



**United Nations
Environment
Programme**

Distr.
LIMITED

UNEP/OzL.Pro/ExCom/39/13
6 March 2003



ORIGINAL: ENGLISH

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

BUSINESS PLAN FOR THE YEAR 2003 OF THE WORLD BANK

COMMENTS AND RECOMMENDATIONS FROM THE FUND SECRETARIAT

COMMENTS

1. The World Bank prepared its business plan on the basis of Decisions 38/66 and 38/67 and is provided as an annex to these comments.

2. This document presents a summary of planned 2003 activities of the World Bank, ODS phase-out during the triennium, general comments, the World Bank's business plan performance indicators, and provides recommendations for the consideration of the Sub-Committee on Monitoring, Evaluation, and Finance.

Planned activities 2003-2005

3. The business plan is a rolling three-year business plan since three years of activities are included although there is less certainty with regard to 2004 and 2005 activities except with regard to ongoing multi-year agreements.

Planned activities for 2003

4. The total value of projects planned for submission in 2003 by the World Bank is US \$95.4 million that will lead to the phase-out of 17,152 ODP tonnes. The plan includes:

- 12 ongoing multi-year performance based agreements for sector and substance phase-out amounting to US \$70.12 million that represents a ODS phase-out when implemented of 13,948 ODP tonnes;
- 6 new multi-year performance based agreements amounting to funding of US \$19.35 million in 2003 (US \$75.09 million in total) with an associated ODS phase-out in 2003 of 2,602 ODP tonnes (16,887 ODP tonnes in total);
- 12 individual investment projects that will be submitted in 2003 with a value of US \$4.13 million, including 1 project that will result in the total phase-out of the sector or the substance;
- Project preparation amounting to US \$567,450; and
- 5 institutional strengthening projects amounting to US \$1,253,525.

Planned activities for 2004 and 2005

5. The World Bank plans to submit projects valued at US \$86.61 million in 2004 with an associated phase-out of 24,636 ODP tonnes. This includes US \$59.38 million for ongoing multi-year agreements.

6. The World Bank plans to submit projects valued at US \$75.35 million in 2005 with an associated phase-out of 58,513 ODP tonnes. This includes US \$45.78 million for ongoing multi-year agreements.

ODP phase-out during 2003-2005

7. During the 2003-2005 triennium, the World Bank plans to phase out 77,766 ODP tonnes from ongoing projects and multi-year agreements. Additionally, the Bank indicated that 16,735 ODP tonnes would be phased out from projects to be submitted for approval during the triennium.

8. The World Bank has provided a section in its business plan, supported by a descriptive annex arranged by country, on expediting project implementation. Concerning individual projects, the Bank indicated that it would use its new web-based database to keep Government's current on the status of implementation, increase its communication frequency with its financial intermediaries and implement country-level performance indicators similar to those used by the Executive Committee. Concerning multi-year agreements, the Bank indicated that it would: conduct additional training concerning procurements procedures and Executive Committee guidelines, offer its experience with voucher systems to assist countries in addressing the small service shops in national phase-out plans, and engage in recurring dialogues with national ozone units and project management units on policy matters. The Bank did not indicate any accelerated phase-out, but emphasised the need to implement agreements on schedule and increase its dialogue with countries, financial intermediaries and enterprises on individual projects that experience long implementation delays.

Comments

9. Most of the activities in the World Bank's business plan reflect the requirements of the three-year phase-out plan. There are however some projects that may not meet these requirements.

10. The World Bank included activities in countries for which no CFC phase-out is required for the countries to achieve their 2005 and 2007 controls:

- (a) an aerosol project in Indonesia (US \$236,500 to phase out 50 ODP tonnes);
- (b) a foam sector phase-out plan in Indonesia amounting to funding of US \$1.2 million in 2003 (US \$3.8 million in total) with an associated ODS

phase-out of 100 ODP tonnes (329 ODP tonnes in total); and

- (c) a rigid foam investment project in Tunisia with an estimated value of US \$98,100 and associated phase-out of 12 ODP tonnes.

11. The World Bank has included US \$43,000 to prepare an MDI project in Argentina. The Bank's business plan indicated that it would submit the investment project in 2003 at an estimated value of US \$1.18 million to phase out 37 ODP tonnes. At its 37th Meeting, the Executive Committee decided to allow consideration of some MDI projects taking into account the relative need of the country to have an MDI project to ensure compliance and the relative cost-effectiveness of the project (Decision 37/61). The MDI project would not address the needs of Argentina to ensure compliance. The Executive Committee may wish to consider if it wishes to allow project preparation to remain in the Bank's business plan for this activity since once the activity is prepared, it would not meet the standards of Decision 37/61.

12. The World Bank has included a CTC consumption project and a CTC production phase-out project for India in its business plan. The total value of the CTC consumption project is US \$34.4 million with an annual funding of US \$8.6 million each year of the triennium and the same amount after 2005. The CTC production closure project has a total value of US \$27.4 million with US \$5.9 million in 2003. It should be noted that the tonnage for the phase-out of the consumption sector (10,580 ODP tonnes) is more than twice as much as for the production sector (5,100 ODP tonnes).

Performance indicators

13. A summary of the World Bank's investment project performance indicators is provided below in Table 1.

Table 1**Investment Project Performance Indicators**

ITEMS	WORLD BANK
Weighted indicators	
Actual ODS phased out from completed projects (ODP tonnes)	13,000
Disbursement (US\$)	\$58,000,000
Satisfactory project completion reports received (percentage)	100%
Distribution of projects among countries in business plan (number of countries)	17
Timely submission of progress report	Submission on time
Non-weighted indicators	
Number of investment projects to be completed in year of business plan	
Net emissions(reductions) of ODP resulting from implementation delays(early completion) (ODP tonnes)	27,850
Value of Projects to be Approved in 2003(US\$)*	\$93,600,000
ODP from Projects to be Approved in 2003	17,427
Cost of Project Preparation	0.6%
Cost-effectiveness from Approvals (US\$/ODP in kg)	Within US \$5.06
Speed of delivery (first disbursement)	26
Speed of delivery (completion)	41

* Including support costs.

14. The World Bank's business plan database indicates that it would phase out 20,747 ODP tonnes from approved and committed activities in 2003 for both the production and consumption sectors. The Bank indicated a target of 13,000 ODP tonnes as the performance indicator for the amount of ODP to be phased out. The Committee may wish to consider approving a phase-out target of 20,747 ODP tonnes.

15. A summary of the World Bank's non-investment project performance indicators is provided below in Table 2.

Table 2**Non-Investment Performance Indicators**

ITEMS	Year 2003 Targets
Weighted indicators	
Number of Projects to be Completed	8
Funds Disbursed (US\$)*	\$1,270,000
Speed of delivery (first disbursement)	20 months
Speed of delivery (completion)	33
Timely submission of progress report	Submission on time
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)	370 ODP tonnes from the on-going recovery and recycling projects

* Includes agency fees

RECOMMENDATIONS

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

1. Recommending to the Executive Committee to endorse the 2003 business plan of the World Bank, as contained in UNEP/OzL.Pro/ExCom/39/13, while noting that endorsement did not denote approval of the projects identified therein nor their funding levels with any modifications based on the consideration of the following activities:
 - (a) CFC activities where no additional phase-out is needed to achieve the 2005 and 2007 controls including activities in Indonesia and Tunisia;
 - (b) MDI activities in Argentina in the light of Decision 38/61(c); and
 - (c) CTC consumption and production activities in India.
2. Recommending to the Executive Committee to 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/39/13 while setting a phase-out target of 20,747 ODP tonnes for 2003 for the investment project performance indicator.

2003 BUSINESS PLAN

WORLD BANK

INVESTMENT AND NON-INVESTMENT
OPERATIONS FUNDED BY THE
MULTILATERAL FUND OF THE
MONTREAL PROTOCOL

Presented to the 39th Meeting
Of the Executive Committee

February 28, 2003

TABLE OF CONTENTS

I. MULTILATERAL FUND TARGETS..... 1

A. MEETING THE OBJECTIVES OF THE MULTILATERAL FUND..... 1

B. RESOURCE ALLOCATION 5

C. SPECIAL INITIATIVES 6

II. PLANNED BUSINESS ACTIVITIES..... 8

A. ONGOING ACTIVITIES..... 8

B. PROGRAM EXPANSION 10

III. PERFORMANCE INDICATORS..... 18

IV. POLICY ISSUES 22

V. ADMINISTRATIVE AND FINANCIAL MATTERS 23

Attachments

- Annex I: Country-by-Country Review
- Annex II: Implementation and New Activities
- Annex III: Database of New and On-going Activities
- Annex IV: Value and Year of ODP Phase-out



I. MULTILATERAL FUND TARGETS

A. Meeting the Objectives of the Multilateral Fund

1. The 2003 Business Plan of the World Bank is prepared on the basis of the discussion of the Executive Committee, at its 38th Meeting in Rome, Italy, in November 2002, in relation to the 2003 – 2005 phase-out plan for the Multilateral Fund. Following the discussion on this issue, the Executive Committee decided (Decision 38/66):

- To note that the Multilateral Fund had been established to enable Article 5 countries to comply with the Montreal Protocol. The model three-year phase-out plan, as adjusted and corrected taking into account actions taken at the 38th Meeting of the Executive Committee, *inter alia*, suggested the reductions that would presumably be needed over the next three years to enable the compliance of all Article 5 countries with the interim compliance measures that had to be met in 2005 and 2007;
- To adopt the model three-year phase-out plan, as revised as an important guide that should be considered by UNDP, UNIDO, the World Bank and, as appropriate, bilateral agencies, in the preparation of the annual and/or multi-year business plans of the agencies during the 2003 to 2005 triennium. The model may be further revised taking into consideration guidance provided by the 14th Meeting of the Parties, if any (and any further changes, consistent with an agreed under Decision 35/57 and related decisions as regards tables 1 to 4 of document UNEP/OzL.Pro/ExCom/38/58 and any changes agreed by the Secretariat and interested parties as regards tables 5 to 7, taking into account more detailed country specific information, where available);
- To request UNDP, UNIDO, the World Bank and bilateral agencies, as appropriate, to take into account the ODS phase-out generated by the model as a basis for the preparation of multi-year agreements and consider allocating the annual funding tranches accordingly;
- That the Secretariat should report to the Executive Committee after each meeting of the Sub-Committee on Project Review regarding any changes or modification to the model three-year phase-out plan, and the possible implications that that may have for the approval of future projects presumed to be necessary to enable compliance;
- To urge Article 5 countries and their cooperating implementing agencies to accelerate the pace of implementation during the 2003 to 2005 timeframes, considering that the model also demonstrates that compliance over the next three years will also rest on the timely implementation of the very large number of already approved but unimplemented projects;
- To request the Secretariat to update the model at each last meeting of the Executive Committee of the calendar year for the following three years, in order to have a rolling model three-year ODS phase-out plan.

