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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

2002 BUSINESS PLANS FOR BILATERAL AGENCIES

This document includes:

- (1) The consolidation of the final business plans submitted by bilateral agencies
- (2) The final business plans of the bilateral agencies.

COMMENTS AND RECOMMENDATIONS FROM THE FUND SECRETARIAT

Introduction/Background

1. The Executive Committee decided to allow flexibility in the year for which bilateral projects would be credited provided that bilateral agencies submit their work plans in time at the beginning of the year, so that the Secretariat could transmit them to the Monitoring, Evaluation and Finance Sub-Committee for consideration during discussions of the business plans at the Committee's first meeting of the year (Decision 25/13(a)).
2. After the submission of draft business plans from Australia, Canada, Germany, Italy, Japan and Sweden, as well as planned bilateral funding by the United Kingdom, the Executive Committee requested all Parties planning to submit requests for bilateral cooperation to submit final business plans to the 36th Meeting (Decision 35/3).
3. The following non-Article 5 countries provided final business plans or letters on business planning: Australia, Canada, Czech Republic, France, Germany, Israel, Italy, Japan, Sweden and the United Kingdom. These documents are included as Annexes I through VIII except the Czech Republic that submitted a project proposal in lieu of a business plan and the United Kingdom that informed the Secretariat by email that it still intends to submit the project included in its draft business plan.
4. Based on the submitted business plans, bilateral agencies plan to conduct activities in 2002 in 28 Article 5 countries. Those countries include: Albania, Algeria, Angola, Bolivia, Brazil, China, Croatia, Gambia, India, Indonesia, Iran, Jamaica, Kenya, Lebanon, Morocco, Namibia, Nigeria, Oman, Pakistan, Papua New Guinea, Senegal, Saint Lucia, Tanzania, Tunisia, Uganda, Vietnam, Yemen and Zimbabwe. Some of the projects are in Eastern-South Africa and Asia and the Pacific region. Thirteen additional countries are included in the bilateral agencies' contingency list.
5. Table 1 presents planned bilateral activities in 2002 by type of activity. Historically, most bilateral activities have been non-investment activities. In 2002, 81 per cent of the planned level of expenditures for bilateral agencies is for investment projects.

Table 1

Planned 2002 Bilateral Activities By Type

Type	Total (US\$)	Percent of Total
Institutional Strengthening	80,000	1%
Investment	12,964,511	81%
Preparation	215,485	2%
Refrigerant management plan	1,023,450	6%
Technical assistance	1,453,700	9%
Training	200,000	1%
Total	15,937,146	100%

6. The resource allocation for bilateral contributions is US \$20 million.
7. Table 2 presents activities that are included in contingency lists, by type of activity.

Table 2

Contingency Bilateral Activities By Type

Type	Total (US\$)	Percent of Total
Investment	8,130,000	78%
Preparation	100,000	1%
Refrigerant management plan	130,000	1%
Technical assistance	130,000	1%
Training	2,000,000	19%
Total	10,490,000	100%

COMMENTS ON BILATERAL BUSINESS PLANS

8. The Fund Secretariat reviewed each bilateral donor's business plan and provided comments on several of the proposed activities. This section of the document summarises some of the information contained in the bilateral business plans by donor country.

Australia

9. Australia's business plan is provided in Annex I. Australia indicated that it intends to withhold US \$450,000 to implement the Regional strategy to comply with the Montreal Protocol in the Pacific Island Countries (PIC). This activity would be implemented with UNEP that has included an additional US \$450,000 plus agency fees for its part in the implementation of the PIC strategy.

Canada

10. Canada's 2002 business plan (Annex II) includes an RMP implementation project in Bolivia (US \$430,000); the implementation of the 50 per cent RMP supplement in Jamaica (US \$120,000) and St. Lucia (US \$73,450); and a methyl bromide project in Indonesia (US \$295,000) for which UNIDO has included additional funding in its business plan.

Czech Republic

11. The Czech Republic submitted to the 36th Meeting a project for Albania entitled "Phase-out of ozone depleting substances – help in introduction of non ODS technologies in refrigeration and insulation". This would be the Czech Republic's first bilateral activity. The Secretariat advised the Czech Republic to co-ordinate with UNEP and UNIDO since these

implementing agencies are developing the country programme and the implementation of the activities within the country programme of Albania.

France

12. The Government of France provided a list of seven projects it plans to submit in 2002 (Annex III) and 1 project in a contingency list. The indicative budget of these activities is estimated at US \$4.6 million excluding the contingency list projects.

13. One of the projects, a solvents project in China, would be deducted from the annual tranche provided to UNDP to implement the solvent sector plan in China. The other projects include chiller projects in Lebanon (US \$200,000) and Viet Nam (US\$600,000), methyl bromide projects in Algeria (US \$300,000) and Zimbabwe (US \$2.5 million), a commercial refrigeration project in Senegal (US \$250,000), and an SME project in Iran (US \$250,000). The methyl bromide project in Zimbabwe will be implemented by UNIDO for France.

