: Number of annual programs of multi-year agreements planned for 2011

Item	Planned for 2011
Annual work plan of previously approved multi-year agreements to be presented to ExCom in 2011	2
Planned multi-year agreements for which no annual work plan will be submitted to ExCom in 2011	5*

*Following the recommendation of the Secretariat, subsectors under one HPMP are not counted separately, even if under different agencies.

b) Number of individual projects/activities (investment and non-investment projects, TAS) approved vs. those planned. (Weighting: 20)

Table III-2: Number of individual projects/activities planned for 2011

Item	Planned for 2011
New institutional strengthening renewals to be presented to ExCom	2
New technical assistance activities to be presented to ExCom	1

30. Implementation Performance Indicators

- a) Milestone activities completed/ODS levels achieved for approved multi-year annual tranches vs. those planned. (Weighting: 20)

In 2011, the World Bank expects to complete every milestone associated with its 2 ongoing multi-year agreements for which funding is being requested (India CFC production and Vietnam MB Phase-out), including ODP phased out. Another 8 multi-year agreements are under implementation and being supervised by the Bank for sustainable phase-out, for which funding is not requested.

- b) ODP phased-out for individual projects vs. that planned per progress reports (Weighting: 5)

In 2011, the World Bank expects to phase out a total of 697 ODP tonnes through implementation and completion of individual projects. This figure is based on the 2009 progress report, following the Secretariat's recommendation. An update will be provided later in the year according to the 2010 progress report.

- c) Project completion (pursuant to Decision 28/2 for investment projects) and as defined for non-investment projects vs. those planned in progress reports (Weighting: 5)

In 2011, the World Bank expects to bring to completion a total of 5 individual project activities including, 1 investment project, 1 technical assistance project and 3 demonstration projects. This figure is based on the 2009 progress report, following the Secretariat's recommendation. An update will be provided later in the year according to the 2010 progress report.

- d) Percentage of policy/regulatory assistance completed vs. those planned (Weighting: 10)

In 2011, the World Bank will continue to assist all countries where multi-year agreements are being implemented, or may be approved, in meeting their policy/regulatory milestones, as indicated by each individual agreement. Efforts will include enactment of licensing quota systems, inspection requirements, etc. This type of policy-level assistance supports countries in complying, in a sustainable manner, with milestones previously agreed to under multi-year agreements. There are 10 ongoing multi-year plans for which the Bank plans to provide policy support in 2011.

31. Administrative Performance Indicators

a) Speed of financial completion vs. that required per progress report completion dates (Weighting: 10)

The Bank expects to achieve financial completion of its projects within an average 11 months from the required date.

b) Timely submission of project completion reports (Weighting: 5)

The Bank plans to submit project completion reports for all projects that are completed between July 1, 2010 and June 30, 2011, by the end of 2011.

c) Timely submission of progress reports and responses unless otherwise agreed (Weighting: 5)

The Bank plans to submit its 2010 Progress Report on May 1, 2011 or at least eight weeks before the 64th meeting of the Executive Committee.

32. A summary of the World Bank’s 2010 performance indicators is included in Table III–3, below.

Table III-3: Summary of World Bank’s performance indicators

Category of Performance Indicator	Item	Weighting	2010 Target
Approval	Number of annual programs of multi-year agreements approved vs. those planned	20	7/7*
Approval	Number of individual projects/activities (investment projects, TAS) approved vs. planned	20	3/3
Implementation	Milestone activities completed/ODS levels achieved for approved multi-year annual tranches vs. those planned	20	2/2**
Implementation	ODP phase-out for individual projects vs. that planned per progress reports	5	697***
Implementation	Project completion (pursuant to Decision 28/2 for investment projects) and as defined for non-investment projects vs. those planned in the progress reports	5	5****
Implementation	Percentage of policy/regulatory assistance completed vs. those planned	10	100%
Administrative	Speed of financial completion vs. that required per progress report completion dates	10	11 mos.
Administrative	Timely submission of project completion reports	5	100%
Administrative	Timely submission of progress reports and responses unless otherwise agreed	5	100%

*Following the recommendation of the Secretariat, subsectors under one HPMP are not counted separately, even if under different agencies.

