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| **UNITEDNATIONS** | **EP** |
| UNEP | **United Nations****Environment****Programme** | Distr.GENERALUNEP/OzL.Pro/ExCom/80/1427 October 2017ORIGINAL: ENGLISH |

EXECUTIVE COMMITTEE OF
 THE MULTILATERAL FUND FOR THE
 IMPLEMENTATION OF THE MONTREAL PROTOCOL
Eightieth Meeting

Montreal, 13-17 November 2017

**UPDATE ON THE IMPLEMENTATION OF THE 2017-2019 BUSINESS PLANS**

**Introduction**

# At the 77th meeting, the Executive Committee endorsed the consolidated business plan of the Multilateral Fund for 2017-2019[[1]](#footnote-1). In response to decision 77/27(b), the Secretariat adjusted the consolidated 2017-2019 business plan,[[2]](#footnote-2) as shown in Table 1.

**Table 1. Resource allocation of the of the adjusted 2017-2019 business plan of the Multilateral Fund (US $)**

| **Description** | **2017** | **2018** | **2019** | **Total** |
| --- | --- | --- | --- | --- |
| **Required for compliance** |  |  |  |  |
| Approved multi-year agreements (MYAs)\* | 93,837,860 | 133,829,823 | 74,338,005 | 302,005,688 |
| HCFC production phase-out management plan (HPPMP) preparation – stage I | 107,000 | 0 | 0 | 107,000 |
| HPPMP – stage I | 0 | 532,500 | 532,500 | 1,065,000 |
| HPPMP – stage II | 21,874,286 | 21,874,286 | 21,874,286 | 65,622,857 |
| HCFC phase-out management plan (HPMP) preparation – stage II | 836,571 | 4,183,986 | 163,411 | 5,183,968 |
| HPMP preparation – stage I | 36,697 | 0 | 0 | 36,697 |
| HPMPs and HPMP investment projects – stage I | 1,527,557 | 1,190,748 | 8,000 | 2,726,306 |
| HPMPs and HPMP investment projects – stage II | 12,832,243 | 33,131,211 | 24,574,373 | 70,537,827 |
| HPMP verification | 588,600 | 588,600 | 588,600 | 1,765,800 |
| **Sub-total** | **131,640,814** | **195,331,154** | **122,079,175** | **449,051,143** |
| **Standard costs** |  |  |  |  |
| UNEP compliance assistance programme (CAP) | 10,930,665 | 11,258,585 | 11,596,342 | 33,785,592 |
| Core unit (UNDP, UNIDO, World Bank) | 5,863,770 | 5,904,816 | 5,946,150 | 17,714,736 |
| Institutional strengthening (IS) | 11,360,704 | 9,948,013 | 11,180,876 | 32,489,593 |
| Secretariat/Executive Committee/ Monitoring and Evaluation (excluding Canadian counterpart funding) | 6,505,874 | 6,585,930 | 6,718,640 | 19,810,443 |
| Treasurer  | 500,000 | 500,000 | 500,000 | 1,500,000 |
| **Sub-total** | **35,161,013** | **34,197,344** | **35,942,008** | **105,300,365** |
| **Grand total** | **166,801,827** | **229,528,498** | **158,021,183** | **554,351,507** |
| Bilateral | 2,743,010 | 10,388,715 | 1,115,458 | 14,247,183 |
| UNDP | 43,340,791 | 58,670,963 | 35,054,984 | 137,066,738 |
| UNEP | 27,575,568 | 26,963,622 | 23,907,026 | 78,446,216 |
| UNIDO | 45,184,709 | 71,224,415 | 42,721,017 | 159,130,141 |
| World Bank | 40,363,275 | 54,606,253 | 47,415,458 | 142,384,986 |
| HPMP verification reports\*\* | 588,600 | 588,600 | 588,600 | 1,765,800 |
| Secretariat/Executive Committee/ Monitoring and Evaluation (excluding Canadian counterpart funding) | 6,505,874 | 6,585,930 | 6,718,640 | 19,810,443 |
| Treasurer | 500,000 | 500,000 | 500,000 | 1,500,000 |

\* US $342,891,078 has been approved in principle after 2019.

