



**United Nations
Environment
Programme**

Distr.
GENERAL

UNEP/OzL.Pro/ExCom/56/64
12 November 2008

ORIGINAL: ENGLISH

EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Fifty-sixth Meeting
Doha, 8-12 November 2008

REPORT OF THE FIFTY- SIXTH MEETING OF THE EXECUTIVE COMMITTEE

Introduction

1. The 56th Meeting of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol was held at the Sheraton Doha Resort & Convention Hotel, Doha, Qatar, from 8 to 12 November 2008.
2. The Meeting was attended by representatives of the following countries, Members of the Executive Committee, in accordance with decision XIX/3 of the Nineteenth Meeting of the Parties to the Montreal Protocol:
 - (a) Parties not operating under paragraph 1 of Article 5 of the Protocol: Australia, Belgium, Germany, Japan, Romania, Sweden (Vice-Chair) and the United States of America;
 - (b) Parties operating under paragraph 1 of Article 5 of the Protocol: China, the Dominican Republic, Gabon (Chair), India, Lebanon, 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 Executive Secretary and the Deputy Executive Secretary of the Ozone Secretariat were also present.
5. A representative of the Alliance for Responsible Atmospheric Policy also attended as an observer.

AGENDA ITEM 1: OPENING OF THE MEETING

6. The Meeting was opened at 10.00 a.m. on Saturday, 8 November 2008, by the Chair, Mr. Albert Rombonot (Gabon), who remarked that it was the last meeting of the triennium 2006-2008 and therefore the last opportunity to ensure that the goals set by the Parties for that funding period were met. He drew attention to the model rolling three-year phase-out plan for the Fund, which showed that a large number of projects had been approved but not yet implemented. He also reminded the Committee that CFC

phase-out goals would have to be met within only 14 months. The final report on the evaluation of institutional strengthening projects, to be considered under item 6(a)(i), was important as its conclusions would affect future models for financing such projects. He encouraged Article 5 countries in particular to examine the recommendations presented. Under the agenda item 6(a)(iii), the Committee would examine the draft monitoring and evaluation work programme for 2009, which was a critical element of the Fund's work. With regard to management of hydrochlorofluorocarbon (HCFC) phase-out, the Secretariat had prepared a cost structure to assist in determining the supplementary financing that would be necessary for preparing investment projects in HCFC-producing countries.

7. He concluded by expressing his gratitude to the Government of Qatar for hosting the Meeting and for its generous hospitality.

AGENDA ITEM 2: ORGANIZATIONAL MATTERS

(a) Adoption of the agenda

8. The Executive Committee adopted the following agenda on the basis of the provisional agenda contained in document UNEP/OzL.Pro/ExCom/56/1:

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) 2008 business plans and annual tranche submission delays;
 - (c) Status of implementation of delayed projects and prospects of Article 5 countries in achieving compliance with the next control measures of the Montreal Protocol;
 - (d) Updated model rolling three-year phase-out plan: 2009-2011 (follow-up to decision 53/5(d)).
6. Programme implementation:
 - (a) Monitoring and evaluation:
 - (i) Final report on the evaluation of institutional strengthening projects;
 - (ii) 2008 consolidated project completion report;
 - (iii) Draft monitoring and evaluation work programme for 2009;

- (b) Report on implementation of approved projects with specific reporting requirements.
7. Project proposals:
- (a) Overview of issues identified during project review;
 - (b) Cost structure for determining funding levels for preparation of HCFC investment and associated activities (decision 55/13(d));
 - (c) Bilateral cooperation;
 - (d) Amendments to work programmes for 2008:
 - (i) UNDP;
 - (ii) UNEP;
 - (iii) UNIDO;
 - (iv) World Bank;
 - (e) Administrative costs:
 - (i) Report on key issues from the assessment of the administrative costs required for the 2009-2011 triennium (decision 55/44);
 - (ii) 2009 core unit costs for UNDP, UNIDO and the World Bank;
 - (f) Compliance Assistance Programme (CAP) budget for 2009;
 - (g) Investment projects.
8. HCFC:
- (a) Further elaboration and analysis of issues pertaining to the phase-out of the HCFC production sector (decisions 53/37(g) and 55/42);
 - (b) Issues related to relevant cost considerations surrounding the financing of HCFC phase-out (decision 55/43(g)).
9. Accounts of the Multilateral Fund:
- (a) 2007 financial statements;
 - (b) Reconciliation of the 2006 and 2007 accounts.
10. Revised 2009, 2010 and proposed 2011 budgets of the Fund Secretariat.
11. Study on financing the destruction of unwanted ODS.

