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

**BILATERAL COOPERATION**

The Fund Secretariat received the following requests for bilateral cooperation:

<b>PROJECT TITLE</b>	<b>BILATERAL AGENCY</b>
Strategy for disposal and destruction of ODS for six low-volume-consuming Central African countries	France
HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing sector) in Brazil	Germany
HCFC phase-out management plan (stage I, second tranche) (extruded polystyrene foam sector plan) in China	Germany
HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing sector) in Iran (Islamic Republic of)	Germany
Terminal phase-out of methyl bromide (third tranche) in Yemen	Germany
HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing sector including enabling programme) in China	Japan
HCFC phase-out management plan (stage I, first tranche) (technical assistance) in Thailand	Japan

**Note on the organization of the document**

1. This document provides an overview of requests from bilateral agencies, and whether these are eligible for approval by the Executive Committee in light of the maximum level of bilateral cooperation available for 2012. It cross-references relevant meeting documents that include a discussion on the bilateral requests, and contains the standard recommendation on the year of assignment for bilateral cooperation.

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.

2. One project is fully addressed in this document and six are covered under the respective documents and only cross referenced here.

**Introduction**

3. A total of seven projects for bilateral cooperation with a value of US \$4,588,448 (including agency fees) have been received by the Secretariat for approval at the 68<sup>th</sup> meeting. One from the Government of France, four from the Government of Germany, and two from the Government of Japan, as shown in Table 1.

Table 1

**VALUE AND NUMBER OF PROJECTS FOR BILATERAL COOPERATION, BY BILATERAL AGENCY (including agency fees)**

<b>Bilateral Agency</b>	<b>Amount Requested (US\$)</b>	<b>Number of Projects</b>
France	113,000	1
Germany	3,992,938	4
Japan	482,510	2
<b>Total</b>	<b>4,588,448</b>	<b>7</b>

**REQUEST FROM THE GOVERNMENT OF FRANCE**

**Introduction**

4. Table 2 provides a summary of the request for bilateral co-operation from the Government of France. The value of this request (US \$113,000) plus US \$288,686 approved at the 66<sup>th</sup> Meeting does not exceed 20 per cent of France’s contribution for 2012 (US \$2,082,959).

Table 2

**SUBMISSION FROM THE GOVERNMENT OF FRANCE**

<b>Project Title</b>	<b>Country</b>	<b>Amount Requested (US\$)</b>	<b>Amount Recommended (US\$)</b>
Strategy for disposal and destruction of ODS for six low volume consuming Central African countries	Central African countries	100,000	Individual consideration
Agency Fee		13,000	
<b>TOTAL</b>		<b>113,000</b>	

**Africa: Strategy for disposal and destruction of ODS for six low-volume-consuming Central African countries (US \$113,000)**

5. On behalf of the Government of France, UNIDO submitted a request for technical assistance for the development of a strategy for disposal and destruction of waste and unwanted ODS in six low-volume-consuming countries (LVC) in Central Africa. The main objective of this technical assistance is to develop a regional strategy that will provide options for LVC countries in the African region to address non-reusable and unwanted ODS stockpiles. The six countries that are envisaged to be part of

this project are Burundi, Cameroon, Central African Republic, Congo (the), Gabon and Guinea. The resulting strategy is expected to be suitable for use as a model for other countries in the African region.

6. The proposal defined several activities that will be undertaken as part of its implementation that were grouped into clusters of specific outputs that will form the basis of the strategy for these countries. The activities include the following:

- (a) Data collection in the six participating LVC countries of the African region on non-reusable and unwanted ODS stockpiles;
- (b) Analysis of the existing legal framework for the sound disposal of unwanted ODS from a regional perspective;
- (c) Assessment of the economic aspects of the collection and disposal options for non-reusable and unwanted ODS;
- (d) Preparation of a report containing options to dispose of, and destroy non-reusable and unwanted ODS in LVC countries in the African region; and
- (e) Dissemination of the report and the overall strategy to other countries in the African region.

7. The proposal also includes a short description of a possible follow-up regional demonstration project for ODS destruction for the African region expected to be funded from other sources. The Global Environment Facility (GEF) is anticipated as a possible source of this funding following its interest in similar projects in the past, as well as its experience in projects looking at integrated waste management.

8. The total requested level of funding for the technical assistance is US \$100,000 to be provided by the Government of France from its bilateral contribution. Details are given in Table 3 below:

Table 3: Total funding requested

Activities	Budget (US\$)
Data collection on non-reusable and unwanted ODS stockpiles	30,000
Verification of the existing legal framework for the sound disposal of ODS stockpiles	10,000
Assessment of economic aspects of the collection, disposal and destruction of non-reusable and unwanted ODS	50,000
Awareness raising/dissemination	0
Development of a strategy	10,000
<b>Total</b>	<b>100,000</b>

### **Secretariat's comments**

9. The Secretariat noted that the project is submitted in line with decision 67/38 in which the Executive Committee agreed to the submission of this technical assistance project for their consideration on an exceptional basis at a level of US \$100,000. In the same decision, the Executive Committee also recognised that this project would not fall within the guidelines for ODS disposal projects (decision 58/19). The Secretariat therefore reviewed this proposal using the same criteria as for technical assistance projects. While the funding for the project is from the bilateral contribution of the Government

of France, it will be implemented by UNIDO on France's behalf. This is expected to be completed by December 2013.

10. The Secretariat provided some substantive comments and observations on the proposal to UNIDO, taking into account the specific circumstances of the countries involved in the project as well as the general situation in the region with regard to unwanted ODS, and sought some clarification on the links between already approved activities in these countries like recovery and recycling facilities, etc. It also requested more information on how the project would propose solutions to the issues of collection, transport, storage and destruction of unwanted ODS in a manner that is strategic and cost-effective and, most importantly, appropriate to the circumstances of the countries in the African region and how these could be clearly reflected in the proposed activities for the project.