\*\* Funding for the preparation of HPMP verification reports for low-volume-consuming countries is approved on an annual basis.

**Status of implementation of the 2017 business plans**

# The total funding available for 2017 amounts to US $166,801,827. Of this amount, US $11,597,209 has been approved at the 79th meeting. Funding requests submitted to the 80th meeting amounts to US $144,615,925 consisting of: US $138,446,594 for project proposals (including those for individual consideration) and US $6,169,331 for the Secretariat, Monitoring and Evaluation work programme, Treasurer and Executive Committee meetings. If funding requests for all project proposals submitted are approved, a balance of US $10,588,693 would be available from the 2017 business plan, as shown in Table 2. The lists the project proposals submitted to the 80th meeting is contained in Annex I to the present document.

**Table 2. Funding analysis of the 2017 business plan by agency (US $)\***

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Budget items** | **Business plan** | **Approvals 79th meeting**  | **Submissions 80th meeting\*** | **Total (79th and 80th)** | **Balance (above)/below** |
| Bilateral agencies | 2,743,010 | 958,090 | 1,955,918 | 2,914,008 | (170,998) |
| UNDP | 43,340,791 | 2,510,221 | 32,301,852 | 34,812,073 | 8,528,718 |
| UNEP | 27,575,568 | 1,705,211 | 13,938,575 | 15,643,786 | 11,931,782 |
| UNIDO | 45,184,709 | 5,419,935 | 29,385,234 | 34,805,169 | 10,379,540 |
| World Bank | 40,363,275 | 971,052 | 60,596,215 | 61,567,267 | (21,203,992) |
| HPMP verification | 588,600 | 32,700 | 268,800 | 301,500 | 287,100 |
| **Sub-total**  | **159,795,953** | **11,597,209** | **138,446,594** | **150,043,803** | **9,752,150** |
| Secretariat/Executive Committee/ Monitoring and Evaluation\* | 6,505,874 |  | 5,669,331 | 5,669,331 | 836,543 |
| Treasurer | 500,000 |  | 500,000 | 500,000 | 0 |
| **Sub-total**  | **7,005,874** |  | **6,169,331** | **6,169,331** | **836,543** |
| **Total** | **166,801,827** | **11,597,209** | **144,615,925** | **156,213,134** | **10,588,693** |

\* Excluding Canadian counterpart funding.

# The value of project proposals submitted to the 80th meeting of US $138,446,594, is US $29,234,842 above the value in the 2017 business plan, and includes US $822,029 associated with project proposals not included in the 2017 business plan.[[3]](#footnote-3)

# Project proposals with a value of US $42,883,034[[4]](#footnote-4) that were included in the 2017 business plan were not submitted to the 80th meeting. These proposals have been included in the Consolidated business plan of the Multilateral Fund for 2018-2020.[[5]](#footnote-5)

# **Forward commitments**

# The total amount for existing forward commitments for MYAs for the period 2017 to 2031 is US $952.3 million, assuming that the funding requests of MYAs submitted to the 80th meeting will be approved in principle, as shown in Table 3.

**Table 3. Forward commitments (2017-2031) (US $000)**

| **Description** | **2017** | **2018** | **2019** | **2020** | **2021** | **2022** | **2023** | **2024** | **2025** | **2026** | **2030** | **2031** | **Total** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Tranches approved at 79th meeting  | 96,661 | 126,285 | 80,084 | 99,872 | 90,726 | 44,579 | 35,159 | 27,748 | 28,123 | 32,043 | 112 | 57 | 661,447 |
| Tranches submitted to 80th meeting | 56,971 | 54,340 | 56,337 | 25,017 | 24,360 | 25,320 | 24,126 | 24,050 | 256 |  | 100 |  | 290,877 |
| Total  | 153,632 | 180,625 | 136,420 | 124,888 | 115,086 | 69,900 | 59,285 | 51,798 | 28,378 | 32,043 | 212 | 57 | 952,324 |

