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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Thirty-sixth Meeting
Montreal, 20-22 March 2002

**REPORT OF THE SIXTEENTH MEETING OF THE SUB-COMMITTEE
ON MONITORING, EVALUATION AND FINANCE**

Introduction

1. The Sub-Committee on Monitoring, Evaluation and Finance of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol held its 16th Meeting in Montreal on 18 and 19 March 2002.
2. The meeting was attended by the members of the Sub-Committee – the representatives of Canada, El Salvador, Finland, Netherlands, Nigeria, Syrian Arab Republic (Chair) and Tanzania.
3. The meeting was also attended by the representative of France, representatives of the implementing agencies, the Ozone Secretariat, the Treasurer, and the Vice-President of the Implementation Committee, as observers.
4. The Chair of the Sub-Committee, Mr. Khaled Klaly (Syrian Arab Republic), opened the meeting at 10:00 a.m. on Monday, 18 March 2002, and welcomed the participants.

AGENDA ITEM 1: ADOPTION OF THE AGENDA AND ORGANIZATION OF WORK

5. The Sub-Committee adopted the following agenda:
 1. Adoption of the agenda and organization of work;
 2. Monitoring and evaluation:
 - (a) Report on the extended desk study on clearing-house evaluation;
 - (b) Report on the desk study on MAC projects;
 3. Completed projects with balances;
 4. Consolidated 2002 business plan of the Multilateral Fund;
 5. 2002 business plans:
 - (a) Bilateral agencies;
 - (b) UNDP;
 - (c) UNEP;
 - (d) UNIDO;
 - (e) World Bank;
 6. Further modifications to resource allocations;
 7. Implementation delays;
 8. Other matters;
 9. Adoption of the report of the Sub-Committee;

10. Closure of the meeting.

AGENDA ITEM 2: MONITORING AND EVALUATION

6. The Sub-Committee considered the following reports:

(a) Report on the extended desk study on clearing-house evaluation

7. The Sub-Committee considered the report on the extended desk study on clearing-house evaluation (UNEP/OzL.Pro/ExCom/36/5, Corrs.1 and 2) which presents the main findings and recommendations, resulting from an independent review and users survey of information exchange activities implemented by UNEP.

8. During the discussion, members of the Sub-Committee appreciated the information exchange work done by UNEP and raised a number of issues of concern, including the rate of response by NOUs to the survey and the level of NOUs' understanding of issues regarding Executive Committee decisions such as the use of HCFCs and the implementation of the strategic framework. Members of the Sub-Committee commented that there was a need to provide SMEs with appropriate information, particularly cost-benefit fact sheets and more information clarifying the relationship between ozone depletion and climate change, in terms of science, policy and technical options to serve the objectives of both Conventions.

9. After discussing the actions proposed for the Executive Committee, the Sub-Committee recommended that the Executive Committee:

- (a) Take note of the findings and recommendations provided in the report as contained in UNEP/OzL.Pro/ExCom/36/5, Corrs. 1 and 2;
- (b) Request UNEP to include a strategic outlook on future clearing house activities in the CAP context in its 2003 business plan, including performance indicators, taking into account the recommendations of the extended desk study (UNEP/OzL.Pro/ExCom/36/5) and the comments made by members of the Sub-Committee.

(b) Report on the desk study on MAC projects

10. The Sub-Committee considered the report on the desk study on MAC projects (UNEP/OzL.Pro/ExCom/36/6) which presents the main findings resulting from a desk study of 12 completed MAC projects in seven Article 5(1) countries.

11. After discussing whether a full evaluation of the sector was required and having considered the evaluation issues identified, the Sub-Committee recommended that the Executive Committee:

- (a) Take note of the desk study on the evaluation of MAC projects presented in document UNEP/OzL.Pro/ExCom/36/6;

- (b) Urge countries with MAC projects to collect data on production figures of CFC-12 MAC systems and their use for installation in new cars and for servicing old ones, and to report such data to the Fund Secretariat upon request.
- (c) Request the Senior Monitoring and Evaluation Officer to report to the 37th Meeting of the Executive Committee, whether and how, in light of the information collected, to proceed with a full evaluation of the MAC sector.

