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EXECUTIVE COMMITTEE OF  
THE MULTILATERAL FUND FOR THE  
IMPLEMENTATION OF THE MONTREAL PROTOCOL  
Thirty-second Meeting of the Executive Committee  
Ouagadougou, 6-8 December 2000

## **REPORT OF THE TWENTY-FIRST MEETING OF THE SUB-COMMITTEE ON PROJECT REVIEW**

### Introduction

The Sub-Committee on Project Review of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol met in Ouagadougou, from 4 to 7 December 2000.

The meeting was attended by representatives of Brazil, Germany, India, Japan, Tunisia (Chair) and the United States of America, as well as by representatives of the implementing agencies and of the Ozone Secretariat.

The meeting was also attended by representatives of Australia and Sweden as observers.

### **AGENDA ITEM 1: OPENING OF THE MEETING**

1. The meeting was opened by the Chairman of the Sub-Committee, Mr. Hassen Hannachi (Tunisia), at 10 a.m. on Monday, 4 December 2000.

### **AGENDA ITEM 2: ADOPTION OF THE AGENDA**

2. The Sub-Committee adopted the following agenda on the basis of the provisional agenda contained in document UNEP/OzL.Pro/ExCom/SCPR/21/1, and agreed to discuss the status of a project in Brazil under a new sub-item 9 (d):

1. Opening of the meeting
2. Adoption of the agenda
3. Introductory remarks by the Chief Officer
4. Organization of work
5. Issues identified during project review
6. Bilateral cooperation
7. Work programmes:
  - (a) 2000 work programme amendments of UNDP
  - (b) 2000 work programme amendments of UNEP
  - (c) 2000 work programme amendments of UNIDO
  - (d) 2000 work programme amendments of the World Bank
  - (e) Work programme of UNEP for the year 2001
  - (f) Work programme advances for UNDP and UNIDO for the year 2001
8. Investment projects
9. Policy papers:
  - (a) Draft guidelines for preparation of country programme updates
  - (b) Draft agreement on the phase-out strategy for the tobacco sector in China: follow-up to decision 30/54
  - (c) Draft guidelines and standard format for verification of ODS production phase-out
  - (d) Consideration of the status of the project for a CFC-12 household refrigeration recovery and recycling programme in Brazil.
10. Other matters
11. Adoption of the report
12. Closure of the meeting.

### **AGENDA ITEM 3: INTRODUCTORY REMARKS BY THE CHIEF OFFICER**

3. The Chief Officer welcomed the members of the Sub-Committee on Project Review and expressed the Secretariat's thanks to the Government of Burkina Faso for the arrangements made for the meeting. The Sub-Committee was called upon to consider requests for approval of funding for projects to complete the 2000 business plans of the implementing agencies; some policy issues on which its guidance was sought; progress reports and annual programme requests for already approved sector phase-out programmes; and the proposed formats for country programme updates and verification of production sector phase-out.

4. The total value of projects and activities submitted to the 32nd Meeting was some US \$107 million, including bilateral projects. As the maximum value of submissions from UNDP, UNIDO and the World Bank to the current meeting was US \$66.2 million, projects with a value of about US \$20 million had been withdrawn or were being kept in reserve. Projects and activities put forward for blanket approval amounted to some US \$33 million. Thirty-seven investment projects with a value of an additional US \$45 million dollars had been submitted for individual consideration.

5. He reported that the funds available for commitment from the Multilateral Fund currently stood at US \$56 million and, depending on the Sub-Committee's recommendations in certain of the cases, it might be possible to fund all of the projects recommended for approval at the current meeting.

6. The representative of Japan advised the meeting that his Government had deposited contributions of US \$33 million in November 2000.

#### **AGENDA ITEM 4: ORGANIZATION OF WORK**

7. Following the suggestion of the Chair, the Sub-Committee decided to organize its work in accordance with the provisional agenda contained in document UNEP/OzL.Pro/ExCom/SCPR/21/1.

#### **AGENDA ITEM 5: ISSUES IDENTIFIED DURING PROJECT REVIEW**

##### Accounting for consumption phased out during the compliance period

8. The representative of the Fund Secretariat, referring to paragraph 4 of the overview paper (UNEP/OzL.Pro/ExCom/32/22 and Corr.1), recalled that consumption of Annex A substances was currently capped at the baseline level for Article 5 countries and had to be reduced to 50 percent of that level by 2005. In a number of countries, consumption in some sectors was dropping rapidly. Thus, the phase-out from completed projects in those countries could have a significant effect on the remaining consumption in the sector and needed to be taken into account.

9. Following the discussion, the Sub-Committee recommended that the Executive Committee request all countries to include in their reports on sectoral consumption the phase-out from all projects completed in their countries in the previous year.

##### Projects to phase out CFC-based capacity installed after the preparation and/or approval of projects to phase out CFC-based production in the same enterprise

10. The representative of the Fund Secretariat, referring to paragraph 5 of the overview paper (UNEP/OzL.Pro/ExCom/32/22 and Corr.1), pointed out that a project proposal had been submitted to the 32<sup>nd</sup> Meeting to convert a production line at the Haier company (China). The line had been installed in 1994 and put into operation in June 1995, two years after the company first received assistance from the Multilateral Fund and at the same time as a project for complete CFC phase-out in other production lines was being prepared. The existence of the line had not been indicated in the previous projects.

11. Following a discussion, the Sub-Committee recommended that the rule that production capacity installed prior to 25 July 1995 was eligible for funding by the Multilateral Fund be applied, on which basis projects such as that for Haier (China), submitted to the current meeting would be eligible for funding.

##### Change of technology after project approval

12. The representative of the Fund Secretariat, referring to paragraph 6 of the overview paper (UNEP/OzL.Pro/ExCom/32/22 and Corr.1), recalled Executive Committee decision 22/69, whereby proposals for a change in technology in projects approved subsequent to that decision had to be submitted for individual consideration, together with the Secretariat's review and recommendations. The Secretariat sought guidance on whether, in the interests of

expediency, certain such projects, for which no policy issues were involved, might be exempt from the requirement for individual consideration.

13. Following a discussion, the Sub-Committee recommended that, in future cases where the Secretariat and the implementing agencies were in agreement concerning project proposals for a change in technology after project approval, the proposal could proceed on the basis of such an agreement. The Executive Committee was to be informed of such an agreement, including any financial implications involved, at its next meeting.

#### Performance commitments arising from Decision 31/48, RMPs

14. The representative of the Fund Secretariat, referring to paragraphs 7 to 9 of the overview paper (UNEP/OzL.Pro/ExCom/32/22 and Corr. 1), recalled that, as a consequence of decision 31/48, a refrigerant management plan (RMP) project had become an umbrella activity with quantifiable phase-out objectives. Prior to that decision, RMPs had been implemented as a series of separate and unconnected activities. It was necessary to consider whether the relevant implementing agency should assume responsibility for assisting the country to ensure that an RMP project's phase-out objectives, as specified under decision 31/48, were achieved.

15. Following a discussion, and as Article 5 countries were responsible for achieving the commitments of the Montreal Protocol and for their RMPs, the Sub-Committee recommended that the implementing agency responsible for implementing the RMP be requested to make every effort to assist the country concerned to achieve phase-out targets specified in the RMP.

#### Training for customs and licensing

16. The representative of the Fund Secretariat, referring to paragraph 10 of the overview paper (UNEP/OzL.Pro/ExCom/32/22 and Corr.1), recalled that, under the Montreal Amendment to the Montreal Protocol, countries were required to implement arrangements to license the import and export of new, used, recycled and reclaimed ozone-depleting substances (ODS). To date, only 45 countries had ratified the Montreal Amendment. The Secretariat sought guidance on whether there needed to be a linkage between approval of projects seeking funding for the implementation of licensing schemes and ratification of the Montreal Amendment.

17. Following a discussion, the Sub-Committee recommended that the Executive Committee, in approving project proposals for the development of implementation of licensing schemes, also request the Secretariat to seek information from countries on the status of their ratification of the Montreal Amendment, as well as whether they had a licensing system in place, and to report such information to the Executive Committee.

#### Retrofit incentive projects for LVCs

18. The representative of the Fund Secretariat, referring to paragraph 11 of the overview paper (UNEP/OzL.Pro/ExCom/32/22 and Corr.1), drew attention to three proposals submitted for new incentive programme projects to encourage retrofitting of refrigeration systems, two as part of existing RMPs and one as part of a new RMP. The projects would operate over a period of up to six years and would use up most or all of the 50 per cent

additional allowance for countries with RMPs already approved. As incentive schemes, they did not cover all enterprises in the country, nor did they provide sufficient phase-out to enable the country to meet its compliance obligations without other measures being taken.

19. Following a discussion, the Sub-Committee recommended that project proposals for incentive programmes to encourage retrofitting of refrigeration equipment could be submitted within an RMP on the understanding that, where the project was to make use of the 50 per cent additional funding for an existing RMP available under decision 31/48:

- (a) The implementing agency concerned should consult with the country and all other agencies implementing components of the RMP;
- (b) The country concerned was fully informed about all the investment and non-investment activities which might be available;
- (c) The timing of the proposed activity was appropriate for the country's circumstances.

## **AGENDA ITEM 6: BILATERAL COOPERATION**

20. Introducing documents UNEP/OzL.Pro/ExCom/32/23, Add.1 and Add.2 on bilateral cooperation, the Secretariat reported that 19 requests for approval of bilateral cooperation had been submitted, from the Governments of Australia, Canada, France, Germany, Japan and Switzerland.

21. Following a discussion, the Sub-Committee recommended that the Executive Committee approve the requests for approval of bilateral cooperation, as contained in documents UNEP/OzL.Pro/ExCom/32/23, Add.1 and Add.2, with the amendments below, at the level of funding indicated in annex I to the present report.

India: National halon management and banking programme (Australia and Canada)  
(UNEP/OzL.Pro/ExCom/32/ 23)

22. The above project referred to a request of the Governments of Australia and Canada for a national halon management and banking programme in India. Guidelines for halon banking required that "regulations facilitating production and import bans should be established within six months after the reclamation centre is set up". The present proposal did not contain such a commitment on behalf of the Government of India.

23. Following a discussion, the Sub-Committee recommended that the Executive Committee approve the above project at the level of funding indicated in annex I to the present report, on the understanding that disbursement would not take place until a commitment had been given by the Government of India that regulations facilitating production and import bans would be established within six months after the reclamation centre had been set up.

Benin: Training of customs officials

Benin: Training of environmental inspectors and investigators

Benin: Development of code of good practice for technicians

Benin: Training of technicians in good refrigeration practices (Canada)  
(UNEP/OzL.Pro/ExCom/32/23)

24. The above projects referred to the request of the Government of Canada for implementation of the RMP in Benin. The Sub-Committee had been concerned that some of the activities within this RMP and some other RMPs submitted to the current meeting included requests for funding some activities which should normally have been covered by the 13 per cent allowance for support costs.

25. Following a discussion, the Sub-Committee recommended that the Executive Committee:

- (a) Approve the above project at the level of funding indicated in annex I to the present report and, in order not to block progress at the current meeting, approve other projects with similar funding components submitted to the current meeting;
- (b) Request that similar project components not come forward to future meetings of the Executive Committee;
- (c) Request UNEP to produce a paper showing how the 13 per cent allowance for support costs was utilized in general terms and also in specific similar projects already implemented; and
- (d) Re-examine, in the light of the above paper, whether the other implementing agencies might be in a better position to implement the non-investment activities in question in an RMP within the 13 per cent agency support costs.

Morocco: Technical assistance for cold storage - training and demonstration project  
(France) (UNEP/OzL.Pro/ExCom/32/23 and Add.2)

26. The representative of the Fund Secretariat referred to paragraphs 49 to 53 of document UNEP/OzL.Pro/ExCom/32/23, concerning the request of the Government of France for a technical assistance programme for cold storage in Morocco. He explained that the project would train technicians in the refrigeration servicing sector on better servicing practices and on the retrofitting process. He also noted that UNEP had received funds to prepare an RMP for Morocco at the 27th Meeting of the Executive Committee; and that a recovery and recycling network project and a training programme for technicians to improve the quality of refrigerant servicing and reduce emissions had been approved at its 23rd Meeting.

27. Following a discussion, the Sub-Committee recommended that the Executive Committee approve the above project at the level of funding indicated in annex I to the present report, on the understanding that it would form part of the RMP for Morocco currently being prepared.

Africa region: Refrigeration and global environment - evaluation of equipment modernization study (France) (UNEP/OzL.Pro/ExCom/32/23)

28. The representative of the Fund Secretariat referred to paragraphs 54 to 60 of document UNEP/OzL.Pro/ExCom/32/23, concerning the request of the Government of France for a refrigeration and global environment evaluation of equipment modernization study in Africa. He indicated that five of the eight countries concerned in the study (Burkina Faso, Côte d'Ivoire, Mali, Niger, and Senegal) had already received RMPs; Benin's RMP had been submitted to the current meeting of the Executive Committee; Guinea-Bissau was not yet a Party to the Montreal Protocol; and Togo had not yet reported data to the Ozone Secretariat.

29. Following a discussion, the Sub-Committee recommended that the Executive Committee approve the project at the level of funding indicated in annex I to the present report, on the understanding that:

- (a) The resources would be used only for ozone-related issues;
- (b) The results of the study would be made available to the Executive Committee, as well as to the countries involved;
- (c) No further funding would be requested from the Multilateral Fund as a result of this study, unless such requests were fully consistent with decision 31/48 and all other Executive Committee requirements.

Gambia: Project preparation for additional activities for Gambia RMP (Germany)  
(UNEP/OzL.Pro/ExCom/32/23 and Add2)

30. The representative of the Fund Secretariat referred to paragraphs 68 to 79 of document UNEP/OzL.Pro/ExCom/32/23 and paragraphs 80 to 83 of document 32/23/Add.2, concerning the request of the Government of Germany for project preparation for additional activities for the RMP of Gambia. He explained that structural problems had been discovered in the original project, which had consequently been withdrawn by Germany. In its place US \$10,000 was requested for a survey on ODS consumption and technical specifications for retrofit in the commercial refrigeration sector. Additional funding might be sought in future for retrofit/containment of selected systems, but the total would be within the 50 percent RMP allowance.

31. Following a discussion, the Sub-Committee recommended that the Executive Committee approve the project at the level of funding indicated in annex I to the present report.

India: Preparation of a national strategy to reduce and eliminate the use of CFC refrigerants in the servicing sector (Germany and Switzerland)

32. The representative of the Fund Secretariat referred to paragraphs 80 to 85 and 99 to 102 of document UNEP/OzL.Pro/ExCom/32/23 and paragraphs 84 (bis) and 84 (ter) of document 32/23/Add. 2, concerning the request of the Governments of Germany and Switzerland for preparation of a national strategy to reduce and eliminate the use of CFC refrigerants in the servicing sector in India. He explained that a major concern was the high level of funding requested for India, whose reported consumption in the servicing sector was 2,000 ODP tonnes. That figure was greater than the amount requested for the preparation of

refrigeration strategies in other large ODS-consuming countries, namely Brazil, Mexico and Nigeria.

33. Following a discussion, the Sub-Committee recommended that the Executive Committee approve the project at the level of funding indicated in annex I to the present report, with the understanding that all stakeholders would be consulted, including all implementing agencies involved, and an agreed strategy would be developed.

## **AGENDA ITEM 7: WORK PROGRAMME AMENDMENTS**

### **(a) 2000 work programme amendments of UNDP**

34. The representative of the Fund Secretariat introduced document UNEP/OzL.Pro/ExCom/32/24 and Corr.1, containing the 2000 work programme amendments of UNDP.

35. Following a discussion, the Sub-Committee recommended that the Executive Committee approve UNDP's 2000 work programme amendments, as contained in document UNEP/OzL.Pro/ExCom/32/24 and Corr.1, with the amendments below, at the level of funding indicated in annex I to the present report.