2. The Executive Committee also decided to request the implementing agencies to submit their 2003 business plans to the 39th Meeting of the Executive Committee. (Decision 38/67).

3. In light of Decision 38/66, the model three-year phase-out plan was later revised taking into account actions taken by the Executive Committee at its 38th Meeting, in relation to

additional approvals of investment, and non-investment activities. The revised model three-year phase-out plan is summarized below:

Phase-out in ODP tons(*)	2003	2004	2005	Total
CFC in non-LVC countries	4,371	4,371	3,643	12,385
CFC in LVC countries	1,711	1,140		2,851
CFC production sector	2,400	2,400	1,800	6,600
Methyl Bromide	438	438		875
CTC	5,785	4,339	2,169	12,293
TCA	87	87		173
Grand Total (ODP tons)	14,791	12,775	7,612	35,178

*Additional 104,327 ODP tons of ODS consumption and 72,710 ODP tons of ODS production are yet to be phased out in approved projects and sectoral and national phase-out plans during the 2003 – 2005 triennium.

4. In response to the model three-year phase-out plan, the proposed 2003 Business Plan of the World Bank, includes additional investment and non-investment activities to assist Article 5 countries to further reduce their consumption and production of CFCs, CTC, TCA and methyl bromide. Three additional countries are also included in the proposed 2003 Business Plan. These are Antigua and Barbuda, Oman and Vietnam.

5. As per Decision 38/66, the proposed 2003 Business Plan of the World Bank also provides relevant information pertaining to multi-year plans for the period of 2003 to 2005. It is important to note that activities slated for 2004 and 2005 are tentative. They may be subject to further revision during the course of implementation of the 2003 Business Plan.

6. The three-year phase-out impact as per the Bank's proposed 2003 Business Plan is summarized in the following table.

Phase-out in ODP tons(*)	2003	2004	2005	Total
CFC in non-LVC countries	82	130	381	594
CFC in LVC countries	154	103	9	265
CFC production sector		764	500	1,264
Methyl Bromide		36	43	79
CTC consumption	1,047	3,339	5,963	10,349
TCA				
Grand Total (ODP tons)	1,283	4,372	6,896	12,552

7. In addition to ODP to be phased out from new activities proposed for this triennium, additional phase-out will be achieved through the implementation of investment projects, sector

plans and national plans already approved. The additional phase-out from approved activities is shown.

Phase-out in ODP tons(*)	2003	2004	2005	Total
CFC in non-LVC countries	5,553	4,454	5,335	15,342
CFC in LVC countries	10	12	11	33
CFC production sector	4,783	6,582	9,805	21,170
Methyl Bromide			37	37
CTC consumption	3,014	1,357	5,819	10,190
TCA	3	15	60	78
Grand Total (ODP tons)	13,363	12,420	21,067	46,850

8. Therefore, the total impact through World Bank implemented projects for the next three years will be equal to 16,234 ODP tons of CFC phase-out in the consumption sector, and 22,434 ODP tons of CFC phase-out in the production sector, and 116 ODP tons of methyl bromide, 20,539 ODP tons of CTC in the consumption sector and 78 ODP tons of TCA. In addition, the Bank's activities will lead to additional phase-out of 3,692 ODP tons of halon in the consumption sector, 1,992 ODP tons of halon in the production sector, and 29,566 ODP tons of CTC in the production sector, during this triennium.

9. To achieve the planned targets, the World Bank proposes, among others, following activities in its 2003 – 2005 business plan:

- Subsequent phases of approved CFC phase-out plans in the Bahamas, the Philippines, Malaysia, and Thailand;
- Subsequent phases of the commercial refrigeration sector plan for Turkey;
- Subsequent phases of foam phase-out plan in China, MAC refrigeration sector plan (approved as part of the refrigeration sector phase-out plan for Indonesia), process agents phase-out plan for China;
- Subsequent phases of halon and CFC production phase-out plans for China, CFC production closure plans for Argentina and India;
- Submission of new CFC phase-out plans for Antigua and Barbuda, Ecuador, and Vietnam;
- Submission of new CFC production closure for Venezuela;
- Submission of additional CFC phase-out investment activities for Argentina, Indonesia, Pakistan, and Tunisia;
- Submission of methyl bromide phase-out plans for the Philippines, and Thailand;
- Submission of a halon phase-out plan for Chile and Oman; and
- Submission of new CTC phase-out plans for Brazil, Colombia, India, and the second phase of CTC phase-out in the process agents sector for China.

10. Funding of Full and Gradual Closure Projects in the Production Sector: The 2003 Business Plan proposes to allocate about US\$ 25.33 million, or about 27 % of the total deliverables for 2003, to support the 2003 annual work programs of the Argentina, China, and India CFC production closure projects and the 2004 annual work program for the China Halon Sector Approach Project. In addition, the Bank and the Government of Venezuela tentatively plan to initiate preparation of the CFC production closure project for Venezuela in 2003 pending the decision of the Government regarding the timing for submission of the request for a technical audit to be carried out by the Executive Committee. The 2003 Business Plan also includes financial provisions for starting implementation of a CTC production closure project for India. The technical audit of the CTC production plants in India is underway.

11. Sector Strategy and Terminal Phaseout Plan: In response to the direction provided by the ExCom members with regard to strategic planning under the Multilateral Fund – that sector strategies and terminal phaseout plans should become much more common in the future operation of the Fund, there were four sector strategy and national CFC phase-out plan submitted to the ExCom in 2002. There are the MAC sub-sector plan for Indonesia which was submitted as part of the overall refrigeration sector plan, a CTC process agents sector plan for China, a country program update for Jordan, and a national CFC phaseout plan for the Philippines.

12. The Bank, in close consultation with the Government of India, is developing a comprehensive sector plan for phasing out CTC in the production and consumption sectors. This CTC phase-out plan will be submitted for the ExCom's consideration in 2003. A CTC phase-out plan for the consumption sector for Brazil is slated for submission in 2003. The 2003 Business Plan also includes a request for project preparation funds to initiate preparation of the Phase II CTC process agents sector plan for China. The request for project preparation funds will be made to the Executive Committee when the new CTC applications are approved by the OEWG as process agent applications under the Montreal Protocol.

13. In addition to these sector plans, the 2003 Business Plan of the World Bank also proposes to initiate two additional CFC phase-out plans in Antigua and Barbuda, and Vietnam. Within the 2003 planning period, the Bank and the Government of Ecuador will submit a National CFC Phase-out Plan for Ecuador for the consideration of the Executive Committee. The country program update for Pakistan is also scheduled to be submitted for the Executive Committee's consideration in 2003. Two additional sector plans to assist Indonesia in phasing out the remaining consumption of CFCs in the aerosol and foam sectors, and a methyl bromide phase-out plan for Thailand are also included as part of the World Bank's deliverables for 2003.

B. Resource Allocation

14. The 2003 Business Plan proposes to include deliverables of 30 investment activities in 17 countries (Argentina, Bahamas, Brazil, Chile, China, Colombia, Ecuador, India, Indonesia, Malaysia, Mexico, Oman, Pakistan, the Philippines, Thailand, Tunisia, and Turkey). Out of these 30 investment activities, 12 activities are multi-year projects that have been approved previously by the Executive Committee. There are 18 new activities that will be submitted for the ExCom's consideration for the first time. Out of these 18 new activities, 8 of them are sector plans and multi-year projects. The total deliverables of investment activities for the World Bank 2003 Business Plan are US\$ 93.6 million

15. In addition, the 2003 Business Plan also proposes 9 new project preparation activities in 8 countries. The total funding requirement for the project preparation funds in 2003 amounts to US\$ 564,000.

16. In 2003, there are five existing institutional strengthening projects that are scheduled for renewals. The resource requirement for this component, in accordance with Dec. 35/57, is US\$ 1.25 million.

17. Investment Projects - Investment activities slated for 2003 submission are for both the consumption and production sectors, including forward commitments for the CFC production closure projects from Argentina, China, and India, the Halon Sector Approach for China, the foam sector plan for China, the Process Agents Sector Plan for China, the refrigeration sector plan for Turkey, the terminal CFC phase-out management plan for the Bahamas, and three national CFC phase-out plans for Malaysia, Philippines, and Thailand.

18. The 2003 Business Plan also proposes to include deliveries of new sector plans including the CTC phase-out plans for the consumption and production sectors in India, a CFC phase-out plan for Ecuador, and a methyl bromide phase-out plan for Thailand. In 2003, the Bank proposes to initiate the preparation of CFC phase-out plans for Antigua and Barbuda, and Vietnam, and a methyl bromide phase-out plan for the Philippines. These new plans will be submitted for the ExCom's consideration in 2004. Moreover, the Bank, with the request of the Government of China, also includes a project preparation activity for development of the Phase II Process Agents Sector Plan for China. The preparation of this activity is pending the approval of new process agent applications being considered by TEAP and OEWG.

19. Within the proposed allocation for new investment activities in 2003 of about US\$ 93.6 million, US\$ 70.12 million of this amount is already committed to support the implementation of the multi-year projects approved by the Executive Committee. The balance of US\$ 23.48 million is available for new activities in the consumption and production sectors in 2003. An additional resource of US\$ 564,000 is required for new project preparation activities to be initiated in this business-planning period.

	US\$ million
Forward Commitments (Approved multi-year projects)	70.12
New Investment Activities	23.48
Project Preparation Funds	0.564

New Investment Activities*	94.16
----------------------------	-------

*Excluding institutional strengthening projects.

20. Non-investment Projects. The only non-investment activities included in the Bank's 2003 Business Plan are renewals of existing institutional strengthening projects in Ecuador, Jordan, Thailand, Tunisia, and Turkey. The total funding requirements for these five activities, taking into account Decision 35/57, are US\$ 1.25 million.

C. Special Initiatives

21. CFC Production Closure Project in Venezuela. The Government of Venezuela has expressed its interest to proceed with the preparation of the CFC production closure project. However, due to current conditions within the country, the Government of Venezuela could not provide any specific date when the request for a technical audit will be made to the Executive Committee.

22. Given the need for Venezuela to comply with Montreal Protocol requirements and the prevailing condition in the country, the Bank has proposed to include a project preparation request in its 2003 Business Plan. However, an actual request to the Executive Committee will not be made until an official request for a technical audit has been made and until the audit has been concluded. If these pre-conditions are met within this planning period, the Bank and the Government of Venezuela could, therefore, proceed with the preparation of this important project without any further delays.

23. National CFC Phaseout Programs and Sector Plans. In response to the requests of Antigua and Barbuda, Ecuador, and Vietnam, the Bank proposes to include three new CFC phase-out plans in its 2003 Business Plan. The plan for Ecuador will be submitted as part of the Bank's 2003 deliverables while the plans for Antigua and Barbuda, and Vietnam, will be submitted in 2004. These would enable these three countries to manage their complete phase-out of CFCs in accordance with the Montreal Protocol requirements in 2010. For Antigua and Barbuda, and Vietnam, the Bank will have to establish new Montreal Protocol operations in these two countries.

