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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Thirty-ninth Meeting
Montreal, 2-4 April 2003

SECRETARIAT ACTIVITIES

1. This document provides a summary of the activities undertaken by the Fund Secretariat since the 38th Meeting of the Executive Committee.

Notification of the Decisions of the 38th Meeting of the Executive Committee

2. The report of the 38th Meeting, containing the decisions of the Executive Committee, was distributed at the 14th Meeting of the Parties to the Montreal Protocol. Since then, a revised report taking account of some editorial errors and omissions was prepared and posted on the web site as UNEP/OzL.Pro/ExCom/38/70/Rev.1. Executive Committee members and the other Parties to the Montreal Protocol were advised of the availability of the revised report on the web site by email.

3. Additionally, decisions related to project approvals were sent to the relevant Article 5 countries, and to bilateral and implementing agencies.

4. Decisions inviting comments on specific issues were communicated, as directed by the Executive Committee, to members of the Committee, and the bilateral and implementing agencies, as pertinent.

5. Decisions requesting certain action by the Secretariat and/or implementing agencies were addressed or communicated as directed by the Committee.

6. Resources covering all funding requests approved at the 38th meeting were transferred to the implementing agencies, and/or credited as bilateral contributions of the relevant non-Article 5 Parties.

Review of submissions to the 39th Meeting

7. The Secretariat reviewed, commented on and prepared the required briefs on the following documents submitted by the bilateral and implementing agencies:

- (a) 2003 Business Plans of Canada, Czech Republic, Germany, Hungary, Italy, Japan, Sweden, United Kingdom, UNDP, UNEP, UNIDO, the World Bank.
- (b) 2003 UNEP work programme amendments.
- (c) 2003 Work Programmes of UNDP, UNIDO, and the World Bank.
- (d) Investment and non-investment projects and activities including annual work programmes associated with approved sectoral plans..
- (e) Status report on progress in the implementation of approved methyl bromide projects

- (f) Country programmes of Albania and Haiti
- (g) Results and analysis of the current procurement procedures of the Implementing Agencies

8. The Secretariat has undertaken the following tasks:

Business Planning for the 2003-2005 Triennium

9. As part of the 2003 business planning process, follow-up letters were sent to some Article 5 countries that had not so far been in a position to provide information on their compliance phase out needs for 2003-2005.

10. The implementing agencies and the Fund Secretariat discussed business planning during an Inter-Agency Coordination Meeting held in Montreal in January. A review of the ODS phase-out requirements for Article 5 countries to achieve compliance with the 2005 and 2007 control measures, demonstrated a greater phase-out requirement in the first part of the triennium. Given the greater need for resources in the initial part of the triennium, several scenarios were considered for front-loading the carry-over and interest in 2003 and 2004.

11. Based on the results of the updated 3-year phase-out plan, the agencies and the Secretariat considered the compliance needs of individual countries and identified initial activities in those countries with pressing phase-out needs.

12. During a discussion regarding decisions of the 14th Meeting of the Parties, the agencies also agreed to address the implementation efforts in the 12 Article 5 countries classified as being in non-compliance.

Review of projects

13. The Secretariat reviewed 121 projects and activities to phase out a total of 9,355 ODP tonnes of controlled substances with an associated value of approximately US \$ 71 million.

Production Sector

Technical Audit

14. The Secretariat received comments from the Government of Mexico on the final report of the technical audit of the Mexican CFC production sector that had been presented at the Executive Committee's Subgroup on Production Sector meeting in November 2002. The comments were addressed by the consultant who prepared the audit report ; both were submitted to members of the Sub-group on the Production Sector.

15. A contract was awarded to a consultancy firm for the technical audit of India's CTC production. Field visits to the Indian plants producing CTC were made by the consultants, who also had meetings with officials from the Government of India. The audit report is being prepared.

16. A contract was awarded for the technical audit of the CTC/TCA production in China. The Government of China is completing the pre-audit data collection questionnaire from the consultant, and fieldwork is planned to commence in April 2003.

17. The technical audit of the CFC production sector in Venezuela has been delayed as the Government of Venezuela advised the consultant not to visit the country at the current time.

Monitoring and Evaluation

18. An extended desk study on RMP evaluation prepared on the basis of country studies conducted by consultants and Secretariat staff is being submitted to the 39th meeting of the Executive Committee.

Liquid carbon dioxide (LCD) technology and guidelines for LCD projects

19. The Secretariat managed the consultancy for the preparation, and assisted in the finalization of the report on LCD technology. A summary of the findings is being submitted to the 39th meeting.