Brazil: institutional strengthening extension, Phase 3 (UNEP/OzL.Pro/ExCom/32/24 and Corr.1)

China: institutional strengthening extension, Phase 4 (UNEP/OzL.Pro/ExCom/32/24 and Corr.1)

Ghana: institutional strengthening extension, Phase 4 (UNEP/OzL.Pro/ExCom/32/24 and Corr.1)

Indonesia: institutional strengthening extension, Phase 3 (UNEP/OzL.Pro/ExCom/32/24 and Corr.1)

Iran: institutional strengthening extension, Phase 3 (UNEP/OzL.Pro/ExCom/32/24 and Corr.1)

Kenya: institutional strengthening extension, Phase 3 (UNEP/OzL.Pro/ExCom/32/24 and Corr.1)

Malaysia: institutional strengthening extension, Phase 4 (UNEP/OzL.Pro/ExCom/32/24 and Corr.1)

Trinidad and Tobago: institutional strengthening extension, Phase 2 (UNEP/OzL.Pro/ExCom/32/24 and Corr.1)

36. The Sub-Committee recommended:

- (a) That the Executive Committee approve the above projects at the level of funding indicated in annex I to the present report;
- (b) That the following views be expressed to the Governments concerned:

## Brazil

The Executive Committee has reviewed the information presented with the institutional strengthening renewal request for Brazil. The Executive Committee takes note with great appreciation of the fact that the 1999 CFC consumption reported to the Ozone Secretariat is some 10 per cent below the 1995-1997 compliance baseline. In its submission, Brazil reported on a number of important initiatives it has undertaken during its second phase of the institutional strengthening project including: shutting down the last CFC production plant; revising relevant legislation to reflect updates in Montreal Protocol ODS phase-out schedules, enacting a decree to restrict ODS import, enacting legislation to ban CFC-12 MAC systems, phasing out CFC-12 in non-essential aerosol products, reducing halon consumption ten-fold from 200 ODP tonnes in 1991 to 20 ODP tonnes in 1999, converting most of the enterprises in the domestic refrigeration and solvent sectors to non-CFC and developing a database on ODS-consuming enterprises. These and other activities reported are very encouraging, and the Executive Committee greatly appreciates the efforts of Brazil. Over the next two years, Brazil intends to focus on updating its country programme, enacting legislation to ensure an 85 per cent reduction in CTC, preparing a refrigerant management plan and conducting workshops for remaining ODS-using foam and refrigeration manufacturing companies. The Executive Committee expresses the expectation that, in the next two years, Brazil will continue with the progress achieved and sustain and build upon its current levels of CFC reductions to achieve its goal of complying with the Protocol's ODS phase-out schedules in the next critical years.

## China

The Executive Committee has reviewed the information presented with the institutional strengthening renewal request for China. The Executive Committee takes note with appreciation of the fact that 1999 CFC consumption reported to the Ozone Secretariat is below the 1995-1997 compliance baseline. In its submission, China reported on a number of important initiatives it has undertaken during its third phase of institutional strengthening projects including: undertaking activities to achieve 1999 freeze in production and consumption, developing and implementing over 300 individual and three large umbrella foam projects. In addition, China had received Executive Committee approval for five ODS sectoral phase-out programmes in the production sector, halons, solvents, tobacco and extended polystyrene/polyethylene foams. For example, China has closed and dismantled five halon production lines. Other important initiatives taken by China include strengthening the State Environment Protection Agency (SEPA) through establishing special working groups for sector approaches, formulating policy and legislation to improve the management and supervision of ODS phase-out, setting up an ODS import and export office, a CFC production quota and licensing system, environmental labelling systems and other policy and incentive systems to facilitate ODS phase-out in the country. These and other activities reported are very encouraging, and the Executive Committee greatly appreciates the efforts of China. Over the next two years, China intends to focus on enhancing the overall programme management capability and continued implementation of the phase-out investment activities, instituting improved project implementation procedures, evaluating and enforcing existing policies and organizing training programmes and workshops for relevant local ministries and departments, local authorities, customs and industry personnel. The Executive Committee expresses the expectation that in the next two years, China will continue with the progress achieved and sustain and build upon its current levels of CFC reductions to achieve its goal of complying with the Protocol's ODS phase-out schedules.

## Ghana

The Executive Committee has reviewed the information presented with the institutional strengthening renewal request for Ghana. The Executive Committee expresses serious concern that Ghana has reported to the Ozone Secretariat 1999 CFC consumption that is over 40 per cent higher than its 1995-1997 compliance baseline, and that as a consequence, Ghana may have difficulty complying with the CFC consumption freeze. This is occurring while the fact that the Executive Committee has approved over US \$1 million in projects for Ghana. Despite these serious concerns, the Executive Committee does understand that Ghana has taken some significant steps in the period covered by their third phase of the institutional strengthening project. Specifically, in its submission, Ghana reports that it has achieved complete phase-out in the foam sector and undertaken important initiatives, including: training 60 technicians and engineers in good refrigeration service practices and recovery and recycling techniques, establishing a national refrigeration demonstration centre equipped with recovery and recycling machines, and collecting data on chiller systems and formulating projects for their conversion to CFC-free system. These and other activities reported are encouraging, and the Executive Committee greatly appreciates the efforts of Ghana. In particular, the Executive Committee appreciates the commitment of Ghana to the Montreal Protocol, and their intent, over the next two years, to ensure their compliance with the upcoming control provisions of the Protocol through the implementation of fiscal policies and regulations to control input and use of ODS and ODS-containing equipment. The Executive Committee expresses the expectation that in the next two years, Ghana will have fully implemented their system to limit imports to levels no higher than those allowed under the Protocol, and to ban the import of CFC-bearing equipment which is so critical to ensuring an effective phase-out and consequent compliance with the protocol.

## Indonesia

The Executive Committee has reviewed the information presented with the institutional strengthening renewal request for Indonesia. The Executive Committee takes note with appreciation of the fact that Indonesia reported to the Ozone Secretariat 1999 CFC consumption that is 10 per cent below its 1995-1997 CFC compliance baseline, and that Indonesia appears to be able to comply with the CFC consumption freeze. In its submission, Indonesia reported on a number of important initiatives it has undertaken during its second phase of the institutional strengthening project to meet its CFC reduction obligations, including issuing of a decree to restrict the use of controlled substances, setting up a database to monitor compliance with the Protocol, and demonstration of hydrocarbons as alternative refrigerants in certain equipment. Indonesia has also reported the establishment of halon bank management programme and methyl bromide demonstration projects, as well as the ratification of the Copenhagen Amendment. It also reported development of an inventory on consumption of methyl bromide. These and other activities reported are encouraging, particularly as they relate to CFC consumption, and the Executive Committee greatly appreciates the efforts of Indonesia to reduce their consumption of CFCs. Over the next two years, Indonesia intends to focus on improvement of data collection system, auditing and monitoring investment projects to achieve phase-out of some 1,300 ODP tonnes. The Executive Committee expresses the expectation that, in the next two years, Indonesia will have fully implemented their system to limit imports to levels no higher than those allowed under the Protocol, and that it will have vigorously promoted the implementation of the

approved investment projects in combination with the policy measures to enhance Indonesia's ability to meet the goal of 50 per cent reduction in its CFC consumption in 2005.

#### Iran

The Executive Committee has reviewed the information presented with the institutional strengthening renewal request for the Islamic Republic of Iran. While the aggregate CFC consumption data in this request lead to the fact that 1999 CFC consumption reported to the Ozone Secretariat is some 20 per cent above the 1995-1997 compliance baseline and that, as a consequence the Islamic Republic of Iran would have difficulty complying with CFC consumption freeze, newly obtained data in the refrigerant sector show that project approvals already allow the Islamic Republic of Iran to comply. The apparent inconsistency in consumption data should be clarified by the Government of the Islamic Republic of Iran. This is occurring despite the fact that the Executive Committee has approved over US \$34 million in projects for the Islamic Republic of Iran. In its submission, the Islamic Republic of Iran reported on a number of initiatives it has undertaken during its second phase of institutional strengthening project including: preparing draft regulations on ODS which is under review, several public awareness activities and supervision and coordination of investment projects. Over the next two years, the Islamic Republic of Iran intends to focus on implementing import/export licensing policy, enacting a law to restrict or ban import of ODS- using equipment, carrying out SME surveys, identifying new projects and training technicians in good practices. The Executive Committee expresses the expectation that in the next two years, the Islamic Republic of Iran will have fully implemented these and other initiatives that are essential to ensure the reduction of its consumption to the levels that will fulfil the compliance requirements of the Montreal Protocol.

#### Kenya

The Executive Committee has reviewed the information presented with the institutional strengthening renewal request for Kenya. The Executive Committee expresses serious concern that Kenya has reported to the Ozone Secretariat 1999 CFC consumption that is higher than its 1995-1997 compliance baseline and that, as a consequence, Kenya may have difficulty complying with the CFC consumption freeze. This is occurring despite the fact that the Executive Committee has approved over \$2 million in projects for Kenya. Despite these serious concerns, the Executive Committee does understand that Kenya has taken some significant steps in the period covered by the second phase of their institutional strengthening project. Specifically, in its submission, Kenya reports that it has undertaken important initiatives including: implementing demonstration and investment projects which have led to the phase-out of halon, and significant reductions in CFC-12, CFC-11, methyl bromide and methyl chloride from consumption; developing draft regulations; instituting a quota system for importation of CFCs and organizing workshops on ozone-friendly technologies.



Kenya  
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 Protocol through the implementation of regulations and other measures to control import and use of ODS and ODS-containing equipment. The Executive Committee expresses the expectation that, in the next two years, Kenya will have fully implemented their system to limit imports to levels no higher than those allowed under the Protocol, and to effectively control the import of CFC-bearing equipment which is critical to ensuring an effective phase-out.

#### Malaysia

The Executive Committee has reviewed the information presented with the institutional strengthening renewal request for Malaysia. The Executive Committee takes note with great appreciation of the fact that 1999 CFC consumption reported to the Ozone Secretariat is some 40 per cent below the 1995-1997 compliance baseline, and Malaysia has complied with the CFC consumption freeze and could well be on its way to meeting the 50 per cent reduction required in 2005. In its submission, Malaysia reported on a number of important initiatives it has undertaken during its third phase of institutional strengthening projects including: conducting a national residual CFC consumption study and formulating a national strategy for its phase-out, training trainers in chiller management and enforcing new regulations in halon and refrigerant management. These and other activities reported are very encouraging, and the Executive Committee greatly appreciates the efforts of Malaysia. Over the next two years, Malaysia intends to focus on continued monitoring of converted plants to ensure complete compliance with existing regulations, as well as with refrigeration and end-user sector. The Executive Committee expresses the expectation that with the high visibility accorded to the ozone issues by the Government, Malaysia will continue with the progress achieved and build upon its current levels of CFC reductions to achieve its goal of early complete phase-out.

#### Trinidad and Tobago

The Executive Committee has reviewed the information presented with the institutional strengthening renewal request for Trinidad and Tobago. The Executive Committee expresses serious concern at the fact that 1999 CFC consumption reported to the Ozone Secretariat is some 30 per cent above the 1995-1997 compliance baseline and that, as a consequence, Trinidad and Tobago may have difficulty complying with the CFC consumption freeze. In its submission, Trinidad and Tobago reported on a number of important initiatives it has undertaken during its initial institutional strengthening project including: establishment of a steering committee to guide the phase-out process, establishment of separate customs code for ODS and undertaking training for refrigeration servicing technicians. These and other activities reported are very encouraging, and the Executive Committee greatly appreciates the efforts of Trinidad and Tobago. Over the next two years, Trinidad and Tobago intends to focus on completing training for customs officers and monitoring CFC phase-out in the refrigeration servicing and end-user sectors, monitoring compliance with refrigeration management regulations, monitoring converted enterprises to ensure compliance with existing regulations and sustainability of the projects. The Executive Committee expresses

the expectation that in the next two years, Trinidad and Tobago will have fully implemented these and other initiatives that are essential to ensure the reduction of its consumption to the levels that fulfil the requirements of the Protocol.

India: Technical assistance for RMP survey and preparation

37. The representative of the Fund Secretariat, referring to paragraphs 13 and 14 of document UNEP/OzL.Pro/ExCom/32/24, noted that the project had already been the subject of discussion by the Sub-Committee under agenda item 6.

38. Following a discussion, the Sub-Committee recommended that the Executive Committee approve the above project preparation request at the level of funding indicated in annex I to the present report.

(b) 2000 work programme amendments of UNEP

39. The representative of the Fund Secretariat introduced document UNEP/OzL.Pro/ExCom/32/25 and Corr.1 containing the 2000 work programme amendments of UNEP.

40. Following a discussion, the Sub-Committee recommended that the Executive Committee approve UNEP's 2000 work programme amendments, as contained in document UNEP/OzL.Pro/ExCom/32/25 and Corr.1, with the amendments below, at the level of funding indicated in annex I to the present report.

Comoros: Renewal of institutional strengthening (UNEP/OzL.Pro/ExCom/32/25 and Corr.1)

Congo: Renewal of institutional strengthening (UNEP/OzL.Pro/ExCom/32/25 and Corr.1)

El Salvador: Renewal of institutional strengthening (UNEP/OzL.Pro/ExCom/32/25 and Corr.1)

Gabon: Renewal of institutional strengthening (UNEP/OzL.Pro/ExCom/32/25 and Corr.1)

Georgia: Renewal of institutional strengthening (UNEP/OzL.Pro/ExCom/32/25 and Corr.1)

Honduras: Renewal of institutional strengthening (UNEP/OzL.Pro/ExCom/32/25 and Corr.1)

Korea, DPR: Renewal of institutional strengthening (UNEP/OzL.Pro/ExCom/32/25 and Corr.1)

Paraguay: Renewal of institutional strengthening (UNEP/OzL.Pro/ExCom/32/25 and Corr.1)

41. The Sub-Committee recommended:

(a) That the Executive Committee approve the above projects at the level of funding indicated in annex I to the present report;

(b) That the following views be expressed to the Governments concerned:

## Comoros

The Executive Committee has reviewed the information presented with the institutional strengthening renewal request for Comoros. The Executive Committee takes note with appreciation of the fact that 1999 CFC consumption reported to the Ozone Secretariat is the same as the 1995-1997 compliance baseline, and Comoros appears to be able to comply with the CFC consumption freeze. In its submission, Comoros reported on a number of important initiatives it has prepared during its initial institutional strengthening project, including: training for refrigeration technicians and customs officers, formulation of a recovery and recycling programme, fixing a quota for imports of ODS, and establishment of a mechanism (and related presidential decree) to control imports of ODS-containing equipment. These and other activities reported are very encouraging, and the Executive Committee greatly appreciates the efforts of Comoros. Over the next two years, Comoros intends to focus on implementation of the regulatory infrastructure it has prepared, including issuance of import quotas and licensing on ODS, further implementation of the RMP, ratification of the presidential decrees on imports of ODS equipment, and annual reporting to the Fund and Ozone Secretariats. The Executive Committee expresses the expectation that in the next two years, Comoros will have fully implemented their system to limit imports to levels no higher than those allowed under the Protocol, and to ban the import of CFC-bearing equipment which is so critical to ensuring an effective phase-out.

## Congo

The Executive Committee has reviewed the information presented with the institutional strengthening renewal request for Congo. The Executive Committee takes note with appreciation of the fact that 1999 CFC consumption reported to the Ozone Secretariat is some 20 per cent below the 1995-1997 compliance baseline, and Congo appears to be able to comply with the CFC consumption freeze and be well on its way to meeting the 50 per cent reduction required in 2005. In its submission, Congo reported on a number of important initiatives it has undertaken during its initial institutional strengthening project including: setting up legislation and an administrative decree to restrict the import of ODS, undertaking training for refrigeration technicians and implementation of a recovery and recycling programme, and preparation of a draft decree on imports of ODS-based equipment. These and other activities reported are very encouraging, and the Executive Committee greatly appreciates the efforts of Congo. Over the next two years, Congo intends to focus on putting in place legislation and a quota system on importation of ODS, training for customs agents, setting up a national committee on ozone and continued training programmes. The Executive Committee expresses the expectation that in the next two years, Congo will have fully implemented their system to limited imports to levels no higher than those allowed under the Protocol, and to ban the import of CFC-bearing equipment which is so critical to ensuring an effective phase-out.

## El Salvador

The Executive Committee has reviewed the information presented with the institutional strengthening renewal request for El Salvador. The Executive Committee takes note with great appreciation of the fact that 1999 CFC consumption reported to the Ozone Secretariat is some 60 per cent below the 1995-1997 compliance baseline, and El Salvador appears to be able to fully comply with the CFC consumption freeze and be well on its way to sustaining the 50 per cent reduction required in 2005. In its submission, El Salvador reported on a

number of important initiatives it has undertaken during its initial institutional strengthening project including: setting up rules and regulations to control the import of ODS, and coordination of training for refrigeration technicians, including recovery and recycling programmes. These and other activities reported are encouraging, and the Executive Committee greatly appreciates the strong efforts of El Salvador to reduce their consumption of CFCs. Over the next two years, El Salvador intends to focus on implementing and enforcing their regulatory system to control imports of ODS, to continue training for customs agents, and to monitor the projects currently under implementation. The Executive Committee expresses the expectation that, in the next two years, El Salvador will continue with its outstanding progress, and will sustain and build upon its current levels of reductions in CFCs.