** Another 8 multi-year agreements are under implementation and being supervised by the Bank for sustainable phase-out, for which funding is not requested.

*** This figure is based on the 2009 progress report, following the Secretariat's recommendation. An update will be provided later in the year according to the 2010 progress report.

IV. POLICY ISSUES

33. HCFC production phase-out at swing facilities – The World Bank is including project preparation requests to develop an HCFC gradual production phase-out plan for Argentina and India, where all HCFC manufacturers have swing facilities and all of them have received funding from the MLF to phase out production of CFCs. The Production Sub-group has been mandated by the Executive Committee to review the eligibility of these facilities for additional funding from the MLF to support HCFC production phase-out. Without any decision from the Production Sub-group on this issue, the Bank will not be able to proceed with the development of the HCFC production phase-out plan in Argentina and India and other HCFC producing countries that have swing plants.

34. Resource allocation for HCFC production in the period 2010-2014 – By decision 60/5(j), the Executive Committee decided “*to establish a resource allocation for HCFC production in the business plans amounting to US \$147,000,000 for the period 2010 to 2014, guided by the amount suggested by the UNEP’s Technology and Economic Assessment Panel in its Assessment of the Funding Requirements for the Replenishment of the Multilateral Fund for the Period 2009-2011*”. The World Bank understands that the decision, by referring to the TEAP’s replenishment report, refers only to the sum allocated during the said period 2010-2014, but does not imply that this funding would be sufficient to cover the freeze and 10% reduction step; and that therefore further funding needs can be expected beyond 2014, as envisaged in the TEAP report.

35. Starting point for aggregate reductions -The World Bank’s 2011 Business Plan indicates in Annex II the impact of proposed interventions for each controlled HCFC substance in line with guidelines for developing HPMPs and performance-based sector and national ODS phase-out plans, per Executive Committee Decisions 54/39(c)(ii) and 38/69 respectively. However, it is important that the overall starting point for a country be set for HCFC aggregate reduction as a whole, as per Executive Committee Decision 60/44(d),(e) on starting points for aggregate reductions, and not be disaggregated by substance.

36. The tracking of Article 5 countries against starting points for each individual HCFC substances would raise a policy issue and would be a departure from the approach taken under the Montreal Protocol and Decision 60/44 which treat the control and tracking of HCFCs as one group, and in doing so grant flexibility to Article 5 countries to manage overall HCFC phase-out. Because MLF funding is limited to the 2013 and 2015 phase-out obligations and, consequently a limited number of sectors, the ability for countries to adjust how the phase-out of various HCFCs is managed over the long-term becomes critical and a potential question of compliance. Figures used in this business plan as a basis to estimate ODP impact from various HCFCs in pipeline

activities should therefore not be considered in any context as “starting points” for specific HCFC substances in the countries concerned.

ANNEX I**Country-by-Country Review****ANTIGUA & BARBUDA**

The training of customs official and technicians was completed in 2010. The TPMP Annual Implementation Program (AIP) for 2011 has been submitted to the Bank by the NoU, outlining planned procurement and training proposed for the final phase of implementation. A Grant Agreement (GA) extension of 6 months will be submitted in the first quarter of 2011, to allow for financial completion of project activities. In tandem, World Bank officials are exploring the possibility of amending the project's GA to allow for direct payment for R&R equipment procurement. A mission is planned for mid-March to finalise negotiations on the GA extension and amendment with senior Government officials.

ARGENTINA

The Grant Agreement governing the MDI project has been extended to allow the project to complete its activities in a sustainable manner.

CHINA

China has met all its CFC/Halon/CTC/TCA phase-out targets as agreed with the Executive Committee. The Government of China will continue to report annually on the use of unallocated funding for all approved ODS phase-out sector plans to the Executive Committee until all the funds are disbursed. In the pharmaceutical sector plan, where the review and approval of the re-registration applications of non-CFC based products has been projected to take about two years longer than anticipated, completion of CFC phase-out is expected to be in 2013. CFC stockpiles are being used in this sector. No other implementation delays are expected.

The HCFC phase-out sector plan in the PU foam sector has been submitted to the Executive Committee for consideration at its 63rd meeting. The HCFC production phase-out sector plan is being prepared and is expected to be submitted in early 2012.

