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EXECUTIVE COMMITTEE OF  
THE MULTILATERAL FUND FOR THE  
IMPLEMENTATION OF THE MONTREAL PROTOCOL  
Sixty-eighth Meeting  
Montreal, Canada, 3-7 December 2012

**SECRETARIAT ACTIVITIES**

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\*Re-issued for technical reasons on 22 November 2012.

Pre-session documents of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol are without prejudice to any decision that the Executive Committee might take following issuance of the document.

## **Introduction**

1. This document presents activities of the Secretariat since the 67<sup>th</sup> meeting of the Executive Committee.

## **Notification of the decisions of the 67<sup>th</sup> meeting of the Executive Committee**

2. The Report of the 67<sup>th</sup> Meeting of the Executive Committee (UNEP/OzL.Pro/ExCom/67/39), containing its decisions was conveyed to all Executive Committee members, other participants of the 67<sup>th</sup> meeting and was placed on the Multilateral Fund's website in Arabic, Chinese, English, French and Spanish. Additionally, decisions related to project approvals, implementation delays and annual tranche submission delays were communicated to 42 Article 5 countries, and to the relevant bilateral and implementing agencies. A post meeting document summarizing decisions taken at the 67<sup>th</sup> meeting was sent by e-mail to all meeting participants, to UNEP OzonAction Branch for onward transmission to the regional networks, and was also placed on the Multilateral Fund's website.

## **Decisions requesting certain actions by the Chair of the Executive Committee and/or the Secretariat**

3. On 21 September 2012 a letter from the Chair of the Executive Committee was sent to the Government of the Russian Federation welcoming its future contributions and future engagement in the Multilateral Fund (decision 67/1).

4. Pursuant to decision 67/34(c) the Secretariat prepared a list of confidential documents issued from the 53<sup>rd</sup> meeting onwards for posting on the Multilateral Fund intranet. The list will be updated as necessary at each meeting of the Executive Committee.

5. Pursuant to decision 67/35 the Secretariat finalized the Report of the Executive Committee to the Twenty-fourth Meeting of the Parties in the light of the decisions taken at its 67<sup>th</sup> meeting and forwarded the report in the official United Nations languages to the Ozone Secretariat as document UNEP/OzL.Pro.24/9.

## **Review of tasks in preparation for the 68<sup>th</sup> meeting**

6. The Secretariat has undertaken the following tasks in preparation for the 68<sup>th</sup> meeting.

### Status of resources and planning

#### *Balances and availability of resources*

7. For the preparation of document UNEP/OzL.Pro/ExCom/68/4 the Secretariat reviewed the obligated and unobligated balances from completed projects held by agencies, and any agency support costs associated with the funds remaining from those completed projects. The document includes a calculation of the total amount of resources available to the Executive Committee for approvals at the 68<sup>th</sup> meeting after taking into account returns from balances on completed projects and transferred amounts.

#### *2012-2014 Business plans and annual tranche submission delays*

8. Document UNEP/OzL.Pro/ExCom/68/5 provides the Secretariat's review of the status of the implementation of the 2012-2014 business plan in light of the review of submissions to the 68<sup>th</sup> meeting, allocations in the 2012-2014 business plans and approvals at the 66<sup>th</sup> and 67<sup>th</sup> meetings. The document also provides a report on tranche submission delays and, pursuant to decision 67/14(b), information on the

dialogues between implementing agencies and countries on the 2011 business plan qualitative performance evaluation.

#### *Status reports and compliance*

9. The Secretariat prepared documents UNEP/OzL.Pro/ExCom/68/6 and Add.1, Status reports and compliance that provides: an update on the status of compliance by Article 5 countries with the Montreal Protocol's control measures; information on Article 5 countries that are subject to decisions of the Parties and recommendations of the Implementation Committee on compliance; data on the implementation of country programmes, including an analysis of ODS consumption data by sector plus a section that addresses the characteristics of national ODS phase-out programmes; information on projects with implementation delays and projects for which additional status reports had been requested; reports on resource mobilization activities; verification reports and methyl bromide project progress reports; and a progress report from UNEP on the implementation of decision 66/15. The Secretariat's document was also provided to the Ozone Secretariat as a resource document for the 49<sup>th</sup> Meeting of the Implementation Committee under the Non-Compliance Procedure of the Montreal Protocol.