#### Gabon

The Executive Committee has reviewed the information presented with the institutional strengthening renewal request for Gabon. The Executive Committee takes note with appreciation of the fact that Gabon reported 1999 CFC consumption to the Ozone Secretariat that is below its 1995-1997 compliance baseline, and that Gabon will enable it to be well on its way to achieving the 50 per cent and 85 per cent reduction steps required in 2005 and 2007. In its submission, Gabon reported on a number of important initiatives it has undertaken during its initial institutional strengthening project including: preparation of an RMP project, including training for customs officers and refrigeration technicians, elaboration of legislation and regulations related to ODS and ODS-based equipment, and establishment of a database on imports. These and other activities reported are encouraging, and the Executive Committee greatly appreciates the efforts of Gabon to reduce their consumption of CFCs. Over the next two years, Gabon intends to focus on adoption and promulgation of legislation, and begin training and implementation of RMP-related activities. The Executive Committee expresses the expectation that in the next two years, Gabon will have fully implemented their system to limit imports to levels no higher than those allowed under the Protocol, and to ban the import of CFC-bearing equipment which is so critical to ensuring an effective phase-out. It is these activities that will help ensure the attainment of their stated goal – successive reductions in ODS consumption to reach a total elimination of ODS in accordance with the established schedule.

#### Georgia

The Executive Committee has reviewed the information presented with the institutional strengthening renewal request for Georgia. This is occurring despite the fact that the Executive Committee has approved almost US \$400,000 in projects for Georgia, a country that is consuming 26 tonnes of ODS. Despite these serious concerns, the Executive Committee does understand that Georgia has taken some significant steps in the period covered by their initial institutional strengthening project. Specifically, in its submission, Georgia reports that it has undertaken a number of important initiatives including: monitoring and implementation of an RMP project including training for refrigeration technicians, negotiating with relevant authorities in preparation of regulations on ODS, and supervision of a recovery and recycling programme. These and other activities reported are encouraging, and the Executive Committee greatly appreciates the efforts of Georgia. In particular, the Executive Committee appreciates the commitment of Georgia to the Montreal Protocol, and their intent, over the next two years, to ensure their compliance with the

upcoming control provisions of the Protocol through the introduction of import quotas. The Executive Committee expresses the expectation that, in the next two years, Georgia will have fully implemented their system to limit imports to levels no higher than those allowed under the Protocol, and to ban the import of CFC-using equipment which is so critical to ensuring an effective phase-out. It is these activities that will help ensure the attainment of their stated goal to ensure compliance with the Protocol.

#### Honduras

The Executive Committee has reviewed the information presented with the institutional strengthening renewal request for Honduras. The Executive Committee takes note with appreciation of the fact that Honduras reported 1999 CFC consumption to the Ozone Secretariat that is slightly higher than its 1995-1997 CFC compliance baseline, and that Honduras appears to be able to comply with the CFC consumption freeze and be well on its way to sustaining the 50 per cent CFC reduction requirement in 2005. That being said, the Executive Committee is concerned that Honduras' reported methyl bromide consumption is higher than its reported consumption in 1998, putting in jeopardy its ability to meet the upcoming freeze in methyl bromide required by the Copenhagen Amendment. In its submission, Honduras reported on a number of important initiatives it has undertaken during its initial institutional strengthening project to meet its CFC reduction obligations, including the introduction of an ODS licensing and registration system, and elaboration of legislation and regulations to control import and use of ODS (currently under review). It also reported development of an inventory on consumption of methyl bromide. These and other activities reported are encouraging, particularly as they relate to CFC consumption, and the Executive Committee greatly appreciates the efforts of Honduras to reduce their consumption of CFCs. Over the next two years, Honduras intends to focus on implementation of sub-projects related to the RMP to ensure that it meets the 50 per cent reduction requirement in 2005, and implementation of a methyl bromide phase-out project. The Executive Committee expresses the expectation that in the next two years, Honduras will have fully implemented their system to limit imports to levels no higher than those allowed under the Protocol, and to ban the import of CFC-bearing equipment which is so critical to ensuring an effective phase-out. It is these activities that will help ensure the attainment of their stated goal – successive reductions in ODS consumption to reach the 50 per cent reduction required in 2005, and the 85 per cent reduction required in 2007.

#### Democratic People's Republic of Korea

The Executive Committee has reviewed the information presented with the institutional strengthening renewal request for the Democratic People's Republic of Korea. The Executive Committee takes note with great appreciation of the fact that 1999 CFC consumption reported to the Ozone Secretariat is some 75 per cent below the 1995-1997 compliance baseline, and the Democratic People's Republic of Korea appears to be able to fully comply with the CFC consumption freeze and be well on its way to sustaining the 50 per cent CFC reduction required in 2005 and the 85 per cent reduction required in 2007. In its submission, the Democratic People's Republic of Korea reported on a number of initiatives it has undertaken during its initial institutional strengthening projecting including: data collection, training and dissemination of information. These and other activities reported are encouraging, and the Executive Committee greatly appreciates the strong efforts of the Democratic People's Republic of Korea to reduce their consumption of CFCs. Over the next two years, the Democratic People's Republic of Korea intends to focus on developing and

implementing an RMP, closure of its CFC production plants, and preparation of further projects. The Executive Committee expresses the expectation that, in the next two years, the Democratic People's Republic of Korea will establish a licensing system and related regulations to control the import of ODS and ODS-containing products. These policies are critical to ensuring that the Democratic People's Republic of Korea can continue with its outstanding progress, and sustain and build upon its current levels of reductions in CFCs.

### Paraguay

The Executive Committee has reviewed the information presented with the institutional strengthening renewal request for Paraguay. The Executive Committee expresses serious concerns that Paraguay has reported 1999 CFC consumption to the Ozone Secretariat that is almost triple its 1995-1997 compliance baseline and that, as a consequence, Paraguay may have serious difficulty complying with the CFC consumption freeze. This is occurring despite the fact that the Executive Committee has approved over \$600,000 in projects for Paraguay, a country that just two years ago reported 96 tonnes of consumption. Despite these serious concerns, the Executive Committee does understand that Paraguay has taken some significant steps in the period covered by their initial institutional strengthening project. Specifically, it has enacted laws to promote the mechanism to restrict imports of ODS, and has issued a decree that will impose an import cap on CFC 12. Further, it has prepared an RMP for submission to this meeting of the Executive Committee, and it has implemented initial investment projects in the foam sector. In its plan for the next two years, Paraguay intends to advance with RMP implementation activities and to freeze methyl bromide. While these and other activities proposed for the future are encouraging, the Executive Committee expresses the expectation that in the two years covered by this project, Paraguay will have fully implemented a system to license and restrict imports of all CFCs to levels needed to ensure compliance with the Protocol freeze. Paraguay must also consider banning the import of CFC-bearing equipment which is so critical to ensuring an effective, sustainable phase-out. It is these activities that will ensure the attainment of their goal to ensure compliance with the Protocol.

#### Argentina: Training for the refrigeration servicing sector (Phase III)

##### Argentina: Customs training

42. The representative of the Fund Secretariat pointed to paragraphs 7 to 15 of document UNEP/OzL.Pro/ExCom/32/25, referring to two training programmes in the refrigeration servicing sector in Argentina. He recalled that, pursuant to decision 31/48 Part C, the Committee might consider whether certain activities that were often considered to be part of an RMP could be initiated before the RMP itself had been developed. Such was the case for the above two projects.

43. Following a discussion, the Sub-Committee recommended that the Executive Committee approve the above two project proposals at the level of funding indicated in annex I to the present report, on the understanding that:

- (a) Phase III of the refrigeration servicing sector project was the final phase, and that further training requirements in that respect, if any, would be expected to be minimal;

- (b) No further customs training project proposals would be approved.

French-speaking Africa: Sub-regional project on harmonization of legislative and regulatory mechanisms to improve monitoring and control of ODS consumption

44. The representative of the Fund Secretariat drew attention to paragraphs 65 to 67 of document UNEP/OzL.Pro/ExCom/32/25, regarding a project proposal on harmonization of legislative and regulatory mechanisms to improve monitoring and control of ODS consumption for French-speaking African countries. He pointed out that customs training programmes had been approved and, in some cases implemented, in most of the French-speaking African countries and, therefore, the proposed workshop could constitute double-counting.

45. Following a discussion, the Sub-Committee recommended that the Executive Committee approve the above project proposal at the level of funding indicated in annex I to the present report, on the understanding that no further such projects would be approved until:

- (a) A report had been prepared for the Executive Committee by UNEP, in consultation with the Fund Secretariat and the implementing agencies. The report would examine the strategic framework for requests for funding of activities associated with national, subregional and regional customs training and harmonization, as well as the implication of the commitment of the regional organizations concerned in establishing regulatory mechanisms;
- (b) The Executive Committee had held a discussion on the strategic vision behind the future approval of such projects.

West Asia: Regional technology workshop

46. The representative of the Fund Secretariat drew attention to paragraphs 69 to 72 of document UNEP/OzL.Pro/ExCom/32/25, concerning a regional technology workshop in West Asia for member countries of the Islamic Chamber of Commerce and Industry (ICCI). He pointed out that the activity could constitute double-counting and could, in part, be redundant, considering that the Committee had approved 44 activities for promoting the Protocol in the member countries; not all ICCI-member countries were Article 5 countries; in a number of Article 5 countries that were ICCI members, total conversion of ODS-based industry had been achieved; and a number of Article 5 countries that were members of ICCI were also LVCs with RMPs under implementation.

47. Following a discussion, the Sub-Committee recommended that the Executive Committee decide not to approve the above project proposal.

- (c) 2000 work programme amendments of UNIDO

48. The representative of the Fund Secretariat introduced document UNEP/OzL.Pro/ExCom/32/26, containing the 2000 work programme amendments of UNIDO.

49. Following a discussion, the Sub-Committee recommended that the Executive Committee approve UNIDO's 2000 work programme amendments, as contained in document UNEP/OzL.Pro/ExCom/32/26.

(d) 2000 work programme amendments of the World Bank

50. The representative of the Fund Secretariat introduced document UNEP/OzL.Pro/ExCom/32/27, containing the 2000 work programme amendments of the World Bank.

51. Following a discussion, the Sub-Committee recommended that the Executive Committee approve the World Bank's 2000 work programme amendments, as contained in document UNEP/OzL.Pro/ExCom/32/27, with the amendment below, at the level of funding indicated in annex I to the present report.

Chile: Renewal of institutional strengthening (UNEP/OzL.Pro/ExCom/32/27)

Turkey: Renewal of institutional strengthening (UNEP/OzL.Pro/ExCom/32/27)

52. The Sub-Committee recommended:

- (a) That the Executive Committee approve the above projects at the level of funding indicated in annex I to the present report;
- (b) That the following views be expressed to the Governments concerned:

#### Chile

The Executive Committee has reviewed the information presented with the institutional strengthening renewal request for Chile. The Executive Committee takes note with great appreciation of the fact that 1999 CFC consumption reported to the Ozone Secretariat is about 10 per cent below the 1995-1997 compliance baseline. In its submission, Chile reported on a number of important initiatives it has undertaken during its second phase of institutional strengthening projects including: implementing a market-based auction programme with efficient allocation of resources, lower administrative costs and cost-effective conversions, preparing a draft regulatory framework to regulate import of ODS, designing a strategy for the end-user sector, preparing RMP project proposal, organizing training and awareness activities on methyl bromide among small-scale farmers and implementing a demonstration project on alternatives to methyl bromide in replanting of fruit trees. These and other activities reported are very encouraging, and the Executive Committee greatly appreciates the efforts of Chile. Over the next two years, Chile intends to focus on enacting a law to control CFC imports through a quota system, ensuring methyl bromide phase-out to ensure compliance with 2002 freeze in methyl bromide consumption, consolidating the conversion of SMEs both through the auction system and implementation of RMP project, including development of revolving funds, among others. The Executive Committee expresses the expectation that in the next two years, Chile will continue with the

progress achieved and sustain and build upon its current levels of CFC reductions to achieve its goal of complying with its commitments under the Protocol.

## Turkey

The Executive Committee has reviewed the information presented with the institutional strengthening renewal request for Turkey. While noting the progress that Turkey has made in phasing out some 2,400 tonnes of CFC through investment projects, the Executive Committee expresses serious concerns that Turkey has reported to the Ozone Secretariat 1999 CFC consumption which is about 5 per cent above the 1995-1997 compliance baseline, and that as a consequence Turkey may have difficulty complying with the CFC consumption freeze. In its submission, Turkey reported on a number of important initiatives it has undertaken during its second phase of institutional strengthening projects including: developing an ODS regulatory framework for integration with national ozone policy, promulgating regulations on ODS phase-out which provides principles guiding importation of ODS and ODS-based equipment, issuing license permits and developing ODS monitoring system and adopting and implementing accelerated phase-out schedule. These and other activities reported are very encouraging, and the Executive Committee greatly appreciates the efforts of Turkey. Over the next two years, Turkey intends to focus on implementing the quota system through customs authorities, maintaining a database of all ODS importers and users, monitoring demand of ODS for the refrigeration servicing sector with the objective of revising annual import quotas based on actual demand, phasing out methyl bromide in compliance with the Protocol schedules and establishing regulatory framework aimed at training and licensing of methyl bromide fumigators. The Executive Committee expresses the expectation that in the next two years, Turkey will continue with the progress achieved and sustain and build upon its current levels of CFC reductions and institutional arrangements to achieve its goal of complying with its commitments under the Protocol in an accelerated manner.

## Global MDI Study

53. The representative of the Fund Secretariat pointed to paragraphs 13 to 20 of document UNEP/OzL.Pro/ExCom/32/27, which referred to a global study on metered-dose inhalers (MDIs). He noted that the upcoming Twelfth Meeting of the Parties to the Montreal Protocol had before it a draft decision on measures to facilitate the transition to CFC-free MDIs. If adopted, that decision was likely to provide most of the information that was to be collected by the global MDI study proposed by the World Bank.

54. Following a discussion, the Sub-Committee recommended that the Executive Committee defer consideration of the above project, pending the guidance provided by the decisions of the Twelfth Meeting of the Parties.

## (e) Work programme of UNEP for the year 2001

55. The representative of the Fund Secretariat introduced the document UNEP/OzL/Pro/ExCom/32/28 containing the UNEP work programme for the year 2001. After discussion and consultation, the representative of the Fund Secretariat informed the

meeting that UNEP had identified possible options for further increasing the level of reprioritization of its 2001 core programme, and that a total of US \$191,000 could be made available to increase regional awareness-raising programmes sought by Article 5 countries. The consequences elsewhere in the work programme would be that two issues of the OzonAction newsletter would be distributed in 2001, as against four in 2000, and the Ozone Action Information Centre CD-Rom would not be updated and redistributed in 2001.

56. The Sub-Committee recommended that the Executive Committee approve the UNEP work programme for 2001, with the proposed change, at the level of funding indicated in annex I to the present report.

57. One representative expressed his delegation's concern at the reduction in the number of issues of the OzonAction Newsletter.

(f) Work programme advances for UNDP and UNIDO for the year 2001

58. The representative of the Fund Secretariat drew the attention of the meeting to document UNEP/OzL.Pro/ExCom/32/29, noting that UNDP and UNIDO had requested work programme advances for project preparation in the amount of US \$200,000 and US \$139,500 respectively.

59. Following a discussion, the Sub-Committee recommended that the Executive Committee approve the requests for work programme advances in the amounts requested.

## **AGENDA ITEM 8: INVESTMENT PROJECTS**

**(a) Projects recommended for blanket approval**

60. The representative of the Fund Secretariat drew the attention of the meeting to document UNEP/OzL.Pro/ExCom/SCPR/21/2, pointing out that five additional projects had been added since that document had been completed: three in Turkey, one in Colombia and one in China. He noted that, with respect to the additional project in China, the recommendation was for funding for the capital costs only; a recommendation for the operating costs would be submitted to the 33rd Meeting of the Executive Committee after a survey of prices of chemicals in the rigid foam sector in China, with the incremental operating costs, when approved, continuing to be regarded as part of UNIDO's 2000 business plan.

61. The Sub-Committee recommended that the Executive Committee approve all of the projects submitted for blanket approval, at the level of funding given in annex I to the present report

**(b) Projects for individual consideration**

Foam sector

China: Conversion of PU slabstock manufacture from CFC-11 to liquid carbon dioxide technology at eleven enterprises in Chengdu (World Bank) (UNEP/OzL.Pro/ExCom/32/30/China)

China: Conversion of PU slabstock manufacture from CFC-11 to liquid carbon dioxide technology at eight enterprises in Henan Province (World Bank) (UNEP/OzL.Pro/ExCom/32/30/China)

62. The representative of the Fund Secretariat referred to the list of projects contained in annex I of document UNEP/OzL.Pro/ExCom/32/22 and Corr.1.

63. The representative of the Fund Secretariat then drew the attention of the meeting to document UNEP/OzL.Pro/ExCom/32/30/China, regarding two umbrella projects for a total of 19 enterprises producing flexible slabstock polyurethane foam, submitted by the World Bank and representing pilot projects for the phase-out of remaining CFCs in this sub-sector.

64. Following a discussion, the Sub-Committee recommended that the Executive Committee defer approval of the projects, pending preparation of a sectoral phase-out strategy for the foam sector in China, which it was hoped would be presented to the second meeting of the Executive Committee in 2001.

