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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Fifty-first Meeting
Montreal, 19-23 March 2007

PROVISIONAL ANNOTATED AGENDA

1. Opening of the meeting

Opening remarks by the Chairperson of the Executive Committee.

2. Organizational matters

(a) Adoption of the agenda

Document UNEP/OzL.Pro/ExCom/51/1: contains the Provisional Agenda for the 51st Meeting of the Executive Committee.

Action expected from the Executive Committee: the Committee might wish to adopt the Agenda of the meeting on the basis of the Provisional Agenda as contained in document UNEP/OzL.Pro/ExCom/51/1/Add.1.

(b) Organization of work

The Chairperson will propose to the plenary the organization of work.

Pre-session documents of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol are without prejudice to any decision that the Executive Committee might take following issue of the document.

For reasons of economy, this document is printed in a limited number. Delegates are kindly requested to bring their copies to the meeting and not to request additional copies.

3. Secretariat activities

Document UNEP/OzL.Pro/ExCom/51/2: presents a report on the activities of the Secretariat since the 50th Meeting of the Executive Committee. The document includes information on the follow-up activities implemented by the Secretariat on the outcome of the 50th Meeting, and the preparations for the 51st Meeting, as well as information on the missions undertaken by the Chief Officer and the staff of the Secretariat during this period of time.

Issues to be addressed:

- None.

Action expected from the Executive Committee: the Executive Committee may wish to take note of the report.

4. Status of contributions and disbursements

Document UNEP/OzL.Pro/ExCom/51/3: provides information on the status of the Fund as at 16 February 2007 as recorded by the Treasurer. At that date, the Fund's balance stood at US \$45,368,160, after taking into account all the funds approved by the Executive Committee, up to and including those approved at the 50th Meeting. The Fund's balance has been updated by the Treasurer to reflect new contributions made by the Parties.

Issues to be addressed:

- None.

Action expected from the Executive Committee: the Executive Committee may wish to:

- (a) Note with appreciation, the new, more informative Status of Contributions and disbursements as contained in UNEP/OzL.Pro/ExCom/51/3 which provides additional information on promissory notes;
- (b) Note with concern that the 3.15% rate of payments of pledges at this first meeting of the year is considerably lower when compared with 8.85% in 2006. 7.82% in 2005 and 6.34% in 2004; and
- (c) Again urge all Parties to pay their contributions to the Multilateral Fund in full and as early as possible.

5. Review of promissory notes policy (follow up to decision 50/44 (c))

Document UNEP/OzL.Pro/ExCom/51/4: presents a review of the history and current situation on promissory notes in the Multilateral Fund.

Issues to be addressed:

- Cash flow difficulties associated with some contributing countries not enabling the accelerated encashment of promissory notes.

Action expected from the Executive Committee: the Executive Committee may wish to:

- (a) Note the report of the Treasurer on the review of the Executive Committee's policy on promissory notes as requested through decision 50/44 (c);
- (b) Recall paragraph 180 of the Report of the 50th Executive Committee meeting in which the Treasurer drew the Committee's attention to the reluctance of implementing agencies to accept promissory notes which are not cashable on demand, keeping in mind existing agreements between the Executive Committee and the Implementing Agencies on the acceptance of Promissory notes;
- (c) Encourage Parties to make their contributions in the form of cash in order not to delay project implementation on the part of implementing agencies; and
- (d) Request Parties continuing to use promissory notes to be flexible in meeting the Treasurer's request for accelerated encashment of their notes in order to mitigate cash flow problems.

6. Report on balances and availability of resources

Document UNEP/OzL.Pro/ExCom/51/5: contains the submissions of the implementing agencies on completed projects with balances, the return of funds from cancelled projects, other project adjustments and project transfer requests.

Issues to be addressed:

- Implementing agencies are returning US \$202,668 plus US \$24,678 in agency fees;
- Request to transfer chiller project in Cuba (CUB/REF/47/DEM/35) from Canada to UNDP;
- Total resources available for the 51st Meeting; and
- Reporting by the World Bank on balances from completed tranches of MYAs.

Action expected from the Executive Committee: the Executive Committee may wish to:

- (a) Note the report on balances and availability of resources contained in UNEP/OzL.Pro/ExCom/51/5;
- (b) Note the net level of funds being returned by the multilateral implementing agencies to the 51st Meeting against project balances totalling US \$206,668. This includes the return of US \$115,285 from UNDP, US \$755 from UNEP, US \$58,499 from UNIDO, and US \$32,129 from the World Bank;
- (c) Note the net level of support costs being returned by the multilateral implementing agencies to the 51st Meeting against project support cost balances totalling US \$24,678. This includes the return of US \$14,058 from UNDP,

US \$44 from UNEP, US \$6,399 from UNIDO, and US \$4,177 from the World Bank;

- (d) Note that implementing agencies had balances totalling US \$3,077,442 excluding support costs from projects completed over two years ago. This includes US \$408,173 plus support costs from UNDP, US \$868,125 plus support costs from UNEP, US \$1,562,328 plus support costs from UNIDO, and US \$238,816 plus support costs from the World Bank;
- (e) Approve the transfer of US \$196,871 in project costs and US \$17,718 in support costs for the chiller project in Cuba (CUB/REF/47/DEM/35) from Canada to UNDP and reduce the level of Canada's bilateral contributions, accordingly;
- (f) Note that US \$45,377,042 (to be updated at the meeting) was available to the Executive Committee for approvals at the 51st Meeting; and
- (g) Request the World Bank to report on balances from completed tranches of MYAs, in line with the other implementing agencies.

7. 2007-2009 business plans

(a) Consolidated business plan of the Multilateral Fund

Document UNEP/OzL.Pro/ExCom/51/6: is a consolidation of the implementing and bilateral agencies' 2007-2009 business plans. The document discusses *inter alia* the extent to which the business plans address the needs identified in the model rolling three-year phase-out plan for 2007-2009 updated after the 50th Meeting and the status/prospects of compliance. It also addresses planned activities and performance indicators and concludes by addressing the priorities for the triennium 2006-2008. It concludes with observations and recommendations.