24. The 2003 Business Plan of the World Bank also proposes to undertake additional sector plans to assist countries to comply with CFC and methyl bromide phase-out requirements. Additional sector plans are proposed for Indonesia and Thailand.

25. CTC and TCA Sector Approaches. The 2003 Business Plan proposes to develop a closure project in the CTC production sector and CTC phase-out in the consumption sector in India. The technical audit of CTC manufacturing plants are underway in both China and India. It is important to note that the funding for a CTC production closure for China has already been approved as part of the Executive Committee's agreement with China to phase-out CTC and process agents. In addition, the Government of China has already requested the Secretariat and the World Bank to develop a second phase for its CTC phase-out and process agents as China considers that phasing out CTC consumption in the remaining applications important to its ability to meet the 85% reduction target if these remaining applications are considered as process agents at the next meeting of the Parties.

26. The Government of Brazil also requested the Bank to extend its original scope of work from the phase-out of the use of CTC in the process agent sector, to an overall CTC phase-out plan. The Bank proposes to include this CTC phase-out plan as part of its deliverables in 2003 and no additional project preparation funds are requested.

27. Innovative Financing. During the course of preparation of the 2003 Business Plan, a number of countries have expressed their interest to the Secretariat and the Bank, to have the Bank include investment activities in the chiller sector, with a component of innovative financing, in its 2003 Business Plan. Due to the recent decision of the Parties requesting TEAP to study incremental costs associated with CFC phase-out in the chiller sector, the Bank decides not to include any of these activities in its Business Plan until the TEAP study and findings becomes available.

28. To facilitate the work of TEAP, the Bank is ready to offer any assistance that may be required by TEAP to carry out this endeavor. The Bank is in the process of compiling all the information and experience gained from implementing a few pilot projects in this sector. This information will be offered to TEAP.

29. The Bank plans to continue its dialogue on innovative financing with the members of the Executive Committee in order to assist the Executive Committee explore the potential of this mechanism.

II. PLANNED BUSINESS ACTIVITIES

A. Ongoing Activities

30. Investment Projects: By the end of the 2002 calendar year, the Bank's Montreal Protocol portfolio will consist of 593 investment projects. These projects, when fully implemented, would eliminate more than 140,000 ODP tons of ozone depleting substances. The total cumulative approvals for the Bank's investment projects are approximately US\$520 million including agency support costs. The Bank's 2002 Business Plan indicated that it planned to disburse about US\$46.2 million in 2002, and eliminate about 8,100 ODP tons from implementation of approved projects. The cumulative disbursement and ODP phaseout at the end of 2002, are expected to reach US\$ 360 million and 113,940 ODP tons (about 82 percent of the total ODP to be phased out through the World Bank conversion projects), respectively.

31. Non-Investment Projects and Activities: By end of 2002, cumulative approvals of all on-going non-investment activities implemented by the Bank, including demonstration projects, institutional strengthening, technical assistance and training, is US\$ 14.74 million. It is estimated that about 85 percent of all non-investment project approvals will be disbursed by the end of 2002.

Measures to Expedite Implementation of Approved Projects and Those Critical to Compliance

32. To enable Article 5 countries to sustain their consumption and production freeze obligations, and to achieve 50% and 85% production and consumption reductions for Annex A chemicals, and other obligations due within the coming triennium, the Bank will work closely with its client countries to ensure timely implementation of approved projects, including individual projects and sector plans/national plans. Since the nature of sector plans/national plans is different than individual projects, approaches to be employed to ensure timely implementation and completion of these two types of projects would have to be different.

33. For individual projects, the Bank will continue to work with its financial intermediaries and the countries to monitor the progress of these activities. Management tools, including the new web-based database will allow the governments of concerned countries to have the most current implementation status of all individual projects in their countries, as well as any relevant ExCom decisions taken on these projects, through the respective Bank Task Teams. The Bank will step-up its communication frequency with financial intermediaries to ensure that there is constant follow-up on projects through out the project cycle and that agreed timetables are adhered to as closely as possible, and that NOUs are kept fully informed about any impediments or delays in implementation. The Bank will also work with its financial intermediaries to implement country-level performance indicators, similar to those overall performance indicators/targets used by all implementing agencies.

34. The Bank plans to hold its Seventh Annual Financial Intermediaries workshop in April 2003. The objectives of this workshop, among others, will be to inform financial intermediaries and client countries of the urgency for all approved projects be completed in a timely manner given the critical stage of compliance, and in view of the Executive Committee's concern on

projects with delays, most recently reflected by its Decision 38/8. For any individual projects that experience long implementation delays, the Bank will increase its dialogue with the governments of the countries concerned, financial intermediaries, and concerned enterprises, in order to find a solution to those implementation difficulties in an expeditious manner. In addition, for countries, which are at risk of being non-compliant to the Montreal Protocol, the Bank will explore with the concerned countries whether any regulatory interventions could be put in place to create a conducive environment for accelerated phase-out.

35. As implied above for individual projects, the Bank intends to assist countries with national and sector plans to come up with practical solutions to dealing with longstanding project delays which could have an impact on their ability to meet their compliance targets. Rather than penalize countries that have projects with chronic problems preventing implementation by canceling the projects; having funds returned; and, leaving the country to deal with the phase-out on its own, a way to move forward with these types of projects might be to allow the country to keep the balance of the funds to phase out the same amount of consumption as the cancelled projects under a sector or national plan, as long as that funding did not exceed the overall C.E. of the sector or national plan. This would not imply that the consumption reductions agreed upon between the ExCom and the countries would be amended, simply that the mechanism in place to address sector or national phase-out would be used to address the additional phase-out left from a canceled project.

36. With regard to the implementation of national plans, the Bank plans to provide additional support to financial intermediaries and client countries in order to implement these plans within the specified timeframe. The Bank already organized the first regional workshop on the implementation of national CFC phase-out plans for the Southeast Asian region, in December 2002. Three countries participated at this workshop – Malaysia, the Philippines, and Thailand. Participants of this workshop included representatives from NOUs, Ministries of Finance, Customs Departments, financial intermediaries, other government agencies that are beneficiaries of the national CFC phase-out plans. World Bank staff, including procurement and financial specialists, and task managers were also present.

37. The objective of this workshop was to put into place action plans for delivering their first year's targets, with the guidance of the Bank on project management, procurement and finance and ExCom policy. Moreover, this workshop also not only provided a forum for representatives from the client countries to become more familiar with implementation requirements of the national CFC phase-out plans, but also for staff who will be working closely on the ground with country teams.

38. As an outcome of the workshop, additional training needs in relation to procurement and ExCom's guidelines were identified by all participating countries. A follow-up training for the new financial intermediary in Thailand was held in February 2003 to provide more in-depth training of the Bank's procurement and disbursement guidelines and the concept and the design of the National CFC Phase-out Plan.

39. The Bank was also requested to assist, at least for the initial stage of the implementation of the national CFC phase-out plans, NOUs and PMUs to coordinate and engage in policy

dialogues, if necessary, with other government agencies in order to ensure timely implementation of various cross-sectoral tasks proposed in the plans.

40. The Bank will also continue to actively provide suggestions and guidance to NOUs in terms of the structure of PMUs, role and responsibilities of various members of the PMU, and the coordination between the work of PMUs and the overall ODS phase-out efforts that are under the responsibility of the NOUs.

41. With experience in implementing the CFC production closure project and production verification process in China, the Bank, through its China MP Team, will share this experience with Malaysia, the Philippines, and Thailand, in their efforts to set up an independent verification mechanism to verify achievement of the annual CFC phase-out targets. In fact, the workshop held in December 2002 also included this item as one of the agenda items.

42. Since the national CFC phase-out plans involve assistance to be provided to a large number of small service shops, the Bank plans to offer, in the future, its experience on market-based procurement methods (such as the voucher scheme) to its client countries to ensure expeditious implementation of the service sector components under the national CFC phase-out plans.

43. Basically, the Bank's support for sector plans and national CFC phase-out plans is two fold: one on the activity-level, and one on the policy-level. For the project level support, the Bank will modify its existing management tool for individual projects and apply it with the assistance of its financial intermediaries. At the policy level, the Bank will engage in recurring dialogue with NOUs and PMUs with regard to overall achievement of the plans.

B. Program Expansion

44. Project Preparation and New Submissions: New project preparation activities are planned in 8 countries (Antigua and Barbuda, Argentina, Chile, China, Oman, the Philippines, Venezuela, and Vietnam). Project preparation activities in 2003 and a few project preparation activities that have already begun in 2002 plus continuation of multi-year projects approved in previous years, will lead to submissions of additional 30 investment projects from 17 countries in 2003 and a number of projects to be delivered in 2004. ODP impact to be phased out from approved activities and new activities during the period 2003 – 2005 and beyond is summarized in Annex II. A list of activities covered under this triennium (2003 – 2005) including new project preparation activities is included as Annex III.

45. *Antigua and Barbuda* – In response to the request of the Government of Antigua and Barbuda, the Bank, proposes to include the proposed national CFC phase-out plan in this country. Since this will be the first Bank Montreal Protocol operation in Antigua and Barbuda, a new legal instrument would have to be developed. The Bank plans to employ the same legal instrument used by the Bahamas project (The agreement for the Bahamas project was ready within six months after the ExCom approval of the terminal CFC phase-out management plan. However, due to the change of the Government, signing of this agreement is still pending). Therefore, the time lag for establishing the new legal agreement is expected to be minimal. This

plan will cover the remaining consumption in the country; however, the funding level will be based on the remaining eligible consumption as defined by the Executive Committee.

46. Based on the analysis of CFC consumption in LVC countries (Annex II, Table 2 of the document “Updated data in the 2003 – 2005 Phase-out Plan for the Multilateral Fund following the 38th Meeting of the Executive Committee”), about 9.1 ODP tons of CFCs should be phased out during this triennium. The Bank proposes to submit a National CFC Phase-out Plan, which is a multi-year project, in 2004. This would allow the Bank and the country to have sufficient time to verify the current consumption in the country. This is to ensure that all CFC consumption (in all sectors including the manufacturing sector, if any) is captured under this plan. The total ODP to be phased out by this plan during this triennium is 9.1 ODP tons. The remaining ODP phase-out will be addressed after 2005.

47. *Argentina* – Argentina has already ratified the Copenhagen Amendment to the Montreal Protocol. Based on the document “Updated data in the 2003 – 2005 Phase-out Plan for the Multilateral Fund following the 38th Meeting of the Executive Committee” prepared by the Multilateral Fund Secretariat, Argentina is categorized as a country that might require further assistance to achieve the 2007 phase-out target. It was estimated that additional phase-out of at least 1,590.1 ODP tons of Annex A, Group I chemicals, is required to achieve an 85% reduction by 2007. In response, the Government of Argentina requested the Bank to include two additional investment activities in the aerosol and MDI sectors in the Bank’s 2003 Business Plan. These two activities, when completed, will phase out 52 ODP tons of CFCs. In addition, the Bank also includes submission of the 2003 work program for the CFC production closure plan, which has already been approved in principle by the Executive Committee at its 38th Meeting.

