



**United Nations
Environment
Programme**

Distr.
GENERAL

UNEP/OzL.Pro/ExCom/75/16
31 October 2015

ORIGINAL: ENGLISH



EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Seventy-fifth Meeting
Montreal, 16-20 November 2015

PROGRESS REPORT OF UNIDO AS AT 31 DECEMBER 2014

1. This document presents the progress report of UNIDO as of 31 December 2014¹, and consists of:
 - Executive summary
 - Part I: Implementation progress as at 31 December 2014 (cumulative)
 - Part II: Project implementation progress in 2014
 - Part III: Comments and recommendations by the Secretariat
 - Annex I: Project implementation data in 2014 by country
2. The following is a summary of progress in the implementation of projects and activities implemented by UNIDO up to 31 December 2014, for the year 2014 and cumulative since 1991:
 - (a) **Phase-out:** In 2014 alone, 1,451 ODP tonnes of consumption were phased out and an additional 323.6 ODP tonnes of consumption were approved for phase-out. Since 1991, 59,659 ODP tonnes of consumption and 17,381 ODP tonnes of production had been phased out of an expected total of 80,198 ODP tonnes from projects approved (excluding cancelled and transferred projects);
 - (b) **Disbursements/approvals:** In 2014, US \$28.71 million was disbursed and US \$29.59 million was planned for disbursement based on the 2013 progress report representing a rate of disbursement of 97 per cent of that planned. Cumulatively, US \$616.97 million had been disbursed out of the total US \$705.87 million approved for disbursement (excluding agency fees). This represents a rate of disbursement of 87 per cent. In 2014, US \$28.47 million was approved for implementation;

¹ The progress report is attached. The data has been included in the Consolidated Progress Report database that is available upon request.

- (c) **Cost-effectiveness (in ODP):** Since 1991, the average cost-effectiveness of investment projects approved leading to a permanent reduction in consumption was US \$9.71/kg. The cost-effectiveness for all production sector activities (CFC and MB) was US \$2.90/kg. The average cost-effectiveness of investment projects per ODP tonne was US \$5.82/kg for completed projects and US \$32.49/kg for ongoing projects²;
- (d) **Number of projects completed:** In 2014, 37 projects were completed. Since 1991, 1,283 projects of the 1,503 projects approved for UNIDO (excluding closed or transferred projects) were completed. This represents a completion rate of 85 per cent;
- (e) **Speed of delivery - investment projects:** Projects that were completed in 2014 were completed on average 39 months after their approval. Since 1991, the average time for completion of investment projects has been 35 months after their approval. First disbursements under these projects occurred, on average, 9 months after they had been approved;
- (f) **Speed of delivery - non-investment projects:** Projects that were completed in 2014 were completed on average 45 months after their approval. Since 1991, the average time for completion of non-investment projects has been 35 months after their approval. First disbursements under these projects occurred, on average, 10 months after they had been approved;
- (g) **Project preparation:** Of the 469 project preparation activities approved by the end of 2014, 432 have been completed. In 2014, eight projects were completed leaving 37 ongoing;
- (h) **Implementation delays:** There were a total of 138 ongoing investment projects under implementation at the end of 2014. These projects, on average, are experiencing a delay of 22 months. However, projects classified as “projects with implementation delays” that are subject to the procedures of project cancellation amount to five projects (as multi-year agreements (MYAs) are not subject to those procedures); and
- (i) **MYAs:** In 2014, UNIDO was implementing three MYAs for CFC or ODS phase-out, one MYA for methyl bromide (MB) production, four MYAs for MB consumption and 70 MYAs for HCFC phase-out management plans (HPMPs). Since 1991, 137 MYAs have been approved and 59 MYAs have been completed.

Part I: Implementation progress as at 31 December 2014 (cumulative)

3. As of that date, the Executive Committee had approved approximately US \$795.91 million consisting of US \$705.87 million for the implementation of investment and non-investment projects and US \$90.04 million for agency fees and administrative support costs, as shown in Table 1. In 2014, 58 new projects and activities were approved. This level of funding is expected to result in the phase-out of 80,198 ODP tonnes of ODS consumption and production.

² The higher cost-effectiveness for ongoing projects is largely due to the lower ODP values of HCFCs but also due to the means of assigning phase-out by agencies.

Table 1: Approved funding by sector for UNIDO as at 31 December 2014

Sector	Funding (US \$)
Aerosol	34,414,255
Destruction	5,373,277
Foam	88,144,527
Fumigants	77,932,522
Halon	1,810,064
Multiple sectors	139,440
Other	11,317,246
Phase-out plan	217,897,480
Process agent	6,337,359
Production	50,523,342
Refrigeration	177,020,120
Several	11,690,579
Solvents	23,268,479
Sub-total	705,868,689
Administrative cost	90,043,448
Total	795,912,137

4. A summary of the status of projects implemented by category is presented in Table 2.

Table 2: Status of project implementation by category

Type	Number of projects*			Funding (US \$)			
	Approved	Completed	% completed	Approved	Disbursed	Balance	% disbursed
Country programme	11	11	100	722,669	722,669	0	100
Demonstration	36	26	72	21,206,500	16,406,346	4,800,154	77
Institutional strengthening (IS)	64	50	78	9,438,656	7,678,205	1,760,451	81
Investment	779	641	82	638,838,235	560,363,746	78,474,489	88
Project preparation	469	432	92	20,245,828	18,026,061	2,219,767	89
Technical assistance	121	100	83	14,220,266	12,576,124	1,644,142	88
Training	23	23	100	1,196,535	1,196,533	2	100
Total	1,503	1,283	85	705,868,689	616,969,683	88,899,006	87

*Excludes closed and transferred projects.

5. Table 3 presents an overview of status of project implementation by year³. All projects and activities approved between 1991 and the end of 2004 (except 2000) have now been completed.

Table 3: Status of project implementation by year

Year	Number of projects*			Funding (US \$)			
	Approved	Completed	% completed	Approved	Disbursed	Balance	% disbursed
1993	22	22	100	11,815,540	11,815,540	0	100
1994	52	52	100	30,645,899	30,645,900	-1	100
1995	59	59	100	25,662,091	25,662,091	0	100
1996	46	46	100	19,820,493	19,820,493	0	100

³ The data is presented according to the year when a project was approved by the Executive Committee. It treats all approvals (investment and non-investment projects) equally (i.e., an investment project or a funding tranche of a MYA of US \$1 million is considered one project, same as a country programme preparation of US \$30,000). Key indicators from the annual summary are: the percentage of projects completed, ODP phased out, and percentage of funds disbursed. There are three types of disbursements: during implementation, after implementation and for retroactively-financed projects.

Year	Number of projects*			Funding (US \$)			
	Approved	Completed	% completed	Approved	Disbursed	Balance	% disbursed
1997	130	130	100	42,083,037	42,083,039	-2	100
1998	88	88	100	23,638,291	23,638,290	1	100
1999	123	123	100	34,140,324	34,140,324	0	100
2000	96	95	99	30,180,880	30,075,444	105,436	100
2001	119	119	100	24,700,254	24,700,252	2	100
2002	76	76	100	35,992,040	35,992,038	2	100
2003	49	49	100	30,003,954	29,996,883	7,071	100
2004	44	44	100	33,105,460	33,105,458	2	100
2005	74	72	97	52,080,117	51,751,486	328,631	99
2006	44	42	95	20,815,458	20,477,670	337,788	98
2007	42	41	98	24,214,521	23,439,141	775,380	97
2008	78	71	91	33,532,952	31,040,145	2,492,807	93
2009	70	65	93	15,489,209	13,567,067	1,922,142	88
2010	71	45	63	47,126,263	37,991,174	9,135,089	81
2011	72	31	43	76,877,940	65,147,657	11,730,282	85
2012	53	8	15	34,204,635	16,535,069	17,669,566	48
2013	37	4	11	31,272,543	15,245,064	16,027,479	49
2014	58	1	2	28,466,789	99,457	28,367,332	0
Total	1,503	1,283	85	705,868,689	616,969,683	88,899,006	87

*Excludes closed and transferred projects.

Part II: Project implementation progress in 2014

6. The Secretariat reviewed the status of implementation on a country-by-country basis taking into account implementation delays that have occurred with respect to planned completion dates that had been reported in 2014, the potential impact of these delays on phase-out and the rate of planned disbursements, and noted that UNIDO completed 28 per cent of the projects it had planned to complete in 2014 and met 39 per cent of the phase-out target planned. UNIDO had planned disbursements in 81 countries or regions, and achieved an overall rate of disbursement of 97 per cent in 2014.

7. This part of the progress report summarises progress and financial information on the following ongoing projects⁴:

- (a) CFC- and CTC-related projects;
- (b) Projects for the phase-out of consumption and production of MB;
- (c) Projects related to metered-dose inhalers (MDIs), ODS waste disposal, chillers, and halon banking;
- (d) Projects related to the phase-out of HCFCs, including project preparation, demonstration projects, HPMPs;
- (e) IS projects; and
- (f) Administrative costs.