Issues to be addressed:

- Priorities for the triennium 2006-2008 for the US \$61 million not directly required for compliance with control measures up to the year 2010;
- Removal or maintenance of any non-priority activities in the 2007-2009 business plans; and
- Development of further guidance on eligible incremental costs for HCFC activities.

Action expected from the Executive Committee: the Executive Committee may wish to:

- (a) Noting the Consolidated 2007-2009 Business Plan of the Multilateral Fund as contained in UNEP/OzL.Pro/ExCom/51/6;
- (b) Considering the priorities for the US \$61 million in activities not required for compliance according to the compliance-oriented, model rolling three-year phase-out plan for 2007-2009 based on the following categories identified in decision 50/6:
 - (i) Additional funding initiatives currently outside of the budget;

- (ii) Combating illegal trade;
 - (iii) Disposal of ODS;
 - (iv) Halon management;
 - (v) HCFC activities;
 - (vi) HCFC investment projects;
 - (vii) Accelerated methyl bromide phase-out;
 - (viii) Methyl bromide non-investment projects;
 - (ix) Metered dose inhalers (MDIs);
- (c) Deciding whether planned activities should be maintained, removed, advanced or delayed in the 2007-2009 business plans of the implementing agencies;
- (d) Considering the development of further guidance on eligible incremental costs for HCFC activities; and
- (e) Urging bilateral and implementing agencies to increase their efforts to implement approved projects to facilitate achieving the 2007 reduction in controlled substances, noting that 35,945 ODP tonnes was scheduled to be phased out in 2007 from approved projects.
- (b) Business plans of the Implementing Agencies**
- (i) Bilateral agencies**

Document UNEP/OzL.Pro/ExCom/51/7: presents the business plans for bilateral agencies for the years 2006-2008. The Governments of Australia, Canada, France, Germany, Italy and Japan provided information on their 2007-2009 planned bilateral activities.

Issues to be addressed:

- Germany's business plan value and activities, and with reference to projects in India and the Islamic Republic of Iran, the proposal for Germany to delay payment of their 2008 annual tranche to the first meeting of 2009;
- Possible overlap for planned German TPMP in Angola with other implementing agencies; and
- CFC-113 solvent project in Italy's business plan.

Action expected from the Executive Committee: the Executive Committee may wish to consider:

- (a) Noting with appreciation the 2007-2009 business plans on bilateral cooperation, without prejudice to the Parties' discussions on replenishment following the 2006-2008 triennium, submitted by: Canada, France, Germany, Italy and Japan as

addressed in UNEP/OzL.Pro/ExCom/51/7;

- (b) Requesting the agreement of India and the Islamic Republic of Iran to the proposed procedure to accommodate activities that currently exceed Germany's bilateral contribution that are in its 2007 and 2008 business plan;
- (c) Requesting Germany to report to the 51st Meeting on the areas of possible overlap with activities in other agencies' business plans and noting the information provided as appropriate; and
- (d) Whether to maintain the CFC-113 solvent project for the Democratic Republic of the Congo that is included in Italy's 2007 business plan in light of decision 35/57.

(ii) UNDP

Document UNEP/OzL.Pro/ExCom/51/8: contains a summary of, and the comments and recommendations of the Fund Secretariat on UNDP's 2007-2009 business plan.

Issues to be addressed:

- Global methyl bromide information exchange projects;
- MDI strategies;
- Possible overlap with activities of other agencies; and
- Performance indicators.

Action expected from the Executive Committee: the Executive Committee may wish to consider:

- (a) Endorsing the 2007-2009 business plan of UNDP as contained in UNEP/OzL.Pro/ExCom/51/8, without prejudice to the Parties decision on replenishment for the year 2009 and beyond, while noting that endorsement denotes neither approval of the projects identified therein nor their funding levels, and the endorsement is with any modifications based on consideration of the following activities:
 - (i) Removal of the global methyl bromide information exchange project;
 - (ii) Depending on the outcome of discussions on the paper on "*Options for addressing the situation of countries referred to in decision XVII/14 of the Seventeenth Meeting of the Parties* (follow-up to decision 49/33)" (UNEP/OzL.Pro/ExCom/51/39):
 - a) Removal of project preparation for metered-dose inhaler transition strategies;
 - b) Maintaining metered-dose inhaler strategies in terminal phase-out management plans that were approved prior to the 45th Meeting and for all others where a need is demonstrated and documented consistent with decision 45/54(e);

- (b) Requesting UNDP to report to the 51st Meeting on the areas of possible overlap with activities in other agencies' business plans and noting the information provided as appropriate; and
- (c) Approving the performance indicators for UNDP set out in Table 2 of the Fund Secretariat's comments as contained in UNEP/OzL.Pro/ExCom/51/8 while setting a target of 45 for the number of annual programmes of approved multi-year agreements (MYAs) and a target of 20 for the milestone activities completed for MYAs.

(iii) UNEP

Document UNEP/OzL.Pro/ExCom/51/9: contains a summary of, and the comments and recommendations of the Fund Secretariat on UNEP's 2007-2009 business plan.

Issues to be addressed:

- Study on the use of economic instruments to provide long-term financing for sustained phase-out;
- Capacity building for teachers on ozone protection;
- Green customs initiative;
- Analysis of HCFC technologies;
- SEAP regional network (following an update from UNEP on the status of possible Swedish funding);
- Long-term management of halon banks;
- Methyl bromide non-investment projects;
- MDI activities;
- Possible overlaps; and
- Performance indicators.

