



**United Nations
Environment
Programme**



Distr.
GENERAL

UNEP/OzL.Pro/ExCom/51/18
21 February 2007

ORIGINAL: ENGLISH

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

OVERVIEW OF ISSUES IDENTIFIED DURING PROJECT REVIEW

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.

Projects and activities presented to the 51st Meeting of the Executive Committee

Submissions by bilateral and implementing agencies

1. The Secretariat received for consideration at the 51st Meeting multi-year agreements, projects and activities amounting to US \$68,911,963. This amount includes the total value of new multi-year agreements proposed for approval in principle.
2. Of this total there are 73 funding requests which include specific annual tranches and other projects/activities amounting to US\$64,489,263 (including agency support costs where applicable). Following review by the Secretariat, the number of projects and programmes which are being forwarded to the Executive Committee for consideration is 58, or 79 per cent of the total number of the funding requests, with a value of US \$61,882,518, or 96 per cent of the total value of the requests.
3. The list of projects recommended by the Secretariat for blanket approval contains 29 activities with a total value of US \$38,428,372. These represent 40 per cent of the total number of funding requests received and 60 per cent of the value of the requested funding level. A list of these projects is contained in Annex I.
4. A total of 29 projects and activities are recommended by the Secretariat for individual consideration for a number of reasons ranging from project cost to verified CTC production not accounted for. In terms of percentage, these projects are 40 per cent of the total funding requests and 37 per cent of the value of the requested funding level. The list of investment projects for individual consideration is contained in Annex II. It should be noted that there is no incomplete submission being forwarded this meeting, and 15 projects/activities have been withdrawn by the agencies submitting them.

Status of the Fund

5. At the time of writing this paper, the fund balance of the Multilateral Fund stood at US \$45,368,160 million which would not be sufficient to cover all the projects and activities submitted for consideration at the 51st Meeting at an expected funding level of US \$61.8 million, should the projects on the list for blanket approval and for individual consideration be cleared for approval at the funding level proposed.
6. However the situation may change due to two possibilities. First the fund balance could increase as a result of the payment of contributions by contributing Parties between now and the time of the meeting, thereby making up for some or all of the current shortfall. The second possibility is that the reductions could be made to the expected funding levels of the projects that are submitted for consideration. In the event that these two possibilities still do not totally remove the shortfall, the modality for project approval but disbursement of funding once funds become available would have to be applied. For that, a list of funding priorities would need to be developed together with the implementing agencies and cleared by the Executive Committee.

Policy issues identified in project review

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

List of projects and activities recommended for funding

UNEP/OzL.Pro/ExCom/51/18
Annex I

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
ALGERIA						
PHASE-OUT PLAN						
ODS phase out plan						
Project preparation for an ODS phase-out management plan	UNIDO		\$15,000	\$1,125	\$16,125	
<i>Approved on the understanding that this amount represents final funding for project preparation for a complete CFC phase-out plan.</i>						
Total for Algeria			\$15,000	\$1,125	\$16,125	
BOLIVIA						
PHASE-OUT PLAN						
ODS phase out plan						
Terminal phase-out management plan (first tranche)	Canada		\$79,000	\$10,270	\$89,270	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. The agencies were urged to take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the TPMP.</i>						
Terminal phase-out management plan (first tranche)	UNDP	0.1	\$151,000	\$11,325	\$162,325	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. The agencies were urged to take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the TPMP.</i>						
Total for Bolivia		0.1	\$230,000	\$21,595	\$251,595	
CHILE						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening (phase VII)	UNDP	15.4	\$186,550	\$13,991	\$200,541	
Total for Chile		15.4	\$186,550	\$13,991	\$200,541	
CHINA						
PRODUCTION						
CFC closure						
Sector plan for CFC production phase-out: 2007 annual programme	IBRD		\$24,000,000	\$1,800,000	\$25,800,000	
<i>The Government of China was requested to ensure that CFC plants are being adequately maintained for safety and emission control prior to full closure, and that the dismantling of these plants will be carried out in an environmentally responsible manner in 2007. The Committee took note of the report on the China 2006 CFC export, with the understanding that it does not constitute the verification of China's CFC exports for 2006, as it has not been validated against the official data from the General Administration of Customs for 2006.</i>						
REFRIGERATION						
Sectoral phase out plan						
Refrigeration servicing sector CFC phase-out plan (third tranche)	UNIDO	782.0	\$700,000	\$52,500	\$752,500	
Total for China		782.0	\$24,700,000	\$1,852,500	\$26,552,500	

List of projects and activities recommended for funding

UNEP/OzL.Pro/ExCom/51/18
Annex I

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
COMOROS						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase V)	UNEP		\$60,000	\$0	\$60,000	
Total for Comoros			\$60,000		\$60,000	
CONGO						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase V)	UNEP		\$60,000	\$0	\$60,000	
Total for Congo			\$60,000		\$60,000	
DOMINICAN REPUBLIC						
PHASE-OUT PLAN						
CFC phase out plan						
Terminal phase-out plan for Annex A (Group I) substances: (third tranche)	UNDP		\$400,000	\$30,000	\$430,000	5.50
Total for Dominican Republic			\$400,000	\$30,000	\$430,000	
EGYPT						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase VI)	UNIDO	18.9	\$228,323	\$17,124	\$245,447	
Total for Egypt		18.9	\$228,323	\$17,124	\$245,447	
GEORGIA						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase V)	UNEP		\$60,667	\$0	\$60,667	
Total for Georgia			\$60,667		\$60,667	
HONDURAS						
PHASE-OUT PLAN						
CFC phase out plan						
Project preparation for a terminal phase-out management plan	UNIDO		\$15,000	\$1,125	\$16,125	
<i>Approved on the understanding that, in developing and subsequently implementing the TPMP, UNIDO should take into account decision 47/10(e) regarding the inclusion in licensing systems of import controls for MB, CTC and/or TCA, as well as CFCs.</i>						
Project preparation for a terminal phase-out management plan	UNEP		\$15,000	\$1,950	\$16,950	
<i>Approved on the understanding that, in developing and subsequently implementing the TPMP, UNEP should take into account decision 47/10(e) regarding the inclusion in licensing systems of import controls for MB, CTC and/or TCA, as well as CFCs.</i>						