12. Draft report of the Executive Committee to the Twentieth Meeting of the Parties to the Montreal Protocol.
13. Other matters.
14. Adoption of the report.
15. Closure of the meeting.

9. The representative of UNEP said that he wished to report on the status of the refrigerant management plan (RMP) and terminal phase-out management plan (TPMP) projects in Myanmar and Brunei Darussalam under agenda item 13.

10. The representative of Sweden proposed that under agenda item 8 the Committee review decision 55/2 in the light of the results of the Climate Change Talks held in Accra, Ghana, on 21-27 August 2008 under the auspices of the United Nations Framework Convention on Climate Change (UNFCCC).

(b) Organization of work

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

AGENDA ITEM 3: SECRETARIAT ACTIVITIES

12. The Chief Officer drew the Meeting's attention to documents UNEP/OzL.Pro/ExCom/56/2 and Add.1, which covered the activities of the Secretariat since the 55th Meeting. She said that, in compliance with decision 55/43, the Secretariat had written to seven institutions in order to identify those that might be suitable and compatible as sources of co-financing to provide climate change benefits additional to those for ozone depletion in projects implemented under the Fund's mandate. Expressions of interest had been received from the Global Environment Facility (GEF), the Fonds Français pour l'Environnement Mondial (FFEM) and the Inter-American Development Bank (IDB); the remaining four institutions would be contacted again after the Meeting.

13. The Chief Officer said that the Secretariat had received 148 funding requests, 139 of which would be considered by the Committee. Of those, 58, including some contained in the amendments to implementing agencies' work programmes, were to be considered by the Committee individually. She drew attention to matters of particular relevance covered in the 60 documents prepared by the Secretariat, such as the updated model rolling three-year phase-out plan for 2009-2011 and the cost structure for determining funding levels for preparation of HCFC investment and associated activities.

14. During the intersessional period, the Secretariat had been in communication with the secretariats of several other multilateral environmental agreements (MEAs) and other organizations. In line with the guidance of the Committee at its 55th Meeting, a reply had been sent to the Secretariat of the Basel Convention on issues related to the disposal of ozone-depleting substances (ODS). The Chief Officer had also provided clarification to the Parties to the Rotterdam Convention on actions taken in response to the request in decision 3/5 of the third Conference of the Parties to that Convention on collaboration among MEAs. A reply to an invitation from GEF to nominate a representative from the Secretariat to serve on the GEF Chemicals Technical Advisory Group in relation to ozone was being finalized.

15. The Chief Officer said that she and various professional staff had attended a number of other meetings since the previous Committee meeting, which were described in document UNEP/OzL.Pro/ExCom/56/2. During her mission to Rome to attend the Conference of the Parties to the Rotterdam Convention, she had visited the Italian Ministry of the Environment to discuss issues related to

the operation of the Fund. Other professional staff had attended network meetings of South Asia, joint English and French-speaking Africa, and Latin America and the English-speaking Caribbean.

16. The Chief Officer said that she was pleased to advise the Committee that the recruitment process to fill the two P3 and two GS6 positions that had been approved at the 54th Meeting was under way, all four posts having been filled on a temporary basis in order to obtain assistance for the present Meeting. She said that Mr. Ansgar Eussner, Senior Monitoring and Evaluation Officer, would be leaving the Fund at the beginning of 2009 on promotion to a position at the International Civil Aviation Organization, and Mr. Sheng Shuo Lang, the Deputy Chief Officer, would retire at the end of December 2008 after 14 years of diligent and dedicated work for the Fund.

17. The Chair and a number of representatives expressed their appreciation of the work of the two officers who were to leave the Secretariat and wished them well in their future endeavours.

18. The representative of Sweden suggested that, with regard to decision 55/43, the Chief Officer might also wish to contact the Nordic Finance Corporation with respect to its Nordic Carbon Fund.

19. The representative of Uruguay expressed concern that replies had not been received from four of the seven institutions that the Secretariat had contacted as a follow-up to decision 55/43. He remarked further that the ceiling imposed on funding by GEF limited access by small developing countries, which had greater financing requirements than more developed countries.

20. The Chief Officer replied that co-financing represented a delicate balance, depending on the size of a country and its aims. She recalled that projects with special reporting requirement issues related to co-financing would be discussed under agenda item 6(b). She would act on the suggestion made by the representative of Sweden with regard to possible co-financing institutions.