Action expected from the Executive Committee: the Executive Committee may wish to consider:

- (a) Endorsing the 2007-2009 business plan of UNEP as contained in UNEP/OzL.Pro/ExCom/51/9 without prejudice to the Parties decision on replenishment for the year 2009 and beyond, while noting that endorsement denotes neither approval of the projects identified therein nor their funding levels, and the endorsement is with any modifications based on consideration of the following activities:
 - (i) Study on the use of economic instruments to provide long-term financing for sustained phase-out;
 - (ii) Capacity building for teachers on ozone protection;
 - (iii) Green customs initiative;
 - (iv) Analysis of HCFC technologies;

- (v) SEAP regional network (following an update from UNEP on the status of possible Swedish funding);
 - (vi) Integrated support for long-term management of halon banks in light of decisions 18/22, 44/8, and 47/10 and the halon services currently offered through the CAP programme;
 - (vii) Removing methyl bromide non-investment projects not required for compliance in the absence of in-depth coordination between UNDP, UNEP and UNIDO on these activities;
 - (viii) Maintaining metered-dose inhaler strategies for countries with terminal phase-out management plans that were approved prior to the 45th Meeting and for all others where a need is demonstrated and documented consistent with the decision 45/54(e).
- (b) Requesting UNEP to report to the 51st Meeting on the areas of possible overlap with activities in other agencies' business plans and noting the information provided as appropriate; and
- (c) Approving the 2007 performance indicators and targets for UNEP set out in Tables 2 and 3 in the Secretariat's comments as contained in UNEP/OzL.Pro/ExCom/51/9 while setting a target of 35 for the number of annual programmes of multi-year agreements to be approved, a target of 42 for the number of individual projects approved and a target of nine for milestone activities completed/ozone depleting substances levels achieved for approved multi-year agreements.
- (iv) UNIDO**

Document UNEP/OzL.Pro/ExCom/51/10: contains a summary of, and the comments and recommendations of the Fund Secretariat on, UNIDO's 2007-2009 business plan.

Issues to be addressed:

- ODS disposal project in 2007 and 2008 business plans;
- HCFC surveys in 2007 business plan;
- HCFC investment project in 2008 business plan;
- Methyl bromide activities;
- MDI strategies;
- Low-volume methyl bromide use in countries that have not ratified the Copenhagen Amendment;
- Possible overlap with activities of other agencies; and
- Performance indicators.

Action expected from the Executive Committee: the Executive Committee may wish to consider:

- (a) Endorsing the 2007-2009 business plan of UNIDO as contained in UNEP/OzL.Pro/ExCom/51/10, without prejudice to the Parties decision on replenishment for the year 2009 and beyond, while noting that endorsement denotes neither approval of the projects identified therein nor their funding levels, and the endorsement is with any modifications based on consideration of the following activities:
 - (i) Removal of ozone depleting substances disposal projects from the 2007 and 2008 business plans;
 - (ii) Removal of HCFC surveys from the 2007 business plan and HCFC investment projects from the 2008 business plan;
 - (iii) Maintaining methyl bromide projects not required for compliance conditional on commitments to significantly advance a country's methyl bromide phase-out plan before the year 2015 consistent with decision 48/8;
 - (iv) Depending on the outcome of discussions on the paper on "Options for addressing the situation of countries referred to in decision XVII/14 of the Seventeenth Meeting of the Parties (follow-up to decision 49/33)" (UNEP/OzL.Pro/ExCom/51/39) to maintain metered-dose inhaler strategies for consideration for those countries with terminal phase-out management plans that were approved prior to the 45th Meeting and for all others where a need is demonstrated and documented consistent with decision 45/54(e);
 - (v) Removal of HCFC activities in China, disposal of ozone depleting substances in Indonesia, and the metered-dose inhaler phase-out project in Pakistan;
- (b) Requesting implementing agencies to investigate the need for methyl bromide activities for countries with low volumes of methyl bromide consumption in the context of their preparation of terminal phase-out management plans for low volume consuming countries regardless of the status of ratification of the Copenhagen Amendment;
- (c) Requesting UNIDO to report to the 51st Meeting on the areas of possible overlap with activities in other agencies' business plans and note the information provided as appropriate; and
- (d) Approving the performance indicators for UNIDO set out in Table 2 of the Fund Secretariat's comments as contained in UNEP/OzL.Pro/ExCom/51/10 while setting a target of 32 for the number of annual programmes of multi-year approved, a target of 44 for the number of individual projects approved, a target of 20 for milestone activities completed/ODS levels achieved for approved

multi-year, and a phase-out target for individual projects of 346.2 ODP tonnes for 2007.

(v) World Bank

Document UNEP/OzL.Pro/ExCom/51/11: contains a summary of, and the comments and recommendations of the Fund Secretariat on, the World Bank's 2007-2009 business plan.

Issues to be addressed:

- Analysis of ODS disposal;
- Analysis of HCFC technologies;
- Accelerated phase-out of CFC production in Argentina;
- Transfer of halon consumption project in Chile to UNDP; and
- Performance indicators.

Action expected from the Executive Committee: the Executive Committee may wish to consider:

- (a) Endorsing the 2007-2009 business plan of the World Bank as contained in UNEP/OzL.Pro/ExCom/51/11, without prejudice to the Parties decision on replenishment for the year 2009 and beyond, while noting that endorsement denotes neither approval of the projects identified therein nor their funding levels, and the endorsement is with any modifications based on consideration of the following activities:
 - (i) Analysis of ODS disposal;
 - (ii) Analysis of HCFC technologies;
 - (iii) The accelerated phase-out of CFC production in Argentina submitted in 2007;
- (b) Transferring the halon consumption phase-out project in Chile (CHI/HAL/42/TAS/156) from the World Bank to UNDP at the amount of US \$60,000 plus agency support costs of US \$4,500; and
- (c) Approving the performance indicators for the World Bank set out in Table 2 of the Fund Secretariat's comments, as contained in UNEP/OzL.Pro/ExCom/51/11, while setting a target of 19 for the number of annual programmes approved, a target of four for the number of individual projects approved and a target of 18 for the number of milestone activities to be completed.

8. Programme implementation

(a) Monitoring and evaluation

(i) Final Report on the evaluation of CTC phase-out projects and agreements

Document UNEP/OzL.Pro/Excom/51/12: provides the Executive Committee with a summary of four case studies on countries with CTC projects and phase-out agreements. The report presents the global CTC production and consumption and the phase-out achieved in the four countries visited as well as in other Article 5 countries. It follows up on the desk study presented to the 48th Meeting of the Executive Committee (UNEP/OzL.Pro/ExCom/48/15) and the resulting Decision 48/15 which took note of the desk study, including the proposed evaluation issues and work plan for the second phase of the evaluation.

Issues to be addressed:

- CTC phase-out achieved and compliance situation in Article 5 countries;
- Policies and supporting activities;
- Quality of reporting, documentation and verification;
- Implementation delays;
- Sustainability and risks for future compliance; and
- Recommendations.