14. France also included a US \$3 million chiller replacement project in Cote d'Ivoire in its contingency list.

15. The Secretariat noted potential overlaps between France and other agencies. For example, in Lebanon, France is planning a project for the phase out in the chiller sector, UNIDO a sector phase out for the refrigeration sector and UNDP is planning a CFC terminal programme. France indicated that it would co-ordinate its activities with Germany. In response to the Secretariat, Germany indicated that it would participate in the UNDP CFC terminal project.

16. In Iran, Japan is planning a refrigeration sector project as is UNIDO while UNDP is planning a terminal refrigeration manufacturing project. Moreover, France is planning a project for the phase out of SMEs that could involve both foam and refrigeration that it has had in its business plan since 2001. France indicated that it would co-ordinate with the other agencies to avoid an overlap.

17. Bilateral agencies were requested to provide estimates of the phase out from their investment projects. Phase out was not provided for the French bilateral activities.

Germany

18. The Government of Germany provided a list of 25 projects it plans to submit in 2002 (Annex IV). Germany included the following activities in its business plan:

- Preparation of an aerosol phase out project for the pharmaceutical sector in Croatia, foam sector strategy in Iran (US \$80,000), CFC terminal project in Algeria (US \$120,000) and Papua New Guinea (US \$78,535)
- Foam conversion projects in Algeria (US \$736,473), India (US \$767,466), Iran (US 500,000)
- Methyl bromide phase out projects in Kenya (US \$200,000), Namibia (US \$100,000), and Yemen (US \$250,000)

- Halon management projects in Morocco (US \$50,000), Nigeria (US \$200,000), Oman (US \$50,000), and a conference on alternatives for the 22 English-speaking countries in Africa (US \$79,100).
- An RMP for Angola (US \$80,000) and 50 per cent RMP supplements for Gambia (US \$70,000) and Southern and Eastern Africa (US \$250,000)
- Monitoring of RMP activities in Kenya (US \$16,950) and Uganda (US \$16,950)
- Training of customs officials in Brazil (US \$200,000)
- A recovery and recycling project in Tanzania (US \$185,572)
- Institutional strengthening in Angola (US \$80,000)

19. Germany also provided a contingency list of 15 activities valued at US \$7.5 million.

20. The Secretariat identified potential overlaps with the activities planned in Germany's business plan. For example, Germany is planning to develop a CFC terminal project in Algeria at the same time that it is planning to submit foam sector projects. Germany's individual foam projects already received project preparation. Germany has incorporated its former plans to develop a solvent sector strategy into its current plans for a CFC terminal project. Germany noted that the Government of Algeria had requested UNIDO to address the remaining activities in its refrigeration sector.

21. In India, Germany is the lead agency in preparing an RMP in India. It is co-ordinating this activity with other bilateral agencies and UNDP. The World Bank included a chiller project for India in its business plan and was requested by the Secretariat to clarify this potential overlap with Germany to ensure that the RMP does not include a chiller component. Germany indicated that the service sector strategy in India does anticipate a chiller activity.

22. Also in India, Germany is planning to submit individual foam sector projects while UNDP is planning a foam sector strategy. However, Germany received project preparation to prepare the individual projects it plans to submit in 2002 at the 34th Meeting. Germany indicated that it is co-ordinating closely with UNDP and has provided information about its individual foam sector projects to UNDP to avoid future overlaps.

23. In Iran, Germany plans on submitting individual foam sector projects in 2002 and request funds to prepare a foam sector phase out plan. However, Germany's individual foam sector projects received project preparation funds in 2001. UNDP and UNIDO are requesting project preparation to prepare individual foam sector projects in 2002 at the same time Germany will be preparing a strategy for submission in 2003. Germany indicated that the Government of Iran had designated it to develop the foam sector strategy.

24. Decision 35/2(b) states that agencies should resolve data discrepancy issues before including projects from those countries in their final 2002 business plan. Germany has included an aerosol sector project for a pharmaceutical company in Croatia. However, Croatia's latest consumption in that sector was 100.7 tonnes according to the records in the Secretariat, approved but unimplemented projects total 28.2 ODP tonnes, and Germany included 84 ODP tonnes in its business plan. Germany indicated that Croatia's RMP update, when finally implemented, would impact on approximately 172 MT used in the chiller sector.