AGENDA ITEM 3: COMPLETED PROJECTS WITH BALANCES

12. The Sub-Committee considered the report on completed projects with balances (UNEP/OzL.Pro/ExCom/36/7/Rev.1) and the return of funds from cancelled projects, which was presented by the Secretariat.

13. The Sub-Committee, having noted that the World Bank was preparing a paper on the Bank's rules and procedures, which differed from those of the other implementing agencies, in order to clarify the situation regarding agency support costs, requested the World Bank and the Secretariat to consult further on the issue and to submit a report to the 17th meeting of the Sub-Committee on Monitoring, Evaluation and Finance.

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

- (a) Note the report contained in UNEP/OzL.Pro/ExCom/36/7/Rev.1;
- (b) Also note that the levels of funds being returned to the 36th Meeting were US \$2,400,298 from UNDP and agency support costs of US \$318,183; US \$217,204 from UNIDO and agency support costs of US \$25,732; and US \$835,484 from the World Bank and agency support costs of US \$334,296;
- (c) Request the Treasurer to transfer US \$616,208 to the World Bank that was inadvertently charged for agency support costs to projects approved prior to the 17th Meeting of the Executive Committee.

AGENDA ITEM 4: CONSOLIDATED 2002 BUSINESS PLAN OF THE MULTILATERAL FUND

15. The Sub-Committee considered the consolidated business plan of the Multilateral Fund (UNEP/OzL.Pro/ExCom/36/8/Rev.1 and Add.1), which was presented by the Secretariat. The document contained seven parts, including the methodology and data discrepancies, resource allocation, activities in the plan, performance indicators, forward commitments and multi-year performance-based agreements, potential impact of business plans on sector consumption, and comments and recommendations from the Fund Secretariat.

16. Particular attention was drawn to the absence of data from the World Bank on planned activities for 2003 and beyond. Representatives also raised the need to avoid overlap of

activities between implementing agencies during the transition from a project-by-project modality to sector and national phase-out programmes.

17. In the light of the country-driven approach, the Sub-Committee agreed that it was necessary for countries to have flexibility in the management of their national phase-out programmes in implementing Decision 35/57. The representative of Nigeria emphasized that some African countries with very low ODS consumption according to Decision 35/57 still required assistance to ensure compliance with the Montreal Protocol, and requested that this special situation be taken into account.

18. Following the discussion, the Sub-Committee requested the World Bank to provide the Secretariat with estimated figures for its forward commitments for 2003 and beyond before the end of the present meeting and to report to the Executive Committee thereon.

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

- (a) Note the consolidated 2002 business plan of the Multilateral Fund as contained in UNEP/OzL.Pro/ExCom/36/8/Rev.1 and Add.1, and convey its appreciation to implementing agencies for taking into account the Executive Committee's strategic planning approach by increasing the number of country-driven and compliance-driven projects in drafting their 2002 business plans;
- (b) Adopt a phase-out target from approved projects and activities amounting to 15,936 ODP tonnes for investment projects and 624 ODP tonnes for non-investment projects, and adopt a disbursement target of US \$106.28 million for investment projects;
- (c) Maintain projects and activities in the 2002 business plan for countries with sectoral data discrepancies in the light of Decision 35/57;
- (d) Request the implementing agencies to submit to the 37th Meeting addenda to their 2002 final business plans in the light of any modification to be decided on the level of resource allocation for 2002;
- (e) Adopt a weighting of 10 points for the performance indicator "timely submission of progress reports" with 5 points for submission of the report on time and 5 points for submission of a revision and responses to questions within five working days after receipt of comments.
- (f) Noting that the overall coordination of projects was the responsibility of the country concerned, decide that:
 - (i) when CFC or ODS terminal phase-out plans were being prepared for a country, the country concerned should ensure that one agency assumed coordination for all related sectors and brought forward complete national proposals for the approval of the Executive Committee;
 - (ii) implementing and bilateral agencies should coordinate among themselves

when preparing activities for phase-out of ODS in the servicing sector, with a view to bringing to the Executive Committee one complete national proposal for the servicing sector, in line with the principles and requirements of Decision 31/48 on Refrigerant Management Plans;

(iii) implementing agencies should also coordinate among themselves and with the Fund Secretariat in their business planning for 2003, to ensure that countries that were at risk of non-compliance with either the halon or methyl bromide freeze and were still eligible for projects in those sectors were given special consideration;

(g) Request the Secretariat to monitor the approved and planned forward commitments in the context of business planning and reporting on progress.