Action expected from the Executive Committee: The Executive Committee might wish to consider:

- (a) Taking note of the findings presented in the final report on the evaluation of CTC phase-out projects and agreements (document UNEP//OzL.Pro/ExCom/51/12);
- (b) Requesting the World Bank and SEPA to rationalize the reporting and verification system in China by integrating PA-1 and PA-2 programmes into one cohesive set of annual implementation report, verification report and work programme;
- (c) Requesting China, in cooperation with the Ozone Secretariat, the Fund Secretariat and the World Bank to clarify the baselines for CTC production and consumption and to report back to the 52nd Meeting of the Executive Committee, including on possible adjustments required for the PA-I and II phase-out agreements;
- (d) Requesting implementing agencies to update the information on alternatives to CTC, especially in the solvent sector, avoiding the use of trade names and of potentially carcinogenic solvents;
- (e) Requesting UNEP to organize discussions in regional network meetings about voluntary agreements between CTC exporting and importing countries to the effect that CTC exporting enterprises request certificates from their importing clients that they either have verified feedstock use, or a valid import license within the importing country's quota system, prior to shipment;

- (f) Recommending to CTC producers in India to use a precautionary approach to CTC management by installing destruction facilities, if not yet available, in case the feedstock outlets – essentially for DVAC – should not grow as expected or would be squeezed by increasing CTC imports;
- (g) Taking into account, in future deliberations about funding of institutional strengthening projects, the need to maintain monitoring and verification of all CTC production and consumption beyond 2010; and
- (h) Requesting the Fund Secretariat to forward, via the Ozone Secretariat, the final report on the evaluation of CTC phase-out project and agreements (document UNEP/OzL.Pro/ExCom/51/12) to the TEAP so that it can take it into account in its further deliberations on process agents.

(ii) Desk Study on the evaluation of management and monitoring of national phase-out plans

Document UNEP/OzL.Pro/ExCom/51/13: The objective of this evaluation is to complement that for refrigerant management plans (RMPs) and national phase-out plans (NPPs) in non low-volume-consuming (non-LVC) countries (document UNEP/OzL.Pro/ExCom/48/12). It is intended to engage the implementing and bilateral agencies in the preparation of the evaluation and to obtain feedback from the Executive Committee on the suggested evaluation issues and approach to be used. As a second phase, field visits to selected non-LVC countries are suggested.

Issues to be addressed:

- Approach to be used for the desk study and evaluation issues;
- Institutional set-up, management and coordination of NPPs;
- Phase-out achieved, cost-effectiveness, delays and sustainability;
- Planning and reporting for NPPs;
- Guidelines and practices for verification reports; and
- Amended evaluation issues and approach to field visits.

Action Expected from the Executive Committee: The Executive Committee might wish to consider:

- (a) Taking note of the desk study on the evaluation of management and monitoring of national phase-out plans contained in document UNEP/OzL.Pro/ExCom/51/13, including the proposed evaluation issues and work plan for the second phase of the evaluation.
- (b) **Issues related to monitoring and reporting on multi-year agreements (follow-up to decisions 49/6 (e) and 50/40)**

Document UNEP/OzL.Pro/ExCom/51/14: was prepared in response to the Committee's requests at its 49th and 50th Meeting to track cumulative progress achieved in the annual work programmes of MYAs and a format for standardized overview tables.

Issues to be addressed:

- Draft standardized overview tables for MYAs; and
- New procedure for monitoring implementation difficulties in MYAs.

Action expected from the Executive Committee: the Executive Committee may wish to consider:

- (a) Noting the report on issues related to monitoring and reporting on multi-year agreements as contained in UNEP/OzL.Pro/ExCom/51/14; and
- (b) Deciding that:
 - (i) Implementation difficulties are to be defined as activities for which no progress was detected in the context of the review of annual implementation plans;
 - (ii) Status reports on implementation difficulties in multi-year agreements should be based on recommendations made during the review of annual implementation plans;
 - (iii) In cases where additional status reports are not agreed by the agency concerned, the Executive Committee will determine if a report is required;
 - (iv) Status reports should be presented in the format of projects with implementation delays and should be considered in the context of that agenda item; and
 - (v) Status reports should be submitted until progress on the specific issue has been assessed or until the next annual implementation plan is submitted.
- (c) **Project implementation delays**

Document UNEP/OzL.Pro/ExCom/51/15: contains an assessment of progress on projects identified with implementation delays based on decisions taken at previous meetings of the Executive Committee. It addresses projects for which status reports were requested and delayed projects in countries with compliance issues. It includes the late submission of an annual progress report by one bilateral agency. It also presents a project proposed for possible cancellation and discusses the impact of the cancelled project on compliance.

Issues to be addressed:

- Halon banking project completion in India;
- Expediting project document signature in Bosnia and Herzegovina;
- Expediting project implementation in Uganda;
- Designating an ozone officer and expediting financial arrangements for NOU in Libya;
- Possible cancellation of halon banking and country programme update projects in Algeria;

- Designating its preference for an implementing agencies for the RMP in Cote d'Ivoire; and
- Cancellation of a solvent and process agent workshop in Ethiopia.

Action expected from the Executive Committee: the Executive Committee may wish to consider:

- (a) Noting:
- (i) With appreciation, the status reports on projects with implementation delays submitted to the Secretariat by Australia, Canada, France, Germany, Japan, and the four implementing agencies and the progress report submitted by the Switzerland as contained in the document on project implementation delays (UNEP/OzL.Pro/ExCom/51/15);
 - (ii) That the Secretariat and implementing agencies would take established actions according to the Secretariat's assessments (progress, some progress, or no progress) and report to and notify governments and implementing agencies as required;
 - (iii) The completion of 19 out of the 66 projects listed with implementation delays;
 - (iv) That letters of possible cancellation should be sent for the following projects:

Agency	Code	Project Title
France	SYR/REF/29/INV/48	Conversion from CFC-11 to HCFC-141b and from CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at Sarkisian Refrigerators for the Syrian Arab Republic
World Bank	THA/HAL/32/INV/134	Terminal halon-1211 & halon-1301 phase-out project for fire equipment manufacturers and suppliers converting to ABC powder, CO ₂ , HFC-227ea and inert gases for Thailand
UNDP	LIB/FOA/32/INV/08	Phase-out of CFC-11 by conversion to methylene chloride in the manufacture of flexible polyurethane foam at Ben Ghazi Unit for the Libyan Arab Jamahiriya