INDIA

The implementation performance of the India CFC Production Phaseout Project (ODS III) has been satisfactory. The project is due for completion in September 2011 and it is expected that all funds will be disbursed to CFC producers by April 2011. The last set of technical assistance (TA) activities will be completed by project closure. The World Bank independent audit commissioned in March 2010 confirmed that India had met the bulk of the conditions under the Accelerated CFC Production Phase-out (ACPP) Agreement. The Government of India is actively monitoring the issue of contaminated stocks still present in the country to ensure that they will be exported for destruction as soon as possible. The Government of India is also in the process of signing its legal agreements with the CFC producers to allow for the disbursement of the first tranche of funds under the ACPP Agreement.

The CTC Phaseout Sector Plan (ODS IV) has also been under implementation in a satisfactory manner. The production component, including final disbursements, has been completed and targets have been successfully achieved. Implementation of activities in the CTC consumption sub-sector has also completed, and financial closure has been achieved for all except 3 enterprises. It has been agreed with the Government of India that the implementation of the slow-disbursing TA component will be supported by UNEP and discussions are underway to finalize the amended legal documents. To allow flexibility of

time for the effective implementation of this component, the Government of India requested the World Bank to extend the project until December 2012. Accordingly, the legal documents were amended in September 2010.

INDONESIA

The closing date of the grant agreement for the CFC phase-out activities was December 31, 2011. All activities were completed.

The HCFC foam sector plan was submitted for the consideration of the 62nd ExCom meeting. However, the ExCom decided to defer the approval of this plan along with other sector plans submitted by other implementing agencies to the 63rd ExCom meeting. The Bank has already started its internal process for developing a new grant agreement for channeling the grant funds for the HCFC foam sector plan to Indonesia.

The Indonesia chiller energy efficiency project brings together GEF funding of \$4 million and \$1 million from the MLF-funded global chiller project to leverage additional resources of \$18 million in the form of concessional loans from KfW. The project anticipates replacement of about 160 CFC chillers. An internal project processing is underway. A mission to develop a new grant agreement will be fielded by the Bank during the first quarter of 2011.

Terms of reference of the ODS disposal project have already been agreed to by the Ministry of Environment, Indonesia. The ODS disposal project will cover destruction of CFCs being held by the customs department and CFCs that will be recovered from CFC chillers replaced by the Chiller Energy Efficiency Project. The Bank is in the process of engaging a consulting firm to carry out the ODS disposal project for both Indonesia and the Philippines.

JORDAN

One investment project remains under implementation under the overall Jordan ODS II Project as of the end of 2010 – the US\$1 million Jordan component of the Global Chiller Replacement Project. To date, 16 CFC-based chillers have been replaced by new, more energy efficient chillers in buildings of four beneficiaries. CFCs from these chillers have been recovered and safely stored. Technical assistance activities are planned for 2011, and four remaining CFC-based chillers are to be replaced.

Jordan's Institutional Strengthening Project (ISP) entered into its ninth phase with approval of US\$147,333 at the 62nd Executive Committee Meeting in December 2010. The previous phase (approved for 18 months) allowed the Government to implement its overall ODS program, including controlling any illegal ODS trade, implementing and enforcing the CFC quota system (successfully completed with zero imports permitted as of January 1, 2010), and managing the licensing system for controlling HCFC and other ODS import and export.

The Bank plans on conducting three missions in 2011 which will include two supervision missions to monitor project implementation and assist the National Ozone Unit (NOU) in completing the Chiller Replacement Project and preparing completion reports for this project and the National ODS Phaseout Plan. The head of the NOU will also be invited to the Bank's 15th Annual Financial Agents Workshop for executing agencies and Government officials.

MALAYSIA

Implementation of the National CFC Phase-out Plan (NCFCP) was completed in 2010.

THE PHILIPPINES

In 2010, the Philippines established a central facility for collection and storage of unwanted CFCs from service shops. Part of the funding for establishment and operations of this facility was drawn from the Swedish bilateral contribution. Additional technical activities were carried out in 2010 in order to assess the effectiveness of the MLF activities in the servicing sectors as well as the effectiveness of the MLF support provided to training institutes. Consultants to undertake this assessment were engaged in 2010. The assessment is expected to be completed in 2011.

