



**United Nations
Environment
Programme**

Distr.
GENERAL

UNEP/OzL.Pro/ExCom/52/55
24 August 2007



ORIGINAL: ENGLISH

EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Fifty-second Meeting
Montreal, 23-27 July 2007

**REPORT OF THE FIFTY-SECOND MEETING OF THE
EXECUTIVE COMMITTEE**

Introduction

1. The 52nd Meeting of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol was held at the headquarters of the International Civil Aviation Organization (ICAO) in Montreal from 23 to 27 July 2007.
2. The Meeting was attended by representatives of the following countries, members of the Executive Committee, in accordance with decision XVIII/2 of the Eighteenth Meeting of the Parties to the Montreal Protocol:
 - (a) Parties not operating under paragraph 1 of Article 5 of the Protocol: Belgium, Canada (Chair), the Czech Republic, Italy, Japan, Sweden and the United States of America;
 - (b) Parties operating under paragraph 1 of Article 5 of the Protocol: China, Guinea (Vice-Chair), Jordan, Mexico, Saint Lucia, Sudan and Uruguay.
3. In accordance with the decisions taken by the Executive Committee at its Second and Eighth Meetings, representatives of the United Nations Development Programme (UNDP), the United Nations Environment Programme (UNEP) both as implementing agency and as Treasurer of the Fund, the United Nations Industrial Development Organization (UNIDO) and the World Bank attended the Meeting as observers.
4. The Meeting was attended by the President and the Vice-President and Rapporteur of the Implementation Committee. The Co-Chair of the Technical and Economic Assessment Panel

(TEAP) also attended. The Monitoring and Compliance Officer of the Ozone Secretariat was also present. A representative of the Alliance for Responsible Atmospheric Policy also attended as an observer.

AGENDA ITEM 1: OPENING OF THE MEETING

5. The Meeting was opened at 10:00 am on Monday, 23 July 2007, by the Chair, Mr. Philippe Chemouny (Canada), who welcomed participants to Montreal. He said that the Executive Committee had the daunting task of ensuring that all Article 5 countries met their targets for 2010 and that full compliance was its ambitious goal. It was encouraging to see that most Article 5 countries were well on their way to meeting the 2010 targets or in some cases had almost already met them. He informed the Committee of his participation, on 1 July, in China's celebrations of its accelerated phase-out of CFCs and halons, and congratulated all countries and National Ozone Units (NOUs) that were accelerating the phase-out of ODS.

6. The fact that the Meeting was the second of the year meant that the Executive Committee would be examining the state of affairs halfway into the implementing agencies' business plans for 2007. With the 2010 targets less than three years away, it was important to examine progress reports carefully. A number of countries still lacked licensing systems, which could have an impact on their ability to comply with their obligations under the Montreal Protocol. With regard to data reporting, the number of countries that had submitted data for the current reporting period was low. The Secretariat had recently launched its new web-based country programme data reporting format and it was important for countries to use it in future to enable easier and faster data analysis.

7. Both the evaluation reports to be considered at the Meeting had the potential to contribute substantially to the Committee's work. The Compliance Assistance Programme (CAP) analysis provided recommendations that could determine the direction of future work within the programme, while the desk study on incentive programmes might provide an approach that would be essential for the implementation of terminal phase-out management plans (TPMPs) in low-volume-consuming countries (LVCs).

8. The Executive Committee was also being called upon to make its customarily creative, efficient and fair decisions with regard to the proposed projects for phasing out CFCs in the manufacture of metered-dose inhalers (MDIs).

9. In closing, the Chair recalled that the present Meeting of the Executive Committee preceded the celebration of the 20th anniversary of the Protocol. This milestone was obviously significant for the ozone layer, as well as an opportunity to recognize the Executive Committee's role in enabling countries to fulfil their commitments to phase out ozone-depleting substances (ODS).

AGENDA ITEM 2: ORGANIZATIONAL MATTERS

(a) Adoption of the agenda

10. The Executive Committee adopted the following agenda on the basis of the provisional agenda contained in document UNEP/OzL.Pro/ExCom/52/1:

1. Opening of the meeting.
2. Organizational matters:
 - (a) Adoption of the agenda;
 - (b) Organization of work.
3. Secretariat activities.
4. Status of contributions and disbursements.
5. Status of resources and planning:
 - (a) Report on balances and availability of resources;
 - (b) 2007 business plans;
 - (c) Final report on priorities for the triennium 2006-2008 beyond the needs identified by the model rolling three-year phase-out plan, taking into account the remaining unallocated funds for the triennium (follow-up to decision 50/6);
 - (d) Status/prospects of Article 5 countries in achieving compliance with the initial and intermediate control measures of the Montreal Protocol.
6. Programme implementation:
 - (a) Monitoring and evaluation:
 - (i) Extended desk study on incentive programmes for retrofits;
 - (ii) Final report on the evaluation of the CAP programme;
 - (b) Progress reports as at 31 December 2006:
 - (i) Consolidated progress report;
 - (ii) Bilateral cooperation;
 - (iii) UNDP;
 - (iv) UNEP;

- (v) UNIDO;
 - (vi) World Bank;
 - (c) Evaluation of the implementation of the 2006 business plans;
 - (d) Project implementation delays;
 - (e) Annual tranche submission delays;
 - (f) Report on implementation of approved projects with specific reporting requirements.
7. Project proposals:
- (a) Overview of issues identified during project review;
 - (b) Bilateral cooperation;
 - (c) Amendments to work programmes for 2007:
 - (i) UNDP;
 - (ii) UNEP;
 - (iii) UNIDO;
 - (iv) World Bank;
 - (d) Investment projects.
8. Country programmes.
9. Report on the costs for carrying out a comprehensive independent assessment of the administrative costs required for the 2009-2011 triennium (follow-up to decision 51/38).
10. Progress report on a study on the treatment of unwanted ODS to be submitted to the Nineteenth Meeting of the Parties (follow-up to decision 50/42).
11. Consideration of the issue of CTC use as feedstock and process agents, and the co-production of CTC in Article 5 countries, taking into consideration the study of the Technology and Economic Assessment Panel (TEAP) on global CTC emissions (follow-up to decision 51/36).
12. Provisional 2006 accounts.
13. Report of the Executive Committee to the Nineteenth Meeting of the Parties.
14. Other matters.

15. Adoption of the report.

16. Closure of the meeting.

11. The Meeting also agreed to discuss the following topics under agenda item 14, “Other matters”: a request to consider the accelerated phase-out plan for CFC production in Argentina, as submitted by the World Bank in document UNEP/OzL.Pro/ExCom/52/Inf.3; the transfer of an institutional strengthening project for Kenya from UNDP to UNEP; the issue of overlapping activities between implementing agencies; and information to be provided by Sweden on the informal meeting of the Stockholm Group, planned to take place in the margins of the meeting of the Executive Committee.

(b) Organization of work

12. The Executive Committee agreed to follow its customary procedures.

13. The Committee also agreed to establish an informal group composed of four countries operating under Article 5 of the Protocol, namely, China, Guinea, Mexico and Uruguay, and four countries not operating under Article 5 of the Protocol, namely, Canada, Italy, Sweden and the United States of America, with a representative of the Ozone Secretariat as an observer, to discuss the proposal by the World Bank for the accelerated phase-out of CFC production in Argentina, which would be considered under agenda item 14, and to report back to the Meeting on its deliberations.

AGENDA ITEM 3: SECRETARIAT ACTIVITIES

14. The Chief Officer drew the Meeting’s attention to document UNEP/OzL.Pro/ExCom/52/2, which described the activities of the Secretariat since the 51st Meeting. She said that, in addition to the usual intersessional activities, the Secretariat had submitted to the 27th Meeting of the Open-ended Working Group the report on the progress made in reducing emissions of controlled substances from process agent uses, as requested in decision 51/35 (UNEP/OzL.Pro/ExCom/51/41). It had also forwarded the final report on the evaluation of CTC phase-out projects (UNEP/OzL.Pro/ExCom/51/12) to the TEAP, as requested in decision 51/11. The Chief Officer also informed the Committee that the Executive Director of UNEP had been advised of the Committee’s appreciation of the progress made in filling the P5 treasury position and informed the Committee that the vacancy notice had been posted on the Galaxy system of the United Nations.

15. The Chief Officer said that the Secretariat had prepared over 50 documents for the 52nd Meeting and had reviewed projects and activities in 24 countries. The documents covered such matters as the availability of resources; progress made in project implementation; the status of the 2007 business plans of the implementing agencies; and the prospects of Article 5 countries in achieving compliance with the control measures of the Montreal Protocol. Two evaluation studies had also been prepared: one presenting the results of a desk study on incentive programmes for retrofits and the other containing the final report on the evaluation of UNEP’s CAP. As a follow-up to decision 50/42 and decision XVIII/9 of the Eighteenth Meeting of the Parties, the Secretariat had prepared a report on the progress made on the study of the treatment

of unwanted ODS. The Secretariat had also introduced a new section into the overview of issues identified during project review (UNEP/OzL.Pro/ExCom/52/20) relating to submissions requesting changes to ongoing projects.

16. The Chief Officer said that the Secretariat had received an invitation from the head of the UNEP Chemicals Branch to attend a donors' meeting of the Strategic Approach to International Chemicals Management (SAICM) in Paris in June and an invitation to take part in a Stakeholder Workshop in Brussels on capacity-building in African, Caribbean and Pacific countries in March, and advised that the Secretariat had not attended either meeting. The Chief Officer had attended a meeting of the TEAP in Rome to provide information on the HCFC surveys, and had also attended a meeting in Brussels in April of the Planning Committee for an international HCFC workshop being sponsored by the European Commission. The Chief Officer and several senior programme officers had also attended the 27th Meeting of the Open-ended Working Group in Nairobi in June. Together with the Chair of the Executive Committee, the Chief Officer had taken part in a special ceremony in China to celebrate the closure of CFC and halon production, two and a half years in advance of the phase-out deadline under the Montreal Protocol. The Secretariat had also participated in the Joint Network Meeting of the Southeast Asia and Pacific and the South Asia regional networks, but had been unable to attend the meeting of the West Asia network in Yemen in May owing to other priorities.

17. The Chief Officer advised the Committee that the Secretariat had received a request from the Ozone Secretariat, as a follow-up to the discussions that had taken place at the 27th Meeting of the Open-ended Working Group, to provide any analyses and calculations that had been done in respect of the various scenarios proposed by the Parties for accelerating the HCFC phase-out schedule. She said that the only information that the Secretariat could provide related to the agencies' business plans, as considered at the 51st Meeting of the Executive Committee, and the findings of the HCFC surveys that had been funded by the Multilateral Fund.

18. In closing, the Chief Officer announced that Ms. Cristina Zucca, Executive Assistant to the Chief Officer, had left the Secretariat in order to take up a position with UNEP in Nairobi.

19. In the discussion that followed, one Member stressed that 2007 was an important year for Article 5 countries noting that, as of 1 July, China had achieved accelerated phase-out of CFC and halon production. At that time, China had held a seminar on compliance with the Montreal Protocol. He said that China thanked the Multilateral Fund, the Secretariat and the Executive Committee for their support and would continue to work with them to advance the compliance process.

20. In response to a request for clarification with respect to any official requests received by the Secretariat for cooperation with other multilateral environmental agreements, specifically, the Stockholm, Basel and Rotterdam Conventions and the SAICM, the Chief Officer said that the only request received during the period covered by the report had come from the head of the Chemicals Branch to attend the SAICM donors' meeting in Paris in June 2007.

21. Following the discussion, the Executive Committee took note with appreciation of the report on Secretariat activities.

AGENDA ITEM 4: STATUS OF CONTRIBUTIONS AND DISBURSEMENTS

22. The Treasurer introduced the report on the status of the Fund (UNEP/OzL.Pro/ExCom/52/3) as at 22 June 2007. He recalled that a new format had been used for the present document, which now included, on the first page, a breakdown of the encashment schedule for promissory notes with a view to highlighting the impact of the notes' liquidity on the implementation of approved projects.

23. The Treasurer then provided an update on payments received since 22 June, indicating that Belgium, the Netherlands, Norway and Sweden had made contributions since that date. The balance available for allocations at the 52nd Meeting stood at US \$82.84 million (including promissory notes), representing around 50 per cent of the 2007 pledges – the highest amount ever recorded by the Executive Committee at its second meeting in any year. Total income, including cash payments, promissory notes, bilateral cooperation credits, interest, and miscellaneous income therefore stood at US \$2.284 billion.

24. The representative of Italy informed the Executive Committee that the encashment of the 2006 promissory notes, by France, would take place by the end of July 2007.

25. The representative of the United States of America considered that the way in which the Treasurer presented the information regarding contributions was confusing. The tables in the Treasurer's report gave the impression that the United States had paid its contributions in full in 2003 and 2004, partially in 2005 and not at all in subsequent years. That was caused by the Treasurer's practice of recording the contribution under the last year in which the country had an amount outstanding. However, the United States had in fact made a contribution every year and was a staunch supporter of the Multilateral Fund. He reiterated that his country viewed the contributions as voluntary and that it intended to continue its support to the Fund in the future. He nevertheless requested that the recording procedure be reviewed.

26. In response to the representative of the United States of America, the Treasurer clarified that if contributions made by Parties in 2007 were recorded solely in relation to that year, then the figure of 50 per cent he had given for contributions received to date would indeed be higher. However, doing so would require adjusting previous years as well, and the comparison would accordingly have to be adjusted.

27. Following a discussion, the Executive Committee decided:

- (a) To note the report of the Treasurer on the status of contributions and disbursements and information on promissory notes as contained in Annex I to the present report;
- (b) In accordance with decision XI/6 of the Eleventh Meeting of the Parties, to urge all Parties to pay their contributions to the Multilateral Fund in full, as early as possible, and no later than 1 June of each year. Parties unable to make their contributions by 1 June should notify the Treasurer as to when during the calendar or fiscal year their payment would be made, but contributing Parties should strive to make their contributions no later than 1 November of that year; and

- (c) To thank those Parties that had already made their contributions for 2007, in light of the relatively high rate of payment recorded at the second Executive Committee Meeting of the year as compared with previous years.

(Decision 52/1)

AGENDA ITEM 5: STATUS OF RESOURCES AND PLANNING

(a) Report on balances and availability of resources

28. The representative of the Secretariat introduced documents UNEP/OzL.Pro/ExCom/52/4 and Add.1, which contained the submissions of the implementing agencies on completed projects with balances and on the return of funds from cancelled projects. The addendum addressed the issue of the return of incremental operating costs for a completed refrigeration project in the Libyan Arab Jamahiriya.

29. The representative of the Secretariat informed Members that US \$1,525,904 in project funds and US \$180,933 in support costs had been returned from completed and cancelled projects. Taking into account the status of contributions as at the beginning of the 52nd Meeting, as presented by the Treasurer, and the funds returned from completed and cancelled projects, the total sum available for approvals at the 52nd Meeting could be updated to US \$84.5 million. He also drew attention to the remaining high level of unobligated balances held by UNEP, stating that although UNEP had provided reasons for the balances, it was normal practice for funds to be obligated before a project was completed.

30. Regarding the project in the Libyan Arab Jamahiriya, the representative of UNIDO sought clarification as to whether the agency was permitted to have direct contact with the enterprise eligible for the recovered funding so that it would not be penalized by the lack of communication with the Government. The representative of the Secretariat said that any direct contact with an enterprise had to take place with the full knowledge of the government in question. In the case of the Libyan Arab Jamahiriya, the Government should be involved in resolving the matter.

31. One Member said that, in light of the various issues that needed to be raised with the Libyan Arab Jamahiriya, identified under other agenda items, she expected that the Secretariat would communicate all those issues to the country in a consolidated manner.

32. Taking into account the unobligated balances held by UNEP, adjustments to the bilateral contributions of Canada, Germany and Japan, the transfer of Georgia's institutional strengthening project from UNEP to UNDP and approval of agency fees for UNDP, and resources available for approvals at the 52nd Meeting, the Executive Committee decided:

- (a) To note the report on balances and availability of resources contained in documents UNEP/OzL.Pro/ExCom/52/4 and Add.1;
- (b) To note the net level of funds being returned by the implementing agencies to the 52nd Meeting amounting to US \$1,525,904 against project balances, including the

return of US \$531,442 from UNDP, US \$215,766 from UNEP, US \$62,064 from UNIDO, and US \$716,632 from the World Bank;

- (c) To note the net level of support costs being returned by the implementing agencies to the 52nd Meeting amounting to US \$180,933 against project support cost balances, including the return of US \$60,419 from UNDP, US \$27,199 from UNEP, US \$4,814 from UNIDO, and US \$88,501 from the World Bank;
- (d) To note that implementing agencies had balances totalling US \$14,129,095 excluding support costs from projects completed over two years previously, including US \$161,406 plus support costs from UNDP, US \$862,627 plus support costs from UNEP, US \$678,677 plus support costs from UNIDO, and US \$12,426,385 plus support costs from the World Bank;
- (e) To urge UNEP to resolve the US \$1,680,292 in unobligated balances and report thereon to the 53rd Meeting;
- (f) To note that US \$750 should be deducted from the bilateral contribution of Canada as a result of funds being returned from project preparation for the terminal phase-out management plan in Burkina Faso (BKF/PHA/47/PRP/19);
- (g) To note that US \$3,686 should be deducted from the bilateral contribution of Germany as a result of funds being returned from the projects indicated below:

Code	Project title	Project costs returned (US\$)	Associated support costs (US\$)
IND/FOA/36/INV/350	Conversion from CFC-11 to water-based technology at Precision Engineering Tools and Components	26	3
IND/FOA/36/INV/351	Conversion from CFC-11 to water-based technology at Pramukh Poly-Products	9	1
MAR/REF/28/TAS/12	National CFC-12 recovery and recycling programme and demonstration of retrofit technology in commercial refrigeration	3,647	0
TOTAL		3,682	4

- (h) To note that US \$6,216 should be deducted from the bilateral contribution of Japan as a result of funds being returned from the projects indicated below:

Code	Project title	Project costs returned (US\$)	Associated support costs (US\$)
CPR/REF/31/TAS/359	Strategy for the refrigeration servicing sector in China	1,376	179
IDS/FOA/37/INV/145	Phase-out of CFC-11 by conversion to HCFC-141b in the manufacture of rigid polyurethane foam for insulating purposes at Aneka Citra Refrigeratama Co.	377	49
IDS/FOA/37/INV/146	Phase-out of CFC-11 by conversion to HCFC-141b in the manufacture of rigid polyurethane foam for insulating purposes at Bina Teknik Co.	541	70
NIR/FOA/32/INV/73	Phasing out of CFC-11 in the manufacture of flexible slabstock foam at Eastern Wrought Iron Limited by conversion to methylene chloride	3,207	417
TOTAL		5,501	715

- (i) To note the transfer of US \$60,667 from UNEP to UNDP for the institutional strengthening project in Georgia (GEO/SEV/51/INS/23);

- (j) To approve US \$4,550 in agency fees for UNDP to implement the institutional strengthening project in Georgia (GEO/SEV/51/INS/23);
- (k) To note that US \$84.5 million was available to the Executive Committee for approvals at the 52nd Meeting; and
- (l) To request the Libyan Arab Jamahiriya to indicate whether it had any objection to the return of the remaining funds for the Electrical Household Appliance Manufacturing refrigeration project (LIB/REF/32/INV/03) by the 53rd Meeting, noting that without written objection the remaining funds from the project should be returned to the 53rd Meeting.

(Decision 52/2)

(b) 2007 business plans

33. The Secretariat presented documents UNEP/OzL.Pro/ExCom/52/5 and Add.1, which described the status of implementation of the 2007 business plans and addressed decisions taken at the 51st Meeting with respect to modifications to the business plans and the issue of possible accelerated production sector projects, net savings from business plan levels, and activities remaining in the 2007 business plans.

34. The document indicated that in 2007 and 2008 the budgets were US \$175 million and US \$130 million, respectively, and that the business plans included US \$16 million in 2007 and US \$27 million in 2008 not specifically required for compliance (representing a total of US \$43 million in the current triennium not required for compliance). There remained around US \$19.7 million that had not been allocated from the budget for the current triennium and a total of US \$80 million in projects in the business plan for 2007 yet to be submitted.

35. Concern was expressed that, at the last meeting in 2007, the Executive Committee would be required to approve 44 per cent of the value of projects from the 2007 business plans, which was a very high percentage, whereas it had been expected that approvals would be more evenly spread out over the year. To achieve that, implementing agencies and countries would have to speed up their project development and approval processes.

36. Those comments were supported by other Members, who raised an additional concern with respect to the high number of projects required for compliance that had not yet been put forward for approval in 2007, given the 2010 deadline for compliance under the Montreal Protocol. As a large proportion of projects would be submitted to the last meeting of the year, it was suggested that reducing the number of meetings per year from three to two might be warranted. However, another Member said that that alone might not justify a decision to change the number of meetings. Following further discussion on the number of annual meetings of the Executive Committee, the Chief Officer pointed out that this issue had been taken up at the 50th Meeting, when a decision had been made requesting the Secretariat to update the paper on the implications of moving to two meetings per year, in light of guidance given at the Nineteenth Meeting of the Parties, for submission to the 53rd Meeting.

37. After noting that US \$16 million in the 2007 business plan had been allocated for projects not required for compliance and that several such projects had been submitted in advance of

projects required for compliance, it was suggested that the Executive Committee might consider adopting language that would place a moratorium on the approval of projects not required for compliance until those required for compliance had been brought forward and approved. One Member considered that it would be difficult to approve projects not required for compliance in advance of those required for compliance. It was then suggested that a list identifying the two categories of projects should be provided to future meetings.

38. A representative of the implementing agencies noted that the reasons for the delay in projects being put forward for approval included, *inter alia*, the fact that most proposals were for multi-year agreements (MYAs), many of which had end-of-year deadlines. Moreover, business plans were approved in March and deadlines for documentation made it difficult to submit projects for approval prior to the second meeting each year.

39. Taking into consideration the information contained in documents UNEP/OzL.Pro/ExCom/52/5 and Add.1, the discussion on the large number of projects included in the 2007 business plans to be presented for approval at the last meeting in 2007, the relatively large number of projects required for compliance versus those not required for compliance, and the possibility of moving from three to two meetings a year, the Executive Committee decided:

- (a) To note the report on the status of the 2007 business plans as contained in documents UNEP/OzL.Pro/ExCom/52/5 and Add.1 and the fact that US \$57.3 million in activities required for compliance had not been submitted to the 52nd Meeting, and that the value of forward commitments approved at the 52nd Meeting below the value in the 2007-2009 business plan of the Multilateral Fund by roughly US \$259,899;
- (b) To request bilateral and multilateral implementing agencies to submit those activities required for compliance in the 2007 business plans to the 53rd Meeting;
- (c) To ask the Secretariat, using the compliance-oriented model, to list separately those activities required for compliance and those not required for compliance in their review and recommendations on projects submitted to meetings; and
- (d) That the Executive Committee would consider those activities required for compliance first, consistent with prior Executive Committee decisions.

(Decision 52/3)

- (c) **Final report on priorities for the triennium 2006-2008 beyond the needs identified by the model rolling three-year phase-out plan, taking into account the remaining unallocated funds for the triennium (follow-up to decision 50/6)**

40. The representative of the Secretariat presented document UNEP/OzL.Pro/ExCom/52/6, which provided a summary of the priority areas addressed at the 50th and the 51st Meetings of the Executive Committee. It incorporated relevant information from the TEAP reports presented to the 27th Meeting of the Open-ended Working Group and information on UNDP's HCFC surveys. He said that the document might be useful in the context of the Committee's consideration of any activities that would fall into the categories of activities not specifically required for compliance.

41. The representative of UNDP presented a summary of the three remaining HCFC surveys covering Malaysia, Sri Lanka and the Syrian Arab Republic, which had been approved at the 45th Meeting of the Executive Committee (UNEP/OzL.Pro/ExCom/52/Inf.2/Add.1). Broadly, the studies concluded that the refrigeration and air conditioning sectors were the predominant consumers of HCFCs, followed by the foam sector, that the dominant substances were HCFC-22, followed by HCFC-141b, and that comprehensive country strategies and action plans for HCFCs were needed.

42. One Member raised the issue of Turkmenistan seeking authorization for project preparation funds from the Multilateral Fund for a TPMP in Turkmenistan in the context of the 2008 business plan. That would mean reconsidering Executive Committee decision 46/21 under which Turkmenistan was eligible for funding from the Multilateral Fund only for institutional strengthening and networking. It was also noted that, as Turkmenistan was planning to ratify the Copenhagen Amendment soon, it should be eligible for Fund support for methyl bromide projects. However, another Member stated that he would not be in a position to agree to anything along those lines at the 52nd Meeting as the issue had not been raised in the documentation for the Meeting. The Chair then suggested that it was possible that a request for project preparation might be included in the submission of the business plans for 2008, at which time funding for Turkmenistan would be considered.

43. It was suggested that, in the light of the discussion on accelerated HCFC phase-out at the 27th Meeting of the Open-ended Working Group, the Secretariat should be requested to prepare a document for the 53rd Meeting on the eligible incremental costs for HCFC consumption and production phase-out activities. The suggestion was supported by other Members. One Member indicated that Sweden had provided additional funds to examine HCFC alternatives. The work was being carried out with UNEP and UNIDO, and the information would be made available to the Parties. Another Member pointed out that information from countries of different sizes would be required in order to ensure a sound baseline for HCFCs, given the rise in consumption. The Chair noted that the Committee had agreed to discuss the issue of HCFCs at the first meeting of 2008, but that that decision did not prevent the Executive Committee from taking a decision on HCFCs at the present Meeting, should it wish to do so.

44. Following consideration of the Secretariat's report on priorities (UNEP/OzL.Pro/ExCom/52/6), UNDP's summary of the three remaining HCFC surveys (UNEP/OzL.Pro/ExCom/52/Inf.2/Add.1), a discussion concerning the potential for funding of project preparation in 2008 for a TPMP for Turkmenistan and reported progress with respect to discussions on HCFCs, the Executive Committee decided:

- (a) To note the final report on priorities for the triennium 2006-2008, beyond the needs identified by the model rolling three-year phase-out plan, taking into account the remaining unallocated funds for the triennium as contained in document UNEP/OzL.Pro/ExCom/52/6; and
- (b) To request the Secretariat to prepare a document for discussion at the 53rd Meeting of the Executive Committee on options for assessing and defining eligible incremental costs for HCFC consumption and production phase-out activities.

(Decision 52/4)

(d) Status/prospects of Article 5 countries in achieving compliance with the initial and intermediate control measures of the Montreal Protocol

45. The representative of the Secretariat presented document UNEP/OzL.Pro/ExCom/52/7/Rev.1, which dealt with the status/prospects of Article 5 countries in achieving compliance and other information on compliance issues. Part I had been prepared in response to decisions 32/76(b) and 46/4, which requested the Secretariat to prepare an annual update of the status of compliance of Article 5 countries with the Montreal Protocol's control measures. Part II contained information on those Article 5 countries that were subject to compliance-related decisions of the Parties and to Implementation Committee recommendations. A number of countries listed in Part II had subsequently met the relevant reporting requirements. Part III presented data on the implementation of country programmes, including an analysis of ODS consumption data by sector. It noted that the remaining consumption in Article 5 countries that had not been addressed by projects and agreements approved by the Executive Committee amounted to 6,839 ODP tonnes, which was a reduction of 2,316 ODP tonnes from the amount reported to the 50th Meeting. Part III also noted that 19,245 ODP tonnes of HCFCs had been consumed in 2005, which represented an increase of 1,120 ODP tonnes from the amount reported to the 50th Meeting.

46. The document also revealed that only 77 Article 5 countries had reported operational licensing systems, which were critical to achieving and maintaining compliance. The web-based data reporting system had only been introduced shortly before the due date for country programme data submission, which might indicate the need for the CAP to allocate time for training on the new system. As at 1 July 2007, 78 Article 5 countries out of the 142 that had received assistance from the Multilateral Fund had not submitted 2006 country programme implementation data. Fourteen of those countries had not provided 2005 country programme data. Given the data's importance in assessing the progress on implementation of annual tranches of MYAs and TPMPs, it might be advisable to request Article 5 countries to submit country programme data in advance of approval and release of funding for projects and activities, when the data were presented after the due date.

47. During the discussion, several Members expressed concern regarding delays in the submission of country programme data. Making the release of funding contingent on submission of the data by the 1 May deadline was considered by some to be potentially counter-productive in ensuring compliance. It was, however, deemed reasonable to require countries to submit country programme data by the last Executive Committee Meeting of the year in order to obtain approval and release of funding for projects and activities submitted to that Meeting.

48. Following the discussion, the Executive Committee decided:

- (a) To note the report on the status/prospects of Article 5 countries in achieving compliance with the initial and intermediate control measures of the Montreal Protocol as contained in UNEP/OzL.Pro/ExCom/52/7/Rev.1;
- (b) To request UNDP and El Salvador to expedite the submission of the terminal phase-out management plan proposal to the 53rd Meeting;

- (c) To urge those countries that have not established licensing systems to endeavour to establish such systems as soon as possible;
- (d) To request UNEP's Compliance Assistance Programme to allocate time during its regional network meetings for additional training on the web-based system for reporting progress on country programme implementation and to provide feedback on the experience gained by the initial users of the web-based system;
- (e) To reconfirm existing Executive Committee guidelines regarding submission of country programme implementation data by 1 May each year; and
- (f) To note that country programme implementation data had to be submitted in advance of the last meeting of the year and subsequent meetings as a precondition for the approval and release of funding for projects.

(Decision 52/5)

AGENDA ITEM 6: PROGRAMME IMPLEMENTATION

(a) Monitoring and evaluation

(i) Extended desk study on incentive programmes for retrofits

49. The Senior Monitoring and Evaluation Officer presented document UNEP/OzL.Pro/ExCom/52/8, which contained the report on the extended desk study on incentive programmes for retrofits. The objective of the desk study was to review the experience to date in implementing the incentive programmes approved by the Executive Committee as individual activities under new or existing refrigerant management plans (RMPs). The approach chosen had been to review project documents, progress reports, project completion reports, and other relevant documents in the Secretariat's database regarding the implementation of incentive programmes for end-users. All programmes under evaluation were being implemented by UNDP and four countries had been selected for field visits: Costa Rica, Ghana, Kyrgyzstan and Moldova.

50. In the discussion that followed, concern was expressed that it appeared that the projects selected for field visits were the most successful ones and it was felt that a wider study might have led to more mixed results. It was also noted that incentive programmes should be designed to yield sustainable results and that some key recommendations only applied to UNDP, whereas other bilateral and implementing agencies might benefit from the recommendations where applicable. One Member also asked for clarification on the amount of US \$15.2 million, referred to in paragraph 15 of document UNEP/OzL.Pro/ExCom/52/8. Several Members expressed concern at the recommendation to incorporate HCFC ternary blends in UNDP's guidelines for retrofits, suggesting that it would be preferable to use natural refrigerants.

51. The Senior Monitoring and Evaluation Officer explained that the figure of US \$15.2 million referred to the total funding window for additional chiller demonstration projects approved by the Executive Committee at its 46th Meeting. He also advised that HCFCs used as substitutes had been excluded from UNDP's guidelines because of the danger of

backsliding to the use of CFCs. However, because of the decreased price of HCFCs and the increased price of CFC-12, that danger was now less of a concern. However, there was still a safety concern with the use of hydrocarbons in equipment containing volumes of refrigerants above 1 or 2 kilograms. To address the point about the most successful projects being evaluated, he explained that some cases of less successful incentive programmes were primarily related to institutional issues and slow response of end-users in the countries concerned, which caused delays in initiating and implementing retrofit projects.

52. Following the discussion, the Executive Committee decided:

- (a) To urge Article 5 countries and respective implementing agencies to intensify their efforts to advance the implementation of approved incentive programmes in order to meet the established targets and phase-out schedules;
- (b) To draw the attention of Article 5 countries for which terminal phase-out management plans had been approved or would be approved in the near future to incentive programmes as a possibility for achieving CFC phase-out in the refrigeration servicing sector, provided the necessary pre-conditions were in place and lessons learned from previous programmes were taken into account;
- (c) To request the implementing and bilateral agencies concerned to disseminate the lessons learned from the implementation of incentive programmes among Article 5 countries, including through the regional network meetings;
- (d) To request all bilateral and implementing agencies that were implementing or considering implementing incentive programmes for retrofits to take into account all the elements contained in paragraph (e) below, as they might apply to their programmes; and
- (e) To request UNDP in cooperation with the Fund Secretariat:
 - (i) To provide, as part of the guidelines, a template for calculating estimated operating savings and efficiency gains resulting from retrofitting or replacing a given refrigeration system, as well as the economic benefits of extending the life time of retrofitted equipment;
 - (ii) To clarify, during the preparation of incentive programmes, the methodology of calculating planned and actual CFC phase-out, taking into account local circumstances;
 - (iii) To include in the guidelines the preparation of country-specific implementation milestones in order to facilitate monitoring and avoid delays;
 - (iv) To foresee in the guidelines the possibility of adapting the scale and sequence of payments to local situations and to increase the maximum limit of US \$10,000 for large-sized end-users in order to motivate them to proceed with the conversion where the total cost might significantly exceed their maximum entitlement; and

- (v) To incorporate into the guidelines a preference for the use of drop-in alternatives based on natural substances such as hydrocarbons, and to use HCFC ternary blends as drop-in substitutes for CFC-12 only in exceptional circumstances, taking into account safety issues.

(Decision 52/6)

(ii) Final report on the evaluation of the CAP programme

53. The Senior Monitoring and Evaluation Officer presented document UNEP/OzL.Pro/ExCom/52/9, which contained the final report on the evaluation of UNEP's CAP, and explained that the objective of the evaluation was to review the results achieved, identify the problems encountered in the process of implementation and determine the effectiveness of the CAP in relation to its objectives. He said that the CAP had made significant contributions to facilitating compliance in all regions through direct support to individual countries and activities related to the solution of common problems in different regions. As a result of CAP assistance, several countries in actual or potential non-compliance had returned to compliance and had accelerated the development and approval of legislation, including licensing systems. There was also evidence of important quantitative and qualitative improvements in UNEP's services since the inception of the CAP, largely as a result of the presence in the regions of more staff with specific professional skills, which facilitated more frequent and rapid interaction with NOUs. However, the Senior Monitoring and Evaluation Officer noted that while there was good cooperation among the CAP, UNIDO and UNDP in Asia, Europe and parts of Latin America, some cases of overlapping activities, lack of communication and friction had been reported between agencies.

54. One Member asked why the evaluation seemed to indicate less progress in the implementation of the CAP in the African region compared to the other regions. Another Member noted that West Asian countries had been unable to benefit from the advice of experts on methyl bromide in spite of requests for such advice. He informed the Meeting that UNEP had been made aware of that problem. Another Member asked that the report be reorganized to follow the seven evaluation issues listed in paragraph 9 of the document. He also noted that the success of the CAP appeared to be a result of UNEP CAP staff being located in the regions and asked that UNEP look into the possibility of moving more CAP staff from Paris to the regions.

55. With regard to paragraph 45 of the CAP evaluation report, another Member asked that the references to the CAP team trying to monopolize the preparation and implementation of TPMPs in Africa be removed, as well as the references to UNEP being more flexible than UNDP in advancing funds and recruiting national consultants without competition and panel decision. With respect to paragraph 81, he objected to the sentence referring to reports of overlapping activities and friction between agencies in some cases, particularly in Africa. He said that there had been good cooperation between UNDP and UNEP and that African countries worked with all agencies based on feelings of mutual confidence. With respect to paragraph 4 of Annex VI, he expressed doubt as to the value of comparing institutional strengthening projects and other projects being implemented by UNEP in English-speaking as compared with French-speaking African countries. He said that many countries that had experienced difficulties with compliance were now, thanks to UNEP's CAP programme, in a comparatively better position.

56. The Senior Monitoring and Evaluation Officer responded that, according to the inventory database, there appeared to be a significant difference between the English-speaking and French-speaking countries in Africa in terms of the number of projects being implemented by UNEP. Both networks continued to conduct most of the regional meetings in plenary rather than the thematic sessions being used by other networks. He also noted that UNEP and UNDP had different administrative processes. UNEP could advance funds under a memorandum of understanding, while UNDP had to use the local UNDP offices and apply their selection modalities for recruiting national consultants, for example, which could sometimes result in delays.