48. Given the circumstances in Argentina and the fact that there are still a large amount of CFC to be phased out in order to assist the country in meeting its 85% reduction target by 1 January 2007, it is important that CFC consuming enterprises that are ready to eliminate their CFC consumption, should be assisted by the Multilateral Fund as soon as possible. At present, the MDI sector and one aerosol enterprise are willing to proceed with CFC phase-out. CFC consumption of these enterprises is eligible for funding from the Multilateral Fund. CFC eliminated from these activities will contribute to the Government of Argentina’s effort in meeting its 2007 85% consumption reduction target. Moreover, it is anticipated that most of the remaining CFC consumption may be in the service sector. Since the service sector comprises of a large number of small service shops, any activities to phase out CFC in this sector would take a longer time to achieve. The Bank will work with Argentina and other agencies to ensure that more ODP phase-out will be captured during the last two years of the triennium.

49. *Bahamas* – The Bank will submit the new funding request to support the implementation of the 2004 - 2005 annual programs for the terminal CFC phase-out management plan during this business plan period. The annual program would reflect the recent findings regarding the baseline consumption in the country. While the baseline consumption of the terminal CFC phase-out management plan may increase, the funding levels for 2004 - 2005 and future years will not deviate from the agreement made by the Bahamas and the Executive Committee at the time of approval of this plan.

50 A supervision mission was planned for the end of February. The objectives of this mission were to expedite the signing of the agreement, which had been ready for almost a year, and to review the status of legislation that is required for supporting this plan. In addition, the mission expected to review the issues pertaining to import and export controls for CFCs with the Government of Bahamas.

51. *Brazil* – The Bank proposes, in accordance with the request of the Government of Brazil, to include a CTC phase-out plan in its 2003 Business Plan. This plan is slated for submission in the 2003 business-planning period. This proposed CTC phase-out plan would replace the earlier proposal for development of a process agent sector plan, which was made in 2002. Brazil does not have any approved phase-out plans for CTC. To meet the 85% reduction target in 2005, Brazil needs to secure additional phase-out of 349.8 ODP tons of CTC. The proposed CTC phase-out plan will result in a complete phase-out of CTC in the consumption sector (411.6 ODP tons). However, the funding requirement will be stretched over a period of more than 3 years. The funding requirement for the first three years of the plan (2003 – 2005) will result in the CTC phase-out of 349.8 ODP tons. The Bank would like to request the Executive Committee to allow the Bank to use project preparation funds approved in 2002 to support the preparation of the proposed CTC phase-out plan in 2003.

52. *Chile* – The only new investment activity proposed in the 2003 Business Plan is a halon-banking project. When the halon-banking program is in full operation, no more halons will be imported to the country.

53. *China* – All activities proposed in the Bank 2003 Business Plan, except preparation of the process agents phase-out plan (Phase II), are part of the multi-year projects approved in the earlier years. These include submissions of the annual programs for the foam sector, CFC production closure plan, halon sector plan, and process agents phase-out plan. The proposed project preparation included in this 2003 Business Plan will result in a submission of a project proposal for a Phase II process agents phase-out plan in 2005. Process agent applications that will be covered by the Phase II plan are those that the Parties may add to their list of process agent applications under the Montreal Protocol in the near future. To preempt China from being in non-compliance to the Montreal Protocol when new activities are added to this list, it is imperative that the preparation work be carried out immediately.

54. *Colombia* – The 2003 Business Plan proposes to include a new investment activity for phasing out the remaining use of CTC in Colombia. This proposal is made in response to the request of the Government of Colombia. This project will result in a total phase-out of 6.1 ODP tons of CTC. The proposed project will be submitted in 2003 and it is anticipated that the funding request, given the small CTC consumption, will be made in full in 2003.

55. *Ecuador* – Ecuador is classified as an LVC country without any refrigerant management plans. To meet the 85% reduction target in 2007, additional phase-out of 256.2 ODP tons of CFCs is required. The Bank, based on the request of the Government of Ecuador, therefore, proposes to include a CFC phase-out plan in its 2003 Business Plan. Since the project preparation funds for development of this project have already been provided to the Bank, no new project preparation funds are requested in 2003.

56. *India* – New activities proposed in the Bank’s 2003 Business Plan include submission of the 2003 annual program for the CFC production closure plan, and CTC phase-out plans for both the consumption and production sectors. The total funding level for the CTC phase-out plan for India as proposed is tentative. This amount does not include the US\$2 million that remains in the 2002 Business Plan. Since the Government of India has decided only recently that all CTC phase-out activities including those are being prepared by other agencies, be combined under one phase-out plan with the Bank as a lead agency, not all CTC data is available to the Bank yet. Therefore, the Bank did not have any opportunity to review the consumption and production figures. For the planning purposes, the Bank is using the data from the Secretariat’s model as a basis. The proposed 2003 Business Plan includes all the remaining CTC consumption and production figures as the total ODP to be captured by this plan. It is important to note that the total ODP for the CTC consumption sector as proposed in the Bank’s 2003 Business Plan also covers the amount of CTC to be phased out by all CTC investment activities to be carried out in the future by all agencies. Since the CTC phase-out plan is being developed, contribution of CTC phase-out from future activities to be carried out by all agencies cannot be given at this time.

57. The 2003 annual program for the CFC production closure plan is part of the multi-year plan that has been approved previously. The new activities for CTC phase-out are newly introduced. Costs of development of the CFC phase-out plans will be covered by project preparation funds that were approved previously by the Executive Committee. No new project preparation requests are made for India in 2003.

58. *Indonesia* – There are three activities proposed in the Bank’s 2003 Business Plan. These are the phase-out plans for the aerosol, foam, and MAC sectors. The submission of the phase-out plan for the MAC sector represents the annual program of part of the agreement for phase-out in the refrigeration sector in Indonesia that was approved at the 38th Meeting of the Executive Committee. The phase-out plans for the aerosol and foam sectors will result in a total phase-out of 379 ODP tons, which is 18 ODP tons less than the remaining unfunded CFC level as calculated by the Secretariat. These two plans will be submitted for the consideration of the Executive Committee in 2003, with the foam sector plan at its first meeting.

59. Based on the Secretariat’s analysis, there are still 397 ODP tons that are eligible for funding from the Multilateral Fund. However, the three-year phase-out model suggested that Indonesia might not need any further assistance from the Multilateral Fund in order to meet the 85% consumption reduction target in 2007. This conclusion may not accurately reflect the actual situation of Indonesia. Basically, the consumption limit for Indonesia in 2007 is 1,249.9 ODP tons. According to the agreement between Indonesia and the Executive Committee for phase-out in the refrigeration sector in Indonesia, the consumption in this sector in 2007 as allowed by the agreement is 966 ODP tons. Therefore, the total consumption that is eligible for funding for Indonesia in 2007 is 1,363 ODP tons. This level exceeds the limit set forth by the Montreal Protocol. To ensure sustainable and permanent CFC consumption reduction in the manufacturing sector, it is important that regulations to ban any use of CFC in the manufacturing sector must be in place before 1 January 2007. To enable Indonesia to put this required regulatory framework in place before that date, it is imperative that assistance to all eligible enterprises in the manufacturing sector must be made available ahead of time.

60. Because of the above uncertainty regarding the need for further assistance, the Bank, therefore, proposes to include additional activities for Indonesia in its 2003 Business Plan. This is, in fact, in line with the view expressed by the Executive Committee that the 2003 – 2005 phase-out plan for the Multilateral Fund should constitute a valuable basis for assisting countries to comply with the Montreal Protocol and could be a flexible guide to help implementing agencies and bilateral agencies in their business planning. This view of the Executive Committee has been used as a guiding principle for the Bank in developing its 2003 Business Plan.

61. *Jordan* – The only activity proposed in the Bank's 2003 Business Plan is the renewal of the existing institutional strengthening project. The level of funding to be requested for this activity will be made in accordance with Decision 35/57.

62. *Malaysia* – The only investment activity proposed in the Bank's 2003 Business Plan is the funding request to support activities to be carried out in 2003 under the National CFC Phaseout Plan. This project will enable Malaysia to maintain the momentum of its CFC phaseout program.

63. *Mexico* – Mexico is classified as a country that might require further assistance to achieve the 2005 and 2007 phase-out targets. To achieve the 85% reduction target, additional phase-out of 2,894.1 ODP tons must be achieved before 2007. As an effort to assist the Government of Mexico to fulfill its commitment to the Montreal Protocol, the Bank proposes to include one investment activity for phasing out CFCs in the sterilization service sector in its 2003 Business Plan. This project, when completed, will phase out 150 ODP tons of CFCs.

64. *Oman* – In response to the request from the Government of Oman, the Bank proposes to include a project preparation activity in its 2003 Business Plan. This will allow the Bank and Oman to jointly develop a halon phase-out plan: halon conversion and halon management, for submission the Executive Committee in 2003. This activity will result in a total estimated phase-out of up to 80 ODP tons of halon 1211 and halon 1301. A copy of the formal request made by the Government of Oman on this matter has already been given to the Secretariat.

65. *Pakistan* – The Government of Pakistan and the Bank plan to submit the country program update for the consideration of the Executive Committee during the 2003 business plan period. Findings from this country program update would help resolve the issue pertaining to data inconsistencies that have been persisted over the past few years. With this issue resolved, the Government of Pakistan proposes to submit additional investment activities in the foam and commercial refrigeration sectors in 2003. These projects will result in additional ODP phase-out of 99 ODP tons. These proposed activities have been identified for more than a year. Submissions of these projects are pending the completion of the country program update.

66. Pakistan and the Bank realize that more assistance may be required in order to achieve the required 222 ODP tons reduction during this triennium. As the country program update is being developed, additional activities, if proven to be eligible, will be included in the 2004 and 2005 Business Plans of the World Bank.

67. To expedite implementation of the on-going projects, that are equally essential in assisting Pakistan to meet its CFC consumption reduction targets, UNEP, UNDP (Pakistan's IS partner), UNIDO and the Bank are considering approaches to assist the country given that it was identified as having compliance problems at the 14th Meeting of the Parties. This proposed activity would be undertaken under the country assistance program of UNEP.

68. *The Philippines* – The Executive Committee has recently approved the National CFC Phase-out Plan for the Philippines at its 38 Meeting. As per the agreement for the National CFC Phase-out Plan, the Philippines will submit its 2003 funding request during this business plan period. The Bank, therefore, includes this annual program as part of its 2003 deliverables. In addition, the Bank, based on the request of the Government of the Philippines, also includes a new request for project preparation funds to support the development of a methyl bromide phase-out activity, in its 2003 Business Plan. However, the final project document is scheduled for submission to the Executive Committee in 2004.