Israel

25. Israel submitted a bilateral business plan letter (Annex V) indicating that it would submit a global methyl bromide project to provide compliance assistance in this sector (US \$100,000). This would be Israel's first bilateral activity. The Secretariat informed Israel that the Executive Committee had taken several decisions concerning the methyl bromide sector that determine the eligible level of assistance based on previous compliance assistance provided on a country by country basis. The Secretariat requested Israel to indicate the countries that were anticipated to be involved in the proposed activity. Israel indicated that it was working with UNEP towards a list of appropriate beneficiary countries for the proposed project and that it expected to submit a complete proposal to the 37th Meeting that would include a list of countries along with letters of acceptance from these countries to participate in the activity.

Italy

26. Italy provided a business plan that included two activities valued at US \$1.95 million (Annex VI). Italy plans to submit a conversion project in China (US \$1.7 million) and a methyl bromide project in Tunisia (US \$250,000).

Japan

27. The Government of Japan indicated that it plans to submit six activities in the year 2002 valued at US \$4 million (Annex VII). It also indicated that it may submit more activities in 2002. It included one project for the establishment of a training centre for refrigeration servicing technicians in China, but a budget for this activity was not available.

28. Japan also included investment projects in the refrigeration sector including an umbrella refrigeration sector project in Indonesia (US \$1 million), a conversion project in Iran (US \$1.5 million) and Pakistan (US \$500,000). It also included a CTC/TCA phase out project in the process agent sector in Pakistan (US \$500,000) and US \$500,000 for assistance in implementing strategic planning in the Asian region.

29. The Secretariat identified potential overlaps with other agencies and requested clarification from Japan. As of this writing, the Secretariat has not received Japan's response. The potential overlaps include the refrigeration sector in Indonesia where UNDP is requesting fund for a refrigeration manufacturing sector plan.

30. In Iran, Japan and UNIDO are planning refrigeration projects, but UNDP is planning a terminal refrigeration manufacturing sector plan and UNIDO is planning an RMP implementation project.

31. In Pakistan, Japan is planning a CTC/TCA phase out project as is UNIDO.

Sweden

32. Sweden submitted a business plan (Annex VIII) that includes six activities valued at US \$695,000. Three of the activities (a strategy for non-CFC solvents in Malaysia (US \$100,000), a strategy for the MAC sector in Malaysia (US \$240,000), and a strategy for the CTC/TCA sectors in Thailand (US \$85,000), if agreed by the countries involved, would be deduced from the annual tranches for the national CFC phase out projects approved at the 35th Meeting for Malaysia and Thailand. The other activities in its business plan include: a country driven approach for RMP updates in the Asia region (US \$130,000), assistance to prepare an RMP update in Croatia (US \$20,700), and a regional workshop on training requirement for training servicing technician in the South-east Asian region (US \$120,000).

United Kingdom

33. The Government of the United Kingdom indicated that it plans to submit a bilateral project in 2002 for the second phase of the Mexico Chiller Concessional Lending Pilot Project. The UK indicated that the first phase of the chiller project had been successful and the World Bank would implement the second phase.

RECOMMENDATIONS

The Fund Secretariat recommends that the Executive Committee through the Monitoring, Evaluation, and Finance Sub-Committee consider:

1. Noting 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.
2. Requesting bilateral agencies to co-ordinate with other agencies to resolve any potential overlaps before submitting requests for funding.

ANNEX I

FINAL 2002 BUSINESS PLAN FOR AUSTRALIA

Final 2002 Bilateral Agency Business Plan

AUSTRALIA

INTRODUCTION

Australia has sought to improve its performance in facilitating the phase out of ozone depleting substances (ODS) in Article 5 Parties by undertaking an evaluation and subsequent revision of Australia's bilateral activities program. This evaluation and revision has resulted in an assessment of the region's need for ozone protection activities, and an assessment of Australia's areas of expertise in skills and technology relevant to the ozone protection field.

Australia has based its 2002 Bilateral Agency Business Plan on the outcomes of this review. Consequently, in 2002 Australia intends to withhold A\$702,000 (equivalent to US\$450,000 calculated at the fixed exchange rate of 1.56 Australian dollars for each US dollar as agreed in Decision XI/6) of its 2002 Multilateral Fund (MLF) contribution for bilateral activities. The A\$702,000 represents 18.1% of Australia's A\$3,872,327 annual contribution to the MLF. Therefore the amount is less than the 20% of annual contributions Australia may withhold for proposed bilateral activities.

Australia's Final 2002 Bilateral Agency Business Plan is presented in tabular form at Attachment A.

PLANNED BILATERAL ACTIVITY

SUPPORTING THE IMPLEMENTATION OF THE "REGIONAL STRATEGY TO COMPLY WITH THE MONTREAL PROTOCOL IN THE PACIFIC ISLAND COUNTRIES"¹

Total project cost (Australia's contribution)

A\$702 000 (equivalent to US\$450,000 calculated at the fixed exchange rate of 1.56 Australian dollars for each US dollar as agreed in Decision XI/6). This represents Australia's entire contribution to the proposed project, which will be disbursed over the life of the project.