57. Following the discussion, the Executive Committee decided:

- (a) To request the Senior Monitoring and Evaluation Officer to reorganize the final report on the evaluation of the Compliance Assistance Programme (CAP), (UNEP/OzL.Pro/ExCom/52/9), around the seven issues identified in paragraphs 9(a) to 9(g) of that document;
- (b) To request UNEP to consider further regionalization of CAP resources;
- (c) To request UNEP to focus the CAP on:
 - (i) Countries in potential or actual non-compliance, taking into account the likely difficulties of a number of countries in meeting the 85 per cent reduction target for CFC in 2007, to be followed by the total phase-out of CFCs, halons and carbon tetrachloride by 31 December 2009;
 - (ii) Latecomers to the Montreal Protocol, in order:
 - a. To strengthen their institutional structures and develop local capacities;
 - b. To facilitate the establishment of appropriate ODS-related legislation and regulations; and
 - c. To support their public awareness activities.
 - (iii) Further involving more advanced and experienced Article 5 countries to assist and advise less advanced in the same region;
 - (iv) Further strengthening local capacities of trained trainers and partner training institutes formed during the “train the trainers” phase to enable future and continued training of customs officers and refrigeration technicians on a sustainable basis. UNEP should also develop a strategy that would integrate the local training capacity created, placing emphasis on national ownership and securing access to appropriate know-how beyond 2010;
 - (v) Further promoting collaboration between customs and environmental authorities, in cooperation with professional associations, in order to strengthen the enforcement of legal regulations;

- (vi) Assisting, where applicable, the enforcement of unified regulations in regional customs unions or other areas of political and economic cooperation; and
- (d) To urge UNEP and the other agencies to ensure close coordination of activities in order to avoid overlapping actions; in particular, UNEP should always consult with the lead agency for national phase-out plans, terminal phase-out management plans or other phase-out plans and projects before providing technical or policy advice.

(Decision 52/7)

(b) Progress reports as at 31 December 2006

(i) Consolidated progress report

58. The representative of the Secretariat introduced the 2006 consolidated progress report of the Multilateral Fund (UNEP/OzL.Pro/ExCom/52/10). The document summarized the progress made and provided financial information on the implementation of projects and activities supported by the Fund up to 31 December 2006. It consisted of three parts: a summary of implementation progress at the country level; a summary of activities to the end of 2006; and comments and recommendations of the Fund Secretariat; as well as two annexes on project implementation data by country and an analysis of progress report data.

59. In response to a question on the calculation of net emissions owing to project implementation delays, the representative of the Secretariat clarified that most projects had an associated ODP and a completion date. When a project was delayed, the phase-out quantity, which was assumed to be an annual amount, was divided by twelve to give the net emission per each month of delay. If projects were completed ahead of time, net reductions might arise. He advised, however, that the above method was an estimation technique and that the Fund had no way of verifying whether the emissions actually occurred.

60. Representatives of the implementing agencies expressed their dissatisfaction with the Executive Committee use of project completion as an indicator of their performance. Agencies indicated that many of the projects in question were annual tranches of MYAs, project preparation, and institutional strengthening projects. There were several RMPs as well, under which leftover funds could be re-programmed, and thus, until that had happened, the project could not be considered to have been completed. Rather than there being real delays, there was a problem with the reporting requirements in that agencies often had to choose an arbitrary completion date for the purposes of meeting those requirements.

61. The representative of the Secretariat said that the Fund's systems could not work on the basis of fictitious completion dates from the agencies. Furthermore, he recalled that for several years the Secretariat had been addressing the issue of completion dates for MYAs in order to be able to say when the activities funded by the Executive Committee had been completed. In response to questions concerning an apparent contradiction, the representative of the Secretariat stated that it appeared that countries were achieving ODS phase-out even though the agencies were delayed in completing the projects funded by the Executive Committee.

62. In response to the recommendation by the Secretariat that letters be sent to the heads of the implementing agencies to inform them of the Executive Committee's ongoing concern regarding the slow rate of project completion, several Members felt that more information and further clarification was required regarding the reasons for the delays before any letters could be sent. One Member pointed out, however, that only 30 months were left before Article 5 countries had to achieve complete phase-out and the time in which to consider the issue and send out any letters that would improve future performance was limited.

63. Taking into consideration the calculation of net emission delays; the dissatisfaction with the use of project completion as an indicator of agency performance; the fact that only 41 per cent of the projects planned for completion in 2006 had been completed as scheduled; and the need to send letter to heads of agencies concerning the fourth year of slow rates of project completion, the Executive Committee decided:

- (a) To note the consolidated progress report of the Multilateral Fund as contained in document UNEP/OzL.Pro/ExCom/52/10;
- (b) To note the slow rate of project completion for the fourth consecutive year and the rates of achievement of project completion as follows: UNDP (33 per cent), UNEP (47 per cent), UNIDO (51 per cent), and the World Bank (48 per cent);
- (c) To request the Secretariat to prepare a paper on concerns relating to the slow rate of project completion, taking into account the discussion held at the 52nd Meeting, and on options to address the issue to be considered at the 53rd Meeting; and
- (d) To note the balances in agency fees held by agencies as at 31 December 2006, amounting to around US \$10.88 million for the World Bank, US \$8.81 million for UNDP, and US \$7.14 million for UNIDO.

(Decision 52/8)

(ii) Bilateral cooperation

64. A representative of the Secretariat presented the progress report on bilateral cooperation (UNEP/OzL.Pro/ExCom/52/11), noting that four countries had not provided progress reports and that the Executive Committee might wish to request that they be submitted to the 53rd Meeting. The Executive Committee had approved close to US \$108 million for bilateral activities and bilateral implementing agencies had completed 69 per cent of the projects approved as bilateral cooperation (338 out of 490) by the end of 2006. The 64 per cent rate of disbursement for bilateral implementing agencies was much lower than that for the Fund (83 per cent overall). Similarly, the completion rate (69 per cent) was much lower than that for the Fund (84 per cent overall). There were 16 bilateral cooperation projects with implementation delays. The Secretariat advised that there were discrepancies between the information in the status of contributions and the progress reports of the bilateral agencies, but that the Treasurer was looking into that issue bilaterally with the two countries concerned. Finally, the representative of the Secretariat indicated that several projects might warrant additional status reports, mostly because of delays.

65. One Member, speaking on behalf of Article 5 countries, stated that bilateral cooperation under the Multilateral Fund had been a pillar for Article 5 countries under the Montreal Protocol. He expressed concern with respect to countries that had not yet submitted their reports and encouraged them to do so as a matter of urgency so that Article 5 countries could have a clear view of current progress. The Chair pointed out that one of the recommendations already urged bilateral agencies to submit progress reports, and that of the countries that had not submitted their progress reports, Sweden had discontinued its projects and the others were responsible for very few projects. Another Member drew attention to the completion of seven mobile air-conditioning (MAC) recovery and recycling projects, for which additional status reports had been requested, and said that the Executive Committee should note them as having been completed.

66. Following presentation of document UNEP/OzL.Pro/ExCom/52/11, discussion on countries that had not submitted progress reports and the completion of the MAC recovery and recycling projects, the Executive Committee decided:

- (a) To note with appreciation the progress reports submitted by the Governments of Australia, Canada, France, Germany, Italy, Japan, Spain and Switzerland;
- (b) To request the Governments of Finland, Portugal, Sweden and the United States of America to provide their progress reports to the 53rd Meeting of the Executive Committee as a matter of urgency;
- (c) To request the Governments of Canada, France, Germany, Italy, Japan, Spain and Sweden to provide reports on the projects with implementation delays to the 53rd Meeting of the Executive Committee;
- (d) To request additional status reports on the following projects:
 - (i) Customs officer training projects implemented by Australia in:
 - a. Kiribati (KIR/REF/36/TAS/02);
 - b. The Federated States of Micronesia (FSM/REF/36/TAS/01);
 - c. Palau (TTR/REF/36/TAS/01);
 - d. The Solomon Islands (SOI/REF/36/TAS/02);
 - e. Tonga (TON/REF/36/TAS/01);
 - f. Tuvalu (TUV/REF/36/TAS/02);
 - g. Vanuatu (VAN/REF/36/TAS/02);
 - (ii) Projects implemented by Canada:
 - a. Recovery and recycling project in Chile (CHI/REF/35/TAS/147);
 - b. Methyl bromide project in Kenya (KEN/FUM/26/DEM/20);

- (iii) Projects implemented by Germany:
 - a. Recovery and recycling component of the refrigerant management plan project in the United Republic of Tanzania (URT/REF/36/TAS/14);
 - b. Halon banking project in Algeria (ALG/HAL/35/TAS/51);
 - c. Halon banking project in Croatia (CRO/HAL/43/TAS/24);
 - d. Halon banking project in Nigeria (NIR/HAL/37/TAS/103);
 - e. Regional halon bank for Eastern and Southern African countries (Botswana, Ethiopia, Kenya, Lesotho, Namibia, the United Republic of Tanzania and Zimbabwe) (AFR/HAL/35/TAS/29);
 - f. Recovery and recycling project in Egypt (EGY/REF/29/TAS/75);
 - g. Recovery and recycling project in the United Republic of Tanzania (URT/REF/36/TAS/14); and
- (iv) Project implemented by Japan:
 - a. Strategic demonstration project for accelerated conversion of CFC chillers (AFR/REF/48/DEM/35);
- (e) To note the completion of the following mobile air-conditioning recovery and recycling project projects implemented by Australia:
 - (i) Micronesia (FSM/REF/36/TAS/02);
 - (ii) Kiribati (KIR/REF/36/TAS/03);
 - (iii) The Marshall Islands (MAS/REF/36/TAS/02);
 - (iv) Palau (TTR/REF/36/TAS/02);
 - (v) Tuvalu (TUV/REF/36/TAS/04);
 - (vi) Vanuatu (VAN/REF/36/TAS/04); and
 - (vii) The Solomon Islands (SOI/REF/36/TAS/04).

(Decision 52/9)

(iii) UNDP

67. The representative of UNDP presented UNDP's progress report (UNEP/OzL.Pro/ExCom/52/12). He noted that, as at the end of 2006, UNDP had completed 94 per cent of its investment projects under the Multilateral Fund; US \$462 million in project approvals and 81.4 per cent of approved funds had been disbursed; and 32 MYAs had been

signed (including tranches and ongoing projects) spread out over 75 countries worldwide. UNDP's evaluation had shown that the projects had achieved high levels of success, and the last three HCFC surveys had been completed and presented to the 52nd Meeting. He noted, however, that in some documents presented to the present Meeting, UNDP's performance appeared to be lower than expected and some figures might present an exaggeratedly negative picture with respect to rates of project completion and performance indicators. Nevertheless, UNDP would work towards improving its performance where necessary. The representative from UNDP further reported that, with respect to the Prasert Sofa Shop foam project in the Lao People's Democratic Republic (LAO/FOA/44/INV/14), the Government of the Lao People's Democratic Republic had indicated that it was willing to cancel the project, but would like to confirm it in writing through a letter from the Ministry, although UNDP did not know when the letter would be received.

68. Following presentation of document UNEP/OzL.Pro/ExCom/52/12, the Executive Committee decided:

- (a) To note UNDP's progress report contained in document UNEP/OzL.Pro/ExCom/52/12;
- (b) To note, with concern, UNDP's low rate of disbursement for multi-year agreements;
- (c) Also to note that UNDP would report to the 53rd Meeting on up to 17 projects with implementation delays, including five projects classified as such in 2005;
- (d) To reconsider the cancellation of the Prasert Sofa Shop foam project in the Lao People's Democratic Republic (LAO/FOA/44/INV/14) at the 53rd Meeting, pending the receipt of written confirmation by the country;
- (e) To request additional status reports on the following projects to be submitted to the 53rd Meeting:
 - (i) Methyl bromide phase-out plan in Kenya (KEN/FUM/38/INV/31, KEN/FUM/44/INV/38 and KEN/FUM/50/INV/40);
 - (ii) Institutional strengthening project in Bangladesh (BGD/SEV/44/INS/23);
 - (iii) Institutional strengthening project in Nigeria (NIR/SEV/48/INS/114);
 - (iv) Institutional strengthening in Pakistan (PAK/SEV/41/INS/54);
 - (v) Refrigerant management plan activities in Barbados (BAR/REF/43/TAS/11&12);
 - (vi) Refrigerant management plan activities in Cape Verde (CBI/REF/44/TAS/08);
 - (vii) Mobile air-conditioning recycling refrigerant management plan component for UNDP in Guinea-Bissau (GBS/REF/43/TAS/07);

- (viii) Refrigerant management plan activities in Haiti (HAI/REF/39/TAS/04 and HAI/REF/39/TAS/06);
 - (ix) The technician training refrigerant management plan component in Honduras (HON/REF/44/TAS/15);
 - (x) Refrigerant management plan activities in Sierra Leone (SIL/REF/41/TAS/05&06);
 - (xi) Refrigerant management plan activities in Suriname (SUR/REF/44/TAS/09&10);
 - (xii) Regional methyl bromide project in Africa (AFR/FUM/38/TAS/32);
 - (xiii) Methyl bromide demonstration project in Mexico (MEX/FUM/26/DEM/86);
 - (xiv) Methyl bromide demonstration project (SRL/FUM/27/DEM/13), the methyl bromide technical assistance project (SRL/FUM/38/TAS/21) and the incentive programme component of the refrigerant management plan (SRL/REF/32/TAS/15) in Sri Lanka;
 - (xv) Halon banking activity in Egypt (EGY/HAL/32/TAS/81);
 - (xvi) Regional halon bank in West and Central Africa (Benin, Burkina Faso, Cameroon, Congo, Democratic Republic of the Congo, and Guinea) (AFR/HAL/37/TAS/31); and
- (f) To request UNDP to define completion dates according to the completion of activities associated with annual tranches.

(Decision 52/10)

(iv) UNEP

69. The representative of UNEP presented UNEP's progress report up to December 2006 (UNEP/OzL.Pro/ExCom/52/13), which she indicated was more descriptive than quantified. She said that the issue of cost overruns had been clarified with the Secretariat and that UNEP had experienced no cost overruns with respect to its MYAs. She also highlighted the section of the document dealing with CAP activities.

70. One Member raised the issue of the relationship between UNEP and UNDP with respect to the reported delays in disbursement of funds. He indicated that it would be useful to receive further advice from UNEP and UNDP on the types of delays in disbursement that had been raised in the progress report. UNEP's Fund Manager said that any requests for further clarification and the search for an effective solution to the issue should be more specific given the different modalities and the complexities associated with cooperation between agencies. The representative of UNDP indicated that UNDP provided services to all United Nations agencies and agreed that the issue should be raised in a more specific manner in order to remove any misunderstanding.

71. The Chair considered that the Executive Committee required a better understanding of the related problems. One Member indicated that if there were difficulties in agencies working with each other then perhaps the Executive Committee might not be able to resolve the issue, but it was vital that the funds committed reach their final destination as soon as possible.

72. The Chair suggested that the Executive Committee might consider requesting UNDP and UNEP to collaborate further on resolving issues of outstanding payments to UNEP projects and to report to the 53rd Meeting. The representative of the Secretariat said that, in some cases where funds had been authorized for disbursement, no funds had been disbursed, that multiple approvals had been granted prior to recording the disbursement of funds and for, some ongoing projects, disbursements had been reported as not being made by UNDP country offices. Issues related to project completion also had to be resolved. The representative of UNEP said that the issue was not one of outstanding payments but rather one of sending back to United Nations Office at Nairobi (UNON) and UNEP records that were needed for those agencies to close projects.

73. The representative of the Secretariat advised that both Guinea-Bissau and Uganda had now reported to the Ozone Secretariat their 2006 data so it was not necessary to request additional status reports for those countries.

74. Following the discussion of document UNEP/OzL.Pro/ExCom/52/13 and the issue of reported slow disbursements and the relationship between UNEP and UNDP, as well as additional reporting by Guinea-Bissau and Uganda, the Executive Committee decided:

- (a) To note UNEP's progress report contained in document UNEP/OzL.Pro/ExCom/52/13;
- (b) To note that UNEP had seven projects classified with implementation delays, including five projects that had been so classified in 2006, and that a report on those projects would be submitted to the 53rd Meeting;
- (c) To request that additional status reports be submitted to the 53rd Meeting if the following project preparation activities were not submitted to that Meeting:
 - (i) Terminal phase-out management plan (TPMP) preparation in Nicaragua (NIC/PHA/49/PRP/19);
 - (ii) TPMP preparation in Djibouti (DJI/PHA/48/PRP/11);
- (d) To request that additional status reports be submitted to the 53rd Meeting for the following individual projects on institutional strengthening with respect to reporting on decisions taken by the Parties or recommendations of the Implementation Committee concerning compliance:
 - (i) El Salvador (ELS/SEV/44/INS/17);
 - (ii) Equatorial Guinea (EQG/SEV/49/INS/02);
 - (iii) Eritrea (ERI/SEV/47/INS/02);

- (iv) Guatemala (GUA/SEV/43/INS/30);
 - (v) Lao People's Democratic Republic (LAO/SEV/50/INS/17);
 - (vi) Maldives (MDV/SEV/50/INS/11);
 - (vii) Somalia (SOM/SEV/44/INS/05);
 - (viii) Barbados (BAR/SEV/46/INS/13);
 - (ix) Cape Verde (CBI/SEV/50/INS/10);
 - (x) Sao Tome and Principe (STP/SEV/50/INS/11);
- (e) To request that additional status reports be submitted to the 53rd Meeting for the following individual institutional strengthening projects:
- (i) Myanmar (MYA/SEV/29/INS/02);
 - (ii) Sudan (SUD/SEV/42/INS/16);
 - (iii) Somalia (SOM/SEV/36/INS/03);
 - (iv) Kiribati (KIR/SEV/49/INS/05);
 - (v) Marshall Islands (MAS/SEV/50/INS/05);
 - (vi) Tonga (TON/SEV/49/INS/04);
 - (vii) Palau (TTR/SEV/49/INS/04);
 - (viii) Tuvalu (TUV/SEV/50/INS/05);
- (f) To request that additional status reports be submitted to the 53rd Meeting, for the following individual refrigerant management plan (RMP) projects:
- (i) Brunei Darussalam (BRU/REF/44/TAS/09, BRU/REF/44/TRA/07 and BRU/REF/44/TRA/08);
 - (ii) End-users public awareness component of the RMP in Chile (CHI/REF/35/TAS/148);
 - (iii) CFC phase-out plan in the Democratic Republic of the Congo (DRC/PHA/49/TAS/23);
 - (iv) RMP monitoring component in Kuwait (KUW/REF/37/TAS/06);
 - (v) Myanmar (MYA/REF/45/TAS/05);
 - (vi) Nauru (NAU/REF/44/TAS/03); and

- (g) To request that UNDP and UNEP collaborate further on resolving issues of delays in disbursement and information exchange on project completion with respect to UNEP projects, and to report to the 53rd Meeting.

(Decision 52/11)

(v) UNIDO

75. The representative of UNIDO presented UNIDO's progress report on activities up to 31 December 2006 (UNEP/OzL.Pro/ExCom/52/14). During the reporting period, UNIDO had phased out 5,826 ODP tonnes and disbursed US \$41.17 million representing 84 per cent of the resources approved for it by the Executive Committee, which was a higher rate than the previous year. Consequently, the balance of funds not disbursed for approved projects had been reduced. UNIDO had also phased out 92 per cent of the ODS being addressed in its portfolio of approved projects. Three new MYAs had been approved, increasing the total number of such agreements implemented by UNIDO to 39.

76. The representative of UNIDO then drew the Executive Committee's attention to a number of activities completed in 2006: negotiations with the French GEF had led to the approval of a complementary project to the ongoing UNIDO chiller programme in Africa, which had started following the initial workshop in Cairo organized by GTZ; consultations had taken place with the Government of Japan through the UNIDO Investment and Technology promotion office in Tokyo regarding Japan's potential involvement in the replication stage of the same programme. An expert group meeting on removing barriers to CFC-based chiller replacement had also been organized and a study had been initiated on the destruction of unwanted ODS. In addition UNIDO had taken the initiative of helping selected Article 5 countries in all geographical regions to prepare HCFC surveys. Finally, it had identified a consultant for the TPMP in Guinea.

77. The representative of Guinea provided clarification on the steps taken to finalize the national survey for the TPMP in his country, as the undertaking by UNEP had an impact on project implementation by UNIDO.

78. Following a discussion on existing and proposed means of dealing with implementation delays, the Executive Committee decided:

- (a) To note UNIDO's progress report contained in document UNEP/OzL.Pro/ExCom/52/14;
- (b) To define "implementation delays due to disbursement" as a level of disbursement below 1 per cent of the project budget 18 months after project approval;
- (c) To request UNIDO to expedite the completion of the preparation of the metered-dose inhaler sector plan in China (CPR/ARS/44/PRP/422), the halon phase-out plan in Kuwait (KUW/HAL/45/PRP/07) and the carbon tetrachloride sector plan in Serbia (YUG/SOL/45/PRP/27);

- (d) To take note of the information provided by Guinea, UNIDO and UNEP regarding the completion of the national survey, the work of the consultant and work on the terminal phase-out management plan;
- (e) To request additional status reports on the following projects to be submitted to the 53rd Meeting:
 - (i) Halon phase-out project (BHE/HAL/42/TAS/18) and institutional strengthening project (BHE/SEV/43/INS/19) in Bosnia and Herzegovina;
 - (ii) Halon phase-out project (LIB/HAL/47/TAS/26) and institutional strengthening project (LIB/SEV/32/INS/04) in the Libyan Arab Jamahiriya; and
- (f) To note that UNIDO would report to the 53rd Meeting on up to 15 projects with implementation delays in 2006, including seven projects that were so classified in 2005.

(Decision 52/12)

(vi) World Bank

79. The representative of the World Bank presented the implementing agency's progress report on activities up to 31 December 2006 (UNEP/OzL.Pro/ExCom/52/15). The World Bank's ODS portfolio had undergone a transition from individual projects to sector and national plans. Two new MYAs approved in 2006 brought the total number of MYAs under the World Bank implementation to 25. The World Bank had phased out a total of 58,851 ODP tonnes of ODS consumption and production in 2006, a 50 per cent increase in comparison with the previous year. It had exceeded its targeted phase-out from approved projects.

80. The representative of the World Bank reported success with regard to certain activities and provided clarification on some outstanding issues: production of halon 1211 had ceased in China; the Government of Pakistan had completely eliminated CFC-based production in the foam and refrigeration sectors; and institutional strengthening work with the Government of Ecuador had led to the submission of an action plan for returning to methyl bromide compliance. With regard to the signing of grant agreements, it was clarified that the outstanding agreement with Tunisia had been signed and implementation of the project had commenced. The grant agreement had not yet been signed with the Government of Antigua and Barbuda, but the Government's questions and comments on the agreement were being reviewed by the World Bank and the grant package would be sent out shortly.

81. Following the presentation, the Executive Committee decided:

- (a) To note the World Bank's progress report contained in document UNEP/OzL.Pro/ExCom/52/15;
- (b) To urge the World Bank to expedite the signing of its grant agreement with the Government of Antigua and Barbuda;

- (c) To note the signature of the grant agreement between the World Bank and the Government of Tunisia;
- (d) To request that additional status reports on the following projects be submitted to the 53rd Meeting:
 - (i) CFC phase-out plan in Antigua and Barbuda (ANT/PHA/44/INV/10);
 - (ii) Global chiller project (GLO/REF/47/DEM/268);
 - (iii) Institutional strengthening in Ecuador (ECU/SEV/42/INS/33) on the status of the submission of its revised action plan on methyl bromide;
 - (iv) Methyl bromide alternatives demonstration project (ARG/FUM/29/DEM/93) and halon banking project (ARG/HAL/26/TAS/80) in Argentina;
 - (v) Halon banking project in Turkey (TUR/HAL/38/TAS/80); and
- (e) To note that the World Bank would report to the 53rd Meeting on a total of seven projects with implementation delays, including six projects that had been classified as such in 2005.

(Decision 52/13)

(c) Evaluation of the implementation of the 2006 business plans

82. The representative of the Secretariat introduced documents UNEP/OzL.Pro/ExCom/52/16 and Add.1, which tracked the 2006 performance evaluation of the implementing agencies. Based on those indicators, the Secretariat observed that during 2006 the agencies' rate of performance had been slightly lower than in 2005. In the current reporting year, all agencies had achieved at least 75 per cent of their targets whereas in the previous reporting year they had achieved at least 82 per cent. UNEP's CAP programme again indicated that it had met all its internal targets for the performance indicators that were unique to UNEP's programme. UNEP continued to have a slow rate of disbursement of funds and several CAP special assistance activities had not been completed as planned. He also said that the addendum addressed, for the first time, the qualitative assessment by the NOUs of the implementing agencies' performance. Table 5 provided an assessment of that performance, and overall, 85 to 91 per cent of the questionnaires had indicated "highly satisfactory" or "satisfactory" performance. The reasons for less satisfactory performance were related to the organizational requirements and difficulties with respect to one specific project. However, only 12 countries had provided responses, and the representative of the Secretariat said that the Executive Committee might wish to request UNEP's CAP to include, as an agenda item at its network meetings, assistance in the completion of the qualitative performance questionnaire.

83. The representative of UNDP drew the attention of the Meeting to the discrepancies between Tables 2 and 3 of the evaluation of the implementation of the 2006 business plans contained in document UNEP/OzL.Pro/ExCom/52/16. According to paragraph 8, overall assessment was based on fully achieving a target and it was noted that one could achieve

99 per cent of a target and still have an overall assessment of the target as zero achievement. UNDP therefore felt that it would be useful to combine the information contained in Table 3 on the weighted assessment of implementing agency performance with the information contained in Table 2, as that would give a better indication of the performance in respect of the indicator targets.

84. Following the discussion, the Executive Committee decided:

- (a) To note the evaluation of the implementing agencies' performance against their 2006 business plans as contained in documents UNEP/OzL.Pro/ExCom/52/16 and Add.1;
- (b) To urge UNEP to continue to report on the achievement of the planned special compliance assistance activities and to strive to complete them as planned; and
- (c) To request UNEP's Compliance Assistance Programme, through its regional networks, to include in the agenda of its network meetings taking place before May 2008 an item on assistance in the completion of the qualitative performance questionnaire.

(Decision 52/14)

(d) Project implementation delays

85. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/52/17, which presented information on project implementation delays for which status reports had been requested. It also addressed delayed projects in countries with compliance issues, presented a project proposal for possible cancellation and procedures for monitoring projects with implementation delays, as well as past studies on resolving delays, as requested by the 51st Meeting. He said that Annex I to the document contained the operational guidelines for implementation delays and that Annex II contained the projects for which additional status reports were recommended.

86. The 51st Meeting of the Executive Committee had considered the possible cancellation of the halon banking project and country programme update project in Algeria owing to a lack of response from the NOU. The delayed projects in the Libyan Arab Jamahiriya included an institutional strengthening project and an ODS phase-out project, as well as a refrigeration project, the incremental operating cost payment of which had been delayed. It was therefore proposed that the Committee request high-level contacts with the Governments of Algeria and the Libyan Arab Jamahiriya concerning ongoing difficulties in obtaining the Government approvals.

87. In the discussion that followed, the representative of UNIDO informed the Committee that the three missing reports referred to in paragraph 3 of the document had been submitted and that a TPMP was being prepared for Algeria. The representative of Italy, on behalf of Germany, informed the Committee that the NOU in the Islamic Republic of Iran wished to go ahead with the project for the conversion from CFC-11 to fully water-based technology. The representative of UNDP informed the Committee that Uruguay should be removed from the list of countries with implementation delays in Table 5 of document UNEP/OzL.Pro/ExCom/52/17 as progress

had been made in the transition strategy project. With respect to the MDI transition strategy for India, she explained that the Government of India was still examining how to incorporate the investment strategy into any investment projects that might be approved by the Executive Committee. Members also felt that it would be useful to send a letter to the Government of Ethiopia requesting its agreement to cancel the training and awareness workshop in the solvents and process agents sector.

88. Following the discussion, the Executive Committee decided:

- (a) To note:
 - (i) With appreciation, the status reports on projects with implementation delays submitted to the Secretariat by France, Germany, Italy, Japan, and the four implementing agencies (UNEP/OzL.Pro/ExCom/52/17);
 - (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 seven out of the 34 projects listed with implementation delays;
 - (iv) That letters of possible cancellation should be sent for the following projects:

Agency	Code	Project title
Germany	IRA/FOA/37/INV/152	Conversion from CFC-11 to fully water-based technology in the manufacture of flexible molded PU foam at Sanayeh Dashboard in the Islamic Republic of Iran
UNDP	IND/ARS/41/TAS/368	MDI Transitional Strategy in India

- (b) To request high-level contacts with the Governments of Algeria and the Libyan Arab Jamahiriya concerning ongoing difficulties in obtaining the required government approval for implementing components of projects approved by the Executive Committee;

- (c) To request additional status reports on the projects listed below:

Code	Agency or Country	Project title
ALG/HAL/35/TAS/51	Algeria	Sectoral phase out programme: establishment of a halon bank
ALG/SEV/43/CPG/60	Algeria	Development of a country programme update
CAF/REF/34/TAS/10	France	Implementation of the RMP: development and implementation of a tax/incentive programme
CAF/REF/34/TAS/11	France	Implementation of the RMP: monitoring the activities of the RMP project, including registration of refrigeration service technicians, distributors and importers of CFCs
CAF/REF/34/TRA/08	France	Implementation of the RMP: training programme for customs officers
CAF/REF/34/TRA/09	France	Implementation of the RMP: train the trainers programme for refrigeration technicians in good management practices and a training programme to address technicians in the informal sector
UGA/SEV/13/INS/02	UNEP	Institutional strengthening (establishment of the ODS unit)
BHE/SEV/43/INS/19	UNIDO	Extension of the institutional strengthening project (phase II)
LIB/SEV/32/INS/04	UNIDO	Creation of the National Ozone Unit

- (d) To send a letter to the Government of Ethiopia requesting its agreement to cancel the training and awareness workshop in the solvents and process agents (carbon tetrachloride and methyl chloroform) sectors in Ethiopia (ETH/SOL/45/TAS/15).

(Decision 52/15)

(e) Annual tranche submission delays

89. The representative of the Secretariat presented the report on annual tranche submission delays (UNEP/OzL.Pro/ExCom/52/18), which contained information on annual tranches of MYAs that should have been submitted to the 52nd Meeting, and reasons for the submission delays. He said that 14 of the 39 annual tranches of MYAs due had been submitted on time to the 52nd Meeting. The Executive Committee might wish to ask the Secretariat to send letters encouraging agencies and the relevant Article 5 governments to submit delayed tranches to the 53rd Meeting. The document also addressed the potential for changing the due date for the ODS phase-out project in Thailand to the last meeting of 2007 as that would be the default date if no earlier due date had been agreed to or proposed by the Government of Thailand. Eleven tranches in six countries had not been submitted to the Executive Committee as no funds were needed because of low rates of expenditure.

90. One Member noted that progress had been made with respect to the project on CFC production in Argentina and the 2006 verification, although the Chair indicated that the Secretariat had not yet been formally advised of the progress. The representative of UNDP reported that the Government of Bangladesh had also made progress with respect to the ODS phase-out plan and that UNDP would hold a meeting in New York with representatives of Bangladesh following the present Meeting to finalize its revised action plan, which would be ready for submission to the 53rd Meeting. The representative of UNEP said that UNEP and UNDP would not be in a position to submit the next tranche of the project on CFC phase-out in the Democratic Republic of the Congo to the 53rd Meeting. The reason for the delay was cited as the political situation in the country, which had meant that the first tranche was only now being implemented. UNEP and UNDP had planned a meeting with the NOU and the local UNDP

office to determine how to expedite the implementation of the current tranche, following which UNEP would be in a position to report to the Executive Committee on when further tranches could be submitted. Finally, one Member suggested that the reference to Kenya in recommendation (e) be removed because the relevant legislation had been gazetted and a request for the third tranche would be submitted to the 53rd Meeting.

91. The Chair noted that there were clear guidelines and procedures in place to address instances of delays in submission of annual tranches and that it might not be helpful to make several exceptions to that practice. It was felt that, when sending letters, progress could also be noted and governments could be urged to submit their next tranches to the next meeting of the Executive Committee.

92. Following the presentation of document UNEP/OzL.Pro/ExCom/52/18 and the discussion concerning reported progress in Argentina, Bangladesh and Kenya, and delays related to the Democratic Republic of the Congo, the Executive Committee decided:

- (a) To note the information on annual tranches of multi-year agreements (MYAs) 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/52/18);
- (b) To note that 14 of the 39 annual tranches of MYAs due for submission had not been submitted on time to the 52nd Meeting, 10 had been withdrawn owing to low disbursement of funds, and one had been delayed because of a mutually agreed change in schedule;
- (c) To note that letters should be sent for the annual tranches listed below due for submission to the 52nd Meeting, with the reasons indicated for the delay and encouraging implementing agencies and the relevant Article 5 governments to submit those annual tranches to the 53rd Meeting:

Country	Agency	Sector	Tranches	Reason for delay
Antigua and Barbuda	World Bank	CFC phase-out	2006	Grant agreement has not been signed.
Argentina	World Bank	Production CFCs	2007	Verification report for 2006 was not ready.
Bangladesh	UNDP	ODS phase-out	2005, 2006, 2007	Late project document signature, the need for revision to the plan, and sufficient funds from the first tranche for 2007.
Bangladesh	UNEP	ODS phase-out	2005, 2006, 2007	Late project document signature, the need for revision to the plan, and sufficient funds from the first tranche for 2007.
Congo, DR	UNEP	CFC phase-out	2007	Political situation in the country.
Congo, DR	UNDP	CFC phase-out	2007	Project document has not been signed.
Kenya	France	CFC phase-out	2005	Regulations gazetted late.
Libyan Arab Jamahiriya	UNIDO	CFC phase-out	2006	Verification report has not been completed.
Pakistan	UNIDO	CTC phase-out	2005	Verification report has not been completed.

- (d) Change the due date for tranches of the ODS phase-out project in Thailand to the last meeting of the year; and
- (e) Urge Bangladesh, Kenya, the Libyan Arab Jamahiriya, and Pakistan, for which compliance decisions had been taken and the related annual tranches had not been

submitted to the 52nd Meeting, to facilitate the submission of the required reports to the 53rd Meeting, as well as ways of overcoming any outstanding problems of delay indicated in the table in subparagraph (c) above in time for that meeting to enable the Executive Committee to approve the annual tranches that could assist in future compliance.

(Decision 52/16)

(f) Report on implementation of approved projects with specific reporting requirements

93. The representative of the Secretariat drew the Executive Committee's attention to document UNEP/OzL.Pro/ExCom/52/19, which consisted of three sections. Section I contained progress reports on the implementation of the RMPs in Brunei Darussalam, Haiti and Myanmar (follow-up to decisions adopted at the 51st Meeting of the Executive Committee); Section II contained specific requests to the Executive Committee on the implementation of methyl bromide phase-out projects in Argentina, Egypt, Guatemala, and Lebanon, and a policy assistance programme in Central America; Section III contained verification of CFC imports and exports for 2006 in the China production sector, redeployment of the aerosol equipment purchased for a cancelled project in the Former Yugoslav Republic of Macedonia to be utilized in the COPACI aerosol project in Côte d'Ivoire, a report on the technology provider for the phase-out of CFC consumption in the manufacture of MDIs in Egypt, and the revised plan for the sustainability of a halon banking project in the Libyan Arab Jamahiriya.