List of projects and activities recommended for funding

UNEP/OzL.Pro/ExCom/51/18
Annex I

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
Total for Honduras			\$30,000	\$3,075	\$33,075	
INDIA						
PRODUCTION						
CFC closure						
CFC production sector gradual phase-out: 2007 annual implementation plan	IBRD		\$6,000,000	\$450,000	\$6,450,000	
Total for India			\$6,000,000	\$450,000	\$6,450,000	
IRAN						
PHASE-OUT PLAN						
CFC phase out plan						
National CFC phase-out plan: 2007 annual implementation programme	UNIDO		\$36,179	\$2,713	\$38,892	
National CFC phase-out plan: 2007 annual implementation programme	Germany	250.3	\$920,868	\$101,295	\$1,022,163	6.59
Total for Iran			250.3	\$957,047	\$104,008	\$1,061,055
KOREA, DPR						
PHASE-OUT PLAN						
CFC phase out plan						
Implementation of the NPP: regulations, training programme and monitoring (third tranche)	UNEP	18.0	\$100,000	\$13,000	\$113,000	
Total for Korea, DPR			18.0	\$100,000	\$13,000	\$113,000
KYRGYZSTAN						
AEROSOL						
Metered dose inhalers						
Development of an MDI transitional strategy <i>Approved on the understanding that the country will no seek additional funding for the MDI sub-sector.</i>	UNIDO		\$30,000	\$2,700	\$32,700	
Total for Kyrgyzstan			\$30,000	\$2,700	\$32,700	
LIBERIA						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase II)	UNEP		\$85,213	\$0	\$85,213	
Total for Liberia			\$85,213		\$85,213	
MEXICO						
FUMIGANT						
Methyl bromide						
Project preparation in the fumigant sector <i>Approved on the understanding that this will address the complete phase out of all remaining MB uses in the country with an accelerated schedule, and that no further project preparation funding will be requested for the MB sector.</i>	UNIDO		\$60,000	\$4,500	\$64,500	
Total for Mexico			\$60,000	\$4,500	\$64,500	

List of projects and activities recommended for funding

UNEP/OzL.Pro/ExCom/51/18
Annex I

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
MONTENEGRO						
SEVERAL						
Country programme/country survey						
Project preparation for a country programme and a terminal phase-out plan	UNIDO		\$40,000	\$3,600	\$43,600	
Ozone unit support						
Establishment of the ozone unit	UNIDO		\$30,000	\$2,250	\$32,250	
Total for Montenegro			\$70,000	\$5,850	\$75,850	
MOROCCO						
FUMIGANT						
Methyl bromide						
Project preparation for a methyl bromide phase-out plan (green beans and cucumber)	UNIDO		\$35,000	\$2,625	\$37,625	
Total for Morocco			\$35,000	\$2,625	\$37,625	
PHILIPPINES						
PHASE-OUT PLAN						
CFC phase out plan						
National CFC phase-out plan: 2007 annual programme	IBRD	907.0	\$337,717	\$20,795	\$358,512	
Total for Philippines		907.0	\$337,717	\$20,795	\$358,512	
ROMANIA						
PHASE-OUT PLAN						
CFC phase out plan						
National CFC phase-out plan (third tranche)	UNIDO	14.9	\$30,000	\$2,250	\$32,250	5.49
Total for Romania		14.9	\$30,000	\$2,250	\$32,250	
SEYCHELLES						
PHASE-OUT PLAN						
ODS phase out plan						
Terminal ODS phase-out management plan (first tranche)	France		\$120,000	\$15,600	\$135,600	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. France was urged to take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the TPMP.</i>						
Total for Seychelles			\$120,000	\$15,600	\$135,600	
SIERRA LEONE						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase II, 2nd year)	UNEP		\$48,445	\$0	\$48,445	
Total for Sierra Leone			\$48,445		\$48,445	

List of projects and activities recommended for funding

UNEP/OzL.Pro/ExCom/51/18
Annex I

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
TRINIDAD AND TOBAGO						
PHASE-OUT PLAN						
CFC phase out plan						
Audit for an ongoing terminal phase-out management plan	UNDP		\$20,000	\$1,500	\$21,500	
Total for Trinidad and Tobago			\$20,000	\$1,500	\$21,500	
ZIMBABWE						
FUMIGANT						
Methyl bromide						
Total phase-out of methyl bromide used in tobacco seedlings (second tranche)	UNIDO	160.0	\$1,862,486	\$139,686	\$2,002,172	21.91
Total for Zimbabwe		160.0	\$1,862,486	\$139,686	\$2,002,172	
GRAND TOTAL		2,166.6	\$35,726,448	\$2,701,924	\$38,428,372	

Annex II

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 51st Meeting
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 51st 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 51st 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