# **Balance available for the 80th meeting**

# As of 26 October 2017, the balance available at the Multilateral Fund amounted to US $78,880,802, with an outstanding contributions of US $36,724,739 for the 2015-2017 triennium.[[6]](#footnote-6) After the 79th meeting, the potential interest to be accrued amounts to US $2,946,915; the potential loss due to the fixed‑exchange rate mechanism (FERM) amounts to US $13,000,000, and the balances of completed projects amounts to US $4,420,729.[[7]](#footnote-7) Accordingly, the total funding that could be available for new allocations at the 80th meeting amounts to US $109,973,185. Given the value of funding requests submitted to the 80th meeting of US $144,615,925, the resource allocation at the end of the 2015-2017 triennium would be exceeded by US $34,642,740, as shown in Table 4.

**Table 4. Resource allocation for 2017 as of 16 October 2017**

|  |  |  |
| --- | --- | --- |
| **Description** |  | **Amount (US $)** |
| **Funding available** |
| Balance available  | (a) | 78,880,802 |
| Outstanding contributions for 2015 to 2017 | (b) | 36,724,739 |
| Potential interest accrued after the 79th meeting | (c) | 2,946,915 |
| Potential FERM loss after the 79th meeting | (d) | (13,000,000) |
| Fund returns at 80th meeting | (e) | 4,420,729 |
| Total funding available  | (f = a+b+c+d+e) | 109,973,185 |
| **Expenditures** |
| Project submissions to the 80th meeting | (g) | 138,446,594 |
| Secretariat/Executive Committee/Monitoring/Treasurer | (h) | 6,169,331  |
| Total expenditures | (i = g+h) | 144,615,925 |
| **Balance** | **(j = f-i)** | **(34,642,740)** |

# **RECOMMENDATIONS**

# The Executive Committee may wish to note the update on the implementation of the 2017-2019 business plans contained in document UNEP/OzL.Pro/ExCom/80/14.

