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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

SECRETARIAT ACTIVITES

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.

Notification of the Decisions of the 50th Meeting of the Executive Committee

1. The report of the 50th Meeting, containing the decisions of the Executive Committee, was conveyed to all Executive Committee members, other participants of the 50th Meeting and to Parties to the Montreal Protocol. Additionally, decisions related to project approvals and implementation delays were sent to 90 Article 5 countries, and to the relevant bilateral and implementing agencies. A post meeting document summarizing decisions made at the 50th Meeting was sent by email to all meeting participants and Parties to the Montreal Protocol, and was placed on the Multilateral Fund's intranet and website. A press release was issued shortly after the meeting.

Decisions of the 50th Meeting of the Executive Committee requesting certain actions by the Secretariat and/or implementing agencies

2. The Secretariat instructed the Treasurer to transfer resources covering all funding requests approved at the 50th Meeting to the implementing agencies, and/or to credit them as bilateral contributions of the relevant non-Article 5 Parties.

3. In accordance with decision 50/4, the Secretariat initiated the process to provide a means of entering country programme data on its website. A prototype web-based system was set up and a draft explanatory manual was prepared explaining how a country would complete the country programme data format. The system and manual were presented at the Regional Ozone Network meeting in Europe & Central Asia (ECA) in Turkmenistan (February 2007). Views on the prototype system and manual would also be collected from other national ozone units at network meetings if possible before the system and manual are launched. The launch of the system would take place in due time for the 1 May 2007 reporting deadline.

4. The Chief Officer wrote to the Ozone Secretariat in respect of decision 50/42 adopted in relation to Decision XVIII/9 of the Parties, which requested the Fund Secretariat to develop specific terms of reference for a study on the treatment of unwanted ozone-depleting substances (ODS). (See paragraph 20.) She also advised the Chief Executive Officer of the Global Environment Facility (GEF), who had proposed possible collaboration between the GEF and the Multilateral Fund on the preparation of a study on destruction of unwanted ODS, of the outcome of discussion on this issue at the 50th Meeting.

Decisions requesting certain actions by the Chair of the Executive Committee

5. In accordance with decision 50/41, the Chair wrote to the Parties, through the Ozone Secretariat and requested consideration to be given at the Nineteenth Meeting of the Parties to the request of the Executive Committee to change its terms of reference in order to grant the Committee the flexibility to modify the number of times it meets.

6. The Chair also wrote to the Executive Director of UNEP advising him of decision 50/45 that withholds the payment of a sum of US \$200,000, from the 2007 treasury fee being paid to UNEP as Treasurer. The Chief Officer held discussions with the Executive Director of UNEP and other senior staff during her missions to Nairobi (see paragraphs 24 & 27) and by telephone

since that time, in order to progress the matters related to the appointment of a P5 officer. Additional information on this issue is provided in document UNEP/OzL.Pro/ExCom/51/43.

7. The Chair wrote to the Parties, through the Ozone Secretariat, informing them that through decision 50/37 the Executive Committee had approved the terminal phase-out management plan for CTC production and consumption of CTC for process agent uses in Romania for implementation by UNIDO, and that the Government of Romania had agreed to limit its production and consumption of CTC for use as a process agent to the levels specified in the same decision. The Chair also stated that, for the purposes of decision X/14 3(b) of the Tenth Meeting of the Parties the Executive Committee agreed that the emission levels of CTC from the process agent use set out in the above table met the criterion of being reasonably achievable in a cost-effective manner without undue abandonment of infrastructure, and that the letter should also state that the Executive Committee would report to the Parties in the years 2007, 2008 and 2009, in accordance with decision X/14 3(b), on whether Romania had met the agreed emission reduction targets.

Review of tasks in preparation for the 51st Meeting

8. The Secretariat has undertaken the following tasks in preparation for the 51st Meeting.

Status of resources and planning

Report on balances and availability of resources

9. In accordance with decision 31/2 and 41/92, the Secretariat prepared information on the availability of resources (document UNEP/OzL.Pro/ExCom/51/5). This included a review of the obligated and un-obligated balances from completed projects held by agencies and any agency support costs associated with the funds remaining from those completed projects, and a calculation of the total amount of resources available to the Executive Committee for approvals at the 51st Meeting. Resources consist of cash and promissory notes recorded in the Status of Contributions plus the amount of funds returned from completed projects in the form of balances. Resources available amount to US \$45,377,042 was available for approvals at the 51st Meeting.

2007-2009 business plans

10. The implementing agencies and the Fund Secretariat held a coordination meeting on 15 January 2007 to consider, amongst other items, business planning in the light of the ODS phase-out required to comply with the 2007 and 2010 control measures of the Montreal Protocol.