### **Monitoring and evaluation**

#### *Project completion reports*

10. Document UNEP/OzL.Pro/ExCom/68/7 presents a consolidated project completion report (PCR), analysing the overview of results in the 18 investment and 16 non-investment projects submitted by bilateral and implementing agencies since the 65<sup>th</sup> meeting. Fourteen PCRs for investment projects and 105 for non-investment projects are still outstanding. The document also summarizes lessons learned with reference to the implementation of demonstration projects and various aspects of investment project implementation, technical assistance and training and provides a checklist of general lessons learned for easy reading.

11. Document UNEP/OzL.Pro/ExCom/68/8 provides information on the status of submissions of multi-year project completion reports.

#### *Multi-year agreement database for HCFC phase-out management plans*

12. Document UNEP/OzL.Pro/ExCom/68/9 was prepared pursuant to decision 63/61(e), which requested the Senior Monitoring and Evaluation Officer (SMEO) to inform the Executive Committee at the last meeting of each year on the status of the information contained in the multi-year agreement (MYA) database for HCFC phase-out management plans (HPMPs). The document reports on progress of development and use of the database for annual reporting on MYAs.

#### *Desk study on the evaluation of chiller projects*

13. The desk study on the evaluation of chiller projects (UNEP/OzL.Pro/ExCom/68/10 and Add.1) analyzes the effectiveness of eight demonstration projects with co-funding modalities for the replacement of CFC with non-CFC based chillers. The study updates the findings of a previous 2009 evaluation report and aims to improve understanding about progress made in the implementation process as well the financial arrangements, incentives, barriers, impediments and delays.

#### *Evaluation of methyl bromide projects*

14. Following the presentation of a desk study on the evaluation of methyl bromide (MB) projects at the 66<sup>th</sup> meeting, field studies were carried out in seven African countries to analyse the issues governing the sustainability of MB alternatives. The SMEO also gathered information from two regional network

meetings in Djibouti and Zambia and comments from bilateral and implementing agencies, and ozone officers of the countries visited. Document UNEP/OzL.Pro/ExCom/68/11 contains a synthesis of findings from the desk and the field visits.

*Draft monitoring and evaluation work programme*

15. The SMEO prepared a draft monitoring and evaluation work programme for the year 2013 (document UNEP/OzL.Pro/ExCom/68/12).

**Assessment of the Administrative cost regime for the 2015-2017 triennium (decision 67/17(e))**

16. At the 66<sup>th</sup> meeting the Executive Committee decided to continue discussion at the 68<sup>th</sup> meeting on the possible need for terms of reference for the assessment of the administrative cost regime for the 2015-2017 triennium and how to modify the terms of reference in the light of the previous terms of reference (decision 66/17(e)). To facilitate the deliberations of the Executive Committee, the Secretariat prepared document UNEP/OzL.Pro/ExCom/68/13 that reviews the history of administrative costs in the Multilateral Fund, previous terms of reference and also presents the Secretariat's observations and recommendations.

**Project Review**

17. The Secretariat prepared document UNEP/OzL.Pro/ExCom/68/14 which includes an outline of and statistics on the submissions received from bilateral and implementing agencies. The Secretariat received 104 funding requests amounting to US \$444,192,684, including agency support costs where applicable. Following the project review process, 35 projects and activities totalling US \$5,770,045 including support costs are recommended for blanket approval; 64 projects and activities totalling US \$423,370,587 including support costs (of which US \$155,989,873 is requested at the 68<sup>th</sup> meeting) have been forwarded for individual consideration by the Executive Committee. Of the total amount of funding requested for projects for individual consideration, US \$301,000,000 (of which US \$75,250,000 is requested at the 68<sup>th</sup> meeting) is related to the HCFC production sector. A total of US \$161,759,918 in funding is being requested at the 68<sup>th</sup> meeting.