**Annex I**

**PROJECT PROPOSALS SUBMITTED TO THE 80TH MEETING**

| **Country** | **Agency** | **Project Title** | **Funds Requested** | **Support Costs Requested** | **Total**  |
| --- | --- | --- | --- | --- | --- |
| **Standard activities** |
| Global | UNEP | Compliance Assistance Programme: 2018 budget | 9,863,000 | 789,040 | 10,652,040 |
| Global | IBRD | Core unit budget (2018) | 0 | 1,735,000 | 1,735,000 |
| Global | UNDP | Core unit budget (2018) | 0 | 2,069,385 | 2,069,385 |
| Global | UNIDO | Core unit budget (2018) | 0 | 2,069,385 | 2,069,385 |
| Secretariat/ExCom/Treasurer |   |   | 6,169,331 |   | 6,169,331 |
| **Institutional strengthening** |
| Afghanistan | UNEP | Extension of institutional strengthening project (phase VIII: 1/2018-12/2019) | 192,000 | 0 | 192,000 |
| Albania | UNEP | Renewal of institutional strengthening project (phase VIII: 7/2018-6/2020) | 139,776 | 0 | 139,776 |
| Angola | UNEP | Extension of the institutional strengthening project (phase VI: 11/2017-10/2019) | 172,032 | 0 | 172,032 |
| Benin | UNEP | Renewal of institutional strengthening project (phase X: 1/2018-12/2019) | 85,000 | 0 | 85,000 |
| Bolivia (Plurinational State of) | UNEP | Extension of institutional strengthening project (phase X: 1/2018-12/2019) | 100,950 | 0 | 100,950 |
| Bosnia and Herzegovina | UNIDO | Extension of the institutional strengthening project (phase VI: 3/2018-2/2020) | 122,026 | 8,542 | 130,568 |
| Cameroon | UNEP | Extension of institutional strengthening project (phase XI: 1/2018-12/2019) | 178,601 | 0 | 178,601 |
| Chad | UNEP | Extension of the institutional strengthening project (phase VIII: 1/2018-12/2019) | 85,000 | 0 | 85,000 |
| Comoros (the) | UNEP | Extension of the institutional strengthening project (phase X: 1/2018-12/2019) | 85,000 | 0 | 85,000 |
| Costa Rica | UNDP | Extension of institutional strengthening project (phase XII: 1/2018-12/2019) | 179,857 | 12,590 | 192,447 |
| Guinea | UNEP | Extension of the institutional strengthening project (phase X: 1/2018-12/2019) | 85,000 | 0 | 85,000 |
| Indonesia | UNDP | Extension of institutional strengthening project (phase XI: 1/2018-12/2019) | 347,194 | 24,304 | 371,498 |
| Kenya | UNEP | Extension of institutional strengthening project (phase XI: 11/2017-10/2019) | 194,134 | 0 | 194,134 |
| Liberia | UNEP | Extension of the institutional strengthening project (phase VII: 11/2017-10/2019) | 109,073 | 0 | 109,073 |
| Malaysia | UNDP | Extension of institutional strengthening project (phase XII: 1/2018-12/2019) | 357,760 | 25,043 | 382,803 |
| Marshall Islands | UNEP | Extension of the institutional strengthening project (phase VI: 12/2017-11/2019) | 85,000 | 0 | 85,000 |
| Niger (the) | UNEP | Extension of institutional strengthening project (phase XI: 1/2018-12/2019) | 85,000 | 0 | 85,000 |
| Palau | UNEP | Renewal of institutional strengthening project (phase VII: 12/2017-11/2019) | 85,000 | 0 | 85,000 |
| Panama | UNDP | Extension of institutional strengthening project (phase VIII: 12/2017-11/2019) | 191,360 | 13,395 | 204,755 |
| Peru | UNEP | Renewal of institutional strengthening project (phase V: 1/2018-12/2019) | 170,893 | 0 | 170,893 |
| Rwanda | UNEP | Extension of the institutional strengthening project (phase VII: 12/2017-11/2019) | 85,000 | 0 | 85,000 |
| Saint Lucia | UNEP | Renewal of institutional strengthening project (phase X: 1/2018-12/2019) | 85,000 | 0 | 85,000 |
| Saint Vincent and the Grenadines | UNEP | Extension of the institutional strengthening project (phase VII: 1/2018-12/2019) | 85,000 | 0 | 85,000 |
| Samoa | UNEP | Extension of institutional strengthening project (phase IX: 11/2015-10/2017) | 85,000 | 0 | 85,000 |
| Senegal | UNEP | Extension of institutional strengthening project (phase XII: 1/2018-12/2019) | 194,689 | 0 | 194,689 |
| Serbia | UNIDO | Extension of institutional strengthening project (phase VI: 12/2017-11/2019) | 168,064 | 11,764 | 179,828 |