Colombia: Retroactive funding for the conversion from CFC-11 to water-based technology in the manufacture of flexible moulded polyurethane foam at Espumlatex-Promicolda (UNDP) (UNEP/OzL.Pro/ExCom/32/30/Colombia and Corr.1)

65. The representative of the Fund Secretariat drew the attention of the meeting to document UNEP/OzL.Pro/ExCom/32/30/Colombia and Corr.1, pointing out that the project in question was being submitted for the second time. Some of the costs originally submitted were considered by the Secretariat not to be eligible for funding. However, agreement had been reached with UNDP on the incremental cost of the project.

66. Following a discussion and verification of the data, the Sub-Committee recommended that the Executive Committee approve the project at the level of funding indicated in to the present report.

67. In agreeing to approve the above project based on the existing guidelines, the representative of the United States informed the Sub-Committee that his delegation intended to submit to the next meeting of the Executive Committee a document proposing modifications to the existing policy.

Mexico: Foam sector ODS phase-out plan  
(UNDP) (UNEP/OzL.Pro/ExCom/32/30/Mexico)

68. The representative of the Fund Secretariat referred to document UNEP/OzL.Pro/ExCom/32/30/Mexico regarding a foam sector CFC phase-out plan in Mexico, noting that that this was the first project to apply the provisions of decision 25/50 on terminal phase-out for small enterprises. It was proposed to finish the phase-out in the foam sector in Mexico at a cost of US \$3.90 million over 5 years (cost effectiveness: US \$4.78 per

kg). The Secretariat's review had revealed that consumption figures were more than twice the reported foam sector consumption not yet addressed by funded projects, with a similar increase in the number of enterprises still using CFCs. That introduced an element of uncertainty in approving funding based on enterprise numbers. UNDP had recently conducted an additional sample survey in 29 enterprises.

69. The representative of UNDP informed the meeting that, because of complications which had emerged from the additional sample survey, UNDP was requesting that the project be withdrawn, pending resolution of issues relating to consumption and the number of enterprises still using CFCs.

70. Based on the above, the Sub-Committee recommended that the Executive Committee:

- (a) Decide to defer the project;
- (b) Retain the project in UNDP's 2000 business plan;
- (c) Request concrete assurances that the project would yield a sustainable, permanent reduction in the national aggregate consumption of CFCs.

#### Fumigant

##### Chile: Demonstration and phase-out project for methyl bromide soil fumigation for fruit tree production and replant (UNDP) (UNEP/OzL.Pro/ExCom/32/30/Chile)

71. The representative of the Fund Secretariat referred to document UNEP/OzL.Pro/ExCom/32/30/Chile, regarding a project to phase out 76.2 ODP tonnes of methyl bromide used for replanting fruit trees and vines and, to a lesser extent, for tree nurseries. The implementing agency considered the project to be an investment project with a small demonstration component, which was essential in the case of replant and nurseries, because alternatives had to be adapted and tested for local pests and conditions. To gain the farmers' full support, it was necessary to state in the project proposal that the investment phase could only proceed if viable alternatives were identified. Agreement on costs had been reached at a reduced level of US \$805,000.

72. Following a discussion, the Sub-Committee recommended that the Executive Committee approve the above project at the level of funding indicated in annex I to the present report, , in accordance with the agreement between the Government of Chile and the Executive Committee, contained in annex II to the present report, on the understanding that:

- (a) UNDP would disburse the funds approved in tranches according to the proposed methyl bromide phase-out schedule indicated in the project proposal;
- (b) If Chile did not meet the reduction requirements outlined in the proposal, UNDP would withhold funding for the subsequent tranche until such time as the required reduction had been met; and
- (c) UNDP would submit an annual progress report on the implementation of the project to the Fund Secretariat.

Macedonia: Phase-out of methyl bromide in tobacco seedling and horticulture production sector (UNIDO) (UNEP/OzL.Pro/ExCom/32/30/Macedonia and Corr.1)

73. The representative of the Fund Secretariat referred to document UNEP/OzL.Pro/ExCom/32/30/Macedonia and document 32/30/Macedonia/Corr.1, regarding a project to phase out 27.2 ODP tonnes of methyl bromide used for tobacco seedlings and for the horticulture sector, and representing the entire methyl bromide consumption reported in the country. He indicated that the total cost of the project had been calculated taking into consideration operating savings calculated for a 2-year period. Project cost would cover the minimum equipment requirements for achieving a complete phase-out of reported methyl bromide used in the tobacco and horticulture sectors in the country.

74. Following a discussion, the Sub-Committee recommended that the Executive Committee approve the above project at the level of funding indicated in annex I to the present report, in accordance with the agreement between the Government of Macedonia and the Executive Committee, contained in annex III to the present report, on the understanding that:

- (a) UNDP would disburse the funds approved in tranches according to the proposed methyl bromide phase-out schedule indicated in the project proposal;
- (b) If Macedonia did not meet the reduction requirements outlined in the proposal, UNDP would withhold funding for the subsequent tranche until such time as the required reduction had been met; and
- (c) UNDP would submit an annual progress report on the implementation of the project to the Fund Secretariat.

Malawi: Phase-out of all non-essential and non-QPS methyl bromide; release of first tranche (UNDP) (UNEP/OzL.Pro/ExCom/32/30/Malawi and Corr.1)

75. The representative of the Fund Secretariat referred to documents UNEP/OzL.Pro/ExCom/32/30/Malawi and Corr.1, regarding a project to phase out 111 ODP tonnes of methyl bromide used for tobacco seedlings, representing the entire methyl bromide consumption in the country for soil fumigation. He indicated that the total cost of the project had been calculated taking into consideration operating savings calculated for a 2-year period. Project cost would cover the essential equipment requirements for achieving a complete phase-out of methyl bromide use in the tobacco and horticulture sectors in the country. He pointed out that UNDP was requesting funding for only the first tranche, at a level of US \$400,000.

76. Following a discussion, the Sub-Committee recommended that the Executive Committee approve the above project at a budget of US \$2,999,824 and the level of funding for the first tranche indicated in annex I to the present report, in accordance with the agreement between the Government of Malawi and the Executive Committee, contained in annex IV to the present report, on the understanding that:

- (a) UNDP would disburse the funds approved in tranches according to the proposed methyl bromide phase-out schedule indicated in the project proposal;

- (b) If Malawi did not meet the reduction requirements outlined in the proposal, UNDP would withhold funding for the subsequent tranche until such time as the required reduction had been met; and
- (c) UNDP would submit an annual progress report on the implementation of the project to the Fund Secretariat.

Morocco: Phase-out of methyl bromide for soil fumigation in strawberry production (UNIDO) (UNEP/OzL.Pro/ExCom/32/30/Morocco)

77. The representative of the Secretariat referred to document UNEP/OzL.Pro/ExCom/32/30/Morocco, regarding a project to phase out 155 ODP tonnes of methyl bromide use for strawberries, representing the entire reported methyl bromide consumption used for soil disinfestation in strawberries. He noted that the export component had not been considered in the calculation of the eligible cost of the project because UNIDO had informed the Secretariat that the majority of the growers sold their strawberries to local commercial agents for export.

78. Following a discussion, the Sub-Committee recommended that the Executive Committee approve the above project at the level of funding indicated in annex I to the present report, in accordance with the agreement between the Government of Morocco and the Executive Committee, contained in annex V to the present report, on the understanding that:

- (a) UNDP would disburse the funds approved in tranches according to the proposed methyl bromide phase-out schedule indicated in the project proposal;
- (b) If Morocco did not meet the reduction requirements outlined in the proposal, UNDP would withhold funding for the subsequent tranche until such time as the required reduction had been met; and
- (c) UNDP would submit an annual progress report on the implementation of the project to the Fund Secretariat.

Process agents

India: Conversion of chlorinated rubber manufacture from carbon tetrachloride to non-ODS process at Rishiroop Organics Pvt. Ltd., and Rishiroop Polymers Ltd. (World Bank) (UNEP/OzL.Pro/ExCom/32/30/India and Corr.1)

79. The representative of the Fund Secretariat referred to document UNEP/OzL.Pro/ExCom/32/30/India, regarding a project to phase out 452 ODP tonnes of carbon tetra-chloride (CTC) used as a process agent in the production of chlorinated rubber by two enterprises. The Secretariat sought guidance on a number of policy issues regarding: the provision in the guidelines which required consideration of all the production facilities in the country for the particular application; the eligibility of the conversion of one plant, which had not operated since 1995; technology development and intellectual property; technology transfer fees and CTC emissions from the process. In that connection, he drew attention to

paragraphs 12 to 22 of the document. A great deal of technical information and data had been received in response to the Secretariat's comments and questions, much of which required detailed analysis by experts. Additional work needed to be done with respect to eligible capital costs and incremental operating costs, which were being claimed for a period of four years.

80. Following a discussion, the Sub-Committee recommended that the Executive Committee:

- (a) Defer the above project proposal, pending the provision of further information on plans for conversion of Rishirop Rubber International Limited;
- (b) Note that there was a preference to consider the conversion of all plants in the sub-sector at the same time;
- (c) Decide that if a project for conversion of Rishirop Rubber International Limited was submitted later, the cost benefits arising from industrial rationalization in the sub-sector should be taken into account in determining the cost of the project;
- (d) Decide that the above project proposal would remain in the World Bank's 2000 business plan.

India: Conversion of carbon tetrachloride (CTC) as process solvent to trichloromethane at M/S Alpha Drugs India Ltd., Patiala (UNIDO) (UNEP/OzL.Pro/ExCom/32/30/India and Corr.1)

India: Conversion of carbon tetrachloride (CTC) as process solvent to ethylene dichloride at Doctors Organic Chemicals Ltd., Tanuku (UNIDO) (UNEP/OzL.Pro/ExCom/32/30/India and Corr.1)

India: Conversion of carbon tetrachloride (CTC) as process solvent to ethylene dichloride at Svis Labs Ltd., Ranipet (UNIDO) (UNEP/OzL.Pro/ExCom/32/30/India and Corr.1)

India: Conversion of carbon tetrachloride (CTC) as process solvent to ethylene dichloride at Satya Deeptha Pharmaceuticals Ltd., Hummabad (UNIDO) (UNEP/OzL.Pro/ExCom/32/30/India and Corr.1)

81. The representative of the Fund Secretariat referred to document UNEP/OzL.Pro/ExCom/32/30/India, regarding four process agent projects in India. He reported that the Government of India had submitted a revised profile of the ibuprofen manufacturing sub-sector which contained the information requested in decision 31/40. The projects were being submitted with a request for incremental operating costs for one year. All capital cost items had been agreed, with the exception of certain equipment costs in the retroactive project for Svis Labs, which might not be eligible because the enterprise had phased out on its own before the project was submitted, without replacing the equipment in question.

82. Following a discussion, the Sub-Committee recommended that the Executive Committee approve the above four project proposals at the level of funding indicated in annex I to the present report, on the understanding that:

- (a) Data would be provided on the current operations of the Chiplun plant;
- (b) If the Chiplun plant was confirmed as operating and consuming CTC, a project for its conversion could be submitted, with consumption capped at 75 tonnes of CTC and a cost-effectiveness at a level no worse than that presented in the projects currently being approved;
- (c) Incremental operating costs would be considered for one year.

### Production sector

China: 2001 Annual programme - Halon sector (World Bank)  
(UNEP/OzL.Pro/ExCom/32/30/China)

83. The representative of the Fund Secretariat drew attention to document UNEP/OzL.Pro/ExCom/32/30/China, regarding the 2001 annual programme for the halon sector in China. Pursuant to decision 23/11, China was requesting release of the fourth tranche of US \$4.5 million for the implementation of the year 2001 Annual Programme. He indicated that the technical audit required under the agreement by which the project was approved had been received from the World Bank only on 27 November 2000 and, therefore, the Secretariat had not had the opportunity to review it thoroughly. Preliminary indications were that China had again met its halon production targets but, like the situation in 1999, may not have met its consumption targets.

84. Following a discussion, the Sub-Committee recommended:

- (a) That the Executive Committee approve the above project at the level of funding indicated in annex I to the present report;
- (b) That future technical audits required under the agreement be submitted by the World Bank no later than eight weeks prior to the meeting of the Executive Committee at which approval of funding was being sought.

China: 2001 Annual programme - CFC Production Sector (World Bank)  
(UNEP/OzL.Pro/ExCom/32/30/China)

85. The Chief Officer drew attention to document UNEP/OzL.Pro/ExCom/32/30/China, regarding the 2001 annual programme for the CFC production sector in China. He reported that the World Bank had submitted the year 2001 annual programme for initial consideration by the Committee, with the understanding that approval of funding for the programme would be submitted to the Executive Committee at its 33rd Meeting, based on the verified performance report on implementation of the 2000 annual programme. Part I of the two-part

submission comprised a progress report on implementation by China of the 2000 programme as at August 2000. Implementation of the 2000 annual programme would reduce CFC production from 44,853 ODP tonnes to 40,000 ODP tonnes, according to the target set in the sector plan. That would be achieved by closing an additional six plants, leaving 10 plants still producing by the end of 2000. The first six months of CFC production was reported at 28,978 ODP tonnes, which had been achieved through implementation of tradeable production quotas. The results of implementing that component of the 2000 programme would be verified and reported to the Executive Committee at its 33rd Meeting.

86. The Sub-Committee recommended that the Executive Committee approve the above project for funding at the level indicated in annex I to the present report.

#### Refrigeration sector

Burkina Faso: Implementation of the RMP: Incentive programme for the commercial and industrial refrigeration end-user sector (UNDP) (UNEP/OzL.Pro/ExCom/32/30/Burkina Faso)

Ghana: Incentive programme for the commercial/industrial refrigeration end-user sector (UNDP) (UNEP/OzL.Pro/ExCom/32/30/Ghana and Corr.1)

Sri Lanka: Incentive programme for the commercial and industrial end-user refrigeration sector (UNDP) (UNEP/OzL.Pro/ExCom/32/30/Sri Lanka and Corr.1)

87. The representative of the Secretariat referred to three project proposals for an incentive programme to encourage retrofitting of refrigeration systems in Burkina Faso, Ghana and Sri-Lanka. Those projects were presented in documents UNEP/OzL.Pro/ExCom/32/30/Burkina Faso, 32/30/Ghana and 32/30/Sri Lanka. He observed that the generic issue of retrofit incentive projects for LVCs had already been considered by the Sub-Committee at its current meeting under item 5 of its agenda.

88. Following a discussion, the Sub-Committee recommended that the Executive Committee approve the above three projects at the level of funding indicated in annex I to the present report.

China: Phase-out of CFC-11 by conversion to cyclopentane technology and CFC-12 by conversion to isobutane (600a) technology in the manufacture of domestic freezers at Qingdao Haier No 2 Freezer Plant (UNDP) (UNEP/OzL.Pro/ExCom/32/30/China)

89. The representative of the Secretariat drew attention to document UNEP/OzL.Pro/ExCom/32/30/China, regarding a domestic refrigeration project in China. He pointed out that the issue contained in the project had already been considered by the Sub-Committee under item 5 of its agenda and no further issues were involved.

90. Following a discussion, the Sub-Committee recommended that the Executive Committee approve the above project at the level of funding indicated in annex I to the present report.

