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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Seventy- sixth Meeting
Montreal, 9-13 Mai 2016

2016 CONSOLIDATED PROJECT COMPLETION REPORT

Background

1. This report provides the Executive Committee with a review of the results reported in both the multi-year agreements (MYA) projects completion reports (PCRs) and the individual PCRs received up to 21 March 2016.
2. The issue of outstanding PCRs has been addressed by the Executive Committee at each of its meetings. At the 75th meeting, the Executive Committee *inter alia* urged bilateral and implementing agencies (IAs) to submit to the 76th meeting the backlog of PCRs for MYAs and individual projects listed in document UNEP/OzL.Pro/ExCom/75/7; and if the PCRs due were not submitted, to provide the reasons for not doing so and the schedule for submission (decisions 75/5(b)).
3. Pursuant to decision 75/5(b), the Senior Monitoring and Evaluation Officer (SMEO) prepared a list of all PCRs due which was sent to bilateral and IAs on 17 December 2015. During the Inter-agency coordination meeting (IACM)¹, the SMEO also raised the issue of submitting all outstanding PCRs on time. The information contained in the PCRs due and the importance of disseminating the lessons learnt given their relevance to the implementation of future projects, further reiterated the importance of submission. Furthermore, status reports on completed projects would have to be submitted until the PCRs were submitted, which would increase the workload of the Executive Committee, the agencies and the Secretariat.

Scope of the document

4. This document contains five parts:

Parts I and II, provide the Executive Committee with a review of the results reported in the MYA PCRs and the individual PCRs, respectively²

¹ Montreal, 1 to 2 March, 2016.

² A draft of the document was sent to the bilateral and IAs. Comments received were taken into account when finalizing the document.

Part III, presents the progress of development of the database of lessons learnt from PCRs

Part IV, presents the development of HCFC phase-out management plans (HPMPs) PCR database

Recommendation

PART I MYA PCRs

Overview of MYA PCRs received

5. Of the 151 MYA completed, bilateral and IAs submitted 102 PCRs, with an outstanding balance of 49 as shown in Table 1. The list of the ten PCRs submitted after the 75th meeting is attached in Annex I to the present report.

Table 1. Overview of MYAs PCRs

| Lead agency | MYA completed | MYA PCRs received | MYA PCRs due | MYA PCRs received during the reporting period |
|--------------------|---------------|-------------------|--------------|---|
| Canada | 3 | 0 | 3 | 0 |
| France | 5 | 0 | 5 | 0 |
| Germany | 9 | 6 | 3 | 1 |
| Japan | 1 | 1 | 0 | 0 |
| UNDP | 20 | 19 | 1 | 1 |
| UNEP | 57 | 43 | 14 | 0 |
| UNIDO | 40 | 33 | 7 | 8 |
| World Bank | 16 | 0 | 16 | 0 |
| Grand Total | 151 | 102 | 49 | 10 |

*After the 75th meeting (12 September 2015 to 21 March 2016).

6. The total actual disbursement and ODS phased out for the ten MYA PCRs were very similar to those as approved in the MYAs, while average delays ranged between one and 32 months, as shown in Table 2.

Table 2. Overview of the budget and ODS phased out of MYAs submitted after the 75th meeting

| Lead agency | MYA funds (US \$) | | ODP tonnes phase out | | Average delay (months) |
|--------------|-------------------|------------------|----------------------|--------------------|------------------------|
| | Approved | Disbursed | Per agreement | As progress report | |
| Germany | 574,492 | 574,492 | 34.0 | 32.4 | 1.03 |
| UNDP | 553,797 | 553,797 | 150.0 | 150.0 | 25.37 |
| UNIDO | 7,963,152 | 7,718,074 | 1,727.5 | 2,019.0 | 32.25 |
| Total | 9,091,441 | 8,846,363 | 1,911.5 | 2,201.4 | 28.44 |

Causes of delays and lessons learnt from the MYA PCRs

7. Enterprise related delays were mainly associated with administrative issues due to ownership change and technical problems (e.g., pressure gauge defaults upon delivery). In some cases, delivery of equipment by suppliers experienced delays, and payments were setback due to incompatible administrative systems and long bidding processes. Accordingly, postponed equipment delivery impacted other downstream processes such as refrigeration trainings. Institutional delays were reported due to complex administrative procedures (e.g., lengthy customs clearance and value added tax or fragmented regulations and longer time for adoption of policies than expected). Bilateral and IAs experienced delays due to lack of awareness and cooperation between stakeholders. At the national level, delays were owed to various reasons, *inter alia* deteriorating national security situation.

