



**United Nations
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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Twenty-eighth Meeting
Montreal, 14-16 July 1999

WORLD BANK 1999 WORK PROGRAMME AMENDMENTS

COMMENTS AND RECOMMENDATIONS FROM THE FUND SECRETARIAT

1. The World Bank is requesting approval from the Executive Committee for US \$388,666 for 1999 work programme amendments with agency support costs of US \$50,527.

Table 1
World Bank 1999 Work Programme Amendments

<u>Country</u>	<u>Activity/Project</u>	<u>Amount Requested</u> <u>US \$</u>	<u>Amount</u> <u>Recommended</u> <u>US \$</u>
Ecuador	Renewal of institutional strengthening	136,000	97,300
Jordan	Renewal of institutional strengthening	113,333	113,333
Philippines	Renewal of institutional strengthening	139,333	139,333
Sub-Total:		388,666	349,966
Agency Support costs:		50,527	45,496
Total:		439,193	395,462

Ecuador: - Renewal of Institutional strengthening

Summary of the Project and Country Profile:	
Implementing Agency:	World Bank
Amount originally approved:	US \$204,000
Amount requested for renewal:	US \$136,000
Date of approval of country programme	February 1992
ODS consumption reported in country programme (1991), (ODP Tonnes)	742.1
Baseline (1995-1997) (ODP tonnes)	301.4
Latest reported ODS consumption (1998) (ODP tonnes)	368.9
Amount approved (as of March 1999)	US \$3,309,114
Amount disbursed (as at December 1998)	US \$2,069,643
ODS to be phased out (tonnes ODP)	417
ODS phased out (as at December 1998) (tonnes ODP)	629

2. The following non-investment activities have been approved and funded by the Executive Committee:

(a)	Feasibility study for reduction of CFC-11 in rigid polyurethane foam insulation for refrigerators using water/CO2 formulation	US \$91,000
(b)	Halon-1211 management plan	US \$58,000
(c)	Preparation of investment projects	US \$532,137
(d)	Country programme preparation	US \$143,100
(e)	Training programme for the Montreal Protocol Project Implementation Unit	US \$158,200
	Total:	US \$982,437

Progress Report

3. The main achievements reported in the progress report are: the number of industries that eventually became project beneficiaries; their compliance with the financing agreements signed with the Government; their rate of success in adopting new technologies to phase out ODSs; the number of enterprises that have shown keen interest in participating in Phase Two of the country

programme; schools that have asked Project Unit staff for additional lectures on the Montreal Protocol; and the fact that projects were executed in a timely and professional manner and in compliance with the grant agreement.

4. The main lessons learned are that: Government ownership of the project from the onset is indispensable; and training and information dissemination activities are essential to obtain the participation of the private sector in the phaseout of ODSs. Bureaucratic procedures must be effective, otherwise the local implementing agency loses credibility with participating enterprises; and close supervision assures project success.

5. The total expenditure over the three-year period amounted to US \$165,300, with remaining unspent balance of US \$38,700.

Plan of action:

6. The principal objectives of the institutional strengthening II project are: to consolidate the institutional strengthening capacity gained in the execution of Ecuador's Montreal Protocol programme; support the implementation of the second phase of the country programme which will include: reduction in the consumption by remaining industries through a company-by-company approach; and a Refrigerant Management Plan supported by an appropriate regulatory framework (expected to be approved by December 1999), defining a complete CFC phaseout by the year 2006. Phase II of the country programme is designed to be implemented over a 3-year period and will result in an elimination of an annual consumption of approximately 308 ODP tonnes, without considering the additional annual reduction due to regulatory measures.

Fund Secretariat's Recommendations

7. Taking into account the current balance available in the original project, the Secretariat recommends blanket approval of this request in the amount of US \$97,300 (US \$136,000 less US \$38,700) and associated support costs of US \$12,649 for a two-year period.

Jordan: Extension of institutional strengthening

Summary of the Project and Country Profile		
Implementing Agency:		World Bank
Amount originally approved:	June 1992:	US \$100,000
	July 1995:	US \$70,000
Amount requested for renewal:		US \$113,333
Date of approval of country programme		June 1993
ODS consumption reported in country programme (1991), (ODP Tonnes)		905
Latest reported ODS consumption (1998) (ODP tonnes)		1,129*
Baseline (1995-1997) (ODP tonnes)		673.7
Amount approved (as of March 1999)		US \$9,609,004
Amount disbursed (as at December 1998)		US \$5,199,266
ODS to be phased out (tonnes ODP)		790
ODS phased out (as at December 1998) (tonnes ODP)		578

* Includes 300 tonnes of methyl bromide.