20. Many Article 5 countries had sought clarification on the interpretation and consequences of Decision 35/57 in general, including the application of proviso D on non-investment projects, and whether RMP activities included in the business plan could be submitted as new terminal phase-out management plans if countries requested agencies to do so. The Sub-Committee agreed that further clarification should be sought from the Executive Committee.

AGENDA ITEM 5: 2002 BUSINESS PLANS:

(a) Bilateral agencies

21. The Sub-Committee considered the document on business plans for bilateral agencies for the year 2002 (UNEP/OzL.Pro/ExCom/36/9), which was presented by the Secretariat.

22. After some discussion on the future role of bilateral agencies in view of the multi-year sectoral approach and having noted that ten governments had responded with information about planned activities in 2002, the Sub-Committee recommended that the Executive Committee:

(a) Note with appreciation the business plans and letters on bilateral cooperation submitted by: Australia, Canada, Czech Republic, France, Germany, Israel, Italy, Japan, Sweden, and the United Kingdom as addressed in UNEP/OzL.Pro/ExCom/36/9;

(b) Request bilateral agencies to coordinate with other agencies before the 37th Meeting to resolve any potential overlaps before submitting requests for funding, in consultation with the countries concerned, notwithstanding any action on funding requests made to the 36th Meeting.

(b) UNDP

23. The representative of UNDP presented UNDP's business plan for the year 2002 (UNEP/OzL.Pro/ExCom/36/10 and Corr.1), drawing attention to the revised version of page 10 of the English text, which had been circulated to members, and to the replacement of the figure

120 ODP tonnes for the reduction in ODS consumption on page 8 of the Secretariat's comments by the figure 160 ODP tonnes.

24. After some discussion on the need for guidelines on Metered Dose Inhalers (MDIs), the adequacy of the changes made to UNDP's draft business plan, data discrepancies, the potential overlaps with other agencies' business plans, the actions to expedite project implementation, the countries at risk of not achieving compliance with initial control measures that were removed from the draft business plan, the letters from countries with activities in the final business plan, and the performance indicator for phase-out from non-investment activities, the Sub-Committee recommended that the Executive Committee:

- (a) Endorse the 2002 business plan of UNDP, as contained in UNEP/OzL.Pro/ExCom/36/10 and Corr.1, with the amendment to page 10 of the English text of UNDP's business plan, while noting that endorsement did not denote approval of the projects identified therein nor their funding;
- (b) Request UNEP and UNDP to redouble their efforts for the implementation of RMPs in Bangladesh and Niger;
- (c) In light of its recommendation on the consolidated 2002 business plan, also request UNDP to provide an addendum to its 2002 business plan for submission to the 37th Meeting of the Executive Committee, as appropriate, including the actions it would take to expedite the implementation of approved projects and those critical to compliance;
- (d) Approve the performance indicators for UNDP set out in Tables 1 and 2 of the Fund Secretariat's comments in UNEP/OzL.Pro/ExCom/36/10, noting that UNDP had changed its target for phase-out from non-investment activities from 120 to 160 ODP tonnes (Annex I to the present report);
- (e) Request the Secretariat to prepare draft guidelines for MDI projects for consideration by the Executive Committee at its 37th Meeting.

(c) UNEP

25. The representative of UNEP presented UNEP's business plan for the year 2002 (UNEP/OzL.Pro/ExCom/36/11), highlighting the two policy issues raised therein, and requesting guidance from the Sub-Committee on how to promote high-level political awareness of the Montreal Protocol at events like the World Summit on Sustainable Development (WSSD). He also requested that UNEP be allowed to include Eritrea in the list of countries with projects in UNEP's business plan.

26. During the debate on whether to support activities in UNEP's business plan to raise awareness of the Montreal Protocol at high-level events such as the WSSD, a number of deeper policy issues were touched upon. It was pointed out that those issues did not fall within the scope of UNEP's business plan.