⁴ Ongoing projects are all projects that have been approved by the Executive Committee and were under implementation as of 31 December 2014. Key indicators of progress include: percentage of funds disbursed and percentage of projects that have begun disbursing funds; funding expected to be disbursed by the end of the year (funds disbursed plus estimated disbursements in 2014) as a percentage of the approved funding; the average length of projected delay in implementation (project completion per proposal and currently planned date of completion); and information provided in the remarks column in the progress report database.

CFC- and CTC-related activities

8. As of 31 December 2014, three MYAs for the phase-out of CFC or ODS were still ongoing (Table 4). All phase-out activities associated with 50 MYAs have been completed, pending only the financial closure and the submission of project completion reports, where applicable.

Table 4: Ongoing CFC- and CTC-related MYA activities

Country	Approved funding (US\$)	Funds disbursed (US\$)	Balance (US\$)	Per cent of funds disbursed	Completion date of last ongoing tranche*	Project status
Argentina	6,860,850	5,931,040	929,810	86	Oct-15	The funding remaining from the national phase-out plan (NPP) of US \$800,000 has been reallocated to the HPMP per decision 66/42(h); however, the remaining balance indicated by UNIDO was US \$929,810, implying that US \$129,810 could be returned from the project.
Iraq	4,656,530	3,106,581	1,549,949	67	Dec-15	Equipment held in customs was delivered in August 2015. Completion date was extended to December 2015 per decision 73/8(c).
Yemen	1,370,500	1,226,682	143,818	90	Dec-16	Remaining activities were incorporated into the HPMP. The delay is due to the country's political situation. Completion date was extended to June 2016 per decision 74/2(c)(iv). The current planned completion date is December 2016 ⁵ .

*MYA may include more than one tranche with different approved completion dates. The approved date of completion indicated in this table is for the last tranche that will be completed for an MYA.

9. The Executive Committee may wish to request additional status reports to the 76th meeting to monitor: the installation of the equipment, and the completion of the project for the phase-out of CFC in Iraq noting the completion date of December 2015 in line with decision 73/8(c); and the use of funds reallocated from the NPP to the HPMP in Argentina per decision 66/42(h), and noting that the balance of US \$129,810 unused for the NPP should be returned to the Fund after taking into account decision 66/42(h).

Projects for the phase-out of consumption and production of MB*MB MYAs*

10. As of 31 December 2014, five MYAs for the phase-out of MB were still ongoing (four for consumption, and one for production), with completion dates in 2015, except for one project (Table 5).

⁵ The request for extension of the planned date of completion for Yemen's NPP is addressed in the Consolidated progress report (UNEP/OzL.Pro/ExCom/75/12).

Table 5: Ongoing MB MYA activities

Agreements	Approved funding plus adjustments (US \$)	Funds disbursed (US \$)	Balance (US \$)	Per cent of funds disbursed	Planned date of completion
Consumption					
Chile	1,657,917	1,479,164	178,753	89	Dec-15
China	10,486,599	10,311,597	175,002	98	Dec-15
Guatemala	2,243,047	1,325,055	917,992	59	Mar-16
Mexico	6,122,340	6,056,372	65,968	99	Dec-15
Production					
China	9,790,000	7,332,737	2,457,263	75	Dec-15

MB preparation projects

11. The Executive Committee has approved 78 MB project preparation activities in 46 countries, 76 have been completed and the remaining two are under implementation in Algeria (ALG/FUM/72/PRP/80) and Ethiopia (ETH/FUM/54/PRP/18).

12. For Ethiopia, only US \$2,435 has been disbursed out of US \$35,000 approved. It was reported in the context of the 2013 progress report that UNIDO had proposed to the Government of Ethiopia to use the remaining funds for technical assistance to avoid the introduction of MB and ensure long-term compliance, and that the project would be completed no later than December 2014. UNIDO is now indicating that it was organizing the training of national stakeholders in October 2015 and that the project would be completed by the end of 2015. The Executive Committee may wish to request an additional status report on the outcome of the training of national stakeholders and the completion of the project by 31 December 2015.

MB individual projects

13. UNIDO is implementing seven individual projects addressing MB phase-out in six countries and one region, including three technical assistance, one demonstration, and three investment projects.

14. The review of the progress report for the technical assistance for the elimination of controlled uses of MB in soil fumigation in Mozambique (MOZ/FUM/60/TAS/20) shows that no funds have been disbursed. The last reported activities occurred in February 2014 when UNIDO reported that it had discussions with the national ozone unit (NOU) and representatives from the Ministry of Agriculture who agreed to support a survey on the use of MB and its alternatives in order to design and implement training and awareness campaign to stakeholders, and also indicated that the project was expected to be completed by December 2014. A letter of possible cancellation was sent after the 74th meeting. UNIDO indicates that training should occur before the end of 2015. The Executive Committee may wish to consider to cancel the project if the training and awareness activities have not been implemented by 31 December 2015 and to request UNIDO to return balances to the 76th meeting.

15. With respect to the regional demonstration project on alternatives to the use of MB for treatment of high moisture dates (Algeria and Tunisia) (AFR/FUM/54/DEM/40), UNIDO reported that discussions took place with the NOUs in Algeria and Tunisia where both NOUs confirmed their commitments to ensure the phase-out. In the case of Tunisia, the project proposal for the phase-out of MB in the date sector was submitted to the 73rd meeting, with a planned completion date of December 2015. UNIDO indicated that the application tests were completed, published, and the results presented to stakeholders. Additional trials are expected to be completed in 2015. In the case of Algeria, the project has been delayed because a local expert to support project implementation in Algeria has not been identified. The

Executive Committee may wish to request an additional status report on the identification of a local expert for the Algeria component, the status of implementation of the project, and how this project relates to the one approved for Algeria at the 73rd meeting.

16. Seven MB investment projects are being implemented in Argentina, Chile, China, Guatemala, Iraq, Mexico and Zambia, and will be completed in 2015, except for Iraq, which will be completed in July 2016. All ongoing projects have a ten-month delay or longer, except for China (CPR/FUM/72/INV/542). The projects in Guatemala and Mexico are planned for completion in December 2015. The projects in Iraq and Zambia are classified as projects with implementation delays (Appendix I of Annex III to the consolidated progress report). Additional status reports are being requested for Argentina and Chile to monitor progress through project milestones as follows:

Country	Code	Implementation of the project
Argentina	ARG/FUM/30/INV/105	Submission of consultant reports and completion of the project.
Chile	CHI/FUM/69/INV/178	Dissemination of the results of the project at universities, in publications, and through general awareness raising campaign.

MDIs, ODS waste disposal, chillers and halon banking

MDI projects

17. The Executive Committee has approved four MDI investment projects amounting to US \$25.32 million, of which two have been completed. The status of the two ongoing projects is shown in Table 6.

Table 6: Ongoing MDI projects status

Country/project code	Approved funding (US \$)	Funds disbursed (US \$)	Balance (US \$)	Per cent of funds disbursed	Project status
Egypt (EGY/ARS/50/INV/92)	5,899,000	5,646,507	252,493	96	Due to the failure of the stability tests for the last formulation, new tests were necessary which were agreed following discussion among the beneficiary, supplier and UNIDO; however, discussions are ongoing for costs to cover the required equipment and raw materials. This project originally planned for completion in September 2015 but UNIDO now plans for the project to be completed by December 2016.
China (CPR/ARS/56/INV/473)	13,500,000	12,105,540	1,394,460	90	Many objectives have been achieved but the project is planned to be completed two years later than originally planned. In 2014, UNIDO reported that the phase-out contract with the remaining four enterprises would be signed in 2014 but in 2015, it is reporting that next pending milestone still involves signing contracts.

18. The Executive Committee may wish to request an additional status report to the 76th meeting to monitor the finalization of the bidding processes and award of the respective contracts for the sector plan for phase-out of CFCs consumption in MDI sector in China. The phase-out of CFC consumption in the manufacture of aerosol MDIs in Egypt is classified as a project with implementation delays (Appendix I of Annex III to the consolidated progress report).

ODS waste disposal

19. The Executive Committee has approved 14 ODS disposal projects including seven demonstration projects, and seven project preparation activities in six countries and the Europe and Central Asia region. All preparation activities have been completed. All demonstration projects are experiencing delays and no funds have been disbursed for two projects (Table 7).