94. The representative of the Secretariat reported on each project and the Executive Committee reviewed each request separately. Following a discussion in which the need for more expeditious project implementation was expressed and clarification was provided by the implementing agencies regarding the RMP projects in Brunei Darussalam and Myanmar, the Executive Committee decided:

- (a) With regard to Brunei Darussalam:
 - (i) To request UNEP to submit a progress report on the status of implementation of the refrigerant management plan (RMP) project to the 53rd Meeting of the Executive Committee;
 - (ii) To request the Chair of the Executive Committee to write a letter to the Government of Brunei Darussalam urging it to ratify the London Amendment, to accelerate the signature of project documents with the relevant implementing agencies, and to accelerate the implementation of the RMP;
- (b) With regard to Haiti:
 - (i) To note the revised plan of action of the RMP for Haiti submitted by UNDP and UNEP on behalf of the Government of Haiti;
 - (ii) To request UNDP and UNEP to accelerate the implementation of the RMP for Haiti and report back on progress achieved in the actual

implementation of activities to the 54th Meeting of the Executive Committee;

(c) With regard to Myanmar:

- (i) To request UNEP to submit a progress report on the status of implementation of the RMP project to the 53rd Meeting of the Executive Committee;
- (ii) To request the Chair of the Executive Committee to write a letter to the Government of Myanmar urging it to accelerate the signature of the project documents with the relevant implementing agencies, and to accelerate the implementation of the RMP;

(d) With regard to Argentina:

- (i) To take note of the progress report on the implementation of the methyl bromide phase-out project in tobacco and non-protected vegetable seedbeds;
- (ii) To note with concern that the methyl bromide consumption levels reported by the Government of Argentina for 2006 were almost 6.0 ODP tonnes above the maximum level of methyl bromide consumption specified in its agreement made with the Executive Committee at its 45th Meeting;
- (iii) To request the Government of Argentina and UNDP to continue with the implementation of the methyl bromide phase-out activities proposed in the project and report back on progress achieved in the implementation of phase-out activities to the 54th Meeting of the Executive Committee;

(e) With regard to Egypt:

- (i) To take note of the progress report on the implementation of the project for national phase-out of methyl bromide in horticulture and commodities fumigation;
- (ii) To note that the remaining methyl bromide consumption eligible for funding in Egypt would be 131.4 ODP tonnes once the current project was fully implemented and, consequently, the level of funding for the second portion of the project, if submitted, could be up to a maximum of US \$1,752,735;
- (iii) To request the Government of Egypt and UNIDO to accelerate the implementation of the methyl bromide phase-out activities proposed in the project;

(f) With regard to Guatemala:

- (i) To adopt the following modifications to the methyl bromide phase-out schedule for Guatemala, as proposed in decision XVIII/26 of the

Eighteenth Meeting of the Parties: from 709.4 ODP tonnes in 2002 to 400.7 ODP tonnes in 2006, 361.0 ODP tonnes in 2007, and 320.6 ODP tonnes in 2008; and the phase-out of all controlled uses of MB by 1 January 2015;

- (ii) To approve the activities proposed by the Government of Guatemala within the level of funding available under the project for the phase-out of methyl bromide in the cultivation of melons, tomatoes, flowers and ornamentals, and strawberries in Guatemala under current implementation;
 - (iii) To request UNIDO to submit a progress report on the implementation of the project for the phase-out of methyl bromide in the cultivation of melons, tomatoes, flowers and ornamentals, and strawberries in Guatemala to the 54th Meeting of the Executive Committee;
- (g) With regard to Lebanon:
- (i) To take note of the 2006 progress report on the implementation of the projects for the phase-out of all remaining soil uses of methyl bromide used in the production of cut flowers and tobacco, implemented by UNDP, and the phase-out of methyl bromide for soil fumigation in strawberry production, implemented by UNIDO;
 - (ii) To approve the revisions to the agreement between the Government of Lebanon and the Executive Committee approved at the 34th Meeting and subsequently modified at the 43rd Meeting, extending the phase-out schedule until 2008 as shown in the table below:

Year	Maximum level of methyl bromide consumption by crop (ODP tonnes)			
	Vegetables/tobacco/ cut flowers	Strawberries	Total phased out	Consumption level
2001				236.5
2002	25.8	6.0	31.8	204.7
2003	36.0	10.1	46.1	158.6
2004	54.0	14.2	68.2	90.4
2005	36.0	11.1	47.1	43.3
2006	0.0	0.0	0.0	43.3
2007	17.0	5.0	22.0	21.3
2008	17.3	4.0	21.3	0.0
2009	0	0	0	0.0

- (iii) To request UNDP and UNIDO to continue assisting the Government of Lebanon in the implementation of the methyl bromide phase-out investment projects;
- (iv) To request UNDP and UNIDO to submit a report on the implementation of the two methyl bromide projects with an assessment of the financial losses that might have occurred during the extraordinary events in Lebanon in 2006, for consideration by the Executive Committee at its 54th Meeting;

- (h) With regard to the technical assistance programme in Central America, to take note of the progress report on the policy assistance programme to support the methyl bromide phase-out with a special focus on Guatemala and Honduras, submitted by UNEP on behalf of the Government of Spain;
- (i) To note with appreciation the verification of CFC import/export in 2006 in China submitted by the World Bank;
- (j) With regard to Côte d'Ivoire:
 - (i) To note with appreciation the work undertaken by UNIDO to redeploy the aerosol equipment purchased for an aerosol manufacturing plant in the Former Yugoslav Republic of Macedonia to a manufacturing plant in Côte d'Ivoire;
 - (ii) To request the Government of Côte d'Ivoire to accelerate the implementation of the project for the phase-out of CFC-12 in the manufacture of cosmetics aerosols by conversion to a hydrocarbon aerosol propellant at COPACI, thus completing the phase-out of CFCs in the aerosol sector in Côte d'Ivoire;
 - (iii) To request UNIDO to report back to the Executive Committee at its 53rd Meeting on the status of implementation of the aerosol project in Côte d'Ivoire, including the situation of the redeployment of the aerosol equipment purchased for an aerosol manufacturing plant in the Former Yugoslav Republic of Macedonia;
- (k) To note the report from the technology provider for the phase-out of CFC consumption in the manufacture of metered-dose inhalers in Egypt and that the cost of technology transfer for the project was US \$3,146,955; and
- (l) To write a letter to the Government of the Libyan Arab Jamahiriya at the highest appropriate level indicating the possible cancellation of the project if no progress was reported to the 53rd Meeting on establishing a plan for the sustainability of the halon banking facility, including the selection of a host for the facility and a business plan from that host for the facility's sustainability.

(Decision 52/17)

AGENDA ITEM 7: PROJECT PROPOSALS

(a) Overview of issues identified during project review

95. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/52/20, which contained an overview of issues identified during project review. The document comprised three sections: the first two provided statistics on submissions to the 52nd Meeting and any policy issues identified during project review; the third section, which was a new addition, included a number of requests to amend ongoing projects, especially MYAs. Although none of

those included requests for additional funding, the proposed changes could have implications for the allocation and use of funds already approved and for the activities in the existing agreements. The Executive Committee was asked to consider each request separately.

96. With regard to the Multilateral Fund's cash balance, the representative of the Secretariat informed the Meeting that since the document had been issued there had been an increase of some US \$6.7 million from cash contributions, and a return of balances from implementing agencies totalling US \$1.7 million, which brought the total balance to some US \$47 million. That amount was more than adequate to meet the funding requirements for the 52nd Meeting.

97. There were no generic issues identified during project review that needed to be brought to the attention of the Executive Committee, but the representative of the Secretariat highlighted the new tables that had been added to the MYAs as a follow-up to decision 51/13 as a means of better monitoring the implementation of those agreements.

China: Proposed amendment to the 2007 work programme of the CFC production sector plan (World Bank)

98. The representative of the Secretariat introduced a proposal submitted by the World Bank, on behalf of China, for an amendment to the 2007 work programme of the China CFC production sector plan (UNEP/OzL.Pro/ExCom/52/20, paragraphs 12 to 16) to authorize reallocating US \$2 million from the sector plan towards a chiller demonstration project approved pursuant to decision 46/33.

99. Following reiteration by some Members of the requirement for co-funding from sources external to the Multilateral Fund for such projects, as well as a suggestion that China might wish to apply for funding from the French GEF, the Executive Committee decided not to approve the request for reallocating funds from the CFC production sector for co-funding of the chiller replacement project because of inconsistency with the criteria for use of external funding sources specified in decision 46/33.

(Decision 52/18)

China: CTC baseline (Fund Secretariat, Ozone Secretariat, World Bank, China)

100. The representative of the Secretariat recalled that decision 51/11 had requested China to clarify baselines for CTC production and consumption and to report back to the Executive Committee as soon as possible. He said that the text presented in document UNEP/OzL.Pro/ExCom/52/20 (paragraphs 17 to 26) had been reviewed and agreed upon by China, the Ozone Secretariat and the World Bank.

101. In response to a question on the calculation of China's CTC consumption and production, given that the Nineteenth Meeting of the Parties would be reviewing Table A-bis in decision XVII/8 of the Seventeenth Meeting of the Parties, the representative of the Secretariat confirmed that the consumption and production of CTC for applications listed in that table would not be included in the calculation of China's consumption and production because China already had an agreement with the Executive Committee to reduce CTC emissions for those applications. The representative of the Ozone Secretariat added that Article 5 countries that had signed such agreements were also required to meet the emission reduction targets under the agreements in

order for the consumption and production of CTC to be excluded from the calculation. Furthermore, she also pointed out that, in addition to considering Table A-bis, the Nineteenth Meeting of the Parties would be considering a draft decision to revise Table A of decision X/14.

102. One Member sought clarification as to whether the requirement of decision X/14, that Parties should not establish new plants after 30 June 1999, had been taken into account in reviewing China's compliance with its emission reduction targets contained in the process agent sector plan agreements. Another Member questioned whether it was possible for the Executive Committee to take a decision at the present Meeting on whether to amend the consumption ceiling contained in China's agreement in advance of the review by the Nineteenth Meeting of the Parties of Table A-bis in decision XVII/8 of the Seventeenth Meeting of the Parties.

103. The representative of the World Bank said that, although it was difficult for China, the Government was nevertheless working on obtaining the requested baseline data and would submit the information to the Ozone Secretariat as soon as possible. He also indicated that China would require more time to consider adjusting its CTC ceiling of 14,300 ODP tonnes under its CTC phase-out agreements. It was noted that this latter point would be addressed later in the agenda.

104. Following the discussion, the Executive Committee decided:

- (a) To request China to re-examine the carbon tetrachloride (CTC) production and consumption data between 1998 and 2000 so as to reconstitute them as closely as possible and to submit the data for 1999 and 2000 with a clear breakdown as requested by the Ozone Secretariat for calculating the baseline data. That should be done with the following understanding in accordance with decision X/14 of the Tenth Meeting of the Parties:
 - (i) That as long as China achieved the emission reduction targets laid out in the agreements with the Executive Committee for Phase I and Phase II of the process agent sector plan, the CTC production and consumption associated with the process agent application in those agreements would not be included in the CTC production and consumption for the determination of the compliance status of China from 2002 with respect to those CTC applications covered by Phase I, and from 2005 with respect to those applications covered by Phase II onwards;
 - (ii) That since the CTC production and consumption covered in the two agreements of the sector plan should not be included in the calculation of production and consumption for the determination of compliance, any change in the baseline data did not call for a change to the agreements; and
- (b) To communicate the present decision to the Meeting of the Parties in the annual report of the Executive Committee, through the Ozone Secretariat.

(Decision 52/19)

Cuba: National ODS phase-out plan for CFC (UNDP)

105. The representative of the Secretariat introduced a request submitted by UNDP on behalf of Cuba for the procurement of two vehicles to be used in the implementation of the country's national ODS phase-out plan for CFCs. The vehicles would be converted into mobile service workshops in order to facilitate the retrofitting of refrigeration systems, to transport technicians to training courses, and for monitoring purposes (UNEP/OzL.Pro/ExCom/52/20, paragraphs 27 to 37).

106. The Executive Committee decided to approve the request by the Government of Cuba for the procurement of two vehicles to be used in the implementation of the country's national ODS phase-out plan for CFCs on the understanding that future progress reports and the project completion report would advise on the final disposal of the vehicles.

(Decision 52/20)

Indonesia: Funding of enterprises established after July 1995 (UNDP)

107. The representative of the Secretariat introduced a proposed amendment to an approved annual work plan, submitted by UNDP, to allow use of funds from the national phase-out plan of Indonesia to assist enterprises established after 1995 (UNEP/OzL.Pro/ExCom/52/20, paragraphs 38 to 44). UNDP had pointed out that as 2007 was the year in which Indonesia should achieve complete phase-out of consumption of CFCs, CTC and methyl chloroform (TCA), it was important that the country and the implementing agencies be authorized to address the remaining consumption in enterprises in all subsectors whether they had been established before or after July 1995.

108. The Executive Committee decided to authorize using the flexibility provided for under the Agreement between Indonesia and the Executive Committee of the Multilateral Fund for the phase-out of ozone-depleting substances, approved by decision 44/39, to enable funds to be used to cover all relevant national consumption, on the understanding that this would not change existing Executive Committee guidelines for determining eligible incremental costs for consumption and production.

(Decision 52/21)

Kyrgyzstan: Halon management and compliance strategy (UNIDO)

109. The representative of the Secretariat introduced a proposed amendment submitted by UNIDO on behalf of Kyrgyzstan to reallocate funds approved for investment activities to non-investment activities (UNEP/OzL.Pro/ExCom/52/20, paragraphs 45 to 53). UNIDO had informed the Fund Secretariat on 20 July 2007 that the Ozone Officer of Kyrgyzstan had agreed that, under the technical guidance of UNIDO, the NOU would endeavour to identify local suppliers who could deliver and install the halon banking equipment anticipated in the project at a cost not exceeding the budget allocated to the project investment component. The representative of UNIDO confirmed that a meeting with the Ozone Officer of Kyrgyzstan had taken place in Moldova to review the equipment required. The Officer had agreed to acquire the equipment within the initial budget and had extended his search for suitable suppliers. Consequently, the request to modify the approved project had been withdrawn.

Lebanon: National CFC phase-out plan (UNDP)

110. The representative of the Secretariat said that UNDP had submitted a progress report on the implementation of the 2005 and 2006 tranches of the national CFC phase-out plan together with a request for the 2007 tranche (UNEP/OzL.Pro/ExCom/52/20, paragraphs 54 to 61). Owing to the situation in Lebanon since July 2006, which had severely affected the implementation of activities, and in view of the level of funding that was still available, the Secretariat and UNDP had agreed that the request for the fourth tranche would be submitted to the 53rd Meeting of the Executive Committee.

111. The Executive Committee decided:

- (a) To take note of the progress report on the implementation of the national CFC phase-out plan for Lebanon, the performance verification report of the annual implementation programmes for 2005 and 2006, and the annual implementation programme for 2007 submitted by UNDP;
- (b) To request UNDP to continue assisting the Government of Lebanon in implementing CFC phase-out activities in Lebanon; and
- (c) To note that UNDP would submit a request for the release of the fourth tranche of the national CFC phase-out plan for Lebanon at the 53rd Meeting of the Executive Committee, subject to the submission of a satisfactory supplementary progress report on the activities implemented and the level of funding disbursed in 2007.

(Decision 52/22)

List of projects and activities submitted for blanket approval

112. The representative of the Secretariat drew Members' attention to the list of projects and activities recommended for blanket approval presented in Annex I to document UNEP/OzL.Pro/ExCom/52/20. The list contained 35 activities with a total value of US \$10,254,837. He indicated that the umbrella project for terminal phase-out of CTC for Mexico had been added to the list for blanket approval.

113. As some Members had questions relating to specific projects, those projects were removed from the list for blanket approval and would be considered on an individual basis. The projects in question were: the World Bank global project on the assessment of CTC phase-out in the chlor-alkali sector (considered under agenda item 7(c)(iv) Amendments to the 2007 work programme of the World Bank); UNIDO's terminal ODS phase-out umbrella project in the Nigeria's solvent sector (considered under agenda item 7(d) Investment projects); and UNEP's global project on MDI regional workshops (considered under agenda item 7(c)(ii) Amendments to the 2007 work programme of UNEP).

114. With regard to the World Bank's national CFC production closure plan (fourth tranche) in Venezuela, which remained in the list of projects for blanket approval, one Member pointed out that progress in the dismantling of the Produven facility was slow, and requested that disbursement of the 2007 funding tranche be dependent on the full dismantling of the facility.

115. The Executive Committee decided:

- (a) To approve the projects and activities submitted for blanket approval at the level of funding indicated in Annex II to the present report, together with the conditions or provisos included in the corresponding project evaluation sheets and those conditions attached to projects by the Executive Committee;
- (b) To approve the agreement between the Government of Bhutan and the Executive Committee of the Multilateral Fund for the terminal phase-out management plan contained in Annex III to the present report at a total amount of US \$75,000 plus agency support costs for the project at the amount indicated in Annex II;
- (c) To approve the agreement between the Government of Comoros and the Executive Committee of the Multilateral Fund for the terminal phase-out management plan contained in Annex IV to the present report at a total amount in principle of US \$205,000 plus agency support costs and the first tranche for the project at the amount indicated in Annex II;
- (d) To approve the agreement between the Government of Costa Rica and the Executive Committee of the Multilateral Fund for the terminal phase-out management plan contained in Annex V to the present report at a total amount in principle of US \$565,000 plus agency support costs and the first tranche for the project at the amount indicated in Annex II;
- (e) To approve the agreement between the Government of Gabon and the Executive Committee of the Multilateral Fund for the terminal phase-out management plan contained in Annex VI to the present report at a total amount in principle of US \$205,000 plus agency support costs and the first tranche for the project at the amount indicated in Annex II;
- (f) To approve the agreement between the Government of Kuwait and the Executive Committee of the Multilateral Fund for the terminal phase-out management plan contained in Annex VII to the present report at a total amount in principle of US \$565,000 plus agency support costs and the first tranche for the project at the amount indicated in Annex II;
- (g) To approve the agreement between the Government of Madagascar and the Executive Committee of the Multilateral Fund for the terminal phase-out management plan contained in Annex VIII to the present report at a total amount in principle of US \$345,000 plus agency support costs and the first tranche for the project at the amount indicated in Annex II;
- (h) To approve the agreement between the Government of Moldova and the Executive Committee of the Multilateral Fund for the terminal phase-out management plan contained in Annex IX to the present report at a total amount in principle of US \$520,000 plus agency support costs and the first tranche for the project at the amount indicated in Annex II;

- (i) To approve the agreement between the Government of Nepal and the Executive Committee of the Multilateral Fund for the terminal phase-out management plan contained in Annex X to the present report at a total amount in principle of US \$170,000 plus agency support costs and the first tranche for the project at the amount indicated in Annex II;
- (j) To approve the agreement between the Government of Oman and the Executive Committee of the Multilateral Fund for the terminal phase-out management plan contained in Annex XI to the present report at a total amount in principle of US \$470,000 plus agency support costs and the first tranche for the project at the amount indicated in Annex II;
- (k) To approve the agreement between the Government of Saint Lucia and the Executive Committee of the Multilateral Fund for the terminal phase-out management plan contained in Annex XII to the present report at a total amount in principle of US \$205,000 plus agency support costs and the first tranche for the project at the amount indicated in Annex II;
- (l) To approve the agreement between the Government of Senegal and the Executive Committee of the Multilateral Fund for the terminal phase-out management plan contained in Annex XIII to the present report at a total amount in principle of US \$565,000 plus agency support costs and the first tranche for the project at the amount indicated in Annex II; and
- (m) That for projects relating to the renewal of institutional strengthening, blanket approval included approval of the observations to be communicated to recipient governments contained in Annex XIV to the present report.

(Decision 52/23)

(b) Bilateral cooperation

116. The representative of the Secretariat introduced the document on bilateral cooperation (UNEP/OzL.Pro/ExCom/52/21), which contained a review of the requests for bilateral cooperation submitted to the 52nd Meeting by the Governments of Canada, France, Germany and Italy. He indicated that the purpose of the document was to determine whether the requests submitted fell within the 20 per cent allocation for bilateral cooperation, and advised the Meeting that all except Germany fell within the allocation for 2007. He also stated that, with respect to the change of agency for the project in Senegal (from UNIDO to Italy), the bilateral allocation was sufficient to cover the amount of the funding for the project.

117. Following presentation of document UNEP/OzL.Pro/ExCom/52/21, the Executive Committee decided:

- (a) To inform the Parties of the level of bilateral contribution assigned to Germany's contribution for 2008, in light of decision 49/19;

- (b) To request the Treasurer to offset the costs of the bilateral projects approved at the 52nd Meeting as follows:
- (i) US \$176,280 against the balance of Canada's bilateral contribution for 2007;
 - (ii) US \$585,000 against the balance of France's bilateral contribution for 2007;
 - (iii) US \$357,500 against the balance of Germany's bilateral contribution for 2008; and
 - (iv) US \$542,076 against the balance of Italy's bilateral contribution for 2007.

(Decision 52/24)

(c) Amendments to work programmes for 2007

(i) UNDP

118. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/52/22 containing four activities submitted by UNDP. Two projects had been recommended for blanket approval and had been considered under agenda item 7(a). Two requests for project preparation for investment projects in the CFC-MDI sector, for Colombia and India, had been submitted for individual consideration.

Colombia: Project preparation for an MDI investment project

India: Project preparation for an MDI investment project

119. The representative of the Secretariat informed the Executive Committee that both requests for project preparation were supported by the relevant documentation and information requirements, as required by decision 51/34(c). She reported that, for Colombia, UNDP's proposal sought to enable the phase-out of 2.1 ODP tonnes used by one company in the production of CFC-MDIs. With respect to India, she indicated that the request had been for the conversion of seven CFC-MDI manufacturing companies seeking to phase out over 700 ODP tonnes of CFCs. The Executive Committee might wish to confirm that the data requirements had been met.

120. Two Members raised the issue of whether both project preparation proposals fully met the conditions set out in the decision and whether sufficient detailed information and data had been included in the proposals to justify the need for the conversion projects. It was recalled that decision 51/34(c) allowed the Executive Committee to consider, on a case-by-case basis, submissions for project preparation requests for the conversion of MDI facilities, but that they must not only fulfil specific data requirements but also be accompanied by a comprehensive justification of the need for assistance. In the cases of India and Colombia, some Members considered that those minimum conditions had not been met.

121. The representative of UNDP sought clarification on the additional information required and highlighted UNDP's difficulty in collecting the desired data during the time available. Following a discussion, the Executive Committee referred the issue to an informal contact group to discuss the outstanding specific information requirements.

122. Following the report of the informal contact group, UNDP presented additional justification to support the requests for Colombia and India. As a result of the additional information, Members advised that comprehensive justification for project planning had been presented, and the criteria in decision 51/34(c) had been met for the project preparation activity in India but not for Colombia. A suggestion was made that capacity established after a specific date should have at least 50 per cent counterpart funding.

123. After further discussion, the Executive Committee decided:

- (a) To approve the request for project preparation in the CFC-metered-dose inhaler (MDI) sector for India at the level of funding in Annex II to the present report, on the understanding that:
 - (i) The resulting project proposal presented to the Executive Committee would include written commitments for significant counterpart funding from the companies requesting assistance;
 - (ii) In order to avoid double-counting, a deduction from the total funding approved for either the country's national phase-out plan and/or from any future MDI conversion project would be made to account for the amount of CFCs consumed for MDIs to be addressed by the new project;
 - (iii) No additional assistance from the Multilateral Fund would be available for the conversion of CFC-MDI facilities not covered by the proposed project; and
- (b) To defer the request for project preparation for the CFC-MDI sector in Colombia to a future meeting of the Executive Committee on the understanding that a revised project proposal would be presented that fully met the justification for funding and the criteria set out in decision 51/34(c).

(Decision 52/25)

(ii) UNEP

124. The Executive Committee had before it documents UNEP/OzL.Pro/ExCom/52/23 and Add.1 containing UNEP's work programme amendments. Ten of the projects would be considered separately under investment projects as they entailed the implementation of new TPMPs. Two activities had been recommended for blanket approval and had been considered under agenda item 7(a). Two requests for global technical assistance, namely, a study on halon bank management and integrated training through the Green Customs initiative were for individual consideration pursuant to decision 51/8 (b)(iv) and (f), together with one request for renewal of institutional strengthening for El Salvador. UNEP's global proposal for MDI regional

workshops, which had originally been recommended for blanket approval, was also presented for individual consideration.

El Salvador: Renewal of institutional strengthening project: (Phase V)

125. The representative of the Secretariat said that the request for renewal of institutional strengthening for El Salvador had been submitted for individual consideration because El Salvador had reported to the Ozone Secretariat Article 7 data for 2006 that exceeded the level allowed under the Montreal Protocol for CTC consumption. El Salvador was being requested to submit to the Ozone Secretariat, as soon as possible and no later than 1 August 2007, an explanation for that deviation and, if relevant, a plan of action with time-specific benchmarks for ensuring the Party's prompt return to compliance.

126. The Executive Committee decided:

- (a) To approve phase V of the institutional strengthening project for El Salvador for a period of one year only, at the level of funding indicated in Annex II to the present report, on the understanding that the approval was without prejudice to the operation of the Montreal Protocol's mechanism for addressing non-compliance; and
- (b) To express to the Government of El Salvador its views as set out in Annex XIV to the present report.

(Decision 52/26)

Global: Study on challenges associated with halon banking in developing countries

127. The representative of the Secretariat introduced UNEP's request for funds to initiate a study on challenges associated with halon banking in developing countries. UNEP's proposal, made in the context of its 2007 business plan, was consistent with decision 51/8, in which the Executive Committee had specifically requested UNEP to look at halon banks in relation to their management capacities, quantities of halon reclaimed and reused, problems experienced by those banks, and strategies for the sustainability of the banks without further support from the Multilateral Fund.

128. In the discussion that followed, some Members expressed the view that in addition to an analysis of best practices there was also a need to study the business practices of the halon banks with respect to the amounts of halon actually being reclaimed and recycled, and to examine options for the sustainable operation of those banks. It was also suggested that it might be appropriate to study not only recycled halon but to compare its price with imported halon to determine which source made better business sense. The representative of UNEP assured the Committee that those concerns would be taken into consideration.

129. Following the discussion, the Executive Committee decided to approve the request for the study on halon banking operations in Article 5 countries at the level of funding indicated in Annex II to the present report.

(Decision 52/27)

Global: Integrated enforcement training under the Montreal Protocol through the Green Customs Initiative

130. The representative of the Secretariat informed the Executive Committee that UNEP had also requested funds for integrated training under the Montreal Protocol through the Green Customs Initiative. In response to decision 51/8, UNEP had submitted a comprehensive and detailed proposal for that project, taking into consideration the activities that would be undertaken through the Green Customs Initiative, emphasizing in particular those for which funding was being sought at the present Meeting. The document also summarized the resources available under the initiative from the various partners, and their contributions to the larger set of activities included therein. When considering the project, some Members expressed concern that funding from the partners in the Initiative was assured only until October 2007 and that certain costs indicated by UNEP might constitute double-counting with already approved CAP resources.

131. Following the discussion, the Executive Committee decided to approve the request for integrated enforcement training following the Green Customs Initiative for one year only, without prejudice to future funding approvals for the remaining two years proposed for the project, at the level of funding of US \$62,000 indicated in Table 1 of document UNEP/OzL.Pro/ExCom/52/23, provided that:

- (a) In seeking future funding, UNEP would present a commitment in writing from Green Customs partners that there were assured counterpart funds for the year for which funds were being sought, and that an agreed work plan with specific cost contributions for each activity be provided for the Executive Committee's consideration; and
- (b) UNEP submitted a report for the consideration of the Executive Committee covering the progress on implementation for the first year, including a full accounting of the funds used solely for issues related to trade in ozone-depleting substances.

(Decision 52/28)

Global: MDI regional workshops

132. The representative of the Secretariat also drew the Executive Committee's attention to the proposal by UNEP to hold eight regional workshops for MDIs in each of its networks as part of the CAP networking activity, pursuant to decision 51/8(e) of the Executive Committee. One Member expressed concern that UNEP was requesting funding for regional MDI workshops as a separate project, and indicated that it should be part of CAP and integrated into the already approved CAP budget. He stressed that the project should be considered only within the context of the CAP.

133. Following a discussion the Executive Committee decided:

- (a) To approve the addition of US \$200,000 for one year only to the budget of the Compliance Assistance Programme (CAP), approved at the 50th Meeting of the

Executive Committee, for regional workshops on metered-dose inhalers (MDIs) in Article 5 countries as part of networking activities; and

- (b) To request UNEP to report to the Executive Committee separately from the report made on the CAP, on the use of the US \$200,000 approved to fund regional workshops on MDIs.

(Decision 52/29)

(iii) UNIDO

134. The Executive Committee had before it document UNEP/OzL.Pro/ExCom/52/24 containing UNIDO's work programme amendments, which included three activities. Two activities had been recommended for blanket approval and had been approved under agenda item 7(a). One request for MDI project preparation for Mexico was presented for individual consideration.

Mexico: MDI project preparation, including the development of a national transition strategy for the sector

135. The representative of the Secretariat informed the Executive Committee that UNIDO had submitted one request for project preparation for an MDI investment project in Mexico, as well as the supporting data required under decision 51/34(c), pursuant to which the Executive Committee decided it would consider such requests on a case-by-case basis. The Executive Committee might wish to confirm that the data requirements had been met.

136. Following a request for clarification as to the use being made of the CFC-MDIs produced by Salus Laboratories in Mexico, the representative of UNIDO confirmed that all of that production was for the Mexican market. One Member expressed concern that the justification provided in the project preparation request did not fully respond to decision 51/34(c) and requested UNIDO to provide further information. Following the discussion, the Executive Committee referred the issue to the informal contact group on CFC-MDIs created under agenda item 7(c)(i) to consider the amendments to UNDP's work programme in respect of the CFC-MDI project preparation requests for Colombia and India.

137. Following the report of the informal contact group, UNIDO presented additional information to support the request for Mexico. As a result of that additional information, Members noted that a comprehensive justification for project planning had been presented and the criteria in decision 51/34(c) had been met.

138. Following the discussion, the Executive Committee decided to approve the request for metered-dose inhaler (MDI) project preparation for Mexico at the level of funding in Annex II to the present report, on the understanding that:

- (a) The resulting project proposal presented to the Executive Committee would include written commitments for significant counterpart funding from the companies requesting assistance;

- (b) In order to avoid double-counting, a deduction from the total funding approved for either the country's national phase-out plan and/or from any future MDI conversion project would be made to account for the amount of CFCs consumed for MDIs to be addressed by the new project; and
- (c) No additional assistance would be available from the Multilateral Fund for the conversion of CFC-MDI facilities not covered by the proposed project.

(Decision 52/30)

(iv) World Bank

139. The Executive Committee had before it document UNEP/OzL.Pro/ExCom/52/25 containing the World Bank's work programme amendments. The representative of the Secretariat indicated that two activities submitted for funding, namely Phase VII of the institutional strengthening project for Jordan and Phase V of the institutional strengthening project for Thailand, had been approved in the context of blanket approval under agenda item 7(a). Following the presentation by the Secretariat, the representative of Jordan pointed out an inaccuracy in document UNEP/OzL.Pro/ExCom/52/25, with regard to the institutional strengthening renewal request for Jordan. He stated that, contrary to the statement in the document, Jordan had already ratified the Beijing Amendment in 2001.

Global: Assessment of CTC phase-out in the chlor-alkali sector

140. The World Bank's technical assistance project for a global assessment of CTC phase-out in the chlor-alkali sector, which had originally been proposed for blanket approval, was being presented for individual consideration. It was pointed out that the objectives of the study should be consistent with decision 47/39. The need for a shorter deadline for submission of the assessment report was also stressed. The representative of Sweden announced his Government's arrangements for supporting the assessment with funds over and above the amount of its bilateral contribution to the Multilateral Fund.

141. Following the discussion, the Executive Committee decided:

- (a) To request the World Bank to revise the wording of the objectives of the assessment as stated in the terms of reference for the study to read: "examine technologies and eventual sectoral plans relevant to the phase-out of carbon tetrachloride (CTC) in the production of chlorine with a view to identifying more cost-effective alternatives.", consistent with decision 47/39;
- (b) To request the World Bank to submit a draft of the assessment report by the second Meeting of the Executive Committee in 2008; and
- (c) To approve the proposal to conduct a study on the phase-out of CTC in the chlor-alkali sector at the funding level of US \$100,000, taking into account the amendments contained in paragraphs (a) and (b) above.

(Decision 52/31)

(d) Investment projects

142. The Executive Committee had before it Annex II to document UNEP/OzL.Pro/ExCom/52/20 containing eight projects for individual consideration. Additional information had been provided on the umbrella project for terminal phase-out of CTC for Mexico (UNEP/OzL.Pro/ExCom/52/41) enabling it to be recommended for blanket approval. Following the request of an Executive Committee Member for further information, the last tranche of the CTC and TCA project for Nigeria had been removed from the list of projects for blanket approval. The Nigeria project and the remaining eight projects were discussed separately, as indicated below.

Aerosol (MDIs)

Bangladesh: Phase-out of CFC consumption in the manufacture of aerosol MDIs (UNDP) (UNEP/OzL.Pro/ExCom/52/26 and Add.1)

Bangladesh: Transition strategy for phasing out use of CFCs in the manufacturing of MDIs (UNEP) (UNEP/OzL.Pro/ExCom/52/26 and Add.1)

143. In presenting the projects for Bangladesh, the representative of the Secretariat said that discussions had taken place and agreement had been reached with the implementing agencies on a number of matters, including technical and cost issues related to the equipment needed for conversion and technology transfer. Agreement had not been reached, however, on the level of funding for the transition strategy for phasing out the use of CFCs in the manufacturing of MDIs. Based on the current situation of the MDI sector in Bangladesh, the Secretariat proposed total funding of US \$70,000 for the transition strategy. UNEP had reported that the Government felt that the proposed funding level would adversely affect the implementation of the transition strategy. An additional issue raised by the Secretariat was related to a possible adjustment of the NPP for Bangladesh approved at the 42nd Meeting. Considering that the phase-out addressed all remaining CFC consumption eligible for funding, including the amount used for manufacturing MDIs, the NPP should be adjusted accordingly to avoid double-counting.

144. In the ensuing discussion, some Members questioned whether the proposed amount of US \$70,000 for the MDI transition strategy was sufficient. However, based on the information provided to date by the Secretariat, and other considerations, no grounds were established for increasing that figure.

145. With regard to the MDI conversion project, it was pointed out that converting to hydrofluoroalkane (HFA) MDIs could present significant technical challenges. It would therefore be advisable for the country to report to the Executive Committee any technology-related difficulties with the project as soon as they might occur and to consider meeting its needs through increased imports of HFA MDIs. Given the likelihood that similar projects would be proposed in the future, such reporting would also be useful in assisting other Article 5 countries with their MDI conversion projects.

146. There was general agreement that double-counting had to be eliminated in all cases of MDI conversion projects presented by countries with NPPs under which they had committed to phase out all remaining CFC consumption, including CFCs for MDI manufacturing. It was suggested, however, that some flexibility be given to countries regarding whether the amount

determined as double-counting would be deducted from the national and/or sector phase-out plans or the MDI conversion project, if approved. In the specific case of Bangladesh, it was proposed that the amount to be deducted to eliminate double-counting be established at US \$128,500. The Government of Bangladesh indicated, through UNDP, its preference for deducting the amount from the MDI conversion project.

147. The issue of counterpart funding by the companies involved in the MDI conversion project was also raised. One Member considered that a commitment to a minimum level of 50 per cent counterpart funding should be expected for the CFC-MDI capacity established in 2004. Other Members considered that counterpart funding should generally be provided for CFC-MDI projects. In order to make the expectation of counterpart funding clear, it was proposed that letters of commitment be sought from the companies involved in the conversion project that they would be providing such funding. On a related issue, it was also stressed that approval of MDI conversion projects should be accompanied by an unequivocal statement that no further funding would be forthcoming from the Multilateral Fund for conversion of other CFC-MDI products following project completion.

148. The fact that Bangladesh would be stockpiling some CFCs for use in manufacturing certain MDIs, despite the conversion project, led to a discussion on the need to prevent companies benefiting from Multilateral Fund assistance for MDI conversion from continuing to market CFC-MDIs in tandem with non-CFC-MDIs. In the specific case of Bangladesh, the stockpiling was destined to cover three MDI products for which no alternative solution had been found, until the alternative technology could be developed. Nevertheless, measures were required to ensure an absolute stop in production of CFC-based MDI products that had undergone conversion.