- (b) Adopting the milestone and deadlines indicated in the following table:

Agency	Code	Project Title	Milestone and Deadlines
UNEP	KEN/SEV/37/TAS/29	Policy and technical assistance for Kenya	Gazettement process should be completed by June 2007
France	SYR/REF/29/INV/53	Conversion from CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at Shoukairi and Co. in the Syrian Arab Republic	Equipment should be installed prior to the 53 rd Meeting

- (c) Agreeing to classify the halon banking project components for Australia (IND/HAL/32/TAS/281) and Canada (IND/HAL/32/TAS/278) as completed, with the understanding that India is committed not to import virgin halon and that the beneficiaries of the project will report recovered, recycled and reclaimed amounts of halon to the Ozone Cell for transmission to the Executive Committee through reporting on the implementation of country programmes;
 - (d) Requesting the Government of Bosnia and Herzegovina to expedite the signing of the project document to enable the institutional strengthening project (BHE/SEV/43/INS/19) to proceed;
 - (e) Requesting the Government of Uganda to expedite the implementation of its institutional strengthening project (UGA/SEV/13/INS/02) that was approved in July 1994;
 - (f) Requesting the Government of Libya to designate an ozone officer and expedite the financial arrangements so that the institutional strengthening project (LIB/SEV/32/INS/04) can move forward;
 - (g) Requesting the Government of Algeria to provide a status report on the halon banking project (ALG/HAL/35/TAS/51) and its comments on the country programme update (ALG/SEV/43/CPG/60) to the Executive Committee to the 52nd Meeting as input into its deliberations on the possible cancellation of these projects that have been completed by the bilateral implementing agency;
 - (h) Requesting the Government of France to provide a comprehensive progress report on the refrigerant management plan in the Central African Republic (CAF/REF/34/TRA/8-9 and TAS/10-11) to the 52nd Meeting as required by decision 31/48;
 - (i) Requesting the Government of Cote d'Ivoire to indicate its preferred implementing agency to implement its refrigerant management plan projects (IVC/REF/24/TAS/10 and IVC/REF/37/TAS/16) and its chiller project (IVC/REF/37/INV/17); and
 - (j) Noting the cancellation of the Training and awareness workshop in the solvents and process agents (CTC and TCA) sectors in Ethiopia (ETH/SOL/45/TAS/15) pending confirmation of the agreement of the Government of Ethiopia.
- (d) Annual tranche submission delays**

Document UNEP/OzL.Pro/ExCom/51/16: contains information on submissions of annual tranches of multi-year agreements, including reasons for submission delays.

Issues to be addressed:

- None.

Action expected from the Executive Committee: the Executive Committee may wish to consider:

- (a) Noting the information on annual tranches of multi-year agreements submitted to the Secretariat by France, UNDP, UNEP, UNIDO and the World Bank contained in the document on annual tranche submission delays (UNEP/OzL.Pro/ExCom/51/16);
- (b) Noting that 16 of the 38 annual tranches of multi-year agreements that were due for submission were not submitted on time to the 51st Meeting; and
- (c) Noting that letters should be sent for the annual tranches listed below that were due for submission to the 51st Meeting with the reasons indicated for the delay, and encouraging implementing agencies and the relevant Article 5 Governments to submit these annual tranches to the 52nd Meeting:

Agency	Country	Sector	Tranches	Agencies Comments
IBRD	Antigua and Barbuda	CFCs Phase-Out	2006	The Grant Agreement is not yet in place.
UNDP	Bangladesh	ODS Phase-Out	2005 and 2006	To be provided at 51 st Meeting.
UNEP	Bangladesh	ODS Phase-Out	2005 and 2006	Waiting for signature of the Lead Agency's project document.
UNIDO	Bosnia and Herzegovina	ODS Phase-Out	2005	Lack of cooperation.
UNDP and UNEP	Dominica, Grenada, Saint Kitts and Nevis and Saint Vincent and the Grenadines	CFCs Phase-Out	2007	UNEP and UNDP are developing administrative procedures to implement the 2007 tranches regionally for the 4 countries involved.
France	Kenya	CFCs Phase-Out	2005	ODS regulations have not been gazetted.
UNIDO	Libyan Arab Jamahiriya	CFCs Phase-Out	2006	The unclear status of the NOU.
UNIDO	Pakistan	CTC Phase-Out	2005	Waiting of incorporation of action plan that was recently approved by the Meeting of the Parties.
IBRD	Venezuela	Production CFCs	2007	There was a delay in the travel of the consultant to undertake the verification audit.

- (e) **Report on implementation of approved projects with specific reporting requirements**

Document UNEP/OzL.Pro/ExCom/51/17: consists of four sections. Section I contains progress reports on the implementation of the national CFC phase-out plans of Afghanistan and Cuba. Section II contains completion report on the implementation of RMP in Burkina Faso, and progress reports on the implementation of the RMPs of Brunei Darussalam, Haiti and Myanmar. Section III contains progress reports on the implementation of MB phase-out projects in Bolivia, Cuba, Kyrgyzstan, Sri Lanka and the UNDP technical assistance programme for Africa. Section IV contains progress reports on the China halon sector plan and on the China sector plan for phasing-out the production of TCA.

Issue to be addressed:

- National CFC phase-out plans of Cuba: Implementation of the plan commenced only in December 2006 when the Project Document was signed by the Government of Cuba and UNDP. A request for allowing the joint submission of the third and fourth tranches of the Plan to the 53rd Meeting;
- Completion reports on the RMP for Burkina Faso: The Government of Burkina Faso has requested for utilizing the remaining funding available from the RMP during the implementation of the TPMP that was approved at the 50th Meeting;
- Progress reports on the implementation of the RMPs of Brunei Darussalam, Haiti and Myanmar: Major delays in commencing implementation of the sub-projects within the RMPs in the three countries;
- MB projects in Sri Lanka: Delays in the implementation of the two MB phase-out projects;
- MB technical assistance programme in a number of African countries: Ratification of the Copenhagen amendment by Angola, Central African Republic, Ethiopia and Zambia;
- China's sector plan for halon phase-out: Report on the production of CO₂ fire extinguishers; and
- China's sector plan for phasing out TCA production: verification reports submitted for 2004 to 2006.