Table 7: ODS disposal projects with low disbursement rates of approved funds

Country/ Project code	Approved funding (US \$)	Funds disbursed (US \$)	Balance (US\$)	Per cent of funds disbursed	Project status	Planned date of completion
Algeria (ALG/DES/72/DEM/79)	375,059	0	375,059	0	The establishment of a working group with representatives of the NOU, Group Lafarge and UNIDO was not possible due to lack of response from the NOU for the nomination of their representatives. UNIDO continues its attempts to have the working group established and operational.	Jun-17
China (CPR/DES/67/DEM/520)	1,227,885	1,227,885	0	100	Five contracts have been signed between local environment protection bureaus and the Foreign Environment Cooperation Office but no delays reported.	Jun-17
Lebanon (LEB/DES/73/DEM/83)	123,475	0	123,475	0	An amount of 12.7 mt of ODS waste to be exported for destruction. Work plan was discussed and agreed upon with the NOU. Aggregation point for interim-storage of CFCs was identified and the national consultant recruited to coordinate transport of cylinders. The planned completion date has been changed to 2017 by UNIDO.	Mar-17
Mexico (MEX/DES/63/DEM/154)	927,915	222,549	705,366	24	Due to the incapability of the selected contractor to execute the works, UNIDO cancelled the contract and issued a new call for bids.	Apr-16
Nigeria (NIR/DES/67/DEM/133)	911,724	108,625	803,099	12	The aggregation of CFC waste has been slower than expected. However, amendment of ODS legislation to include mandatory disposal of ODS will be discussed at stakeholder workshop in October 2015. Discussions are ongoing with the National Environmental Standards and Regulations Enforcement Agency on amendment of legislation.	Mar-17

Country/ Project code	Approved funding (US \$)	Funds disbursed (US \$)	Balance (US\$)	Per cent of funds disbursed	Project status	Planned date of completion
Turkey (TUR/DES/66/DEM/99)	1,076,250	535,620	540,630	50	UNIDO terminated the contract with the previous contractor in order to be able to implement the new disposal strategy.	Jul-16
Region: Europe (EUR/DES/69/DEM/14)	274,480	104,165	170,315	38	The work for the destruction of the second batch of 10.2 mt of ODS waste was completed. The call for bids for the third batch has not been issued yet due to a delay in the chemical analysis of the waste stored at one of the three recycling centres in Croatia participating in the project.	Dec-15

20. The Executive Committee may wish to request additional status reports to the 76th meeting to monitor implementation progress including the disbursement rates of approved funds for the ODS disposal projects in Algeria, Lebanon, Mexico, Nigeria, Turkey, and the Europe and Central Asia region and setting completion dates for these projects as indicated by UNIDO in its progress report as listed in Table 7.

Chiller projects

21. The Executive Committee has approved four chiller projects amounting to US \$3.4 million, including three demonstration, and one investment projects. Three projects have been completed (two demonstration and one investment). One demonstration project is under implementation in Europe and Central Asia (Croatia, the Former Yugoslav Republic of Macedonia, Montenegro, Romania and Serbia) (Table 8).

Table 8: Ongoing chiller projects status

Region/Project code	Approved funding (US\$)	Funds disbursed (US\$)	Balance (US\$)	Per cent of funds disbursed	Status
Europe and Central Asia (EUR/REF/47/DEM/06)	1,069,074	898,500	170,574	84	Although the 2014 status report indicated that the balances would be returned no later than the 73 rd meeting, the project is still listed as ongoing with a substantial balance. The project was commissioned in July 2015.

22. The Executive Committee may wish to note that US \$170,574 in balances should be returned to the Fund for the chiller project in Europe and Central Asia (EUR/REF/47/DEM/06).

Halon banking

23. The Executive Committee has approved seven halon banking technical assistance projects in seven countries, of which six have been completed. For the halon phase-out project under implementation in the Islamic Republic of Iran (IRA/HAL/63/TAS/198), the Executive Committee extended the completion date until December 2015 (decision 74/16), and requested UNIDO to provide a progress report to each meeting until the completion of the project. UNIDO reported that a contract had been issued to manage the project and that only 68 per cent of the budget had been disbursed as of the end of 2014 noting that UNIDO had already reported the equipment delivered but the installation of the

equipment remained to be implemented. UNIDO may wish to provide an update during the 75th meeting, given the required completion date of December 2015, on the installation of recycling equipment, which normally involves minimum activities.

Projects related to the phase-out of HCFCs

HPMP preparation

24. As of 31 December 2014, the Executive Committee has approved US \$9.77 million for 119 project preparation activities in 47 Article 5 countries to address HCFC control measures. Implementation of these activities resulted in the approval of stages I and II of HPMPs in 68 Article 5 countries. Of these 119 project preparation activities, 84 have been completed. The remaining 35 ongoing activities are in 18 countries. Nine of those activities are for stage I of HPMPs with three activities still ongoing for a project that was approved in Democratic People's Republic of Korea (the) (DRK/FOA/64/PRP/54, DRK/PHA/64/PRP/55, and DRK/REF/64/PRP/53), for which UNIDO indicated that study tours that had been planned for 2014 with the remaining funds did not take place. UNIDO stated that the study tour is vital since it gives opportunity to stakeholders from the Democratic People's Republic of Korea to experience a country facing challenges in the phase-out of HCFC-22 production and conversion of refrigeration equipment manufacturing. It should be noted that additional project preparation for stage II of the HPMP has been approved.

25. Most of the preparatory activities for stage II of HPMPs are expected to be completed with an average delay of one year.

HCFC demonstration projects

26. The Executive Committee has approved three HCFC refrigeration demonstration projects. As of 31 December 2014, two projects had been completed, leaving one under implementation (Table 9).

Table 9: Ongoing HCFC demonstration project status

Country/Project code	Approved funding (US\$)	Funds disbursed (US\$)	Balance (US\$)	Per cent of funds disbursed	Project status
West Asia Region (ASP/REF/69/DEM/57)	365,000	65,308	299,692	18	Original planned completion date was June 2014. UNIDO's last progress report had indicated that the delay was due to the shipment of prototype and had proposed a revised planned completion date of February 2015. The current planned completion date is December 2015. The building and testing of the prototypes are underway.

27. The Executive Committee may wish to request UNIDO to provide a status report to the 76th meeting on the project in West Asia for promoting low-global warming potential refrigerants for air-conditioning sectors in high-ambient temperature countries on the building and testing of prototypes if a final report on the completion of the project is not submitted for consideration to the 76th meeting.

HPMPs

28. The Executive Committee has approved HPMP activities in 69 countries valued at US \$235.39 million in principle of which US \$184.7 million has been approved for tranche activities. The Executive Committee has also approved eight HCFC individual projects including one investment and seven technical assistance projects. One project has been completed and seven are still under implementation.

29. The review of the progress report revealed that for 10 HPMPs in Algeria, Bahrain, Cote d'Ivoire, Ethiopia, Indonesia, Iraq, Kuwait, Mozambique, Nigeria and Tunisia approved over one year ago, funds disbursement lower than 10 per cent were reported.

30. The analysis of the issues that have impacted the smooth implementation of these MYAs for HPMPs is summarised in Table 10.

Table 10: Ongoing HPMP activities approved over a year ago with low disbursement

Country	Approved funding (US \$)	Funds disbursed (US \$)	Per cent of funds disbursed	Reason for low disbursement/delay
Algeria*	1,809,240	47,137	3	Non-completion of bidding exercises in the two investment projects.
Bahrain	549,455	5,465	1	The call for bids has not been issued, and selection of host for reclamation facility. A tranche request has been submitted to the 75 th meeting ⁶ .
Cote d'Ivoire	460,000	2,145	0	Procurement of equipment has not been completed. Procurement could not be initiated until the interministerial agreement establishing beneficiary center is signed and the equipment needs assessed. A tranche request has been submitted to the 75 th meeting ⁷ .
Ethiopia	70,000	0	0	The delay is due to the lack of communication to UNIDO on the list of items to be purchased. UNIDO cannot start the bidding procedures before the list of tools/materials needed for the country is indicated by the NOU/UNEP.
Indonesia	777,395	10,559	1	Pending the delivery of the equipment. A tranche request has been submitted to the 75 th meeting ⁸ .
Iraq	310,000	0	0	Equipment for all beneficiaries have been delivered through 2015, the latest one in August 2015. The delay was caused by the lengthy customs procedures.
Kuwait	6,886,832	234,674	3	Due to IPSAS, expense will only be recorded upon certification of goods receipt.
Mozambique	75,000	1,826	2	In 2014, difficulties in organizing mission to the country due to internal political reasons. In 2015, the NOU requested a change in the scope of equipment to strengthen border controls, therefore the disbursement remained low.

⁶ UNEP/OzL.Pro/ExCom/75/37.

⁷ UNEP/OzL.Pro/ExCom/75/43.

⁸ UNEP/OzL.Pro/ExCom/75/49.

Country	Approved funding (US \$)	Funds disbursed (US \$)	Per cent of funds disbursed	Reason for low disbursement/delay
Nigeria	1,745,172	98,880	6	Due to IPSAS, expense will only be recorded upon certification of goods receipt. A tranche request has been submitted to the 75 th meeting ⁹ .
Tunisia*	512,885	1,997	0	Preparatory work undertaken under the HPMP has not had an impact on disbursement yet.

* A recommendation to send letters on the decisions on tranche submission delays to the governments of these countries is proposed under document UNEP/OzL.Pro/ExCom/75/6.

31. The Executive Committee may wish to request status reports for the HPMPs indicated in Table 10 (except for those where a tranche request has been submitted to the 75th meeting), approved over one year ago with low disbursement rates of approved funds to the 76th meeting.