Iran: Conversion from CFC-11 to HCFC-141b technology and from CFC-12 to HFC-134a technology in the manufacture of domestic refrigerators and freezers at Sarmaye Sepahan Co. (UNDP) (UNEP/OzL.Pro/ExCom/32/30/Iran and Corr.1)

Iran: Conversion from CFC-11 to HCFC-141b technology and from CFC-12 to HFC-134a technology in the manufacture of domestic refrigerators at Hanzad Co. (UNDP) (UNEP/OzL.Pro/ExCom/32/30/Iran and Corr.1)

Iran: Conversion from CFC-11 to HCFC-141b and CFC-12 to HFC-134a technology in the manufacture of domestic and commercial refrigeration at the Arjah Boroudat Co. (UNIDO) (UNEP/OzL.Pro/ExCom/32/30/Iran and Corr.1)

Iran: Conversion from CFC-11 to HCFC-141b and CFC-12 to HFC-134a technology in the manufacture of domestic and commercial refrigeration at the Roshan Ind. Group (UNIDO) (UNEP/OzL.Pro/ExCom/32/30/Iran and Corr.1)

Iran: Conversion from CFC-11 to HCFC-141b and CFC-12 to HFC-134a technology in the manufacture of domestic and commercial refrigeration at the Tehran Shirak Co. (UNIDO) (UNEP/OzL.Pro/ExCom/32/30/Iran and Corr.1)

Iran: Conversion from CFC-11 to HCFC-141b technology and from CFC-12 to HFC-134a technology in the manufacture of domestic refrigerators and freezers at Golsarma Co. (UNDP) (UNEP/OzL.Pro/ExCom/32/30/Iran and Corr.1)

Iran: Conversion from CFC-11 to HCFC-141b technology and from CFC-12 to HFC-134a technology in the manufacture of domestic refrigerators at Sana Commercial Co. (UNDP) (UNEP/OzL.Pro/ExCom/32/30/Iran and Corr.1)

Iran: Conversion from CFC-11 to HCFC-141b technology and from CFC-12 to HFC-134a technology in the manufacture of domestic refrigerators and freezers at Shagayegh Boroudat Co. (UNDP) (UNEP/OzL.Pro/ExCom/32/30/Iran and Corr.1)

Iran: Conversion from CFC-11 to HCFC-141b technology and from CFC-12 to HFC-134a technology in the manufacture of domestic refrigerators and freezers at Yakhchalsazi Yazd Co. (UNDP) (UNEP/OzL.Pro/ExCom/32/30/Iran and Corr.1)

Iran: Conversion from CFC-11 to HCFC-141b technology and from CFC-12 to HFC-134a technology in the manufacture of domestic refrigerators at Zenoz Sanaat Co. (UNDP) (UNEP/OzL.Pro/ExCom/32/30/Iran and Corr.1)

Iran: Conversion from CFC-11 to HCFC-141b technology and from CFC-12 to HFC-134a technology in the manufacture of domestic refrigerators at Ghaynar Khazar Co. (UNDP) (UNEP/OzL.Pro/ExCom/32/30/Iran and Corr.1)

Iran: Conversion from CFC-11 to HCFC-141b technology and from CFC-12 to HFC-134a technology in the manufacture of domestic refrigerators and freezers at General Industries (UNDP) (UNEP/OzL.Pro/ExCom/32/30/Iran and Corr.1)

Iran: Conversion from CFC-11 to HCFC-141b technology and from CFC-12 to HFC-134a technology in the manufacture of domestic refrigerators and freezers at Boloorin Yazd Refrigerator Co. (UNDP) (UNEP/OzL.Pro/ExCom/32/30/Iran and Corr.1)

Iran: Conversion from CFC-11 to HCFC-141b technology and from CFC-12 to HFC-134a technology in the manufacture of domestic refrigerators at Electro Ara Co. (UNDP) (UNEP/OzL.Pro/ExCom/32/30/Iran and Corr.1)

91. The representative of the Fund Secretariat referred to document UNEP/OzL.Pro/ExCom/32/30/Iran), containing the above 14 projects in the refrigeration sector in the Islamic Republic of Iran. He explained that the project proposals were submitted for individual consideration because of substantial discrepancies concerning the structure and consumption of the refrigeration sector in the country, which might have implications for the assessment of future incremental costs and possibly the validity of previously approved funding. As reported in project documents and by the country, the consumption from projects not yet completed was greater than the total remaining consumption in refrigeration manufacturing, without taking into account the consumption in the projects submitted here. The discrepancies had been acknowledged by the Government of the Islamic Republic of Iran which intended to provide more accurate data through an update of its country programme.

92. Following a discussion, the Sub-Committee recommended that the Executive Committee:

- (a) Defer consideration of the above 14 projects until the required reliable data and evidence of a clear commitment to ODP phase-out on the part of the country were available;
- (b) Retain the projects in the 2000 business plans of UNEP and UNDP until the second meeting of the Executive Committee in 2001.

#### Solvent sector

China: Interim report and request for second payment on the implementation of the 2000-2001 annual programme under the China Solvent Sector Plan (UNDP) (UNEP/OzL.Pro/ExCom/32/30/China)

93. The representative of the Fund Secretariat referred to document UNEP/OzL.Pro/ExCom/32/30/China, which in its section A contained the comments of the Secretariat and, in its section B, contained the report of the implementing agency and a request for the second payment for implementation of the 2000-2001 annual programme under the China Solvent Sector Plan. He observed that, because of the delay in completing the bidding process, signature of contracts was running behind schedule. In addition, he pointed to a change of strategy, whereby the Government of China proposed to reduce the funding allocated to ODS reduction contracts by US \$2 million and redirect this amount to a new activity, namely development and production of alternative solvents. He reported that UNDP had advised that China considered that it would still be able to phase out the level of consumption required to meet the 2001 and 2002 control targets, as stipulated in the Agreement, because the bidding resulted in a lower phase-out cost per ODP tonne than

previously budgeted for. The programme for development of new solvents included consideration of the use and production of n-propyl bromide which was currently under investigation by the Scientific Assessment Panel and the Technology and Economic Assessment Panel at the request of the Parties. UNDP had advised that approval of the funds was not being sought at the current meeting, since they were not required before March 2001 and were not included in UNDP's 2000 business plan.

94. UNDP advised the Sub-Committee that the bidding process for phase-out contracts had been completed and all contracts signed. The aggregate phase-out target in the 2000-2001 annual programme would be exceeded, but there was a shortfall of 84.6 tonnes in the projected phase-out of TCA.

95. Following expressions of concern about the proposed allocation of \$2 million for the production of n-propyl bromide, UNDP advised that it was considered by China to be the only viable solution to enable the phase-out targets to be achieved, that it was envisaged to be used only for an interim period and that production and use would be subject to any overriding considerations on health and safety and to any relevant decisions of the Parties on n-propyl bromide.

96. Following a discussion, the Sub-Committee recommended that the Executive Committee note that the interim report on the 2000-2001 annual programme under the China Solvent Sector Plan indicated that the projected phase-out would not meet one of the phase-out targets stipulated in the Agreement.

#### Change of technology

Argentina: Elimination of CFCs in the manufacturing plant of domestic refrigerators at Lobato San Luis S.A. (World Bank) (UNEP/OzL.Pro/ExCom/32/30/Argentina and Corr.1)

97. The representative of the Fund Secretariat referred to document UNEP/OzL.Pro/ExCom/32/30/Argentina and document 32/30/Argentina/Corr.1, regarding a project for change in technology from hydrocarbon to HCFC-141b in the refrigeration sector. He pointed out that capital costs were now lower and had been agreed. However the circumstances of the company had changed significantly. The level of production had fallen from 25,000 units in 1997 to 3,010 units in 1999. Operating costs were still based on the original level of production and the Secretariat was seeking the guidance of the Committee on this issue. The World Bank had reported that the enterprise was still viable.

98. Following a discussion, the Sub-Committee recommended that the Executive Committee:

- (a) Approve the change of technology in the above project;
- (b) Request the World Bank not to disburse the approved funding until after it had ascertained the financial viability of the enterprise, and to report back to the Executive Committee at its 34th Meeting;
- (c) Decide that the incremental operating cost should be based on the current production capacity;

- (d) Based on the above, request the World Bank to return to the Multilateral Fund the amount of US \$220,660 plus agency support costs representing the difference between the costs of the original and revised project proposals.

Argentina: Change of technology for 3 out of 9 enterprises of the umbrella project for conversion from MCF used as solvent to aqua based cleaning (World Bank)  
(UNEP/OzL.Pro/ExCom/32/30/Argentina)

99. The representative of the Fund Secretariat referred to document UNEP/OzL.Pro/ExCom/32/30/Argentina, regarding change in technology for an umbrella project for nine enterprises in the solvent sector. He pointed out that the project had been approved by the Executive Committee at its 28th Meeting, to phase out 70.7 tonnes of TCA as cleaning solvent through conversion to aqueous technology. Three of the nine enterprises manufactured shoe soles. Test on shoe soles using aqueous cleaning technology at the supplier's facility had been unsuccessful; therefore, it was proposed to provide cleaning machines of a different design that could use either iso-propyl alcohol or organic solvents as cleaning agents. The cost of the alternative machines was similar to the cost of the machines originally proposed.

100. Following a discussion, the Sub-Committee recommended that the Executive Committee approve the change in technology for three of the nine enterprises covered by the above umbrella project at no additional cost to the Multilateral Fund.

#### **AGENDA ITEM 9: POLICY PAPERS**

##### **(a) Draft guidelines for preparation of country programme updates**

101. The representative of the Secretariat drew attention to document UNEP/OzL.Pro/ExCom/32/31, prepared by the Secretariat in consultation with the implementing agencies in accordance with decision 31/32. The document described the experiences with country programmes approved in the past; the need for an effective phase-out strategy for compliance; the purpose and responsibilities of key stakeholders and the process involved in preparing the country programme update; the relationship between the country programme update and the RMPs, in particular for LVCs; and the situation of countries which were ready to conclude a national phase-out agreement. He also reported that a format for the possible country programme updates had also been included as an annex to the document.

102. Following a discussion, the Sub-Committee recommended that the Executive Committee:

- (a) Decide to defer consideration of the draft guidelines until its 33rd Meeting;
- (b) Invite members to submit to the Secretariat their comments and proposals on the draft guidelines contained in document UNEP/OzL.Pro/ExCom/32/31;
- (c) Request the Secretariat to compile those comments on the draft and circulate them to members prior to the 33rd Meeting of the Executive Committee
- (d) Also request the Secretariat to prepare a revised draft, taking into account the

comments submitted by Governments and those made at the current Meeting, for submission to the Executive Committee at its 33rd Meeting.

103. Several representatives expressed their concern that the process of approving guidelines for the preparation of country programme updates had yet again been subjected to a delay.

**(b) Draft agreement on the phase-out strategy for the tobacco sector in China: follow-up to decision 30/54**

104. The representative of the Fund Secretariat referred to document UNEP/OzL.Pro/ExCom/32/32 and indicated that UNIDO had submitted for consideration by the Executive Committee a draft agreement between the Executive Committee and the Government of China regarding a plan to phase out CFC-11 in the tobacco sector in China (contained in Part II of document 32/32) and a 2001 annual work programme under the plan (Part III of document 32/32). He recalled that the Executive Committee, when requesting the plan at its 30th Meeting, approved in principle US \$11 million for its implementation (decision 30/54). The Government of China now requested US \$2 million for implementation of the 2001 annual work programme (US \$1.7 million for closure of CFC-11 based tobacco expansion equipment and US \$0.3 million for technical assistance activities).

105. The Sub-Committee recommended that the Executive Committee:

- (a) Approve the agreement contained in Part II of document 32/32;
- (b) Approve the 2001 Annual Work Programme of the Tobacco Sector Plan for CFC-11 phase-out in China at the level of funding indicated in annex I to the present report;
- (c) Request that UNIDO report to a future meeting of the Executive Committee on the use of funding allocated to support costs, which would be revisited in two years.

**(c) Draft guidelines and standard format for verification of ODS production phase-out**

106. The representative of the Secretariat referred to document UNEP/OzL.Pro/ExCom/32/33, which had been submitted in response to decisions 31/42 and 31/47, by which the Executive Committee requested the Secretariat to work with relevant implementing agencies and develop, for submission to the 32nd Meeting, guidelines setting out an acceptable format and content for the verification of ODS production phase-out. The Secretariat and the World Bank had worked closely to produce the draft guidelines.

107. Following a discussion, the Sub-Committee recommended that the Executive Committee approve the draft guidelines.

108. One representative expressed strong concern that the provisions of the draft guidelines did not provide for independent, external verification of the end-users of the ODS supplied by producers.

**(d) Consideration of the status of the project for a CFC-12 household refrigeration recovery and recycling programme in Brazil**

109. The representative of the Fund Secretariat, referring to paragraphs 12 to 14 of the overview paper (UNEP/OzL.Pro/ExCom/32/22), reported that the Government of Brazil had requested that the attention of the Committee be drawn to the status of the project for a CFC-12 household refrigeration recovery and recycling programme, approved at the Seventh Meeting of the Executive Committee for funding at a level of US \$2 million, for which the World Bank was originally the implementing agency. In spite of efforts, the project had made no progress and the agency that had prepared it no longer operated in Brazil. In its decision 28/16, the Committee had decided that the request to transfer the project to UNDP should be considered by the Sub-Committee on Project Review, in the light of the current policy on recovery and recycling projects. He noted that the Sub-Committee at its current Meeting had already recommended approval of a technical assistance project for Brazil for survey and preparation for an RMP at a level of US \$100,000, on the understanding that investment projects in the sector would be submitted for consideration by the Executive Committee pending the preparation of an RMP, taking into account the current phase-out situation in Brazil.

110. Following the discussion, the Sub-Committee recommended that the Executive Committee:

- (a) Not approve the request that the project be transferred to UNDP;
- (b) Request the World Bank to return the funds in question to the Multilateral Fund for reallocation.

**AGENDA ITEM 10: OTHER MATTERS**

Resource allocation

111. The Chief Officer informed the Sub-Committee that its recommendations for projects amounted to a value of US \$45.38 million, plus support costs of US \$5.43 million, for a total of US \$50.81 million. Recalling his statement at the beginning of the meeting that the Fund currently stood at US \$56 million, he reported that the implementing agencies would also be providing US \$4.1 million in interest and US \$4.3 million in unspent funds to be returned. That gave a grand total of US \$64.95.

112. The representative of the United States of America said that his Government hoped to be making a payment of US \$11.4 million within a few days.

113. The representative of Germany reported that the Government of France would be paying its contribution in full by the end of the year.

**AGENDA ITEM 11: ADOPTION OF THE REPORT**

114. The present report was adopted on 6 and 7 December 2000, on the basis of the draft report circulated as document UNEP/OzL.Pro/ExCom/SCPR/21/L.1 and Add.1.

**AGENDA ITEM 12: CLOSURE OF THE MEETING**

115. After the customary exchange of courtesies, the Chairman declared the meeting closed at 11 a.m on Thursday, 7 December 2000.

## Annex I

Project Title	Agency Tonnes	ODP Project	Funds Approved (US\$) Support	Total (US\$/kg)	C.E.
<b>ALGERIA</b>					
<b>FOAM</b>					
<b>Flexible slabstock</b>					
Conversion of Matelas Souf to LCD technology	Germany	95.0	\$561,379	\$71,752	\$633,131 5.88
Conversion of SOFTPM, Choupot Oran, to LCD technology	Germany	80.0	\$498,400	\$64,792	\$563,192 6.23
<b>REFRIGERATION</b>					
<b>Commercial</b>					
Conversion from CFC-11 to HCFC-141b and CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration at the RCA (Societe de Refrigeration et de Conditionnement de l'air)	UNIDO	27.3	\$351,768	\$45,730	\$397,498 12.00
<b>Total for Algeria</b>		<b>202.3</b>	<b>\$1,411,547</b>	<b>\$182,274</b>	<b>\$1,593,821</b>
<b>ANGOLA</b>					
<b>SEVERAL</b>					
<b>Country programme/country survey</b>					
Preparation of country programme	UNEP		\$60,000	\$7,800	\$67,800
<b>Total for Angola</b>		<b>\$60,000</b>	<b>\$7,800</b>	<b>\$67,800</b>	
<b>ARGENTINA</b>					
<b>FOAM</b>					
<b>Rigid</b>					
Phaseout of CFC-11 by conversion to HCFC-141b in the manufacture of rigid polyurethane foam at 9 enterprises (Produmerc; Produnova; Carlos Masciotta; Elido Palermo; Carlos Castillo; Estanislao Kowcz; Constuctora Vimac; Gaspar Adragna; Placido Sandoval)	UNDP	44.8	\$320,332	\$41,643	\$361,975 7.15
Phasing out CFC-11 by conversion to HCFC-141b as a blowing agent in the manufacture of rigid polyurethane foams at 7 companies (Aislaciones y Servicios Maximo; Baduco D & D; Bolatti; Hi-Tec Poliuretano Alberto; Najera Jose; Stefanelli Vincer; SRL)	UNIDO	46.1	\$329,495	\$42,834	\$372,329 7.15
<b>REFRIGERATION</b>					
<b>Domestic</b>					
Replacement of CFC-11 by HCFC-141b in the manufacture of rigid polyurethane foam for domestic refrigerators and sandwich panels at MTH S.R.L.	IBRD	7.1	\$82,695	\$10,750	\$93,445 11.67
<b>Training programme/workshop</b>					
Training of customs officers	UNEP		\$175,000	\$22,750	\$197,750
<i>No further customs training project proposals would be approved</i>					
Training programme for the refrigeration servicing sector (Phase III)	UNEP		\$300,000	\$39,000	\$339,000
<i>This project will mark the end of the training for service technicians. Further training requirements, if any, would be expected to be minimal</i>					
<b>Total for Argentina</b>		<b>97.9</b>	<b>\$1,207,522</b>	<b>\$156,978</b>	<b>\$1,364,500</b>