11. The Secretariat compiled the business plans of the bilateral and multilateral implementing agencies into a consolidated business plan of the Multilateral Fund (UNEP/OzL.Pro/ExCom/51/6) for consideration by the Executive Committee. The document presents a total budget for the 2007-2009 business plan of US\$ 523.3 million of which US \$185 million is for 2007. Projects and activities in the 2007-2009 business plan address the phase-out of 58,279 ODP tonnes of ODS and should cover the phase-out needs identified in the three-year phase-out plan to assist Article 5 countries to comply with the ODS reductions required by 2010

(except for those countries which have reported zero consumption). The document discusses inter alia the extent to which the business plans address the ODS phase-out 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 covers planned activities and performance indicators and concludes by addressing the priorities for the triennium 2007-2009.

Monitoring and Evaluation

12. Following the presentation of the Desk study on the evaluation of CTC process agent projects and phase-out agreements to the 48th Meeting of the Executive Committee, the Senior Monitoring and Evaluation Officer (SMEO), together with a consultant, prepared a final report on the evaluation of CTC phase-out projects and agreements. The synthesis report which summarizes the country case studies of the People's Republic of China, the Democratic People's Republic of Korea, India and Pakistan is presented as document UNEP/OzL.Pro/ExCom/51/12.

13. As part of the 2007 monitoring and evaluation work programme, the SMEO, together with two consultants, prepared a desk study on the evaluation of management and monitoring of national phase-out plans which is presented as document UNEP/OzL.Pro/ExCom/51/13.

Country studies on cases of non-compliance

14. In accordance with decision 50/9 the SMEO sent the final country studies on cases of non-compliance to the countries concerned (decision 50/9) which included Albania, Bosnia and Herzegovina, Chile, Ecuador, Pakistan and Sierra Leone.

Monitoring projects and multi-year agreements (follow-up to decisions 49/6 (e) and 50/40

15. The Secretariat prepared document UNEP/OzL.Pro/ExCom/51/14 in response to decisions 49/6 (e) and 50/40 requesting the Secretariat to track cumulative progress achieved in the annual work programmes of multi-year agreements and a format for standardized overview tables. The document presents the draft overview tables developed in consultation with the implementing agencies.

Implementation and submission delays

16. The Secretariat compiled an assessment of progress on projects identified to have implementation delays, based on decisions taken at previous meetings of the Executive Committee. Document UNEP/OzL.Pro/ExCom/51/15 also addresses projects for which status reports were requested and delayed projects in countries with compliance issues. The Secretariat noted a number of substantive difficulties in project implementation, emerging in particular with respect to delays due to awaiting legislation and to national ozone units (NOUs) that are slow to respond.

17. The Secretariat also prepared a report on delays in the submission of annual tranches and disbursement of funds for tranches and obligations (UNEP/OzL.Pro/ExCom/51/16) to enable the Committee to monitor the approval of annual tranches and the release of funds to implementing agencies.

Report on implementation of approved projects with specific reporting requirements

18. The Secretariat prepared document UNEP/OzL.Pro/ExCom/51/17 reporting on the progress of specific projects in Afghanistan, Bolivia, Brunei Darussalam, Burkina Faso, China, Cuba, Haiti, Kyrgyzstan, Myanmar, Sri Lanka and a technical assistance programme for Africa. The Secretariat reviewed the progress reports in light of the original project proposals, ODS data reported by the Governments concerned under Article 7 of the Montreal Protocol, and relevant decisions taken by the Executive Committee and the Meeting of the Parties.

Project Review

19. The Secretariat reviewed 73 projects and activities from 43 Article 5 countries with a total level of funding, as submitted, of US \$68,911,963. This amount includes the total value of new multi-year agreements proposed for approval in principle.

Study on the treatment of unwanted ozone-depleting substances

20. In accordance with decision 50/42(e) the Secretariat prepared a status report on the process for contracting a consultant to carry out the study on the treatment of unwanted ozone-depleting substances. The Executive Committee had approved an additional amount in the 2007 budget of the Fund Secretariat to cover the cost of the study (decision 50/45).

Draft report on the progress made in reducing emissions of controlled substances from process-agent uses

21. The Secretariat prepared a draft report on the progress made in reducing emissions of controlled substances from process-agent use for the Committee's consideration. The final report would be submitted by the Executive Committee to the Open-ended Working Group in June 2007 as a follow-up to decision XVII/6 of the Seventeenth Meeting of the Parties.