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/56/3) as at 3 October 2008 and the list of countries which, as at that date, had confirmed to the Treasurer that they would be using the fixed-exchange-rate mechanism (FERM) during the 2006-2008 triennium (Annex I to document UNEP/OzL.Pro/ExCom/56/3). Since the publication of that report, additional contributions had been received from Romania and Ukraine amounting to US \$267,114. He also said that 31 Parties had paid their pledged contributions for 2008, either in full or in part, and that a further five countries had paid their arrears for the period prior to 2008, either in full or in part.

23. The implementing agencies had advised the Treasurer that their estimated earnings from interest for the period April to September 2008 amounted to US \$4,405,977, and the Treasurer reported that since the 55th Meeting there had also been a gain of US \$3,436,515 as a result of the FERM, with a total exchange rate gain of US \$38,573,647 since its inception. The stock of promissory notes had decreased from US \$39,344,647 to US \$29,761,206 since the 55th Meeting, and the total income of the Multilateral Fund, including cash payments, promissory notes, bilateral cooperation assistance, interest earned and miscellaneous income stood at US \$2,453,952,165.

24. As at 7 November 2008, the Fund's balance stood at US \$104,509,589 after taking into account all the funds approved by the Executive Committee up to and including the 55th Meeting. That amount consisted of US \$74,748,383 in cash and US \$29,761,206 in promissory notes, of which US \$4,841,500 were for encashment in 2008, US \$16,235,475 were due for encashment in 2009, US \$6,754,402 for 2010 and US \$1,929,829 for 2011.

25. Several Members thanked those Parties that had paid their contributions in a timely manner, although concern was also expressed at the number of Parties that had not yet paid their contributions, and one Member requested that the matter be brought to the attention of the Meeting of the Parties through a request by the Chair of the Committee.

26. Following the discussion, the Executive Committee decided:

- (a) To note the report of the Treasurer on the status of contributions and disbursements, the information on promissory notes and the list of countries using the fixed-exchange mechanism during the 2006-2008 triennium as contained in Annex I to the present report;
- (b) To urge all Parties to pay their contributions to the Multilateral Fund in full and as early as possible, considering that the present Meeting was the last Meeting of the last year of the current replenishment period; and
- (c) That, in accordance with decision 54/2, the report of the Executive Committee to the Meeting of the Parties should provide information on the arrears in contributions to the Multilateral Fund.

(Decision 56/1)

AGENDA ITEM 5: STATUS OF RESOURCES AND PLANNING

(a) Report on balances and availability of resources

27. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/56/4, which contained a summary of the balances related to completed projects, the return of funds from cancelled projects and the total resources available at the 56th Meeting of the Executive Committee. A summary of obligated and unobligated balances had also been provided, as well as the implementing agencies' explanations for those balances. She said that balances from completed projects totalled US \$10,296,538, of which the World Bank held US \$3,651,624, and explained that of this total balance, US \$9,472,462 were considered as obligated while US \$825,076 were considered unobligated.

28. A total of US \$1,124,367, excluding agency support costs, had been returned to the 56th Meeting, of which US \$1,055,000 were being returned for project preparation for HCFC phase-out management plans (HPMPs) approved at the 54th Meeting. She also said that US \$123,488 in agency support costs were being returned to the 56th Meeting, which included US \$101,565 attributable to project preparation for the HPMPs, and that US \$17,251 were being returned by the World Bank from its core unit funding. With the addition of balances returned from projects that might be cancelled at the present Meeting and the additional information provided by the Treasurer in his report, the total funds available for approval at the 56th Meeting amounted to US \$105,740,193.

29. The representative of the Secretariat also informed the Meeting that bilateral agencies had balances totalling US \$617,177, including balances for projects that had been completed over a two-year period amounting to US \$457,254. One Member informed the Meeting that, as of 22 October 2008, the Government of France had returned US \$1,523,875 from projects that had been cancelled, transferred or otherwise modified and that information on those cancellations and modifications would be presented at the 57th Meeting.