| Solomon Islands | UNEP | Renewal of institutional strengthening project (phase VII: 12/2017-11/2019) | 85,000 | 0 | 85,000 |
| Tonga | UNEP | Renewal of institutional strengthening project (phase VII: 12/2017-11/2019) | 85,000 | 0 | 85,000 |
| Turkey | UNIDO | Extension of institutional strengthening project (phase VII: 12/2017-11/2019) | 332,800 | 23,296 | 356,096 |
| Uruguay | UNDP | Extension of institutional strengthening project (phase XII: 1/2018-12/2019) | 193,024 | 13,512 | 206,536 |
| **HPMP verification reports** |
| Botswana | UNEP | Verification report on the implementation of the HCFC phase-out management plan | 30,000 | 3,900 | 33,900 |
| Comoros (the) | UNEP | Verification report on the implementation of the HCFC phase-out management plan | 30,000 | 3,900 | 33,900 |
| Djibouti | UNEP | Verification report on the implementation of the HCFC phase-out management plan | 30,000 | 3,900 | 33,900 |
| Gabon | UNEP | Verification report on the implementation of the HCFC phase-out management plan | 30,000 | 3,900 | 33,900 |
| Oman | UNIDO | Verification report on the implementation of the HCFC phase-out management plan | 30,000 | 2,700 | 32,700 |
| Sudan (the) | UNIDO | Verification report on the implementation of the HCFC phase-out management plan | 30,000 | 2,700 | 32,700 |
| Swaziland | UNEP | Verification report on the implementation of the HCFC phase-out management plan | 30,000 | 3,900 | 33,900 |
| Togo | UNEP | Verification report on the implementation of the HCFC phase-out management plan | 30,000 | 3,900 | 33,900 |
| **HPMPs - Stage I** |
| Bahamas (the) | UNIDO | HCFC phase-out management plan (stage I, third tranche) | 35,828 | 3,224 | 39,052 |
| Bahamas (the) | UNEP | HCFC phase-out management plan (stage I, third tranche) | 58,175 | 7,563 | 65,738 |
| Bangladesh | UNEP | HCFC phase-out management plan (stage I, third and fourth tranches) (refrigeration servicing sector) | 35,000 | 4,550 | 39,550 |
| Barbados | UNDP | HCFC phase-out management plan (stage I, second tranche) | 38,000 | 3,420 | 41,420 |
| Barbados | UNEP | HCFC phase-out management plan (stage I, second tranche) | 48,000 | 6,240 | 54,240 |
| Burkina Faso | UNIDO | HCFC phase-out management plan (stage I, third tranche) | 90,000 | 8,100 | 98,100 |
| Burkina Faso | UNEP | HCFC phase-out management plan (stage I, third tranche) | 87,000 | 11,310 | 98,310 |
| Cameroon | UNIDO | HCFC phase-out management plan (refrigeration servicing sector plan) (stage I, fourth tranche) | 59,136 | 4,435 | 63,571 |
| Democratic Republic of the Congo (the) | UNDP | HCFC phase-out management plan (stage I, third tranche) | 24,000 | 2,160 | 26,160 |
| Democratic Republic of the Congo (the) | UNEP | HCFC phase-out management plan (stage I, third tranche) | 23,500 | 3,055 | 26,555 |
| Costa Rica | UNDP | HCFC phase-out management plan (stage I, fourth tranche) | 106,000 | 7,950 | 113,950 |
| Kenya | France | HCFC phase-out management plan (stage I, fifth tranche) | 90,000 | 10,900 | 100,900 |
| Lesotho | Germany | HCFC phase-out management plan (stage I, third tranche) | 84,000 | 10,920 | 94,920 |
| Maldives | UNEP | HCFC phase-out management plan (stage I, fourth tranche) | 50,000 | 6,500 | 56,500 |
| Mauritania | UNDP | HCFC phase-out management plan (stage I, first tranche) | 105,000 | 7,350 | 112,350 |
| Mauritania | UNEP | HCFC phase-out management plan (stage I, first tranche) | 150,000 | 19,500 | 169,500 |
| Myanmar | UNIDO | HCFC phase-out management plan (stage I, second tranche) | 60,000 | 5,400 | 65,400 |
| Myanmar | UNEP | HCFC phase-out management plan (stage I, second tranche) | 32,000 | 4,160 | 36,160 |
| Sudan (the) | UNIDO | HCFC phase-out management plan (stage I, third tranche) (refrigeration servicing sector) | 40,000 | 3,000 | 43,000 |
| Thailand | IBRD | HCFC phase-out management plan (stage I, fourth tranche) (foam sector plan) | 1,531,197 | 107,184 | 1,638,381 |