11. In addition, the Secretariat requested UNIDO to further refine the objectives and expected outputs of the project vis-à-vis the comments made above to ensure clarity in what the project intends to achieve. The Secretariat also addressed issues related to potential quantities and stock of unwanted ODS in the countries involved and the concern that the project seemed to propose future national ODS destruction pilot projects for each participating country as a result of this technical assistance.

12. In its response, UNIDO indicated that, if this approach would be pursued it would not seek financial assistance from the Multilateral Fund for future individual projects for each country but rather from the GEF as a potential source. It also mentioned that any follow-up activities would result from activities and recommendations made in the development of the strategy and would take into account already existing projects in the region such as those approved for Ghana and Nigeria. With regard to data on unwanted ODS for the countries, UNIDO indicated that, while there were some data available, they were not based on verified information in the countries and emphasized that data collection is an important aspect of the project. The data would be provided in the final report and strategy once the project is completed.

13. UNIDO prepared a revised proposal attached to this document, which includes further information and details based on the Secretariat's comments above.

### **Secretariat's recommendation**

14. The Executive Committee may wish to consider whether to approve the technical assistance project to develop a strategy for disposal and destruction of ozone depleting substances for six low-volume-consuming countries in the African region at the level of funding of US \$100,000 plus agency support costs of US \$13,000 for the Government of France, in line with decision 67/38.

## **REQUEST FROM THE GOVERNMENT OF GERMANY**

### **Introduction**

15. Table 4 provides a summary of the request for bilateral co-operation from the Government of Germany. The value of this request (US \$3,992,938) together with the amount of US \$1,501,405 approved for Germany at the 66<sup>th</sup> meeting exceeds 20 per cent of Germany's contribution for 2012 (US \$2,727,612) by US \$2,766,731. But it is within Germany's bilateral cooperation limit for the triennium 2012- 2014 (US \$ 8,182,837).

Table 4

**SUBMISSION FROM THE GOVERNMENT OF GERMANY**

<b>Project Title</b>	<b>Country</b>	<b>Amount Requested (US\$)</b>	<b>Amount Recommended (US\$)</b>
HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing sector)	Brazil	2,472,727	(1)
HCFC phase-out management plan (stage I, second tranche) (extruded polystyrene foam sector plan)	China	390,977	(2)
HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing sector)	Iran (Islamic Republic of)	534,233	(3)
Terminal phase-out of methyl bromide (third tranche)	Yemen	200,000	(4)
Agency Fee		395,001	
<b>Total</b>		<b>3,992,938</b>	

(1) UNEP/OzL.Pro/ExCom/68/23

(2) UNEP/OzL.Pro/ExCom/68/24

(3) UNEP/OzL.Pro/ExCom/68/32

(4) UNEP/OzL.Pro/ExCom/68/45

**Brazil: HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing sector) (US \$2,472,727)**

16. The comments and recommendations of the Fund Secretariat are found in document UNEP/OzL.Pro/ExCom/68/23.

**China: HCFC phase-out management plan (stage I, second tranche) (extruded polystyrene foam sector plan) (US \$390,977)**

17. The comments and recommendations of the Fund Secretariat are found in document UNEP/OzL.Pro/ExCom/68/24.

**Iran (Islamic Republic of): HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing sector) (US \$534,233)**

18. The comments and recommendations of the Fund Secretariat are found in document UNEP/OzL.Pro/ExCom/68/32.

**Yemen: Terminal phase-out of methyl bromide (third tranche) (US \$200,000)**

19. The comments and recommendations of the Fund Secretariat are found in document UNEP/OzL.Pro/ExCom/68/45.

**REQUEST FROM THE GOVERNMENT OF JAPAN**

20. Table 5 provides a summary of the request for bilateral co-operation from the Government of Japan. The value of this request (US \$482,510) together with the amount of US \$1,009,000 approved at the 67<sup>th</sup> meeting does not exceed 20 per cent of Japan's contribution for 2012 (US \$4,262,532).

Table 5

## SUBMISSION FROM THE GOVERNMENT OF JAPAN

Project Title	Country	Amount Requested (US\$)	Amount Recommended (US\$)
HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing sector including enabling programme)	China	80,000	(1)
HCFC phase-out management plan (stage I, first tranche) (technical assistance)	Thailand	347,000	(2)
Agency Fee		55,510	
<b>Total</b>		482,510	

(1) UNEP/OzL.Pro/ExCom/68/24

(2) UNEP/OzL.Pro/ExCom/68/41

**China: HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing sector including enabling programme) (US \$80,000)**

21. The comments and recommendations of the Fund Secretariat are found in document UNEP/OzL.Pro/ExCom/68/24.

**Thailand: HCFC phase-out management plan (stage I, first tranche) (technical assistance) (US \$347,000)**

22. The comments and recommendations of the Fund Secretariat are found in document UNEP/OzL.Pro/ExCom/68/41.

**GENERAL RECOMMENDATION**

23. The Executive Committee may wish:

- (a) To request the Treasurer to offset the costs of the bilateral projects approved at the 68<sup>th</sup> meeting as follows:
  - (i) US \$XX (including agency fees) against the balance of the France's bilateral contribution for 2012;
  - (ii) US \$XX (including agency fees) against the balance of Germany's bilateral contribution for 2012-2014; and
  - (iii) US \$XX (including agency fees) against the balance of Japan's bilateral contribution for 2012.

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