¹ Further detail on the project proposal is available from UNEP's 2002 Business Plan

Project description

1. Background

There are fourteen countries in the South Pacific region that are constitutionally able to ratify the Montreal Protocol. The majority of the Pacific Island countries (PICs) have already ratified the Montreal Protocol: Fiji, Federated States of Micronesia (FSM), Kiribati, Marshal Islands, Nauru, Palau, Papua New Guinea (PNG), (Western) Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu. Only two countries (the Cook Islands and Niue) remain non-Parties and outside the Protocol. Other islands² in the region are not independent nations and are not able to ratify the Protocol. They therefore are not eligible for assistance under the MLF.

Of the fourteen countries, two (Fiji, Samoa) of the Parties have received assistance from the MLF of the Montreal Protocol for phase-out activities. Tuvalu, PNG, Kiribati and the Solomon Islands have also received specific assistance from the MLF to prepare country programmes. Assistance made available through the MLF and from the Government of New Zealand has helped countries in the region to prepare National Compliance Action Plans (NCAPs).

The use of ODS controlled by the Montreal Protocol in the Pacific region is limited to chlorofluorocarbons (CFCs), hydrochlorofluorocarbons (HCFCs) and methyl bromide. CFCs and HCFCs are used solely for refrigeration and air-conditioning uses. All methyl bromide is used for "Quarantine and Pre-Shipment" (QPS) applications, as defined by the Protocol, except in PNG where there is insufficient information to confirm its uses.

While the Montreal Protocol requires Article 5 countries to control the consumption (production + import - export) of CFCs, Article 5 countries do not have to control the imports of HCFCs until 2015 and all QPS uses of methyl bromide are exempted from Protocol controls (provided the country has ratified the 1992 Copenhagen Amendment). Therefore the focus of regional activities in the Pacific will be on ensuring sustained and permanent CFC phase out.

Owing to the PICs': very small ODS consumption; geographical isolation; closed supply linkages with other countries in the region; and, relatively late ratification, the assistance required for these countries needs to be designed in the different way. Given the progress regional mechanisms have achieved in the Pacific to date, it is proposed that a Regional Strategy will leverage this existing spirit of cooperation and political will to facilitate the region's accelerated compliance with the Montreal Protocol's control measures.

As indicated in the letter at Attachment B, on behalf of the PICs, South Pacific Regional Environment Program (SPREP) has requested Australia's assistance in developing and implementing the Regional Strategy.

² American Samoa, Guam, Northern Mariana Islands, Wallis & Futuna, French Polynesia, Pitcairn, New Caledonia, Tokelau

2. Objectives

- 1) To assist an accelerated and sustained CFC phaseout in the Region (including a complete CFC phaseout in 8 of the 14 PICs by end 2005).
- 2) To achieve this in the most cost-effective manner.

3. Key elements

- Direct support to national actions to assist monitoring of accelerated phase out;
- Regional facilitation for policy setting, training and public awareness;
- Active collaboration with bilaterals i.e. Australia, New Zealand and Germany (limited to PNG);
- Overall advisory role by UNEP DTIE through their reoriented compliance assistance programme monitored through the Regional Office of Asia and the Pacific.

3. Implementation Modalities

This project proposal will be submitted by UNEP on behalf of the PICs (further detail on the proposal is provided in UNEP's 2002 Final Business Plan). In accordance with its Memorandum of Understanding with UNEP, SPREP will play a key role in overseeing the implementation of the Regional Strategy. It will provide guidance to the PICs in the implementation of the national and regional component of the Regional Strategy. In addition, SPREP will provide policy assistance and co-ordinate regional awareness raising programmes.

AUSTRALIA
FINAL 2002 BUSINESS PLAN

RECIPIENT COUNTRY	REGION	SECTOR	PROJECT TITLE	PROJECT DESCRIPTION	PROPOSED FUNDING (AUD)
PACIFIC	ASP	SEVERAL	Support for the Implementation of the Regional Strategy to Comply with the Montreal Protocol in the Pacific Island Countries	Development of a Regional Strategy for PICs to promote a rapid and cost effective phase-out through the implementation of targeted national and regional projects and to develop issue specific co-operation and networking within the region between PICs, developed countries and the South Pacific Regional Environment Programme.	A\$702,000 ¹

1 : This reflects Australia's intention to withhold A\$702,000 (equivalent to US\$450,000 calculated at the fixed exchange rate of 1.56 Australian dollars for each US dollar as agreed in Decision XI/6) of its 2002 Multilateral Fund (MLF) contribution to support the implementation of this project proposal.