27. The representative of Tanzania drew attention to the export of CFC-dependent equipment to developing countries, thereby undermining the effectiveness of potential recovery and recycling projects.

28. In relation to UNEP's CAP initiative, the representative of El Salvador expressed concern at the cost of the CAP and emphasized the need for an overall indicator that showed the CAP's effectiveness in individual countries.

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

- (a) Endorse the 2002 business plan of UNEP as contained in document UNEP/OzL.Pro/ExCom/36/11, while noting that, with the exception of the administrative budget to implement the CAP approved at the 35th Meeting of the Executive Committee, the endorsement did not denote approval of the projects identified in the business plan nor their funding levels;
- (b) Approve the performance indicators for UNEP set out in Tables 1 and 2 of the Fund Secretariat's comments, as indicated in UNEP/OzL.Pro/ExCom/36/11 (Annex II to the present report);
- (c) Authorize UNEP to include Eritrea in the list of countries with projects under its business plan, provided that Eritrea ratified the Montreal Protocol and sent a letter to UNEP requesting inclusion in its business plan.

(d) UNIDO

30. The representative of UNIDO presented UNIDO's business plan for the year 2002 (UNEP/OzL.Pro/ExCom/36/12 and Corr.1).

31. After some discussion on the adequacy of the changes made to its draft business plan, the data discrepancies, the potential overlaps with other agencies' business plans, the actions to expedite project implementation, the letters from countries with activities in the final business plan, the methyl bromide activities in countries that had not ratified the Copenhagen Amendment, the performance indicator for phase-out from ODP phase-out in 2002, cost-effectiveness, the ODP phase out from non-investment projects, and timely submission of progress reports, the Sub-Committee recommended that the Executive Committee:

- (a) Endorse the 2002 business plan of UNIDO, as contained in UNEP/OzL.Pro/ExCom/36/12 and Corr.1, while noting that endorsement did not denote approval of the projects identified therein nor their funding levels;
- (b) In light of its recommendation on the consolidated 2002 business plan, request UNIDO to provide an addendum to its 2002 business plan for submission to the 37th Meeting of the Executive Committee, as appropriate, including the actions it would take to expedite the implementation of approved projects and those critical to compliance; and

- (c) Approve the performance indicators for UNIDO set out in Tables 1 and 2 of the Fund Secretariat's comments, as indicated in UNEP/OzL.Pro/ExCom/36/12, with modifications to the indicator for timely submission of progress reports in order to correspond to the Sub-Committee's recommendation regarding timely submission of progress reports (see paragraph 19(e) above) (Annex III to the present report).

(e) World Bank

32. The representative of the World Bank presented the World Bank's business plan for the year 2002 (UNEP/OzL.Pro/ExCom/36/13 and Corr.1).

33. In the course of the discussion on the absence of data in the business plan on planned forward commitments for 2003 and beyond, the representative of Finland said that, while appreciating the difficulty of forecasting future funding needs, some indications were needed for the purpose of the negotiations on replenishment.

34. During the discussion on performance indicators, the Sub-Committee expressed its concern at the serious problem of the net emissions due to project implementation delays.

35. Concerning the issue of whether unutilized resources from the World Bank's share in 2001 could be used to maintain projects that were contained in its draft business plan in its final business plan for 2002, the Sub-Committee agreed to discuss the matter in the context of further modifications to resource allocations in 2002.

36. After some discussion on the adequacy of the changes made to its draft business plan, the data discrepancies, the potential overlaps with other agencies' business plans, the performance indicator for ODP tonnes phased out from investment projects approved in 2002, the number of countries in the business plan, the number of projects to be completed in 2002, and the speed of completion of non-investment projects, the Sub-Committee recommended that the Executive Committee:

- (a) Endorse the 2002 business plan of the World Bank, as contained in UNEP/OzL.Pro/ExCom/36/13 and Corr.1, while noting that endorsement did not denote approval of the projects identified therein nor their funding levels;
- (b) Approve the performance indicators for World Bank set out in Tables 1 and 2 of the Fund Secretariat's comments as contained in UNEP/OzL.Pro/ExCom/36/13 modifying to the indicator for net emissions due to delays to 17,400 tonnes (Annex IV to the present report); and
- (c) In light of its recommendation on the consolidated 2002 business plan, request the World Bank to provide an addendum to its 2002 business plan for submission to the 37th Meeting of the Executive Committee, as appropriate.