149. Following the discussion, the Executive Committee decided:

- (a) To approve the transition strategy for phasing out use of CFCs in the manufacturing of metered-dose inhalers (MDIs) in Bangladesh at a funding level of US \$70,000 plus agency support costs of US \$9,100 for UNEP;
- (b) To approve the project for the phase-out of CFC consumption in the manufacture of metered-dose inhalers in Bangladesh at the amount of US \$2,776,778 plus agency support costs of US \$208,258 for UNDP, having taken into account the deduction of US \$128,500 to eliminate double-counting of funds provided under the national phase-out plan (NPP) and the MDI conversion project, and on the understanding that no further funding would be provided for CFC-MDI conversion in Bangladesh; and
- (c) To request UNDP to obtain from the enterprises receiving funding under the MDI conversion project letters stating their commitment to provide counterpart funding, and their commitment to stop production of CFC-MDI products converted to non-CFC technology immediately upon completion of the conversion project, with the understanding that the requirement to provide letters of commitment would be extended to all future MDI conversion projects proposed by other Article 5 countries.

(Decision 52/32)

Islamic Republic of Iran: Phase-out of CFC consumption in the manufacture of aerosol MDIs (UNIDO) (UNEP/OzL.Pro/ExCom/52/36 and Add.1)

Islamic Republic of Iran: Transition strategy for phasing out use of CFCs in the manufacturing of MDIs (UNEP) (UNEP/OzL.Pro/ExCom/52/36 and Add.1)

150. The representative of the Secretariat introduced the projects for the Islamic Republic of Iran, advising that a number of issues had been discussed with UNIDO and UNEP and ultimately had been resolved. The issues were related to the consideration of essential use exemptions for CFCs in the country; selection of alternative technologies; the scope and cost of the national transition strategy; technical and cost issues related to the conversion of the production facility to HFC-134a technology; and technology transfer. Agreement had been reached on the level of funding. An additional issue raised by the Secretariat was related to a possible adjustment of the NPP for the Islamic Republic of Iran approved at the 41st Meeting.

151. During the discussion, the Members of the Executive Committee recognized that the issues discussed during their consideration of the MDI conversion project for Bangladesh relating to counterpart funding, letters of commitment from beneficiary enterprises, the significant technical challenges involved in conversion to HFA MDIs, and funding limitations, also applied to the MDI conversion project for the Islamic Republic of Iran and to MDI conversion projects in general. With regard to the issue of double-counting, it was further proposed that flexibility be given to the Islamic Republic of Iran and to other Article 5 countries presenting MDI conversion project proposals in future to deduct amounts determined to be double-counting from either their national and/or sector phase-out plans or their MDI conversion project.

152. Following the discussion, the Executive Committee decided:

- (a) To approve the national transition strategy for the phase-out of CFC propellants in metered-dose inhalers for the Islamic Republic of Iran at the amount of US \$70,000 plus agency support costs of US \$9,100 for UNEP;
- (b) To approve the project for the phase-out of CFC consumption in the manufacture of metered-dose inhalers (MDIs) in the Islamic Republic of Iran at the amount of US \$3,529,508, plus agency support costs of US \$264,713 for UNIDO, subject to a deduction of US \$465,500 to be applied to the approved amount of the MDI conversion project or to the national phase-out plan (NPP) for Iran, or both, at the country's discretion, in order to eliminate double-counting of funds, and on the understanding that no further funding would be provided for CFC-MDI conversion in the Islamic Republic of Iran;
- (c) To request UNIDO to report back to the Executive Committee at its 53rd Meeting on the choice made with regard to whether to deduct amounts from either the NPP or the MDI or both. It was accordingly understood that, in the event that funds were deducted from the MDI conversion project, UNIDO would return the relevant portion of the deduction, including agency support costs, to the Multilateral Fund at its 53rd Meeting. In the event that funds were deducted from the NPP, the Government of Germany, as the lead implementing agency of the

NPP, would submit an amendment to the agreement relating to the portion of the deduction amount to be taken from the NPP; and

- (d) To request UNIDO to obtain from the enterprise receiving funding under the MDI conversion project a letter stating its commitment to provide counterpart funding, and its commitment to stop production of CFC-MDI products converted to non-CFC technology immediately upon completion of the conversion project, with the understanding that the requirement to provide letters of commitment would be extended to all future MDI conversion projects proposed by other Article 5 countries.

(Decision 52/33)

Foam

China: Sector plan for phase-out of CFC-11 in the China foam sector: 2007 annual programme (World Bank) (UNEP/OzL.Pro/ExCom/52/30)

153. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/52/30 and said that, on behalf of the Government of the People's Republic of China, the World Bank had submitted a request for approval of the 2007 annual implementation programme for CFC-11 phase-out in the polyurethane foam sector in China. No request for the release of the associated funding tranche had been made as the prerequisite conditions for tranche approval had not been met. He said that the World Bank had also submitted a request for an amendment to previous annual implementation plans in order to allow enterprises with capacity installed after July 1995 to be eligible for support under the agreement between China and the Executive Committee. The World Bank therefore requested authorization to allow funds to be directed to enterprises established after July 1995 but before 7 December 2001. The representative of the Secretariat said that since the production of CFCs in China had ceased at the end of June 2007 that the need for support for the remaining enterprises appeared to be urgent.

154. Following a discussion, the Executive Committee decided:

- (a) To approve the annual implementation programme for 2007; and
- (b) To authorize using the flexibility provided for under the agreement between China and the Executive Committee of the Multilateral Fund for CFC phase-out in the polyurethane foam sector, approved by Executive Committee decision 35/48, to allow funds to be directed to enterprises established between 25 July 1995 and 7 December 2001, on the understanding that that would not change existing Executive Committee guidelines for determining eligible incremental costs for consumption and production.

(Decision 52/34)

Fumigant

155. The representative of the Secretariat asked whether the Executive Committee might wish to include methyl bromide projects that did not involve any policy or cost issues in the consideration of projects for blanket approval in future.

156. Following a discussion, the Executive Committee decided that methyl bromide projects that did not have any outstanding policy or cost issues should in future be included in the list of projects for blanket approval.

(Decision 52/35)

Cameroon: Total phase-out of methyl bromide used in stored commodities fumigation (Italy) (UNEP/OzL.Pro/ExCom/52/29)

157. The representative of the Secretariat presented document UNEP/OzL.Pro/ExCom/52/29, which was a project proposal for the total phase-out of methyl bromide used in stored commodities fumigation in Cameroon, to be implemented by the Government of Italy. He said that all policy issues had been resolved and the incremental costs had been agreed. Consistent with past practice for methyl bromide projects, the project had been submitted for individual consideration.

158. Following presentation of the project, the Executive Committee decided:

- (a) To approve the project for the phase out of methyl bromide used in grain fumigation at a total cost of US \$259,713, plus agency support costs of US \$33,763 for the Government of Italy, on the understanding that no additional funding would be provided for Cameroon for the phase-out of controlled uses of methyl bromide in the country; and
- (b) To approve the agreement between the Government of Cameroon and the Executive Committee for the phase-out of controlled uses of methyl bromide contained in Annex XV to the present report.

(Decision 52/36)

Phase-out plan

Bosnia and Herzegovina: National ODS phase-out plan (third tranche) (UNIDO) (UNEP/OzL.Pro/ExCom/52/28)

159. The representative of the Secretariat presented documents UNEP/OzL.Pro/ExCom/52/28 and Add.1, which contained a project proposal for the third tranche of the national ODS phase-out plan for Bosnia and Herzegovina, to be implemented by UNIDO, and funded at a level of US \$303,000, plus agency support costs of US \$22,725. He said that in the plan of action approved under decision XV/30 of the Fifteenth Meeting of the Parties, the Government of Bosnia and Herzegovina had committed to reducing its CFC consumption to 3 ODP tonnes in 2007 and to achieving full phase-out in 2008. Bosnia and Herzegovina had also initially agreed

to establish a licensing system by 2004. At the Seventeenth Meeting of the Parties, a new deadline of January 2006 had been set for the establishment of a licensing system.

160. The representative of the Secretariat reported, however, that the licensing and quota system in Bosnia and Herzegovina had not yet been established in practical terms and indicated that there was an unspent balance of US \$176,016. Moreover, the level of consumption could not be ascertained. Crucial activities to reduce consumption had not been carried out and had been deferred to the end of 2007. He reported that it would be a challenge for Bosnia and Herzegovina to phase out all remaining CFC consumption by the end of 2007 as required, and advised that the country was at risk of non-compliance unless appropriate measures were taken urgently. However, he was of the view that the country had not met the stipulated requirements for the release of an additional funding tranche. The Secretariat had also requested a detailed action plan for achieving zero consumption by 1 January 2008, together with specific milestones and a related schedule, but none had been provided by the time of the 52nd Meeting.

161. Members emphasized that achieving compliance was a priority and that it was important to provide an incentive for Bosnia and Herzegovina through the approval of the funds, subject to the conditions set out in recommendation 21(b) in document UNEP/OzL.Pro/ExCom/52/28/Add.1.

162. Following consideration of the project proposal and discussions on other conditions that could be linked to the approval of funds, as well as on the importance of compliance and the status of the licensing system, the Executive Committee decided:

- (a) To approve funds for the third tranche of the national phase-out plan for Bosnia and Herzegovina, at the amount of US \$303,000 plus agency support costs of US \$22,725 for UNIDO, as indicated below, with disbursement contingent on the Fund Secretariat determining, based on reports from UNIDO, that the following conditions had been fulfilled:
 - (i) Release of US \$90,900 upon acceptance of a Government-supported action plan targeted to achieve the phase-out objectives in the shortest possible time frame;
 - (ii) Release of US \$60,600 upon acceptance of a brief report that at least two training courses for customs officers had been carried out, and after reaching the milestone mentioned under subparagraph (i) above;
 - (iii) Release of US \$75,750 upon acceptance of a report on the establishment of the regulations necessary for the full implementation of the ozone legislation and for a licensing system for import of ozone-depleting substances (ODS) and ODS-containing equipment, and after reaching the milestone mentioned under subparagraph (ii) above;
 - (iv) Release of the remaining funds upon acceptance of an implementation report describing the completion of the activities from previous annual plans, in particular training of refrigeration technicians, provision of tools and other measures in the refrigeration service sector, and after reaching the milestone mentioned under subparagraph (ii) above; and

- (b) To request UNIDO to provide a status report to the 54th Meeting on the progress made in preparing an action plan, training customs officers, and completing activities in previous annual plans, and on the progress made in fully implementing the ozone legislation.

(Decision 52/37)

Process agent

China: Verification of CTC consumption under Phase II of CTC sector plan (World Bank) (UNEP/OzL.Pro/ExCom/52/30)

163. Introducing the project, the representative of the Secretariat said that there was no problem with the verification of China's CTC consumption, and the reason that the project had been included in the list for individual consideration was because of an issue that remained unresolved from the 51st Meeting. It related to the ceiling of 14,300 ODP tonnes in the agreement on Phase II for CTC use in process agent applications in Table A-bis of decision XVII/8 of the Seventeenth Meeting of the Parties and any other applications not covered in Phases I and II of the sector plan.

164. The Agreement had stated that the ceiling was subject to reconfirmation at the 50th Meeting of the Executive Committee. The representative of the Secretariat informed the Meeting that the survey conducted at the time that the agreement had been concluded had identified CTC consumption in 2006 of 5,738.7 ODP tonnes, for the uses listed in Table A-bis and for the 21 newly identified process agent applications, which was well below the ceiling level. The Executive Committee had decided at its 51st Meeting to consider the need to reconfirm the ceiling of 14,300 ODP tonnes set in the agreement for those applications at the 52nd Meeting of the Executive Committee.

165. The representative of the World Bank confirmed that, in its discussions with the Government of China, the country had stated that it had no intention of allowing its consumption to reach the ceiling of 14,300 ODP tonnes. However, given the upcoming review of Table A-bis by the Nineteenth Meeting of the Parties and the potential repercussions of any new decisions on process agent applications, the Government of China was requesting that discussion of the issue be deferred to the 53rd Meeting of the Executive Committee.

166. Following the discussion, the Executive Committee decided:

- (a) To take note of the verification of the carbon tetrachloride (CTC) consumption of Phase II of the CTC sector plan, and the additional data on the CTC production verification provided by the World Bank;
- (b) To request the World Bank and the Government of China to accelerate the contractual work and disburse the necessary compensation to the plants that were ready for closure in order to complete the dismantling work in a timely manner;
- (c) To request the Government of China to further tighten the control of CTC production and sales to reduce the chance of unauthorized access to the controlled substance;

- (d) To approve the disbursement of US \$10 million and US \$750,000 as support costs for the implementation of the 2007 work programme of Phase II of the CTC sector plan; and
- (e) To defer to its 53rd Meeting consideration of the need to adjust the ceiling of 14,300 ODP tonnes of the Phase II agreement for CTC applications not covered by Phases I and II of the sector plan.

(Decision 52/38)

India: CTC sector plan: 2007 work programme (UNDP, UNIDO, World Bank, France, Germany, and Japan,) (UNEP/OzL.Pro/ExCom/52/35 and Add.1)

167. Introducing the project, the representative of the Secretariat said that there was no problem with verification of India's CTC production and consumption. Since document UNEP/OzL.Pro/ExCom/52/35 had been issued, all questions arising from the verification report had been clarified by the World Bank in the reply to the Secretariat's comments contained in documents UNEP/OzL.Pro/ExCom/52/35 and Add.1. The reason that the project had been included in the list for individual consideration was because the World Bank, as the lead agency, had submitted a request on behalf of the Government of India to reallocate funds to assist enterprises established after 1995.

168. Following discussion of whether the flexibility clause extended not only to the funding of enterprises established after 1995, but also to those established after the cut-off date of 30 June 1999, the Executive Committee decided:

- (a) To request the World Bank to continue monitoring the movement within the carbon tetrachloride (CTC) inventory held by both the producers and feedstock users, as part of the annual verification exercise, in order to account for total CTC production and imports;
- (b) To authorize using the flexibility provided for under the agreement between India and the Executive Committee of the Multilateral Fund for the phase-out of ozone-depleting substances, approved by decision 41/95, to allow funds to be used to cover all relevant sectoral consumption, on the understanding that that would not change existing Executive Committee guidelines for determining eligible incremental costs for consumption and production;
- (c) To request the World Bank to provide an impact assessment of the annual work programmes by agency and by sector; and
- (d) To approve the 2007 annual work programme at a total funding level of US \$4,820,938 with US \$444,070 as support costs. The distribution by agency would be: US \$4,020,938 plus US \$301,570 as support costs for the World Bank; US \$500,000 plus US \$85,000 as support costs for France; and US \$300,000 plus US \$57,500 as support costs for Germany.

(Decision 52/39)

SolventDemocratic People's Republic of Korea: Plan for terminal phase-out of CTC (fifth tranche) (UNIDO) (UNEP/OzL.Pro/ExCom/52/37)

169. The representative of the Secretariat introduced the project and said that UNIDO, on behalf of the Democratic People's Republic of Korea, had submitted a funding request for the fifth and sixth tranches of the plan for terminal phase-out of CTC in that country, accompanied by an implementation programme for both tranches, and a performance verification report for 2006. A number of activities had been pursued with success under the previous annual implementation plan, with the exception of the conversion of three process agent uses. Imports and production had been reported as zero for the year 2006, which was significantly in advance of the agreed phase-out schedule.

170. Some of the equipment needed for the conversion of the process agent applications could not be exported to the Democratic People's Republic of Korea, *inter alia*, because of the terms of United Nations Security Council Resolution 1718 (2006), adopted after the approval of the last tranche in October 2006. It also appeared that experts needed for the conversion of a third application had been refused permission by their government to travel to the Democratic People's Republic of Korea. The representative of the Secretariat said that two other process agent applications in the pharmaceutical subsector were being implemented, taking the conditions of Security Council Resolution 1718 (2006) into account, and that one conversion had already been completed.

171. One Member asked for clarification relating to references to the relevant Meeting of the Parties decisions in Table 1 of document UNEP/OzL.Pro/ExCom/52/37, and suggested that in the future the Secretariat should present such information in similar cases.

172. Following the discussion, the Executive Committee decided:

- (a) To approve the annual implementation plan for 2007, together with funding for the fifth tranche of the plan for phase-out of carbon tetrachloride in the Democratic People's Republic of Korea at the amount of US \$284,840, with agency support costs of US \$21,363 for UNIDO;
- (b) To urge UNIDO to find a solution, compliant with United Nations Security Council Resolution 1718 (2006) and the conditions in the Chemical Weapons Convention, to overcome the related impediments and complete the implementation of the process agent sector activities, and
- (c) To request UNIDO to provide a status report on the progress achieved with the activities at the 2.8 Vinalon Factory Complex and the Sinuiju Chemical Fibre Complex to the 54th Meeting of the Executive Committee.

(Decision 52/40)

Nigeria: Terminal ODS phase-out umbrella project in the solvent sector: fourth tranche (UNIDO) (UNEP/OzL.Pro/ExCom/52/44)

173. The representative of the Secretariat introduced the project and said that UNIDO, on behalf of the Government of Nigeria, had submitted a report on the terminal ODS phase-out umbrella project in the solvent sector for Nigeria, together with an annual implementation plan for the fourth funding tranche, and had requested approval of the associated tranche of US \$303,200. According to the reports submitted, Nigeria appeared to have legislation established to monitor the imports of ODS by issuing licences and, according to the records of the Ozone Secretariat, had reported having a licensing system. Thus, it appeared to fulfil the conditions of the Montreal Protocol. However, according to the Secretariat's understanding of the verification report, Nigeria had as yet no legislation to control the imports of ODS, and the existing licensing system apparently had no provision to limit the issue of licences to a predefined quantity. However, as the reported imports of CTC were zero, and had remained at that level for some years, that issue had no direct impact on the objectives of the project.

174. One Member expressed concern that the existing licensing system did not include conditions to limit the import of ODS to a set quantity and suggested that the approval of the funding tranche be conditional on the creation of controls on the level of imports of ODS. She also asked that UNIDO be requested to provide a status report on that issue to the 53rd Meeting of the Executive Committee.

175. Following the discussion, the Executive Committee decided:

- (a) To approve the fourth tranche of the project at the amount of US \$303,200, with the associated support costs of US \$22,740 for UNIDO to be disbursed only after confirmation by the Fund Secretariat that an amendment to the verification report provided a clear indication that the legal instruments were sufficient to control the import of ozone-depleting substances (ODS); and
- (b) To request UNIDO to present a status report on the controls on the import of ODS into Nigeria at the 53rd Meeting of the Executive Committee.

(Decision 52/41)

AGENDA ITEM 8: COUNTRY PROGRAMMES

176. As no country programmes had been submitted to the 52nd Meeting, there was no discussion under this agenda item.

AGENDA ITEM 9: REPORT ON THE COSTS FOR CARRYING OUT A COMPREHENSIVE INDEPENDENT ASSESSMENT OF THE ADMINISTRATIVE COSTS REQUIRED FOR THE 2009-2011 TRIENNIUM (FOLLOW-UP TO DECISION 51/38)

177. The representative of the Secretariat presented UNDP/OzL.Pro/ExCom/52/50, which contained the report on the costs for carrying out a comprehensive independent assessment of the administrative costs required for the 2009-2011 triennium (follow-up to decision 51/38) authorized at the 50th Meeting. Terms of reference had been agreed and a budget of US \$150,000 had been determined at the 51st Meeting. The document included both the analytical costs and the travel costs proposed in the bid selected. However, the analytical study budget exceeded the amount indicated by about US \$60,000 and the Executive Committee was asked to approve those additional analytical study costs, plus US \$35,000 for travel costs. In connection with visits to bilateral agencies, he said that the visits planned to Canada, Germany and France were indicative. The Secretariat felt that the consultants should also visit UNEP in Paris, perhaps in conjunction with its visit to France.

178. Following consideration of the document and the additional explanation by the representative of the Secretariat, the Executive Committee decided:

- (a) To note the report on the costs for carrying out a comprehensive independent assessment of the administrative costs required for the 2009-2011 triennium (follow-up to decision 51/38) as contained in document UNEP/OzL.Pro/ExCom/52/50; and
- (b) To approve US \$60,000 to cover the additional analytical study costs and US \$35,000 for travel costs related to the contract on administrative costs required for the 2009-2011 triennium.

(Decision 52/42)

AGENDA ITEM 10: PROGRESS REPORT ON A STUDY ON THE TREATMENT OF UNWANTED ODS TO BE SUBMITTED TO THE NINETEENTH MEETING OF THE PARTIES (FOLLOW-UP TO DECISION 50/42)

179. The representative of the Secretariat said that the 26th Meeting of the Open-ended Working Group had discussed draft terms of reference for conducting case studies on the technology and costs associated with the replacement of CFC-containing refrigeration and air-conditioning equipment, including the environmentally sound recovery, transport and final disposal of such equipment and the associated CFCs. At its 49th Meeting, the Executive Committee had considered document UNEP/OzL.Pro/ExCom/49/42, which included proposed terms of reference for a study on the collection, recovery, recycling, reclamation, transportation and destruction of unwanted ODS. He reminded the Executive Committee that the Eighteenth Meeting of the Parties, in its decision XVIII/9, had requested the Executive Committee to develop consolidated terms of reference and provide a progress report to the Nineteenth Meeting of the Parties.

180. Based on the terms of reference developed by the Executive Committee, a contract had been awarded to ICF International. The work had commenced and a meeting and several telephone conferences had taken place. Document UNEP/OzL.Pro/ExCom/52/51 contained a draft progress report for the Executive Committee's consideration. The Secretariat would welcome the Committee's guidance on the finalization of the report.

181. In the discussion that followed, several Members offered guidance on finalization of the report. One Member said that the issue of ODS disposal was common to all countries and that it was important not to ignore smaller countries when considering the issue. It was also important to consider regional issues. Furthermore, effective coordination of the visit schedule might be necessary as the host governments' experts might not be available at the times foreseen in the schedule contained in the draft report. It was suggested that the Secretariat discuss with the consultant the possible addition of two countries to the study, namely, Colombia and Japan, given those countries' particular interest and experience with the issue.

182. The Executive Committee decided:

- (a) To note the draft progress report on the study on the treatment of unwanted ozone-depleting substances contained in document UNEP/OzL.Pro/ExCom/52/51;
- (b) To request the Fund Secretariat to take into consideration the discussion at the 52nd Meeting of the Executive Committee when updating the report; and
- (c) To request the Fund Secretariat to forward the revised progress report, after approval by the Chair of the Executive Committee, for consideration at the Nineteenth Meeting of the Parties.

(Decision 52/43)

AGENDA ITEM 11: CONSIDERATION OF THE ISSUE OF CTC USE AS FEEDSTOCK AND PROCESS AGENTS, AND THE CO-PRODUCTION OF CTC IN ARTICLE 5 COUNTRIES, TAKING INTO CONSIDERATION THE STUDY OF THE TECHNOLOGY AND ECONOMIC ASSESSMENT PANEL (TEAP) ON GLOBAL CTC EMISSIONS (FOLLOW-UP TO DECISION 51/36)

183. The representative of the Secretariat explained that document UNEP/OzL.Pro/ExCom/52/52 did not contain information on TEAP's Global CTC report as the report was not yet available. In response to a query by one Member asking when the report would be available, the co-chair of TEAP explained that the Chemical Technical Options Committee (TOC) had addressed the issue of Global CTC and had reported thereon in the TEAP progress report of April 2007. While the Chemical TOC continued to address the matter, no Global CTC report would be produced before the next TEAP progress report had been issued in 2008.

184. One Member requested the Secretariat to prepare a supplementary report on Global CTC taking into account the data available to the Multilateral Fund. The Chief Officer explained that the information had already been made available to the TOC and the 27th Meeting of the

Open-ended Working Group, and asked for guidance as to what additional information might be included in such a report. One Member suggested that the information forwarded to the TOC and the Open-ended Working Group also be forwarded to the Scientific Assessment Panel. It was also suggested that the results of the World Bank's global assessment of CTC phase-out in the chlor-alkali sector be awaited before discussing the subject further.

185. Following the discussion, the Executive Committee decided to postpone further discussion of the item until the summer of 2008 when the TEAP progress report and the World Bank's draft report on the global assessment of the CTC phase-out in the chlor-alkali sector would be available.

(Decision 52/44)

AGENDA ITEM 12: PROVISIONAL 2006 ACCOUNTS

186. The Treasurer presented document UNEP/OzL.Pro/ExCom/52/53, which contained the provisional 2006 accounts of the Multilateral Fund, the four implementing agencies, and the Secretariat. The accounts formed part of UNEP's financial statements, which had been audited by the United Nations Board of Auditors. The final accounts for 2006 would be submitted to the 53rd Meeting of the Executive Committee, together with the reconciliation of the audited accounts of the implementing agencies with the records of both the Secretariat and the Treasurer.

187. One Member asked for clarification of the difference between the approved budget and the actual expenditures with respect to the personnel component in Schedule 1.3. The representative of the Secretariat explained that the personnel costs were determined by variables that included currency exchange and staff entitlements, and it was therefore difficult to calculate in advance their exact impact on the budget.

188. Following the presentation, the Executive Committee decided to note:

- (a) The Multilateral Fund's 2006 provisional accounts;
- (b) That the 2006 final accounts of the Fund would be submitted to the Executive Committee at its 53rd Meeting;
- (c) The actions taken by the Treasurer to reflect adjustments resulting from the reconciliation of the 2005 accounts; and
- (d) The return to the Fund by UNEP of the amount of US \$143,956 that had previously been reported as a programme support cost charge.

(Decision 52/45)

AGENDA ITEM 13: REPORT OF THE EXECUTIVE COMMITTEE TO THE NINETEENTH MEETING OF THE PARTIES

189. The Chief Officer presented the draft report of the Executive Committee to the Nineteenth Meeting of the Parties (UNEP/OzL.Pro/ExCom/52/54), which was based on the deliberations and discussions of the 50th and 51st Meetings of the Executive Committee. She proposed that, as the final document had to be transmitted to the Ozone Secretariat no later than early August 2007, the Secretariat would update the draft report in light of the decisions taken at the 52nd Meeting of the Executive Committee and that the Chair would examine the final report before its transmission to the Nineteenth Meeting of the Parties.

190. The Executive Committee decided:

- (a) To note the draft report of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol to the Nineteenth Meeting of the Parties; and
- (b) To authorize the Secretariat to update the draft report in light of the decisions taken at the 52nd Meeting.

(Decision 52/46)

AGENDA ITEM 14: OTHER MATTERS

Request to consider the accelerated phase-out plan for CFC production in Argentina, as submitted by the World Bank in document UNEP/OzL.Pro/ExCom/52/Inf.3

191. The informal contact group, which had been established by the Chair of the Executive Committee to review the accelerated phase-out plan for CFC production closure in Argentina, met several times in the margins of the 52nd Meeting. The contact group was composed of representatives from Canada, China, Guinea, Italy, Mexico, Sweden, Uruguay and the United States of America, with a representative of the Ozone Secretariat as an observer. The representative of Italy presented the consensus recommendations of the informal contact group and informed the Meeting that the group had examined the various scenarios for compensating Argentina for closing down its CFC production by the end of 2007, two years ahead of the existing phase-out schedule. She thanked Argentina for taking a decision that was in the interest of the ozone layer.

192. Following the presentation of the report of the contact group, the Executive Committee decided:

- (a) To approve in principle US \$2.3 million for closing down CFC production in Argentina by the end of 2007, two years ahead of the existing phase-out schedule;
- (b) To request the Secretariat and the World Bank to prepare a draft agreement for accelerating the CFC production project, including the necessary steps for completing the dismantling activities required and the verification to confirm that production closure and dismantling had taken place;

- (c) To request the Secretariat to circulate intersessionally the draft agreement, and other necessary documents to the members of the informal contact group (Canada, China, Guinea, Italy, Mexico, Sweden, Uruguay and the United States of America) for clearance; and
- (d) To request the Secretariat to circulate the draft agreement intersessionally to the members of the Executive Committee for approval upon the clearance of the draft agreement by the informal contact group.

(Decision 52/47)

The transfer of an institutional strengthening project for Kenya from UNDP to UNEP

193. The representative of Guinea brought to the attention of the Executive Committee the request by the Government of Kenya for the transfer of the country's institutional strengthening project from UNDP to UNEP in order to permit the effective functioning of Kenya's NOU.

194. The representative of UNDP explained that the agency had received an official communication from the Government of Kenya on 15 July 2007 containing two requests for transfer, one relating to an institutional strengthening project and the other to a methyl bromide project. Owing to difficulties in providing the information required by the Executive Committee for consideration at the present Meeting, the request relating to the methyl bromide project would be submitted to the 53rd Meeting. She explained, however, that the case of the institutional strengthening project was more urgent as the NOU had not received any funds for the payment of staff salaries since January 2007. Although the project had been approved by the Executive Committee at its 50th Meeting, UNDP had not spent any of the money because the project document had not yet been signed by the Government of Kenya. It would therefore involve a straightforward transfer of funds to UNEP.

195. The Executive Committee decided:

- (a) To approve the transfer of US \$75,833 from UNDP to UNEP for the institutional strengthening project in Kenya (KEN/SEV/50/INS/50/39); and
- (b) To request UNDP to return to the Multilateral Fund US \$5,688, representing agency support costs for the institutional strengthening project in Kenya (KEN/SEV/50/INS/50/39).

(Decision 52/48)

Overlapping activities between implementing agencies

196. One Member said that he had already commented on the issue under agenda item 6(a)(ii) "Final report on the evaluation of the CAP programme" (see paragraph 57), but that he wished to emphasize that greater care should be taken to verify information relating to overlapping activities and friction between agencies before such information was recorded in reports.

Report of the Stockholm Group

197. The representative of Sweden reported that the Stockholm Group had held its latest meeting in Nairobi and had planned to hold its next meeting in 2008 in the margins of the 28th Meeting of the Open-ended Working Group. However, owing to the interest expressed by some countries in discussing issues related to the HCFC proposals, it had been agreed also to hold a meeting in the margins of the present Meeting of the Executive Committee, which would be attended by colleagues from Europe and representatives of industry, and he invited Members of the Executive Committee to take part.

Dates and venues of future Meetings of the Executive Committee

198. The Chief Officer confirmed the dates for the Executive Committee's 53rd Meeting, which would be held in Montreal from 26 to 30 November 2007. The dates for the Executive Committee's 54th Meeting, also to be held in Montreal, were tentatively set for 7 to 11 of April 2008.

AGENDA ITEM 15: ADOPTION OF THE REPORT

199. The Executive Committee adopted its report on the basis of the draft report contained in documents UNEP/OzL.Pro/ExCom/52/L.1.

AGENDA ITEM 16: CLOSURE OF THE MEETING

200. Following the customary exchange of courtesies, the Chair declared the Meeting closed at 4:00 p.m. on Friday, 27 July 2007.

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

Table 1 : STATUS OF THE FUND FROM 1991-2007 (IN US DOLLARS)

As at July 2007

INCOME			
Contributions received:			
-	Cash payments including note encashments		1,938,531,228
-	Promissory notes held		37,734,395
-	Bilateral cooperation		117,330,935
-	Interest earned		168,827,713
-	Miscellaneous income		21,554,825
Total Income			2,283,979,096
ALLOCATIONS* AND PROVISIONS			
-	UNDP	524,875,960	
-	UNEP	123,626,534	
-	UNIDO	476,341,787	
-	World Bank	920,622,831	
Less Adjustments		-	
Total allocations to implementing agencies			2,045,467,112
Secretariat and Executive Committee costs (1991-2007)			
-	includes provision for staff contracts into 2009		59,737,751
Treasury fees (2003-2007)			2,050,550
Monitoring and Evaluation costs (1999-2007)			2,540,754
Technical Audit costs (1998-2005)			909,960
Information Strategy costs (2003-2004)			
-	includes provision for Network maintenance costs for 2004		104,750
Bilateral cooperation			117,330,935
Provision for fixed-exchange-rate mechanism's fluctuations			
-	losses/(gains) in value		(27,001,347)
Total allocations and provisions			2,201,140,465
Cash			45,104,235
Promissory Notes:			
	August	2007	6,825,656
	November	2007	4,579,700
		2008	9,846,498
		2009	7,139,573
		Unscheduled	9,342,968
			37,734,395
BALANCE AVAILABLE FOR NEW ALLOCATIONS			82,838,630

* Amounts reflect net approvals for which resources are transferred including promissory notes that are not yet encashed by the Implementing agencies. It reflects the Secretariat's inventory figures on the net approved amounts. These figures are under review in the on-going reconciliation exercise.

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

Table 2 : 1991 - 2007 SUMMARY STATUS OF CONTRIBUTIONS AND OTHER INCOME

BALANCE AVAILABLE FOR NEW ALLOCATIONS

As at July 2007

Description	1991-1993	1994-1996	1997-1999	2000-2002	2003-2005	1991 - 2005	2006	2007	1991 - 2007
Pledged contributions	234,929,241	424,841,347	472,567,009	440,000,001	474,000,000	2,046,337,598	133,466,667	133,466,667	2,313,270,931
Cash payments/received	205,992,884	381,509,659	412,052,948	406,430,280	395,903,908	1,801,889,679	75,396,385	61,245,164	1,938,531,228
Bilateral assistance	4,366,255	11,955,410	22,035,587	22,683,491	48,231,967	109,272,710	4,507,483	3,550,742	117,330,935
Promissory notes	0	0	0	0	16,329,995	16,329,995	21,404,400	0	37,734,395
Total payments	210,359,139	393,465,069	434,088,535	429,113,771	460,465,870	1,927,492,383	101,308,268	64,795,906	2,093,596,557
Disputed contributions	0	8,098,267	0	0	0	8,098,267	0	0	8,098,267
Outstanding pledges	24,570,102	31,376,278	38,478,474	10,886,230	13,534,130	118,845,215	32,158,399	68,670,760	219,674,374
Payments %age to pledges	89.54%	92.61%	91.86%	97.53%	97.14%	94.19%	75.91%	48.55%	90.50%
Interest earned	5,323,644	28,525,733	44,685,516	53,946,601	19,374,449	151,855,943	13,773,709	3,198,061	168,827,713
Miscellaneous income	1,442,103	1,297,366	1,223,598	1,125,282	1,386,177	6,474,526	14,195,999	884,300	21,554,825
TOTAL INCOME	217,124,886	423,288,168	479,997,649	484,185,654	481,226,496	2,085,822,852	129,277,976	68,878,267	2,283,979,096
Accumulated figures	1991-1993	1994-1996	1997-1999	2000-2002	2003-2005	1991 - 2005	2006	2007	1991-2007
Total pledges	234,929,241	424,841,347	472,567,009	440,000,001	474,000,000	2,046,337,598	133,466,667	133,466,667	2,313,270,931
Total payments	210,359,139	393,465,069	434,088,535	429,113,771	460,465,870	1,927,492,383	101,308,268	64,795,906	2,093,596,557
Payments %age to pledges	89.54%	92.61%	91.86%	97.53%	97.14%	94.19%	75.91%	48.55%	90.50%
Total income	217,124,886	423,288,168	479,997,649	484,185,654	481,226,496	2,085,822,852	129,277,976	68,878,267	2,283,979,096
Total outstanding contributions	24,570,102	31,376,278	38,478,474	10,886,230	13,534,130	118,845,215	32,158,399	68,670,760	219,674,374
As % to total pledges	10.46%	7.39%	8.14%	2.47%	2.86%	5.81%	24.09%	51.45%	9.50%
Outstanding contributions for certain Countries with Economies in Transition (CEITs)	24,570,102	31,376,278	32,806,214	9,811,798	7,511,983	106,076,376	2,006,804	2,006,804	110,089,984
CEITs' outstandings %age to pledges	10.46%	7.39%	6.94%	2.23%	1.58%	5.18%	1.50%	1.50%	4.76%

PS: CEITs are Azerbaijan, Belarus, Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Russian Federation, Slovakia, Slovenia, Tajikistan, Turkmenistan, Ukraine and Uzbekistan

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

Table 3 : 1991-2007 Summary Status of Contributions

As at July 2007

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions	Exchange (Gain)/Loss. NB:Negative amount = Gain
Australia*	42,547,681	41,182,375	1,296,007	0	69,299	440,276
Austria	24,078,043	23,946,253	131,790	0	0	-1,089,963
Azerbaijan	861,199	311,683	0	0	549,516	0
Belarus	2,630,446	0	0	0	2,630,446	0
Belgium	29,815,944	29,815,944	0	0	0	451,725
Bulgaria	1,124,419	1,124,419	0	0	0	0
Canada*	80,153,929	71,488,936	8,275,366	0	389,627	-3,816,655
Cyprus	279,004	154,747	0	0	124,257	0
Czech Republic	6,392,934	6,326,843	66,090	0	0	39,515
Denmark	19,577,942	19,372,941	205,000	0	0	-1,043,060
Estonia	173,111	173,111	0	0	0	0
Finland	15,514,909	15,063,039	451,870	0	0	-770,294
France	174,488,777	140,848,617	14,424,799	9,342,968	9,872,393	-13,407,929
Germany	257,235,538	191,235,269	38,319,259	18,996,727	8,684,283	-154,972
Greece	11,697,640	8,381,990	0	0	3,315,650	-631,033
Hungary	3,914,121	3,867,627	46,494	0	0	-351
Iceland	871,058	871,058	0	0	0	-40,766
Ireland	6,663,287	6,663,286	0	0	0	208,838
Israel	8,752,739	3,724,671	38,106	0	4,989,962	0
Italy	135,730,921	122,671,400	10,120,426	0	2,939,095	3,291,976
Japan	447,006,278	425,130,810	16,203,212	0	5,672,256	0
Kuwait	286,549	286,549	0	0	0	0
Latvia	367,493	367,493	0	0	0	2,174
Liechtenstein	216,922	216,922	0	0	0	0
Lithuania	548,045	14,975	0	0	533,070	0
Luxembourg	1,945,528	1,945,528	0	0	0	-105,909
Malta	74,838	51,445	0	0	23,393	0
Monaco	168,092	168,092	0	0	0	-118
Netherlands	45,113,079	46,265,288	0	0	-1,152,209	0
New Zealand	6,501,127	6,501,126	0	0	0	68,428
Norway	16,616,121	16,616,121	0	0	0	9,081
Panama	16,915	16,915	0	0	0	0
Poland	6,754,716	6,641,715	113,000	0	0	0
Portugal	9,576,096	5,900,271	101,700	0	3,574,125	198,162
Russian Federation	97,408,180	0	0	0	97,408,180	0
Singapore	531,221	459,245	71,976	0	0	0
Slovak Republic	2,025,388	2,008,865	16,523	0	0	0
Slovenia	802,182	802,182	0	0	0	0
South Africa	3,793,691	3,763,691	30,000	0	0	0
Spain	65,620,244	64,032,962	1,587,282	0	0	-396,341
Sweden	30,785,395	28,907,092	1,878,303	0	0	-836,345
Switzerland	33,234,398	29,720,845	1,821,541	0	1,692,012	-1,339,391
Tajikistan	99,977	6,833	0	0	93,144	0
Turkmenistan***	293,245	5,764	0	0	287,481	0
Ukraine	8,933,991	785,600	0	0	8,148,391	0
United Arab Emirate	559,639	559,639	0	0	0	0
United Kingdom	147,602,676	136,799,802	565,000	0	10,237,874	-8,078,395
United States of America	563,256,903	473,142,641	21,567,191	9,394,700	59,152,371	0
Uzbekistan	628,361	188,606	0	0	439,755	0
SUB-TOTAL	2,313,270,931	1,938,531,228	117,330,935	37,734,395	219,674,374	-27,001,347
Disputed Contributions (**)	8,098,267	0	0	0	8,098,267	
TOTAL	2,321,369,198	1,938,531,228	117,330,935	37,734,395	227,772,641	

NB: (*) The bilateral assistance recorded for Australia and Canada was adjusted following approvals at the 39th Meeting and taking into consideration a reconciliation carried out by the Secretariat through the progress reports submitted to the 40th Meeting to read \$1,208,219 and \$6,449,438 instead of \$1,300,088 and \$6,414,880 respectively.