ANNEX II

FINAL 2002 BUSINESS PLAN FOR CANADA

CANADIAN BILATERAL ASSISTANCE UNDER THE MLF - 2002 BUSINESS PLAN

SECTOR	COUNTRY	YEAR	TITLE and NATURE OF PROJECT	ESTIMATED PROJECT VALUE (US\$)
Refrigeration	BOLIVIA	2002	<u>Refrigerant Management Plan Implementation Project:</u> Undertake the implementation of the Bolivia's Refrigerant Management Plan (RMP), including policy dialogue, training of technicians and customs officers, user awareness and monitoring components. A recovery and recycling RMP component will also be submitted but a request will made that it be funded from Canada's 2003 bilateral allocation.	430,000
Refrigeration	JAMAICA	2002	<u>Refrigerant Management Plan Update:</u> Undertake the implementation of an extension of Jamaica's RMP, using 50 % of the funds approved for the original RMP, in cooperation with UNDP. Of the total cost of the RMP update (approx. US \$220,000), Canada will finance about US \$120,000 for additional training and recovery and recycling activities, while UNDP will finance about US \$100,000 for a retrofit project. Canada will continue to be the lead implementing agency for Jamaica's RMP	120,000
Refrigeration	ST. LUCIA	2002	<u>Refrigerant Management Plan Update:</u> Undertake the implementation of an extension of St. Lucia's RMP, using 50% of the funds approved for the original RMP. It is expected that the RMP update will propose additional training and awareness-raising activities for technicians and end-users, additional R&R equipment and the establishment of a technician training and certification program	73,450
Methyl bromide	INDONESIA	2002	<u>Methyl Bromide Replacement Program for Post-Harvest Stored Commodities</u> Based on the results of a completed demonstration project by UNIDO, Canada and UNIDO will cooperate in the financing and implementation of a project to replace methyl bromide consumption used in post-harvest commodities (rice, coffee and corn) protection. UNIDO will provide the majority of the financing for the project and lead its implementation.	295,000
TOTAL				918,450

ANNEX III

FINAL 2002 BUSINESS PLAN FOR FRANCE

2002 French Business Plan

Country	Title of Project	Indicative budget (US \$)	Comments
Vietnam	Replacement of chillers in textile industry	600 000	To be submitted at 38 th ExCom
Lebanon	CFC consumption in chillers sector	200 000	To be submitted at 37 th ExCom
Algeria	Phase-out of Methyl Bromide	300 000	To be submitted at 37 th ExCom
Senegal	Retrofitting of commercial refrigeration sector	250 000	To be submitted at 38 th ExCom
Zimbabwe	Phase-out of Methyl Bromide	2 500 000	To be submitted at 37 th ExCom
Iran	Phase-out of ODS in SMEs	250 000	To be submitted at 38 th ExCom
China	Phase-out of ODS in solvents	500 000	To be submitted at 37 th ExCom
	Total 2002	4 600 000	
	Total 2002	5 444 850	
Contingency Project for 2002			
Côte d'Ivoire	Replacement of all CFC refrigeration based chillers	3 000 000	
	Total	3 000 000	

ANNEX IV

FINAL 2002 BUSINESS PLAN FOR GERMANY

GTZ-Proklima Business Plan 2002

Similar to GTZ/Proklima's 2001 business plan, many of the projects in the business plan for the year 2002 are based on activities of the previous year(s). Phase out support by GTZ/Proklima will continue to take place in the refrigeration, foam, halon, solvent and methyl bromide sectors whereby the infrastructure and experience of existing GTZ projects will continue to play an important role.

GTZ will finance most of the bilateral ODS phase out activities in A 5 Countries through the stipulated 20% of the German contribution to the MLF which amounts to US \$ 9,856,686 for the triennium 2000 - 2002.

GTZ/Proklima's MLF activities planned for submission and implementation in the year 2002 constitute the following proposals, classified by priority- and contingency list projects (1st and 2nd line), according to our own evaluation which does not necessarily indicate an order of submission or implementation:

	1st line	2nd line	Comments	ODP phase out	
Algeria					
<u>1. Flexible Foam:</u> 6 companies conversion of discontinuous foaming enterprises	\$300,000			180	(will be checked later on)
2. Development of a Terminal CFC Phase out Management Plan	\$120,000				
<u>3. Foam Sector:</u> Conversion of Djurajura company	\$436,473			62	(will be checked later on)
Angola					
<u>4. RMP</u>	\$80,000		first tranche; total \$390.000	20	(will be checked later on)
- Training & Good Practice					
- Import Export Licensing system					
- Customs Training					
- Recovery & Recycling					
<u>7. Institutional Strengthening</u>	\$80,000				
Bangladesh					
<u>8. Refrigeration:</u> Project to be part of the additional activities under the RMP		\$100,000			
Brazil					
<u>9. Pilot Project:</u> Training of Custom Officers in ODS related matters	\$200,000			21	(will be checked later on)
<u>10. Refrigeration Sector:</u> Project for Service Sector - Training of technicians		\$2,000,000		165	(will be checked later on)
Chile					
<u>11. Activities in the Foam and/or Refrigeration Sector</u>		\$50,000			