30. The Executive Committee decided:

- (a) To note:
 - (i) The report on balances and availability of resources contained in document UNEP/OzL.Pro/ExCom/56/4;
 - (ii) The net level of funds being returned by the implementing agencies to the 56th Meeting, amounting to US \$1,107,116 against projects and the balance from advances for HCFC phase-out management plans (HPMP). That included the return of US \$267,698 from UNDP, US \$443,000 from UNEP, and US \$396,418 from UNIDO;
 - (iii) The net level of support costs being returned by the implementing agencies to the 56th Meeting amounting to US \$123,488 against projects and the balance from advances for HPMP support costs. That included the return of US \$20,581 from UNDP, US \$55,840 from UNEP, US \$29,816 from UNIDO, and US \$17,251 from the World Bank;
 - (iv) That implementing agencies had balances totalling US \$5,911,756, excluding support costs, from projects completed over two years previously. That included US \$412,783 for UNDP, US \$1,322,165 for UNEP, US \$623,517 for UNIDO and US \$3,553,291 for the World Bank;
 - (v) That bilateral agencies had balances from completed projects totalling US \$617,117 excluding support costs;
 - (vi) That bilateral agencies had balances totalling US \$457,254 from projects completed over two years previously. That included US \$42,162 for Australia, US \$237,336 for France, US \$676 for Italy, US \$43,497 for Denmark, US \$76,730 for Finland and US \$56,853 for Japan;
- (b) To request bilateral agencies to report to the Executive Committee at its 57th Meeting on their proposed disposition of balances from completed projects; and
- (c) To request the Secretariat to continue monitoring completed projects with balances for bilateral agencies and to report to the Executive Committee thereon.

(Decision 56/2)

(b) 2008 business plans and annual tranche submission delays

31. The representative of the Secretariat introduced documents UNEP/OzL.Pro/ExCom/56/5 and Add.1, which addressed business planning in the light of approvals at the 54th and 55th Meetings, submissions to the 56th Meeting, and allocations in the 2008 business plans. He said that they covered decisions taken at the 54th and 55th Meetings and the resulting allocations for the 2008-2010 business plans and that after accounting for approvals to date a total of US \$33.4 million remained unallocated. The documentation presented the total amount of forward commitments assuming that the requests submitted to the present Meeting were approved at the level requested. Such submissions would result in an additional US \$7.5 million in forward commitments for future years. He said that 30 of the 64 annual tranches due for submission to the present Meeting had not been submitted, mostly because sufficient funds remained from previously approved tranches to implement the agreements. At its 55th Meeting the

Committee had approved decisions addressing three types of delayed submission of annual tranches and the same decisions were recommended at the present Meeting.

32. The Executive Committee decided:

- (a) To note:
 - (i) The report on the status of the 2008 business plans as contained in documents UNEP/OzL.Pro/ExCom/56/5 and Add.1 and the fact that US \$10.67 million in activities that were required for compliance had not been submitted to the 56th Meeting, and that the value of forward commitments approved at the 56th Meeting exceeded that in the 2008-2010 business plan of the Multilateral Fund by US \$4,326,099;
 - (ii) The information on annual tranches of multi-year agreements (MYAs) submitted to the Secretariat by Canada, Italy, UNDP, UNEP, UNIDO, and the World Bank as contained in document UNEP/OzL.Pro/ExCom/56/5;
 - (iii) That 34 of the 64 annual tranches of MYAs due for submission had been submitted on time to the 56th Meeting, but the remaining 30 had either not been submitted on time or were not being submitted to the 56th Meeting;
- (b) That letters should be sent to the relevant implementing agencies and applicable Article 5 countries regarding the annual tranches which had not been submitted to two or three consecutive Meetings, as indicated in Table 1 in Annex II to the present report, with the reasons stated for the delay, and that implementing agencies and the relevant Article 5 Governments should be encouraged to take actions to expedite the implementation of the approved tranches so that tranches due for submission could be presented to the 57th Meeting, provided that sufficient progress had been made;
- (c) That letters should be sent to the relevant implementing agencies and applicable Article 5 countries regarding the annual tranches which had been due for submission to the 56th Meeting, as indicated in Table 2 in Annex II to the present report, with the reasons stated for the delay, and that implementing agencies and the relevant Article 5 Governments should be encouraged to take actions to expedite the implementation of the approved tranches so that tranches due for submission could be presented to the 57th Meeting, provided that sufficient progress had been made;
- (d) To encourage the Governments of the Democratic Republic of the Congo and the Bolivarian Republic of Venezuela to provide verification reports to the 57th Meeting, and the Government of Serbia to expedite the implementation of the existing tranches of its national CFC phase-out plan, in order to submit the next tranche as soon as possible; and
- (e) To note that the level of annual tranches submitted for approval to the 56th Meeting amounted to US \$7,546,163 and, as a result, the total level of commitments including standard activities for the period 2009 to 2014 would amount to US \$240.4 million.