<b>Project Title</b>	<b>Agency Tonnes</b>	<b>ODP Project</b>	<b>Funds Approved (US\$)</b>		<b>C.E.</b>	
			<b>Support</b>	<b>Total</b>	<b>(US\$/kg)</b>	
<b>BENIN</b>						
<b>FOAM</b>						
<b>Flexible slabstock</b>						
Phaseout of CFC-11 by conversion to methylene chloride in 5.24 the manufacture of flexible polyurethane foam at Plastique Elastomeres du Benin (P.E.B.)		UNDP	27.3	\$143,027	\$18,594	\$161,621
<b>REFRIGERATION</b>						
<b>Refrigerant management plan</b>						
Implementation of the RMP: Training of custom officials	Canada	\$59,900	\$7,787	\$67,687		
Implementation of the RMP: Training of environmental inspectors and investigators	Canada	\$57,000	\$7,410	\$64,410		
Implementation of the RMP: Development of code of good practice for technicians	Canada	\$10,000	\$1,300	\$11,300		
Implementation of the RMP: Training of technicians in good refrigeration practices	Canada	\$144,000	\$18,720	\$162,720		
	<b>Total for Benin</b>	<b>27.3</b>	<b>\$413,927</b>	<b>\$53,811</b>	<b>\$467,738</b>	
<b>BRAZIL</b>						
<b>FOAM</b>						
<b>Rigid</b>						
Phaseout of CFC-11 by conversion to water-blown technology in the manufacture of rigid foam at Plastiron	UNDP	32.4	\$131,768	\$17,130	\$148,898	4.07
Conversion from CFC-11 to HCFC-141b technology in the manufacture of rigid polyurethane foam at Jose Sola	UNDP	34.9	\$150,369	\$19,548	\$169,917	4.31
Conversion from CFC-11 to HCFC-141b technology in the manufacture of rigid polyurethane foam at Frigs	UNDP	64.9	\$311,056	\$40,437	\$351,493	4.79
Conversion from CFC-11 to HCFC-141b technology in the manufacture of rigid polyurethane foam at Termobras	UNDP	60.9	\$294,590	\$38,297	\$332,887	4.84
Conversion from CFC-11 to HCFC-141b technology in the manufacture of rigid polyurethane foam at Refri-Leste	UNDP	27.0	\$136,840	\$17,789	\$154,629	5.07
Conversion from CFC-11 to HCFC-141b and water technology in the manufacture of rigid polyurethane foam at Ser Therm	UNDP	57.1	\$359,791	\$46,773	\$406,564	6.30
Phaseout of CFC-11 by conversion to water-blown technology in the manufacture of rigid foam at Rytapak	UNDP	27.0	\$211,410	\$27,483	\$238,893	7.83
<b>Integral skin</b>						
Phaseout of CFC-11 by conversion to water-based technology in the manufacture of integral skin foams (shoesoles) at Megaflex	UNDP	41.5	\$205,568	\$26,724	\$232,292	4.95
<b>Polystyrene/polyethylene</b>						
Conversion from CFC-12 to isobutane technology in the manufacture of extruded polyethylene foam at Thermo-flex	UNDP	15.0	\$123,300	\$16,029	\$139,329	8.22
<b>Multiple-subsectors</b>						
Phaseout of CFC-11 by conversion to water-blown technology in the manufacture of rigid integral skin foam and to HCFC-141b for rigid polyurethane foam at Poliumetka	UNDP	24.5	\$136,183	\$17,704	\$153,887	5.61

<b>Project Title</b>	<b>Agency Tonnes</b>	<b>ODP Project</b>	<b>Funds Approved (US\$) Support</b>	<b>Total (US\$/kg)</b>	<b>C.E.</b>
<b>REFRIGERATION</b>					
<b>Technical assistance/support</b>					
Technical assistance for RMP survey and preparation	UNDP	\$100,000	\$13,000	\$113,000	
<b>SEVERAL</b>					
<b>Institutional strengthening</b>					
Renewal of institutional strengthening (Phase III)	UNDP	\$270,000	\$35,100	\$305,100	
<b>Total for Brazil</b>	<b>385.2</b>	<b>\$2,430,875</b>	<b>\$316,014</b>	<b>\$2,746,889</b>	
<b>BURKINA FASO</b>					
<b>REFRIGERATION</b>					
<b>Refrigerant management plan</b>					
Implementation of the RMP: Incentive programme for the commercial and industrial refrigeration end-user sector	UNDP	3.0	\$132,250	\$17,193	\$149,443
<b>Total for Burkina Faso</b>		<b>3.0</b>	<b>\$132,250</b>	<b>\$17,193</b>	<b>\$149,443</b>
<b>CHILE</b>					
<b>FUMIGANT</b>					
<b>Methyl bromide</b>					
Demonstration and phase-out project for methyl bromide soil fumigation for fruit tree production and replant		UNDP	76.2	\$805,000	\$98,550
<i>UNDP will disburse the funds approved in tranches according to the proposed methyl bromide phaseout schedule indicated in the project proposal; if Chile does not meet the reduction requirements outlined in the proposal, UNDP will withhold funding for the subsequent tranche until such time as the required reduction has been met. Also, UNDP will submit an annual progress report on the implementation of the project to the Fund Secretariat</i>					
<b>Total for Chile</b>		<b>76.2</b>	<b>\$948,500</b>	<b>\$117,205</b>	<b>\$1,065,705</b>
<b>SEVERAL</b>					
<b>Institutional strengthening</b>					
Renewal of institutional strengthening	IBRD	\$143,500	\$18,655	\$162,155	
<b>Total for Chile</b>		<b>76.2</b>	<b>\$948,500</b>	<b>\$117,205</b>	<b>\$1,065,705</b>
<b>CHINA</b>					
<b>FOAM</b>					
<b>Rigid</b>					
Replacement of CFC-11 with HCFC-141b in manufacturing of PU rigid spray foam for insulation at 26 enterprises		UNIDO	3.70	\$3,295,600	\$372,516
<i>Only capital cost approved at the 32nd Meeting</i>					
<b>HALON</b>					
<b>General</b>					
Halon sector 2001 annual programme	IBRD	1,389.0	\$4,500,000	\$450,000	\$4,950,000
<i>1,980 ODP tonnes of halon-1211 (production sector) will be phased out</i>					
<b>OTHER</b>					
<b>Tobacco fluffing</b>					
2001 Annual work programme of the tobacco sector plan	UNIDO	90.0	\$2,000,000	\$180,000	\$2,180,000

<b>Project Title</b>	<b>Agency Tonnes</b>	<b>ODP Project</b>	<b>Funds Approved (US\$)</b>		<b>C.E.</b>
			<b>Support</b>	<b>Total</b>	<b>(US\$/kg)</b>
<b>REFRIGERATION</b>					
<b>Domestic</b>					
Phaseout of CFC-11 by conversion to cyclopentane technology and CFC-12 by conversion to isobutane (600a) technology in the manufacture of domestic freezers at Qingdao Haier No. 2 Freezer Plant	UNDP	180.8	\$788,359	\$96,720	\$885,079 3.27
Replacement of CFC-11 and CFC-12 with cyclopentane and isobutane in the production of refrigerators at Little Swan Electric (Jingzhou) Co. Ltd.	UNIDO	211.9	\$2,392,316	\$273,155	\$2,665,471 11.28
<b>SEVERAL</b>					
<b>Institutional strengthening</b>					
Renewal of institutional strengthening (Phase IV)	UNDP	\$300,000	\$39,000	\$339,000	
		<b>Total for China</b>	<b>2,763.2</b>	<b>\$13,276,275</b>	<b>\$1,411,391 \$14,687,666</b>
<b>COLOMBIA</b>					
<b>FOAM</b>					
<b>Integral skin</b>					
Retroactive funding for the conversion from CFC-11 to water-based technology in the manufacture of flexible molded and integral skin foam at Espumlatex-Promicolda	UNDP	11.5	\$82,020	\$4,921	\$86,941 7.13
<b>Multiple-subsectors</b>					
Conversion from CFC-11 to HCFC-141b and water based technology in the manufacture of various polyurethane foam applications at 25 small enterprises centered around their systems house Espumlatex	UNDP	38.4	\$332,768	\$43,260	\$376,028 8.67
Conversion from CFC-11 to HCFC-141b and water based technology in the manufacture of various polyurethane foam applications at Olaflex with a technical assistance programme covering 10 small customers	UNDP	15.0	\$191,833	\$24,938	\$216,771 11.76
<b>REFRIGERATION</b>					
<b>Technical assistance/support</b>					
Technical assistance for RMP survey and preparation	UNDP	\$40,000	\$5,200	\$45,200	
		<b>Total for Colombia</b>	<b>64.9</b>	<b>\$646,621</b>	<b>\$78,319 \$724,940</b>
<b>COMOROS</b>					
<b>SEVERAL</b>					
<b>Institutional strengthening</b>					
Renewal of institutional strengthening	UNEP	\$18,533	\$2,409	\$20,942	
		<b>Total for Comoros</b>	<b>\$18,533</b>	<b>\$2,409</b>	<b>\$20,942</b>
<b>CONGO</b>					
<b>REFRIGERATION</b>					
<b>Refrigerant management plan</b>					
Implementation of the RMP: Customs training programme	UNEP	\$69,400	\$9,022	\$78,422	
Implementation of the RMP: Assistance for information-sharing	UNEP	\$16,000	\$2,080	\$18,080	
<b>SEVERAL</b>					
<b>Institutional strengthening</b>					
Renewal of institutional strengthening	UNEP	\$41,950	\$5,454	\$47,404	

<b>Project Title</b>	<b>Agency</b>	<b>ODP Tonnes</b>	<b>Funds Approved (US\$) Project Support</b>	<b>Total (US\$/kg)</b>	<b>C.E.</b>
<b>CONGO, DR</b>					
<b>REFRIGERATION</b>					
<b>Technical assistance/support</b>					
Assistance in developing the RMP project proposal	UNEP	\$60,000	\$7,800	\$67,800	
<b>SEVERAL</b>					
<b>Institutional strengthening</b>					
Institutional strengthening project	UNEP	\$64,540	\$8,390	\$72,930	
<b>Total for Congo, DR</b>			<b>\$124,540</b>	<b>\$16,190</b>	<b>\$140,730</b>
<b>COSTA RICA</b>					
<b>REFRIGERATION</b>					
<b>Technical assistance/support</b>					
Technical assistance for RMP survey and preparation	UNDP	\$40,000	\$5,200	\$45,200	
<b>Total for Costa Rica</b>			<b>\$40,000</b>	<b>\$5,200</b>	<b>\$45,200</b>
<b>EGYPT</b>					
<b>HALON</b>					
<b>Banking</b>					
Halon management bank programme <i>Importation of halons will be banned at the time of the establishment of a reclamation centre for halons and that no more fire extinguisher manufacturers are consuming halon in the country</i>	UNDP	754.0	\$405,000	\$52,650	\$457,650
<b>Total for Egypt</b>			<b>754.0</b>	<b>\$405,000</b>	<b>\$52,650</b>
<b>EL SALVADOR</b>					
<b>SEVERAL</b>					
<b>Institutional strengthening</b>					
Renewal of institutional strengthening	UNEP	\$44,600	\$5,798	\$50,398	
<b>Total for El Salvador</b>			<b>\$44,600</b>	<b>\$5,798</b>	<b>\$50,398</b>
<b>GABON</b>					
<b>SEVERAL</b>					
<b>Institutional strengthening</b>					
Renewal of institutional strengthening	UNEP	\$30,400	\$3,952	\$34,352	
<b>Total for Gabon</b>			<b>\$30,400</b>	<b>\$3,952</b>	<b>\$34,352</b>
<b>GAMBIA</b>					
<b>REFRIGERATION</b>					
<b>Preparation of project proposal</b>					
Project preparation for additional activities for Gambia RMP		Germany	\$10,000	\$1,300	\$11,300
<b>Total for Gambia</b>			<b>\$10,000</b>	<b>\$1,300</b>	<b>\$11,300</b>
<b>GEORGIA</b>					
<b>SEVERAL</b>					
<b>Institutional strengthening</b>					
Renewal of institutional strengthening (Phase II)	UNEP	\$46,700	\$6,071	\$52,771	
<b>Total for Georgia</b>			<b>\$46,700</b>	<b>\$6,071</b>	<b>\$52,771</b>

<b>Project Title</b>	<b>Agency Tonnes</b>	<b>ODP Project</b>	<b>Funds Approved (US\$)</b>		<b>C.E.</b>	
			<b>Support</b>	<b>Total</b>	<b>(US\$/kg)</b>	
<b>GHANA</b>						
<b>REFRIGERATION</b>						
<b>Refrigerant management plan</b>						
Implementation of the RMP: Monitoring of the activities	UNDP	\$15,455	\$2,009	\$17,464		
Implementation of the RMP: Customs training programme	UNEP	\$81,000	\$10,530	\$91,530		
Implementation of the RMP: Mobile air conditioning recovery 8.50 and recycling of CFC-12	UNDP	11.7	\$98,902	\$12,857	\$111,759	
Implementation of the RMP: Incentive programme for the commercial/industrial refrigeration end-user sector	UNDP	4.0	\$198,000	\$25,740	\$223,740	49.50
<b>SEVERAL</b>						
<b>Institutional strengthening</b>						
Renewal of institutional strengthening (Phase IV)	UNDP	\$107,000	\$13,910	\$120,910		
		<b>Total for Ghana</b>	<b>15.7</b>	<b>\$500,357</b>	<b>\$65,046</b>	<b>\$565,403</b>
<b>HAITI</b>						
<b>SEVERAL</b>						
<b>Country programme/country survey</b>						
Preparation of country programme	UNEP	\$60,000	\$7,800	\$67,800		
		<b>Total for Haiti</b>	<b>\$60,000</b>	<b>\$7,800</b>	<b>\$67,800</b>	
<b>HONDURAS</b>						
<b>SEVERAL</b>						
<b>Institutional strengthening</b>						
Renewal of institutional strengthening	UNEP	\$44,000	\$5,720	\$49,720		
		<b>Total for Honduras</b>	<b>\$44,000</b>	<b>\$5,720</b>	<b>\$49,720</b>	
<b>INDIA</b>						
<b>FOAM</b>						
<b>Flexible moulded</b>						
Conversion from CFC-11 to water-blown technology in the manufacture of flexible molded polyurethane foam and from CFC-11 to HCFC-141b technology in the manufacture of integral skin polyurethane foam at Sawhney Seating Systems	UNDP	28.0	\$241,619	\$31,410	\$273,029	8.63
Conversion from CFC-11 to water-blown technology in the manufacture of flexible molded polyurethane foam at Netplast Ltd.	UNDP	18.0	\$177,224	\$23,039	\$200,263	9.85
<b>Integral skin</b>						
Conversion from CFC-11 to HCFC-141b technology in the manufacture of integral skin polyurethane foam at Sun Steering Wheels Ltd.	UNDP	15.6	\$144,379	\$18,769	\$163,148	9.23
<b>HALON</b>						
<b>Banking</b>						
National halon management and banking programme <i>Disbursement would not take place until a commitment had been given by the Government that regulations facilitating production and import bans would be established within six months after the reclamation centre had been set up</i>	Australia	213.6	\$245,700	\$245,700		

Project Title	Agency Tonnes	ODP Project	Funds Approved (US\$)		C.E.	
			Support	Total (US\$/kg)		
National halon management and banking programme <i>Disbursement would not take place until a commitment had been given by the Government that regulations facilitating production and import bans would be established within six months after the reclamation centre had been set up</i>	Canada	213.6	\$245,700	\$24,570	\$270,270	
<b>REFRIGERATION</b>						
<b>Commercial</b>						
Conversion from CFC-11 to HCFC-141b and from CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at Sandlas Air-Con Systems P. Ltd.	UNDP	23.3	\$228,517	\$29,707	\$258,224	9.80
Umbrella project for the conversion of three commercial refrigeration enterprises in New Delhi	UNIDO	27.3	\$328,894	\$42,756	\$371,650	12.04
<b>Multiple-subsectors</b>						
Conversion from CFC-11 to HCFC-141b and from CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at Nine Enterprises	UNDP	53.5	\$789,425	\$96,837	\$886,262	14.75
<b>Technical assistance/support</b>						
Technical assistance to Ozone Cell, MOEF during the preparation of a refrigeration and air conditioning servicing sector strategy <i>All stakeholders would be consulted and an agreed strategy will be developed</i>	UNDP		\$30,000	\$3,900	\$33,900	
Preparation of a national strategy to reduce and eliminate the use of CFC refrigerants in the servicing sector <i>All stakeholders would be consulted and an agreed strategy will be developed</i>		Germany	\$240,200	\$31,226	\$271,426	
<b>PROCESS AGENT</b>						
<b>Process conversion</b>						
Conversion of carbon tetrachloride (CTC) as process solvent to trichloromethane at M/S Alpha Drugs India Ltd., Patiala	UNIDO	69.7	\$145,866	\$23,339	\$169,205	2.09
Conversion of carbon tetrachloride (CTC) as process solvent to ethylene dichloride at Doctors Organic Chemicals Ltd., Tanuku	UNIDO	94.6	\$320,899	\$41,717	\$362,616	3.39
Conversion of carbon tetrachloride (CTC) as process solvent to ethylene dichloride at Svis Labs Ltd., Ranipet	UNIDO	54.2	\$249,367	\$32,418	\$281,785	4.60
Conversion of carbon tetrachloride (CTC) as process solvent to ethylene dichloride at Satya Deeptha Pharmaceuticals Ltd., Humnabad	UNIDO	27.9	\$260,133	\$33,817	\$293,950	9.32
	<b>Total for India</b>	<b>839.5</b>	<b>\$3,647,923</b>	<b>\$433,506</b>	<b>\$4,081,429</b>	
<b>INDONESIA</b>						
<b>SEVERAL</b>						
<b>Institutional strengthening</b>						
Extension of institutional strengthening project (Phase III)	UNDP		\$208,650	\$27,125	\$235,775	
	<b>Total for Indonesia</b>		<b>\$208,650</b>	<b>\$27,125</b>	<b>\$235,775</b>	