32. In addition, the review of progress report database identified HPMP tranches with implementation impediments. Additional status reports are being requested to monitor progress through project milestones as follows:

Country/Project code	Project title	Implementation of the project
Burkina Faso (BKF/PHA/62/INV/30)	HCFC phase-out management plan (stage I, first tranche)	Project implementation progress.
Iran (Islamic Republic of) (IRA/PHA/68/INV/209)	HCFC phase-out management plan (stage I, second tranche) (foam sector plan)	Progress in disbursement of approved funds, noting that the fourth tranche was approved at the 74 th meeting.
Morocco (MOR/PHA/65/INV/68)	HCFC phase-out management plan (stage I, first tranche) (refrigeration servicing sector)	The renegotiation of contracts with custom authorities and ONCF (beneficiary).
Rwanda (RWA/PHA/64/INV/18)	HCFC phase-out management plan (stage I, first tranche)	The installation of equipment retrieved from customs.

IS projects

33. The Executive Committee has approved 64 IS projects in 15 countries that are implemented by UNIDO. As of 31 December 2014, 50 projects have been completed and 14 projects are still ongoing in 11 countries. The renewal of the IS projects in Armenia (ARM/SEV/73/INS/14), Mexico (MEX/SEV/73/INS/175) and Syrian Arab Republic (SYR/SEV/73/INS/104) were recently approved. Of the 11 countries with ongoing IS projects with UNIDO, no disbursement was reported for three projects, out of which one was approved over three meetings ago in Qatar (QAT/SEV/59/INS/15).

34. The Executive Committee may wish to request a status report to the 76th meeting on the IS project in Qatar due to the low disbursement rates of approved funds.

Administrative costs

35. Of the net US \$705,868,689 approved for project implementation, US \$90,043,448 has been disbursed for administrative costs resulting in an overall administrative cost ratio of 12.8 per cent since 1991. In 2014, of the US \$28,466,789 approved, US \$4,038,339 has been disbursed for administrative costs resulting in an overall administrative cost ratio of 14.2 per cent.

⁹ UNEP/OzL.Pro/ExCom/75/60.

Part III: Comments and recommendations of the Secretariat

Comments

Implementation delays

36. The Executive Committee may wish to note that UNIDO will report to the 76th meeting on five projects with implementation delays, which can be found in Appendix I of Annex III to the consolidated progress report.

RECOMMENDATIONS

37. The Executive Committee may wish:

- (a) To note:
 - (i) The progress report of UNIDO as at 31 December 2014 contained in document UNEP/OzL.Pro/ExCom/75/16;
 - (ii) That UNIDO would report to the 76th meeting on five projects with implementation delays and on 25 projects recommended for additional status reports, as indicated in Appendices I and II, respectively, of Annex III to the consolidated progress report (UNEP/OzL.Pro/ExCom/75/12);
 - (iii) That US \$170,574 in balances should be returned to the Fund for the demonstration project on the replacement of CFC centrifugal chillers (Croatia, Macedonia, Romania, and Serbia and Montenegro) (EUR/REF/47/DEM/06);
- (b) To consider to cancel the technical assistance for the elimination of controlled uses of methyl bromide in soil fumigation in Mozambique (MOZ/FUM/60/TAS/20), if the training and awareness activities have not been implemented by 31 December 2015, and to request UNIDO to return balances to the 76th meeting;
- (c) To set new completion dates for the ODS disposal projects in: Algeria (ALG/DES/72/DEM/79) to June 2017; China (CPR/DES/67/DEM/520) to June 2017; Europe (EUR/DES/69/DEM/14) to December 2015; Lebanon (LEB/DES/73/DEM/83) to March 2017; Mexico (MEX/DES/63/DEM/154) to April 2016; Nigeria (NIR/DES/67/DEM/133) to March 2017; and Turkey (TUR/DES/66/DEM/99) to July 2016;
- (d) To request UNIDO:
 - (i) To provide an update at the 75th meeting on the status of the halon phase-out project in the Islamic Republic of Iran (IRA/HAL/63/TAS/198), given the required completion date of December 2015, on the installation of recycling equipment, which normally involves minimum activities; and
 - (ii) To return US \$129,810 in balances to the Fund from the CFC national phase-out plan in Argentina after taking into account decision 66/42(h).

Annex I

UNIDO PROJECT IMPLEMENTATION BY COUNTRY

Country	Phased Out in 2014	Percentage of Planned Phase-out Achieved in 2014	Estimated Funds Disbursed in 2014 (US\$)	Funds Disbursed in 2014 (US\$)	Percentage of Funds Disbursed over Estimation in 2014	Percentage of Planned Projects Completed in 2014
Albania	0.4	100%	76,500	11,377	15%	0
Algeria	0.0	0%	82,145	52,753	64%	50%
Antigua and Barbuda	0.0			2,350		
Argentina	23.7	21%	1,050,001	1,808,866	172%	0%
Armenia	0.0		35,000	56,442	161%	
Bahamas (the)	0.0		2,200	0	0%	0%
Bahrain	0.0		6,000	1	0%	
Barbados	0.0			0		
Benin	0.0		23,000	8,276	36%	100%
Bosnia and Herzegovina	5.1	100%	592,002	756,687	128%	0%
Botswana	0.0			0		
Brazil	0.0			24,765		
Burkina Faso	0.0		1,000	1,244	124%	0%
Burundi	0.0		5,000	1,534	31%	
Cambodia	0.0			0		
Cameroon	8.5	100%	200,000	180,787	90%	0%
Central African Republic (the)	0.0		20,000	0	0%	
Chad	0.0		7,000	4,562	65%	0%
Chile	0.0		200,000	330,060	165%	0%
China	163.2	179%	10,639,358	11,119,411	105%	60%
Colombia	0.0			1		
Congo (the)	0.0		1,430	1	0%	0%
Cote d'Ivoire	44.1	100%	25,001	45	0%	100%
Croatia	4.3	100%	185,000	169,844	92%	0%
Cuba	0.0			1		
Democratic People's Republic of Korea (the)	0.0		35,000	28,891	83%	0%
Democratic Republic of the Congo (the)	0.0			0		
Dominican Republic (the)	0.0			1		
Ecuador	1.8		304,260	282,769	93%	67%
Egypt	187.8	100%	537,000	650,161	121%	29%
El Salvador	0.0			0		
Equatorial Guinea	0.3	100%	5,617	9,352	166%	100%
Eritrea	0.0		25,001	21,594	86%	
Ethiopia	0.0		30,000	1	0%	0%
Gabon	0.0		20,000	6,043	30%	0%
Gambia (the)	0.1	100%	4,000	3,085	77%	0%
Georgia	0.0			1		
Global	0.0		25,000	21,482	86%	100%
Guatemala	48.6	100%	157,002	90,309	58%	0%
Guinea	0.0	0%	6,181	0	0%	0%

Country	Phased Out in 2014	Percentage of Planned Phase-out Achieved in 2014	Estimated Funds Disbursed in 2014 (US\$)	Funds Disbursed in 2014 (US\$)	Percentage of Funds Disbursed over Estimation in 2014	Percentage of Planned Projects Completed in 2014
Guinea-Bissau	0.0	0%	862	0	0%	0%
Guyana	0.0			0		
Honduras	0.8		63,700	65,049	102%	100%
India	0.0		120,000	47,144	39%	
Indonesia	10.4	100%	50,000	615	1%	0%
Iran (Islamic Republic of)	0.0		1,482,970	868,604	59%	0%
Iraq	20.0	1%	1,143,602	575,065	50%	20%
Jamaica	0.0			0		
Jordan	8.2	100%	605,000	4,932	1%	0%
Kenya	6.6	100%	100,000	65,699	66%	100%
Kuwait	0.0		315,000	220,585	70%	
Kyrgyzstan	0.0			0		
Lebanon	0.0		1	1	69%	100%
Libya	0.0		125,614	94,188	75%	25%
Madagascar	0.0		15,000	17,091	114%	0%
Malawi	0.0		1,000	325	33%	
Malaysia	0.0			1		
Mali	0.0			0		
Mexico	181.1	84%	934,002	1,477,887	158%	14%
Montenegro	0.0		66,988	72,843	109%	
Morocco	0.0		69,001	92,618	134%	50%
Mozambique	0.0	0%	15,000	1,829	12%	0%
Myanmar	0.0		8,000	7,700	96%	
Nicaragua	0.5	100%	60,000	57,998	97%	0%
Niger (the)	0.0		60,000	2,571	4%	0%
Nigeria	0.0		1,163,000	108,592	9%	0%
Oman	2.3	100%	132,200	139,463	105%	100%
Pakistan	71.6	100%	452,500	387,323	86%	0%
Panama	0.0			0		
Peru	0.0		8,800	9,708	110%	100%
Philippines (the)	40.0	100%	400,000	121,112	30%	0%
Qatar	0.0		549,000	111,113	20%	
Region: AFR	0.0		415,000	455,086	110%	100%
Region: ASP	0.0		100,000	50,572	51%	
Region: EUR	0.0		142,000	121,548	86%	50%
Region: LAC	0.0			0		
Republic of Moldova (the)	0.0			0		
Romania	0.0			3		
Rwanda	0.0		20,000	23,500	117%	
Saint Lucia	0.1		14,700	5,715	39%	100%
Saint Vincent and the Grenadines	0.1	100%	5,000	13	0%	0%
Sao Tome and Principe	0.0			0		
Saudi Arabia	28.9	100%	1,560,001	1,748,624	112%	0%
Senegal	2.4	100%	40,000	19,941	50%	0%
Serbia	270.3	100%	299,003	396,500	133%	25%