AGENDA ITEM 6: FURTHER MODIFICATIONS TO RESOURCE ALLOCATIONS

37. The Sub-Committee considered the report on further modifications to resource allocations (UNEP/OzL.Pro/ExCom/36/14/Rev.1), which was presented by the Secretariat.

38. Following discussion on whether it was possible or desirable to exceed the target amount allocated by the Parties to the Montreal Protocol at the last replenishment negotiations, and what kind of adjustment would make the best possible use of available funds, the Sub-Committee recommended that the Executive Committee:

- (a) Note the report on modifications to resource allocations for 2002 as contained in document UNEP/OzL.Pro/ExCom/36/14/Rev.1; and
- (b) Decide to distribute among the implementing agencies, according to investment shares, all remaining investment share allocations from 2001, and remaining allocations from bilateral agencies in 2002 business plans, and request the relevant implementing agencies to prepare addenda to their business plans for submission to the 37th Meeting of the Executive Committee.

AGENDA ITEM 7: IMPLEMENTATION DELAYS

39. The Sub-Committee considered the report on implementation delays (UNEP/OzL.Pro/ExCom/36/15 and Corr.1), which was presented by the Secretariat.

40. Following discussion of the types of projects that could be removed from the list of projects with implementation delays but required continued monitoring; a debate on how to balance flexibility and fairness when deciding whether or not to cancel projects that had reached final deadlines for cancellation without reaching milestones; and after hearing explanations from the implementing agencies regarding certain delays, the Sub-Committee recommended that the Executive Committee:

- (a) Note the reports contained in UNEP/OzL.Pro/ExCom/36/15 and Corr.1 on projects that had experienced implementation delays from Australia, Canada, Finland, France and the four implementing agencies;
- (b) Remove institutional strengthening, halon banking, customs training, recovery and recycling, and demonstration projects from the list of projects with implementation delays, but continue to monitor them, as appropriate;
- (c) Note that the Secretariat and implementing agencies would take actions according to the assessment of status, i.e., progress, some progress, or no progress as mandated in Decision 34/13;
- (d) Adopt the milestones and deadlines provided as indicated in Annex V and request the Secretariat to write, on its behalf, to the implementing agency and

countries concerned that those projects would be considered for cancellation at the 37th Meeting of the Executive Committee if the deadlines were not achieved.

- (e) Cancel the following projects:
 - (i) Preparation of a phase-out project in the methyl bromide sector, KEN/FUM/30/PRP/21 (UNIDO) noting that US \$30,000 would be returned to the 37th Meeting;
 - (ii) Phasing out of ODS at 3 small domestic refrigerator factories in Sudan (Coldair Refrigerator Factory, Modern Refrigerator and Metal Furniture Co., Sheet Metal Industries Co. Refrigerator Factory), SUD/REF/19/INV/06 (UNIDO), partial cancellation of the Sheet Metal component, noting that US \$13,600 would be returned to the 37th Meeting.

41. In light of Decisions 34/3 and 35/13(e), the Sub-Committee had official reasons to note that the project was cancelled. However, taking into consideration the specific circumstances of the project delay, it was recommended, as an exceptional case, that UNIDO, in cooperation with the Secretariat, would continue to monitor project implementation under the following conditions.

- (a) Tanzania Domestic Appliance Manufacturer (TDAM), through the Government of Tanzania, would provide to the Secretariat by 30 April 2002 a detailed plan of action for the conversion process, indicating the timing for the main activities to be undertaken by TDAM up to the date of project completion and confirming that all costs of site preparation, including the provision of additional materials and equipment, would be borne by TDAM;
- (b) By 1 July 2002, major civil construction and mechanical/electrical engineering works would be completed by TDAM, specifically including drainage of the building location, elevation of the floor, and provision of required piping and wiring systems. TDAM would report to UNIDO through the Government of Tanzania about completion of the above-mentioned works;
- (c) The relevant audit of UNIDO on TDAM's achievements would be submitted to the Secretariat accordingly;
- (d) In the event that the above milestones were not met in time, the project would be cancelled automatically without bringing the issue to the Executive Committee.