69. *Thailand* – The Bank proposes to include three activities in its 2003 Business Plan. These include submissions of the 2003 annual program of the National CFC Phase-out Plan, the methyl bromide phase-out plan, and renewal of the existing institutional strengthening project, which was recently transferred to the World Bank. Thailand is classified as a country that might need further assistance to achieve the 2005 methyl bromide phase-out target. The methyl bromide phase-out plan to be submitted during this business plan period will enable Thailand not only to meet the 20% reduction target in 2005 but also to completely phase out its non quarantine-and-pre-shipment applications in the country. The methyl bromide phase-out plan will result in a total ODP phase-out of 164 ODP tons.

70. *Tunisia* – According to the Secretariat's analysis, the remaining consumption that is eligible for funding from the Multilateral Fund is 110.5 ODP tons. Based on the request of the Government of Tunisia, the Bank proposes to include two activities in its 2003 Business Plan. The first activity is an investment activity in the rigid foam sector. This activity will result in a phase-out of additional 12 ODP tons of CFCs. To ensure that the Government of Tunisia be able to stop the use of CFC in the manufacturing sector, it is important that the last batch of the eligible foam companies in Tunisia receive assistance from the Multilateral Fund. The Bank anticipates that this will be the last submission for the foam sector in Tunisia.

71. The second activity is the renewal of the existing institutional strengthening project. The funding level to be made for this activity as well as its ODP impact shown in Annex III, are in line with Decision 35/57.

72. *Turkey* – Two activities are proposed in the Bank's 2003 Business Plan. The first activity is the submission of the subsequent tranche of funding to support the implementation of Turkey's total phase-out of CFCs plan in Turkey. In addition, the Bank's 2003 Business Plan also includes a provision for renewal of the existing institutional strengthening project. It is expected that the renewal request will be made to the Executive Committee at its last meeting in 2003.

73. *Venezuela* – Based on the request of the Government of Venezuela, the Bank proposes to include one project preparation activity in its 2003 Business Plan. This project preparation activity will enable the Government of Venezuela and the World Bank to develop a CFC

production closure project for Venezuela. However, the actual project preparation request will not be made until the technical audit to be carried out by the Executive Committee is completed. The Bank realizes that because there are several external factors prevailing in Venezuela at the moment, the actual submission of the project preparation request and the submission of the project document may be delayed. However, since CFC production closure projects are considered to be essential to countries for meeting Montreal Protocol obligations and to the success of the Montreal Protocol, the Bank proposes, in spite of a number of uncertainties, to schedule the submission of the CFC production closure project for Venezuela in 2004.

74. No activities to phase out CTC are proposed in the Bank's 2003 Business Plan as the Bank was informed that almost all CTC consumption and production is related to CFC production.

75. *Vietnam* – Vietnam is classified as a country that might require further assistance to achieve the 2007 phase-out target. To achieve this target, additional phase-out of at least 19.6 ODP tons must be achieved before the end of 2006. Based on the request of the Government of Vietnam, the Bank proposes to include a new project preparation activity in 2003 to develop a National CFC Phase-out Plan for submission in 2004. This plan will cover the total phase-out of CFCs in Vietnam. However, the financial assistance to be requested during this triennium will cover the phase-out of only 19.6 ODP tons. The remaining funds will be requested during the next triennium.

76. During the preparation of the proposed National CFC Phase-out Plan, Vietnam and the Bank will undertake, with close cooperation with the industry sector, a comprehensive survey to ensure that all remaining CFC consumption is captured. Through this exercise, the Government of Vietnam and the Bank will be able to provide detailed sector consumption as part of the output. It is not possible to provide any detailed sector consumption at present without going through this important exercise.

77. The Government of Vietnam and the Bank plan to submit the National CFC Phase-out Plan in 2004. It is proposed that about 20 ODP tons will be addressed during this triennium as it is anticipated that any substantial CFC reduction that could take place during this period will be from the manufacturing sector, if any, and large service shops. For smaller service shops, sustainable reduction can only be achieved when the policy framework is in place. To put this framework in place, it is anticipated that it may take one to two years. Therefore, it is anticipated that funding for future years will be made after 2005. With regard to the service sector, the proposed National CFC Phase-out Plan aims to provide, among others, assistance to a large number of service shops to acquire the required skills and equipment, in addition to what has already been provided under the refrigeration management plan being jointly implemented by UNDP and UNEP.

78. The Business Plan for 2003 plans to capture about 17,427 ODP tons at cost-effectiveness of US\$ 5.08/kg ODP.

	MT ODP
CFC production	4,783
CFC consumption	4,484

CTC production	3,738
CTC consumption	4,232
Other	190

79. The funding distribution of the World Bank's 2003 Business Plan by sector, based on the total resource requirement of US\$93.6 million (excluding project preparation funds and institutional strengthening projects), is as follows:

- 35 percent for the CTC consumption sector;
- 6 percent for the CTC production sector;
- 26 percent for the CFC production sector;
- 15 percent for the foam sector;
- 10 percent for the several sector;
- 8 percent for other sectors;

80. The distribution of the World Bank's 2003 Business Plan in terms of ODP "captured" is as follows (excluding contingency projects in Table V):

- 27 percent for the CFC production sector;
- 21 percent for the CTC production sector;
- 24 percent for the CTC consumption sector;
- 15 percent for the foam sector; and
- 13 percent for other sectors (e.g., methyl bromide, aerosol, and several sector, etc.).

81. Non-investment projects and activities: Non-investment projects include renewals of five existing institutional strengthening projects. These are the renewals of the institutional strengthening projects for Ecuador (US\$182,000), Jordan (US\$158,000), Thailand (US\$373,000), Tunisia (US\$261,000), and Turkey (US\$280,000).

82. Project Preparation: In this Business Plan, the Bank includes additional project preparation funds of US\$564,000 (including agency support costs). This new approval and the project preparation funds already approved in previous years will be used for preparing 2003 deliverables and part of the 2004 submissions.

III. PERFORMANCE INDICATORS

83. Performance indicators included in the Bank's 2003 Business Plan are in line with the set of performance indicators approved by the ExCom. These indicators are listed as follows:

(a) Weighted Performance Indicators for Investment Projects

Targeted ODP Phaseout for 2003: The total amount of ODP to be captured by the Bank's portfolio as of the end of 2002 would reach 140,000 ODP tons. Based on the amount of ODP that has already been phased out up to the end of 2001 and the phaseout target for 2002, the cumulative ODP phaseout for the Bank should amount to approximately 113,947 ODP tons by the end of 2002. The proposed target for ODP phaseout for 2003 is set at 13,000 ODP tons.

Targeted Disbursement in 2003: By the end of 2002, the total approval for all investment projects for the World Bank would reach US\$520 million. The cumulative disbursement, including disbursement made in 2002, would reach US\$360 million. The disbursement target for 2003 is set at US\$ 58 million. With this target, the Bank's total disbursement at the end of 2003 would reach 80% of the total approval up to the end of 2002.

Satisfactory Project Completion Reports Received: The Bank plans to submit project completion reports of all projects that are actually completed between July 1, 2002 and June 30, 2003, by the end of 2003.

Distribution of Projects Among Countries in Business Plan: The World Bank's 2003 Business Plan includes deliverables from 17 countries.

(b) Non-weighted Performance Indicators for Investment Projects

Net emission/reduction of ODP resulting from delay/early completion: The Bank proposes that its target for this performance indicator for 2003 be set at 27,850 ODP tons. (As of the end of 2001, net emissions from projects with implementation delays were about 25,257 ODP tons.)

Speed of ODS Phaseout (expressed in number of months):

Overall speed of completion of investment projects for 2003 is 41 months (an increase of one month from the actual speed of ODS phase-out as of the end of 2001).

Speed of First Disbursement (expressed in number of months):

Sector	1991-95	1996	1997	1998	1999	2000	2001	2002	Overall
Aerosols	31	41	25	24		26		14	29
Foams	29	26	32	21	23	24	18	10	26
Fumigants					11	11		10	11
Halons	46	0	4	4	43	30	18	10	30
Multi-sector	48	31		25					35
Other	38		18						28
Phase-out Plan							18	12	14
Process Agent					16		23	10	18
Production	19				8	12		15	15
Refrigeration	31	21	27	28	24	22	23	12	27
Solvents	35	12	7	14	19	35	18		29
Overall	32	23	28	22	22	23	19	12	26

The proposed overall target for the speed of first disbursement for 2003 is set at 26 months.

Cost of Project Preparation: The proposed planned submissions are about US\$86.89 million (excluding agency support costs and funding for institutional strengthening projects), and the proposed project preparation funds for the 2003 business-planning period are US\$525,000 (excluding support costs). The cost of project preparation in 2003 is targeted at 0.60 percent.

Cost-Effectiveness of Project Submission: The cost-effectiveness target for the 2003 submission is expected to be within US\$5.06/kg ODP. The increase from US\$3.81/kg ODP to US\$5.08/kg ODP is due to the inclusion of more CTC phase-out activities and national CFC phase-out plans.

Total Submission: The total submission in the proposed 2003 Business Plan period is tentatively targeted at US\$ 93.60 million (including agency support costs).

Total ODP Approvals: The target for additional ODP approvals in the 2003 business-plan period is about 17,427 ODP tons.

84. Performance Indicators for Non-Investment Projects

(a) Weighted Performance Indicators for Non-Investment Projects

Number of Non-Investment Projects Completed: Breakdown for the number of projects to be completed in 2003 by project type is shown below.

Type of Non-Investment Activities	No. of Ongoing Projects at the end of 2002	No. of Projects to be completed in 2003
Country Program	1	1
Demonstration Projects	2	1
Institutional Strengthening	9	5
Technical Assistance	7	1
Training	0	0

Speed of Project Completion (expressed in number of months): The targets for speed of project completion are shown in the table below. The overall target for speed of project completion is targeted at 33 months.

Project Type	1991-95	1996	1997	1998	1999	2000	2001	2002	Overall
Country program preparation	6					24		18	14
Demonstration	61			47	40				49
Institutional strengthening	30	24	24	47	28	30	24	24	39
Technical assistance	23	0	14	49	49		27	12	35
Training	42	0							42
Overall	20	24	19	47	35	28	25	18	33

Disbursement: The proposed 2003 target for disbursement of non-investment projects is US\$1.27 million.

Speed of First Disbursement (expressed in number of months): Targets for speed of first disbursement for all types of non-investment projects are included in the table below. An overall target for 2003 for the speed of first disbursement of all non-investment activities is set at 20 months.