| Thailand | IBRD | HCFC phase-out management plan (stage I, fourth tranche) (residential air-conditioning group project and technical assistance) | 1,532,345 | 107,264 | 1,639,609 |
| Timor-Leste | UNDP | HCFC phase-out management plan (stage I, third tranche) | 10,680 | 961 | 11,641 |
| Timor-Leste | UNEP | HCFC phase-out management plan (stage I, third tranche) | 16,400 | 2,132 | 18,532 |
| Zimbabwe | Germany | HCFC phase-out management plan (stage I, fourth tranche) (refrigeration servicing sector) | 168,000 | 20,097 | 188,097 |
| **HPMPs - Stage II** |
| Brazil | UNDP | HCFC phase-out management plan (stage II, second tranche) (foam sector) | 2,277,704 | 159,439 | 2,437,143 |
| Brazil | Germany | HCFC phase-out management plan (stage II, second tranche) (refrigeration servicing sector) | 686,978 | 76,457 | 763,435 |
| Brazil | UNDP | HCFC phase-out management plan (stage II, second tranche) (refrigeration servicing, regulatory actions and project monitoring) | 350,000 | 24,500 | 374,500 |
| China | Germany | HCFC phase-out management plan (stage II, second tranche) (extruded polystyrene foam sector plan) | 267,386 | 31,877 | 299,263 |
| China | UNIDO | HCFC phase-out management plan (stage II, second tranche) (extruded polystyrene foam sector plan) | 8,732,614 | 567,620 | 9,300,234 |
| China | UNDP | HCFC phase-out management plan (stage II, second tranche) (industrial and commercial refrigeration and air-conditioning sector plan) | 20,000,000 | 1,300,000 | 21,300,000 |
| China | UNIDO | HCFC phase-out management plan (stage II, second tranche) (room air-conditioner manufacturing sector plan) | 16,000,000 | 1,040,000 | 17,040,000 |
| China | UNDP | HCFC phase-out management plan (stage II, second tranche) (solvent sector plan) | 3,777,190 | 245,517 | 4,022,707 |
| Kenya | France | HCFC phase-out management plan (stage II, first tranche) | 456,500 | 52,803 | 509,303 |
| Peru | UNDP | HCFC phase-out management plan (stage II, first tranche) | 350,100 | 24,507 | 374,607 |
| Peru | UNEP | HCFC phase-out management plan (stage II, first tranche) | 62,400 | 8,112 | 70,512 |
| Philippines (the) | IBRD | HCFC phase-out management plan (stage II, first tranche) (air-conditioning sector) | 801,723 | 56,121 | 857,844 |
| Philippines (the) | IBRD | HCFC phase-out management plan (stage II, first tranche) (refrigeration servicing sector) | 358,300 | 25,081 | 383,381 |
| Timor-Leste | UNDP | HCFC phase-out management plan (stage II, first tranche) | 55,000 | 4,950 | 59,950 |
| Timor-Leste | UNEP | HCFC phase-out management plan (stage II, first tranche) | 83,000 | 10,790 | 93,790 |
| **HPPMP - Stage II** |
| China | IBRD | HCFC production phase-out management plan (stage II, first tranche) | 51,460,000 | 2,882,000 | 54,342,000 |
| **Total** |  |  | **130,914,720** | **13,701,205** | **144,615,925** |

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| --- | --- | --- | --- | --- |
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1. UNEP/OzL.Pro/ExCom/77/20. [↑](#footnote-ref-1)
2. The consolidated 2017-2019 business plan was adjusted by *inter alia* including fundingtranches of HPMPs and IS projects that were deferred from the 2016 business plans, and funding tranches of HPMPs approved at the 77th meeting. The adjusted consolidated business plan was posted on the Secretariat’s website on 29 December 2016. [↑](#footnote-ref-2)
3. Tranches of stage I of the HPMPs for Bangladesh (UNEP); tranches of stage II of the HPMPs for Kenya (France) and Timor-Leste (UNDP and UNEP); IS for Albania (UNEP). [↑](#footnote-ref-3)
4. These activities include: 82 HCFC activities for 38 countries (US $37.39 million), HPMP verification activities (US $287,100) and 38 IS activities (US $5.2 million). [↑](#footnote-ref-4)
5. UNEP/OzL.Pro/ExCom/80/16. [↑](#footnote-ref-5)
6. UNEP/OzL.Pro/ExCom/80/3. [↑](#footnote-ref-6)
7. UNEP/OzL.Pro/ExCom/80/4. [↑](#footnote-ref-7)