AGENDA ITEM 8: OTHER MATTERS

42. The Sub-Committee decided to defer to the Executive Committee the issue of including methyl bromide activities in implementing agencies' business plans for countries that had not ratified the Copenhagen Amendment.

AGENDA ITEM 9: ADOPTION OF THE REPORT OF THE SUB-COMMITTEE

43. The Sub-Committee adopted the present report on the basis of the draft report contained in documents UNEP/OzL.Pro/ExCom/SCMEF/16/L.1 and Add.1.

AGENDA ITEM 10: CLOSURE OF THE MEETING

44. The Chairman declared the meeting closed at 4:15 p.m. on Wednesday, 20 March 2002.

Annex I

Table 1

Investment Project Performance Indicators

ITEMS	Year 2002 Targets
Weighted indicators	
Actual ODS phased out from completed projects (ODP tonnes)	5,000
Disbursement (US\$)	\$38,080,000
Satisfactory project completion reports received (percentage)	100%
Distribution of projects among countries in business plan (number of countries)	31
Pending decision on status as weighted or non-weighted performance indicator	
Timely submission of progress report	On time
Non-weighted indicators	
Number of investment projects to be completed in year of business plan	88
Net emissions(reductions) of ODP resulting from implementation delays(early completion) (ODP tonnes)	14,136
Value of Projects to be Approved in 2002(US\$)*	\$37,918,025
ODP from Projects to be Approved in 2002	4,304
Cost of Project Preparation	2.7%
Cost-effectiveness from Approvals (US\$/ODP in kg)	\$7.8
Speed of delivery (first disbursement)	13 months
Speed of delivery (completion)	33 months

*Including support costs but excluding 15% over-programming.

Table 2

Non-Investment Performance Indicators

ITEMS	Year 2002 Targets
Weighted indicators	
Number of Projects to be Completed	12
Funds Disbursed (US\$)*	\$3,544,975
Speed of delivery (first disbursement)	11 months
Speed of delivery (completion)	34 months
Pending decision on status as weighted or non-weighted performance indicator	
Timely submission of progress report	On time
Non-weighted indicators	
Appropriate & timely policies initiated by countries as a result of non-investment activities (number)	3
Reduction in ODS consumption over and above that effected by investment projects (ODP tonnes)	160

*Including agency fees.

Annex IITable 1**Non-Investment Performance Indicators**

ITEMS	Year 2002 Targets
Weighted indicators	
Number of Projects to be Completed	60% of total projects approved
Funds Disbursed (US\$)	73% of approved funding
Speed of delivery (first disbursement)	6 months
Speed of delivery (completion)	26 months
Pending decision on status as weighted or non-weighted performance indicator	
Timely submission of progress report	Timely submission
Non-weighted indicators	
Appropriate & timely policies initiated by countries as a result of non-investment activities (number)	10 countries
Reduction in ODS consumption over and above that effected by investment projects (ODP tonnes)	44.8

Table 2**UNEP Specific Non-Investment Performance Indicators**

ITEMS	2002 Targets
Number of newsletters	Three
Number of joint/regional activities which Network members are involved	2 per region
Improvement over previous years in data reporting and enacting the legislation and policies for ODS phase-out in Networking and institutional strengthening countries	80 percent of all Network member countries
The extent of awareness-raising activities initiated by the countries as a result of UNEP's publications	Qualitative, but can be expressed in the number of brochures, awareness raising products produced by countries
The extent to which experience achieved through UNEP's activities is used in the adoption and adjustment of ODS phase-out strategies by Network countries	Qualitative
The extent to which the networks are used by the Agencies and the Secretariat in developing their work or explaining new policies	Qualitative