Country	Phased Out in 2014	Percentage of Planned Phase-out Achieved in 2014	Estimated Funds Disbursed in 2014 (US\$)	Funds Disbursed in 2014 (US\$)	Percentage of Funds Disbursed over Estimation in 2014	Percentage of Planned Projects Completed in 2014
Seychelles	0.0			0		
Sierra Leone	0.1	100%	2,380	0	0%	0%
Somalia	0.0		24,001	73,257	305%	
South Africa	0.0	0%	1,032,000	1,524,396	148%	0%
Sudan (the)	11.9	100%	40,952	72,453	177%	33%
Suriname	0.1	100%	5,000	0	0%	0%
Swaziland	0.0			0		
Syrian Arab Republic	0.0		336,350	108,575	32%	0%
Thailand	0.0			0		
The Former Yugoslav Republic of Macedonia	1.6	100%	77,001	227,117	295%	67%
Togo	0.0		20,000	14,974	75%	
Tunisia	172.5	100%	533,865	293,380	55%	100%
Turkey	133.2	100%	2,001,002	2,467,348	123%	50%
Turkmenistan	0.0		77,675	189,221	244%	0%
Uganda	0.0		40,000	38,114	95%	
United Republic of Tanzania (the)	0.1		2,000	2,236	112%	
Uruguay	0.0		10,000	18,381	184%	0%
Venezuela (Bolivarian Republic of)	0.0		135,000	320,417	237%	0%
Viet Nam	0.0			0		
Yemen	0.0	0%	350,002	273,380	78%	0%
Zambia	0.4	100%	68,000	76,932	113%	0%
Zimbabwe	0.0			1		
Grand total	1,451.1	39%	29,591,870	28,714,437	97%	28%



UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

UNIDO Progress and Financial Report 2014

Table of Contents

I. Project Approvals and Disbursements.....	3
Annual summary data	3
Interest... ..	3
Summary data by type	3
Multi-Year Agreements	4
Sector phase out by country	5
II. Project Completion since last Report.....	7
ODP phased out since last report - investment projects.....	7
Non-investment project completions since last report	7
III. Global and Regional Project Highlights	7
Global Projects.....	7
Regional Projects	7
IV. Performance Indicators.....	8
Business Plan Performance Goals as decided by the Executive Committee	8
Cumulative completed investment projects	10
Cumulative completed non-investment projects.....	10
Cumulative ongoing investment projects.....	10
Cumulative ongoing non-investment projects	10
V. Status of Agreements and Project Preparation by Country	11
Agreements to be signed/executed/finalized and ready for disbursing.....	11
Project preparation by country, approved amount and amounts disbursed.....	11
ODS destruction demonstration projects	13
Climate impact of Montreal Protocol activities	13
VI. Administrative Issues (Operational, Policy, Financial and Other Issues).....	14
Meetings attended	14
Implementing agency and other cooperation	15
Other issues	17
VII. Tables and Annexes*	19

I. Project Approvals and Disbursements

Annual summary data

- 1) Table 1 “Annual Summary” in the Excel file includes the most relevant annual data, such as number of approvals, corresponding ODP (wherever applicable), approved funding, adjustment and disbursement characteristics. The cumulative funds for the period 1993-2014 approved for UNIDO activities under the Multilateral Fund amount to US\$705,868,689, excluding agency support cost and the core unit funding. This amount, however, includes the adjustments made until end 2014. The details are contained in the attached database printout (Annex II in the Excel file). In this printout, the data are sorted by regions and within each region the completed, financially completed; ongoing and closed (cancelled) projects are listed.
- 2) As of 31 December 2014, UNIDO’s cumulative disbursement for all projects (completed and ongoing) amounts to US\$ 616,969,683 excluding agency support cost and core unit funding. This corresponds to a delivery rate of 87 per cent. Out of this amount, US\$ 560,363,746 relate to cumulative disbursement for investment projects (Table 2, “Summary Data by Project Type” in the Excel file).

Interest

- 3) The interest earned for the period 1993 – 2014 amounts to US\$ 37,073,702 and is shown by years in the Table 1 “Annual Summary” in the Excel file. The interest earned in 2014 amounts to US\$ 79,358.

Summary data by type

- 4) The cumulative activities of UNIDO approved by the Multilateral Fund are listed in Annex II in the Excel file. The following table summarizes their breakdown by types.

Type	US\$*	Share of portfolio in per cent	Number of projects
CPG (Country Programme Preparation)	815,000	0.73 %	11
DEM (Demonstration projects)	21,868,302	2.40 %	36
INS (Institutional strengthening)	9,298,582	4.26 %	64
INV (Investment projects)	639,979,774	51.83 %	779
PRP (Project preparation)	22,674,052	31.20 %	469
TAS (Technical Assistance)	14,869,328	8.05 %	121
TRA (Training)	1,249,459	1.53 %	23
Total (excluding agency support cost)	710,754,497	100 %	1,503

* These figures are without adjustments, which are in total US\$ -4,885,808.

- 5) Table 2 “Summary of Data by Project Type” in the Excel file, shows approvals, adjustments and disbursements by type of project/activity. In 2014 UNIDO’s overall disbursement rate (excluding agency support cost) was 87%. Disbursements by activity type and as percentage of activity allocations are summarized as follows:

Type	US\$	Disbursement rate in per cent
CPG (Country Programme Preparation)	722,669	100 %
DEM (Demonstration projects)	16,406,346	77 %
INS (Institutional strengthening)	7,678,205	81 %
INV (Investment projects)	560,363,746	88 %
PRP (Project preparation)	18,026,061	89 %
TAS (Technical Assistance)	12,576,124	88 %
TRA (Training)	1,196,533	100 %
Total (excluding agency support cost)	616,969,683	87 %

Multi-Year Agreements

In the reporting year, three new multi-year performance based projects were approved, the Stage I HCFC Phase-out Management Plan in DPR Korea and Tunisia and Stage II in Mexico.

- 6) As shown in Annexes II and III in the Excel file, UNIDO has been implementing hundred thirty-eight performance-based, multi-year agreements. Seventy one of these agreements are HCFC Phase-out Management Plans (Albania, Algeria, Argentina, Bahamas, Bahrain, Benin, Bolivia (transferred from Germany at the 74th ExCom), Bosnia & Herzegovina, Burkina Faso, Burundi, Cameroon, Central African Republic, Chad, China (2), Congo, Cote d'Ivoire, Croatia, DPR Korea, Ecuador, Egypt, Equatorial Guinea, Eritrea, Ethiopia, Gabon, Gambia, Guinea-Bissau, Guinea, Guatemala, Honduras, Indonesia, Iran, Iraq, Jordan, Kuwait, Macedonia, Madagascar, Malawi, Mexico (2), Montenegro, Morocco, Mozambique, Myanmar, Nicaragua, Niger, Nigeria, Oman, Pakistan, Philippines, Qatar, Rwanda, Saint Lucia, Saint Vincent and the Grenadines, Saudi Arabia, Senegal, Serbia, Sierra Leone, Somalia, South Africa, Sudan, Suriname, Tanzania, Togo, Tunisia, Turkey, Turkmenistan, Uganda, Venezuela, Yemen and Zambia. Further details on the breakdown of the various activities are available in Annex III.
- 7) The total funds committed by the ExCom for these agreements amount to US\$ 416,587,676. From this amount, US\$ 365,756,871 has already been released, out of which, US\$ 283,374,098 was disbursed (as of 31 December 2014).

The total ODS to be phased out through ongoing multi-year agreements including all substances amount to 27,814.7 ODP tonnes of consumption; plus 17,778 ODP tonnes of production. The allowed ODS consumption for the reporting year amount to 14,679 ODP tonnes, the lion's share of which is related to HCFC consumption. Verified Article 7 consumption data for 2014 are not yet available in some of the countries. Based on preliminary information received from the countries, it is expected that most countries would be in compliance with their agreement at the end of 2014.

- 8) The majority of the multi-year performance based agreements under UNIDO's implementation are progressing well, 59 agreements have been successfully completed. The overall disbursement rate is currently 68%. This level is mainly due to the fact that 16 annual programmes of multi-year agreements have been approved since May 2014.

The funds released for these 16 annual programmes amount to US\$ 22,481,917. Excluding these, the disbursement rate is 72%.

- 9) Detailed information on the multi-year projects implemented by UNIDO is to be taken from Annex III in the Excel file.