Action expected from the Executive Committee: the Committee may wish to consider as follows:

- (a) For Cuba, allowing the joint submission of the third and fourth tranches of the national ODS phase-out plan for CFCs to the 53rd Meeting on the condition that phase-out activities are being implemented and the funding available has been disbursed;
- (b) For Burkina Faso, noting that UNDP will return US \$43,116 to the Fund at the 52nd Meeting; and consider authorizing the use of the remaining funding from the RMP based on the progress report on the implementation of the first tranche of the TPMP and the request for the second tranche that will be submitted in 2008;
- (c) For Brunei Darussalam, requesting the Secretariat to send a letter urging the Government to ratify the amendments to the Protocol and accelerate the implementation of the RMP project; requesting UNDP and UNEP to review the phase-out strategy of the RMP project taking into account the current situation of the refrigeration servicing sector; and requesting UNEP to continue its efforts to communicate with the Government and to report back on progress achieved to the 52nd Meeting;
- (d) For Haiti, requesting UNDP and UNEP to review the phase-out strategy of the RMP project taking into account the current situation of the refrigeration servicing sector; and requesting UNEP to report back on progress achieved in revising the RMP and on the actual implementation of activities to the 52nd Meeting;

- (e) For Myanmar: requesting the Secretariat to send a letter urging the Government to accelerate the implementation of the RMP project; requesting UNEP and UNIDO to review the phase-out strategy of the RMP project taking into account the current situation of the refrigeration servicing sector; and requesting UNEP to report back on progress achieved in revising the plan of action and on the actual implementation of activities to the 52nd Meeting;
- (f) For Sri Lanka: requesting the Secretariat to send a letter requesting the Government to complete the implementation of the MB phase-out projects, and request UNDP to submit relevant project completion reports prior to the 53rd Meeting;
- (g) Taking note of the progress report on the implementation of the MB technical assistance programme in Africa; note that Mozambique had sent UNDP an official request withdrawing from the technical assistance programme; requesting UNDP, in coordination with UNEP CAP, to continue assisting Angola, Central African Republic, Ethiopia and Zambia in the ratification of the Copenhagen Amendment; and further requesting UNDP to finalize implementation of the project and submit a comprehensive report with specific conclusions and recommendations for consideration to the 53rd Meeting;
- (h) Noting the progress reports on MB projects submitted by relevant agencies on behalf of the Governments of Bolivia, Cuba and Kyrgyzstan;
- (i) For China (sector plan for halon phase-out): noting that US \$1,206,978 would remain in China for capacity building based on the shortfall in the number of CO₂ fire extinguishers produced, in accordance with decision 44/59; and
- (j) For China (sector plan for TCA production phase-out): noting the verification reports on the TCA production in China for 2004 to 2006 and commends the Government and the Bank for achieving the production reduction targets; requesting the Bank to submit a comprehensive report on the status of implementation of TCA production phase-out Agreement; and also requesting the Bank to confirm in 2008 the total dismantling of plant TCA 1, taking advantage of the implementation of other verification missions in China.

9. Project proposals

(a) Overview of issues identified during project review

Document UNEP/OzL.Pro/ExCom/51/18: provides statistics on project submissions received, contains the list of all projects and activities recommended for blanket approval (Annex I) and the list of project for individual consideration (Annex II).

Issues to be addressed:

- There is no generic issue identified from project review which should be brought to the attention of the Executive Committee.

Action expected from the Executive Committee: The Executive Committee may wish to consider approving the list of projects recommended for blanket approval (Annex I to the above document).

(b) Bilateral cooperation

Document UNEP/OzL.Pro/ExCom/51/19: contains six projects and activities submitted for approval by the Governments of Canada, France, Germany and Italy as bilateral cooperation. One project is addressed in the document and is recommended for blanket approval and the remaining five will be considered under Agenda Item 8 (d), other investment projects.

Issues to be addressed:

- Germany's level of bilateral contributions assigned to Germany's contribution exceeds that allowed for 2007 and approvals at the 51st Meeting in the light of its consideration of the business plan issue identified in UNEP/OzL.Pro/ExCom/51/7

Action expected from the Executive Committee: the Committee may wish to consider:

- (a) Approving for one year only, the Customs enforcement network in Latin America for US \$50,000 plus support costs without prejudice to future funding approvals for the remaining two years proposed for this project; and
- (b) Pursuant to decision 49/19, informing the Parties of the level of bilateral contributions assigned to Germany's contribution for 2008 if the Committee agrees to fund the project in the light of its consideration of the business plan issue identified in UNEP/OzL.Pro/ExCom/51/7.

(c) Work programmes and amendments

(i) Amendments to UNEP Work Programme for 2007

Document UNEP/OzL.Pro/ExCom/51/20: contains 10 activities submitted by UNEP, including five requests for renewal of institutional strengthening projects. Six of the activities were recommended for blanket approval and were considered under Agenda Item 9(a). One activity is associated with an NPP and will be considered under Agenda Item 9(d) on investment projects. One request for project preparation funds for a TPMP for Angola to be implemented with UNDP, and one regional technical assistance project for a network on enforcement are for individual consideration. Two other regional projects are currently pending approval, and awaiting UNEP's clarification on its status for submission.

Issues to be addressed:

- Approval of the request for TPMP preparation for Angola considering that it is one of the few countries that have not ratified the London Amendment to the Montreal Protocol, as per decision 40/35, where it was decided "to require from Parties an official commitment in

writing to ratify the London Amendment to the Montreal Protocol, before funding could be approved for their projects”;

- Regional technical assistance project for the establishment of a regional enforcement network for Latin America and the Caribbean to be implemented jointly by UNEP and the Government of Canada. Some costs associated with the UNEP component may be considered part of the CAP budget; and
- Pending projects: funding for a regional network of ODS officers for SEAP and a regional enforcement network of customs and ODS officers for Southeast Asia and the Pacific. Both projects are submitted to the 51st Meeting, but are awaiting approval from Sweden for funding outside the Multilateral Fund. Projects will be withdrawn if Sweden continues funding, or will have to be considered by the Committee for approval if not. Some costs in these two proposals could be accommodated in the CAP budget.