8. Lessons learnt from training programmes and cooperation between all stakeholders abound in demonstrating their importance from project inception to implementation (e.g., technology transfer). These strengthen partnership and foster synergy. Independent verifications on consumption targets guarantee a transparent process and site visits prior to contract signature lower the risk of discrepancies in data gathering.

9. Three IAs (UNEP, UNIDO and the World Bank) did not submit all their MYA PCRs due according to their planned schedule. UNIDO postponed the submission of two MYA PCRs (China and Egypt) but submitted two additional reports instead (Montenegro and Syrian Arab Republic). Another PCR (Tunisia) awaits submission by the co-operating agency (World Bank), which mentioned technical database problems. UNEP and the World Bank did not provide reasons for not submitting MYA PCRs according to their schedule.

PART II INDIVIDUAL PCRs

Overview of PCRs received and due

10. One PCR for investment projects and four PCRs for non-investment projects were received after the 75th meeting as shown in Tables 3 and 4, respectively. The list of five PCRs received is contained in Annex II to the present document.

Table 3. PCRs submitted for investment projects

| Agency | Completed projects | PCRs | | |
|--|--------------------|------------------|-----------|---|
| | | Received | Still due | Received during the reporting period ¹ |
| France | 15 | 12 ² | 3 | 0 |
| Germany | 19 | 19 ³ | 0 | N/A |
| Italy | 10 | 10 ⁴ | 0 | N/A |
| Japan | 6 | 6 ⁸ | 0 | N/A |
| Spain | 1 | 1 | 0 | N/A |
| United Kingdom of Great Britain and Northern Ireland | 1 | 1 | 0 | N/A |
| United States of America | 2 | 2 | 0 | N/A |
| UNDP | 893 | 893 ⁵ | 0 | N/A |
| UNIDO | 446 | 446 ⁶ | 0 | 1 |
| World Bank | 456 | 452 ⁷ | 4 | 0 |
| Total | 1,849 | 1,842 | 7 | 1 |

¹ 12 September 2015 to 21 March 2016.

² In addition, France submitted 1 PCR for multi-year project.

³ In addition Germany submitted 1 PCR for multi-year project.

⁴ In addition, Italy submitted 1 PCR for multi-year project.

⁵ In addition, UNDP submitted 2 PCRs for cancelled projects and 3 PCRs for multi-year projects.

⁶ In addition, UNIDO submitted 2 PCRs for cancelled projects, 9 cancellation reports and 25 PCRs for multi-year projects.

⁷ In addition, the World Bank submitted 2 PCRs for cancelled projects.

⁸ In addition, Japan submitted 2 PCRs for multi-year projects.

Table 4. PCRs submitted for non-investment projects*

| Agency | Completed projects | PCRs | | |
|--------------------------|--------------------|------------------|-----------|---|
| | | Received | Still due | Received during the reporting period ¹ |
| Australia | 25 | 25 ² | 0 | N/A |
| Austria | 1 | 1 | 0 | N/A |
| Canada | 57 | 55 | 2 | 0 |
| Czech Republic | 2 | 2 | 0 | N/A |
| Denmark | 1 | 1 | 0 | N/A |
| Finland | 5 | 5 | 0 | N/A |
| France | 31 | 14 | 17 | 0 |
| Germany | 54 | 51 | 3 | 0 |
| Israel | 2 | 2 | 0 | N/A |
| Japan | 13 | 13 | 0 | 1 |
| Poland | 1 | 1 | 0 | N/A |
| Portugal | 1 | 0 | 1 | 0 |
| South Africa | 1 | 1 | 0 | N/A |
| Spain | 3 | 3 | 0 | N/A |
| Sweden | 5 | 5 ³ | 0 | N/A |
| Switzerland | 3 | 3 | 0 | N/A |
| United States of America | 40 | 40 | 0 | N/A |
| UNDP | 271 | 264 ⁴ | 7 | 1 |
| UNEP | 432 | 417 ⁵ | 15 | 0 |
| UNIDO | 115 | 114 ⁶ | 1 | 2 |
| World Bank | 39 | 36 | 3 | 0 |
| Total | 1,102 | 1,053 | 49 | 4 |