(**) Amounts for France, Germany, Italy, Japan and the United Kingdom netted off from the 1996 contributions and are shown here for records (

*** In accordance with decisions VI and XVI/39 of the Meeting of the Parties to the Montreal Protocol, Turkmenistan has been reclassified as operating under Article 5 in 2004 and therefore contribution of US \$5,764 for 2005 should be disregarded.

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

Table 4 : Status of Contributions for 2007

As at July 2007

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Australia	2,660,143	2,530,193			129,950
Austria	1,435,341	1,435,341			0
Azerbaijan	8,355				8,355
Belarus	30,077				30,077
Belgium	1,786,239	1,786,239			0
Bulgaria	28,406	28,406			0
Canada	4,700,366	4,362,036	145,770		192,560
Cyprus	65,167				65,167
Czech Republic	305,783	305,783			0
Denmark	1,199,738	1,199,738			0
Estonia	20,051	20,051			0
Finland	890,613	890,613			0
France	10,075,793		169,500		9,906,293
Germany*	14,473,719		2,894,691		11,579,028
Greece	885,600				885,600
Hungary	210,539	210,539			0
Iceland	56,812	56,812			0
Ireland	584,830	584,830			0
Israel	780,331				780,331
Italy	8,162,562	6,530,049	325,937		1,306,576
Japan	29,362,667	29,362,667			0
Latvia	25,064	25,064			0
Liechtenstein	8,355	8,355			0
Lithuania	40,103				40,103
Luxembourg	128,663	128,663			0
Malta	23,393				23,393
Monaco	5,013	5,013			0
Netherlands	2,823,896	3,400,000			(576,104)
New Zealand	369,279	369,279			0
Norway	1,134,571	1,134,571			0
Poland	770,305	770,305			0
Portugal	785,344				785,344
Russian Federation	1,838,039				1,838,039
Slovak Republic	85,218	85,218			0
Slovenia	137,017	137,017			0
Spain	4,210,779	4,210,779			0
Sweden	1,667,602	1,667,602			0
Switzerland	2,000,120		14,844		1,985,276
Tajikistan	1,671				1,671
Ukraine	65,167				65,167
United Kingdom	10,237,875				10,237,875
United States of America	29,362,667				29,362,667
Uzbekistan	23,393				23,393
TOTAL	133,466,667	61,245,164	3,550,742	0	68,670,760

* Bilateral assistance of US \$572,817 approved at the 51st Meeting of the Excom is to be applied in 2008.

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

Table 5 : Status of Contributions for 2006

As at July 2007

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Australia	2,660,143	2,660,143	129,950		(129,950)
Austria	1,435,341	1,435,341			0
Azerbaijan	8,355				8,355
Belarus	30,077				30,077
Belgium	1,786,239	1,786,239			0
Bulgaria	28,406	28,406			0
Canada	4,700,366	4,095,934	407,365		197,067
Cyprus	65,167	6,077			59,090
Czech Republic	305,783	305,783			0
Denmark	1,199,738	1,199,738			0
Estonia	20,051	20,051			0
Finland	890,613	890,613			0
France	10,075,793		675,400	9,342,968	57,425
Germany	14,473,719	2,412,286	2,894,744	12,061,432	(2,894,744)
Greece	885,600				885,600
Hungary	210,539	210,539			0
Iceland	56,812	56,812			0
Ireland	584,830	584,830			0
Israel	780,331				780,331
Italy	8,162,562	6,530,044			1,632,518
Japan	29,362,667	29,362,667			0
Latvia	25,064	25,064			0
Liechtenstein	8,355	8,355			0
Lithuania	40,103				40,103
Luxembourg	128,663	128,663			0
Malta	23,393	23,393			0
Monaco	5,013	5,013			0
Netherlands	2,823,896	3,400,000			(576,104)
New Zealand	369,279	369,279			0
Norway	1,134,571	1,134,571			0
Poland	770,305	770,305			0
Portugal	785,344				785,344
Russian Federation	1,838,039				1,838,039
Slovak Republic	85,218	85,218			0
Slovenia	137,017	137,017			0
Spain	4,210,779	4,215,179			(4,400)
Sweden	1,667,602	1,667,602			0
Switzerland	2,000,120	1,603,345	400,024		(3,249)
Tajikistan	1,671				1,671
Ukraine	65,167				65,167
United Kingdom	10,237,875	10,237,875			0
United States of America	29,362,667				29,362,667
Uzbekistan	23,393				23,393
TOTAL	133,466,667	75,396,385	4,507,483	21,404,400	32,158,399

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

Table 6 : Status of Contributions for 2003 - 2005

As at July 2007

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Australia	9,452,417	9,452,418	0	0	(1)
Austria	5,498,540	5,498,540	0	0	0
Azerbaijan	23,055	0	0	0	23,055
Belarus	109,510	0	0	0	109,510
Belgium	6,559,055	6,559,055	0	0	(0)
Bulgaria	74,928	74,928	0	0	0
Canada	14,864,502	13,590,709	1,273,793	0	(1)
Czech Republic	991,351	925,261	66,090	0	0
Denmark	4,351,570	4,351,570	0	0	0
Estonia	57,637	57,636	0	0	0
Finland	3,031,690	3,031,690	0	0	0
France	37,556,066	32,625,062	4,987,704	0	(56,701)
Germany	56,743,319	38,459,361	11,348,664	6,935,295	(1)
Greece	3,129,672	1,534,852	0	0	1,594,820
Hungary	697,404	650,910	46,494	0	(0)
Iceland	190,201	190,201	0	0	0
Ireland	1,711,810	1,711,809	0	0	0
Israel	2,409,214	70,024	0	0	2,339,190
Italy	29,417,765	24,947,765	4,470,000	0	0
Japan	104,280,000	92,411,013	11,868,987	0	0
Latvia	57,637	57,636	0	0	0
Liechtenstein	34,582	34,582	0	0	0
Lithuania	97,982	0	0	0	97,982
Luxembourg	461,093	461,093	0	0	0
Monaco	23,055	23,075	0	0	(20)
Netherlands	10,092,184	10,092,184	0	0	0
New Zealand	1,400,572	1,400,572	0	0	0
Norway	3,757,912	3,757,912	0	0	0
Poland	1,838,610	1,838,610	0	0	0
Portugal	2,685,870	580,732	101,700	0	2,003,437
Russian Federation	6,916,402	0	0	0	6,916,402
Slovak Republic	247,838	231,315	16,523	0	(0)
Slovenia	466,857	466,857	0	0	0
Spain	14,633,955	13,042,273	1,587,282	0	4,400
Sweden	5,965,397	5,229,610	735,787	0	(0)
Switzerland	7,342,914	6,653,986	978,943	0	(290,015)
Tajikistan	5,764	0	0	0	5,764
Turkmenistan	17,291	5,764	0	0	11,527
Ukraine	305,474	0	0	0	305,474
United Kingdom	32,155,508	32,155,509	0	0	(1)
United States of America	104,280,000	83,708,262	10,750,000	9,394,700	427,038
Uzbekistan	63,400	21,133	0	0	42,267
TOTAL	474,000,000	395,903,908	48,231,967	16,329,995	13,534,130

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

Table 7 : Status of Contributions for 2005

As at July 2007

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Australia	3,150,806	3,150,806			0
Austria	1,832,847	1,832,847			0
Azerbaijan	7,685				7,685
Belarus	36,503				36,503
Belgium	2,186,352	2,186,352			0
Bulgaria	24,976	24,976			0
Canada	4,954,834	4,776,825	178,009	0	(0)
Czech Republic	330,450	330,450			0
Denmark	1,450,523	1,450,523			0
Estonia	19,212	19,212			0
Finland	1,010,563	1,010,563			0
France	12,518,689	9,924,993	2,685,021	0	(91,325)
Germany	18,914,440	3,782,888	3,782,888	3,782,888	7,565,776
Greece	1,043,224				1,043,224
Hungary	232,468	232,468			0
Iceland	63,400	63,400			0
Ireland	570,603	570,603			0
Israel	803,071				803,071
Italy	9,805,922	9,258,291	547,631		0
Japan	34,760,000	27,591,193	7,168,807		0
Latvia	19,212	19,212			0
Liechtenstein	11,527	11,527			0
Lithuania	32,661				32,661
Luxembourg	153,698	153,698			0
Monaco	7,685	7,685			0
Netherlands	3,364,061	3,364,061		0	0
New Zealand	466,857	466,857			0
Norway	1,252,637	1,252,637			0
Poland	612,870	612,870			0
Portugal	895,290		101,700		793,590
Russian Federation	2,305,467				2,305,467
Slovak Republic	82,613	82,613			0
Slovenia	155,619	155,619			0
Spain	4,877,985	4,082,144	791,441		4,400
Sweden	1,988,466	2,048,070	92,608		(152,212)
Switzerland	2,447,638	2,447,638	290,015		(290,015)
Tajikistan	1,921				1,921
Turkmenistan	5,764				5,764
Ukraine	101,825				101,825
United Kingdom	10,718,503	10,718,503			0
United States of America	34,760,000	21,642,962	5,375,000	7,315,000	427,038
Uzbekistan	21,133				21,133
TOTAL	158,000,000	113,272,486	21,013,120	11,097,888	12,616,506

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

Table 8 : Status of Contributions for 2004

As at July 2007

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Australia	3,150,806	3,150,806			(0)
Austria	1,832,847	1,832,847			0
Azerbaijan	7,685	0			7,685
Belarus	36,503	0			36,503
Belgium	2,186,352	2,186,352			0
Bulgaria	24,976	24,976			0
Canada	4,954,834	4,667,509	287,325	0	(0)
Czech Republic	330,450	330,450			0
Denmark	1,450,523	1,450,523			0
Estonia	19,212	19,212			0
Finland	1,010,563	1,010,563			0
France	12,518,689	10,216,006	2,302,683	0	0
Germany	18,914,440	15,762,033	3,782,888	3,152,407	(3,782,888)
Greece	1,043,224	0			1,043,224
Hungary	232,468	232,468			0
Iceland	63,400	63,400			0
Ireland	570,603	570,603			0
Israel	803,071				803,071
Italy*	9,805,922	7,844,737	1,961,185		0
Japan	34,760,000	30,098,098	4,661,902		0
Latvia	19,212	19,212			0
Liechtenstein	11,527	11,527			0
Lithuania	32,661	0			32,661
Luxembourg	153,698	153,698			0
Monaco	7,685	7,685			0
Netherlands	3,364,061	3,364,061		0	0
New Zealand	466,857	466,857			0
Norway	1,252,637	1,252,637			0
Poland	612,870	612,870			0
Portugal	895,290	0			895,290
Russian Federation	2,305,467	0			2,305,467
Slovak Republic	82,613	82,613			0
Slovenia	155,619	155,619			0
Spain	4,877,985	4,082,144	795,841		(0)
Sweden	1,988,466	1,590,768	302,915		94,783
Switzerland	2,447,638	1,758,710	688,928		0
Tajikistan	1,921	0			1,921
Turkmenistan	5,764	5,764			0
Ukraine	101,825	0			101,825
United Kingdom	10,718,503	10,718,503		0	0
United States of America	34,760,000	27,305,300	5,375,000	2,079,700	0
Uzbekistan	21,133	0			21,133
TOTAL	158,000,000	131,048,549	20,158,667	5,232,107	1,560,678

* Italy's bilateral cooperation amount was approved at the 46th Meeting in 2005.

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

Table 9 : Status of Contributions for 2003

As at July 2007

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Australia	3,150,806	3,150,806		0	(0)
Austria	1,832,847	1,832,847	0	0	0
Azerbaijan	7,685	0	0	0	7,685
Belarus	36,503		0	0	36,503
Belgium	2,186,352	2,186,352	0	0	(0)
Bulgaria	24,976	24,976	0	0	0
Canada	4,954,834	4,146,375	808,459	0	(0)
Czech Republic	330,450	264,360	66,090	0	0
Denmark	1,450,523	1,450,523	0	0	0
Estonia	19,212	19,212	0	0	0
Finland	1,010,563	1,010,563	0		0
France	12,518,689	12,484,064	0	0	34,625
Germany	18,914,440	18,914,440	3,782,888	0	(3,782,888)
Greece	1,043,224	1,534,852	0	0	(491,628)
Hungary	232,468	185,974	46,494	0	0
Iceland	63,400	63,400	0	0	0
Ireland	570,603	570,603	0	0	0
Israel	803,071	70,024	0	0	733,047
Italy*	9,805,922	7,844,737	1,961,185	0	0
Japan	34,760,000	34,721,722	38,278	0	0
Latvia	19,212	19,212	0	0	0
Liechtenstein	11,527	11,527	0	0	0
Lithuania	32,661	0	0	0	32,661
Luxembourg	153,698	153,698	0	0	0
Monaco	7,685	7,705	0	0	(20)
Netherlands	3,364,061	3,364,061	0	0	0
New Zealand	466,857	466,857	0	0	0
Norway	1,252,637	1,252,637	0	0	0
Poland	612,870	612,870	0	0	0
Portugal	895,290	580,732	0	0	314,558
Russian Federation	2,305,467	0	0	0	2,305,467
Slovak Republic	82,613	66,090	16,523	0	0
Slovenia	155,619	155,619	0	0	0
Spain	4,877,985	4,877,985	0	0	0
Sweden	1,988,466	1,590,773	340,264		57,429
Switzerland	2,447,638	2,447,638	0	0	0
Tajikistan	1,921	0	0	0	1,921
Turkmenistan	5,764	0	0	0	5,764
Ukraine	101,825	0	0	0	101,825
United Kingdom	10,718,503	10,718,503	0	0	(0)
United States of America	34,760,000	34,760,000	0	0	0
Uzbekistan	21,133	21,133	0	0	0
TOTAL	158,000,001	151,582,872	7,060,181	0	(643,052)

* Italy's bilateral cooperation amount was approved at the 46th Meeting in 2005.

Table 10: Status of Promissory Notes As At July 2007

B. MULTILATERAL FUND'S PROMISSORY NOTES

Country	HELD BY			IMPLEMENTING AGENCY FOR WHICH HELD OR ASSIGNED TO					
	A WORLD BANK	B TREASURER	C= A+B TOTAL	D UNDP	E UNEP	F UNIDO	G WORLD BANK	H TREASURER	D+E+F+G+H=I I=C TOTAL
	Net Value	Net Value	Net Value	Net Value	Net Value	Net Value	Net Value	Net Value	Net Value
Canada			0					0	0
France		9,342,968	9,342,968					9,342,968	9,342,968
Germany		18,996,727	18,996,727					18,996,727	18,996,727
The Netherlands			0					0	0
United Kingdom			0					0	0
United States of America		9,394,700	9,394,700					9,394,700	9,394,700
TOTAL	0	37,734,395	37,734,395	0	0	0	0	37,734,395	37,734,395

Table 11: SCHEDULE OF MULTILATERAL FUND PROMISSORY NOTES: 2004 - 2007

RECEIPTS							ENCASHMENTS					
Date of Submission a/	Year of contribution	Country of Origin	P/Note code	Denomination/ Type of currency	Amount (in Original denomination)	Note Value in USD per UNEP b/	Date of transfer	Agency	Transfer amount in Original denomination	Date of Encashment	Actual Encashment value (USD)	Gain/(Loss) to intended value (USD)
10/25/2004	2004	Canada		Can\$	6,216,532.80	3,963,867.12	11/9/2004	IBRD	6,216,532.80	1/19/2005	5,140,136.76	1,176,269.64
4/21/2005	2005	Canada		Can\$	6,216,532.78	3,963,867.12	Nov. 2005	TREASURER	6,216,532.78	Nov. 2005	5,307,831.95	1,343,964.83
12/22/2006	2006	Canada		Can\$	4,794,373.31	3,760,292.79	1/19/2007	TREASURER	4,794,373.31	1/19/2007	4,088,320.38	328,027.59
12/31/2004	2004	France		Euro	10,597,399.70	9,784,322.50	9/28/2006	TREASURER	10,597,399.70	9/28/2006	12,102,125.26	2,317,802.76
1/18/2006	2005	France		Euro	11,217,315.23	10,356,675.50	9/28/2006	TREASURER	11,217,315.23	9/28/2006	12,810,062.64	2,453,387.14
12/20/2006	2006	France		Euro	7,503,239.54	9,342,968.43	BALANCE	TREASURER	7,503,239.54			
8/9/2004	2004	Germany	BU 104 1006 01	US\$	18,914,439.57	18,914,439.57	8/3/2005	TREASURER	6,304,813.19	8/3/2005	6,304,813.19	-
							8/11/2006	TREASURER	6,304,813.19	8/11/2006	6,304,813.19	-
							2/16/2007	TREASURER	3,152,406.60	2/16/2007	3,152,406.60	-
						3,152,406.59	BALANCE	TREASURER	3,152,406.59			
									18,914,439.57			
7/8/2005	2005	Germany	BU 105 1003 01	US\$	7,565,775.83	7,565,775.83	4/18/2006	TREASURER	1,260,962.64	4/18/2006	1,260,962.64	-
							8/11/2006	TREASURER	1,260,962.64	8/11/2006	1,260,962.64	-
							2/16/2007	TREASURER	1,260,962.64	2/16/2007	1,260,962.64	-
						3,782,887.91	BALANCE	TREASURER	3,782,887.91			
									7,565,775.83			
5/10/2006	2006	Germany	BU 106 1004 01	Euro	11,662,922.38	14,473,718.52						
						2,412,286.41	2/28/2007	TREASURER	1,943,820.40	2/28/2007	2,558,067.65	145,781.24
						12,061,432.11	BALANCE	TREASURER	9,719,101.98			
									11,662,922.38			
12/8/2003	2004	Netherlands	D 11	US\$	3,364,061.32	3,364,061.32	11/17/2004	TREASURER	3,364,061.32	11/17/2004	3,364,061.32	-
12/8/2003	2005	Netherlands	D 11	US\$	3,364,061.32	3,364,061.32	12/5/2005	TREASURER	3,364,061.32	12/5/2005	3,364,061.32	-
5/18/2004	2004	UK		GBP	7,243,564.08	10,718,502.63						
						1,786,417.11	8/23/2005	TREASURER	1,207,260.68	8/23/2005	2,166,550.02	380,132.91
						5,359,251.32	Feb. 2006	TREASURER	3,621,782.04	Feb. 2006	6,303,711.64	944,460.32
						3,572,834.20	7/24/2006	TREASURER	3,621,782.04	7/24/2006	4,473,383.73	900,549.53
						10,718,502.63			7,243,564.08		12,943,645.39	2,225,142.76
6/1/2005	2005	UK		GBP	7,243,564.08	10,718,502.63						
						1,786,417.11	7/24/2006	TREASURER	1,207,260.68	7/24/2006	2,236,691.86	450,274.75
						4,681,386.55	8/9/2006	TREASURER	3,163,681.03	8/9/2006	6,036,303.40	1,354,916.85
						4,250,698.97	8/16/2006	TREASURER	2,872,622.37	8/16/2006	5,429,236.28	1,178,537.31
						10,718,502.63			7,243,564.08		13,702,231.54	2,983,728.91
5/13/2005	2004	USA		US\$	4,920,000.00	4,920,000.00	10/27/2005	TREASURER	2,000,000.00	10/27/2005	2,000,000.00	-
							11/2/2006	TREASURER	2,000,000.00	11/2/2006	2,000,000.00	-
						920,000.00	BALANCE	TREASURER	920,000.00			
									4,920,000.00			
3/1/2006	2005	USA		US\$	3,159,700.00	3,159,700.00	11/2/2006	TREASURER	2,000,000.00	11/2/2006	2,000,000.00	-
									1,159,700.00			
							BALANCE	TREASURER	1,159,700.00			
									3,159,700.00			
4/25/2007	2007	USA		US\$	7,315,000.00	7,315,000.00	BALANCE	TREASURER				

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

**OUTSTANDING PROMISSORY NOTES SCHEDULE OF ENCASHMENT AS AT JUNE 2007
 (IN US\$)**

	<u>Due in 2007</u>	<u>Due in 2008</u>	<u>Due in 2009</u>	<u>Unscheduled</u>	<u>TOTAL</u>
<u>GERMANY:</u>					
2004 P. Note: (US\$)	3,152,407				3,152,407
2005 P. Note: (US\$)	1,260,963	2,521,925			3,782,888
2006 P. Note: (in US \$ at FERM rate of US \$1:Euro 0.8058)	2,412,286	4,824,573	4,824,573		12,061,432
<u>USA:</u>					
2005 Note: (US\$)	920,000				920,000
2006 Note: (US\$)	1,159,700				1,159,700
2007 Note: (US\$)	2,500,000	2,500,000	2,315,000		7,315,000
<u>FRANCE:</u>					
2006 P. Note: (in US \$ at FERM rate of US \$1:Euro 0.8058)				9,342,968	9,342,968
	<u>11,405,356</u>	<u>9,846,498</u>	<u>7,139,573</u>	<u>9,342,968</u>	<u>37,734,395</u>

NOTE:

For the triennium 2003 - 2005, Germany opted to pay in US \$.

For the triennium 2006 - 2008, Germany opted to pay in Euro, using the FERM.

Germany's annual payment are made in two tranches, February and August.

Annex I

**LIST OF COUNTRIES WHICH AS AT 15 JUNE 2007 HAVE CONFIRMED TO
THE TREASURER THAT THEY WOULD BE USING THE FIXED-
EXCHANGE-RATE MECHANISM DURING THE 2006 – 2008 TRIENNIUM**

1. Australia
2. Austria
3. Belgium
4. Canada
5. Germany
6. Hungary
7. Latvia
8. United Kingdom
9. France
10. Greece
11. Slovak Republic
12. Switzerland
13. Sweden
14. Finland
15. Denmark
16. Spain

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/52/55
Annex II

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
BANGLADESH						
AEROSOL						
Metered dose inhalers						
Transition strategy for phasing out use of CFCs in the manufacturing of MDIs	UNEP		\$70,000	\$9,100	\$79,100	
Phase-out of CFC consumption in the manufacture of aerosol MDIs (Beximco, Square Pharmaceutical and Acme Pharmaceutical)	UNDP	76.3	\$2,776,778	\$208,258	\$2,985,036	36.39
<i>Approved on the understanding that no further funding would be provided for CFC MDI conversion in Bangladesh. UNDP was requested to obtain from the enterprises receiving funding under the MDI conversion project letters stating their commitment to provide counterpart funding, and their commitment to stop production of CFC MDI products converted to non-CFC technology immediately upon completion of the conversion project.</i>						
Total for Bangladesh		76.3	\$2,846,778	\$217,358	\$3,064,136	
BHUTAN						
PHASE-OUT PLAN						
CFC phase out plan						
Terminal phase-out management plan	UNEP		\$40,000	\$5,200	\$45,200	
<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	UNDP	0.1	\$35,000	\$3,150	\$38,150	
<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 Bhutan		0.1	\$75,000	\$8,350	\$83,350	

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/52/55
Annex II

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
BOSNIA AND HERZEGOVINA						
PHASE-OUT PLAN						
ODS phase out plan						
National ODS phase-out plan (third tranche)	UNIDO	121.1	\$303,000	\$22,725	\$325,725	
<i>Funding was approved with disbursement contingent on the Secretariat determining, based on reports from UNIDO, that the following conditions had been fulfilled: (i) release of \$90,900 upon acceptance of a Government-supported action plan targeted to achieve the phase-out objectives in the shortest possible time frame; (ii) release of \$60,600 upon acceptance of a brief report that at least two training courses for customs officers had been carried out, and after reaching the milestone mentioned under subparagraph (i) above; (iii) release of the remaining funds upon acceptance of a report on the establishment of the regulations necessary for the full implementation of the ozone legislation and for a licensing system for import of ODS and ODS-containing equipment, and after reaching the milestone mentioned under subparagraph (ii) above; and release of \$75,750 upon acceptance of an implementation report describing the completion of the activities from previous annual plans, in particular training of refrigeration technicians, provision of tools and other measures in the refrigeration service sector, and after reaching the milestone mentioned under subparagraph (ii) above. UNIDO was also requested to provide a status report to the 54th Meeting on the progress made in preparing an action plan, training of customs officers, completing activities in previous annual plans, and on the progress made in fully implementing the ozone legislation.</i>						
Total for Bosnia and Herzegovina		121.1	\$303,000	\$22,725	\$325,725	
BRAZIL						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase V)	UNDP		\$351,000	\$26,325	\$377,325	
Total for Brazil			\$351,000	\$26,325	\$377,325	
CAMEROON						
FUMIGANT						
Methyl bromide						
Total phase-out of methyl bromide used in stored commodities fumigation	Italy		\$259,713	\$33,763	\$293,476	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee, and on the understanding that no additional funding will be provided for the phase-out of controlled uses of methyl bromide in the country.</i>						
Total for Cameroon			\$259,713	\$33,763	\$293,476	
CHINA						
FUMIGANT						
Methyl bromide						
National phase-out of methyl bromide (phase II, second tranche)	UNIDO	153.2	\$1,200,000	\$90,000	\$1,290,000	

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/52/55
Annex II

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
PROCESS AGENT						
Sectoral phase out plan						
Sector plan for phase-out of ODS process agent applications (phase II) and corresponding CTC production: 2007 annual programme	IBRD		\$10,000,000	\$750,000	\$10,750,000	
<i>The World Bank and the Government were requested to accelerate the contractual work and disburse the necessary compensation to the plants that were ready for closure in order to complete the dismantling work in a timely manner. The Government of China was also requested to further tighten the control of CTC production and sales to reduce the chance of unauthorized access to the controlled substance. The Committee decided to defer to its 53rd Meeting consideration of the need to adjust the ceiling of 14,300 ODP tonnes of the Phase II Agreement for CTC applications not covered by Phases I and II of the sector plan.</i>						
	Total for China	153.2	\$11,200,000	\$840,000	\$12,040,000	
COLOMBIA						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase VI)	UNDP		\$275,600	\$20,670	\$296,270	
	Total for Colombia		\$275,600	\$20,670	\$296,270	
COMOROS						
PHASE-OUT PLAN						
CFC phase out plan						
Terminal phase-out management plan (first tranche)	UNEP		\$77,000	\$10,010	\$87,010	
<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		\$43,000	\$3,870	\$46,870	
<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 Comoros		\$120,000	\$13,880	\$133,880	
CONGO, DR						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase IV)	UNEP		\$64,540	\$0	\$64,540	
	Total for Congo, DR		\$64,540		\$64,540	

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/52/55
Annex II

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)		C.E. (US\$/kg)
			Project	Support	
COSTA RICA					
PHASE-OUT PLAN					
CFC phase out plan					
Terminal phase-out management plan for Annex A Group I substances (first tranche)	UNDP		\$200,000	\$15,000	\$215,000
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. UNDP 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 Costa Rica			\$200,000	\$15,000	\$215,000
CROATIA					
PHASE-OUT PLAN					
CFC phase out plan					
Monitoring and verification audit report	UNIDO		\$20,000	\$1,800	\$21,800
Total for Croatia			\$20,000	\$1,800	\$21,800
ECUADOR					
PHASE-OUT PLAN					
CFC phase out plan					
National CFC phase-out plan: 2007 annual programme	IBRD	38.0	\$227,411	\$17,056	\$244,467
Total for Ecuador			\$227,411	\$17,056	\$244,467
EL SALVADOR					
SEVERAL					
Ozone unit support					
Extension of institutional strengthening project (year 1 of phase V)	UNEP		\$30,000	\$0	\$30,000
<i>Approved for a period of one year only, without prejudice to the operation of the Montreal Protocol's mechanism for addressing non-compliance.</i>					
Total for El Salvador			\$30,000		\$30,000
GABON					
PHASE-OUT PLAN					
CFC phase out plan					
Terminal phase-out management plan (first tranche)	UNEP		\$65,000	\$8,450	\$73,450
<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		\$50,000	\$4,500	\$54,500
<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 Gabon			\$115,000	\$12,950	\$127,950

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/52/55
Annex II

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)		C.E. (US\$/kg)
			Project	Support	
INDIA					
AEROSOL					
Metered dose inhalers					
Project preparation for a MDI investment project	UNDP		\$100,000	\$7,500	\$107,500
<i>Approved on the understanding that: (i) the resulting project proposal presented to the Executive Committee would include written commitments for significant counterpart funding from the companies requesting assistance; (ii) in order to avoid double counting, a deduction from the total funding approved for either the country's NPP or from any future MDI conversion project would be made to account for the amount of CFCs consumed for MDIs that would be addressed by the new project; (iii) no additional assistance from the Fund would be available for the conversion of CFC-MDI facilities not covered by the proposed project.</i>					
PHASE-OUT PLAN					
CTC phase out plan					
CTC phase-out plan for the consumption and production sectors: 2007 annual programme	Germany		\$300,000	\$57,500	\$357,500
<i>The Executive Committee authorized using the flexibility provided for under the Agreement between India and the Executive Committee for the phase-out of ODSs approved by decision 41/95, to allow funds to be used to cover all relevant sectoral consumption, on the understanding that that would not change existing Executive Committee guidelines for determining eligible incremental costs for consumption and production.</i>					
CTC phase-out plan for the consumption and production sectors: 2007 annual programme	IBRD		\$4,020,938	\$301,570	\$4,322,508
<i>Note: 420 ODP tonnes of CTC in the production sector will be phased-out.</i>					
<i>The World Bank was requested to continue monitoring the movement within the CTC inventory held by both the producers and feedstock users, as part of the annual verification exercise, in order to account for total CTC production and imports; and to provide an impact assessment of the annual work programmes by agency and by sector. The Executive Committee authorized using the flexibility provided for under the Agreement between India and the Executive Committee for the phase-out of ODSs approved by decision 41/95, to allow funds to be used to cover all relevant sectoral consumption, on the understanding that that would not change existing Executive Committee guidelines for determining eligible incremental costs for consumption and production.</i>					
CTC phase-out plan for the consumption and production sectors: 2007 annual programme	France		\$500,000	\$85,000	\$585,000
<i>The Executive Committee authorized using the flexibility provided for under the Agreement between India and the Executive Committee for the phase-out of ODSs approved by decision 41/95, to allow funds to be used to cover all relevant sectoral consumption, on the understanding that that would not change existing Executive Committee guidelines for determining eligible incremental costs for consumption and production.</i>					
Total for India			\$4,920,938	\$451,570	\$5,372,508

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/52/55
Annex II

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
IRAN						
AEROSOL						
Metered dose inhalers						
Phase-out of CFC consumption in the manufacture of aerosol MDIs	UNIDO	96.4	\$3,529,508	\$264,713	\$3,794,221	36.60
<p><i>The project was approved subject to a deduction of US \$465,500 to be applied to the approved amount of the MDI conversion project or to the NPP for Iran, or both, at the country's discretion, in order to eliminate double counting of funds, and on the understanding that no further funding would be provided for CFC MDI conversion in the country. UNIDO was requested to report back to the Executive Committee at its 53rd Meeting on the choice made with regard to whether to deduct amounts from either the NPP or the MDI or both. It was accordingly understood that, in the event that funds were deducted from the MDI conversion project, UNIDO would return the relevant portion of the deduction, including agency support costs, to the Multilateral Fund at its 53rd Meeting. In the event that funds were deducted from the NPP, the Government of Germany, as the lead implementing agency of the NPP, would submit an amendment to the agreement relating to the portion of the deduction amount to be taken from the NPP. UNIDO was also requested to obtain from the enterprise receiving funding under the MDI conversion project a letter stating its commitment to provide counterpart funding, and its commitment to stop production of CFC MDI products converted to non-CFC technology immediately upon completion of the conversion project.</i></p>						
Sectoral phase out plan						
National transitional strategy for the phase-out of CFC propellants in MDIs	UNEP		\$70,000	\$9,100	\$79,100	
	Total for Iran	96.4	\$3,599,508	\$273,813	\$3,873,321	
JORDAN						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase VII)	IBRD		\$147,333	\$11,050	\$158,383	
	Total for Jordan		\$147,333	\$11,050	\$158,383	
KOREA, DPR						
PHASE-OUT PLAN						
CTC phase out plan						
Plan for terminal phase-out of CTC (fifth tranche)	UNIDO	15.0	\$284,840	\$21,363	\$306,203	
<p><i>UNIDO was urged to find a solution, compliant with United Nations Security Council Resolution 1718 (2006) and the conditions in the Chemical Weapons Convention, to overcome the related impediments and complete the implementation of the process agent sector activities. UNIDO was also requested to provide a status report on the progress achieved with the activities at the 2.8 Vinalon Factory Complex and the Sinuiju Chemical Fibre Complex to the 54th Meeting of the Executive Committee.</i></p>						
	Total for Korea, DPR	15.0	\$284,840	\$21,363	\$306,203	