(Decision 56/3)

(c) Status of implementation of delayed projects and prospects of Article 5 countries in achieving compliance with the next control measures of the Montreal Protocol

33. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/56/6, which contained five parts. Part I indicated that all countries eligible for assistance had received support from the Fund. Part II addressed countries subject to compliance decisions and indicated that all but 12 of the 73 issues before the Implementation Committee had been addressed. Part III provided a summary of country programme data. The key finding of Part IV concerning the risk assessment was that all 83 countries that had responded were confident they would achieve and maintain compliance after having reviewed the risk assessment. As requested in decision 55/4, comments had been provided by 31 Parties on the need to revise the indicators with a view to achieving a consensus on their applicability. Based on those comments, the Secretariat was recommending removal of the indicator on imports declining faster than quotas and the two price indicators. It also suggested modifying the indicator on the period of delay and removing delays due to financial closure. Part V addressed the fact that all bilateral agencies had now submitted their outstanding progress reports.

34. Regarding the updated reports requested for submission to the present Meeting, a representative of UNDP, referring to the regional halon bank for West and Central Africa, said that it had been decided to use remaining funds to sub-contract national ozone units to implement their own measures. The Secretariat had pointed out however that in the present case no such flexibility in the use of funds was permitted, therefore, UNDP had had no choice other than to cancel the projects and return the remaining funds.

35. Another representative of UNDP said that both the UNDP and UNEP components of the Bangladesh project had been signed and that implementation would commence in January 2009. The representative of UNEP advised the Committee that the customs training manual had been updated, was being printed, and would be disseminated very soon. The representative of UNIDO said that the project in the Islamic Republic of Iran would be commissioned on 28 November 2008 and completed by the end of the 51st week of the year. As for the Kuwait halon project preparation, that country's ozone officer had died, and once her replacement had been appointed the question of hosting the halon bank equipment could be resolved.

36. A representative of Germany indicated that there was no need for a letter of possible cancellation for the project for the phase-out of methyl bromide use in cut flower and banana production in Morocco (MOR/FUM/29/INV/37) (France), as the project had been completed. The representative of Japan said that her country had submitted progress reports in respect of projects in Sri Lanka and Nigeria. Also, with regard to the two HCFC projects in the 2008 business plan, she pointed out that many implementing agencies covered the Asia region and it might be necessary to reconsider matters in the reduced budget circumstances and endeavour to resubmit the projects for the 2009 business plan.

37. One Member expressed his concern regarding the continued use of indicators on consumption patterns, and asked why, if a country's consumption did not fall in a linear way, it was listed as being potentially at risk of non-compliance. He stated that countries should be consulted before being listed as at risk of non-compliance. He proposed, firstly, that indicators that were non-consensual should not be used to place countries on the list of those at potential risk of non-compliance, and should be withdrawn from use until the Secretariat's evaluation had been completed, and, secondly, the Secretariat should consult a country before including it in the list.

38. The representative of the Secretariat explained how fluctuating irregular patterns of ODS consumption could place a country at risk of non-compliance and why there was a need for monitoring. Some 60 Article 5 countries had still not responded with regard to the risk assessment, and their views were being sought by e-mail and through telephone calls.

39. Following further discussion, it was decided that countries would be given the opportunity to comment on the risk indicators, with a deadline for submitting their comments by the 57th Meeting. The recommendation on removing and modifying the risk indicators would therefore be considered once again by the Executive Committee at its 57th Meeting.

40. The Executive Committee decided:

- (a) To note:
 - (i) With appreciation the status reports on projects with implementation delays submitted to the Secretariat by the Governments of Canada, France, Germany, Japan, Spain, and the four implementing agencies, and the 2007 progress reports provided by the Governments of Finland, Japan and Switzerland addressed in document UNEP/OzL.Pro/ExCom/56/6;
 - (ii) The completion of 15 of the 54 projects listed with implementation delays;
 - (iii) That the Secretariat and the implementing agencies would take established actions according to the Secretariat's assessments (progress or some progress) and report to and notify Governments and implementing agencies as required;
 - (iv) The cancellation of the sectoral phase-out programme: establishing a regional halon bank for West and Central Africa (Benin, Burkina Faso, Cameroon, Congo, Democratic Republic of the Congo, and Guinea) (AFR/HAL/37/TAS/31) (UNDP);
 - (v) With appreciation the comments received from 31 countries on the risk indicators;
 - (vi) With appreciation, that 83 countries had thus far indicated their confidence that they would comply with the control measures of the Montreal Protocol after having reviewed the risk assessment, and to request the Fund Secretariat to continue to update the assessment based on the other risk indicators given the overall consensus on their application and obtain feedback from the countries;
- (b) That Parties would be given the opportunity to comment on the risk indicators up until the 57th Meeting;
- (c) That the indicators would remain in operation pending reconsideration at the 57th Meeting after responses had been received from all countries concerned with regard to the risk assessment;
- (d) To adopt a milestone of project completion and deadline of 24 December 2008 for the project for the phase-out of ODS in the manufacture of flexible slabstock foam through the use of LCD blowing technology at Esfanj Shirvan Co. in Islamic Republic of Iran (IRA/FOA/37/INV/149) (UNIDO); and
- (e) To request status reports on the projects listed in Annex III to the present report.