* Except project preparation, country programmes, multi-year projects, networking and clearing-house activities, institutional strengthening projects.

1 12 September 2015 to 21 March 2016.

2 In addition, Australia submitted 1 PCR for cancelled project.

3 In addition, Sweden submitted 3 PCRs for multi-year projects and 3 PCRs on transferred projects.

4 In addition, UNDP submitted 2 PCRs on transferred projects and 1 PCR for multi-year.

5 In addition, UNEP submitted 12 PCRs for multi-year projects.

6 In addition, UNIDO submitted 3 PCRs for multi-year projects.

11. In reviewing the PCRs the Secretariat noted that the total disbursement was 99.97 per cent of the planned expenditures; five projects experienced delays in implementation ranging from 27 months to 106 months, with an average delay of 58.63 months; and the difference in the amount of ODS phased out as compared to the originally planned is due to one project implemented by Japan (Table 5).

Table 5. Budgets, phase-out and delays reported in PCRs

| Agency | Number of projects | Funds (US \$) | | ODP tonnes | | Average (months) | |
|--------------|--------------------|------------------|------------------|------------------|--------------|------------------|--------------|
| | | Approved | Disbursed | To be phased out | Phased out | Duration | Delays |
| Japan | 1 | 144,000 | 144,000 | 5.0 | 22.0 | 123.80 | 106.53 |
| UNDP | 1 | 390,000 | 389,447 | 52.3 | 52.3 | 116.63 | 87.27 |
| UNIDO | 3 | 7,785,866 | 7,783,712 | 62.4 | 62.4 | 55.82 | 33.12 |
| Total | 5 | 8,319,866 | 8,317,159 | 119.7 | 136.7 | 81.58 | 58.63 |

Causes of delays and lessons learnt from individual PCRs submitted

12. Enterprise related delays for individual PCRs were associated with the limited knowledge of beneficiaries of the selected technology for conversion. In some cases, delivery and installation of equipment

by suppliers experienced delays for a range of factors (e.g., delays in custom clearance and late mobilization of suppliers). Some governmental procedures impeded projects' timely kick-off and some external factors also played a role in delaying implementation in areas afflicted by war or insecurity.

13. Lessons learnt from R-290 demonstration projects in the refrigeration sector had an impact from project conception to market introduction. These projects allowed for modifications of standards and introduction of new ones; facilitated technology promotion and trainings on servicing and installation of flammable refrigerants; and awareness activities were necessary to disseminate the knowhow. Coordinating co-financing of major stakeholders proved to delay implementation, but ensured steadier revenues and encouraged national engagement. It was also noted that flexibility was needed when replicating projects in other countries.

14. Two IAs (UNEP and the World Bank) did not submit all their individual PCRs due according to their planned schedule and did not provide reasons for not submitting them.

PART III THE DATABASE OF LESSONS LEARNT FROM PCRS

15. In previous documents, the Secretariat extracted lessons learnt contained in the PCRs and presented for consideration by the Executive Committee. However, the substantial information contained in the lessons learnt section of PCRs has not been used to its full potential by stakeholders involved in project implementation.

16. Pursuant to decision 75/5(f)³, the Secretariat developed an online search engine to access the lessons learnt from individual and MYA PCRs, so that stakeholders could easily access it when, for example they were developing or implementing similar projects. These search engines are accessible on the Secretariat's website under the Monitoring and Evaluation section⁴ and are structured to allow for queries by categories, namely: country, agencies, sector, and type and by keywords, to facilitate the search.