Action expected from the Executive Committee: the Committee may wish to:

- (a) Consider approving the request for TPMP preparation for Angola on the condition that funding will not be disbursed, until such time that an official communication is received from the Government, stating its commitment in writing to ratify the London Amendment to the Montreal Protocol;
- (b) Consider the approval of the UNEP component of the bilateral project being submitted by Canada on a regional enforcement network for Latin America for one year only, within the context of the CAP budget, and without prejudice to future approvals for the remaining two years of the project; and
- (c) Consider approving both regional technical assistance projects at the reduced funding level recommended by the Secretariat, with other costs to be borne under the CAP budget.

(ii) UNDP Work Programme for 2007

Document UNEP/OzL.Pro/ExCom/51/21: contains 9 activities submitted by UNDP, including one proposal for the costs of verification of the TPMP in Trinidad and Tobago, one proposal for preparation of a TPMP in an LVC country (Angola) to be implemented with UNEP, two requests for renewal institutional strengthening projects, three requests for project preparation for investment projects in the CFC MDI sector for Colombia, India and Pakistan, and two halon technical assistance projects. The request for the costs for the TPMP audit and the institutional strengthening renewal for Chile are recommended for blanket approval and have been considered under Agenda Item 9(a). The requests for project preparation for the CFC MDI sector are pending a policy decision by the Executive Committee. The other proposals are recommended for individual consideration and are being considered under Agenda Item 9(d).

Issues to be addressed:

- Approval of the request for TPMP preparation for Angola considering that it one of the few countries that have not ratified the London Amendment to the Montreal Protocol, as per decision 40/35, where it was decided “to require from Parties an official commitment in

writing to ratify the London Amendment to the Montreal Protocol, before funding could be approved for their projects”;

- Requests for project preparation for MDI investment projects in Colombia, India and Pakistan, countries who have already received funding for national CFC phase out plans, and who have agreed with the Executive Committee not to seek further funding for CFC phase out; and
- Non-compliance of Pakistan for CTC vis-à-vis its request for its IS renewal.

Action expected from the Executive Committee: the Committee may wish to:

- (a) Consider approving the request for TPMP preparation for Angola on the condition that funding will not be disbursed, until such time that an official communication is received from the Government, stating its commitment in writing to ratify the London Amendment to the Montreal Protocol;
- (b) Consider the request for project preparation for investment projects in the MDI sector in the context of the updated paper to be presented by the Secretariat to this Meeting under Agenda item 11, “*Options for addressing the situation of countries referred to in decision XVII/14 of the Seventeenth Meeting of the Parties: revised paper (follow-up to decision 49/33)*”; and
- (c) Consider approving the funding for the first year of phase VI of the institutional strengthening project for Pakistan, at the level of funding of US \$112,333 plus agency support costs, without prejudice to the operation of the Montreal Protocol’s mechanism on non-compliance.

(iii) UNIDO Work Programme for 2007

Document UNEP/OzL.Pro/ExCom/51/22: contains 11 activities submitted for funding by UNIDO including one request for renewal of an institutional strengthening project. Eight activities were recommended for blanket approval and have been considered under Agenda Item 9(a). Three project preparation activities for investment projects in the CFC MDI phase-out strategies are pending a policy decision of the Executive Committee.

Issue to be addressed:

- Project preparation for MDI investment projects in Jordan, Mexico and Venezuela, countries who have already received funding for national CFC phase out plans, and who have agreed with the Executive Committee not to seek further funding for CFC phase out.

Action expected from the Executive Committee: the Committee may wish to consider the request for project preparation for investment projects in the MDI sector in the context of the updated paper to be presented by the Secretariat to this Meeting under Agenda item 11, “*Options for addressing the situation of countries referred to in decision XVII/14 of the Seventeenth Meeting of the Parties: revised paper (follow-up to decision 49/33)*.”

(iv) World Bank Work Programme for 2007

Document UNEP/OzL.Pro/ExCom/51/23: contains one request for renewal of institutional strengthening projects submitted by the World Bank. This request is being recommended for individual consideration under agenda item 9.

Issues to be addressed:

- Ecuador's non-compliance for methyl bromide vis-à-vis the country's request for the extension of their institutional strengthening project.

Action expected from the Executive Committee: the Committee may wish to consider approving the funding for the first year of the institutional strengthening project for Ecuador at the level of funding of US \$88,400 plus agency support costs, without prejudice to the operation of the Montreal Protocol's mechanism on non-compliance.

(d) Investment projects

Document UNEP/OzL.Pro/ExCom/51/18: contains in Annex II a list of 9 projects for individual consideration. All other investment projects, both on-going and new activities, were recommended for blanket approval and were considered under Agenda Item 9(a). Incremental costs have been agreed for all of the 9 projects.

Issues to be addressed:

- In Table 1 below: each of the 9 projects should be considered for approval individually. Project descriptions and the comments of the Secretariat can be found in the relevant country project document referred to in the table (if required, the Secretariat will outline the issue or issues involved).

Table 1: List of projects for individual consideration

Country	Project title	Agency	Document No.	Issues
Aerosol				
China	Phase-out of CFC consumption in the pharmaceutical aerosol sector	World Bank	ExCom/51/26	Policy (date of establishment) and level of funding requested (not included in first dispatch)
Foam				
China	CFC-11 phase-out in the polyurethane foam sector: 2007 work programme	World Bank	ExCom/51/26	No recommended for approval. Recommended for change of modality for implementation and verification
Process agent / CTC production				
China	Phase I of CTC sector plan	World Bank	ExCom/51/26	Verified CTC production not accounted for
Solvent				
Democratic Republic of the Congo	Umbrella project for terminal phase-out of ODS in the solvent sector	Italy	ExCom/51/27 and Add.1	CFC-113 remaining eligible consumption. Potentially to be resolved prior to the 51 st Meeting