Project Type	1991-95	1996	1997	1998	1999	2000	2001	2002	Overall
Country program preparation	6	-	-			11		11	7
Demonstration	61			21	19				43
Institutional strengthening	30	5	1	3	13	6	3	3	16
Technical assistance	26		13	31	27		9	4	25
Training	42								42
Overall	20	5	7	16	17	8	5	5	19

(b) Non-Weighted Performance Indicators for Non-Investment Projects

Appropriate and timely policies initiated by countries either as a result of networking, training, information exchange, country program development and/or institutional strengthening: The performance indicators provided under this paragraph are only applicable to institutional strengthening projects. The following are the qualitative indicators:

Thailand: Through support provided under the institutional strengthening project and with the additional funds already provided by the MLF to support the development of a phase-out strategy for methyl bromide, the Ozone Unit will be able to complete and implement this strategy. This will enable Thailand to comply with the 20% consumption reduction target in 2005.

Reduction in ODS consumption over and above that effected by investment projects: There is an indirect reduction in ODS consumption in 2003 resulting from the on-going recovery and recycling projects of about 370 ODP tons.

Timely submission of progress reports (Dec. 34/4 (d)) – The Bank plans to have its 2002 progress report submitted on May 1, 2003 or at least eight weeks before the subsequent meeting of the ExCom, whichever is the earlier.

IV. POLICY ISSUES

85. During the preparation of the 2003 Business Plan of the World Bank, a number of countries have expressed their interest to undertake activities to phase out CFC consumption in the chiller sector. Since the Parties have requested the Technology and Economic Assessment Panel to undertake a study to identify the cost of phasing out CFC in this application, none of the requests were, therefore, included in this Business Plan. However, the Bank would like to seek the Executive Committee's guidance as to whether such projects could come forward immediately after the TEAP study is available.

86. With regard to the measures to moving forward projects with long implementation delays and decisions taken by the Executive Committee in relation to project cancellation, the Bank would like to seek the Executive Committee's consideration to allow the country to keep the balance of the funds from the cancelled project. This balance should be used for phasing out the same amount of consumption as the cancelled projects under a sector or national plan, as long as that funding did not exceed the overall cost-effectiveness of the sector or national plan. This would not imply that the consumption reductions agreed upon between the ExCom and the countries would be amended, simply that the mechanism in place to address sector or national phase-out would be used to address the additional phase-out left from a cancelled project.

V. ADMINISTRATIVE AND FINANCIAL MATTERS

87. No issue.



Annex I

Country-by-Country Review

ARGENTINA

- There are currently 11 projects under execution. During 2002, the disbursement rate was low due to the financial difficulties in the country, which also entailed many changes at the institutional level. All sub-grant agreements had to be revised, to accommodate project balances to the exchange rate. At the end of last year project implementation resumed and some disbursements were made (US\$130,755). The program is expected to normalize its execution during 2003.
- The Bank will keep assisting the country in keeping its obligations through the regular supervision missions and a series of videoconferences that will start by mid-February. The Bank with concurrence of the Government of Argentina will cancel all projects that do not achieve any significant implement progress by the end of the year. For the CFC production closure project, which was recently approved by the Executive Committee, the Government is in the process of preparing a draft sub-grant agreement.
- In conclusion, implementation is expected to resume as the financial situation in the country is improving.

BAHAMAS

- The agreement for the terminal CFC phase-out management plan was ready within six months after the approval of this plan. However, due to the change in the Government, the signing of this project is still pending.
- A Bank supervision mission was planned for the end of February. The objectives of this mission is to expedite the signing of the agreement and to review the status of the newly structured ozone unit, and legislation required for supporting the implementation of this plan. The mission will also review the current status of the import and export controls.

BRAZIL

- All approved projects were physically or financially completed.

CHILE

- In Chile there are currently 3 projects in execution: i) the auction program, which last bidding call is taking place; ii) the methyl bromide demonstration project, which has finished tests and is in the dissemination phase, and the project will be closed by mid-year (US\$ 54,540 disbursed in 2002); and iii) the institutional strengthening project. Disbursements are at a normal speed. The final disbursements for the auction program will take place next year.

CHINA

- **ODS III:** There are 96 investment activities approved by the ExCom under the ODS III project. Of these 96 activities, 47 have already been completed or cancelled with 49 projects remaining active or on going. There are three out of 49 on-going projects where no progress has been possible over the past few supervision missions, and where in spite of detailed discussions the Bank has not been able to arrive at solutions with China.
- **ODS IV:** There are 15 annual programs approved (including 2003 Annual programs): 6 annual programs for the halon sector plan, 4 annual programs for the CFC production closure plan, 2 for the foam sector plan, and one initial funding for the CTC phase-out in the process agent sector, one MAC sector plan, and one sector plan for the commercial refrigeration sector. The total of 11 annual programs (Halon 5 annual programs, CFC 4 annual programs, Foam 1 annual program, MAC 1 sector plan) have already been completed. Please note that all verifications have not been completed, and while earlier years' annual programs are substantially complete, some TAs are still under implementation.
- The overall country level average disbursement rate is at 78 percent. This is broken up as follows:
 - ODS III : 88.5 percent (cancelled projects have been netted out of this)
 - ODS IV: 71% (including new approvals of sector plans since 2001, where implementation is just starting up; excluding these, it is 86%).
- The current rate of disbursement is considered satisfactory, but the Bank is still actively pushing for its counterparts to ensure timely filing of applications for disbursement of tranches where they have become eligible for replenishment. Please also note that sector plans are designed for longer disbursement requirements, with the final tranches for each annual program being dependent on audited verifications of benchmarks.
- In addition to the normal regular supervision missions (about 3 a year), there are several training capsules in the annual programs of each sector plan that help the NOU and others to more effectively implement the overall program. Policy issues are also addressed specifically in the concerned sectoral annual programs. Finally, a special initiative in 2003 will be a FIs workshop on PCRs to enable us to better wrap up the outstanding projects in ODS III. In all, it is expected that around 20 PCRs will be submitted in the year.

COLOMBIA

- In Colombia there are 5 projects under implementation, taking into account the recently approved group project on commercial refrigeration (which has not signed sub-grant agreements yet). The disbursement rate for Colombia in 2002 was satisfactory, at US\$ 438,324.
- For 2003, the Bank will keep its current supervision activities, which include missions (at least twice a year) and a day-to-day communication.

ECUADOR

The following is the current status of investment and non-investment activities for Ecuador:

- Indurama was physically and financially completed in June 2002. Baseline equipment destroyed in September 2002. PCR is under preparation.
- ECASA was physically and financially completed in October 2001.
- Elasto was completed in October 2002. PCR is under preparation.
- Institutional Strengthening Phase II - The total amount approved for this phase is US\$ 97,300 of which, US\$ 56,587 has already been disbursed. This Phase II would be completed in July. The request for renewal of the current institutional strengthening project will be made in 2003.
- Demonstration project for testing methyl bromide alternatives in soil treatment for the flower growing industry - The Government, together with the Bank, are working on a grant agreement (foreseen to be ready by mid-February) with a research institution that has been identified, in order to execute the project in 24 months. The project is rescheduled for completion in March 2005.
- No major implementation delays have occurred in investment projects. In the case of the demonstration project for Methyl Bromide, delays happened due to lack of commitment of the original beneficiary, but another executing institution has been identified and project start-up is foreseen in March this year.

INDIA

- Almost all on-going projects in early 2002 have been physically completed in 2002 and will be financially completed in 2003. The Rishiroop Organic Limited (ROL) will be physically completed in 2003 and will be financially completed in 2003. The Real Value project has been cancelled and balances will be returned to the Multilateral Fund in 2003.

JORDAN

- Almost all on-going projects in early 2002 have been physically completed in 2002. All the remaining on-going projects, except the terminal halon phase-out project, will be completed in 2003. The terminal halon phase-out project would be completed in 2004.

MALAYSIA

- In 2002, approximately US\$ 550,000 has been disbursed to the beneficiaries. During the last quarter of 2002, there is only one on-going sub-project (excluding NCFCP), namely SANDEN. However, at the end of 2002, the sub-project was physically completed and PCR

is being prepared. There was no problem from the implementation of SANDEN sub-project, except a slightly delay in preparing the appraisal report and signing of sub-grant agreement. The Grant Amendment to incorporate new implementation modalities required by the National CFC Phase-out Plan was signed in May 2002.

- In 2003, it is planned that there will be at least 3 official supervision missions with constant communications in between these supervision missions among the Bank, DOE, and CETEC. Training on procurement and ExCom's guidelines will be provided to the Clients to enhance their capacity in implementing the National CFC Phase-out Plan. With regard to new activities that will be proposed, DOE will request the third tranche for the National CFC Phase-out Plan in 2003.

MEXICO

- All investment projects are physically and financially completed.

PAKISTAN

- UNEP, UNDP (Pakistan's IS partner), UNIDO and the Bank are considering approaches to assist the country given that it was identified as having compliance problems at the 14th Meeting of the Parties.
- Although the country has introduced a quota reduction schedule since last year, the reduction schedule is modest. It has resulted in a slight increase in CFC prices that has propelled conversion under MLF projects. In general, however, the quota system is not linked to the intended or possible phase-out schedule of industry and may lead to constraints for companies. It is therefore important to carefully look at the quota reduction system, which will be done in the context of the Country Programme Update, currently under preparation, to see how it can be adapted to an updated strategy as well as broadened to cover other critical substances, namely halon and CTC. Moreover, other regulatory and policy measures are required to strengthen the import control system and reduce the disincentives to refrigeration companies to convert.
- A possible joint-agency mission is under discussion for early 2003 to meet with high-level government officials. Implementing Agencies plan to convey the urgency of the matter and secure commitment to ensure that all ODS activities, including the CPU will make real gains and put the country back on track with the Protocol. Because the country will not meet future CFC reduction targets if it does not implement ongoing projects as scheduled, efforts within the Bank will also be made to increase the level of activity in supervision and monitoring (despite the intermittent travel constraints experienced due to the circumstances in the region). Eleven projects were ongoing at the end of 2002; however, efforts have been made to see that three nearly completed projects finish by early 2003.
- Finally, in regards to investment activities, the Bank had assisted the country to prepare four foam projects and an umbrella refrigeration project with project preparation funds approved by the MLF. Given the data problems in the country seen during the preparation of the 2002 Business Plan, it was decided with the country, to first update the Country Programme to

understand the patterns of consumption in the different sectors, decide the modality of funding for these projects and then submit the request to the ExCom in 2003.