18. No new policy issues arose during the project review process. However, document UNEP/OzL.Pro/ExCom/68/14 includes a section on the issue of "maximizing the climate benefits from the phase-out of HCFCs in the refrigeration servicing sector" which the Executive Committee had agreed to continue discussing at the 68<sup>th</sup> meeting (decision 67/16).

**Options for a tracking system for HCFC-141b-based pre-blended polyols exported by systems houses and used by foam enterprises in importing Article 5 countries (decision 66/51(d) and (e))**

19. In response to decision 66/51(d) and (e) the Secretariat updated the information in document UNEP/OzL.Pro/ExCom/66/50, which had presented options for a tracking system to correlate, by country, the amounts of HCFC-141b-based pre-blended polyols exported by systems houses with those used by foam enterprises in importing Article 5 countries that had been approved for phase-out. Document UNEP/OzL.Pro/ExCom/68/46 presents updated information on the amounts of exports and imports of HCFC-141b contained in pre-blended polyols as well as options to consider when to deduct the amounts of HCFC-141b exported in pre-blended polyols from the starting points for aggregate reductions in HCFC consumption of the countries concerned

### **Procedures for the submission of project proposals from bilateral and implementing agencies on behalf of governments of Article 5 countries (decision 67/17)**

20. Pursuant to decision 67/17 the Secretariat prepared document UNEP/OzL.Pro/ExCom/68/47 outlining the procedures currently in force for the submission of project proposals from bilateral and implementing agencies on behalf of governments.

### **Accounts of the Multilateral Fund**

21. The Secretariat reviewed the document on the final 2011 accounts prepared by the Treasurer together with the 2011 accounts of the Secretariat and highlighted the changes since the presentation of the provisional accounts at the 67<sup>th</sup> meeting (document UNEP/OzL.Pro/ExCom/68/48). In accordance with decision 67/33(b) the document also includes the key findings and recommendations of the Report of the auditors for the biennium ending 31 December 2011<sup>†</sup>. The reconciliation of the Multilateral Fund accounts is presented as document UNEP/OzL.Pro/ExCom/68/49.

### **Revised 2012, 2013 and 2014 and proposed 2015 budgets of the Fund Secretariat**

22. Document UNEP/OzL.Pro/ExCom/68/50 includes a revision of the 2012 budget to reflect the additional costs of holding the 67<sup>th</sup> meeting of the Executive Committee in Bangkok instead of Montreal. It proposes a revision of the 2013 budget and presents the 2014 budget together with a budget for 2015 to cover staff costs in that year.

### **Recruitment process for position of Chief Officer**

23. In accordance with decision 67/37 the Secretariat updated the documentation relating to the recruitment process for the position of Chief Officer of the Multilateral Fund Secretariat as document UNEP/OzL.Pro/ExCom/68/51 and commenced arrangements for the Executive Committee to undertake its usual recruitment procedure in relation to the position of Chief Officer of the Multilateral Fund Secretariat (see also paragraph 27).

### **Production sector**

24. The Secretariat prepared a number of documents on HCFC production phase-out issues for the meeting of the Sub-group on the Production Sector. In accordance with decision 67/36(d) the Sub-group would meet intersessionally on 17 November 2012 in Geneva following the 24<sup>th</sup> Meeting of the Parties to the Montreal Protocol with a view to facilitating discussions at the 68<sup>th</sup> meeting.