17. Bilateral and IAs should provide sufficient detail in the PCRs so that the lessons learnt could be used during projects preparation and implementation in the future.

PART IV HPMP PCR DATABASE

18. At the 75th meeting, the Executive Committee approved the PCR format for HPMP (decision 75/5). Based on the approved format, the SMEO and the Secretariat launched the HPMP PCR database⁵, which was shared with the bilateral and IAs for testing purposes. The database is accessible on the Secretariat's website.⁶

RECOMMENDATION

19. The Executive Committee may wish:

- (a) To take note of the 2016 consolidated project completion reports (PCRs) contained in document UNEP/OzL.Pro/ExCom/76/7;

³ The Executive Committee decided "To request the Senior Monitoring and Evaluation Officer to further develop the pilot application for searching and extracting information on lessons learnt in PCRs to cover all the PCRs considered by the Executive Committee, and to report back to the 76th meeting".

⁴ Search engines for individual PCRs and MYA PCRs are respectively accessible at: <http://www.multilateralfund.org/pcrindividual/search.aspx> and <http://www.multilateralfund.org/myapcr/search.aspx>

⁵ The database has been structured based on the MYA PCR database previously proven efficient and its format is in an electronic form to facilitate a smooth PCR submission.

⁶ <http://192.168.0.66:1177/Login.aspx>

- (b) To urge bilateral and implementing agencies to submit to the 77th meeting the backlog of PCRs for multi-year agreements (MYAs) and individual projects, and if the PCRs due were not submitted, to provide the reasons for not doing so and the schedule for submission;
 - (c) To urge cooperating implementing agencies to complete their portion of PCRs to allow the lead implementing agency to submit them according to the schedule.
 - (d) To urge bilateral and implementing agencies to enter clear, well written and thorough lessons when submitting their PCRs, as they will appear “as is” in the search engines; and
 - (e) To invite all those involved in the preparation and implementation of MYAs and individual projects to take into consideration the lessons learnt from PCRs when preparing and implementing future projects.
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Annex I

MYA PROJECT COMPLETION REPORTS RECEIVED

| Country | Agreement Title | Lead Agency | Cooperating Agency |
|------------------------|--------------------------------------|--------------------|---------------------------|
| Albania | ODS phase out plan | UNIDO | UNEP |
| Bosnia and Herzegovina | ODS phase out plan | UNIDO | |
| Indonesia | ODS phase out plan Aerosol | UNDP | IBRD |
| Kenya | Methyl bromide Horticulture | Germany | |
| Montenegro | ODS phase out plan | UNIDO | |
| Morocco | Methyl bromide Green Beans and Melon | UNIDO | Italy |
| Nigeria | Solvent | UNIDO | |
| Saudi Arabia | ODS phase out plan | UNIDO | UNEP |
| Syrian Arab Republic | Methyl bromide | UNIDO | |
| Tunisia | ODS phase out plan | UNIDO | IBRD |

Annex II

INDIVIDUAL PROJECT COMPLETION REPORTS RECEIVED

| Code | Agency | Project Title |
|--------------------|---------------|---|
| CPR/REF/61/DEM/503 | UNIDO | Demonstration sub-project for conversion from HCFC-22 to propane at Midea Room Air-conditioning Manufacturing Company |
| GLO/SEV/63/TAS/307 | UNIDO | Resource mobilization for HCFC phase-out and climate co-benefits |
| PAK/FOA/60/INV/77 | UNIDO | Phase-out of HCFC-141b from the manufacturing of insulation PU rigid foam at United Refrigeration, HNR (Haier), Varioline Intercool and Shadman Electronics companies |
| BRU/REF/44/TAS/10 | UNDP | Implementation of the RMP: technical assistance for the refrigeration service and MAC sectors |
| SRL/PHA/43/TAS/26 | Japan | National compliance action plan: incentive programme for commercial and industrial refrigeration end-users |