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/52/55
Annex II

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)		C.E. (US\$/kg)
			Project	Support	
KUWAIT					
PHASE-OUT PLAN					
CFC phase out plan					
Terminal phase-out management plan for Annex A Group I substances (first tranche)	UNEP		\$240,000	\$31,200	\$271,200
<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 for Annex A Group I substances (first tranche)	UNIDO	15.0	\$220,000	\$19,800	\$239,800
<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 Kuwait		15.0	\$460,000	\$51,000	\$511,000
MADAGASCAR					
PHASE-OUT PLAN					
ODS phase out plan					
Terminal phase-out management plan (first tranche)	UNEP		\$133,000	\$17,290	\$150,290
<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)	UNIDO		\$78,000	\$7,020	\$85,020
<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 Madagascar			\$211,000	\$24,310	\$235,310
MALAYSIA					
PHASE-OUT PLAN					
CFC phase out plan					
National CFC phase-out plan: 2007 annual programme	IBRD	89.0	\$275,000	\$24,750	\$299,750
<i>The World Bank and the Government were encouraged to examine closely the need for stockpiling and the functioning of the recovery and recycling programme to plan for the continued demand for CFCs beyond 2010, in view of the approaching final phase-out.</i>					
Total for Malaysia		89.0	\$275,000	\$24,750	\$299,750

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/52/55
Annex II

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
MEXICO						
AEROSOL						
Metered dose inhalers						
Project preparation for a MDI project, including the development of a national transitional strategy for the sector	UNIDO		\$50,000	\$3,750	\$53,750	
<i>Approved on the understanding that: (i) the resulting project proposal presented to the Executive Committee would include written commitments for significant counterpart funding from the companies requesting assistance; (ii) in order to avoid double counting, a deduction from the total funding approved for either the country's national phase-out plan and/or from any future MDI conversion project would be made to account for the amount of CFCs consumed for MDIs to be addressed by the new project; and (iii) no additional assistance would be available from the Fund for the conversion of CFC-MDI facilities not covered by the proposed project.</i>						
PROCESS AGENT						
CTC phase out						
Umbrella project for terminal phase-out of CTC	UNIDO	87.3	\$1,518,094	\$113,857	\$1,631,951	17.39
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase VIII)	UNIDO		\$247,000	\$18,525	\$265,525	
Total for Mexico		87.3	\$1,815,094	\$136,132	\$1,951,226	
MOLDOVA						
PHASE-OUT PLAN						
CFC phase out plan						
Terminal CFC phase-out management plan (first tranche)	UNDP		\$152,500	\$11,438	\$163,938	
<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 CFC phase-out management plan (first tranche)	UNEP		\$74,500	\$9,685	\$84,185	
<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 Moldova			\$227,000	\$21,123	\$248,123	
NEPAL						
PHASE-OUT PLAN						
CFC phase out plan						
Terminal phase-out management plan (first tranche)	UNDP	8.0	\$75,000	\$6,750	\$81,750	
<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>						

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/52/55
Annex II

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
Terminal phase-out management plan (first tranche)	UNEP		\$35,000	\$4,550	\$39,550	
<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 Nepal	8.0	\$110,000	\$11,300	\$121,300	
NIGERIA						
SOLVENT						
Multiple solvents						
Terminal ODS phase-out umbrella project in the solvent sector (fourth tranche)	UNIDO	22.9	\$303,200	\$22,740	\$325,940	6.59
<i>UNIDO was requested to disburse funding only after confirmation by the Secretariat that an amendment to the verification report provides a clear indication that the legal instruments were sufficient to control the import of ODS; and to present a status report on the controls on the import of ODS into Nigeria at the 53rd Meeting of the Executive Committee.</i>						
	Total for Nigeria	22.9	\$303,200	\$22,740	\$325,940	
OMAN						
PHASE-OUT PLAN						
CFC phase out plan						
Terminal phase-out management plan (first tranche)	UNIDO	10.0	\$305,800	\$22,935	\$328,735	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. UNIDO 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 Oman	10.0	\$305,800	\$22,935	\$328,735	
ROMANIA						
PRODUCTION						
ODS closure						
Sector plan for production sector (third tranche)	UNIDO		\$1,000,000	\$75,000	\$1,075,000	
<i>Note: 170 ODP tonnes of CTC production will be phased-out</i>						
	Total for Romania		\$1,000,000	\$75,000	\$1,075,000	
SAINT LUCIA						
PHASE-OUT PLAN						
CFC phase out plan						
Terminal phase-out management plan for the phase-out of ODS in the refrigeration and air conditioning sector (first tranche)	Canada		\$156,000	\$20,280	\$176,280	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. The Government of Canada 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 Saint Lucia		\$156,000	\$20,280	\$176,280	

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/52/55
Annex II

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
SENEGAL						
PHASE-OUT PLAN						
CFC phase out plan						
Terminal phase-out management plan for CFCs (first tranche)	UNEP		\$109,500	\$14,235	\$123,735	
<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 for CFCs (first tranche)	Italy		\$220,000	\$28,600	\$248,600	
<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 Senegal			\$329,500	\$42,835	\$372,335	
THAILAND						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase V)	IBRD		\$346,668	\$26,000	\$372,668	
Total for Thailand			\$346,668	\$26,000	\$372,668	
VENEZUELA						
PRODUCTION						
CFC closure						
National CFC production closure plan (fourth tranche)	IBRD		\$2,300,000	\$172,500	\$2,472,500	
<i>The World Bank was requested to ensure that disbursement of fund would proceed only after the completion of the dismantling activities at the Produven facility. The World Bank should continue the verification of the Produven facility in 2008 and 2009 to ensure the permanent closure of the CFC production capacity at the plant.</i>						
Total for Venezuela			\$2,300,000	\$172,500	\$2,472,500	
VIETNAM						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase VI)	UNEP		\$118,976	\$0	\$118,976	
Total for Vietnam			\$118,976		\$118,976	

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/52/55
Annex II

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
GLOBAL						
AEROSOL						
Metered dose inhalers						
MDI regional workshops/CAP	UNEP		\$200,000	\$16,000	\$216,000	
<i>Approved the addition of US \$200,000 for one year only to the budget of the CAP, approved at the 50th Meeting of the Executive Committee, for regional workshops on MDIs in Article 5 countries as part of networking activities; and UNEP was requested to report to the Executive Committee separately from the report made on the CAP, on the use of the US \$200,000 that was approved to fund regional workshops on MDIs.</i>						
HALON						
Banking						
Study on challenges associated with halon banking in developing countries	UNEP		\$40,000	\$5,200	\$45,200	
PHASE-OUT PLAN						
CTC phase out plan						
Assessment of CTC phase-out in the chlor-alkali sector	IBRD		\$100,000	\$9,000	\$109,000	
<i>The World Bank was requested: to revise the wording of the objectives of the assessment as stated in the terms of reference for the study to read: "examine technologies and eventual sectoral plans relevant to the phase-out of CTC in the production of chlorine with a view to identifying more cost-effective alternatives" , consistent with decision 47/39; to submit a draft of the assessment report by the second Meeting of the Executive Committee in 2008.</i>						
SEVERAL						
Training programme/workshop						
Integrated enforcement training under the Montreal Protocol through green customs initiative	UNEP		\$62,000	\$8,060	\$70,060	
<i>Approved for a period of one year only, without prejudice to future funding approvals for the remaining two years proposed for the project, provided that: in seeking future funding, UNEP would present a commitment in writing from Green Customs partners that there were assured counterpart funds for the year for which funds were being sought, and that an agreed work plan with specific cost contributions for each activity be provided for the Executive Committee's consideration; and UNEP submitted a report for the consideration of the Executive Committee covering the progress on implementation for the first year, including a full accounting of the funds used solely for issues related to trade in ODS.</i>						
	Total for Global		\$402,000	\$38,260	\$440,260	
	GRAND TOTAL	732.3	\$33,400,899	\$2,676,838	\$36,077,737	

Summary

UNEP/OzL.Pro/ExCom/52/55
Annex II

Sector	Tonnes (ODP)	Funds approved (US\$)		
		Project	Support	Total
BILATERAL COOPERATION				
Fumigant		\$259,713	\$33,763	\$293,476
Phase-out plan		\$956,000	\$162,780	\$1,118,780
TOTAL:		\$1,215,713	\$196,543	\$1,412,256
INVESTMENT PROJECT				
Aerosol	172.7	\$6,446,286	\$491,171	\$6,937,457
Fumigant	153.2	\$1,200,000	\$90,000	\$1,290,000
Process agent	87.3	\$11,518,094	\$863,857	\$12,381,951
Production		\$3,300,000	\$247,500	\$3,547,500
Solvent	22.9	\$303,200	\$22,740	\$325,940
Phase-out plan	296.2	\$7,264,489	\$611,147	\$7,875,636
TOTAL:	732.3	\$30,032,069	\$2,326,415	\$32,358,484
WORK PROGRAMME AMENDMENT				
Aerosol		\$350,000	\$27,250	\$377,250
Halon		\$40,000	\$5,200	\$45,200
Phase-out plan		\$120,000	\$10,800	\$130,800
Several		\$1,643,117	\$110,630	\$1,753,747
TOTAL:		\$2,153,117	\$153,880	\$2,306,997
Summary by Parties and Implementing Agencies				
Canada		\$156,000	\$20,280	\$176,280
France		\$500,000	\$85,000	\$585,000
Germany		\$300,000	\$57,500	\$357,500
Italy		\$479,713	\$62,363	\$542,076
IBRD	127.0	\$17,417,350	\$1,311,926	\$18,729,276
UNDP	84.4	\$4,058,878	\$307,461	\$4,366,339
UNEP		\$1,429,516	\$148,080	\$1,577,596
UNIDO	520.9	\$9,059,442	\$684,228	\$9,743,670
GRAND TOTAL	732.3	\$33,400,899	\$2,676,838	\$36,077,737

ADJUSTMENTS ARISING FROM THE 52ND MEETING OF THE EXECUTIVE COMMITTEE FOR BALANCES ON PROJECTS AND ACTIVITIES

Agency	Project Costs (US\$)	Support Costs (US\$)	Total (US\$)
Canada (per decision 52/2(f))	650	100	750
Germany (per decision 52/2(g))	3,682	4	3,686
Japan (per decision 52/2(h))	5,501	715	6,216
UNDP (per decision 52/2(b) and decision 52/48(b))	531,442	66,107	597,549
UNEP (per decision 52/2(b))	215,766	27,199	242,965
UNIDO (per decision 52/2(b))	62,064	4,814	66,878
World Bank (per decision 52/2(b))	716,632	88,501	805,133
Total	1,535,737	187,440	1,723,177

ADJUSTMENTS ARISING FROM THE 52ND MEETING OF THE EXECUTIVE COMMITTEE FOR TRANSFERRED PROJECTS

Agency	Project Costs (US\$)	Support Costs (US\$)	Total (US\$)
UNDP (per decision 52/2(i)&(j) and decision 52/48(a))	(15,166)	4,550	(10,616)
UNEP (per decision 52/2(i) and decision 52/48(a))	15,166	0	15,166

NET ALLOCATIONS TO IMPLEMENTING AGENCIES AND BILATERAL CONTRIBUTIONS BASED ON DECISIONS OF THE 52ND MEETING OF THE EXECUTIVE COMMITTEE

Agency	Project Costs (US\$)	Support Costs (US\$)	Total (US\$)
Canada (1)	155,350	20,180	175,530
France (2)	500,000	85,000	585,000
Germany (3)	296,318	57,496	353,814
Italy (2)	479,713	62,363	542,076
Japan (4)	(5,501)	(715)	(6,216)
UNDP	3,512,270	245,904	3,758,174
UNEP	1,228,916	120,881	1,349,797
UNIDO	8,997,378	679,414	9,676,792
World Bank	16,700,718	1,223,425	17,924,143
Total	31,865,162	2,493,948	34,359,110

(1) Amount for Canada of US \$176,280 to be applied in 2007 and amount returned of US \$750 to be applied against previous triennium (as per decision 52/2(f)).

(2) Total amount to be assigned to 2007 bilateral contributions.

(3) Amount for Germany of US \$357,500 is approved against 2008, however, since US \$3,686 (as per decision 52/2(g)) is being returned against 1999 contributions (\$39) and 2002 contributions (\$3,647), the net amount listed here will be credited to 2008.

(4) Amount returned by Japan of US \$6,216 to be applied against previous triennium as per Decision 52/2(h). (Please note that UNIDO will return the cash on Japan's behalf and therefore the reduction in bilateral contributions will be offset by cash to be returned by UNIDO.)

Annex III

AGREEMENT BETWEEN BHUTAN AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE PHASE-OUT OF OZONE DEPLETING SUBSTANCES

1. This Agreement represents the understanding of Bhutan (the “Country”) and the Executive Committee with respect to the complete phase-out of controlled use of the ozone-depleting substances set out in Appendix 1-A (the “Substances”) prior to 1 January 2010 in compliance with Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 2 of Appendix 2 A (the “Targets, and Funding”) in this Agreement. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to the Substances.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 9 of Appendix 2-A (the “Targets, and Funding”) to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (the “Funding Approval Schedule”).
4. The Country will meet the consumption limits for each of the Substances as indicated in Appendix 2-A. It will also accept independent verification by the relevant implementing agency of achievement of these consumption limits as described in sub-paragraph 5(b) of this Agreement.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least 60 days prior to the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Targets for the applicable year;
 - (b) That the meeting of these Targets will be independently verified, if requested by the Executive Committee consistent with paragraph (d) of decision 45/54;
 - (c) That the Country has substantially completed all actions set out in the last annual implementation programme; and
 - (d) That the Country has submitted and received endorsement from the Executive Committee for an annual implementation programme in the form of Appendix 4-A (the “Format of Annual Implementation Programme”) in respect of the year for which tranche funding is being requested.
6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (the “Monitoring Institutions and Roles”) will monitor and report on that monitoring in accordance with the roles and responsibilities set

out in Appendix 5-A. This monitoring will also be subject to independent verification as described in sub-paragraph 5(b).

7. While the Funding was determined on the basis of estimates of the needs of the Country to carry out its obligations under this Agreement, the Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the goals prescribed under this Agreement. Reallocations categorized as major changes must be documented in advance in the next annual implementation programme and endorsed by the Executive Committee as described in sub paragraph 5(d). Reallocations not categorized as major changes may be incorporated in the approved annual implementation programme, under implementation at the time, and reported to the Executive Committee in the report on implementation of the annual implementation programme.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation;
- (b) The technical assistance programme for the refrigeration servicing sub-sector will be implemented in stages so that remaining resources can be diverted to other phase-out activities such as additional training or procurement of service tools in cases where the proposed results are not achieved, and will be closely monitored in accordance with Appendix 5-A of this Agreement; and
- (c) The Country and the implementing agencies will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfill the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the "Lead IA") and UNDP has agreed to be cooperating implementing agency (the "Cooperating IA") under the lead of the Lead IA in respect of the Country's activities under this Agreement. The Lead IA will be responsible for carrying out the activities listed in Appendix 6-A including but not limited to independent verification as per sub paragraph 5(b). The Country also agrees to periodic evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund. (The Cooperating IA will be responsible for carrying out the activities listed in Appendix 6-B.) The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 10 and 11 of Appendix 2-A.

10. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in Appendix 2-A of the Montreal Protocol or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised funding approval schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval

Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amounts set out in Appendix 7-A in respect of each ODP tonne of reductions in consumption not achieved in any one year.

11. The funding components of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

12. The Country will comply with any reasonable request of the Executive Committee and the Lead IA (and the Cooperating IA) to facilitate implementation of this Agreement. In particular, it will provide the Lead IA (and the Cooperating IA) with access to information necessary to verify compliance with this Agreement.

13. All of the agreements set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Protocol unless otherwise defined herein.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Annex-A	Group-I	CFC-11, CFC-12, CFC-113 CFC-114 and CFC-115
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APPENDIX 2-A: THE TARGETS, AND FUNDING

		2007	2008	2009	2010	Total
CFCs	1 Montreal Protocol consumption limits of CFCs (ODP tonnes) ¹	0.0	0.0	0.0	0.0	n/a
	2 Max. allowable total consumption of CFCs (ODP tonnes)	0.03	0.03	0.03	0.0	n/a
	3 Reduction from on-going projects (ODP tonnes)	0.0	0.0	0.0	0.0	n/a
	4 New reduction under plan (ODP tonnes)	0.03	0.0	0.03	0.0	0.06
	5 Unfunded reductions (ODP tonnes)	0.0	0.0	0.0	0.0	n/a
6 Total annual reduction (ODP tonnes)	0.03	0.0	0.03	0.0	0.06	
7 Lead IA agreed funding (US \$)	40,000	-	-	-	40,000	
8 Cooperating IA agreed funding (US \$)	35,000	-	-	-	35,000	
9 Total agreed funding (US \$)	75,000	-	-	-	75,000	
10 Lead IA support costs (US \$)	5,200	-	-	-	5,200	
11 Cooperating IA support costs (US \$)	3,150	-	-	-	3,150	
12 Total agreed support costs (US \$)	8,350	-	-	-	8,350	
13 Grand total agreed funding (US \$)	83,350	-	-	-	83,350	

¹ The "Montreal Protocol consumption limits" figures are presented to one decimal place in accordance with the guidance of the Eighteenth Meeting of the Parties; however, the actual level of CFC consumption for the years 2007-2009 in the country is higher than zero. All other figures are presented as exact calculated values, for consistency with the agreed maximum allowable consumption levels.

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding will be considered for approval at the second meeting of the year of the Annual Implementation Programme.

APPENDIX 4-A: FORMAT OF ANNUAL IMPLEMENTATION PROGRAMME

1. Data

Country _____
 Year of plan _____
 # of years completed _____
 # of years remaining under the plan _____
 Target ODS consumption of the preceding year _____
 Target ODS consumption of the year of plan _____
 Level of funding requested _____
 Lead implementing agency _____
 Cooperating agency(ies) _____

2. Targets

Indicators		Preceding year	Year of plan	Reduction
Supply of ODS	Import			
	Total (1)			
Demand of ODS	Manufacturing			
	Servicing			
	Stockpiling			
	Total (2)			

3. Industry Action

Sector	Consumption preceding year (1)	Consumption year of plan (2)	Reduction within year of plan (1) – (2)	Number of projects completed	Number of servicing related activities	ODS phase-out (in ODP tonnes)
Manufacturing						
Total						
Refrigeration						
Total						
Grand total						

4. Technical Assistance

Proposed Activity:
 Objective:
 Target Group:
 Impact:

5. Government Action

Policy/Activity planned	Schedule of implementation
Type of policy control on ODS import: servicing, etc.	
Public awareness	
Others	

6. Annual Budget

Activity	Planned expenditures (US \$)
Total	

7. Administrative Fees

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

Monitoring

1. The Lead IA will have a particularly prominent role in the monitoring arrangements because of its mandate to monitor ODS imports, whose records will be used as a crosschecking reference in all the monitoring programmes for the different projects under implementation in the country. All the monitoring activities have so far been done through the efforts of the National Ozone Unit (Bhutan Bureau of Standards and Metrology) with assistance from UNDP and UNEP Regional Offices in Bangkok.

2. The success of the monitoring programme will be based on well designed forms for data collection, evaluation and reporting; regular programme of monitoring visits; and appropriate cross-checking of information from different sources.

Verification and reporting

3. In accordance to decision 45/54 (d), the Executive Committee reserves the right for independent verification in case the Executive Committee selects Bhutan for related auditing. Based on discussion with the Lead IA, Bhutan should select the independent organization (auditing) to carry out the verification of the TPMP results and this independent monitoring programme.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities to be specified in the project document as follows:

- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's phase-out plan;
- (b) Assisting the Country in preparation of the Annual Implementation Programme;

- (c) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Annual Implementation Programme consistent with Appendix-5-A. In case the Executive Committee selects Bhutan consistent with paragraph (d) of decision 45/54, separate funding will be provided by the Executive Committee to the Lead IA for this undertaking;
- (d) Ensuring that the achievements in previous annual implementation programmes are reflected in the future annual implementation programme;
- (e) Reporting on the implementation of the Annual Implementation Programme of the preceding year and preparing for annual implementation programme for the year of submission for submission to the Executive Committee, commencing with the 2008 annual implementation programme combined with the report on the 2007 annual implementation programme;
- (f) Ensuring that appropriate independent technical experts carry out the technical reviews undertaken by the Lead IA;
- (g) Carrying out required supervision missions;
- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Annual Implementation Programme and accurate data reporting;
- (i) Providing verification for the Executive Committee that consumption of the Substances has been eliminated in accordance with the Targets, if requested by the Executive Committee;
- (j) Coordinating the activities of the Cooperating IA;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (l) Providing assistance with policy, management and technical support when required.

APPENDIX 6-B: ROLE OF COOPERATING IMPLEMENTING AGENCY

1. The Cooperating IA will:

- (a) Provide policy development assistance when required;
- (b) Assist Bhutan in the implementation and assessment of the activities funded for by the Cooperating IA; and
- (c) Provide reports to the Lead IA on these activities, for inclusion in the consolidated reports.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 10 of the Agreement, the amount of funding provided may be reduced by US \$10,000 per ODP tonne of reductions in consumption not achieved in the year.

Annex IV

AGREEMENT BETWEEN COMOROS AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE PHASE-OUT OF OZONE-DEPLETING SUBSTANCES

1. This Agreement represents the understanding of the Government of Comoros (the “Country”) and the Executive Committee with respect to the complete phase-out of controlled use of the ozone-depleting substances set out in Appendix 1-A (the “Substances”) prior to 1 January 2010 in compliance with Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 2 of Appendix 2-A (the “Targets, and Funding”) in this Agreement. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to the Substances.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 6 of Appendix 2-A (the “Targets, and Funding”) to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (the “Funding Approval Schedule”).
4. The Country will meet the consumption limits for each of the Substances as indicated in Appendix 2 -A. It will also accept independent verification by the relevant implementing agency of achievement of these consumption limits as described in sub-paragraph 5(b) of this Agreement.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least 60 days prior to the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Targets for the applicable year;
 - (b) That the meeting of these Targets will be independently verified, if requested by the Executive Committee consistent with paragraph (d) of decision 45/54;
 - (c) That the Country has substantially completed all actions set out in the last annual implementation programme; and
 - (d) That the Country has submitted and received endorsement from the Executive Committee for an annual implementation programme in the form of Appendix 4-A (the “Format of Annual Implementation Programme”) in respect of the year for which tranche funding is being requested.
6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (the “Monitoring Institutions and Roles”) will monitor and report on that monitoring in accordance with the roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in sub-paragraph 5(b).

7. While the Funding was determined on the basis of estimates of the needs of the Country to carry out its obligations under this Agreement, the Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the goals prescribed under this Agreement. Reallocations categorized as major changes must be documented in advance in the next annual implementation programme and endorsed by the Executive Committee as described in sub-paragraph 5(d). Reallocations not categorized as major changes may be incorporated in the approved annual implementation programme, under implementation at the time, and reported to the Executive Committee in the report on implementation of the annual implementation programme.

8. Specific attention will be paid to the execution of the activities in the refrigeration-servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation;
- (b) The technical assistance programme for the refrigeration-servicing sub-sector will be implemented in stages so that remaining resources can be diverted to other phase-out activities such as additional training or procurement of servicing tools in cases where the proposed results are not achieved, and will be closely monitored in accordance with Appendix 5-A of this Agreement; and
- (c) The Country and the implementing agencies will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the "Lead IA") and UNDP has agreed to be cooperating implementing agency (the "Cooperating IA") under the lead of the Lead IA in respect of the Country's activities under this Agreement. The Lead IA will be responsible for carrying out the activities listed in Appendix 6-A, including but not limited to independent verification as per sub-paragraph 5(b). The Country also agrees to periodic evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund. The Cooperating IA will be responsible for carrying out the activities listed in Appendix 6-B. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 7 and 8 of Appendix 2-A.

10. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in Appendix 2-A of the Montreal Protocol or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised funding approval schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amounts set out in Appendix 7-A in respect of each ODP tonne of reductions in consumption not achieved in any one year.

11. The funding components of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

12. The Country will comply with any reasonable request of the Executive Committee and the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to information necessary to verify compliance with this Agreement.

13. All of the agreements set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Protocol unless otherwise defined herein.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Annex A:	Group I	CFC-12, CFC-115
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APPENDIX 2-A: THE TARGETS, AND FUNDING

	2007	2008	2009	2010	Total
1. Montreal Protocol consumption limits of Annex A, Group I substances (ODP tonnes)	0.4	0.4	0.4	0	
2. Maximum allowable consumption of Annex A, Group I substances(ODP tonnes)	0.4	0.4	0.4	0	
3. New reduction under plan (ODP tonnes)	0	0	0.4	0.0	0.4
4. Lead IA agreed funding (US \$)	77,000	53,000			130,000
5. Cooperating IA agreed funding (US \$)	43,000	32,000			75,000
6. Total agreed funding (US \$)	120,000	85,000			205,000
7. Lead IA support costs (US \$)	10,010	6,890			16,900
8. Cooperating IA support cost(US \$)	3,870	2,880			6,750
9. Total agency support costs (US \$)	13,880	9,770			23,650
10. Grand total agreed funding (US \$)	133,880	94,770			228,650

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the second tranche will be considered for approval at the second meeting of 2008. In case the Executive Committee requires verification of the achievements of the targets in the TPMP, it is understood that the approval or disbursement of the tranche might be delayed until the verification is completed and has been reviewed.

APPENDIX 4-A: FORMAT OF ANNUAL IMPLEMENTATION PROGRAMME

1. Data

Country _____
 Year of plan _____
 # of years completed _____
 # of years remaining under the plan _____
 Target ODS consumption of the preceding year _____
 Target ODS consumption of the year of plan _____
 Level of funding requested _____
 Lead implementing agency _____
 Cooperating agency(ies) _____

2. Targets

Indicators		Preceding year	Year of plan	Reduction
Supply of ODS	Import			
	Total (1)			
Demand of ODS	Manufacturing			
	Servicing			
	Stockpiling			
	Total (2)			

3. Industry Action

Sector	Consumption preceding year (1)	Consumption year of plan (2)	Reduction within year of plan (1) – (2)	Number of projects completed	Number of servicing related activities	ODS phase-out (in ODP tonnes)
Manufacturing						
Total						
Refrigeration						
Total						
Grand total						

4. Technical Assistance

Proposed Activity:
 Objective:
 Target Group:
 Impact:

5. Government Action

Policy/Activity planned	Schedule of implementation
Type of policy control on ODS import: servicing, etc.	
Public awareness	
Others	

6. Annual Budget

Activity	Planned expenditures (US \$)
Total	

7. Administrative Fees

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. All the monitoring activities will be coordinated and managed through the project "Monitoring and Management Unit", within the National Ozone Unit (NOU).
2. The Lead IA will have a particularly prominent role in the monitoring arrangements because of its mandate to monitor ODS imports, whose records will be used as a crosschecking reference in all the monitoring programmes for the different projects within the terminal phase-out plan (TPMP). This organization, along with the Cooperating IA will also undertake the challenging task of monitoring illegal ODS imports and exports with advisements made to the appropriate national agencies through the National Ozone Unit (NOU).

Verification and reporting

3. In accordance to decision 45/54 (d), the Executive Committee reserves the right for independent verification in case the Executive Committee selects Comoros for related auditing. Based on discussion with the Lead IA, Comoros should select the independent organization (auditing) to carry out the verification of the TPMP results and this independent monitoring programme.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities to be specified in the project document as follows:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's phase-out plan;
 - (b) Assisting the Country in preparation of the Annual Implementation Programme;
 - (c) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Annual Implementation Programme consistent with Appendix-5A. In case the Executive Committee selects Comoros consistent with paragraph (d) of decision 45/54, separate funding will be provided by the Executive Committee to the Lead IA for this undertaking;
 - (d) Ensuring that the achievements in previous annual implementation programmes are reflected in the future annual implementation programme;

- (e) Reporting on the implementation of the Annual Implementation Programme of the preceding year and preparing for annual implementation programme for the year of submission for submission to the Executive Committee, commencing with the 2008 annual implementation programme combined with the report on the 2007 annual implementation programme;
- (f) Ensuring that appropriate independent technical experts carry out the technical reviews undertaken by the Lead IA;
- (g) Carrying out required supervision missions;
- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Annual Implementation Programme and accurate data reporting;
- (i) Providing verification for the Executive Committee that consumption of the Substances has been eliminated in accordance with the Targets, if requested by the Executive Committee;
- (j) Coordinating the activities of the Cooperating IA;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (l) Providing assistance with policy, management and technical support when required.

APPENDIX 6-B: ROLE OF COOPERATING IMPLEMENTING AGENCY

1. The Cooperating IA will:
 - (a) Provide policy development assistance when required;
 - (b) Assist Comoros in the implementation and assessment of the activities funded for by the Cooperating IA; and
 - (c) Provide reports to the Lead IA on these activities, for inclusion in the consolidated reports.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 10 of the Agreement, the amount of funding provided may be reduced by US \$10,000 per ODP tonne of reductions in consumption not achieved in the year.

Annex V

AGREEMENT BETWEEN COSTA RICA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE PHASE-OUT OF OZONE-DEPLETING SUBSTANCES

1. This Agreement represents the understanding of the Government of Costa Rica (the “Country”) and the Executive Committee with respect to the complete phase-out of controlled use of the ozone-depleting substances set out in Appendix 1-A (the “Substances”) prior to 1 January 2010 in compliance with Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 2 of Appendix 2-A (the “Targets, and Funding”) in this Agreement. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to the Substances.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 4 of Appendix 2-A (the “Targets, and Funding”) to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (the “Funding Approval Schedule”).
4. The Country will meet the consumption limits for each of the Substances as indicated in Appendix 2 -A. It will also accept independent verification by the relevant implementing agency of achievement of these consumption limits as described in sub-paragraph 5(b) of this Agreement.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least 60 days prior to the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Targets for the applicable year;
 - (b) That the meeting of these Targets will be independently verified, if requested by the Executive Committee consistent with paragraph (d) of decision 45/54;
 - (c) That the Country has substantially completed all actions set out in the last annual implementation programme; and
 - (d) That the Country has submitted and received endorsement from the Executive Committee for an annual implementation programme in the form of Appendix 4-A (the “Format of Annual Implementation Programme”) in respect of the year for which tranche funding is being requested.
6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (the “Monitoring Institutions and Roles”) will monitor and report on that monitoring in accordance with the roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in sub-paragraph 5(b).

7. While the Funding was determined on the basis of estimates of the needs of the Country to carry out its obligations under this Agreement, the Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the goals prescribed under this Agreement. Reallocations categorized as major changes must be documented in advance in the next annual implementation programme and endorsed by the Executive Committee as described in sub-paragraph 5(d). Reallocations not categorized as major changes may be incorporated in the approved annual implementation programme, under implementation at the time, and reported to the Executive Committee in the report on implementation of the annual implementation programme.

8. Specific attention will be paid to the execution of the activities in the refrigeration-servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation;
- (b) The technical assistance programme for the refrigeration-servicing sub-sector will be implemented in stages so that remaining resources can be diverted to other phase-out activities such as additional training or procurement of service tools in cases where the proposed results are not achieved, and will be closely monitored in accordance with Appendix 5-A of this Agreement; and
- (c) The Country and the implementing agencies will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfill the obligations under this Agreement. UNDP has agreed to be the lead implementing agency (the "Lead IA"). The Lead IA will be responsible for carrying out the activities listed in Appendix 6-A including but not limited to independent verification as per sub-paragraph 5(b). The Country also agrees to periodic evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 5 of Appendix 2-A.

10. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in Appendix 2-A of the Montreal Protocol or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised funding approval schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amounts set out in Appendix 7-A in respect of each ODP tonne of reductions in consumption not achieved in any one year.

11. The funding components of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

12. The Country will comply with any reasonable request of the Executive Committee and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to information necessary to verify compliance with this Agreement.

13. All of the agreements set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Protocol unless otherwise defined herein.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Annex A:	Group I	CFC-11, CFC-12, CFC-13, CFC-14 and CFC-15
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APPENDIX 2-A: THE TARGETS, AND FUNDING

	2007	2008	2009	2010	Total
1. Montreal Protocol consumption limits of Annex A, Group I substances (ODP tonnes)	37.5	37.5	37.5	0.0	
2. Maximum allowable consumption of Annex A, Group I substances(ODP tonnes)	37.5	37.5	37.5	0.0	
3. New reduction under plan (ODP tonnes)	0.0	0.0	37.5	0.0	37.5
4. Lead IA agreed funding (US \$)	200,000	200,000	165,000		565,000
5. Lead IA support costs (US \$)	15,000	15,000	12,375		42,375
6. Grand total agreed funding (US \$)	215,000	215,000	177,375		607,375

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding will be considered for approval at the third meeting of the year of the Annual Implementation Programme.

APPENDIX 4-A: FORMAT OF ANNUAL IMPLEMENTATION PROGRAMME

1. **Data**
- | | |
|--|-------|
| Country | _____ |
| Year of plan | _____ |
| # of years completed | _____ |
| # of years remaining under the plan | _____ |
| Target ODS consumption of the preceding year | _____ |
| Target ODS consumption of the year of plan | _____ |
| Level of funding requested | _____ |
| Lead implementing agency | _____ |
| Cooperating agency(ies) | _____ |

2. Targets

Indicators		Preceding year	Year of plan	Reduction
Supply of ODS	Import			
	Total (1)			
Demand of ODS	Manufacturing			
	Servicing			
	Stockpiling			
	Total (2)			

3. Industry Action

Sector	Consumption preceding year (1)	Consumption year of plan (2)	Reduction within year of plan (1) – (2)	Number of projects completed	Number of servicing related activities	ODS phase-out (in ODP tonnes)
Manufacturing						
Total						
Refrigeration						
Total						
Grand total						

4. Technical Assistance

Proposed Activity:

Objective:

Target Group:

Impact:

5. Government Action

Policy/Activity planned	Schedule of implementation
Type of policy control on ODS import: servicing, etc.	
Public awareness	
Others	

6. Annual Budget

Activity	Planned expenditures (US \$)
Total	

7. Administrative Fees

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The monitoring of the initiatives within the terminal phase-out plan (TPMP) and of the compliance with the CFC consumption limits will be carried out within the project “TPMP Implementation, Monitoring, and Control”.

2. The project will produce quarterly operational reports for the purpose of timely identification of problems or obstacles and design of corrective measures. The quarterly reports will be consolidated into an Annual Progress Report, which in turn will be the basis for the “TPMP Annual Implementation Report” and the “TPMP Annual Implementation Plan” to be submitted to the Executive Committee.

Verification and reporting

3. In accordance to decision 45/54 (d), the Executive Committee reserves the right for independent verification in case the Executive Committee selects Costa Rica for related auditing. Based on discussion with the Lead IA, Costa Rica should select the independent organization (auditing) to carry out the verification of the TPMP results and this independent monitoring programme.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities to be specified in the project document as follows:

- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country’s phase-out plan;
- (b) Assisting the Country in preparation of the Annual Implementation Programme;
- (c) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Annual Implementation Programme consistent with Appendix-5A. In case the Executive Committee selects Costa Rica consistent with paragraph (d) of decision 45/54, separate funding will be provided by the Executive Committee to the Lead IA for this undertaking;
- (d) Ensuring that the achievements in previous annual implementation programmes are reflected in the future annual implementation programme;
- (e) Reporting on the implementation of the Annual Implementation Programme of the preceding year and preparing for annual implementation programme for the year of submission for submission to the Executive Committee, commencing with the 2009 annual implementation programme combined with the report on the 2007-2008 annual implementation programme;
- (f) Ensuring that appropriate independent technical experts carry out the technical reviews undertaken by the Lead IA;
- (g) Carrying out required supervision missions;
- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Annual Implementation Programme and accurate data reporting;

- (i) Providing verification for the Executive Committee that consumption of the Substances has been eliminated in accordance with the Targets, if requested by the Executive Committee;
- (j) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (k) Providing assistance with policy, management and technical support when required.

APPENDIX 6-B: ROLE OF COOPERATING IMPLEMENTING AGENCY

Not relevant.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 10 of the Agreement, the amount of funding provided may be reduced by US \$10,000 per ODP tonne of reductions in consumption not achieved in the year.