Country	Project title	Agency	Document No.	Issues
Phase-out plans				
Bahamas	Terminal CFC phase-out management plan	World Bank	ExCom/51/24	Non-fulfillment of activities in previous plan; problematic re-arranging of major cost items without tangible result. Potentially to be withdrawn prior to the 51 st Meeting (not included in first dispatch)
Indonesia	National phase-out plan for Annex A Group I and Annex B Group II and III substances	UNDP (lead), World Bank, UNIDO	ExCom/51/30	Fund release with insufficient verification; (reprogramming). Potentially to be resolved prior to the 51 st Meeting (not included in first dispatch)
Paraguay	Terminal phase-out management plan for Annex A Group I substances	UNDP, UNEP	ExCom/51/33	Country in non-compliance
Venezuela	National CFC phase-out plan: 2006 work programme	UNIDO	ExCom/51/37 and Add.1	Feedstock use in next year; verification, policy; and information on R&R still outstanding
Zimbabwe	National phase-out of Annex A (Group I) substances (phase II, first tranche)	Germany	ExCom/51/38	New national plan; level of bilateral contribution by Germany

Action expected from the Executive Committee: the Committee may wish to consider whether to approve each of the 9 projects listed in the table on the basis of: the information provided in the relevant project proposal document including the Secretariat's comments; any additional documents circulated in accordance with decision 41/80; and, any additional information provided at the meeting by the Secretariat or the relevant implementing agency.

10. Country programmes

There are no country programmes for consideration at this meeting.

11. Options for addressing the situation of countries referred to in decision XVII/14 of the Seventeenth Meeting of the Parties: revised paper (follow-up to decision 49/33)

Document UNEP/OzL.Pro/ExCom/51/39: contains the policy paper prepared by the Secretariat on the above issue.

Issues to be addressed:

- Consider whether financial assistance could be provided for CFC phase-out in MDIs for the seven Article 5 Parties with locally-owned MDI manufacturing facilities which already have funding approved for the complete phase-out of CFCs;
- Provide specific guidance on the cut-off date for the establishment of CFC-MDI production lines; the base year to be used for establishing the consumption of CFCs in the MDI sub-sector that would be eligible for funding; and the time scale for payment of operating costs for this sub-sector; and

- Consider the level of funding for development of transition strategies in countries that have not included such strategies in national phase out plans or TPMPs under current implementation.

Action expected from the Executive Committee: Consider whether financial assistance for CFC phase-out in MDIs for the seven Article 5 Parties with locally-owned MDI manufacturing facilities, which already have funding approved for the complete phase-out of CFCs could be provided. If so, to decide on specific guidance on the following issues:

- (a) Whether or not the cut-off date of 25 July 1995 would apply to CFC-MDI production lines;
- (b) The base year to be used for establishing the consumption of CFCs in the MDI sub-sector that would be eligible for funding;
- (c) The appropriate time scale for payment of operating costs/savings for the MDI sub-sector; and
- (d) Further considering the level of funding for the development of transition strategies to non-CFC MDI alternatives in countries that have not included such strategies in national phase out plans or TPMPs under current implementation.

12. Status report on the process for contracting a consultant to carry out the study on the treatment of unwanted ozone-depleting substances (follow-up to decision 50/42(e))

Document UNEP/OzL.Pro/ExCom/51/40: contains the status report on the process for contracting a consultant to carry out the study on the treatment of unwanted ozone-depleting substances (follow-up to decision 50/42(e))

Issues to be addressed:

- None.

Action expected from the Executive Committee: The Executive Committee may wish to take note of the information provided in the status report, as presented in document UNEP/OzL.Pro/ExCom/51/40.

13. Draft report of the Executive Committee to the Open-ended Working Group on the progress made in reducing emissions of controlled substances from process-agent uses (follow-up to decision XVII/6 of the Seventeenth Meeting of the Parties)

Document UNEP/OzL.Pro/ExCom/51/41: contains a draft report on the progress made in reducing emissions of controlled substances from process-agent uses

Issues to be addressed:

- None.

Action expected from the Executive Committee: The Executive Committee may wish to consider approving the draft status report, as presented in document UNEP/OzL.Pro/ExCom/51/41, and forwarding it to the 27th Open Ended Working Group.

14. Consideration of the issue of CTC use as feedstock and process agents, and the co-production of CTC in Article 5 countries (follow up to decision 48/27)

Document UNEP/OzL.Pro/ExCom/51/18: provides a way forward for the Executive Committee to take up the issue at this meeting in the absence of a TEAP global report on CTC, and to have a preliminary discussion in the context of the final report on the CTC phase-out projects and agreements prepared by the Senior Monitoring and Evaluation Officer to be presented under Agenda Item 8(a)(i).

Issues to be addressed:

- None.

Action expected from the Executive Committee: None.

15. Amended report on the reconciliation of the 2005 accounts (follow-up to decision 50/44(a))

Document UNEP/OzL.Pro/ExCom/51/43: presents a reprint of the document submitted to the 50th Meeting with the new information requested by the 50th Meeting highlighted. The document was prepared by the Treasurer.

Issue to be addressed:

- None.

Action requested from the Executive Committee: The Executive Committee is invited to note:

- (a) The reconciliation of 2005 accounts as presented in UNEP/OzL.Pro/ExCom/51/43;
- (b) To acknowledge the updated status of overruns reported by UNDP and appended hereto noting that whilst progress has been made further explanations are still required; and
- (c) The Treasurer made the following adjustments as requested: UNDP US\$2,370, UNEP US \$373,357, World Bank US \$96,680 and US \$622,257.

16. Draft terms of reference for a comprehensive independent assessment of the administrative costs required for the 2009-2011 triennium (follow-up to decision 50/27)

Document UNEP/OzL.Pro/ExCom/51/44: presents a background on the administrative cost regimes of the Multilateral Fund and a draft terms of reference requested at the 50th Meeting for a comprehensive independent assessment of administrative costs required for the 2009-2011 triennium. .

Issue to be addressed:

- Proposed terms of reference; and
- Deliverables.

Action requested from the Executive Committee: The Executive Committee is invited to adopt the draft terms of reference noting that the Fund Secretariat would present the costs based on bids received from qualified consultants to the Executive Committee at its 52nd Meeting.

17. Issues related to the Fund Secretariat's budget for 2007 (follow-up to decision 50/45)

Document UNEP/OzL.Pro/ExCom/51/45: pending.