Annex III

Table 1

Investment Project Performance Indicators

ITEMS	Year 2002 Targets
Weighted indicators	
Actual ODS phased out from completed projects (ODP tonnes)	2,836
Disbursement (US\$)	\$22,000,000
Satisfactory project completion reports received (percentage)	100%
Distribution of projects among countries in business plan (number of countries)	26
Pending decision on status as weighted or non-weighted performance indicator	
Timely submission of progress report	Deadline set by ExCom
Non-weighted indicators	
Number of investment projects to be completed in year of business plan	35
Net emissions(reductions) of ODP resulting from implementation delays(early completion) (ODP tonnes)	14,100
Value of Projects to be Approved in 2002 (US\$)*	\$30,643,000
ODP from Projects to be Approved in 2002	2,917
Cost of Project Preparation	2.8%
Cost-effectiveness from Approvals (US\$/ODP in kg)	a) \$8.68 excl. MBR b) \$9.38 incl. MBR
Speed of delivery (first disbursement)	10 months
Speed of delivery (completion)	36 months

* Including support costs but excluding 15% over-programming.

Table 2

Non-Investment Performance Indicators

ITEMS	Year 2002 Targets
Weighted indicators	
Number of Projects to be Completed	11
Funds Disbursed (US\$)*	\$867,000
Speed of delivery (first disbursement)	10 months
Speed of delivery (completion)	24 months
Pending decision on status as weighted or non-weighted performance indicator	
Timely submission of progress report	Deadline set by ExCom
Non-weighted indicators	
Appropriate & timely policies initiated by countries as a result of non-investment activities (number)	At least one country
Reduction in ODS consumption over and above that effected by investment projects (ODP tonnes)	69.1

*Including agency fees

Annex IVTable 1**Investment Project Performance Indicators**

ITEMS	WORLD BANK
Weighted indicators	
Actual ODS phased out from completed projects (ODP tonnes)	8,100
Disbursement (US\$)	\$46,200,000
Satisfactory project completion reports received (percentage)	100%
Distribution of projects among countries in business plan (number of countries)	14
Pending decision on status as weighted or non-weighted performance indicator	
Timely submission of progress report	1 May 2002 or eight weeks before the subsequent ExCom
Non-weighted indicators	
Number of investment projects to be completed in year of business plan	48
Net emissions(reductions) of ODP resulting from implementation delays(early completion) (ODP tonnes)	17,400
Value of Projects to be Approved in 2002(US\$)*	\$56,990,000
ODP from Projects to be Approved in 2002	13,876
Cost of Project Preparation	2.54%
Cost-effectiveness from Approvals (US\$/ODP in kg)	\$3.81
Speed of delivery (first disbursement)	26 months
Speed of delivery (completion)	39 months

* Including support costs but excluding over-programming.

Table 2**Non-Investment Performance Indicators**

ITEMS	Year 2002 Targets
Weighted indicators	
Number of Projects to be Completed	9
Funds Disbursed (US\$)*	\$1,450,000
Speed of delivery (first disbursement)	19 months
Speed of delivery (completion)	35 months
Pending decision on status as weighted or non-weighted performance indicator	
Timely submission of progress report	1 May 2002 or eight weeks before the subsequent ExCom
Non-weighted indicators	
Appropriate & timely policies initiated by countries as a result of non-investment activities (number)	Specific policies identified for 1 country
Reduction in ODS consumption over and above that effected by investment projects (ODP tonnes)	350 ODP tonnes from four on-going recovery and recycling projects