Annex VI

AGREEMENT BETWEEN GABON AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE PHASE-OUT OF OZONE-DEPLETING SUBSTANCES

1. This Agreement represents the understanding of the Government of Gabon (the “Country”) and the Executive Committee with respect to the complete phase-out of controlled use of the ozone-depleting substances set out in Appendix 1-A (the “Substances”) prior to 1 January 2010 in compliance with Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 2 of Appendix 2-A (the “Targets, and Funding”) in this Agreement. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to the Substances.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 6 of Appendix 2-A (the “Targets, and Funding”) to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (the “Funding Approval Schedule”).
4. The Country will meet the consumption limits for each of the Substances as indicated in Appendix 2 -A. It will also accept independent verification by the relevant implementing agency of achievement of these consumption limits as described in sub-paragraph 5(b) of this Agreement.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least 60 days prior to the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Targets for the applicable year;
 - (b) That the meeting of these Targets will be independently verified, if requested by the Executive Committee consistent with paragraph (d) of decision 45/54;
 - (c) That the Country has substantially completed all actions set out in the last annual implementation programme; and
 - (d) That the Country has submitted and received endorsement from the Executive Committee for an annual implementation programme in the form of Appendix 4-A (the “Format of Annual Implementation Programme”) in respect of the year for which tranche funding is being requested.
6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (the “Monitoring Institutions and Roles”) will monitor and report on that monitoring in accordance with the roles and responsibilities set

out in Appendix 5-A. This monitoring will also be subject to independent verification as described in sub-paragraph 5(b).

7. While the Funding was determined on the basis of estimates of the needs of the Country to carry out its obligations under this Agreement, the Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the goals prescribed under this Agreement. Reallocations categorized as major changes must be documented in advance in the next annual implementation programme and endorsed by the Executive Committee as described in sub-paragraph 5(d). Reallocations not categorized as major changes may be incorporated in the approved annual implementation programme, under implementation at the time, and reported to the Executive Committee in the report on implementation of the annual implementation programme.

8. Specific attention will be paid to the execution of the activities in the refrigeration-servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation;
- (b) The technical assistance programme for the refrigeration-servicing sub-sector will be implemented in stages so that remaining resources can be diverted to other phase-out activities such as additional training or procurement of service tools in cases where the proposed results are not achieved, and will be closely monitored in accordance with Appendix 5-A of this Agreement; and
- (c) The Country and the implementing agencies will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfill the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the "Lead IA") and UNDP has agreed to be cooperating implementing agency (the "Cooperating IA") under the lead of the Lead IA in respect of the Country's activities under this Agreement. The Lead IA will be responsible for carrying out the activities listed in Appendix 6-A, including but not limited to independent verification as per sub-paragraph 5(b). The Country also agrees to periodic evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund. The Cooperating IA will be responsible for carrying out the activities listed in Appendix 6-B. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in row 7 and 8 of Appendix 2-A.

10. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in Appendix 2-A of the Montreal Protocol or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised funding approval schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of

the Funding by the amounts set out in Appendix 7-A in respect of each ODP tonne of reductions in consumption not achieved in any one year.

11. The funding components of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

12. The Country will comply with any reasonable request of the Executive Committee and the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to information necessary to verify compliance with this Agreement.

13. All of the agreements set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Protocol unless otherwise defined herein.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Annex A:	Group I	CFC-12, CFC-115
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APPENDIX 2-A: THE TARGETS, AND FUNDING

	2007	2008	2009	2010	Total
1. Montreal Protocol consumption limits of Annex A, Group I substances (ODP tonnes)	1.5	1.5	1.5	0	
2. Maximum allowable consumption of Annex A, Group I substances(ODP tonnes)	1.5	1.5	1.5	0	
3. New reduction under plan (ODP tonnes)	0	0	1.5	0.0	1.5
4. Lead IA agreed funding (US \$)	65,000	50,000			115,000
5. Cooperating IA agreed funding (US \$)	50,000	40,000			90,000
6. Total agreed funding (US \$)	115,000	90,000			205,000
7. Lead IA support costs (US \$)	8,450	6,500			14,950
8. Cooperating IA support cost (US \$)	4,500	3,600			8,100
9. Total agency support costs (US \$)	12,950	10,100			23,050
10. Grand total agreed funding (US \$)	127,950	100,100			228,050

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the second tranche will be considered for approval at the second meeting of 2008. In case the Executive Committee requires verification of the achievements of the targets in the TPMP, it is understood that the approval or disbursement of the tranche might be delayed until the verification is completed and has been reviewed.

APPENDIX 4-A: FORMAT OF ANNUAL IMPLEMENTATION PROGRAMME

1. Data

Country _____
 Year of plan _____
 # of years completed _____
 # of years remaining under the plan _____
 Target ODS consumption of the preceding year _____
 Target ODS consumption of the year of plan _____
 Level of funding requested _____
 Lead implementing agency _____
 Cooperating agency(ies) _____

2. Targets

Indicators		Preceding year	Year of plan	Reduction
Supply of ODS	Import			
	Total (1)			
Demand of ODS	Manufacturing			
	Servicing			
	Stockpiling			
	Total (2)			

3. Industry Action

Sector	Consumption preceding year (1)	Consumption year of plan (2)	Reduction within year of plan (1) – (2)	Number of projects completed	Number of servicing related activities	ODS phase-out (in ODP tonnes)
Manufacturing						
Total						
Refrigeration						
Total						
Grand total						

4. Technical Assistance

Proposed Activity:
 Objective:
 Target Group:
 Impact:

5. Government Action

Policy/Activity planned	Schedule of implementation
Type of policy control on ODS import: servicing, etc.	
Public awareness	
Others	

6. Annual Budget

Activity	Planned expenditures (US \$)
Total	

7. Administrative Fees

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. All the monitoring activities will be coordinated and managed through the project "Monitoring and Management Unit", within the National Ozone Unit (NOU).

2. The Lead IA will have a particularly prominent role in the monitoring arrangements because of its mandate to monitor ODS imports, whose records will be used as a crosschecking reference in all the monitoring programmes for the different projects within the terminal phase-out plan (TPMP). This organization, along with the Cooperating IA will also undertake the challenging task of monitoring illegal ODS imports and exports with advisements made to the appropriate national agencies through the National Ozone Unit (NOU).

Verification and reporting

3. In accordance to decision 45/54 (d), the Executive Committee reserves the right for independent verification in case the Executive Committee selects Gabon for related auditing. Based on discussion with the Lead IA, Gabon should select the independent organization (auditing) to carry out the verification of the TPMP results and this independent monitoring programme.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities to be specified in the project document as follows:

- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's phase-out plan;
- (b) Assisting the Country in preparation of the Annual Implementation Programme;
- (c) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Annual Implementation Programme consistent with Appendix-5A. In case the Executive Committee selects Gabon consistent with paragraph (d) of decision 45/54, separate funding will be provided by the Executive Committee to the Lead IA for this undertaking;
- (d) Ensuring that the achievements in previous annual implementation programmes are reflected in the future annual implementation programme;

- (e) Reporting on the implementation of the Annual Implementation Programme of the preceding year and preparing for annual implementation programme for the year of submission for submission to the Executive Committee, commencing with the 2008 annual implementation programme combined with the report on the 2007 annual implementation programme;
- (f) Ensuring that appropriate independent technical experts carry out the technical reviews undertaken by the Lead IA;
- (g) Carrying out required supervision missions;
- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Annual Implementation Programme and accurate data reporting;
- (i) Providing verification for the Executive Committee that consumption of the Substances has been eliminated in accordance with the Targets, if requested by the Executive Committee;
- (j) Coordinating the activities of the Cooperating IA;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (l) Providing assistance with policy, management and technical support when required.

APPENDIX 6-B: ROLE OF COOPERATING IMPLEMENTING AGENCY

1. The Cooperating IA will:
 - (a) Provide policy development assistance when required;
 - (b) Assist Gabon in the implementation and assessment of the activities funded for by the Cooperating IA; and
 - (c) Provide reports to the Lead IA on these activities, for inclusion in the consolidated reports.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 10 of the Agreement, the amount of funding provided may be reduced by US \$10,000 per ODP tonne of reductions in consumption not achieved in the year.

Annex VII

AGREEMENT BETWEEN KUWAIT AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE PHASE-OUT OF OZONE DEPLETING SUBSTANCES

1. This Agreement represents the understanding of the Government of Kuwait and the Executive Committee with respect to the complete phase-out of controlled use of the ozone-depleting substances set out in Appendix 1-A (the “Substances”) prior to 1 January 2010 in compliance with Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in rows 2, 4 and 6 of Appendix 2-A (the “Targets, and Funding”) in this Agreement. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to the Substances.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 9 of Appendix 2-A (the “Targets, and Funding”) to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (the “Funding Approval Schedule”).
4. The Country will meet the consumption limits for each of the Substances as indicated in Appendix 2-A. It will also accept independent verification by the relevant implementing agency of achievement of these consumption limits as described in sub-paragraph 5(b) of this Agreement.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least 60 days prior to the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Targets for the applicable year;
 - (b) That the meeting of these Targets will be independently verified, if requested by the Executive Committee consistent with paragraph (d) of decision 45/54;
 - (c) That the Country has substantially completed all actions set out in the last annual implementation programme; and
 - (d) That the Country has submitted and received endorsement from the Executive Committee for an annual implementation programme in the form of Appendix 4-A (the Format of “Annual Implementation Programme”) in respect of the year for which tranche funding is being requested.
6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (the “Monitoring” Institutions and Roles) will monitor and report on that monitoring in accordance with the roles and responsibilities set

out in Appendix 5-A. This monitoring will also be subject to independent verification as described in sub-paragraph 5(b).

7. While the Funding was determined on the basis of estimates of the needs of the Country to carry out its obligations under this Agreement, the Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the goals prescribed under this Agreement. Reallocations categorized as major changes must be documented in advance in the next annual implementation programme and endorsed by the Executive Committee as described in sub paragraph 5(d). Reallocations not categorized as major changes may be incorporated in the approved annual implementation programme, under implementation at the time, and reported to the Executive Committee in the report on implementation of the annual implementation programme.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation;
- (b) The technical assistance programme for the refrigeration servicing sub-sector will be implemented in stages so that remaining resources can be diverted to other phase out activities such as additional training or procurement of service tools in cases where the proposed results are not achieved, and will be closely monitored in accordance with Appendix 5-A of this Agreement; and
- (c) The Country and the implementing agencies will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the "Lead IA") and UNIDO has agreed to be cooperating implementing agency (the "Cooperating IA") under the lead of the Lead IA in respect of the Country's activities under this Agreement. The Lead IA will be responsible for carrying out the activities listed in Appendix 6-A, including but not limited to independent verification as per sub paragraph 5 (b). The Country also agrees to periodic evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund. The Cooperating IA will be responsible for carrying out the activities listed in Appendix 6 B. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 10 and 11 of Appendix 2-A.

10. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in Appendix 2-A of the Montreal Protocol, or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised funding approval schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval

Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amounts set out in Appendix 7-A in respect of each ODP tonne of reductions in consumption not achieved in any one year.

11. The funding components of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

12. The Country will comply with any reasonable request of the Executive Committee and the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to information necessary to verify compliance with this Agreement.

13. All of the agreements set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Protocol unless otherwise defined herein.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Annex A:	Group I	CFC-11, CFC-12, CFC-113, CFC-114, CFC-115
Annex B:	Group II	CTC
Annex B	Group III	TCA

APPENDIX 2-A: THE TARGETS, AND FUNDING

	2007	2008	2009	2010	Total
1. Montreal Protocol consumption limits of Annex A, Group I substances (ODP tonnes)	72.1	72.1	72.1	0	n/a
2. Max allowable total consumption of Annex A Group I substances (ODP tonnes)	70	55	30	0	n/a
3. Montreal Protocol consumption limits of Annex B, Group II substances (ODP tonnes)	0	0	0	0	n/a
4. Max allowable total consumption of Annex B Group II substances (ODP tonnes)	0	0	0	0	n/a
5. Montreal Protocol consumption limits of Annex B, Group III substances (ODP tonnes)	0	0	0	0	n/a
6. Max allowable total consumption of Annex B Group III substances (ODP tonnes)	0	0	0	0	n/a
7. Lead IA (UNEP) agreed funding (US \$)	240,000	95,000	-	-	335,000
8. Cooperating IA (UNIDO) agreed funding (US \$)	220,000	10,000	-	-	230,000
9. Total agreed funding (US \$)	460,000	105,000	-	-	565,000
10. Lead IA (UNEP) support costs (US \$)	31,200	12,350	-	-	43,550
11. Cooperating IA (UNIDO) support costs (US \$)	19,800	900	-	-	20,700
12. Total support costs	51,000	13,250	-	-	64,250
13. Total agreed costs (US \$)	511,000	118,250	-	-	629,250

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding will be considered for approval at the third meeting of 2008.

APPENDIX 4-A: FORMAT OF ANNUAL IMPLEMENTATION PROGRAMME

1. Data

Country _____
 Year of plan _____
 # of years completed _____
 # of years remaining under the plan _____
 Target ODS consumption of the preceding year _____
 Target ODS consumption of the year of plan _____
 Level of funding requested _____
 Lead implementing agency _____
 Co-operating agency(ies) _____

2. Targets

Indicators		Preceding year	Year of plan	Reduction
Supply of ODS	Import			
	Total (1)			
Demand of ODS	Manufacturing			
	Servicing			
	Stockpiling			
	Total (2)			

3. Industry Action

Sector	Consumption preceding year (1)	Consumption year of plan (2)	Reduction within year of plan (1)-(2)	Number of projects completed	Number of servicing related activities	ODS phase-out (in ODP tonnes)
Manufacturing						
Total						
Refrigeration						
Total						
Grand total						

4. Technical Assistance

Proposed Activity:
 Objective:
 Target Group:
 Impact:

5. **Government Action**

Policy/Activity Planned Rules and regulations for the implementation of the national legislation in place	Schedule of Implementation By December 2007
Type of policy control on ODS import: servicing, etc	
Public awareness	
Others TPMP team, established to support the NOU	

6. **Annual Budget:**

Activity	Planned Expenditures until approval of next tranche (US \$)
Total	

7. **Administrative Fees**

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. All the monitoring activities will be coordinated and managed by the NOU and the two implementing agencies through the project funding, which is included within this TPMP.

2. The Lead IA will have a particularly prominent role in the monitoring arrangements because of its mandate to collect data regarding ODS imports, whose records will be used as a crosschecking reference in all the monitoring programmes for the different projects within the TPMP. This organization, along with the cooperating IA will also undertake the task of participating in the monitoring of illegal ODS imports and exports with advisements made to the appropriate national agencies through the National Ozone Office.

Verification and reporting

3. In accordance to decision 45/54 (d), the Executive Committee reserves the right for independent verification in case the Executive Committee selects Kuwait for related auditing. The Lead IA will, in co-operation with the Government of Kuwait, select the independent organization (auditing) to carry out the verification of the TPMP results and this independent monitoring programme.

4. The monitoring reports will be produced and verified each year, previous to the third meeting of the Executive Committee. These reports will produce the input for the yearly implementation reports required by the Executive Committee.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities to be specified in the project document as follows:

- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's phase-out plan;
- (b) Assisting the Country in preparation of the Annual Implementation Programme;
- (c) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Annual Implementation Programme consistent with Appendix 5A. In case the Executive Committee selects Kuwait consistent with paragraph (d) of decision 45/54, separate funding will be provided by the Executive Committee to the Lead IA for this undertaking
- (d) Ensuring that the achievements in previous annual implementation programmes are reflected in the future annual implementation programme;
- (e) Reporting on the implementation of the Annual Implementation Programme of the preceding year and preparing for annual implementation programme for the year of submission for submission to the Executive Committee, commencing with the 2008 annual implementation programme combined with the Report on the 2007 annual implementation programme;
- (f) Ensuring that appropriate independent technical experts carry out the technical reviews undertaken by the Lead IA;
- (g) Carrying out required supervision missions;
- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Annual Implementation Programme and accurate data reporting;
- (i) Providing verification for the Executive Committee that consumption of the Substances has been eliminated in accordance with the Targets, if requested by the Executive Committee;
- (j) Coordinating the activities of the Cooperating IA;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (l) Providing assistance with policy, management and technical support when required.

APPENDIX 6-B: ROLE OF COOPERATING IMPLEMENTING AGENCY

1. The Cooperating IA will:
 - (a) Provide policy development assistance when required;
 - (b) Assist Kuwait in the implementation and assessment of the activities funded for by the Cooperating IA; and
 - (c) Provide reports to the Lead IA on these activities, for inclusion in the consolidated reports.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 10 of the Agreement, the amount of funding provided may be reduced by US \$15,000 per ODP tonne of reductions in consumption not achieved in the year.

Annex VIII**AGREEMENT BETWEEN MADAGASCAR AND THE EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE PHASE-OUT OF
OZONE DEPLETING SUBSTANCES**

1. This Agreement represents the understanding of the Government of Madagascar (the “Country”) and the Executive Committee with respect to the complete phase-out of controlled use of the ozone-depleting substances set out in Appendix 1-A (the “Substances”) prior to 1 January 2010 in compliance with Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in rows 2, 5, and 8 of Appendix 2-A (the “Targets, and Funding”) in this Agreement. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to the Substances.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 12 of Appendix 2-A (the “Targets, and Funding”) to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (the “Funding Approval Schedule”).
4. The Country will meet the consumption limits for each of the Substances as indicated in Appendix 2 -A. It will also accept independent verification by the relevant implementing agency of achievement of these consumption limits as described in sub-paragraph 5(b) of this Agreement.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least 60 days prior to the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Targets for the applicable year;
 - (b) That the meeting of these Targets will be independently verified, if requested by the Executive Committee consistent with paragraph (d) of decision 45/54;
 - (c) That the Country has substantially completed all actions set out in the last annual implementation programme; and
 - (d) That the Country has submitted and received endorsement from the Executive Committee for an annual implementation programme in the form of Appendix 4-A (the “Format of Annual Implementation Programme”) in respect of the year for which tranche funding is being requested.
6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (the “Monitoring Institutions and Roles”)

will monitor and report on that monitoring in accordance with the roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in sub-paragraph 5(b).

7. While the Funding was determined on the basis of estimates of the needs of the Country to carry out its obligations under this Agreement, the Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the goals prescribed under this Agreement. Reallocations categorized as major changes must be documented in advance in the next annual implementation programme and endorsed by the Executive Committee as described in sub-paragraph 5(d). Reallocations not categorized as major changes may be incorporated in the approved annual implementation programme, under implementation at the time, and reported to the Executive Committee in the report on implementation of the annual implementation programme.

8. Specific attention will be paid to the execution of the activities in the refrigeration-servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation;
- (b) The technical assistance programme for the refrigeration-servicing sub-sector will be implemented in stages so that remaining resources can be diverted to other phase-out activities such as additional training or procurement of service tools in cases where the proposed results are not achieved, and will be closely monitored in accordance with Appendix 5-A of this Agreement; and
- (c) The Country and the implementing agencies will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfill the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNIDO has agreed to be cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Lead IA will be responsible for carrying out the activities listed in Appendix 6-A, including but not limited to independent verification as per sub-paragraph 5(b). The Country also agrees to periodic evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund. The Cooperating IA will be responsible for carrying out the activities listed in Appendix 6-B. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 13 and 14 of Appendix 2-A.

10. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in Appendix 2-A of the Montreal Protocol or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised funding approval schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were

due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amounts set out in Appendix 7-A in respect of each ODP tonne of reductions in consumption not achieved in any one year.

11. The funding components of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

12. The Country will comply with any reasonable request of the Executive Committee and the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to information necessary to verify compliance with this Agreement.

13. All of the agreements set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Protocol unless otherwise defined herein.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Annex A:	Group I	CFC-11, CFC-12 ,CFC-113,CFC-114 and CFC-115
Annex B:	Group I	Other fully halogenated CFCs
Annex B:	Group II	CTC

APPENDIX 2-A: THE TARGETS, AND FUNDING

	2007	2008	2009	2010	Total
1. Montreal Protocol consumption limits of Annex A, Group I substances (ODP tonnes)	7.2	7.2	7.2	0	n/a
2. Maximum allowable consumption of Annex A, Group I substances(ODP tonnes)	2.3	2.3	2.3	0	n/a
3. New reduction under plan (ODP tonnes)	0	0	2.3	0	2.3
4. Montreal Protocol consumption limits of Annex B, Group I substances (ODP tonnes) ¹	0	0	0	0	n/a
5. Maximum allowable consumption of Annex B, Group I substances(ODP tonnes)	0	0	0	0	n/a
6. New reduction under plan (ODP tonnes)	0	0	0	0	0
7. Montreal Protocol consumption limits of Annex B, Group II substances (ODP tonnes)	0.1	0.1	0.1	0	n/a
8. Maximum allowable consumption of Annex B, Group II substances(ODP tonnes)	0	0	0	0	n/a
9. New reduction under plan (ODP tonnes)	0	0	0	0	0
10. Lead IA agreed funding (US \$)	133,000	87,000	-	-	220,000
11. Cooperating IA agreed funding (US \$)	78,000	47,000	-	-	125,000
12. Total agreed funding (US \$)	211,000	134,000	-	-	345,000
13. Lead IA support costs (US \$)	17,290	11,310	-	-	28,600
14. Cooperating IA support cost(US \$)	7,020	4,230	-	-	11,250
15. Total agreed support costs (US \$)	24,310	15,540	-	-	39,850
16. Grand total agreed funding (US \$)	235,310	149,540	-	-	384,850

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the second tranche will be considered for approval at the second meeting of 2008. In case the Executive Committee requires verification of the achievements of the targets in the TPMP, it is understood that the approval or disbursement of the tranche might be delayed until the verification is completed and has been reviewed.

¹ The “Montreal Protocol consumption limits” figures are presented to one decimal place in accordance with the guidance of the Eighteenth Meeting of the Parties; however, the actual level of consumption of Annex B, Group I substances for the years 2007-2009 in the country is higher than zero. All other figures are presented as exact calculated values, for consistency with the agreed maximum allowable consumption levels.

APPENDIX 4-A: FORMAT OF ANNUAL IMPLEMENTATION PROGRAMME

1. Data

Country _____
 Year of plan _____
 # of years completed _____
 # of years remaining under the plan _____
 Target ODS consumption of the preceding year _____
 Target ODS consumption of the year of plan _____
 Level of funding requested _____
 Lead implementing agency _____
 Cooperating agency(ies) _____

2. Targets

Indicators		Preceding year	Year of plan	Reduction
Supply of ODS	Import			
	Total (1)			
Demand of ODS	Manufacturing			
	Servicing			
	Stockpiling			
	Total (2)			

3. Industry Action

Sector	Consumption preceding year (1)	Consumption year of plan (2)	Reduction within year of plan (1) – (2)	Number of projects completed	Number of servicing related activities	ODS phase-out (in ODP tonnes)
Manufacturing						
Total						
Refrigeration						
Total						
Grand total						

4. Technical Assistance

Proposed Activity:
 Objective:
 Target Group:
 Impact:

5. Government Action

Policy/Activity planned	Schedule of implementation
Type of policy control on ODS import: servicing, etc.	
Public awareness	
Others	

6. Annual Budget

Activity	Planned expenditures (US \$)
Total	

7. Administrative Fees

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. All the monitoring activities will be coordinated and managed through the project "Monitoring and Management Unit", within the National Ozone Unit (NOU).

Verification and reporting

2. In accordance to decision 45/54 (d), the Executive Committee reserves the right for independent verification in case the Executive Committee selects Madagascar for related auditing. Based on discussion with the Lead IA, Madagascar should select the independent organization (auditing) to carry out the verification of the TPMP results and this independent monitoring programme.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities to be specified in the project document as follows:

- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's phase-out plan;
- (b) Assisting the Country in preparation of the Annual Implementation Programme;
- (c) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Annual Implementation Programme consistent with Appendix-5A. In case the Executive Committee selects Madagascar consistent with paragraph (d) of decision 45/54, separate funding will be provided by the Executive Committee to the Lead IA for this undertaking;
- (d) Ensuring that the achievements in previous annual implementation programmes are reflected in the future annual implementation programme;
- (e) Reporting on the implementation of the Annual Implementation Programme of the preceding year and preparing for annual implementation programme for the year of submission for submission to the Executive Committee, commencing with the 2008 annual implementation programme combined with the report on the

2007 annual implementation programme;

- (f) Ensuring that appropriate independent technical experts carry out the technical reviews undertaken by the Lead IA;
- (g) Carrying out required supervision missions;
- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Annual Implementation Programme and accurate data reporting;
- (i) Providing verification for the Executive Committee that consumption of the Substances has been eliminated in accordance with the Targets, if requested by the Executive Committee;
- (j) Coordinating the activities of the Cooperating IA;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (l) Providing assistance with policy, management and technical support when required.

APPENDIX 6-B: ROLE OF COOPERATING IMPLEMENTING AGENCY

1. The Cooperating IA will:

- (a) Provide policy development assistance when required;
- (b) Assist Madagascar in the implementation and assessment of the activities funded for by the Cooperating IA; and
- (c) Provide reports to the Lead IA on these activities, for inclusion in the consolidated reports.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 10 of the Agreement, the amount of funding provided may be reduced by US \$10,000 per ODP tonne of reductions in consumption not achieved in the year.

Annex IX

AGREEMENT BETWEEN MOLDOVA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE PHASE-OUT OF OZONE-DEPLETING SUBSTANCES

1. This Agreement represents the understanding of the Government of Moldova (the “Country”) and the Executive Committee with respect to the complete phase-out of controlled use of the ozone-depleting substances set out in Appendix 1-A (the “Substances”) prior to 1 January 2010 in compliance with Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 2 of Appendix 2-A (the “Targets, and Funding”) in this Agreement. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to the Substances.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 8 of Appendix 2-A (the “Targets, and Funding”) to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix-A (the “Funding Approval Schedule”).
4. The Country will meet the consumption limits for each of the Substances as indicated in Appendix 2 -A. It will also accept independent verification by the relevant implementing agency of achievement of these consumption limits as described in sub-paragraph 5(b) of this Agreement.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least 60 days prior to the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Targets for the applicable year;
 - (b) That the meeting of these Targets will be independently verified, if requested by the Executive Committee consistent with paragraph (d) of decision 45/54;
 - (c) That the Country has substantially completed all actions set out in the last annual implementation programme; and
 - (d) That the Country has submitted and received endorsement from the Executive Committee for an annual implementation programme in the form of Appendix 4-A (the “Format of Annual Implementation Programme”) in respect of the year for which tranche funding is being requested.
6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (the “Monitoring Institutions and Roles”) will monitor and report on that monitoring in accordance with the roles and responsibilities set

out in Appendix 5-A. This monitoring will also be subject to independent verification as described in sub-paragraph 5(b).

7. While the Funding was determined on the basis of estimates of the needs of the Country to carry out its obligations under this Agreement, the Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the goals prescribed under this Agreement. Reallocations categorized as major changes must be documented in advance in the next annual implementation programme and endorsed by the Executive Committee as described in sub-paragraph 5(d). Reallocations not categorized as major changes may be incorporated in the approved annual implementation programme, under implementation at the time, and reported to the Executive Committee in the report on implementation of the annual implementation programme.

8. Specific attention will be paid to the execution of the activities in the refrigeration-servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation;
- (b) The technical assistance programme for the refrigeration-servicing sub-sector will be implemented in stages so that remaining resources can be diverted to other phase-out activities such as additional training or procurement of service tools in cases where the proposed results are not achieved, and will be closely monitored in accordance with Appendix 5-A of this Agreement; and
- (c) The Country and the implementing agencies will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the "Lead IA") and UNDP has agreed to be cooperating implementing agency (the "Cooperating IA") under the lead of the Lead IA) in respect of the Country's activities under this Agreement. The Lead IA will be responsible for carrying out the activities listed in Appendix 6-A including but not limited to independent verification as per sub-paragraph 5(b). The Country also agrees to periodic evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund. The Cooperating IA will be responsible for carrying out the activities listed in Appendix 6-B. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 9 and 10 of Appendix 2-A.

10. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in Appendix 2-A of the Montreal Protocol or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised funding approval schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of

the Funding by the amounts set out in Appendix 7-A in respect of each ODP tonne of reductions in consumption not achieved in any one year.

11. The funding components of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

12. The Country will comply with any reasonable request of the Executive Committee and the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to information necessary to verify compliance with this Agreement.

13. All of the agreements set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Protocol unless otherwise defined herein.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Annex A:	Group I	CFC-11, CFC-12, CFC-113, CFC-115
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APPENDIX 2-A: THE TARGETS, AND FUNDING

	2007	2008	2009	2010	Total
1. Montreal Protocol consumption limits of Annex A, Group I substances (ODP tonnes)	11.0	11.0	11.0	0.0	
2. Maximum allowable consumption of Annex A, Group I substances(ODP tonnes)	11.0	11.0	11.0	0.0	
3. Reduction from on-going projects (ODP tonnes)	1.0	0.0	0.0	0.0	1.0
4. New reduction under plan (ODP tonnes)	0.0	0.0	10.0	0.0	10.0
5. Total reduction (ODP tonnes)	1.0	0.0	10.0	0.0	11.0
6. Lead IA agreed funding (US \$)	74,500	140,500	0	0	215,000
7. Cooperating IA agreed funding (US \$)	152,500	152,500	0	0	305,000
8. Total agreed funding (US \$)	227,000	293,000	0	0	520,000
9. Lead IA support costs (US \$)	9,685	18,265	0	0	27,950
10. Cooperating IA support costs (US \$)	11,438	11,438	0	0	22,875
11. Total agreed support costs (US \$)	21,123	29,703	0	0	50,825
12. Grand total agreed funding (US \$)	248,123	322,703	0	0	570,825

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding will be considered for approval at the third meeting of the year of the Annual Implementation Programme. In case the Executive Committee requires verification of the achievements of the targets in the TPMP, the approval or disbursement of the subsequent tranche might be delayed until the verification is completed and has been reviewed.

APPENDIX 4-A: FORMAT OF ANNUAL IMPLEMENTATION PROGRAMME

1. Data

Country _____
 Year of plan _____
 # of years completed _____
 # of years remaining under the plan _____
 Target ODS consumption of the preceding year _____
 Target ODS consumption of the year of plan _____
 Level of funding requested _____
 Lead implementing agency _____
 Cooperating agency(ies) _____

2. Targets

Indicators		Preceding year	Year of plan	Reduction
Supply of ODS	Import			
	Total (1)			
Demand of ODS	Manufacturing			
	Servicing			
	Stockpiling			
	Total (2)			

3. Industry Action

Sector	Consumption preceding year (1)	Consumption year of plan (2)	Reduction within year of plan (1) – (2)	Number of projects completed	Number of servicing related activities	ODS phase-out (in ODP tonnes)
Manufacturing						
Total						
Refrigeration						
Total						
Grand total						

4. Technical Assistance

Proposed Activity:
 Objective:
 Target Group:
 Impact:

5. Government Action

Policy/Activity planned	Schedule of implementation
Type of policy control on ODS import: servicing, etc.	
Public awareness	
Others	

6. Annual Budget

Activity	Planned expenditures (US \$)
Total	

7. Administrative Fees

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. All the monitoring activities will be coordinated and managed through the National Ozone Unit (NOU) and project TPMP team, which is included within this TPMP.
2. The Lead IA will have a particularly prominent role in the monitoring arrangements because of its mandate to monitor ODS imports, whose records will be used as a crosschecking reference in all the monitoring programmes for the different projects within the TPMP. This organization, along with the cooperating IA will also undertake the challenging task of monitoring illegal ODS imports and exports with advisements made to the appropriate national agencies through the NOU.

Verification and reporting

3. In accordance to decision 45/54 (d), the Executive Committee reserves the right for independent verification in case the Executive Committee selects Moldova for related auditing. Based on discussion with the Lead IA, Moldova should select the independent organization (auditing) to carry out the verification of the TPMP results and this independent monitoring programme.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities to be specified in the project document as follows:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's phase-out plan;
 - (b) Assisting the Country in preparation of the Annual Implementation Programme;
 - (c) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Annual Implementation Programme consistent with Appendix-5A. In case the Executive Committee selects Moldova consistent with paragraph (d) of decision 45/54, separate funding will be provided by the Executive Committee to the Lead IA for this undertaking;
 - (d) Ensuring that the achievements in previous annual implementation programmes are reflected in the future annual implementation programme;

- (e) Reporting on the implementation of the Annual Implementation Programme of the preceding year and preparing for annual implementation programme for the year of submission for submission to the Executive Committee, commencing with the 2007 annual implementation programme combined with the report on the 2008 annual implementation programme;
- (f) Ensuring that appropriate independent technical experts carry out the technical reviews undertaken by the Lead IA;
- (g) Carrying out required supervision missions;
- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Annual Implementation Programme and accurate data reporting;
- (i) Providing verification for the Executive Committee that consumption of the Substances has been eliminated in accordance with the Targets, if requested by the Executive Committee;
- (j) Coordinating the activities of the Cooperating IA;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (l) Providing assistance with policy, management and technical support when required.

APPENDIX 6-B: ROLE OF COOPERATING IMPLEMENTING AGENCY

1. The Cooperating IA will:

- (a) Provide policy development assistance when required;
- (b) Assist the Country in the implementation and assessment of the activities funded for by the Cooperating IA; and
- (c) Provide reports to the Lead IA on these activities, for inclusion in the consolidated reports.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 10 of the Agreement, the amount of funding provided may be reduced by US \$10,000 per ODP tonne of reductions in consumption not achieved in the year.

Annex X

AGREEMENT BETWEEN NEPAL AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE PHASE-OUT OF OZONE-DEPLETING SUBSTANCES

1. This Agreement represents the understanding of the Government of Nepal (the “Country”) and the Executive Committee with respect to the complete phase-out of controlled use of the ozone-depleting substances set out in Appendix 1-A (the “Substances”) prior to 1 January 2010 in compliance with Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 2 of Appendix 2-A (the “Targets, and Funding”) in this Agreement. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to the Substances.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 9 of Appendix 2-A (the “Targets, and Funding”) to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (the “Funding Approval Schedule”).
4. The Country will meet the consumption limits for each of the Substances as indicated in Appendix 2 -A. It will also accept independent verification by the relevant implementing agency of achievement of these consumption limits as described in sub-paragraph 5(b) of this Agreement.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least 60 days prior to the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Targets for the applicable year;
 - (b) That the meeting of these Targets will be independently verified, if requested by the Executive Committee consistent with paragraph (d) of decision 45/54;
 - (c) That the Country has substantially completed all actions set out in the last annual implementation programme; and
 - (d) That the Country has submitted and received endorsement from the Executive Committee for an annual implementation programme in the form of Appendix 4-A (the “Format of Annual Implementation Programme”) in respect of the year for which tranche funding is being requested.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (the “Monitoring Institutions and Roles”) will monitor and report on that monitoring in accordance with the roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in sub-paragraph 5(b).

7. While the Funding was determined on the basis of estimates of the needs of the Country to carry out its obligations under this Agreement, the Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the goals prescribed under this Agreement. Reallocations categorized as major changes must be documented in advance in the next annual implementation programme and endorsed by the Executive Committee as described in sub-paragraph 5(d). Reallocations not categorized as major changes may be incorporated in the approved annual implementation programme, under implementation at the time, and reported to the Executive Committee in the report on implementation of the annual implementation programme.

8. Specific attention will be paid to the execution of the activities in the refrigeration-servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation;
- (b) The technical assistance programme for the refrigeration-servicing sub-sector will be implemented in stages so that remaining resources can be diverted to other phase-out activities such as additional training or procurement of service tools in cases where the proposed results are not achieved, and will be closely monitored in accordance with Appendix 5-A of this Agreement; and
- (c) The Country and the implementing agencies will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfill the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNDP has agreed to be cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Lead IA will be responsible for carrying out the activities listed in Appendix 6-A including but not limited to independent verification as per sub-paragraph 5(b). The Country also agrees to periodic evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund. (The Cooperating IA will be responsible for carrying out the activities listed in Appendix 6-B.) The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 10 and 11 of Appendix 2-A.

10. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in Appendix 2-A of the Montreal Protocol or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will

be reinstated according to a revised funding approval schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amounts set out in Appendix 7-A in respect of each ODP tonne of reductions in consumption not achieved in any one year.

11. The funding components of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

12. The Country will comply with any reasonable request of the Executive Committee and the Lead IA (and the Cooperating IA) to facilitate implementation of this Agreement. In particular, it will provide the Lead IA (and the Cooperating IA) with access to information necessary to verify compliance with this Agreement.