<b>Project Title</b>	<b>Agency Tonnes</b>	<b>ODP Project</b>	<b>Funds Approved (US\$)</b>		<b>C.E.</b>
			<b>Support</b>	<b>Total</b>	<b>(US\$/kg)</b>
<b>IRAN</b>					
<b>FOAM</b>					
<b>Rigid</b>					
Conversion from CFC-11 to HCFC-141b technology in the manufacture of rigid polyurethane foam at Nobough Industrial Co.	UNDP	31.8	\$248,736	\$32,336	\$281,072 7.83
<b>Integral skin</b>					
Conversion from CFC-11 to n-pentane technology in the manufacture of integral skin polyurethane foam products at Iran Polyurethane Manufacturing Co.	UNDP	51.8	\$796,230	\$97,585	\$893,815 15.38
<b>SEVERAL</b>					
<b>Institutional strengthening</b>					
Extension of the institutional strengthening project (Phase III)	UNDP		\$133,470	\$17,351	\$150,821
	<b>Total for Iran</b>	<b>83.6</b>	<b>\$1,178,436</b>	<b>\$147,272</b>	<b>\$1,325,708</b>
<b>JORDAN</b>					
<b>AEROSOL</b>					
<b>Filling plant</b>					
Phase-out of CFC-12 in the manufacture of hair lacquers by conversion to hydrocarbon propellant at Jordan Tunisian Chemical Company	UNIDO	12.0	\$52,800	\$6,864	\$59,664 4.40
<b>HALON</b>					
<b>Extinguisher/fixed system</b>					
Terminal halon 1211 and halon 1301 phaseout umbrella project for fire equipment manufacturers and suppliers in Jordan converting to ABC powder, CO <sub>2</sub> , HFC-227ea and inert gases as substitutes	IBRD	421.8	\$563,000	\$71,930	\$634,930 1.33
<i>With the understanding that this is a terminal project for the halon sector in Jordan</i>					
	<b>Total for Jordan</b>	<b>433.8</b>	<b>\$615,800</b>	<b>\$78,794</b>	<b>\$694,594</b>
<b>KENYA</b>					
<b>SEVERAL</b>					
<b>Institutional strengthening</b>					
Renewal of institutional strengthening (Phase III)	UNDP		\$116,667	\$15,167	\$131,834
	<b>Total for Kenya</b>	<b>\$116,667</b>	<b>\$15,167</b>	<b>\$131,834</b>	
<b>KOREA, DPR</b>					
<b>SEVERAL</b>					
<b>Institutional strengthening</b>					
Renewal of institutional strengthening	UNEP		\$95,040	\$12,355	\$107,395
	<b>Total for Korea, DPR</b>		<b>\$95,040</b>	<b>\$12,355</b>	<b>\$107,395</b>
<b>LIBYA</b>					
<b>FOAM</b>					
<b>Flexible slabstock</b>					
Phaseout of CFC-11 by conversion to methylene chloride (MC) in the manufacture of flexible polyurethane foam at Garabouli Unit	UNDP	40.3	\$109,810	\$14,275	\$124,085 2.72
Phaseout of CFC-11 by conversion to methylene chloride (MC) in the manufacture of flexible polyurethane foam at Ben Ghazi Unit	UNDP	31.4	\$124,860	\$16,232	\$141,092 3.98

Project Title	Agency Tonnes	ODP Project	Funds Approved (US\$)		C.E.	
			Support	Total (US\$/kg)		
Phaseout of CFC-11 by conversion to methylene chloride (MC) in the manufacture of flexible polyurethane foam at Sebha Unit	UNDP	26.0	\$128,097	\$16,653	\$144,750	4.93
<b>Rigid</b>						
Phasing out of CFC-11 in the manufacture of rigid polyurethane foam at Electrical Household Appliance-Tajura by conversion to a combination of water + HCFC-141b based systems	UNDP	15.3	\$119,802	\$15,574	\$135,376	7.83
<b>Multiple-subsectors</b>						
Project preparation in the foam sector	UNDP	\$30,000	\$3,900	\$33,900		
<b>REFRIGERATION</b>						
<b>Domestic</b>						
Phasing out ODS in the production of refrigerators and freezers at Electrical Household Appliances Manufacturing	UNIDO	53.4	\$558,113	\$71,392	\$629,505	10.45
<b>SEVERAL</b>						
<b>Institutional strengthening</b>						
Creation of the National Ozone Unit	UNIDO	\$157,000	\$20,410	\$177,410		
		<b>Total for Libya</b>	<b>166.4</b>	<b>\$1,227,682</b>	<b>\$158,436</b>	<b>\$1,386,118</b>
<b>MACEDONIA</b>						
<b>AEROSOL</b>						
<b>Filling plant</b>						
Phase-out of CFC 11/12 in the manufacture of aerosols by conversion to HFC and hydrocarbon propellants at Alkaloid A.D.	UNIDO	25.0	\$110,000	\$14,300	\$124,300	4.40
<b>FUMIGANT</b>						
<b>Methyl bromide</b>						
Phase-out of methyl bromide in tobacco seedling and horticulture production sector	UNIDO	27.2	\$1,075,207	\$128,273	\$1,203,480	39.47
<i>UNIDO will disburse the funds approved in tranches according to the proposed methyl bromide phaseout schedule indicated in the project proposal; if Macedonia does not meet the reduction requirements outlined in the proposal, UNIDO will withhold funding for the subsequent tranche until such time as the required reduction has been met. Also, UNIDO will submit an annual progress report on the implementation of the project to the Fund Secretariat</i>						
		<b>Total for Macedonia</b>	<b>52.2</b>	<b>\$1,185,207</b>	<b>\$142,573</b>	<b>\$1,327,780</b>
<b>MALAWI</b>						
<b>FUMIGANT</b>						
<b>Methyl bromide</b>						
Phaseout of all non-essential and non-QPS methyl bromide (release of first tranche)	UNDP	110.9	\$400,000	\$52,000	\$452,000	27.03
<i>UNDP will disburse the funds approved in tranches according to the proposed methyl bromide phaseout schedule indicated in the project proposal; if Malawi does not meet the reduction requirements outlined in the proposal, UNDP will withhold funding for the subsequent tranche until such time as the required reduction has been met. Also, UNDP will submit an annual progress report on the implementation of the project to the Fund Secretariat</i>						

Project Title	Agency Tonnes	ODP Project	Funds Approved (US\$)			C.E.
			Support	Total	(US\$/kg)	
<b>TOTAL FOR MALAWI</b>		<b>110.9</b>	<b>\$400,000</b>	<b>\$52,000</b>	<b>\$452,000</b>	
<b>MALAYSIA</b>						
<b>REFRIGERATION</b>						
<b>Commercial</b>						
Replacement of refrigerant CFC-12 with HFC-134a and foam blowing agent CFC-11 with HCFC-141b in the manufacture of commercial refrigeration equipment at Tung Kiong Factories Sdn. Bhd.	UNIDO	18.9	\$202,075	\$26,270	\$228,345	10.72
Conversion from CFC-11 to HCFC-141b and from CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at Three Enterprises	UNDP	34.9	\$505,184	\$65,570	\$570,754	14.49
<b>Multiple-subsectors</b>						
Conversion from CFC-11 to HCFC-141b and from CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at Eleven Small and Medium-sized Enterprises	UNDP	64.8	\$960,658	\$115,672	\$1,076,330	15.21
<b>SEVERAL</b>						
<b>Institutional strengthening</b>						
Extension of the institutional strengthening project (Phase IV)		UNDP	\$215,000	\$27,950	\$242,950	
		<b>Total for Malaysia</b>	<b>118.6</b>	<b>\$1,882,917</b>	<b>\$235,462</b>	<b>\$2,118,379</b>
<b>MALI</b>						
<b>REFRIGERATION</b>						
<b>Refrigerant management plan</b>						
Implementation of the RMP: monitoring the activities in the refrigerant management plan		UNDP	\$15,455	\$2,009	\$17,464	
Implementation of the RMP: national programme for recovery and recycling of refrigerants	UNDP	6.3	\$102,658	\$13,346	\$116,004	16.29
		<b>Total for Mali</b>	<b>6.3</b>	<b>\$118,113</b>	<b>\$15,355</b>	<b>\$133,468</b>
<b>MONGOLIA</b>						
<b>REFRIGERATION</b>						
<b>Refrigerant management plan</b>						
Implementation of the RMP: Train the trainer programme for refrigeration service technicians		UNEP	\$65,970	\$8,576	\$74,546	
Implementation of the RMP: Training of custom officers, ODS inspectorate and NOU staff	UNEP	\$77,200	\$10,036	\$87,236		
		<b>Total for Mongolia</b>	<b>\$143,170</b>	<b>\$18,612</b>	<b>\$161,782</b>	
<b>MOROCCO</b>						
<b>FOAM</b>						
<b>Rigid</b>						
Phasing out of CFC-11 in the manufacture of rigid polyurethane foam at Engequife by conversion to a combination of water and HCFC-141b based systems	UNDP	7.2	\$56,391	\$7,331	\$63,722	7.83
Phasing out of CFC-11 in the manufacture of rigid polyurethane foam at Interfer by conversion to a combination of water and HCFC-141b based systems	UNDP	10.1	\$78,973	\$10,266	\$89,239	7.83

<b>Project Title</b>	<b>Agency Tonnes</b>	<b>ODP Project</b>	<b>Funds Approved (US\$)</b>		<b>C.E.</b>
			<b>Support</b>	<b>Total</b>	<b>(US\$/kg)</b>
<b>FUMIGANT</b>					
<b>Methyl bromide</b>					
Phase out of methyl bromide for soil fumigation in strawberry \$2,440,599 production <i>UNIDO will disburse the funds approved in tranches according to the proposed methyl bromide phase out schedule indicated in the project proposal; if Morocco does not meet the reduction requirements outlined in the proposal, UNIDO will withhold funding for the subsequent tranche of funding until such time as the required reduction has been met. Also, UNIDO will submit an annual progress report on the implementation of the project to the Fund Secretariat</i>	14.13	UNIDO	155.0	\$2,189,729	\$250,870
<b>REFRIGERATION</b>					
<b>Technical assistance/support</b>					
Technical assistance for cold storage ( training and demonstration project) <i>The project will part of the RMP project under current preparation</i>	France	\$114,337	\$5,717	\$120,054	
<b>Total for Morocco</b>		<b>172.3</b>	<b>\$2,439,430</b>	<b>\$274,185</b>	<b>\$2,713,615</b>
<b>NIGERIA</b>					
<b>FOAM</b>					
<b>Flexible slabstock</b>					
Phasing out of CFC-11 in the manufacture of flexible slabstock foam at MAC-VICO (Nig.) Limited by conversion to methylene chloride	Japan	28.4	\$105,209	\$13,677	\$118,886 3.70
Phasing out of CFC-11 in the manufacture of flexible slabstock foam at Eastern Wrought Iron Limited by conversion to methylene chloride	Japan	27.1	\$109,345	\$14,215	\$123,560 4.03
Phasing out of CFC-11 in the manufacture of flexible slabstock foam at Martchem Industries Limited by conversion to methylene chloride	Japan	38.4	\$175,121	\$22,766	\$197,887 4.56
<b>REFRIGERATION</b>					
<b>Commercial</b>					
Replacement of refrigerant CFC-12 with HFC-134a, and foam blowing agent CFC-11 with HCFC-141b in the manufacture of commercial refrigeration equipment at Akocen Nigeria Ltd.	UNIDO	12.1	\$157,894	\$20,526	\$178,420 13.03
Replacement of refrigerant CFC-12 with HFC-134a and foam blowing agent CFC-11 with HCFC-141b in the manufacture of commercial refrigeration equipment at Coldcare Nigeria Ltd.	UNIDO	11.4	\$173,200	\$22,516	\$195,716 15.15
<b>Multiple-subsectors</b>					
Replacement of refrigerant CFC-12 with HFC-134a, and foam blowing agent CFC-11 with HCFC-141b in the manufacture of commercial refrigeration equipment at Bosmak Nigeria Ltd.	UNIDO	10.8	\$154,245	\$20,052	\$174,297 14.32
<b>Technical assistance/support</b>					
Technical assistance to prepare a refrigeration management plan (RMP)	UNDP	\$100,000	\$13,000	\$113,000	
<b>Total for Nigeria</b>		<b>128.2</b>	<b>\$975,014</b>	<b>\$126,752</b>	<b>\$1,101,766</b>

<b>Project Title</b>	<b>Agency Tonnes</b>	<b>ODP Project</b>	<b>Funds Approved (US\$)</b>		<b>C.E.</b>
			<b>Support</b>	<b>Total</b>	<b>(US\$/kg)</b>
<b>OMAN</b>					
<b>SEVERAL</b>					
<b>Institutional strengthening</b>					
Creation of the National Ozone Unit	UNIDO	\$79,000	\$10,270	\$89,270	
	<b>Total for Oman</b>	<b>\$79,000</b>	<b>\$10,270</b>	<b>\$89,270</b>	
<b>PAKISTAN</b>					
<b>REFRIGERATION</b>					
<b>Commercial</b>					
Conversion from CFC-11 to HCFC-141b and from CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at Pakistan Airconditioning Engineering Co. P. Ltd. (PAECO)	IBRD	19.7	\$176,681	\$22,969	\$199,650 8.95
<b>Multiple-subsectors</b>					
Conversion from CFC-11 to HCFC-141b and from CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at Mumtaz Engineers	IBRD	13.9	\$204,736	\$26,616	\$231,352 14.69
	<b>Total for Pakistan</b>	<b>33.7</b>	<b>\$381,417</b>	<b>\$49,584</b>	<b>\$431,001</b>
<b>PARAGUAY</b>					
<b>REFRIGERATION</b>					
<b>Refrigerant management plan</b>					
Implementation of the RMP: Policy dialogue programme on complementary policy and enforcement		UNEP	\$10,000	\$1,300	\$11,300
Implementation of the RMP: Train of trainers and training of refrigeration service technicians		UNEP	\$168,020	\$21,843	\$189,863
Implementation of the RMP: Monitoring and control of ODS and ODS based equipment, and training of customs officers and other inspection officers		UNEP	\$44,920	\$5,840	\$50,760
Implementation of the RMP: national programme for recovery and recycling of CFC-12 refrigerant	UNDP	23.0	\$285,158	\$37,071	\$322,229 12.37
<b>SEVERAL</b>					
<b>Institutional strengthening</b>					
Renewal of institutional strengthening		UNEP	\$44,200	\$5,746	\$49,946
	<b>Total for Paraguay</b>	<b>23.0</b>	<b>\$552,298</b>	<b>\$71,799</b>	<b>\$624,097</b>
<b>SRI LANKA</b>					
<b>REFRIGERATION</b>					
<b>Refrigerant management plan</b>					
Implementation of the RMP: Train the trainers and training of refrigeration service technicians including		UNEP	\$219,000	\$28,470	\$247,470
Implementation of the RMP: monitoring the activities	UNDP	\$15,455	\$2,009	\$17,464	
Implementation of the RMP: Customs training programme	UNEP	\$87,000	\$11,310	\$98,310	
Implementation of the RMP: Incentive programme for the commercial and industrial end-user refrigeration	UNDP	5.0	\$250,000	\$32,500	\$282,500 50.00
	<b>Total for Sri Lanka</b>	<b>5.0</b>	<b>\$571,455</b>	<b>\$74,289</b>	<b>\$645,744</b>