In addition, implementation of the last conversion project at BlueTherm, which was subject to a long implementation delay, is now underway. It is expected that the conversion project will be completed in 2011.

The Philippines Chiller Energy Efficiency Project has entered into an implementation stage after all the effectiveness conditions, including the hiring of a project management contractor, were fulfilled. The formal launch workshop is planned for the first quarter of 2011. The Philippines has recently endorsed the Terms of Reference for the ODS disposal project. This project will not only address unwanted ODS from service shops but also CFCs that will be retired from the Chiller Energy Efficiency Project.

The preparation of HCFC phase-out management plan is set to be launched on February 15, 2011. A series of meetings with key stakeholders in various sectors will be conducted back to back with the launch workshop. The data collection process is expected to be completed by the end of May. The HPMP will be ready for submission to the 65th Meeting of the Executive Committee, at the latest.

THAILAND

Overall progress in the implementation of the various components of Thailand's National CFC Phase-out Plan (NCFCP) progressed well in 2010. Specifically, the implementation of the financial subsidy for the purchase of RSS basic tools was completed as planned. The distribution of basic tools reached 1,643 workshops, which exceeds the NCFCP targeted workshops (original plan proposed in NCFCP was 1,350 workshops. An additional 300 workshops were proposed as part of the NCFCP 2008 Annual Work Plan). The RSS sector component is therefore considered closed, as planned.

The implementation of financial subsidy to purchase MAC basic tools and R&R machines has been completed as well. Disbursement under the NCFCP as of December 2010 was US \$11.7 million or approximately 79.6% of the total funding amount approved by the ExCom for the implementation of NCFCP (US\$ 14.7 million).

To make use of the remaining funding balance, the NOU submitted a disbursement plan of activities to be implemented during 2011-2012, which received the approval of the Executive Committee. In 2011, NOU plans to:

- strengthen capacity of vocational schools to become training centers by distributing RIs and/or MAC and RSS basic tools and R&R machines to the various vocational schools around the country. A targeted train the trainers program will be provided by the NOU and the Department of Skill Development for the vocational schools;
- organize refreshment training for certified service technician for good practices of the MAC and RSS service tools;
- organize customs training for custom officers at major ports;
- conduct monitoring programs (site visits) at foam enterprises and MAC and RSS workshops to verify how the subsidized machines are being used.

TUNISIA

In early 2010, the World Bank conducted a supervision mission to identify areas where the Government of Tunisia required assistance to expedite implementation of the National ODS Phase-out Plan (NOPP) that had been deferred for approval at the 59th Executive Committee Meeting. The mission included an informal mid-term review of the overall umbrella project to identify any need for reorienting aspects of the overall ODS program and areas of implementation requiring strengthening. NOPP implementation in particular was subsequently able to move to a level sufficient to permit Tunisia to seek approval for the second tranche of funding for the NOPP. The second tranche was approved at the 61st Meeting of the Committee in July 2010.

Tunisia's Institutional Strengthening Project (ISP) was renewed in July 2010 for a duration of two years. This will permit the National Ozone Unit to continue its overall ODS program of monitoring, reporting and coordinating MP activities among relevant public and private entities, while it develops plans and control measures for the next MP milestone, HCFC phase-out.

In 2011, the World Bank project team plans on conducting two missions to Tunisia in order to assist the country to accelerate NOPP implementation, which still has a number of activities requiring completion, as well as to supervise ISP implementation. Although CFC and halon consumption has been completely phased out in line with Montreal Protocol requirements, the country plans to implement activities that focus on reuse of CFCs in the market; ODS management; strengthening country capacity for monitoring, reporting and enforcement, and sustaining the CFC and halon phase-out. The Bank will also provide support for a third party verification audit of 2008-2009 ODS consumption per Executive Committee Dec. 61/39.

In terms of additional training, NOU officers will be invited to attend the Bank's 15th Annual Financial Agents Workshop for executing agencies and Government officials.

VIETNAM

The National CFC and Halon Phase-out Project for Vietnam came to completion in 2010. All phase-out targets were met.