(Decision 56/4)

(d) Updated model rolling three-year phase-out plan: 2009–2011 (follow-up to decision 53/5(d))

41. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/56/7, which contained the model rolling three-year phase-out plan for the Multilateral Fund for the triennium 2009-2011. The paper included an analysis of the amount of funding for phase-out of ODS that needed to be approved in order to enable all Article 5 countries to achieve compliance with the Montreal Protocol phase-out targets and indicated the ODS to be phased out in Article 5 countries during the 2009–2011 triennium through approved projects. Pursuant to Executive Committee decision 54/5(b)(i), the model included an analysis of the consumption and production of HCFCs by Article 5 countries.

42. The representative of UNIDO, referring to the projects for the phase-out of CFCs in metered-dose inhaler (MDI) applications, said that three countries – Algeria, the Syrian Arab Republic and the Bolivarian Republic of Venezuela – had reported CFC consumption in MDI applications and suggested their inclusion in the model. The representative of the Secretariat said that in those countries CFC consumption eligible for funding was already addressed in national phase-out plans (NPPs), so the model could not include that additional consumption.

43. Following the discussion, the Executive Committee decided:

- (a) To adopt the 2009–2011 model three-year phase-out plan as a flexible guide for resource planning for the corresponding triennium as contained in document UNEP/OzL.Pro/ExCom/56/7;
- (b) To urge Article 5 countries with approved but not implemented projects, and the relevant bilateral and implementing agencies, to accelerate the pace of implementation during the 2009–2011 triennium;
- (c) To urge bilateral and implementing agencies to work with those countries that had been identified as in need of immediate assistance to achieve the 2010 Protocol's phase-out targets, and to include activities in their 2009-2011 business plans as appropriate;
- (d) To request the Secretariat to present an updated model three-year rolling phase-out plan for the years 2010–2012 to the last meeting of the Executive Committee in 2009 to provide guidance, as relevant, for the preparation of the 2010–2013 business plan of the Multilateral Fund;
- (e) To note that:
 - (i) In total around 12,197.8 ODP tonnes of ODS consumption and 7,997.0 ODP tonnes of ODS production had yet to be phased out during the remainder of 2008 and in the 2009-2011 triennium;
 - (ii) The 2007 HCFC consumption and production reported by 144 Article 5 countries was 26,367.8 ODP tonnes and 30,581.3 ODP tonnes, respectively. The level of HCFC consumption had been estimated at 32,606 ODP tonnes in 2013 and the HCFC production would follow the demand;
 - (iii) Eighty-six terminal phase-out management plans (TPMPs) for low-volume-consuming (LVC) countries, 40 national ODS phase-out plans for non-LVC countries, and 12 phase-out plans in the production sector in seven non-LVC countries were currently being implemented; and

- (iv) A national phase-out plan for one non-LVC country and TPMPs for 10 LVC countries had yet to be submitted for consideration and approval by the Executive Committee.

(Decision 56/5)

AGENDA ITEM 6: PROGRAMME IMPLEMENTATION

(a) Monitoring and evaluation

(i) Final report on the evaluation of institutional strengthening projects

44. The Senior Monitoring and Evaluation Officer, introducing the final report on the evaluation of institutional strengthening projects contained in document UNEP/OzL.Pro/ExCom/56/8, explained that the evaluation was part of the 2008 monitoring and evaluation work programme approved by the Executive Committee at its 53rd Meeting (decision 53/7). The desk study on the evaluation of institutional strengthening projects that had been presented to the 54th Meeting of the Executive Committee (UNEP/OzL.Pro/ExCom/54/13) had identified important issues for more detailed investigation during phase II. In addition, proposals resulting from the Executive Committee's discussion of the desk study had been taken into account.

45. In the ensuing discussion, the importance of institutional strengthening for developing countries was highlighted and appreciation expressed for the work of the Secretariat in evaluating the activities. It was stated, however, that a number of financial factors were threatening to compromise the continued success of institutional strengthening projects, including inflation, rising labour costs and disadvantageous exchange rates, and further funding was required for national ozone units to ensure that progress in institutional strengthening was maintained. It was indicated, on the other hand, that levels of funding for national ozone units in developing countries had been adequate and the units should make further efforts to develop their capabilities to operate self-sufficiently and sustainably in budgetary matters. The importance of awareness raising in accelerating the progress of institutional strengthening and phase-out of ODS at the national level was stressed. One Member reminded the Executive Committee that institutional strengthening was not one of the items on the list of eligible incremental costs and was therefore part of a special deal between Article 5 and non-Article 5 Parties and that the future of institutional strengthening would need to be re-examined in the context of the HCFC phase-out.