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Annex IV

	1st line	2nd line	Comments	ODP phase out	
China					
<u>12. MeBr Phase-Out Project carried over from BP 2001:</u>		\$1,000,000			
This follows from a GTZ pilot project for MeBr phase-out in tomato and vegetables in China, a study tour and funding of a newsletter to assist China to ratify the Copenhagen Amendment, financed through Germany non-MF development cooperation funds. A phase-out project will be submitted within China's comprehensive MeBr phase out plan after China ratifies the Copenhagen Amendment.					
Croatia					
<u>13. Aerosols: preparation for Phasing out ODS use in PLIVA Pharmaceuticals</u>	\$16,950				
<u>14. Aerosols:</u> Conversion project for Phasing out ODS use in PLIVA Pharmaceuticals		\$80,000		25.6	
Gambia					
<u>15. Refrigeration Sector:</u> This project will implement additional activities under the RMP as identified through the preparation stage by the country.	\$70,000				
India					
<u>16. Investment project in the foam sector:</u> There is an ongoing project preparation for 5 moulded foam producers. The investment project will be a direct result of the completion of the preparation stage.	\$250,000	\$200,000			
<u>16a</u> Conversion of Precision Engineering Tools & Components	\$248,030			22	
<u>16b.</u> Conversion of Pramukh Poly Products in India	\$269,436			27	
<u>17. Refrigeration Service Sector Phaseout Plan:</u> Based on the ongoing project preparation for the Refrigeration Service Sector, a joint submission of a sector plan is scheduled from the agencies involved. Within this business plan, only the first disbursement is covered.		\$1,500,000			
Iran					
<u>18. Conversions of 2 plants in the flexible foam sector:</u>	\$500,000			100	
Conversion of flexible foam manufacturers in the field of slabstock and moulded foaming					
<u>19. Foam Sector:</u> Development of a foam sector phase out strategy	\$80,000				

	1st line	2nd line	Comments	ODP phase out	
Kenya					
<u>20. Solvent Sector:</u> Conversion project as result of the project preparation		\$50,000			
<u>20. MeBr phase-out in vegetable sector:</u>	\$200,000		First tranche; total \$500.000		
Following approved project preparation, Kenya/GTZ will submit a project to phase-out methyl bromide in the vegetable sector.					
<u>21. General:</u> Project for Monitoring of Activities in Kenya	\$16,950				
Lebanon					
<u>22. Refrigeration Project</u> under the <u>UNDP Terminal phase out Plan in the Refrigeration sector</u> . Proklima will be sub-contracted by UNDP.			Final value is not yet defined. Still needs to be negotiated with UNDP. We estimate a total of \$450.000 at the end.		
Libya					
<u>23. Foam and/or Refrigeration Sectors:</u> Libya is a new member to the Montreal Protocol with a considerable ODS consumption in the refrigeration and foam sector.		\$150,000			
Mongolia					
<u>24. Development of a Solvent Sector Strategy:</u> The country has only recently identified the use of ODS in the solvent sector and would like to have a comprehensive strategy to address this sector.		\$30,000			
Morocco					
<u>25. Halon Management:</u> In consequence of the preparation project a Halon Bank will be implemented	\$50,000				
<u>26. MeBr Phase-Out in Cucumber Sector:</u>		\$2,000,000	In cooperation with France	21	(will be checked later on)
Following Morocco's successful GTZ-assisted demonstration project in cucumber and tomato, the project will continue to work with the Ministry of Agriculture to ensure MeBr reductions and phase-out					
Namibia					
<u>27. MeBr Total Phase-Out</u>	\$100,000				

	1st line	2nd line	Comments	ODP phase out	
GTZ has assisted the NOU in identifying MeBr uses and preparing future activities on MeBr, using German non-MF funds. This project will introduce alternative technologies and phase-out all non-QPS uses of MeBr in Namibia.					
Nigeria					
<u>28. Halon Management:</u> In consequence of the preparation project a Halon Bank will be implemented	\$200,000			472	(will be checked later on)
Oman					
<u>29. Halon Management:</u> In consequence of the preparation project, a Halon Bank will be implemented	\$50,000			174	(will be checked later on)
Papua New Guinea					
<u>30. Project Preparation:</u> for Development of an OSD Phase out plan for Papua New Guinea	\$78,535				
Somalia					
<u>31. Preparation of RMP (Together with UNDP)</u>		\$30,000	Will probably be removed from the BP in favour of UNEP. Discussion with the NOU and UNDP not finalised.		
South Africa					
<u>32. Preparation of MeBr Phase-Out in Soil Sector:</u>		\$100,000			
Agricultural surveys and project preparation by SAR will be assisted by GTZ to identify previously unknown uses of MeBr in the soil sector. This project preparation will lead to a total phase out project in SAR.					
Southern and Eastern Africa					
<u>33. Additional RMP Activities for Southern and Eastern African Countries</u>	\$250,000		Estimated first tranche; Total \$1,49 Mio.		
<u>Countries: Botswana, Kenya, Namibia, Seychelles, Tanzania</u>					
- Awareness and Association building					
- Follow up activities on Customs and Technician Training Funding would be provided through the 50 % RMP extension					
<u>32. Halon Sector:</u> Regional Conference on Halon Banks and Halon Alternatives for English Speaking African Countries	\$79,100				