Implementation of the methyl bromide phase-out plan, which was launched in 2009, progressed. Procurement of equipment items, including equipment for training centers, began in 2010 under the guidance of the Project Management Unit. A World Bank supervisory mission, including site visits and 2 dissemination workshops - one in the North and one in the South - is scheduled for April 2011.

The preparation of Vietnam's HPMP and HCFC foam and refrigeration sector phase-out projects have been completed and submitted to the 63rd meeting of the Executive Committee for consideration. A consultation workshop on the HPMP Stage I is planned to be held by the country in late March 2011.

ANNEX II

Implementation of Ongoing MYAs and New Activities

Country	HCFC Status LVC/ Non LVC	Type	Chemical Detail for HCFC / Substance	Sector and Sub-sector	Value (\$000) in 2011	ODP* in 2011	Value (\$000) in 2012	ODP* in 2012	Value (\$000) in 2013	ODP* in 2013	Value (\$000) in 2014	ODP* in 2014	A-Appr. P Plan'd	I-Individual M Multi-year	Reason for exceeding 35% of baseline	Level of Climate Benefits (expressed in million tCO ₂ eq) **	Basis for Starting Point	Remarks
Non-LVCs																		
Argentina	Non-LVC	PRP	HCFC-22	PRP for HCFC Gradual Production Phaseout	-	-	75	-	-	-	-	-	P	I				Necessary to cover Gov't and stakeholder consultation as well as engagement of technical experts to conduct the HCFC production audit and finance specialists to review the company books.
Argentina	Non-LVC	PHA	HCFC-22	HCFC Gradual Production Phaseout	-	-	375	16	375	16	375	16	P	M		0.10	The 2010 production level is based on an 8% increase from 2009.	The figures indicated for Argentina production are very indicative at this point, and subject to ExCom decision on swing plants. The estimated funding which corresponds to a portion of the 10% reduction is an estimate of the profit loss during the planning period, and also corresponds to the \$147million allocated by ExCom (60/5). The remaining costs covering the remaining life of the production facilities would be presented in the business plans for subsequent years. Conservative impact projection is determined on the basis that 100% of R-22 will be replaced by R-410A.
China	Non-LVC	PHA	HCFC-141b	HCFC Gradual Production Phaseout	-	-	9,457	975	9,457	975	9,457	975	P	M	n/a	15		The figures for China production, together with Argentina and India, correspond to a portion of the 10% reduction and are estimates of the profit loss during the planning period, and also correspond to the \$147million allocated by ExCom (60/5). The remaining costs covering the remaining life of the production facilities would be presented in the business plans for subsequent years. 100% conversion to hydrocarbon.
China	Non-LVC	PHA	HCFC-142b	HCFC Gradual Production Phaseout	-	-							P	M	n/a	23	The 2010 production level is based on an 8% increase from 2009.	
China	Non-LVC	PHA	HCFC-22	HCFC Gradual Production Phaseout	-	-	4,343	199	4,343	199	4,343	199	P	M	n/a	7	Conservative impact projection is determined on the basis that 100% of R-22 will be replaced by R-410A. HC will replace HCFC-141b and HCFC-142b.	
China	Non-LVC	PHA	HCFC 141b	Foam Phaseout Plan	34,400	423	32,250	396	48,375	595	16,340	201	P	M	n/a	20	Estimated 2010 at higher than 10% growth, based on analysis of actual historical data, as described in submitted project proposal.	Climate benefits as described in submitted project proposal.
India	Non-LVC	PHA	PRO CFC	Accelerated CFC production phase-out	1,295	-	-	-	-	-	-	-	A	M	n/a			
India	Non-LVC	PRP	HCFC-22	Production phaseout project preparation	-	-	215	-	-	-	-	-	P	I	n/a			