Sector phase out by country

- 10) This section indicates ONGOING projects with sectors (excluding HCFCs) by countries for which total phase-out has been funded. Most of the activities are multi-year performance based projects, however there are some individual projects phasing out one or more substances in a particular sector. These activities are listed in the table below:

#	Country	Project Title	ODS	Multi-year (yes/no)	Phase-out in sector
1	Argentina	CFC phase-out plan	CFC	Yes	Total
2	Chile	National phase-out of methyl bromide - terminal project	MBr	Yes	Total
3	China	MBr production phase-out plan	MBr	Yes	Total
4	China	MDI phase-out	CFC	No	Total
5	China	National methyl bromide phase-out plan*	MBr	Yes	Total
6	Egypt	CFC phase-out in the MDI sector	CFCs	No	Total
7	Guatemala	Fumigants phase-out plan	MBr	Yes	Total
8	Iraq	National ODS Phase Out Plan	CFC, Halon, CTC, TCA	Yes	Total
9	Iraq	Technical assistance for the Methyl Bromide phase-out	MBr	No	Total
10	Mexico	National methyl bromide phase-out plan*	MBr	Yes	Partial
11	Sudan	Technical assistance for the final phase-out of methyl bromide in the post harvest sector	MBr	No	Total
12	Tunisia	Technical assistance for the final phase-out of methyl bromide in the palm dates sector	MBr	No	Total
13	Yemen	National phase-out plan	CFC/TCA	Yes	Total
14	Zambia	Technical assistance for the phase-out of methyl bromide	MBr	No	Total

* In cooperation with bilateral and/or implementing agencies

- 11) Information on funded ODP phase-out by region/country for ongoing projects is given in Table 3 “ODP Phase-out by Region, Country and Sector – Ongoing Projects” in the Excel file

Ongoing projects	
Sector	ODP tonnes
Aerosols	482.0
Foams	429.5
Fumigants	833.6
Phase-out	4,534.4
Production	231.0
Refrigeration	268.1
Total	6,778.6

- 12) As per Table 3a “ODP Phase-out by Region, Country and Sector – Completed Projects” in the Excel file, until end of the reporting period, UNIDO eliminated 73,887.3 ODP tonnes (excluding partial phase-out of ongoing projects). ODP phase by sector is summarized in the below table.

Completed projects	
Sector	ODP tonnes
Aerosols	3,683.4
Foams	12,717.3
Fumigants	4,772.1
Halons	2,002.8
Other (Tobacco)	1,170.0
Process agents	907.7
Phase-out	10,837.4
Production	17,150.0
Refrigeration	18,413.3
Several	39.3
Solvents	2,194.0
Total	73,887

- 13) Partial ODP phase out is reported in Table 3b “Partial ODP Phase-out by Sector, Region, Country” and in Annex III in the Excel file. The partial phase-out achieved in 2014 is shown in the following table on a sector basis.

Partial phase-out in 2014	
Sector	ODP tonnes
Fumigants	509.0
PHA	76.1
Foams	383.2
REF	8.1
Total	976.4

II. Project Completion since last Report

ODP phased out since last report - investment projects

14) As per Table 4 in the Excel file, the cumulative ODP phase out through investment projects completed in the reporting period (1 January – 31 December 2014) amounts to 1,050.7 ODP tonnes (including production sector). In addition, 976.4 ODP tonnes were partially phased-out from ongoing projects. The details are shown in Table 3b, Table 4 in the Excel file. Table 4 in the Excel file lists all investment, demonstration, recovery and recycling, technical assistance and institutional strengthening projects completed in 2014.

Non-investment project completions since last report

15) Since the last report, 8 non-investment projects, with an approved funding of US\$ 5,656,032 were completed; three in Africa, one in Asia and the Pacific, two in Europe and two global, including the Core Unit Funding.

III. Global and Regional Project Highlights

Global Projects

16) Core Unit Funding for the year 2015 was approved in November 2014. The core unit funding for the year 2014 that was approved in 2013 for UNIDO as a global project in the amount of US\$ 2,012,442 was completed in December 2014.

Regional Projects

17) The below regional projects have been ongoing in Africa, Asia and Europe in the reporting year:

- Strategic demonstration project for accelerated conversion of CFC chillers in 5 African Countries (Cameroon, Egypt, Namibia, Nigeria and Sudan)
- Regional demonstration project on alternatives to the use of methyl bromide for treatment of high moisture dates (Algeria and Tunisia)
- Promoting low-global warming potential refrigerants for air-conditioning sectors in high-ambient temperature countries in West Asia
- Demonstration project on the replacement of CFC centrifugal chillers (Croatia, Macedonia, Romania, and Serbia and Montenegro)
- Demonstration of a regional strategy for ODS waste management and disposal in the Europe and Central Asia region

IV. Performance Indicators

Business Plan Performance Goals as decided by the Executive Committee

18) The ExCom at its 41st Meeting approved new performance indicators in its Decision 41/93. These performance indicators were first applied in UNIDO's 2004 Business Plan. The ExCom at its 47th Meeting, by Decision 47/51, revised the weightings for quantitative performance indicators. The new weightings have been applied since the evaluation of the 2005-year performance. The targets and achievements for the year 2014 performance indicators approved during the 69th meeting of the ExCom are indicated below.

A1. Approvals

Number of annual programmes of multi-year agreements approved

In 2014 14 annual programmes of multi-year agreements were approved in total against the target of 22. Out of the 14, 11 are annual programmes of existing multi-year projects. In addition, two annual programmes were approved for new multi-year Stage I HPMPs in DPR Korea and Tunisia, and one Stage II HPMP in Mexico.

Number of individual activities (INV, RMPs, halon banks, TAS) approved vs. those planned

19) During 2014, 11 individual projects were approved against the target of 10. The approvals include 4 institutional strengthening (Armenia, Egypt, Mexico and Syria), 2 demonstration (Pilot demonstration project on ODS waste management and disposal in Algeria and in Lebanon) and 5 technical assistance projects (For the final phase-out of methyl bromide in the post-harvest sector and in the palm dates sector in Sudan and in Tunisia respectively, Verification reports for Guatemala and Honduras and 2015 Core Unit Funding).

A2. Implementation

Milestone activities completed (e.g. policy measures, regulatory assistance)/ODS levels achieved for approved MY annual tranches vs. those planned

20) Milestone activities have been completed for altogether in at least 25 MY performance-based agreements against the target of 19. This includes the completion of milestones for:

- 11 MYAs for which milestone activities have been completed and next tranches were approved;
- At least 14 HPMPs and TPMPs, for which tranches have been successfully completed in 2014 (BEN, ECU, ECG, HON, IVC-TPMP, MEX-Silimex, MOR-Fumigants, OMA, PER-TPMP, STL, TKM, TUN-NPP, URT, YUG-NPP).
- In addition, there have been numerous HPMP tranches, which have achieved milestone activities, but no annual tranches were due. Since the subject target has been achieved (as listed above), these tranches are not counted.

ODS phased-out for individual projects vs. those planned in progress reports

- 21) In 2014, 202.8 ODP tonnes were phased-out for individual projects compared to the target of 190.7 ODP tonnes. This represents an achievement of 106%.
- 22) The performance indicators with the weightings are summarized in the following table:

Performance indicators: Targets and achievements in 2014

Performance indicator	Weighting	Targets UNIDO BP 2014	Achievements as per P&F Report 2014	P&F vs. BP (remarks wherever applicable)
Approvals				
No. of annual programmes of MY agreements approved vs. those planned	15	22	14	63.6%
No. of individual activities (INV, RMPs, halon banks, TAS) approved vs. those planned	10	10	11	110%
Implementation				
Milestone activities completed (e.g. policy measures, regulatory assistance)/ODS levels achieved for approved MY annual tranches vs. those planned	20	19	At least 25	At least 131%
ODS phased-out for individual projects vs. those planned in progress reports	15	190.7 ODP tonnes	202.8 ODP tonnes	106%
Project completion for inv and non-inv projects vs. those planned in progress reports	10	11	12	109%
Policy/regulatory assistance completed vs. that planned	10	N/A	N/A	N/A
Administrative				
Speed of financial completion vs. that required per progress report completion dates (for projects, which were completed 12 months ago between January and December 2013)	10	12 months	8.1 months	On time
Timely submission of PCRs vs. those agreed	5	On time	100% on time	100% on time
Timely submission of progress reports & responses	5	On time	On time (24 August 2015)	On time

In addition to the above, UNIDO's approvals in 2014 amounted to US\$ 28,466,789; and US\$ 28,656,672 was disbursed for projects under UNIDO's implementation.

Cumulative completed investment projects

- 23) Since 1993, UNIDO's cumulative number of completed investment projects has grown to 641. Out of a total of US\$ 414,824,681 of approved MLF financing for completed projects, 99 per cent of these funds were disbursed. The average number of months from approval to first disbursement was 8.9 months. The average number of months from approval to completion was 34.6 months. The cost effectiveness of completed projects is US\$ 5.82/kg. Table 5 "Cumulative completed investment projects by region, sector and implementation characteristics" in the Excel file illustrates more details, presenting information both on a regional and on a sector basis. The vast majority of completed investment projects have been implemented with disbursements of funds during implementation; only ten retroactively funded projects were implemented by UNIDO.