Draft terms of reference for a comprehensive independent assessment of the administrative costs required for the 2009-2011 triennium

22. In accordance with decision 50/27 the Secretariat prepared document UNEP/OzL.Pro/ExCom/51/44 containing draft terms of reference for a comprehensive independent assessment of the administrative costs of the Multilateral Fund's implementing agencies required for the 2009-2011 triennium. Comments from the implementing agencies have been incorporated in the draft terms of reference prepared.

Documents and policy papers prepared by the Fund Secretariat

23. Of the documents submitted for consideration at the 51st Meeting, the following were prepared by the Fund Secretariat:

- Provisional agenda and annotated agenda;
- Secretariat activities;
- Report on balances and availability of resources;
- Consolidated 2007-2009 business plan of the Multilateral Fund;
- Comment on agencies' business plans;
- Final report on the evaluation of CTC phase-out projects and agreements;
- Desk study on the evaluation of management and monitoring of national phase-out plans;
- Issues related to monitoring and reporting on multi-year agreements (follow-up to decisions 49/6 (e) and 50/40);
- Project implementation delays;
- Annual tranche submission delays;
- Report on implementation of approved projects with specific reporting requirements;
- Overview of issues identified during project review;
- Bilateral cooperation;
- Comments and recommendations on the 2007 work programmes of UNDP, UNIDO and the World Bank and the 2007 work programme amendments of UNEP;
- Project evaluation sheets, comments and recommendations on the projects and activities submitted to the 51st Meeting;
- 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);
- 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));
- 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);
- 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).
- 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);
- Issues related to the Fund Secretariat's budget for 2007 (follow-up to decision 50/45).

Meetings attended and missions undertaken

Missions of the Chief Officer

Nairobi, Kenya (13-15 November 2006)

24. The Chief Officer attended the UNFCCC COP12 & COP/MOP2 meetings in Nairobi where she also met senior representatives of UNEP and UNON management for discussions on Multilateral Fund matters including decision 50/45 as it relates to the Treasury services (see paragraph 6).

Washington DC, United States of America, (4-8 December 2006)

25. The Chief Officer attended the GEF Council Meeting, Washington DC and had an opportunity to briefly discuss issues related to the funding of HCFC and methyl bromide phase-out activities with the new Chief Executive Officer, Ms. Monique Barbut.

Cairo, Egypt (30 January – 3 February 2007)

26. The Chief Officer held meetings with the Egyptian Minister of Environment (Eng. Maged George Elias Ghattas, Egyptian Minister of State for Environmental Affairs) and the Honorary Chief Officer Dr. Omar El Arini on matters related to the implementation of the national phase-out plans for CFCs and methyl bromide and the halon banking project in Egypt.

Nairobi, Kenya (4-9 February 2007)

27. The Chief Officer, accompanied by the Administrative and Fund Management Officer, attended the 24th Session of the Governing Council/Global Ministerial environment forum where she made a short statement to the Committee of the Whole on the work of the Multilateral Fund and challenges still facing it. This statement is available on the Multilateral Fund website. She also took part in discussions with Ministers and other government representatives of Article 5 countries on the implementation of existing multi-year agreements in their respective countries, and held discussions with Mr. Achim Steiner, Executive Director of UNEP and other UNEP and UNON senior management on Treasury and administrative issues. (See paragraph 6).

Missions of other Secretariat staff

Washington/ New York, United States of America (17-19 December 2006)

28. The Senior Monitoring and Evaluation Officer (SMEO), a Senior Programme Management Officer and two consultants met with UNDP (New York) and the World Bank (Washington D.C.) to discuss issues related to the preparation of the desk study on multi-year agreements (MYAs) and the streamlining of reporting for MYAs.

People's Republic of China and Democratic People's Republic of Korea (27 November – 15 December 2006)

29. The SMEO, together with a consultant, conducted a mission to China and the Democratic Republic of Korea to prepare country case studies for the evaluation of CTC phase-out projects and agreements. The Deputy Chief Officer also participated in the field trip in China as a resource person to the mission.

Colombo, Sri Lanka 1-8 December 2006

30. A senior project management officer attended the 2006 Meeting of the South Asia Network of ODS Officers, in Colombo, Sri Lanka and the thematic meeting on metered dose inhalers (MDIs) in order to give a presentation on the MDI sub-sector activities funded by the Multilateral Fund and to provide participants with up-to-date information on Committee decisions. On the final day of the meeting there was a panel discussion on future challenges of the Montreal Protocol, 2007, 2010 and beyond with participation of Mr. Sarma (former Executive Secretary of the Ozone Secretariat), representatives of UNEP-DTIE and UNDP.