*Includes agency fees

Annex V

**MILESTONES AND DEADLINES
FOR PROJECTS THAT WERE CLASSIFIED WITH NO PROGRESS**

Code	Agency	Project Title	Proposed Milestone and Deadline
ARG/FOA/20/INV/48	UNDP	Conversion to non-CFC technology in the manufacture of flexible foam (slabstocks) at Suavestar S.A.	Installation of machinery by September 2002
ARG/FOA/25/INV/76	UNDP	Conversion to low index/additive technology in the manufacture of flexible boxfoam at Rozen S.R.L.	Installation of machinery by September 2002
ARG/REF/15/INV/19	IBRD	Elimination of CFC in two manufacturing plants of domestic refrigerators at Helametal S.A., and Helametal Catamarca S.A.	Deadline of end April 2002 to complete infrastructure work (piping, etc.) and August 2002 to completed installation of safety equipment
ARG/REF/18/INV/37	IBRD	Elimination of CFCs in domestic refrigerator production plant in Autosal, S.A.	Deadline of April 2002 to finish Isobutane tests
ARG/REF/18/INV/39	IBRD	Elimination of CFC in the manufacturing plant of domestic refrigerators of Neba, S.A.	Deadline of February 2002 for Neba to complete agreement for debt payment
ARG/REF/19/INV/43	IBRD	Elimination of CFC in the manufacturing plant of domestic refrigerators at Adzen S.A. C.I.F.	Deadline of end April 2002 to resolve legal issues and sub-grant agreement to be signed immediately thereafter
ARG/REF/19/INV/44	IBRD	Elimination of CFCs in the manufacturing plants of domestic refrigerators of Frimetal, Rosario	Full equipment installation by May 2002
ARG/REF/23/INV/69	IBRD	Elimination of CFCs in the manufacturing plant of domestic refrigerators at Lobato San Luis S.A.	Deadline of end April 2002 for Signature of sub-grant agreement
ARG/SOL/28/INV/91	IBRD	Conversion from MCF used as solvent to aqua based cleaning at Argelite La Rioja, SA; CIMCAM, SA; Grimoldi, SA; Heliolino SAIC; Integral Metalurgica, SA; Orbis Mertig SAIC; Trosh, SA Unisol, SA and Buffalo, S.A.	Buffalo project to be completed by April 2002
COL/FOA/26/INV/30	IBRD	Elimination of CFC in manufacture of rigid polyurethane foam through the use of HCFC-141b technology at Indufrio	Deadline of April 2002 for Signature of the SGA
CPR/FOA/26/INV/267	IBRD	Conversion of refrigerator manufacture from CFC-11 to pentane foam blowing agent in the production of PU insulation panels at Foshan Refrigeration Equipment General Factory	Installation and modification by May 2002
CPR/REF/17/INV/119	UNIDO	Conversion of domestic refrigerator and freezer factories to phase out CFC-12 and CFC-11 by hydrocarbon isobutane and cyclopentane at Hangzhou Xiling Holdings Co.	Deadline of end April to restart the project and to complete by end 2002
CPR/REF/22/INV/208	IBRD	Conversion of CFC-12 medium open type refrigerating compressor at Wuhan New World Refrigeration Industrial Co. Ltd.	Assembly of 1 st prototype in 1 st quarter 2002
CPR/REF/22/INV/214	IBRD	Conversion of CFC-12 medium open type refrigerating compressor at Chongqing Bingyang Refrigerating Machine Co.	Compressor prototype to be completed by April 2002
IDS/FOA/15/INV/20	IBRD	Elimination of CFC-11 in the manufacture of polyurethane foam sheet at Multi Karya Makmur	Deadline of February 2002 for confirmation of L/C endorsement required by Beamech
JOR/ARS/20/INV/26	IBRD	Aerosol conversion at Jordan Industrial Petrochemical Co. Ltd. (JIPCO)	Equipment delivered by June 2002
JOR/FOA/22/INV/32	IBRD	Conversion to CFC-free technology in the manufacture of flexible slabstock PUF (box foam) at Baybars	Deadline of end March 2002 to ready for site installation of the production equipment
MOR/FOA/23/INV/16	UNDP	Phase out of CFC in the manufacture of flexible foam (slabstock) at MOLEN Industrie S.A.	Machine inspector to resolve technical problem by June 2002
PAK/REF/19/INV/09	UNIDO	Phasing out ODS at the Chest Freezer Factory of Riaz Electric Co. Ltd.	Foaming equipment installed for the 3 rd quarter 2002
PAK/REF/19/INV/10	UNIDO	Phasing out ODS at the refrigerator and chest freezer plants of Pak Elektron Ltd. (PEL)	Foaming equipment installed by November 2002
PAK/REF/23/INV/17	UNIDO	Phasing out ODS at the freezer factory of Hirra Farooq's (Pvt) Ltd.	Commissioning by 3 rd quarter 2002

Code	Agency	Project Title	Proposed Milestone and Deadline
PAK/REF/23/INV/19	IBRD	Conversion to CFC-free technology in the manufacture of polyurethane foam (domestic refrigeration) at Cool Industries Ltd. (Waves)	Equipment choice by July 2002
VEN/REF/22/TAS/58	UNDP	Implementation of a recovery and reclamation of refrigerants	10 machines distributed from October 2002 through March 2003