	1st line	2nd line	Comments	ODP phase out	
Uganda					
<i>34. General:</i> Project for Monitoring of Activities in Kenya	\$16,950				
Tanzania					
<i>36. Refrigeration Sector:</i> Recovery and Recycling of CFCs for Tanzania	\$185,572			11.7	(will be checked later on)
West Asia					
<i>37. Regional MeBr Communication and User Awareness Project:</i> Based on the experiences of the MeBr Total Phase-Out Project in Jordan a regional communication and awareness strategy will be developed and implemented		\$100,000			
Yemen					
<i>38. MeBr Total Phase-Out</i>	\$250,000		First tranche; total \$2 Mio. In Cooperation with France.		
Yugoslavia					
<i>39. Activities in the foam and/or refrigeration sector</i>		\$100,000			
TOTAL Budget 1st line:	\$4,127,996				
[TOTAL Budget 2nd line:]		\$7,490,000			
Remaining Budget 2000-2002	\$4,046,543				

ANNEX V

FINAL 2002 BUSINESS PLAN FOR ISRAEL

2002 Bilateral Agency Business Plan

State of Israel

Israel is seeking to use its successful experience in the field of methyl bromide phase-out to the benefit of Article 5 countries that face potential non-compliance, including with regard to the 2002 freeze on methyl bromide production and consumption.

Israel is working with UNEP as implementing agency, and UNIDO as co-sponsor, on plans for a workshop which are expected to be submitted to the Executive Committee for funding at its 37th Meeting.

Title

International Compliance Assistance Workshop for Developing Countries

Description

A 4-day workshop to be held in Israel for approximately 15 representatives of Article 5 countries. The workshop will include presentation of methodologies for reducing methyl bromide use in Israel; the results of research and development activities; and field visits and application demonstrations. An Article 5 country of similar conditions with successful experience of methyl bromide phase-out will also be invited to present to the workshop. The workshop will follow a participatory course beginning with presentations of country-wise problem areas, and their analysis and discussion by the audience and an expert panel. This will be followed by teamwork activities that, by the end of the workshop, will formulate country- and regional-specific strategies and measures for freeze and phase-out solutions.

The workshop will conclude with a number of bilateral groups (between Israel and Article 5 countries) for the preparation of future bilateral assistance, including the initiation of compliance action plans with a focus on technical assistance, technology transfer and the development of local expertise to suit phase-out strategies for specific countries.

Sector

Soil fumigation.

Beneficiary Countries

Discussions are being held with UNEP in order to determine suggested beneficiary countries that face potential non-compliance. Letters from these countries will be sought in order to receive confirmation prior to submitting the project to the Executive Committee for funding.

Estimated Project Value

Up to US \$100,000.

ANNEX VI

FINAL 2002 BUSINESS PLAN FOR ITALY

ITALIAN BILATERAL ASSISTANCE UNDER MLF**2002 Business Plan**

With reference to bilateral cooperation, accordingly with decision IV/18, Italy wishes to utilize US \$1.8 million, representing 20 per cent of its total agreed contribution for the year 2002 for bilateral assistance, as well as the remaining balance of the year 2001.

Italy foresees to utilize the amount of money available for bilateral cooperation in full in the following sector of activities:

- refrigeration
- dates fumigation sub-sector

In particular:

SECTOR	COUNTRY	PROJECT DESCRIPTION	ESTIMATED COST US \$	ESTIMATED PROJECT IMPACT ODP TONNES
Refrigeration	China	Phase-out of CFC-11 by conversion to Cyclopentane Technology and CFC-12 by conversion to isobutane technology in the manufacture of domestic refrigerators.	1,700,000	278
Dates fumigation sub-sector	Tunisia	Phase-out of the use of methyl bromide in dates fumigation sub-sector	250,000	3.6
		Total	1,950,000	

ANNEX VII

FINAL 2002 BUSINESS PLAN FOR JAPAN

JAPAN 2002 POSSIBLE BILATERAL PROJECTS (Provisional as of January 23, 2002)

Note: Discussions regarding bilateral projects with beneficiary countries and implementing agencies are yet under way.