Documents and policy papers prepared by the Fund Secretariat

20. Of the documents submitted for consideration at the 39th Meeting, the following were prepared by the Fund Secretariat:

- (a) Provisional agenda of the Executive Committee
- (b) Secretariat activities
- (c) Provisional and annotated agendas of the Monitoring, Evaluation and Finance and Project Review Sub-Committees
- (d) Financial planning for the triennium 2003-2005
- (e) Consolidated business plan of the Multilateral Fund
- (f) Extended desk study on RMP evaluations
- (g) Phase out from cancelled projects

- (h) Project implementation delays
- (i) Project balances
- (j) Overview of issues identified during project review
- (k) Project evaluation sheets and comments and recommendations on all the projects and activities submitted to the 39th Meeting;
- (l) Comments on Country Programmes of Albania and Haiti
- (m) Information Strategy

21. The Executive Committee requested the Secretariat to prepare a number of policy papers on various issues for submission to the 39th Meeting. Due to the unavailability of adequate information, or pending consideration by the Executive Committee of submissions that could change the outcome of some of these papers, the following papers will be submitted to the indicated meetings:

- (a) The possibility of amending the cost-effectiveness value for non-investment projects of US \$12.10 per ODP kilogramme (41st meeting).
- (b) An update of a report on the study on alternatives to CFCs in rigid foam applications (41st meeting).
- (c) Proposals on how to re-organize the work within the Sub-Committee on Project Review and the Sub-Committee on Monitoring, Evaluation and Finance, for the monitoring of national phase-out plans and ensuring compliance through those plans (41st meeting).
- (d) A set of performance indicators for the compliance period in the light of the model three-year phase-out (40th meeting).

Meetings attended and missions undertaken

Missions of the Chief Officer

Costa Rica, (17-19 December, 2002)

22. The Chief Officer and the Chairman of the Executive Committee visited Costa Rica for a mission with the Vice-Chairman to hold discussions with the Ministers for the Environment and Agriculture, as well as with UNDP's Permanent Representative in Costa Rica. The discussions included the issue of delayed implementation of the methyl bromide project approved in 2001 by the Executive Committee for Costa Rica, as well as on the implementation of the Montreal Protocol by countries in the region.

Nairobi, (3-7 February, 2003)

23. In early February 2003, the Chief Officer attended the 22nd Session Governing Council/Global Ministerial Environment Forum at UNEP, Nairobi, Kenya.

Missions of the other Secretariat Staff

24. The Senior Monitoring and Evaluation Officer travelled to Jamaica, 3-8 December 2002, for an evaluation of RMP projects. The purpose was to brief the consultants, visit selected projects, and hold discussions with staff of the Jamaica National Ozone Unit. Several companies with refrigeration and MAC servicing workshops were visited and discussions were held with the National Ozone Committee.

25. The Senior Monitoring and Evaluation Officer and a Senior Project Management Officer attended the 'Follow-up Meeting of the ODS Officers of the English speaking Caribbean, December 9-11, Grenada. They explained the policy framework relevant to RMPs and briefed ozone officers on the relevance of Executive Committee decisions.

26. As part of the 2003 work programme for monitoring and evaluation, the Senior Monitoring and the Evaluation Officer and the Senior Economic Affairs Officer will be travelling to Beijing and Shanghai, Guangzhou from 11 to 23 March, 2003 for the evaluation of the implementation of China halon sector strategy.

27. In order to acquire information on foam production and associated technological issues, a Senior Project Management Officer accompanied by a local foam expert visited three foam production companies in northern Italy, following the 38th meeting of the Executive Committee.

Coordination Meeting

28. The implementing agencies and the Fund Secretariat held an Inter-Agency Coordination Meeting on 9-10 January 2003. The meeting focussed on the outcome and decisions of the 38th Meeting of the Executive Committee and the 14th Meeting of the Parties, their implications for the Fund's business planning process and resource allocation, and 2003 business plans and work programmes of the implementing agencies.

Preparation for the meetings of the Executive Committee and its Sub-Committees

29. Logistic arrangements were made for the meetings of the Executive Committee and its Sub-Committees to be held at the International Civil Aviation Organization (ICAO) from 31 March to 4 April. Letters of invitation and meeting documentation were dispatched to members of the Executive Committee, the President of the Bureau of the 14th Meeting of the Parties, the Executive Secretary of the Ozone Secretariat, the Implementing Agencies, the Treasurer and NGOs.

Review and update of databases, documents and operational guidelines by the Fund Secretariat

30. The Fund Secretariat reviewed and updated the following databases, documents and operational guidelines:

- Inventory of Approved Projects as at December 2002;
- Policies, Procedures, Guidelines and Criteria as at December 2002;
- Country Programmes Summary Sheets as at December 2002;
- Project Completion Reports Summary Sheets.
