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EXECUTIVE COMMITTEE OF  
THE MULTILATERAL FUND FOR THE  
IMPLEMENTATION OF THE MONTREAL PROTOCOL  
Forty-third Meeting  
Geneva, 5-9 July 2004

**BALANCES REPORT AND AVAILABILITY OF RESOURCES**

1. In abolishing the two sub-committees, the Executive Committee decided that it would start each meeting with an organizational session which would examine the availability of resources, the business plans, and the status of compliance (Decision 41/92). The amount of resources available to the Executive Committee consists of the cash and promissory notes recorded in the Status of Contributions (UNEP/OzL.Pro/ExCom/43/3) plus the amount of funds returned from projects in the balances report.

2. This document presents a summary of the financial adjustments indicated by the implementing agencies and agreed by the Fund Secretariat along with statistical data required for projects with balances held over 12 months after project completion as required by Decision 28/7 based on the reporting format developed pursuant to Decision 31/2. The document also addresses Decisions 35/13(k) and 37/7(e) concerning the return of support costs from projects with savings and cancelled projects.

3. The document concludes by noting the total amount of resources in cash, promissory notes, and balances returned available to the Executive Committee for approval at its 43<sup>rd</sup> Meeting.

**Funds being returned to the 43<sup>rd</sup> Meeting**

4. The implementing agencies have indicated that they will be returning a total of US \$960,388 to the 43<sup>rd</sup> Meeting plus agency support costs. This sum arises from completed projects with balances, un-obligated funds from cancelled projects, and other adjustments.

5. Table 1 indicates the level of funds being returned by agency.

Table 1

**FUNDS RETURNED TO THE 43<sup>RD</sup> MEETING (US\$)**

<b>Agency</b>	<b>Funds from Completed Projects</b>	<b>Funds from Cancelled Projects</b>	<b>Funds from Ongoing Projects</b>	<b>Adjustments</b>	<b>Total Funds to be Returned to the 43<sup>rd</sup> Meeting</b>
UNDP	527,758	92,092	0	(2,294)	617,556
UNEP	214,930	0	0	0	214,930
UNIDO	27,470	0	0	0	27,470
World Bank	261,363	64,197		(225,128)	100,432
<b>TOTAL</b>	<b>1,031,521</b>	<b>156,289</b>	<b>0</b>	<b>(227,422)</b>	<b>960,388</b>

6. UNDP is requesting that some funds previously returned should be returned to it. The level of funds being returned is as follows: CPR/FOA/29/INV/328 (US \$850), CPR/FOA/29/INV/325 (US \$811), DOM/FOA/29/INV/21 (US \$365), COS/REF/27/INV/19 (US \$207) and CPR/FOA/23/INV/229 (US \$53), IDS/FOA/23/INV/82 (US \$6).

7. The World Bank is requesting that the balance of US \$225,128 for the Thai institutional strengthening project (THA/SEV/35/INS/136) that was returned by UNDP should be transferred to the World Bank in accordance with Decision 35/18.

### Projects with Balances by the Year the Project was Completed

8. Table 2 indicates the number of projects with balances that are still being held by the implementing agencies, and the years that they were completed.

Table 2

### BALANCES HELD BY YEAR OF PROJECT COMPLETION

Year Completed	Number of Projects and Amount of Balances by Agency									
	UNDP		UNEP		UNIDO		World Bank		TOTAL	
	Number	US \$	Number	US \$	Number	US \$	Number	US \$	Number	US \$
1997	1	63	0		0	0	0	0	1	63
1998	1	35	0		0	0	0	0	1	35
1999	14	61,863	0		0	0	1	90,468	15	152,331
2000	22	258,416	0		0	0	0	0	22	258,416
2001	84	487,741	0		0	0	1	194,949	85	682,690
<b>Projects completed over 2 years</b>	<b>122</b>	<b>808,118</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>2</b>	<b>285,417</b>	<b>124</b>	<b>1,093,535</b>
2002	76	1,913,460	1	192,245	7	89,870	12	4,524,689	96	6,720,264
2003	31	959,392	1	545,064	1	6,255	7	463,134	40	1,973,845
<b>TOTAL</b>	<b>229</b>	<b>3,680,970</b>	<b>2</b>	<b>737,309</b>	<b>8</b>	<b>96,125</b>	<b>21</b>	<b>5,273,240*</b>	<b>260</b>	<b>9,787,644</b>

\* Including obligated balances of US \$3,823,977 for multi-year projects

9. Table 2 shows that implementing agencies had balances totalling US \$9,787,644 for projects completed 12 months previously. There were 124 projects with balances from projects completed over 2 years previously totalling US \$1,093,535.