India	Non-LVC	PHA	HCFC-22	HCFC Gradual Production Phaseout	-	-	4,462	188	4,462	188	4,462	188	P	M	n/a	1.2	The 2010 production level is based on an 8% increase from 2009.	The figures indicated for India production are very indicative at this point, and subject to ExCom decision on swing plants. The estimated funding which corresponds to a portion of the 10% reduction is an estimate of the profit loss during the planning period, and also corresponds to the \$147million allocated by ExCom (60/5). The remaining costs covering the remaining life of the production facilities would be presented in the business plans for subsequent years. Conservative impact projection is determined on the basis that 100% of R-22 will be replaced by R-410A.
Indonesia	Non-LVC	PHA	HCFC-141b	HCFC Foam Sector Plan	1,075	6.2	2,150	12.4	1,075	6.2	1,075	6.2	P	M	n/a	0.3	Estimated 2010 at higher than 10% growth, based on analysis of actual historical data, as described in submitted project proposal.	Climate benefits as described in submitted project proposal.
Jordan	Non-LVC	PHA	HCFC-22, HCFC-141b	HCFC Refrigeration Sector plan (Commercial)	2,567	12.6	-	-	549	2.7	549	2.7	P	M	n/a	0.6	Estimated 2010 at higher than 8 per cent growth, based on analysis of actual historical data	Climate benefits estimated for both Comm Ref and Ref-A/C together.
Jordan	Non-LVC	PRP	HCFC-22	PRP for Refrigeration/AC sector	32								P	I				
Jordan	Non-LVC	PHA	HCFC-22	Refrigeration/AC sector	1,038	4	-	-	392	1.5	392	1.5	P	M	n/a	see line 16	Estimated 2010 at higher than 8 per cent growth, based on analysis of actual historical data	Climate benefits estimated for both Comm Ref and Ref-A/C together.
Jordan	Non-LVC	INS		Renewal of Institutional Strengthening	-	-	158	-	-	-	158	-	A	I				
Philippines	Non-LVC	PHA	HCFC-22	HCFC phaseout sector plan (domestic A/C)	195	-	-	-	195	-	-	-	P	M	n/a	0	The 2010 production level is based on an 8% increase from 2009.	Conservative impact projection is determined on the basis that 100% of R-22 will be replaced by R-410A.
Philippines	Non-LVC	INS		Renewal of Institutional Strengthening	373	-	-	-	373	-	-	-	A	I				
Thailand	Non-LVC	INS		Renewal of Institutional Strengthening	1,194	21	1,194	21	1,194	21	1,194	21	P	M	n/a	0.326	The 2010 production level is based on an 8% increase from 2009.	50% converted to C-pentane and 50% to HFC-245fa.
Thailand	Non-LVC	PHA	HCFC-22	HCFC phaseout plan	2,436	9	2,436	9	2,436	9	2,436	9	P	M	n/a	0.1	The 2010 production level is based on an 8% increase from 2009.	Conservative impact projection is determined on the basis that 100% of R-22 will be replaced by R-410A.
Tunisia	Non-LVC	INS		Renewal of Institutional Strengthening	-	-	266	-	-	-	266	-	A	I				
Vietnam	Non-LVC	PHA	MeBr	Methyl Bromide phaseout plan	129	9.3	-	-	63	5	43	3.1	A	M				
Vietnam	Non-LVC	PHA	HCFC-141b	HCFC phaseout plan	7,525	34	3,225	14	1,032	5	586	3	P	M	n/a	1.0	Estimated 2010 at higher than 10% growth, based on analysis of actual historical data, as described in submitted project proposal.	Climate benefits as described in submitted project proposal.
Vietnam	Non-LVC	PHA	HCFC-22	HCFC phaseout plan	-	-	-	-	1,571	8.5	1,571	8.5	P	M	n/a	0.4	Estimated 2010 at higher than 10% growth, based on analysis of actual historical data, as described in submitted project proposal.	Climate benefits as described in submitted project proposal.
Global		TAS	ODS	Resource Mobilization for HCFC Phaseout Co-benefits	269	-	-	-	-	-	-	-	P	I				
Global				Agency Core Unit Costs	1,764	-	1,817	-	1,872	-	1,928	-						

NOTES

* ODP values shown for planned multi-year agreements are theoretical values based on pro-rata of total ODP reduction for the life of the project with the size of a funding tranche. This will be therefore different from the year-to-year actual on-the-ground ODP reduction, and even from the ODP reduction associated with actual MYA requests. For approved activities (Vietnam MB phase-out), the ODP reduction is as per the approved MYA schedule.

** "Level of climate benefits" represent the minimum of climate benefits projected based on substance replacement, not taking into account potential energy efficiency gains.