### **Documents and policy papers prepared by the Fund Secretariat**

25. Of the documents submitted for consideration at the 68<sup>th</sup> meeting, the following were prepared by the Fund Secretariat:

- Provisional agenda and annotated agenda;
- Secretariat activities;
- Status of contributions and disbursements (jointly with the Treasurer);
- Report on balances and availability of resources;
- 2012-2014 Business plans and tranche submission delays;
- Status reports and compliance;
- 2012 Consolidated project completion report;

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<sup>†</sup> Fund of the United Nations Environment Programme, Financial report and audited financial statements for the biennium ended 31 December 2011, and Report of the Board of Auditors. Document A/67/5/Add.6

- 2012 consolidated multi-year agreement project completion report;
- Multi-year agreement database for HCFC phase-out management plans (decision 63/61(e));
- Desk study on evaluation of chiller projects;
- Evaluation of methyl bromide projects;
- Draft monitoring and evaluation work programme for the year 2013;
- Assessment of the administrative cost regime for the 2015-2017 triennium (decision 66/17(e));
- Overview of issues identified during project review;
- Bilateral cooperation;
- Comments and recommendations on the 2012 Amendments to work programmes of UNDP, UNEP, UNIDO and the World Bank (4 documents);
- Comments on the Compliance Assistance Programme (CAP) budget for 2013;
- 2013 core unit costs for UNDP, UNIDO and the World Bank;
- Project evaluation sheets, comments and recommendations on the projects and activities submitted to the 68<sup>th</sup> meeting (24 documents);
- Options for a tracking system for HCFC-141b-based pre-blended polyols exported by systems houses and used by foam enterprises in importing Article 5 countries (decision 66/51(d) and (e));
- Procedures currently in force for the submission of project proposals from bilateral and implementing agencies on behalf of governments of Article 5 countries (decision 67/17);
- Final 2011 Accounts (jointly with the Treasurer);
- Reconciliation of the accounts (jointly with the Treasurer);
- Revised 2012, 2013 and 2014 and proposed 2015 budgets of the Fund Secretariat;
- Recruitment process for position of Chief Officer of the Multilateral Fund Secretariat (decision 67/37).

### **Cooperation with other Multilateral Environmental Agreements (MEAs) and other organizations**

26. Since the 67<sup>th</sup> meeting there has been an interchange of correspondence with the Chief Executive Officer of the Global Environment Facility (GEF) on issues related to cooperation between the two funding mechanisms. Consideration is being given on the possibility of issuing a joint Multilateral Fund/GEF publication on the implementation of the Montreal Protocol over the last 25 years.

### **Meetings attended and missions undertaken**

#### Chief Officer's missions

*Nairobi, Kenya (22–23 October 2012)*

27. The Chief Officer participated in the UNEP Executive Management and Senior Management Team Retreat. She also took the opportunity, together with the Senior Administrative and Fund Management Officer, to hold discussions with staff from the office of the Executive Director including the Executive Director on the selection process for recruitment of the Chief Officer (see also paragraph 23). The mission provided an opportunity to discuss a number of administrative issues including the results of the recent classification exercise conducted at the Secretariat regarding UNEP Montreal based offices.

Missions of other staff*Washington D.C., United States of America (19 September 2012)*

28. A Deputy Chief Officer took part in the celebration of the 25<sup>th</sup> anniversary of the Montreal Protocol held at the World Bank. He took part in panel discussions along with international partners (Ozone Secretariat, GEF Secretariat and the World Bank) and representatives of the United States Department of State and Environmental Protection Agency and a number of industries related to the Montreal Protocol.