46. While it was recognized that institutional strengthening projects had been important in helping Article 5 countries achieve the objectives of the Montreal Protocol, it was acknowledged that documentation on institutional strengthening projects lacked clear objectives and expected results. As that made it difficult to measure achievement against expected results, it was suggested that the Senior Monitoring and Evaluation Officer and the implementing agencies, in consultation with Article 5 countries, could be requested to agree on a set of objectives, expected results and indicators for such projects with a view to ensuring that future evaluations were more deeply rooted in a results-based approach.

47. Particular attention was drawn to the recommendation requesting UNEP to develop a training module on policy and technical issues related to the reduction of HCFCs with technical input from the other implementing agencies. In response, the representative of UNEP said that in each of the regional network meetings in 2008 UNEP had included a session on technical and regulatory matters related to the elimination of HCFCs, and further information was provided through its website OzonAction. A workshop for advisers and experts was planned.

48. The Executive Committee decided:

- (a) To take note of the final report on the evaluation of institutional strengthening projects as presented in document UNEP/OzL.Pro/ExCom/56/8;
- (b) To request:
 - (i) The Fund Secretariat to take into account the findings of the evaluation in its review of the funding for institutional strengthening pursuant to Executive Committee decision 53/39;
 - (ii) The implementing agencies to review procedures for fund disbursement and reporting and administrative requirements with a view to minimizing project implementation delays for institutional strengthening projects while ensuring that accountability for institutional strengthening funds disbursed was maintained;
 - (iii) The Fund Secretariat, implementing agencies and the bilateral agencies, in consultation with Article 5 countries, to agree on a set of objectives, expected results and indicators, which would be incorporated into future institutional strengthening extension requests;
 - (iv) The implementing agencies to monitor implementation of institutional strengthening projects and to submit any requests for renewal up to six months in advance of expiry of the existing project in line with Executive Committee decision 19/29;
 - (v) The Fund Secretariat to review the formats for terminal reports and extension requests for institutional strengthening projects with the aim of rationalizing reporting and project review;
 - (vi) UNEP, through the Compliance Assistance Programme (CAP), to allocate time during network meetings to discuss institutional strengthening reporting and the importance of requesting renewals on time; and
 - (vii) UNEP to develop a training module on policy and technical issues related to the reduction of HCFCs, with technical inputs from the other implementing agencies, for briefings of national ozone units during network meetings.

(Decision 56/6)

(ii) 2008 consolidated project completion report

49. The Senior Monitoring and Evaluation Officer introduced documents UNEP/OzL.Pro/ExCom/56/9 and Add.1, which provided an overview of the results reported in the project completion reports (PCRs) received since the 53rd Meeting of the Executive Committee in November 2007. Fewer PCRs for investment projects had been received in 2008, owing partly to advancement of the deadline because of the date of the current Meeting and partly to the decrease in the number due. Moreover, UNDP and UNEP had not fully respected the agreed delivery schedule for the first three quarters of 2008. The 29 PCRs for investment projects had been analysed, with lessons reported compiled from them and presented in the document. Most of the 49 PCRs for non-investment projects contained substantial information, and analysis and lessons learned had been reported on regional trade in ODS in Asia and implementation of refrigerant management plans and halon management and banking projects. Lessons learned from the implementation of MYAs had not been reported.

50. The Executive Committee decided:

- (a) To take note of the 2008 consolidated project completion report contained in documents UNEP/OzL.Pro/ExCom/56/9 and Add.1, including the schedule for submission of project completion reports (PCRs) due and the lessons learnt;
- (b) To request the implementing agencies and bilateral agencies concerned:
 - (i) To establish by the end of January 2009, in cooperation with the Multilateral Fund Secretariat, full consistency of data reported in the PCRs in the inventory of approved projects and in the annual progress reports;
 - (ii) To provide the information still missing in a number of PCRs by the end of January 2009;
 - (iii) To clear the backlog of PCRs on projects completed before the end of 2006 by the end of January 2009; and
- (c) To invite all those involved in the preparation and implementation of projects to take into consideration the lessons learned from PCRs when preparing and implementing future projects.