PHILIPPINES

- Disbursement for all subprojects has been completed. The only ongoing project is the institutional strengthening project and the National CFC Phase-out Plan (NCP) that was approved at the 38th Meeting of the ExCom. Out of the total grant fund of US\$183,333 for the institutional strengthening project, US\$ 50,900.25 has been disbursed in 2002. Expected disbursement in 2003 is US\$ 94,437.75. The remainder will be disbursed in early 2004 before the project completes in March 2004.
- In 2003, the Bank will focus on supervision and assistance to the Philippines Ozone Desk (POD) in carrying out the implementation of NCP. Planned missions so far would be in May/June and September/October 2003. Tasks will include assistance to POD to identify TA consultants, training for the Project Management Unit (PMU). The current effort has been in helping POD finalize the set-up of PMU and in recruiting the right persons for the PMU positions, especially the PMU Project Manager. The Bank is in the final stages of amending the Grant Agreement. The final draft version of the revised Grant Agreement has been sent to DENR/LBP for their final comment. Within the Bank, informal clearance has been done.

THAILAND

- In 2002, approximately US\$ 886,000 has been disbursed to the beneficiaries. As of December 2002, there are 6 on-going sub-projects (excluding NCF) that are under implementation. Procurement issues are the major delay for Thailand Commercial Refrigerator Terminal Umbrella Project and Halon Banking and Management Program. To overcome these problems, an extensive training on procurement will be provided to DIW, GSB and IFCT. For Terminal Halon Conversion Project, the Siam Chitose project and the Siam Cargo Container project, the delay was caused by lack of responsiveness from the enterprises and, to solve this problem, DIW and IFCT will notify the beneficiaries the possibility of cancellation if lack of active response still persists.
- The Grant Amendment that incorporates new implementation modalities required by the National CFC Phase-out Plan was finalized and signed on December 27, 2002.
- In 2003, it is planned that there will be 3 official supervision missions in addition to the regular monthly meeting with the relevant agencies and day-to-day correspondences. The monthly meeting would enable the Bank to follow-up progress of implementation and consult with the relevant agencies to overcome any implementation problems. Moreover, training on procurement and ExCom's guidelines will be provided to the clients to enhance their capacity in implementing the project. With regard to new activities that will be proposed, DIW will request the third tranche for the National CFC Phase-out Plan in 2003.

TUNISIA

- There are no major implementation delays. All remaining projects would be completed as scheduled.


TURKEY

- The project manager of the dried fig MeBr phase-out project requested a 10 month extension from the current completion date of February 2003 to a new completion date of December 2003 - due to an unavoidable equipment part supply delay as well as recent heavy rains which have severely reduced the quantity and quality of dried figs this year. The extension will also give Turkey one more harvest year to test the new equipment, monitor results and fine-tune implementation under (hopefully) more normal weather conditions.
- The main reason for extension of the strawberry, pepper and eggplant MeBr project is to include one more harvest season and to make a better quality evaluation of the project results in light of the data received from the yield of this year.
- The Urosan project budget is composed of capital costs, contingency and incremental operating costs (IOC). IOC is 45% of the project budget and will be disbursed when all the installations and calculations are completed. The company has completed most of the installations, however calculations concerning IOC are still ongoing causing the delay in disbursements.
- The Foam Umbrella project was initially designed to cover 11 companies. However only 5 companies participated in the project and signed subsidiary contracts. The total budget of contracted companies US\$ 145,697. US\$ 104,290.37 of this amount was disbursed as of 31 December 2002. The remaining US\$ 41,406.63 is composed of mainly the IOC expenditures. Since the companies need information on their operation costs with the new systems, prior to requesting IOC, the delay in disbursements has been caused. The companies are filing applications to request their IOC in 2003.
- The institutional strengthening project conducted with Ministry of Agriculture and Rural Affairs, with a concentration on MeBr, experienced disbursement delays mainly because of the change of management within the Ministry, which lasted almost 9 months. The director previously responsible for the project was re-assigned to the project and further delay was prevented.
- The 2nd Solvent Umbrella project contracts were signed between June - August 2002 with 16 companies. Three of them bought the equipment in December after bidding. Payment was made in January-2003 to these firms. The remaining companies project implementation will be finalized in 2003 and 2004 as per the deadline of the projects.

URUGUAY

- Activities have been completed. The Implementation Completion Report was submitted.

VENEZUELA

- No on-going projects in the Bank's portfolio in 2002.
- 

Annex II Implementation and New Activities

Country	Chemical	Type	Phase-out from approved activities				Phase-out planned (New Activities)			
			2003	2004	2005	after 2005	2003	2004	2005	after 2005
Non-LVC										
Argentina	CFC	PHO			1,373	1,647	-	-	-	
Argentina	CFC	INV				96	52	-	-	
Brazil	CTC	PHO					165	123	62	62
Chile	Halon	INV					70	-	-	
Chile	CFC	INS					-	15	-	31
China	CFC	PHO	2,500	2,500	600	551	-	-	-	
China	CFC	INV	390	174	765		-	-	-	
China (CFC Production)	CFC	PHO	2,900	4,700	6,550	18,750	-	-	-	
China	Halon	PHO			16,640	2,500	-	-	-	
China (Process Agents)	CTC	PHO	3,014	1,100	5,809	1,220	-	-	1,000	4,500
China (Process Agents)	CFC	PHO	-	3	-	14				
China (CTC Closure)	CTC	PHO	2,638	6,657	16,171	26,696				
Colombia	CTC	PHO					6	-	-	
Colombia	CFC	INV	64	26				-	-	
India	CFC	PHO	1,883	1,882	1,882	11,294				
India (CTC consumption)	CTC	PHO					1,047	3,174	4,772	1,587
India (CTC production)	CTC	PHO					1,100	2,000	1,000	1,000
India	Halon	INV	462					-	-	
India	CTC	INV		249				-	-	
Indonesia	CFC	INV	514	69			50	-	-	
Indonesia	CFC	PHO	220	110	110	475	100	129	50	50
Jordan	CFC	INV	31					-	-	
Jordan	CFC	PHO					183	-	-	
Jordan	CTC	PHO					8	-	-	
Jordan	Halon	INV		422				-	-	
Jordan	CFC	INS					12	-	12	18
Malaysia	CFC	PHO	289	430	437	699		-	-	
Malaysia	CTC	PHO	-	-	4	1		-	-	
Malaysia	TCA	PHO	3	-	30	18		-	-	
Mexico	CFC	INV					150	-	-	
Oman	Halon	INV	80					-	-	
Pakistan	CFC	INV	584	34			99	-	-	
Philippines	CFC	PHO	89	150	301	1,209		-	-	
Philippines	MBr	PHO					-	7		26
Philippines	CFC	INS						15		30
Thailand	CFC	PHO	289	486	927	1,364		-	-	
Thailand	CTC	PHO	-	-	6	1		-	-	
Thailand	TCA	PHO	-	-	30	5		-	-	
Thailand	CFC	INV	207					-	-	
Thailand	MBr	PHO					36	36		92
Thailand	Halon	INV		436				-	-	
Thailand	CFC	INS					29	-	29	43
Tunisia	CFC	INV		57			12	-	-	
Tunisia	CFC	INS					20	-	20	30
Turkey	CFC	PHO	375	218	166	150		-	-	
Turkey	CFC	INV		88				-	-	
Turkey	TCA	INV		15				-	-	
Turkey	CFC	INS					21	-	21	32
Venezuela (Production)	CFC	PHO						764	500	500
Vietnam	CFC	PHO						20		75
LVC										
Antigua and Barbuda	CFC	PHO						9		2
Bahamas	CFC	PHO	23	-	25	-				
Ecuador	CFC	PHO					154	103		45
Ecuador	MBr	INV			37					
Ecuador	CFC	INS					0		0	0

Annex IV - Value and Year of ODP Phase-out

Country	Agency	LVC/Non LVC	Type	Ch./Sub.	Sector and Sub-sector	ODP in 2003*	ODP in 2004*	ODP in 2005*	ODP in 2006*	ODP in 2007*	ODP after 2007	Appr.ODP Pha.Out 2003/Pro. Compl.	Appr.ODP Ph.Out 2004/Proj.C compl.	Approved ODP phase out 2005/Pro.Co mpl.	Approved ODP phase out 2006/Pro.C compl.	Appr.ODP Phase out 2007/Proj. Compl.	Approved ODP phase out after 2007	Approved Multi-Year Agree.(Years/Blank)	A-Appr .P-Plan'd	I-Individual M-Multi-year	Planned Date of Completion
Antigua and Barbuda	IBRD	LVC	PHO	CFC	CFC Phase-out plan			9		2									P	M	
Antigua and Barbuda	IBRD	LVC	PRP	CFC	CFC Phase-out plan project preparation														P		
Argentina	IBRD	Non-LVC	PHO	CFC	Production CFC closure	-	-	1,373	-	961	686							Yes	A	M	
Argentina	IBRD	Non-LVC	INV	CFC	MDI	-			37										P	I	Dec. 2006
Argentina	IBRD	Non-LVC	INV	CFC	Aerosol Filling Plant	-			15			-	-	-	-	-	-		P	I	Dec. 2006
Argentina	IBRD	Non-LVC	PRP	CFC	MDI project preparation							-	-	-	-	-	-		P	I	
Argentina	IBRD	Non-LVC	PRP	CFC	Aerosol project preparation							-	-	-	-	-	-		P	I	
Argentina	IBRD	Non-LVC	INV	CFC	Aerosol Filling Plant							-	-	60	-	-	-		A	I	
Argentina	IBRD	Non-LVC	INV	CFC	Aerosol Contract Filler							-	-	36	-	-	-		A	I	
Bahamas	IBRD	LVC	PHO	CFC	CFC Phase-out plan	10	12	11	11	14								Yes	A	M	
Brazil	IBRD	Non-LVC	PHO	CTC	CTC Phase-out plan	-	165	185	20	21	21								P	M	
Chile	IBRD	Non-LVC	INV	Halon	Halon Banking	-			70										P	I	Dec. 2006
Chile	IBRD	Non-LVC	PRP	Halon	Halon Banking project preparation														P	I	
Chile	IBRD	Non-LVC	INS		Renewal of Institutional Strengthening		15		15		15								P	I	
China	IBRD	Non-LVC	PHO	CFC	Foam Phase-out Plan	2,500	2,500	2,500	600	551								Yes	A	M	
China	IBRD	Non-LVC	INV	CFC	Foam Flexible							390							A	I	
China	IBRD	Non-LVC	INV	CFC	Refrigeration Domestic								174						A	I	
China	IBRD	Non-LVC	INV	CFC	Refrigeration Commercial									765					A	I	
China	IBRD	Non-LVC	PHO	CFC	Production CFC closure	2,900	4,700	6,550	5,250	3,900	9,600							Yes	A	M	