Cumulative completed non-investment projects

- 24) Since 1993, UNIDO's cumulative number of completed non-investment projects, including the preparation of RMPs, is 210. Out of a total of US\$ 35,413,794 of approved MF financing, 96 per cent of funds have been disbursed. Except for forty three institutional strengthening projects, all UNIDO completed non-investment projects were objective-sensitive. Disbursement took place during implementation for all completed projects. Table 6 "Cumulative completed non-investment projects by region, sector and implementation characteristics" in the Excel file provides details according to geographic region and sectors.

Cumulative ongoing investment projects

- 25) By the end of 2014, UNIDO's cumulative portfolio of ongoing investment, demonstration and recovery and recycling projects contained 138 projects. Of the US\$ 219,617,496 approved budget, 65 per cent has been disbursed. It took an average of 9.1 months from approval to first disbursement. The Africa region had 48 ongoing projects, Asia and the Pacific 44 ongoing projects, Europe 17 ongoing projects and Latin America and the Caribbean 29 ongoing projects. Table 7 "Cumulative ongoing investment projects by region, sector and implementation characteristics" in the Excel file illustrates the implementation characteristics among regions and sectors for UNIDO's ongoing investment projects. The ongoing projects are objective sensitive and the disbursement of funds takes place during implementation.

Cumulative ongoing non-investment projects

- 26) At the end of 2014, UNIDO's cumulative portfolio of ongoing non-investment projects, including preparation of RMPs, consisted of 45 projects. Out of a total of US\$ 11,357,931 approved funding, 41 per cent has been disbursed. Table 8 "Cumulative ongoing non-investment projects by region, sector and implementation characteristics" in the Excel file illustrates details, presenting the projects according to regions, sectors and types.

V. Status of Agreements and Project Preparation by Country

Agreements to be signed/executed/finalized and ready for disbursing

27) As soon as a project is approved by the Executive Committee and after having notified the respective authorities, UNIDO secures officially from the recipient country's Ozone and project authorities, validity/confirmation of basic project data, such as actual ODS consumption; validity of counterpart commitment, etc., since by this time, a substantial period of time might have elapsed from the time of formulation of the project, and the projects, in most cases, are adjusted as a result of the negotiations during the approval process. After this, wherever it is required by the Country, UNIDO prepares and signs with the Ozone Authorities the agreement of cooperation. UNIDO prepares detailed Terms of Reference (TOR) for services to be rendered under the project. The TOR and the list of potential suppliers are approved by the counterpart. The bidding and subcontracting takes place based on the mutually agreed TOR. The first payment is due upon entry into force of the first contract. Even if the first payment is released, as per the IPSAS, disbursements are not reflected until after services have been delivered. Under UNSAS, any payment outflow was recorded as disbursement. The above-illustrated preparatory work explains, for multi-year programmes, investment, demonstration and recovery and recycling projects, the time elapsing between project approval and first disbursement.

Project preparation by country, approved amount and amounts disbursed

28) As of the end of 2014, UNIDO had active project preparation funding amounting to US\$ 2,621,250 out of which US\$ 462,668 has been disbursed.

The list and details of active project preparation accounts are shown in Table 9 "Active project preparation accounts" in the Excel file.

29) Stage II HPMP PRP activities have been initiated in 2014 in the following countries:

#	Mtg	Country	Cooperating agency
1	73	Antigua and Barbuda	In cooperation with UNEP
2	72	Brazil	In cooperation with UNDP, Germany and Italy
3	73	Egypt	In cooperation with UNEP
4	73	Iraq	In cooperation with UNEP
5	73	Morocco	UNIDO only impl. Agency
6	73	Oman	In cooperation with UNEP
7	72	Pakistan	In cooperation with UNEP
8	73	Qatar	In cooperation with UNEP
9	72	Sudan	UNIDO only impl. Agency
10	72	Venezuela	In cooperation with UNDP
11	73	Yemen	In cooperation with UNEP

In addition, preparations for Stage II HCFC phase-out investment activities in the refrigeration and air-conditioning and in the foam sector also got started in 2014 in eleven countries (Brazil, China, Egypt, Iran, Iraq, Morocco, Nigeria, Pakistan, Sudan, Venezuela and Yemen).

Activities related to the phase-out of HCFCs

30) UNIDO is lead agency or only implementing agency for altogether 33 HPMPs. These MYAs/projects are listed below:

#	Mtg	Country	Main / Cooperating agency
1	64	Albania	UNIDO lead agency with UNEP
2	66	Algeria	UNIDO only impl. Agency
3	66	Argentina	UNIDO lead agency with World Bank
4	66	Bosnia & Herzegovina	UNIDO only impl. Agency
5	64	Cameroon	UNIDO only impl. Agency
6	64	China – RAC sector	UNIDO only impl. Agency
7	64	China – XPS sector	UNIDO lead agency with GIZ
8	61	Croatia	UNIDO only impl. Agency
9	73	Democratic People's Republic of Korea	UNIDO lead agency with UNEP
10	65	Ecuador	UNIDO lead agency with UNEP
11	65	Egypt	UNIDO lead agency with UNDP
12	64	Guatemala	UNIDO lead agency with UNEP
13	65	Jordan	UNIDO lead agency with WB
14	60	Macedonia, FYR	UNIDO only impl. agency
15	64	Mexico – Stage I	UNIDO lead agency with UNDP
16	73	Mexico – Stage II	UNIDO lead agency w. Germany, Italy and UNEP
17	63	Montenegro	UNIDO only impl. Agency
18	65	Morocco	UNIDO only impl. Agency
19	66	Niger	UNIDO lead agency with UNEP
20	65	Oman	UNIDO lead agency with UNEP
21	62	Pakistan	UNIDO lead agency with UNEP
22	62	Philippines (foam sector plan)	UNIDO lead, Japan cooperating
23	65	Qatar	UNIDO lead agency with UNEP
24	68	Saudi Arabia	UNIDO lead agency with UNEP
25	65	Senegal	UNIDO lead agency with UNEP
26	62	Serbia	UNIDO lead agency with UNEP
27	67	Somalia	UNIDO only impl. Agency
28	67	South Africa	UNIDO only impl. Agency

#	Mtg	Country	Main / Cooperating agency
29	66	Sudan	UNIDO only impl. Agency
30	72	Tunisia	UNIDO lead agency with UNEP and France
31	62	Turkmenistan	UNIDO only impl. Agency
32	68	Turkey	UNIDO lead agency with UNEP
33	63	Venezuela	UNIDO lead agency with UNEP

Furthermore, UNIDO is co-implementing agency for the following countries with the following agencies:

- UNEP: Bahamas, Bahrain, Benin, Burkina Faso, Burundi, Central African Republic, Chad, Congo (Rep. of), Cote d'Ivoire, Equatorial Guinea, Eritrea, Ethiopia, Gabon, Gambia, Guinea, Guinea-Bissau, Honduras, Iraq, Kuwait, Madagascar, Mozambique, Malawi, Myanmar, Nicaragua, Rwanda, Saint Lucia, St. Vincent and the Grenadines, Sierra Leone, Suriname, Tanzania, Togo, Uganda, Yemen and Zambia
- UNDP: Indonesia, Iran and Nigeria

Outstanding Stage I HPMPs:

- Stage I HPMP for Libya was not approved in 2014 at the 72nd Meeting of the ExCom. It is to be submitted again in 2015.
- Stage I HPMP PRP activities still could not be finalized in Syria due to the security situation in the country.

In regard to Stage II HPMP activities, in 2014 UNIDO started to implement the first Stage II program in Mexico (in cooperation with Germany, Italy and UNEP)

ODS destruction demonstration projects

- 31) Pilot ODS destruction demonstration projects are under implementation for China, Mexico, Nigeria and Turkey and in three low-volume consuming countries in Europe. The projects for Algeria and Lebanon have been submitted in 2014 and approved at the 72nd and 73rd ExCom Meeting respectively.

Climate impact of Montreal Protocol activities

- 32) In the selection of alternative technologies to replace ODS, energy efficiency, has been taken into account since the first investment projects, from early 1990s in UNIDO. In the recent years, the introduction of low Global Warming Potential and high energy efficiency alternatives has gained high attention to achieve additional climate benefits in the ODS phase-out process. UNIDO has been looking into the assessment of climate impacts of the MP activities in order to respond to the needs of Dec XIX/6 of the Meeting of the Parties. In Decision 72/40 (May 2014) bilateral and implementing agencies have been encouraged to submit in the course of 2015 proposals for demonstration projects for low GWP alternatives to HCFCs in the refrigeration and air-conditioning subsectors and feasibility studies, including business cases for district

cooling. Since the second half of 2014, UNIDO got engaged in the work to develop these proposals.