<b>Project Title</b>	<b>Agency Tonnes</b>	<b>ODP Project</b>	<b>Funds Approved (US\$)</b>		<b>C.E.</b>
			<b>Support</b>	<b>Total (US\$/kg)</b>	
<b>SYRIA</b>					
<b>AEROSOL</b>					
<b>Filling plant</b>					
Phase-out of CFC-12 in the manufacture of insecticides by conversion to hydrocarbon propellant at Cheikh Ghazal Insecticide Plant	UNIDO	36.0	\$87,298	\$11,349	\$98,647 2.42
Phase-out of CFC-11 and 12 in the manufacture of hair lacquers by conversion to hydrocarbon propellant at Badran & Co.	UNIDO	15.6	\$68,640	\$8,923	\$77,563 4.40
Phase-out of CFC-11 and 12 in the manufacture of hair sprays by conversion to hydrocarbon propellant at Khadji & Zahka	UNIDO	11.0	\$48,400	\$6,292	\$54,692 4.40
Phase-out of CFC-12 in the manufacture of hair lacquers by conversion to hydrocarbon propellant at Mahmoud Hamida	UNIDO	10.5	\$46,200	\$6,006	\$52,206 4.40
<b>FOAM</b>					
<b>Rigid</b>					
Conversion from CFC-11 to HCFC-141b in the production of rigid foam panels at Bassam Baghdan	UNIDO	16.4	\$126,862	\$16,492	\$143,354 7.73
<b>FUMIGANT</b>					
<b>Preparation of project proposal</b>					
Project preparation/technical assistance in soil fumigants (methyl bromide)	Germany	\$37,200	\$4,836	\$42,036	
<b>REFRIGERATION</b>					
<b>Commercial</b>					
Conversion from CFC-11 to HCFC-141b technology and from CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at Al-Raed Refrigeration	UNDP	13.9	\$211,800	\$27,534	\$239,334 15.21
	<b>Total for Syria</b>	<b>103.4</b>	<b>\$626,400</b>	<b>\$81,432</b>	<b>\$707,832</b>
<b>THAILAND</b>					
<b>FOAM</b>					
<b>Rigid</b>					
Conversion from CFC-11 to HCFC-141b technology in the manufacture of rigid polyurethane foam (sprayfoam and blocks) at Isotech	IBRD	22.7	\$144,943	\$18,843	\$163,786 6.38
<b>HALON</b>					
<b>Extinguisher/fixed system</b>					
Terminal halon 1211 and halon 1301 phaseout project for fire 1.30 equipment manufacturers and suppliers in Thailand converting to ABC powder, CO2, HFC-227ea and inert gases		IBRD	436.0	\$568,000	\$72,480\$640,480



Project Title	Agency Tonnes	ODP Project	Funds Approved (US\$)		C.E.	
			Support	Total (US\$/kg)		
Umbrella project. Conversion from CFC-11 into all-water technology for flexible molded and HCFC-141b for integral skin foams at 11 enterprises	IBRD	48.5	\$398,378	\$51,789	\$450,167	8.21
<b>SEVERAL</b>						
<b>Institutional strengthening</b>						
Renewal of institutional strengthening	IBRD	\$200,000	\$26,000	\$226,000		
		<b>Total for Turkey</b>	<b>140.8</b>	<b>\$1,191,113</b>	<b>\$154,845</b>	<b>\$1,345,958</b>
<b>VENEZUELA</b>						
<b>REFRIGERATION</b>						
<b>Commercial</b>						
Phasing out CFC-12 with HFC-134a and CFC-11 with HCFC-141b at seven commercial refrigeration companies (umbrella project)	UNIDO	32.3	\$403,590	\$52,467	\$456,057	12.48
		<b>Total for Venezuela</b>	<b>32.3</b>	<b>\$403,590</b>	<b>\$52,467</b>	<b>\$456,057</b>
<b>WESTERN SAMOA</b>						
<b>REFRIGERATION</b>						
<b>Refrigerant management plan</b>						
Implementation of the RMP: Training of refrigeration service technicians		UNEP	\$48,800	\$6,344	\$55,144	
Implementation of the RMP: Training of customs officials and NOU staff		UNEP	\$53,500	\$6,955	\$60,455	
		<b>Total for Western Samoa</b>	<b>\$102,300</b>	<b>\$13,299</b>	<b>\$115,599</b>	
<b>REGION: AFR</b>						
<b>REFRIGERATION</b>						
<b>Technical assistance/support</b>						
Refrigeration and global environment evaluation of equipment modernization study		France	\$15,000	\$750	\$15,750	
<i>The resources would be used only for ozone-related issues; the results of the study would be made available to the Committee as well as to the countries involved; and no further funding would be requested from the Multilateral Fund as a result of the study</i>						
<b>SEVERAL</b>						
<b>Network</b>						
African regional network (French-speaking, English-speaking) (2001) (WP 2001)	UNEP	\$464,000	\$60,320	\$524,320		
		<b>Total for Region: AFR</b>	<b>\$479,000</b>	<b>\$61,070</b>	<b>\$540,070</b>	
<b>REGION: ASP</b>						
<b>SEVERAL</b>						
<b>Network</b>						
West Asian regional network (2001) (WP 2001)	UNEP	\$124,000	\$16,120	\$140,120		
South East Asia and the Pacific and South Asia regional networks (2001) (WP 2001)	UNEP	\$225,000	\$29,250	\$254,250		
		<b>Total for Region: ASP</b>	<b>\$349,000</b>	<b>\$45,370</b>	<b>\$394,370</b>	
<b>REGION: LAC</b>						
<b>SEVERAL</b>						
<b>Network</b>						
South American, Central American, and the Caribbean regional networks (2001) (WP 2001)	UNEP	\$429,000	\$55,770	\$484,770		
		<b>Total for Region: LAC</b>	<b>\$429,000</b>	<b>\$55,770</b>	<b>\$484,770</b>	

<b>Project Title</b>	<b>Agency Tonnes</b>	<b>ODP Project</b>	<b>Funds Approved (US\$) Support</b>	<b>Total (US\$/kg)</b>	<b>C.E.</b>
<b>GLOBAL</b>					
<b>SEVERAL</b>					
<b>Preparation of project proposal</b>					
Project preparation advance (2001)	UNIDO	\$139,500	\$18,135	\$157,635	
Project preparation advance (2001)	UNDP	\$200,000	\$26,000	\$226,000	
<b>Technical assistance/support</b>					
Advisory and expert group meetings for 2001 (WP 2001)	UNEP	\$75,000	\$9,750	\$84,750	
Prioritized sectoral data from worldwide sources in 2001 (WP 2001)	UNEP	\$121,000	\$15,730	\$136,730	
Translation, in French and Spanish, of the approved manual on Customs Officer Training on Substances that Deplete the Ozone Layer	Canada	\$36,000	\$1,440	\$37,440	
<b>Training programme/workshop</b>					
Global enabling activity for customs training	UNEP	\$165,400	\$21,502	\$186,902	
Support to national activities for 2001 (WP 2001)	UNEP	\$30,000	\$3,900	\$33,900	
<b>Information exchange</b>					
Provide international halon bank management information clearinghouse services in 2001 (WP 2001)	UNEP	\$76,000	\$9,880	\$85,880	
Deliver OzonAction Newsletter and other information through world wide web home page site in 2001 (WB 2001)		UNEP	\$40,000	\$5,200	\$45,200
Disseminate awareness material, technical, and policy information in 2001 (WP 2001)	UNEP	\$346,000	\$44,980	\$390,980	
Maintain contact database of experts and mailing list for OzonAction programme publications in 2001 (WP 2001)	UNEP	\$45,000	\$5,850	\$50,850	
Conduct outreach at conferences and workshops in 2001 (WP 2001)	UNEP	\$55,000	\$7,150	\$62,150	
Publish the OzonAction newsletter and special supplements in 2001 (WP 2001)		UNEP	\$280,000	\$36,400	\$316,400
Provide direct query-response service in 2001 (WP 2001)	UNEP	\$86,000	\$11,180	\$97,180	
Regional awareness raising and South-South assistance (WP 2001)		UNEP	\$191,000	\$24,830	\$215,830
<b>Programme administration</b>					
Travel for 2001 (WP 2001)	UNEP	\$75,000	\$9,750	\$84,750	
		<b>Total for Global</b>	<b>\$1,960,900</b>	<b>\$251,677</b>	<b>\$2,212,577</b>
		<b>GRAND TOTAL</b>	<b>7,555.1</b>	<b>\$45,417,356</b>	<b>\$5,450,400</b>
					<b>\$50,867,756</b>

## ANNEX II

### **Agreed conditions for funding methyl bromide phase out project in Chile**

The Executive Committee agrees to approve US\$805,000 as the total funds that will be available to achieve the commitments noted in this document for the phase-out of methyl bromide in the tree replant and tree nursery sectors in Chile, subject to the following understandings and considerations.

As reported to the Ozone Secretariat, the methyl bromide baseline for Chile has been established at 212.5 ODP tonnes . Chile has also reported a consumption of 107.1 ODP tonnes of methyl bromide for 1999. An assessment based on 1998 data determined that the tree replant sector accounts for 58.8 ODP tonnes and the tree nursery sector accounts for 17.4 ODP-tonnes, for a total of 76.2 ODPtonnes.

Reductions in accordance with the terms of this project, and the other commitments presented in the project document, will ensure that Chile exceeds subsequent phase out requirements of the Montreal Protocol. Specifically, Chile commits to reduce its total national consumption of controlled uses of methyl bromide to no more than the following levels:

2001-2002	198.0 ODP tonnes
2002-2003	170.0 ODP tonnes
2005-2006	121.8 ODP tonnes

Chile commits to ensure that this consumption will be eliminated permanently by introducing relevant control measures. The project will work with stakeholders to develop a sectoral action plan to ensure that phase-out in the tree replant and tree nursery sectors will be sustainable. In addition, Chile may submit projects for other sectors to add to the methyl bromide reductions noted above.

UNDP shall report back annually on the progress in meeting the reductions required by this project. Following initial disbursement of 20 per cent in the first year, Funding for the project will be disbursed by UNDP in line with the following yearly budget breakdown:

2001	20 per cent of the funds
2002	20 per cent of the funds
2003	20 per cent of the funds
2004	20 per cent of the funds
2005	20 per cent of the funds

Funding disbursement will be conditional on meeting the project milestones and the reduction schedule listed above. In case of unjustified delays UNDP will inform the Multilateral Fund Secretariat and will cancel any further release with funds until all problems are solved and the schedule is brought back on track. If unjustified delays continue, the project may be cancelled.

### Annex III

#### Agreed conditions for phase-out of methyl bromide in Macedonia

The Executive Committee agrees to approve US \$1,075,207 as the total funds that will be available to achieve commitments noted in this document for the phase reduction in the use of methyl bromide in Macedonia subject to the following understandings and considerations:

As reported to the Ozone Secretariat, and consistent with information in the project document presented to the Executive Committee, Macedonia had consumption of 27.2 ODP tonnes of methyl bromide in 1999. In accordance with the data submitted to the Secretariat by Macedonia for the years 1995-1998, Macedonia has a methyl bromide baseline of 12.2 ODP tonnes. Accordingly, Macedonia must reduce its 1999 consumption of methyl bromide by at least 15.0 ODP tonnes to achieve compliance with the Protocol's 2002 freeze obligation and by at least 17.4 ODP tonnes to achieve compliance with the Protocol's 2005, 20 per cent reduction.

Reductions in accordance with the terms of this project, and the other commitments presented in the project document, will ensure that Macedonia meets that requirement, and exceeds subsequent phase out requirements of the Montreal Protocol.

Specifically, Macedonia commits to reduce its total national consumption of controlled uses of methyl bromide to no more than the following levels during the 12-month period of the following listed years:

2001-2002	12.2 ODP tonnes
2002-2003	9.7 ODP tonnes
2003-2004	7.8 ODP tonnes
2004-2005	zero

In addition, Macedonia commits to sustain this phase-out of methyl bromide through the use of bans in the use of methyl bromide for all non-exempt methyl bromide uses. The specific reductions in consumption noted above will be those achieved through this project. Since this project constitutes a sector phase out, there will be no additional projects that will be submitted for the methyl bromide sector.

UNIDO shall report back to the Executive Committee annually on the progress in meeting the reductions required by this project, as well as on annual costs related to the use of the floating system inputs being purchased with the project funds.

Following initial disbursement of 30 per cent in the year 2000-2001, funding for later years in the project will be disbursed by UNIDO in accordance with the following schedule, and with the understanding that a subsequent year's funding will not be disbursed until the Executive Committee has favourably reviewed the prior years progress report.

2002 – 2003	25 per cent of funds
2003 – 2004	25 per cent of funds
2004 – 2005	20 per cent of funds

Finally, UNIDO agrees to manage the funding for this project in a manner designed to ensure that the specific annual reductions agreed are met.

## Annex IV

### Agreed condition for funding methyl bromide phase-out project in Malawi

The Executive Committee agrees to approve US \$2,999,824 as the total project funds that will be available forthwith to achieve commitments noted in this document for a total phase out in the use of methyl bromide in Malawi (85 per cent non-QPS use of methyl bromide in tobacco). The total methyl bromide phase out will proceed subject to the following understandings and considerations below. It is to be noted, however, that 15 per cent non-QPS use of methyl bromide in grain storage will be replaced by phosphine to be converted by Government on their own with assistance from the Government of the United Kingdom.

As reported to the Ozone Secretariat, and consistent with information in the project document presented to the Executive Committee, Malawi had a consumption of 129 ODP tonnes of methyl bromide in 1999 covering fumigation, grain storage and other controlled uses. In accordance with this data submitted to the Ozone Secretariat by Malawi for the years 1995-1998, Malawi has a methyl bromide baseline of 112.7 ODP tonnes. Reduction in accordance with the terms of this project, and the other commitments presented in the project document, will ensure that Malawi meets that requirement, and will totally phase out all non-QPS use of methyl bromide by December 2004.

Specifically, Malawi commits to reduce total national consumption of controlled uses of methyl bromide to no more than the following levels during the 12-month period of the following listed years:

December 2000:	freeze level of 129 ODP;
December 2001:	109.7 ODP tonnes (reduction of 19.3 ODP tonnes from 2000 level);
December 2002:	90 ODP tonnes (reduction of 20.9 ODP tonnes from 2001 level);
December 2003:	49.3 ODP tonnes (reduction of 41.1 ODP tonnes from 2002 level);
December 2004:	zero ODP tonnes (reduction of 49.3 ODP tonnes from 2003 level).

In addition, Malawi commits to sustain the reduction and total national phase out of methyl bromide noted above through bans and legislative measures in the use of methyl bromide. The specific reductions in consumption noted above will be those achieved through this project. Since this project constitute a sector phase out, there will be no additional projects that will be submitted for the methyl bromide sector.

UNDP shall report back to the Executive Committee annually on the progress in meeting the reductions required by this project, as well as on annual costs related to the implementation of the phase out indicated in the project document. Following initial disbursement in the year 2000-2001, funding for later years in the project will be required from the MLF in accordance with the following schedule, with the understanding that additional grants will be approved by the Executive Committee based on prior years progress report and if Malawi does not meet the reduction requirements outlined in the proposal, UNDP will withhold funding for the subsequent tranche until such time as the required reduction has been met.

Mid-2001:	US \$1,000,000
Mid-2002:	US \$ 750,000
Mid-2003:	US \$1,249,824

Finally, UNDP agrees to manage the funding for this project in a manner designed to ensure that the specific annual reductions agreed are met.

## Annex V

### Agreed conditions for funding methyl bromide phase-out project in Morocco

The Executive Committee agrees to approve US \$2,189,729 as the total funds that will be available to achieve the commitments noted in this document for the phased reduction in the use of methyl bromide in Morocco subject to the following understandings and considerations:

As reported to the Ozone Secretariat, and consistent with information in the project document presented to the Executive Committee, Morocco had consumption of 767.4 ODP tonnes of methyl bromide in 1999. In accordance with the data submitted to the Secretariat by Morocco for the years 1995-1998, Morocco has a methyl bromide baseline of 695.8 ODP tonnes. Accordingly, Morocco must reduce its 1999 consumption of methyl bromide by at least 71.6 ODP tonnes to achieve compliance with the Protocol's 2002 freeze obligation and by at least 210.8 ODP tonnes to achieve compliance with the Protocol's 2005, 20 per cent reduction. Reductions in accordance with the terms of this project, the project previously approved for the production of banana and the forthcoming project for the production of tomatoes, and the other commitments presented in the project document, will ensure that Morocco meets that requirement.

Morocco commits to reduce total national consumption of controlled uses of methyl bromide to no more than the following levels during the 12-month period of the following listed years:

2001	744 tonnes	(767.4 – 23.4 tonnes).
2002	728.4 tonnes	(reduction of 15.6 tonnes from 2001 level).
2003	705 tonnes	(reduction of 20.4 tonnes from 2002 level).
2004	662.8 tonnes	(reduction of 42.2 tonnes as in project document).
2005	612 tonnes	(reduction of 50 tonnes as in project document).

In addition, upon successful completion of the project, Morocco commits to sustain this phaseout of methyl bromide through the use of adequate regulations and the specific reductions in consumption noted above will be those achieved through this project. Morocco may have additional projects approved that will add to the reductions noted above and subsequently allow compliance of both the 2002 freeze and the 20 per cent reduction budget of 2005.

In the context of the extensive training that is being carried out in the implementation of this project, UNIDO agrees to educate related farmers on ways to limit the use of metam sodium through the enhanced use of IPM techniques. UNIDO shall also report back to the Executive Committee annually on the progress in meeting the reductions required by this project, as well as on annual costs related to metam sodium and the use of the steam boilers being purchased with the project funds. Following initial disbursement of 25% in the year 2001, funding for later years in the project will be dispersed by UNIDO in accordance with the following schedule, and with the understanding that a subsequent year's funding will not be dispersed until the Executive Committee has favorably reviewed the prior years progress report:

2001	25% of the funds
2002	25% of the funds
2003	25% of the funds
2004	25% of the funds

Finally, UNIDO agrees to manage the funding for this project in a manner designed to ensure that the specific annual reductions agreed are met.