8. The following non-investment activities have been approved and funded by the Executive Committee:

(a)	Country programme preparation	US \$111,654
(b)	Project preparation	US \$1,113,438
(c)	Technical assistance	US \$161,330
	Total:	US \$1,386,422

Progress Report

9. The main achievements reported in the progress report are: coordinating ODS phaseout activities in the country; providing legal recommendation to the Government with regard to the ratification of the Montreal Amendment; assisting experts to obtain information to develop and carry out field visits to State enterprises and companies using ODSs; signing agreements with the implementing agencies and local companies regarding the implementation of investment projects; preparing specifications for projects, their tendering and evaluation as well as supervising the implementation and completion of these projects by companies; providing technical information to companies using ODS; implementing public awareness programmes at all levels of society to show the importance of protecting the ozone layer; submission of consumption data to the Ozone Secretariat; sharing experiences with other members of the ODSNET/West Asia network.. Policy and regulations included a ban on the import of CFC compressors and other equipment containing CFCs; preparatory work initiated to establish a quota system.

10. In total, 13 investment projects were completed during this renewal period. This resulted in CFC phaseout of more than 460 ODP tonnes.

Plan of Action

11. The Action Plan for the next period involves facilitating preparation of additional investment projects in halon, aerosol and commercial refrigeration sectors, collection and verifying of consumption data, conducting awareness programmes; continuing implementation of existing approved projects; conducting government/industrial consultation on issues to be discussed at the Meeting of the Parties; coordinating with other government offices to enforce the ban on import of CFC compressors and other equipment containing CFCs; establish a quota system for imported CFCs; give financial incentives for industry to convert to non-CFC technology; and submit progress reports of all approved projects to the relevant implementing agencies. Articles related to ozone layer protection activities in Jordan will be published in local newspapers.

Fund Secretariat's Recommendations

12. The Fund Secretariat recommends blanket approval of the project in the amount of US \$113,333 with associated support costs of US \$14,733.

Philippines: Extension of institutional strengthening

Summary of the Project and Country Profile	
Implementing Agency:	World Bank
Amount originally approved:	US \$209,000
Amount requested for renewal:	US \$139,333
Date of approval of country programme	June 1993
ODS consumption reported in country programme (1991), (ODP Tonnes)	2,356
Latest reported ODS consumption (1998) (ODP tonnes)	2,285
Baseline (1995-1997) (ODP tonnes)	2,042.9
Amount approved (as of March 1999)	US \$21,236,305
Amount disbursed (as at December 1998)	US \$15,959,838
ODS to be phased out (tonnes ODP)	1,635
ODS phased out (as at December 1998) (tonnes ODP)	948

13. The following non-investment activities have been approved and funded by the Executive Committee:

(a)	Country programme preparation	US \$109,945
(b)	Project preparation	US \$1,296,265
(c)	Technical assistance	US \$1,068,975
(d)	Training programmes	US \$70,396
	Total:	US \$2,545,581

Progress Report

14. The main achievements reported in the progress report include the Government's instituting policies, strategies and systems to implement the country programme; regulatory measures, economic incentives and disincentives to facilitate the ODS phaseout process; information awareness activities; training and technology transfer; and preparation of an ODS usage/import database. With the aid of the Fund, the Government and the Trustees, the private sector has been supporting the shift to environmentally friendly chemicals and technologies; most firms are exerting efforts to protect the ozone layer with some sectors voluntarily undertaking ODS phase-out, primarily in the aerosols and MAC sectors.

15. The establishment of comprehensive compliance monitoring was put into place. It enhanced appreciation on activities related to the monitoring and control of ODS imports; ensured that precautions were taken to prevent the smuggling of ODS; prescribed phaseout schedules for importation of bulk CFCs, halons and manufactured products, including control measures for servicing and essential uses. An information database was set up by reviewing current software and inputting hard data on imports and consumption; and two regional surveys were conducted on ODS end-users. Development of notification/updating systems to introduce policies, incentives, subsidies to encourage the adoption of alternative technologies were also carried out. Technical working groups were established, and preparation of ODS information materials were undertaken nationwide. Seminars, workshops, and regional consultations were set up; news items, articles and other information materials disseminated.

Plan of Action

16. The Action Plan for the next period involves a complete ODS survey for Cebu and Devao provinces and in six other areas; approval of Government forms for ODS/alternative chemical importation; public consultation and ratification of the Copenhagen Amendment; formulation of guidelines for the “Ozone Friendly Seal;” design and implementation of training modules for staff and concerned agencies on ODS import monitoring; conducting meetings with the inter-agency Steering Committee/Technical Working Group; establishing networking with concerned organizations in industry; and evaluation and monitoring of ODS phase-out projects. At least ten per cent of the 1996 import levels of CFC-11 and CFC-12 will be phased out (a minimum of about 78.8 metric tonnes and 219.9 metric tonnes respectively).

Fund Secretariats recommendation

17. The Fund Secretariat recommends blanket approval of the project in the amount of US \$139,333 with associated support costs of US \$18,113.