The nature of a project and its estimated project value could be changed when it is submitted.

Also other projects could be formulated and then submitted. In 2001, some possible projects could be implemented by implementing agencies as their own projects and then deleted from Japan's bilateral projects planned for 2002.

SECTOR	COUNTRY	YEAR	NATURE OF PROJECT	ESTIMATED PROJECT VALUE (US \$)
Refrigeration	China	2002	Establishment of a training centre for refrigeration servicing technicians for recycling and servicing CFC12 and HFC134a in close cooperation with the China Household Electrical Association (CHEA). Project in detail are yet under formulation at CHEA. (CFC12 servicing: N.A.) (Implemented in close cooperation with UNIDO)	N.A.
	Indonesia	2002	Umbrella project in refrigeration sector (Implemented in close cooperation with UNIDO)	1,000,000
	Iran	2002	Conversion of technology to HFC-134a from CFC-12 (Implemented in close cooperation with UNIDO)	1,500,000
	Pakistan	2002	Ice Age (household refrigerator factory) technology conversion to cyclopentane and R134a from R11 and R12 (Implemented in close cooperation with UNIDO)	500,000
Total Refrigeration Projects	4 Projects	2002		3,000,000 + N.A. for refrigeration servicing training centre
Process Agent	Pakistan	2002	Phase out CTC and TCA (Implemented in close cooperation with UNIDO)	500,000
Total Process Agent Projects				500,000
Several	Regional: ASP	2002	Assistance for the implementation of strategic planning of the Multilateral Fund to promote compliance with the Montreal Protocol in the Asia and Pacific region (Implemented in close cooperation with UNEP)	500,000
Total Several Projects				500,000
Total Possible 2002	6 Projects			4,000,000 + N.A. for refrigeration servicing training centre

ANNEX VIII

FINAL 2002 BUSINESS PLAN FOR SWEDEN

Final Swedish business plan for 2002

SECTOR	COUNTRY	YEAR	TITLE and NATURE OF PROJECT	ESTIMATED PROJECT VALUE (US\$)
Refrigeration	Croatia	2002	<u>Assistance to prepare an Update of the RMP for the Republic of Croatia.</u> Assist Croatia to make a full strategy for the phase-out ODS uses found in the servicing sector, including means of funding and plans for implementation of the RMP activities identified as needed.	20,700
Refrigeration	Asian region	2002	<u>Country-driven preparation of RMP Updates:</u> Assistance to a group of countries to develop a full phase-out strategy in the refrigeration-servicing sector in compliance with decision 31/48. Implementation in cooperation with UNEP.	130,000
Refrigeration	SEAP Region	2002	<u>Regional workshop on Training Requirements for Service Technicians in the Refrigeration Sector:</u> Workshop and follow-up to specify necessary training contents for various sub-sectors and explore the possibility to harmonize the training requirements between the countries in the region. Implementation in collaboration with UNEP.	120,000
Sub-total				270,700
Solvent	Thailand	2002	<u>National Phase-out strategy for carbon tetrachloride (CTC) and 1,1,1-trichloroethane (TCA) in Thailand:</u> As identified in the National CFC Phase-Out Plan prepared by the World Bank, assist the government of Thailand to develop a phase out strategy for CTC and remaining uses of TCA.	85,000*)
Solvent	Malaysia	2002	<u>National Phase-out strategy for non-CFC solvents in Malaysia:</u> As identified in the National CFC Phase-Out Plan prepared by the World Bank, assist the government of Malaysia to develop a phase out strategy for CTC and TCA.	100,000*)
Refrigeration	Malaysia	2002	<u>Technical assistance to the National Phase-out Strategy on CFC Refrigerants in the mobile air-conditioning sector in Malaysia:</u> As part of the implementation of the National CFC Phase-Out Plan prepared by the World Bank, assist the government of Malaysia with issues related to the phase out of refrigerants in the MAC sector.	240,000*)
Sub total				425,000*)
Grand total				695,700

*) The ExCom35 gave special consideration to three Swedish project proposals in the Draft business Plan for 2002. They are all connected to the National CFC Phase out Plans, NCPPs of Malaysia and Thailand. The following was then decided: "To note that the WB would adjust approved programme funds allocated for 2002 for the National CFC Phase-out Plans for Thailand and Malaysia when and if the WB sub-contracted Sweden for CTC/TCA strategies and MAC technical assistance projects included in Sweden's draft 2002 Business Plan. The funds would then be credited against Sweden's contribution to the Multilateral fund, and this would take place in future years when and if this arrangement occurred again."

Swedish assistance has to be discussed further with WB, Thailand and Malaysia and then within the approved budget included in the work plans for the NCPPs, before the project values for the Swedish projects can be fixed.