*Regional network meetings*

29. Senior programme officers or programme officers participated in the following three regional network meetings to make presentations on recent decisions of the Executive Committee, hold discussions with countries and agencies regarding submissions to the 68<sup>th</sup> meeting:

- Joint Meeting of the Ozone Officers Network of English-Speaking and French-Speaking Africa in Djibouti (24-27 September 2012)
- Joint Meeting of Latin America and the Caribbean Networks of Ozone Officers in Panama City (3-5 October 2012)
- Joint Meeting of the South Asia and Southeast Asia and Pacific Networks of Ozone Officers in Pattaya, Thailand (15-18 October 2012)

30. Briefings by Secretariat staff at network meetings continue to be well received by national ozone officers.

*Montreal Protocol and other meetings*

31. Prior to the 68<sup>th</sup> meeting the Chief Officer accompanied by the Deputy Chief Officer on Financial and Economic Affairs, and a Senior Programme Management Officer, attended the 24<sup>th</sup> Meeting of the Parties to the Montreal Protocol (MOP) and the events surrounding the 25<sup>th</sup> anniversary of the Montreal Protocol in Geneva (Switzerland). The Deputy Chief Officer also attended the 49<sup>th</sup> Meeting of the Implementation Committee under the Non-Compliance Procedure of the Montreal Protocol and the Bureau of the Meeting of the Parties.

32. Pursuant to decision 67/37 regarding the Committee's request to make the necessary arrangements to facilitate the recruitment process of the Chief Officer, the Senior Administrative and Fund Management Officer Senior joined the Chief Officer in Geneva to provide the necessary support when meeting with UNEP's Deputy Executive Director and key members on the matter.

33. A number of professional staff from the Fund Secretariat will attend the Technology Forum on Climate-Friendly Alternatives in Commercial Refrigeration that takes place in Montreal on 8 December 2012 (see paragraph 38).

**Staff matters and recruitment**

34. Mr. Danny Ghafari was appointed as Information Technology Assistant in August 2012.

*Grade level review for General Service staff*

35. In May 2012, the Multilateral Fund (MLF) Secretariat, Secretariat of the Convention on Biological Diversity (SCBD) and the International Civil Aviation Organization (ICAO) converted to the

seven-grade level scale for General Service (GS) staff. Since UNEP, and no longer ICAO, now has direct responsibility for job classification in both secretariats, a comprehensive assessment of the GS levels and structures was carried out in the offices of the Secretariat and SCBD. UNEP had determined that the timing was right to conduct a full review and engaged an external classification expert to assist.

#### *Staff training*

36. A number of training courses for Secretariat staff will be carried out in November and December including:

- Competency based selection and interviewing for professional and senior GS staff (20-21 November 2012);
- International Public Sector Accounting Standards (IPSAS) for staff with administrative responsibility in the accounts of the Multilateral Fund (26-27 November 2012); and,
- Results based management for all professional staff and programme assistants (10-13 December 2012).

#### **Preparation for the 68<sup>th</sup> Meeting of the Executive Committee**

37. Logistic arrangements were made for the 68<sup>th</sup> meeting of the Executive Committee, to be held at ICAO, Montreal, Canada from 3 to 7 December 2012. Letters of invitation and passwords to access restricted areas of the website were provided to members of the Executive Committee, the President of the Bureau of the 24<sup>th</sup> Meeting of the Parties, the President and Vice President of the Implementation Committee, the Executive Director of UNEP, the Executive Secretary of the Ozone Secretariat, the implementing agencies, the GEF and non-governmental organizations.

38. The Secretariat also provided assistance to the Climate and Clean Air Coalition (CCAC) regarding the hosting of the “Technology Forum on Climate-Friendly Alternatives in Commercial Refrigeration” on 8 December, immediately following the 68<sup>th</sup> meeting of the Executive Committee.

#### **Information activities**

39. A site containing documents in Arabic, Chinese, English, French and Spanish, and logistical information on the 68<sup>th</sup> meeting was created on the Multilateral Fund website.

40. The Fund Secretariat reviewed and updated the following databases, documents and operational guidelines for the 68<sup>th</sup> meeting:

- Inventory of Approved Projects as of July 2012;
- Country Programme Summary Sheets as of July 2012;
- Policies, Procedures, Guidelines and Criteria as of July 2012;
- Phase-out plans and projects as of July 2012;
- HCFC phase-out management plans as of July 2012.

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