The Hague, Netherlands, (5 – 7 February 2007)

31. The Deputy Chief Officer (Economic Cooperation) participated in the third meeting of the Stockholm Group. Two earlier meetings of the Stockholm Group had taken place in Montreal (Canada) in July 2006 and in New Delhi (India) in November 2006. About 52 experts, from bilateral agencies, Article 5 countries, the Ozone Secretariat, implementing agencies, the European Commission, NGOs, the Technology and Economic Assessment Panel (TEAP) and Scientific Assessment Panel (SAP), were invited to the meeting in The Hague. Issues discussed included modifications to the HCFC control measures, ODS destruction and compliance with existing Protocol control measures. A copy of the output of The Hague meeting can be found in document UNEP/OzL.Pro/ExCom/51/Inf.5.

Ashgabat, Turkmenistan (22 February – 3 March 2007)

32. A Project Management Officer participated in the sixth Regional Ozone Network meeting in Europe & Central Asia (ECA), which was aimed at assisting the region on specific actions countries could take to maintain and sustain compliance with Protocol control measures. In addition to the representatives of the ECA network member countries, the meeting was attended by the Ozone Secretariat, implementing agencies and representatives of the GEF-supported CEIT countries (Azerbaijan, Kazakhstan, Tajikistan and Uzbekistan). The Project Management Officer gave a keynote speech and presentations on recent Executive Committee decisions and country programme data reporting. She also demonstrated a prototype of a web-based country programme data entry system and met with the Minister of Nature Protection of Turkmenistan.

Victoria Falls, Zimbabwe (3 – 9 March, 2007)

33. A Senior Project Management Officer would attend the ODS Officers Network for English-Speaking African Countries (13th Main Meeting) to give a presentation on recent decision of the Executive Committee and inform participants about the prototype web-based system for entering country programme data.

Cooperation with Multilateral Environmental Agreements (MEAs) and other organizations

34. The Secretariat was invited by the Chief Executive Officer (CEO) of the Global Environment Facility to participate in the GEF Chemicals Technical Advisory Group (TAG), which was initiated as part of the GEF process for reviewing and revising the chemicals related focal area strategies for the GEF 4 institutional reform process. Membership of the Chemicals TAG includes representatives of the GEF Scientific & Technical Advisory Panel (STAP), the Stockholm Convention Secretariat, the Multilateral Fund Secretariat, individual experts and the GEF Secretariat. The TAG will prepare a final draft strategy paper for review by the Strategic Advisory Group (SAG). Secretariat staff participated in 2 teleconferences (24 January and 1 February 2007) and commented on the draft report. The TAG group will prepare a report for the GEF Strategic Advisory Group (SAG) by April 2007.

Inter-Agency Coordination Meeting

35. In order to facilitate preparations for the 51st Meeting, the implementing agencies and the Fund Secretariat held an Inter-Agency Coordination Meeting from 15-16 January 2007. Participants included Secretariat staff, all four multilateral implementing agencies, one bilateral agency (Canada) and the Deputy Executive Secretary of the Ozone Secretariat. The meeting enabled the Secretariat and agencies to discuss a wide range of issues including business planning for 2007-2009, submissions to the 51st Meeting, and monitoring and evaluation issues in 2007. The Deputy Executive Secretary of the Ozone Secretariat briefed participants on plans for the 20th anniversary celebration of the Montreal Protocol including the preparation of a 20th anniversary book on the implementation of Article 10 of the Protocol and recognition awards.

Preparation for the meetings of the Executive Committee

36. Logistical arrangements were made for the 51st Meeting of the Executive Committee, to be held at the International Civil Aviation Organization (ICAO) from 19-23 March 2007. Letters of invitation and meeting documentation were provided to members of the Executive Committee, the President of the Bureau of the 18th Meeting of the Parties, the President and Vice President of the Implementation Committee, the Executive Director of UNEP, the Executive Secretary of the Ozone Secretariat, the implementing agencies and NGOs.

Information Activities

37. Reports of the 50th Meeting of the Executive Committee in Arabic, English, French and Spanish, a post-meeting summary and a news release were posted on the public web site (www.multilateralfund.org).

38. An area containing documents in Arabic, Chinese, English, French and Spanish, and logistical information on the 51st Meeting was created on the Multilateral Fund intranet. Documents for general distribution were additionally placed on the public web site.

39. The Fund Secretariat reviewed and updated the following databases, documents and operational guidelines for the 51st Meeting:

- Executive Committee Primer, January 2007
- Inventory of Approved Projects as of November 2006,
- Policies, Procedures, Guidelines and Criteria as of November 2006