13. All of the agreements set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Protocol unless otherwise defined herein.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Annex A:	Group I	CFC-11, CFC-12, CFC-113 CFC-114 and CFC-115
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APPENDIX 2-A: THE TARGETS, AND FUNDING

		2007	2008	2009	2010	Total
CFCs	1 Montreal Protocol reduction schedule (ODP tonnes)	4.1	4.1	4	0	n/a
	2 Max. allowable total consumption of CFCs (ODP tonnes)	4.1	4.1	4	0	n/a
	3 Reduction from on-going projects (ODP tonnes)	0	0	0	0	0
	4 New reduction under plan (ODP tonnes)	8	0	4	0	12
	5 Unfunded reductions (ODP tonnes)	0	0	0	0	0
	6 Total annual reduction (ODP tonnes)	8	0	4	0	12
	7 Lead IA agreed funding (US \$)	35,000	35,000	-	-	70,000
	8 Cooperating IA agreed funding (US \$)	75,000	25,000	-	-	100,000
	9 Total agreed funding (US \$)	110,000	60,000	-	-	170,000
	10 Lead IA support costs (US \$)	4,550	4,550	-	-	9,100
	11 Cooperating IA support costs (US \$)	6,750	2,250	-	-	9,000
	12 Total agreed support costs (US \$)	11,300	6,800	-	-	18,100
	13 Grand total agreed funding (US \$)	121,300	66,800	-	-	188,100

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding will be considered for approval at the second meeting of 2007 and 2008.

APPENDIX 4-A: FORMAT OF ANNUAL IMPLEMENTATION PROGRAMME

1. Data

Country _____

Year of plan _____

of years completed _____

of years remaining under the plan _____

Target ODS consumption of the preceding year _____

Target ODS consumption of the year of plan _____

Level of funding requested _____

Lead implementing agency _____

Cooperating agency(ies) _____

2. Targets

Indicators		Preceding year	Year of plan	Reduction
Supply of ODS	Import			
	Total (1)			
Demand of ODS	Manufacturing			
	Servicing			
	Stockpiling			
	Total (2)			

3. Industry Action

Sector	Consumption preceding year (1)	Consumption year of plan (2)	Reduction within year of plan (1) – (2)	Number of projects completed	Number of servicing related activities	ODS phase-out (in ODP tonnes)
Manufacturing						
Total						
Refrigeration						
Total						
Grand total						

4. Technical Assistance

Proposed Activity:
 Objective:
 Target Group:
 Impact:

5. Government Action

Policy/Activity planned	Schedule of implementation
Type of policy control on ODS import: servicing, etc.	
Public awareness	
Others	

6. Annual Budget

Activity	Planned expenditures (US \$)
Total	

7. Administrative Fees

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The Lead IA will have a particularly prominent role in the monitoring arrangements because of its mandate to monitor ODS imports, whose records will be used as a crosschecking reference in all the monitoring programmes for the different projects within the national phase-out plan. All the monitoring activities have so far been done through the efforts of the National Ozone Unit (Nepal Bureau of Standards and Metrology) with assistance from UNDP and UNEP Regional Offices in Bangkok.

2. The success of the monitoring programme will be based on well designed forms for data collection, evaluation and reporting; regular programme of monitoring visits; and appropriate cross-checking of information from different sources.

Verification and reporting

3. In accordance to decision 45/54 (d), the Executive Committee reserves the right for independent verification in case the Executive Committee selects Nepal for related auditing. Based on discussion with the Lead IA, Nepal should select the independent organization (auditing) to carry out the verification of the TPMP results and this independent monitoring programme.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities to be specified in the project document as follows:

- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's phase-out plan;
- (b) Assisting the Country in preparation of the Annual Implementation Programme;

- (c) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Annual Implementation Programme consistent with Appendix-5A. In case the Executive Committee selects Nepal consistent with paragraph (d) of decision 45/54, separate funding will be provided by the Executive Committee to the Lead IA for this undertaking;
- (d) Ensuring that the achievements in previous annual implementation programmes are reflected in the future annual implementation programme;
- (e) Reporting on the implementation of the Annual Implementation Programme of the preceding year and preparing for annual implementation programme for the year of submission for submission to the Executive Committee, commencing with the 2008 annual implementation programme combined with the report on the 2007 annual implementation programme;
- (f) Ensuring that appropriate independent technical experts carry out the technical reviews undertaken by the Lead IA;
- (g) Carrying out required supervision missions;
- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Annual Implementation Programme and accurate data reporting;
- (i) Providing verification for the Executive Committee that consumption of the Substances has been eliminated in accordance with the Targets, if requested by the Executive Committee;
- (j) Coordinating the activities of the Cooperating IA;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (l) Providing assistance with policy, management and technical support when required.

APPENDIX 6-B: ROLE OF COOPERATING IMPLEMENTING AGENCY

1. The Cooperating IA will:

- (a) Provide policy development assistance when required;
- (b) Assist Nepal in the implementation and assessment of the activities funded for by the Cooperating IA; and
- (c) Provide reports to the Lead IA on these activities, for inclusion in the consolidated reports.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 10 of the Agreement, the amount of funding provided may be reduced by US \$10,000 per ODP tonne of reductions in consumption not achieved in the year.

Annex XI

AGREEMENT BETWEEN OMAN AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE PHASE-OUT OF OZONE-DEPLETING SUBSTANCES

1. This Agreement represents the understanding of the Government of Oman (the “Country”) and the Executive Committee with respect to the complete phase-out of controlled use of the ozone-depleting substances set out in Appendix 1-A (the “Substances”) prior to 1 January 2010 in compliance with Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 2 of Appendix 2-A (the “Targets, and Funding”) in this Agreement. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to the Substances.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 8 of Appendix 2-A (the “Targets, and Funding”) to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (the “Funding Approval Schedule”).
4. The Country will meet the consumption limits for each of the Substances as indicated in Appendix 2-A. It will also accept independent verification by the relevant implementing agency of achievement of these consumption limits as described in sub-paragraph 5(b) of this Agreement.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least 60 days prior to the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Targets for the applicable year;
 - (b) That the meeting of these Targets will be independently verified, if requested by the Executive Committee consistent with paragraph (d) of decision 45/54;
 - (c) That the Country has substantially completed all actions set out in the last annual implementation programme; and
 - (d) That the Country has submitted and received endorsement from the Executive Committee for an annual implementation programme in the form of Appendix-4 A (the “Format of Annual Implementation Programme”) in respect of the year for which tranche funding is being requested.
6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (the “Monitoring Institutions and Roles”) will monitor and report on that monitoring in accordance with the roles and responsibilities set

out in Appendix 5-A. This monitoring will also be subject to independent verification as described in sub-paragraph 5(b).

7. While the Funding was determined on the basis of estimates of the needs of the Country to carry out its obligations under this Agreement, the Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the goals prescribed under this Agreement. Reallocations categorized as major changes must be documented in advance in the next annual implementation programme and endorsed by the Executive Committee as described in sub-paragraph 5(d). Reallocations not categorized as major changes may be incorporated in the approved annual implementation programme, under implementation at the time, and reported to the Executive Committee in the report on implementation of the annual implementation programme.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation;
- (b) The technical assistance programme for the refrigeration servicing sub-sector will be implemented in stages so that remaining resources can be diverted to other phase-out activities such as additional training or procurement of service tools in cases where the proposed results are not achieved, and will be closely monitored in accordance with Appendix 5-A of this Agreement; and
- (c) The Country and the implementing agencies will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfill the obligations under this Agreement. UNIDO has agreed to be the lead implementing agency (the "Lead IA") in respect of the Country's activities under this Agreement. The Lead IA will be responsible for carrying out the activities listed in Appendix 6-A including but not limited to independent verification as per sub-paragraph 5(b). The Country also agrees to periodic evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 10 of Appendix 2-A.

10. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in Appendix 2-A of the Montreal Protocol or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised funding approval schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of

the Funding by the amounts set out in Appendix 7-A in respect of each ODP tonne of reductions in consumption not achieved in any one year.

11. The funding components of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

12. The Country will comply with any reasonable request of the Executive Committee and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to information necessary to verify compliance with this Agreement.

13. All of the agreements set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Protocol unless otherwise defined herein.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Annex A:	Group I	CFC-11, CFC-12, CFC-113 CFC-114 and CFC-115
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APPENDIX 2-A: THE TARGETS, AND FUNDING

		2007	2008	2009	2010	Total
CFCs	1 Montreal Protocol reduction schedule (ODP tonnes)	37.3	37.3	37.3	0	n/a
	2 Max. allowable total consumption of CFCs (ODP tonnes)	35	25	20	0	n/a
	3 Reduction from on-going projects (ODP tonnes)	0	0	0	0	0
	4 New reduction under plan (ODP tonnes)	10	5	20	0	35
	5 Unfunded reductions (ODP tonnes)	0	0	0	0	0
	6 Total annual reduction (ODP tonnes)	10	5	20	0	35
	7 Lead IA agreed funding (US \$)	305,800	164,200	0	0	470,000
	8 Total agreed funding (US \$)	305,800	164,200	0	0	470,000
	9 Lead IA support costs (US \$)	22,935	12,315	0	0	35,250
	10 Total agreed support costs (US \$)	22,935	12,315	0	0	35,250
	11 Grand total agreed funding (US \$)	328,735	176,515	0	0	505,250

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding, other than the payment in 2007, will be considered for approval at the third meeting of the Executive Committee in 2008.

APPENDIX 4-A: FORMAT OF ANNUAL IMPLEMENTATION PROGRAMME

1.	Data	
	Country	
	Year of plan	
	# of years completed	
	# of years remaining under the plan	
	Target ODS consumption of the preceding year	
	Target ODS consumption of the year of plan	
	Level of funding requested	
	Lead implementing agency	
	Co-operating agency/ies	

2. Targets

Indicators		Preceding year	Year of plan	Reduction
Supply of ODS	Import			
	Total (1)			
Demand of ODS	Manufacturing			
	Servicing			
	Stockpiling			
	Total (2)			

3. **Industry Action**

Sector	Consumption preceding year (1)	Consumption year of plan (2)	Reduction within year of plan (1)-(2)	Number of projects completed	Number of servicing related activities	ODS phase-out (in ODP tonnes)
Manufacturing						
Aerosol						
Foam						
Refrigeration						
Solvents						
Other						
Total						
Servicing						
Refrigeration						
Total						
GRAND TOTAL						

4. **Technical Assistance**

Proposed Activity: _____

Objective: _____

Target Group: _____

Impact: _____

5. **Government Action**

Policy/Activity planned	Schedule of implementation
Type of policy control on ODS import: servicing, etc.	
Public awareness	
Others	

6. **Annual Budget**

Activity	Planned expenditures (US \$)
Total	

7. Administrative Fees

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. All the monitoring activities will be coordinated and managed by the NOU and UNIDO through the project funding, which is included within this TPMP.
2. UNIDO will play a key role in the monitoring arrangements because of its mandate to monitor ODS imports, whose records will be used as a crosschecking reference in all the monitoring programmes for the different projects within the TPMP. UNIDO in cooperation with the NOU, national agencies and relevant Government Authorities will monitor the illegal ODS imports and exports.

Verification and reporting

3. In accordance to decision 45/54 (d), the Executive Committee reserves the right for independent verification in case the Executive Committee selects Oman for related auditing. Based on discussion with the Lead IA, Oman should select the independent organization (auditing) to carry out the verification of the TPMP results and this independent monitoring programme.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities to be specified in the project document as follows:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's phase-out plan;
 - (b) Assisting the Country in preparation of the Annual Implementation Programme;
 - (c) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Annual Implementation Programme consistent with Appendix-5A. In case the Executive Committee selects Oman consistent with paragraph (d) of decision 45/54, separate funding will be provided by the Executive Committee to the Lead IA for this undertaking;
 - (d) Ensuring that the achievements in previous annual implementation programmes are reflected in the future annual implementation programme;
 - (e) Reporting on the implementation of the Annual Implementation Programme of the preceding year and preparing for annual implementation programme for the year of submission for submission to the Executive Committee, commencing with the 2008 annual implementation programme combined with the report on the 2007 annual implementation programme;

- (f) Ensuring that appropriate independent technical experts carry out the technical reviews undertaken by the Lead IA;
- (g) Carrying out required supervision missions;
- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Annual Implementation Programme and accurate data reporting;
- (i) Providing verification for the Executive Committee that consumption of the Substances has been eliminated in accordance with the Targets, if requested by the Executive Committee;
- (j) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (k) Providing assistance with policy, management and technical support when required.

APPENDIX 6-B: ROLE OF COOPERATING IMPLEMENTING AGENCY

Not relevant

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 10 of the Agreement, the amount of funding provided may be reduced by US \$10,000 per ODP tonne of reductions in consumption not achieved in the year.

Annex XII

AGREEMENT BETWEEN SAINT LUCIA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE PHASE-OUT OF OZONE-DEPLETING SUBSTANCES

1. This Agreement represents the understanding of the Government of Saint Lucia (the “Country”) and the Executive Committee with respect to the complete phase-out of controlled use of the ozone-depleting substances set out in Appendix 1-A (the “Substances”) prior to 1 January 2010 in compliance with Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 2 of Appendix 2-A (the “Targets, and Funding”) in this Agreement. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to the Substances.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 4 of Appendix 2-A (the “Targets, and Funding”) to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (the “Funding Approval Schedule”).
4. The Country will meet the consumption limits for each of the Substances as indicated in Appendix 2-A. It will also accept independent verification by the relevant implementing agency of achievement of these consumption limits as described in sub-paragraph 5(b) of this Agreement.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least 60 days prior to the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Targets for the applicable year;
 - (b) That the meeting of these Targets will be independently verified, if requested by the Executive Committee consistent with paragraph (d) of decision 45/54;
 - (c) That the Country has substantially completed all actions set out in the last annual implementation programme; and
 - (d) That the Country has submitted and received endorsement from the Executive Committee for an annual implementation programme in the form of Appendix 4-A (the “Format of Annual Implementation Programme”) in respect of the year for which tranche funding is being requested.
6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (the “Monitoring Institutions and Roles”) will monitor and report on that monitoring in accordance with the roles and responsibilities set

out in Appendix 5-A. This monitoring will also be subject to independent verification as described in sub-paragraph 5(b).

7. While the Funding was determined on the basis of estimates of the needs of the Country to carry out its obligations under this Agreement, the Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the goals prescribed under this Agreement. Reallocations categorized as major changes must be documented in advance in the next annual implementation programme and endorsed by the Executive Committee as described in sub-paragraph 5(d). Reallocations not categorized as major changes may be incorporated in the approved annual implementation programme, under implementation at the time, and reported to the Executive Committee in the report on implementation of the annual implementation programme.

8. Specific attention will be paid to the execution of the activities in the refrigeration-servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation;
- (b) The technical assistance programme for the refrigeration-servicing sub-sector will be implemented in stages so that remaining resources can be diverted to other phase-out activities such as additional training or procurement of service tools in cases where the proposed results are not achieved, and will be closely monitored in accordance with Appendix 5-A of this Agreement; and
- (c) The Country and the implementing agencies will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfill the obligations under this Agreement. Canada has agreed to be the lead implementing agency (the "Lead IA"). The Lead IA will be responsible for carrying out the activities listed in Appendix 6-A including but not limited to independent verification as per sub-paragraph 5(b). The Country also agrees to periodic evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 5 of Appendix 2-A.

10. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in Appendix 2-A of the Montreal Protocol or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised funding approval schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amounts set out in Appendix 7-A in respect of each ODP tonne of reductions in consumption not achieved in any one year.

11. The funding components of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

12. The Country will comply with any reasonable request of the Executive Committee and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to information necessary to verify compliance with this Agreement.

13. All of the agreements set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Protocol unless otherwise defined herein.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Annex A:	Group I	CFC-11, CFC-12, CFC-115
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APPENDIX 2-A: THE TARGETS, AND FUNDING

	2007	2008	2009	2010	Total
1. Montreal Protocol consumption limits of Annex A, Group I substances (ODP tonnes)	1.2	1.2	1.2	0.0	
2. Maximum allowable consumption of Annex A, Group I substances(ODP tonnes)	1.2	1.2	1.2	0.0	
3. New reduction under plan (ODP tonnes)	0.0		1.2	0.0	1.2
4. Lead IA agreed funding (US \$)	156,000		49,000		205,000
5. Lead IA support costs (US \$)	20,280		6,370		26,650
6. Grand total agreed funding (US \$)	176,280		55,370		231,650

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the second tranche will be considered for approval at the second meeting of 2008. In case the Executive Committee requires verification of the achievements of the targets in the TPMP, it is understood that the approval or disbursement of the tranche might be delayed until the verification is completed and has been reviewed.

APPENDIX 4-A: FORMAT OF ANNUAL IMPLEMENTATION PROGRAMME

- Data**

Country _____

Year of plan _____

of years completed _____

of years remaining under the plan _____

Target ODS consumption of the preceding year _____

Target ODS consumption of the year of plan _____

Level of funding requested _____

Lead implementing agency _____

Cooperating agency(ies) _____

2. Targets

Indicators		Preceding year	Year of plan	Reduction
Supply of ODS	Import			
	Total (1)			
Demand of ODS	Manufacturing			
	Servicing			
	Stockpiling			
	Total (2)			

3. Industry Action

Sector	Consumption preceding year (1)	Consumption year of plan (2)	Reduction within year of plan (1) – (2)	Number of projects completed	Number of servicing related activities	ODS phase-out (in ODP tonnes)
Manufacturing						
Total						
Refrigeration						
Total						
Grand total						

4. Technical Assistance

Proposed Activity:

Objective:

Target Group:

Impact:

5. Government Action

Policy/Activity planned	Schedule of implementation
Type of policy control on ODS import: servicing, etc.	
Public awareness	
Others	

6. Annual Budget

Activity	Planned expenditures (US \$)
Total	

7. Administrative Fees

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. All the monitoring activities will be coordinated and managed through the project "Monitoring and Management Unit", within the National Ozone Unit (NOU).

2. The Lead IA will have a particularly prominent role in the monitoring arrangements because of its mandate to monitor ODS imports, whose records will be used as a crosschecking reference in all the monitoring programmes for the different projects within the terminal phase-out plan (TPMP). This organization will also undertake the challenging task of monitoring illegal ODS imports and exports with advisements made to the appropriate national agencies through the NOU.

Verification and reporting

3. In accordance to decision 45/54 (d), the Executive Committee reserves the right for independent verification in case the Executive Committee selects Saint Lucia for related auditing. Based on discussion with the Lead IA, Saint Lucia should select an independent organization (auditing) to carry out the verification of the TPMP results and this independent monitoring programme.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities to be specified in the project document as follows:

- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's phase-out plan;
- (b) Assisting the Country in preparation of the Annual Implementation Programme;
- (c) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Annual Implementation Programme consistent with Appendix-5A. In case the Executive Committee selects Saint Lucia consistent with paragraph (d) of decision 45/54, separate funding will be provided by the Executive Committee to the Lead IA for this undertaking;
- (d) Ensuring that the achievements in previous annual implementation programmes are reflected in the future annual implementation programme;
- (e) Reporting on the implementation of the Annual Implementation Programme of the preceding year and preparing for annual implementation programme for the year of submission for submission to the Executive Committee, commencing with the 2008 annual implementation programme combined with the report on the 2007 annual implementation programme;
- (f) Ensuring that appropriate independent technical experts carry out the technical reviews undertaken by the Lead IA;
- (g) Carrying out required supervision missions;

- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Annual Implementation Programme and accurate data reporting;
- (i) Providing verification for the Executive Committee that consumption of the Substances has been eliminated in accordance with the Targets, if requested by the Executive Committee;
- (j) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (k) Providing assistance with policy, management and technical support when required.

APPENDIX 6-B: ROLE OF COOPERATING IMPLEMENTING AGENCY

Not relevant.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 10 of the Agreement, the amount of funding provided may be reduced by US \$10,000 per ODP tonne of reductions in consumption not achieved in the year.

Annex XIII

AGREEMENT BETWEEN SENEGAL AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE PHASE-OUT OF OZONE DEPLETING SUBSTANCES

1. This Agreement represents the understanding of the Government of Senegal (the “Country”) and the Executive Committee with respect to the complete phase-out of controlled use of the ozone-depleting substances set out in Appendix 1-A (the “Substances”) prior to 1 January 2010 in compliance with Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 2 of Appendix 2-A (the “Targets, and Funding”) in this Agreement. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to the Substances.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 6 of Appendix 2-A (the “Targets, and Funding”) to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (the “Funding Approval Schedule”).
4. The Country will meet the consumption limits for each of the Substances as indicated in Appendix 2 -A. It will also accept independent verification by the relevant implementing agency of achievement of these consumption limits as described in sub-paragraph 5(b) of this Agreement.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least 60 days prior to the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Targets for the applicable year;
 - (b) That the meeting of these Targets will be independently verified, if requested by the Executive Committee consistent with paragraph (d) of decision 45/54;
 - (c) That the Country has substantially completed all actions set out in the last annual implementation programme; and
 - (d) That the Country has submitted and received endorsement from the Executive Committee for an annual implementation programme in the form of Appendix 4-A (the “Format of Annual Implementation Programme”) in respect of the year for which tranche funding is being requested.
6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (the “Monitoring Institutions and Roles”) will monitor and report on that monitoring in accordance with the roles and responsibilities set

out in Appendix 5-A. This monitoring will also be subject to independent verification as described in sub-paragraph 5(b).

7. While the Funding was determined on the basis of estimates of the needs of the Country to carry out its obligations under this Agreement, the Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the goals prescribed under this Agreement. Reallocations categorized as major changes must be documented in advance in the next annual implementation programme and endorsed by the Executive Committee as described in sub-paragraph 5(d). Reallocations not categorized as major changes may be incorporated in the approved annual implementation programme, under implementation at the time, and reported to the Executive Committee in the report on implementation of the annual implementation programme.

8. Specific attention will be paid to the execution of the activities in the refrigeration-servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation;
- (b) The technical assistance programme for the refrigeration-servicing sub-sector will be implemented in stages so that remaining resources can be diverted to other phase-out activities such as additional training or procurement of service tools in cases where the proposed results are not achieved, and will be closely monitored in accordance with Appendix 5-A of this Agreement; and
- (c) The Country and the implementing agencies will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the "Lead IA") and the Government of Italy has agreed to be cooperating implementing agency (the "Cooperating IA") under the lead of the Lead IA in respect of the Country's activities under this Agreement. The Lead IA will be responsible for carrying out the activities listed in Appendix 6-A, including but not limited to independent verification as per sub-paragraph 5(b). The Country also agrees to periodic evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund. The Cooperating IA will be responsible for carrying out the activities listed in Appendix 6-B. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 7 and 8 of Appendix 2-A.

10. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in Appendix 2-A of the Montreal Protocol or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised funding approval schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were

due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amounts set out in Appendix 7-A in respect of each ODP tonne of reductions in consumption not achieved in any one year.

11. The funding components of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

12. The Country will comply with any reasonable request of the Executive Committee and the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to information necessary to verify compliance with this Agreement.

13. All of the agreements set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Protocol unless otherwise defined herein.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Annex A:	Group I	CFC-11, CFC-12 ,CFC-113,CFC-114 and CFC-115
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APPENDIX 2-A: THE TARGETS, AND FUNDING

	2007	2008	2009	2010	Total
1. Montreal Protocol consumption limits of Annex A, Group I substances (ODP tonnes)	23.4	23.4	23.4	23.4	n/a
2. Maximum allowable consumption of Annex A, Group I substances(ODP tonnes)	23.4	23.4	23.4	0	n/a
3. New reduction under plan (ODP tonnes)	0	0	23.4	0	23.4
4. Lead IA agreed funding (US \$)	109,500	100,500	-	-	210,000
5. Cooperating IA agreed funding (US \$)	220,000	135,000	-	-	355,000
6. Total agreed funding (US \$)	329,500	235,500	-	-	565,000
7. Lead IA support costs (US \$)	14,235	13,065	-	-	27,300
8. Cooperating IA support cost(US \$)	28,600	17,550	-	-	46,150
9. Total agency support costs (US \$)	42,835	30,615	-	-	73,450
10. Grand total agreed funding (US \$)	372,335	266,115	-	-	638,450

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the second tranche will be considered for approval at the second meeting of 2008. In case the Executive Committee requires verification of the achievements of the targets in the TPMP, it is understood that the approval or disbursement of the tranche might be delayed until the verification is completed and has been reviewed.

APPENDIX 4-A: FORMAT OF ANNUAL IMPLEMENTATION PROGRAMME

1. **Data**

Country _____
 Year of plan _____
 # of years completed _____
 # of years remaining under the plan _____
 Target ODS consumption of the preceding year _____
 Target ODS consumption of the year of plan _____
 Level of funding requested _____
 Lead implementing agency _____
 Cooperating agency(ies) _____

2. **Targets**

Indicators		Preceding year	Year of plan	Reduction
Supply of ODS	Import			
	Total (1)			
Demand of ODS	Manufacturing			
	Servicing			
	Stockpiling			
	Total (2)			

3. **Industry Action**

Sector	Consumption preceding year (1)	Consumption year of plan (2)	Reduction within year of plan (1) – (2)	Number of projects completed	Number of servicing related activities	ODS phase-out (in ODP tonnes)
Manufacturing						
Total						
Refrigeration						
Total						
Grand total						

4. **Technical Assistance**

Proposed Activity:
Objective:
Target Group:
Impact:

5. **Government Action**

Policy/Activity planned	Schedule of implementation
Type of policy control on ODS import: servicing, etc.	
Public awareness	
Others	

6. **Annual Budget**

Activity	Planned expenditures (US \$)
Total	

7. **Administrative Fees**

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. All the monitoring activities will be coordinated and managed through the project "Monitoring and Management Unit", within the National Ozone Unit (NOU).

Verification and reporting

2. In accordance to decision 45/54 (d), the Executive Committee reserves the right for independent verification in case the Executive Committee selects Senegal for related auditing. Based on discussion with the Lead IA, Senegal should select the independent organization (auditing) to carry out the verification of the TPMP results and this independent monitoring programme.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities to be specified in the project document as follows:

- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's phase-out plan;
- (b) Assisting the Country in preparation of the Annual Implementation Programme;

- (c) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Annual Implementation Programme consistent with Appendix-5A. In case the Executive Committee selects Senegal consistent with paragraph (d) of decision 45/54, separate funding will be provided by the Executive Committee to the Lead IA for this undertaking;
- (d) Ensuring that the achievements in previous annual implementation programmes are reflected in the future annual implementation programme;
- (e) Reporting on the implementation of the Annual Implementation Programme of the preceding year and preparing for annual implementation programme for the year of submission for submission to the Executive Committee, commencing with the 2008 annual implementation programme combined with the report on the 2007 annual implementation programme;
- (f) Ensuring that appropriate independent technical experts carry out the technical reviews undertaken by the Lead IA;
- (g) Carrying out required supervision missions;
- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Annual Implementation Programme and accurate data reporting;
- (i) Providing verification for the Executive Committee that consumption of the Substances has been eliminated in accordance with the Targets, if requested by the Executive Committee;
- (j) Coordinating the activities of the Cooperating IA;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (l) Providing assistance with policy, management and technical support when required.

APPENDIX 6-B: ROLE OF COOPERATING IMPLEMENTING AGENCY

1. The Cooperating IA will:

- (a) Provide policy development assistance when required;
- (b) Assist Senegal in the implementation and assessment of the activities funded for by the Cooperating IA; and

- (c) Provide reports to the Lead IA on these activities, for inclusion in the consolidated reports.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 10 of the Agreement, the amount of funding provided may be reduced by US \$10,000 per ODP tonne of reductions in consumption not achieved in the year.

Annex XIV

VIEWS EXPRESSED BY THE EXECUTIVE COMMITTEE ON RENEWALS OF INSTITUTIONAL STRENGTHENING PROJECTS SUBMITTED TO THE 52nd MEETING

Brazil

1. The Executive Committee has reviewed the terminal report presented with the institutional strengthening project renewal request for Brazil and notes with appreciation the outstanding achievements made by Brazil's National Ozone Unit during the implementation of the Fourth Phase. In particular the Executive Committee notes the progress made by Brazil in reducing their CFC-12 consumption from 8,052 ODP tonnes in 1999 to 477.8 ODP tonnes in 2006, which is below the 50% reduction level. The Executive Committee also notes the progress on the implementation of phase-out projects in key ODS-consuming sectors, including the completion of activities in the foam sector and the continuation of activities in the servicing sector under the national CFC phase-out plan. The Executive Committee commends the Government of Brazil for its achievements during the current phase and expresses the expectation that, in the next two years, Brazil will continue the implementation of its programmed activities with outstanding progress, and will sustain and build upon its current levels of reductions in CFCs.

Colombia

2. The Executive Committee has reviewed the terminal report presented with the institutional strengthening project renewal request for Colombia and notes with appreciation the outstanding achievements made by Colombia's National Ozone Unit during the implementation of the Fifth Phase. In particular the Executive Committee notes the progress made by Colombia towards achieving the 50% reduction in CFC and 85% in CTC consumption in 2005 and maintaining compliance in 2006 with the schedules established in all the controlled substances. The Executive Committee also notes the progress on the implementation of phase-out projects in key ODS-consuming sectors, including the completion of the terminal umbrella project in the foam sector and the continuation of activities under the national CFC phase-out plan through the regional centres established. The Executive Committee commends the Government of Colombia for its achievements during the current phase and expresses the expectation that, in the next two years, Colombia will continue the implementation of its programmed activities with outstanding progress, and will sustain and build upon its current levels of reductions in CFCs.

Democratic Republic of the Congo

3. The Executive Committee has reviewed the report presented with the institutional strengthening project renewal for the Democratic Republic of the Congo and notes with appreciation that the country has reported data to the Ozone Secretariat showing that it reduced its CFC consumption in 2006 beyond the required 50% reduction. The Executive Committee notes however that in decision XVIII/21, the Democratic Republic of the Congo was in potential non-compliance with CTC and TCA control measures for 2006 and submitted an action plan for consideration. The Executive Committee notes with appreciation that the Democratic Republic

of the Congo's reported CTC and TCA consumption for 2006 is consistent with the Party's commitments pursuant to decision XVIII/21 for returning to compliance. The Executive Committee is therefore hopeful that, in the next two years, the Democratic Republic of Congo will continue with the implementation of its country programme and related activities with outstanding success towards total phase-out of its ODS consumption ahead of the Montreal Protocol phase-out schedule.

El Salvador

4. The Executive Committee has reviewed the report submitted with the institutional strengthening project renewal request for El Salvador and notes with concern that El Salvador reported Article 7 data to the Ozone Secretariat that shows that it is in potential non-compliance with CTC control measures. The Executive Committee hopes that El Salvador will submit its action plan and fully implement it to immediately return to compliance. The Executive Committee also notes that El Salvador is committed to achieve the total ODS phase-out by the established deadlines. With the activities planned for the next phase, the Executive Committee is hopeful that El Salvador will continue phasing out ODS with outstanding success and accordingly.

Jordan

5. The Executive Committee has reviewed the report presented with the institutional strengthening project renewal request for Jordan and notes with appreciation that Jordan reported data to the Ozone Secretariat indicating that the 85 per cent CFC phase-out target for 2007 has been achieved ahead of time. The Executive Committee also notes that within the framework of the institutional strengthening project, Jordan has taken significant steps to phase-out its ODS consumption in other areas such as halons and methyl bromide. Specifically, the coordination of implementation of the national CFC, halon and methyl bromide phase-out plan; the completion of training workshops for customs officers and implementation of an import control system; the continuation of awareness raising activities to ensure stakeholders' commitment to ODS phase-out, and; the development of a methyl bromide strategy. The Executive Committee also noted the steps taken in this critical phase of the program to prevent illegal import of CFCs. The Executive Committee greatly supports the efforts of Jordan to reduce the consumption of ODS. The Executive Committee is therefore hopeful that, in the next two years, Jordan will continue with the implementation of its country programme and activities under the national ODS phase-out plan, with outstanding success in the reduction of current ODS consumption levels towards complete phase out by 2010.

Mexico

6. The Executive Committee has reviewed the report presented with the institutional strengthening project renewal request for Mexico and notes with appreciation that Mexico reported data to the Ozone Secretariat, as at end 2005, that was lower than its 1998 average CFC compliance baseline. It also notes with concern, however that Mexico is in non-compliance with its CTC control measures for 2005, but has presented an action plan for it to return to compliance. The Executive Committee also notes that within the framework of the institutional strengthening project, Mexico has achieved in 2005 a substantial phase out of its ODS consumption vis-à-vis 2004. The Executive Committee acknowledges with appreciation the

ratification of the Montreal Amendment by the Government of Mexico and hopes that the ratification of the Beijing Amendment will be achieved in the near future. The Executive Committee is therefore hopeful that, in the next two years, Mexico will continue with the implementation of its country programme and the national phase-out plan (NPP) activities with outstanding success in the further reduction of current CFC consumption levels, and to fully implement its action plan to meet CTC compliance.

Thailand

7. The Executive Committee has reviewed the report presented with the institutional strengthening project renewal request for Thailand, and notes with appreciation that Thailand has reported 2006 data to the Ozone Secretariat, indicating that it is on track with the phase-out schedule in CFC consumption. The Executive Committee would like to express its appreciation that Thailand had already ratified the Beijing Amendment to the Montreal Protocol. Moreover, Thailand should be congratulated for putting in place a regulation to ban the use of CFC in the manufacturing sector since 2005 and its continuing efforts in preventing illegal trade of ODS. The Executive Committee is therefore hopeful that, in the next two years, Thailand will continue with the implementation of its country programme and related activities with outstanding success, and achieve further reductions in its CFC consumption levels.

Viet Nam

8. The Executive Committee has reviewed the report of the institutional strengthening project extension for Viet Nam and notes with appreciation that Viet Nam has reported data to the Ozone Secretariat indicating that Viet Nam is on track with the phase-out schedule in CFC consumption. Viet Nam has taken significant steps to phase out its CFC consumption. The Executive Committee is therefore hopeful that, in the next two years, Viet Nam will continue with the implementation of its country programme, the national CFC and halon phase-out plan and methyl bromide phase-out plan with outstanding success in the reduction of ODS consumption.

Annex XV

AGREED CONDITIONS TO PHASE OUT METHYL BROMIDE IN CAMEROON

1. The Executive Committee agrees to approve in principle US \$259,713 as the total funds that will be available to achieve commitments stipulated in this document for the complete phase-out of the controlled uses of use of methyl bromide in Cameroon, excluding quarantine and pre-shipment applications, subject to the following understandings and considerations.
2. As reported to the Ozone Secretariat, the methyl bromide baseline for compliance for Cameroon is 18.1 ODP tonnes; the 2005 methyl bromide consumption was 9.7 ODP tonnes. Accordingly, Cameroon has achieved compliance with the Montreal Protocol's 2002 freeze obligation and it is in compliance with the Protocol's 20 per cent reduction in 2005.
3. Reductions in accordance with the terms of the above-mentioned project and other commitments presented in the project document will ensure that Cameroon meets the reduction schedule presented below. In this regard, Cameroon will reduce the national consumption of controlled uses of methyl bromide to no more than the following levels of consumption in the years listed below:

Year	(ODP tonnes)	
	Amount to be phased out	Remaining consumption*
2007	0.0	14.5
2008	0.0	14.5
2009	9.0	5.5
2010	5.5	0.0
Total	14.5	

* Controlled uses of methyl bromide.

4. Cameroon commits to permanently sustaining the consumption levels indicated above through the use of import restrictions and other policies it may deem necessary.
5. The Government of Cameroon has reviewed the consumption data identified in the grain fumigation project and is confident that it is correct. Accordingly, the Government is entering into this agreement with the Executive Committee on the understanding that, should additional methyl bromide consumption for controlled uses be identified at a later date, the responsibility to ensure its phase-out will lie solely with the Government.
6. The Government of Cameroon, in agreement with UNIDO on behalf of the Government of Italy, will have flexibility in organizing and implementing the projects' components that it deems more important in order to meet the methyl bromide phase-out commitments noted above. UNIDO agrees to manage the funding for the project in a manner designed to ensure the achievement of the specific methyl bromide reductions agreed upon.
7. UNIDO shall report back annually to the Executive Committee on the progress achieved in meeting the methyl bromide reductions required in the commodity fumigation sector, as well as on annual costs related to the use of the alternative technologies selected and the inputs purchased with the project funds.