### Obligated and Un-obligated Balances

10. The amounts of balances classified as obligated and un-obligated are as follows for the four implementing agencies:

Table 3**OBLIGATED AND UN-OBLIGATED BALANCES BY AGENCY**

<b>Agency</b>	<b>Obligated Balances</b>	<b>Un-obligated Balances</b>
UNDP*	3,937,148	0
UNEP	737,309	0
UNIDO**	43,222	166,164
World Bank***	5,174,638	98,602
<b>TOTAL</b>	<b>9,892,317</b>	<b>264,766</b>

\* Includes obligated balances of US \$256,178 and for cancelled projects.

\*\* Includes unobligated balances of US \$113,261 for a cancelled project.

\*\*\* Includes obligated balances of US \$3,823,977 for multi-year projects

**Agency Support Costs**

11. At its 35<sup>th</sup> Meeting, the Executive Committee decided to request implementing agencies to return all agency support costs associated with remaining funds from projects, and if expenditures had been incurred from this cost, the implementing agencies should provide an explanation and return the balance of funds (Decision 35/13(k)). Table 4 presents the level of agency support costs being returned to the 43<sup>rd</sup> Meeting and indicates that US \$107,885 was being returned as support costs.

Table 4**ADMINISTRATIVE SUPPORT COSTS RETURNED TO THE 43<sup>RD</sup> MEETING (US\$)**

<b>Agency</b>	<b>Funds from Completed Projects</b>	<b>Funds from Cancelled Projects</b>	<b>Funds from Ongoing Projects</b>	<b>Adjustments</b>	<b>Total Funds to be Returned to the 43<sup>rd</sup> Meeting</b>
UNDP	68,404	11,972	0	(298)	80,078
UNEP	19,289	0	0	0	19,289
UNIDO	3,484	0	0	0	3,484
World Bank	25,955	8,346	0	(29,267)	5,034
<b>TOTAL</b>	<b>117,132</b>	<b>20,318</b>	<b>0</b>	<b>(29,565)</b>	<b>107,885</b>

12. UNDP is requesting reimbursement for support costs of US \$298 for the six projects mentioned in para. 6.

13. The World Bank is requesting reimbursement for support costs of US \$29,267 for the Thai institutional strengthening project mentioned in para.7.

**Total Resources Available for 43<sup>rd</sup> Meeting**

14. The Status of Contributions and Disbursements (UNEP/OzL.Pro/ExCom/43/3) indicates that a total of US \$33,768,860 in cash and promissory notes held by the Treasurer. The total amount of balances returned including agency support costs is US \$1,068,273. Therefore, the total amount of resources available for approval of the Executive Committee at its 43<sup>rd</sup> Meeting is US \$34,837,133.

**RECOMMENDATIONS**

The Executive Committee may wish to:

1. Note the report on project balances contained in UNEP/OzL.Pro/ExCom/43/4.
2. Note the levels of funds being returned to the 43<sup>rd</sup> Meeting against project balances totalling US \$960,388 (UNDP--US \$617,556 net of reimbursement of funds previously returned in error for six projects by UNDP; UNEP--US \$214,930; UNIDO--US \$27,470; and the World Bank--US \$100,432 net of the funds returned by UNDP for the Thai institutional strengthening project to be transferred to the World Bank), and additionally the return of support costs totalling US \$107,885 (UNDP--US \$80,078 net of reimbursement of support costs previously returned in error for six projects by UNDP; UNEP--US \$19,289; UNIDO--US \$3,484; and the World Bank--US \$5,034 net of reimbursement of support costs associated with the transfer of the Thai institutional strengthening project).
3. Note that implementing agencies had balances totalling US \$1,093,535 excluding support costs from projects completed over two years ago: UNDP (US \$808,118 plus support costs); and the World Bank (US \$285,417 plus support costs).
4. Note that US \$34,837,133 was available to the Executive Committee for approvals at the 43<sup>rd</sup> Meeting.

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