Annex IV - Value and Year of ODP Phase-out

Country	Agency	LVC/ Non LVC	Type	Ch./ Sub.	Sector and Sub-sector	ODP in 2003*	ODP in 2004*	ODP in 2005*	ODP in 2006*	ODP in 2007*	ODP after 2007	Appr.ODP Pha.Out 2003/Pro. Compl.	Appr.ODP Ph.Out 2004/Proj.C compl.	Approved ODP phase out 2005/Pro.Co mpl.	Approved ODP phase out 2006/Pro.C compl.	Appr.ODP Phase out 2007/Proj. Compl.	Approved ODP phase out after 2007	Approved Multi-Year Agree.(Years/Blank)	A-Appr .P-Plan'd	I-Individual M-Multi-year	Planned Date of Completion
China	IBRD	Non-LVC	PHO	Halon	Halon Phase-out Plan (Production)	1,992	-	-	10,470	-	1,500							Yes	A	M	
China	IBRD	Non-LVC	PHO	Halon	Halon Phase-out Plan (Consumption)	2,292	-	-	6,170	-	1,000							Yes	A	M	
China	IBRD	Non-LVC	PHO	CTC	Process Agents Phase-out Plan	3,014	1,100	5,809	-	-	1,220							Yes	A	M	
China	IBRD	Non-LVC	PHO	CFC	Process Agents Phase-out Plan	-	3	-	3	2	8										
China	IBRD	Non-LVC	PHO	CTC	Production CTC closure	2,638	6,657	16,171	6,642	5,587	14,467							Yes	A	M	
China	IBRD	Non-LVC	PHO	CTC	Process Agents Phase-out Plan (Phase II)			1,000	1,500	1,500	1,500							Yes	P	M	
China	IBRD	Non-LVC	PRP	CTC	Process Agents Phase-out plan project preparation														P	I	
Colombia	IBRD	Non-LVC	PHO	CTC	CTC Phase-out plan			6											P	I	
Colombia	IBRD	Non-LVC	INV	CFC	Foam Rigid							57							A	I	
Colombia	IBRD	Non-LVC	INV	CFC	Solvents CFC-113							8							A	I	
Colombia	IBRD	Non-LVC	INV	CFC	Refrigeration Commercial								26						A	I	
Ecuador	IBRD	LVC	PHO	CFC	CFC Phase-out plan	154	103		10	15	20								P	M	
Ecuador	IBRD	LVC	INV	MBr	Fumigants Methyl bromide investment									37					A	I	
Ecuador	IBRD	LVC	INS		Renewal of Institutional Strengthening	-		-	-										P	I	
India	IBRD	Non-LVC	PHO	CFC	Production CFC closure	1,883	1,882	1,882	3,952	3,953	3,389							Yes	A	M	
India	IBRD	Non-LVC	PHO	CTC	CTC Phase-out plan	1,047	3,174	4,772	529	529	529								P	M	
India	IBRD	Non-LVC	INV	CTC	Production CTC closure	1,100	2,000	1,000	400	300	300								P	M	
India	IBRD	Non-LVC	INV	Halon	Halon Conversion							462							A	I	

Annex IV - Value and Year of ODP Phase-out

Country	Agency	LVC/ Non LVC	Type	Ch./ Sub.	Sector and Sub-sector	ODP in 2003*	ODP in 2004*	ODP in 2005*	ODP in 2006*	ODP in 2007*	ODP after 2007	Appr.ODP Ph.Out 2003/Pro. Compl.	Appr.ODP Ph.Out 2004/Proj.C compl.	Approved ODP phase out 2005/Pro.Co mpl.	Approved ODP phase out 2006/Pro.C compl.	Appr.ODP Phase out 2007/Proj. Compl.	Approved ODP phase out after 2007	Approved Multi-Year Agree.(Years/Blank)	A-Appr .P-Plan'd	I-Individual M-Multi-year	Planned Date of Completion
India	IBRD	Non-LVC	INV	CTC	Process Agents projects								249						A	I	
Indonesia	IBRD	Non-LVC	INV	CFC	Aerosol Phase-out Plan				50										P	I	
Indonesia	IBRD	Non-LVC	PHO	CFC	Foam Phase-out Plan		100	129	50	50									P	M	
Indonesia	IBRD	Non-LVC	PHO	CFC	Refrigeration MAC	220	110	110	110	365								Yes	A	M	
Indonesia	IBRD	Non-LVC	INV	CFC	Foam Multiple-subsectors							54							A	I	
Indonesia	IBRD	Non-LVC	INV	CFC	Aerosol Contract Filler							460							A	I	
Indonesia	IBRD	Non-LVC	INV	CFC	Foam Integral Skin								28						A	I	
Indonesia	IBRD	Non-LVC	INV	CFC	Foam Rigid								41						A	I	
Jordan	IBRD	Non-LVC	INS		Renewal of Institutional Strengthening	12		12		12	6								P	I	
Jordan	IBRD	Non-LVC	INV	CFC	Aerosol Contract Filler							31							A	I	
Jordan	IBRD	Non-LVC	INV	Halon	Halon Conversion								422						A	I	
Jordan	IBRD	Non-LVC	PHO	CFC	ODS Phase-out Plan								110	33	15	10	15		A	I	
Jordan	IBRD	Non-LVC	PHO	CTC	ODS Phase-out Plan								8		-				A	I	
Malaysia	IBRD	Non-LVC	PHO	CFC	CFC Phase-out plan	289	430	437	120	89	490							Yes	A	M	
Malaysia	IBRD	Non-LVC	PHO	CTC	CFC Phase-out plan			4	-	-	1							Yes	A	M	
Malaysia	IBRD	Non-LVC	PHO	TCA	CFC Phase-out plan	3		30	-	-	18							Yes	A	M	
Mexico	IBRD	Non-LVC	INV	CFC	Strerilants Sterilization Services	-		150											P	I	Dec. 2005
Oman	IBRD	Non-LVC	INV	Halon	Halon Phase-out plan			80											P	I	
Oman	IBRD	Non-LVC	PRP	Halon	Halon project preparation														P	I	
Pakistan	IBRD	Non-LVC	INV	CFC	Foam Integral Skin	-			45										P	I	Dec. 2006

Annex IV - Value and Year of ODP Phase-out

Country	Agency	LVC/ Non LVC	Type	Ch./ Sub.	Sector and Sub-sector	ODP in 2003*	ODP in 2004*	ODP in 2005*	ODP in 2006*	ODP in 2007*	ODP after 2007	Appr.ODP Pha.Out 2003/Pro. Compl.	Appr.ODP Ph.Out 2004/Proj.C compl.	Approved ODP phase out 2005/Pro.Co mpl.	Approved ODP phase out 2006/Pro.C compl.	Appr.ODP Phase out 2007/Proj. Compl.	Approved ODP phase out after 2007	Approved Multi-Year Agree.(Years/Blank)	A-Appr .P-Plan'd	I-Individual M-Multi-year	Planned Date of Completion
Pakistan	IBRD	Non-LVC	INV	CFC	Refrigeration Commercial	-			10										P	I	Dec. 2006
Pakistan	IBRD	Non-LVC	INV	CFC	Foam Rigid	-			32										P	I	Dec. 2006
Pakistan	IBRD	Non-LVC	INV	CFC	Foam Polystyrene/Polyethylene	-			12										P	I	Dec. 2006
Pakistan	IBRD	Non-LVC	INV	CFC	Foam Integral Skin							40							A	I	
Pakistan	IBRD	Non-LVC	INV	CFC	Foam Multiple-subsectors							64							A	I	
Pakistan	IBRD	Non-LVC	INV	CFC	Foam Rigid							345							A	I	
Pakistan	IBRD	Non-LVC	INV	CFC	Refrigeration Domestic							135							A	I	
Pakistan	IBRD	Non-LVC	INV	CFC	Refrigeration Commercial								34						A	I	
Philippines	IBRD	Non-LVC	PHO	CFC	CFC Phase-out plan	89	150	301	149	907	153							Yes	A	M	
Philippines	IBRD	Non-LVC	PHO	MBr	Fumigants Phase-out plan			7	10	10	6							Yes	P	M	
Philippines	IBRD	Non-LVC	PRP	MBr	Fumigants Phase-out plan project preparation														P	I	
Philippines	IBRD	Non-LVC	INS		Renewal of Institutional Strengthening		15		30										P	I	
Thailand	IBRD	Non-LVC	PHO	CFC	CFC Phase-out plan	289	486	927	243	209	912							Yes	A	M	
Thailand	IBRD	Non-LVC	PHO	CTC	CFC Phase-out plan			6	-	-	1							Yes	A	M	
Thailand	IBRD	Non-LVC	PHO	TCA	CFC Phase-out plan			30	-	-	5							Yes	A	M	
Thailand	IBRD	Non-LVC	PHO	MBr	Fumigants Phase-out plan		36	36	30	30	32								P	M	
Thailand	IBRD	Non-LVC	INV	CFC	Foam Integral Skin							11							A	I	
Thailand	IBRD	Non-LVC	INV	CFC	Foam Rigid							23							A	I	
Thailand	IBRD	Non-LVC	INV	CFC	Refrigeration Commercial							173							A	I	

Annex IV - Value and Year of ODP Phase-out

Country	Agency	LVC/ Non LVC	Type	Ch./ Sub.	Sector and Sub-sector	ODP in 2003*	ODP in 2004*	ODP in 2005*	ODP in 2006*	ODP in 2007*	ODP after 2007	Appr.ODP Ph.Out 2003/Pro. Compl.	Appr.ODP Ph.Out 2004/Proj.C compl.	Approved ODP phase out 2005/Pro.Co mpl.	Approved ODP phase out 2006/Pro.C compl.	Appr.ODP Phase out 2007/Proj. Compl.	Approved ODP phase out after 2007	Approved Multi-Year Agree.(Years/Blank)	A-Appr . P-Plan' d	I-Individual M-Multi-year	Planned Date of Completion
Thailand	IBRD	Non-LVC	INV	Halon	Halon Conversion								436						A	I	
Thailand	IBRD	Non-LVC	INS		Renewal of Institutional Strengthening	29		29		29	14								P	I	
Tunisia	IBRD	Non-LVC	INV	CFC	Foam Rigid				12										P	I	Dec. 2006
Tunisia	IBRD	Non-LVC	INV	CFC	Foam Rigid								57						A	I	
Tunisia	IBRD	Non-LVC	INS		Renewal of Institutional Strengthening	20		20		20	10								P	I	
Turkey	IBRD	Non-LVC	INV	CFC	Refrigeration Phase-out plan	375	218	166	150									Yes	A	M	
Turkey	IBRD	Non-LVC	INV	CFC	Foam Integral Skin								88						A	I	
Turkey	IBRD	Non-LVC	INV	TCA	Solvents Multiple								15						A	I	
Turkey	IBRD	Non-LVC	INS		Renewal of Institutional Strengthening	21		21	-	21	11								P	I	
Venezuela	IBRD	Non-LVC	INV	CFC	Production CFC closure		764	500	200	100	200							Yes	P	M	
Venezuela	IBRD	Non-LVC	PRP	CFC	Production CFC closure project preparation														P	I	
Vietnam	IBRD	Non-LVC	PHO	CFC	CFC Phase-out plan			20	18	18	39								P	M	
Vietnam	IBRD	Non-LVC	PRP	CFC	CFC Phase-out plan project preparation														P	I	