VI. Administrative Issues (Operational, Policy, Financial and Other Issues)

Meetings attended

33) UNIDO attended/participated in the following meetings in 2014:

#	Meeting	Location	Dates
1	HPMP workshop focused on RAC sector	Istanbul, Turkey	January
2	Inter-Agency Coordination Meeting	Montreal, Canada	February
3	Industry Roundtable Meeting	New Delhi, India	February
4	Joint Meeting of National Ozone Officers for Africa, Network Meeting of National Ozone Officers of English-speaking Africa Network Meeting of National Ozone Officers of French-speaking Africa	Addis Ababa, Ethiopia	March
5	HFC Initiative meeting and CCAC WG	Paris, France	April
6	72nd ExCom Meeting	Montreal, Canada	May
7	34th Meeting of the Open-ended Working Group of the Parties (OEWG)	Paris, France	July
8	Workshop on hydrofluorocarbon management issues	Paris, France	July
9	8th International Symposium on Chemical and non-chemical soil and substrate disinfection	Turin, Italy	July
10	Inter-Agency Coordination Meeting	Montreal, Canada	September
11	Coordination meeting with FECO on project preparation for stage II HPMP	Beijing, China	September
12	Commemoration ceremony of the International Day of the Preservation of the Ozone Layer 2014	Beijing, China	September
13	ECA Thematic Meeting on HPMP Implementation for Russian-speaking Group of Ozone Officers [CEIT countries self-funded]	Dushanbe, Tajikistan	October
14	Technical Expert Meeting on Action on Non-CO2 Greenhouse Gases	Bonn, Germany	October
15	West Asia Ozone Officers' Network Meeting	Dubai, United Arab Emirates	October

#	Meeting	Location	Dates
16	4 th Refrigerants Symposium	Dubai, United Arab Emirates	October
17	Thematic Meeting of the SEAP Network of Ozone Officers	Siem Reap, Cambodia	October
18	Green Growth Conference	Copenhagen, Denmark	October
19	CHILLVENTA International Exhibition	Nuremberg, Germany	October
20	53rd Meeting of the Implementation Committee under the Non-Compliance Procedure for the Montreal Protocol (ImpCom)	Paris, France	November
21	26th Meeting of the Parties (MOP)	Paris, France	November
22	10th Conference of the Parties (COP)	Paris, France	November
23	73rd ExCom Meeting in Montreal	Paris, France	November
24	Thematic Meeting of the South Asia Network of Ozone Officers	Chiang Rai, Thailand	December
25	Joint Meeting of National Ozone Officers for Latin America and the Caribbean, Network Meeting of National Ozone Officers of Haiti and the English-speaking Caribbean, Network Meeting of National Ozone Officers of Latin America and the Spanish-speaking Caribbean	Bavaro, Dominican Republic	December

Implementing agency and other cooperation

- 34) Cooperation with UNDP and the World Bank: Several ongoing HPMP activities in different countries and regions are being implemented together with UNDP and/or the World Bank, among others the following Stage I HPMPs: Argentina, China, Egypt, Indonesia, Iran, Jordan, Mexico, Nigeria, Philippines and additional joint activities in the preparation for Stage II HPMP in Brazil and Chile.
- 35) Cooperation with UNEP: In 2014 eleven projects were approved with UNEP as lead or co-implementing agency. Among the approvals the following projects are tranches of ongoing or new HPMPs in DPR Korea, Saudi Arabia and Tunisia.
- 36) Participation in inter-agency meetings: As in the past years, UNIDO participated in all major inter-agency coordination meetings organized by either the Multilateral Fund Secretariat or by any of the other implementing agencies.
- 37) Cooperation with Bilateral Agencies: During 2014, UNIDO continued implementation of the ongoing bilateral projects.

38) Those bilateral projects under UNIDO's implementation, which have been ongoing or have been completed in 2014 are listed in the below table. The list is sorted in alphabetical order of the bilateral agencies.

#	Bilateral Agency	Country	Project Title	Impact	Approved Funding (US\$)	Status
1	France	Mexico	Demonstration project for disposal of unwanted ODS	0	453,000	ONG
2	France	Regional Africa	Strategic demonstration project for accelerated conversion of CFC chillers in 5 African Countries (Cameroon, Egypt, Namibia, Nigeria and Sudan)	0	360,000	ONG
3	France	Algeria	Pilot demonstration project on ODS waste management and disposal	0	250,000	ONG
4	Italy	Morocco	Phase-out of methyl bromide used as a soil fumigant in the production of green beans and cucurbits	15	310,000	COM
5	Italy	Argentina	Phase-out of HCFC-22 in the room and unitary air-conditioning equipment manufacturing sector of Argentina	0	300,000	ONG
6	Japan	China	Pilot demonstration project on ODS waste management and disposal	0	900,000	ONG
7	Japan	Regional Africa	Strategic demonstration project for accelerated conversion of CFC chillers in 5 African Countries (Cameroon, Egypt, Namibia, Nigeria and Sudan)	0	700,000	ONG
8	Japan	Philippines	Sector plan to phase out HCFC-141b in the foam sector	0	317,350	ONG
9	Japan	Saudi Arabia	Phase-out of HCFC-22 and HCFC-142b from the manufacture of XPS panel at Al-Watania Plastics	1.9	110,000	ONG
10	Japan	Saudi Arabia	Phase-out of HCFC-22 and HCFC-142b from the manufacture of XPS panel at Line #2 in Arabian Chemical Company	5.2	110,000	ONG
11	Spain	Regional LAC	Technical assistance to introduce chemical alternatives in countries which have rescheduled methyl bromide phase out plan (Argentina & Uruguay)	0	147,400	ONG

#	Bilateral Agency	Country	Project Title	Impact	Approved Funding (US\$)	Status
12	Spain	Libya	Phase-out of methyl bromide in horticulture: tomatoes, cucumbers, peppers and others (2 nd tranche)	40	500,000	ONG
13	Spain	Mexico	National Methyl-Bromide Phase-Out Plan (3 rd tranche)	80	800,000	ONG

Other issues

39) The status of ongoing projects is described in Annex II. The success and timely implementation of these activities are crucial in the current compliance period. In order to ensure timely project completion of projects approved so far, and to facilitate compliance of the recipient countries with their MP obligations, in 2014, UNIDO has continued to practice the following initiatives, which supported successful project implementation:

- Regular missions to ozone offices and project sites are organized to monitor together with the ozone officers the implementation of national and/or sector phase-out plans and ongoing stand-alone projects. UNIDO visits the respective ozone offices at least once a year. When required, UNIDO fields ad-hoc missions and requests support from the field representatives, who are in regular contact with the ozone office of the country to organize training, clear equipment from the customs, recruit national experts, undertake local procurement, process project travels, etc.
- Good cooperation with the national ozone offices has continued and regular follow up of the implementation process is being done by the staff of the ozone office together with UNIDO's national and international consultants and project managers. This ensures that effective actions on critical issues such as resolving bottlenecks in site preparation, customs clearance, installation, commissioning and safety certification, monitoring of destruction of ODS-related equipment are taken in a timely manner.
- Due to security issues and the Ebola outbreak, UNIDO experienced delays in project implementation during 2014 particularly in Northern and Western Africa and in West Asia. In terms of the Ebola, country situations improved significantly by 2015; however the security situation in some West Asian and North African countries is still critical, which considerably hinders implementation.

40) UNIDO is regularly attending Regional Network Meetings and respective workshops providing additional support to our counterpart countries.

- UNIDO's field representation is receiving regular training on Montreal Protocol issues and involvement of field staff in MP implementation is continuously expanded.

41) UNIDO also provides, when requested, support such as policy assistance, putting in place relevant legislation etc.

- 42) In 2014 gender mainstreaming training was organized for UNIDO staff in order to enhance gender sensitivity and the inclusivity of projects in line with the inclusive and sustainable industrial development policy of UNIDO.
- 43) As of June 2014, following the retirement of Mr. S. M. Si Ahmed, Mr. Stephan Sicars took over the position of the Director of UNIDO's Montreal Protocol Branch.

VII. Tables and Annexes*

Table 1	Annual Summary
Table 2	Summary Data by Project Type
Table 3	ODP to be Phased out – By Region, Country and Sector – Ongoing Projects
Table 3a	ODP Phased out by Region, Country and Sector – Completed Projects
Table 3b	Partial ODP Phase out – By Sector, Region and Country
Table 4	Demonstration, Investment and Recovery and Recycling Projects Completed since Last Report
Table 5	Cumulative Completed Demonstration, Investment and R&R Projects by Region, Sector and Implementation Characteristics
Table 6	Cumulative Completed Non-Investment Projects by Region, Sector, Type and Implementation Characteristics
Table 7	Cumulative Ongoing Demonstration, Investment and R&R Projects by Region, Sector and Implementation Characteristics
Table 8	Cumulative Ongoing Non-Investment Projects by Region, Sector, Type and Implementation Characteristics
Table 9	Active Project Preparation Accounts
Table 10a	Completed Projects With Balances Returned to the Multilateral Fund During the Reporting Year
Annex II	Database
Annex III	Multi-year Agreements Summary

* Worksheets in Excel file