(Decision 56/7)

(iii) Draft monitoring and evaluation work programme for 2009

51. The Senior Monitoring and Evaluation Officer introduced the draft monitoring and evaluation work programme for 2009 contained in document UNEP/OzL.Pro/ExCom/56/10. The work programme proposed for 2009 encompassed both ongoing projects and new activities, which had been selected on the basis of their usefulness for phasing out remaining CFC consumption as scheduled and for providing lessons learned for phasing out HCFCs. They comprised case studies and the final report on the evaluation of TPMPs (under way); an extended desk study and final report on the evaluation of chiller projects (desk study under way and further case studies and a final synthesis report proposed); and an evaluation of experience in converting foam manufacture and foam insulation production by refrigeration companies to non-HCFC alternatives, such as hydrocarbons, water and HFC-245fa (new proposal).

52. The monitoring and reporting tools being developed or suggested, such as the MYA overview tables, the country profiles and the PCR format for MYAs, were designed to assist reporting, facilitate access to data and project review by the Secretariat and improve transparency and accountability. They would also be useful for monitoring and reporting HCFC phase-out plans and projects.

53. A number of Members commented that the departure of the Senior Monitoring and Evaluation Officer at the end of the year might jeopardize completion of the proposed work plan and suggested that only those projects that could realistically be completed before his departure or be completed by consultants should be retained. That referred in particular to the extended chiller desk study and the final report on the evaluation of TPMPs, which had been approved under the 2008 work programme and on which work had started.

54. It was remarked that little progress had been made in completing earlier chiller projects and that the evaluation should cover the reasons for those delays. It was also suggested that the proposed second phase of the chiller projects should be deferred to 2010 in order to accumulate adequate experience in different regions.

55. The importance of conserving institutional memory was underlined, and it was proposed that the work plan for 2009 include provisions to ensure that the relevant experience gained and the lessons learned from evaluations were retained for implementing HPMPs. It was suggested that the medium- to long-term framework for future evaluations could be discussed at the 57th Meeting as that would give Parties time to consider priorities for evaluation.

56. The Chief Officer pointed out that the function of the Senior Monitoring and Evaluation Officer was independent of the Secretariat and that the Secretariat neither had the capacity to undertake the proposed evaluations nor could do so without entering into a conflict of interest. Any work that could not be completed by the Senior Monitoring and Evaluation Officer would have to be done by a consultant. Summarizing the discussion, she said that the final report on the evaluation of TPMPs and the desk study on chiller projects should be completed during the course of 2009, with a budget to hire consultants to finalize the draft reports. No submission deadlines during 2009 could be fixed. The future work of the Senior Monitoring and Evaluation Officer would be discussed at the 57th Meeting of the Executive Committee.

57. The Executive Committee decided:

- (a) To approve a reduced budget of US \$75,000 for the implementation of the 2009 monitoring and evaluation work programme, in view of the departure of the Senior Monitoring and Evaluation Officer at the end of 2008. The Secretariat, with the assistance of an interim Monitoring and Evaluation Officer and consultants, should finalize activities under way, specifically the preparation of the extended desk study on the evaluation of chiller projects, the final report on the evaluation of terminal phase-out management plans, the consolidated project completion report for the year 2009, the multi-year agreement tables, the web-based country profiles, and the multi-year agreement reporting format;
- (b) To request the Secretariat to adhere to the draft timetable as proposed in the 2009 monitoring and evaluation work programme, as modified by the work identified in paragraph (a) above and the time required to recruit the interim Monitoring and Evaluation Officer provided for in the 2009 budget, and in any case to complete the work in 2009 and report back on its completion to the Executive Committee by the 59th Meeting;
- (c) To request the Secretariat in consultation with the Chair (Article 5) and the Vice-Chair (non-Article 5), as well as the outgoing Senior Monitoring and Evaluation Officer, to engage the services of an interim Monitoring and Evaluation Officer consistent with existing terms of reference for that position, to the extent feasible;
- (d) To request the Senior Monitoring and Evaluation Officer to prepare and submit a document to the 57th Meeting of the Executive Committee outlining existing terms of reference for the position and briefly summarizing how evaluation functions in other similar fund secretariats and financial institutions were organized and implemented; and

- (e) Commencing at the 57th Meeting of the Executive Committee, to make an effort to reach a decision no later than the 58th Meeting of the Executive Committee, to discuss priorities and arrangements that might be necessary over the next five years for the monitoring and evaluation programme, and bearing in mind the 2010 compliance period, the size and complexity of the future work, including associated budgetary and institutional arrangements for carrying out such work, including the possibility of cost effective and independent delivery options external to the Fund Secretariat.

(Decision 56/8)

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

58. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/56/11, which consisted of progress reports on the implementation of: the national CFC phase-out plan in Argentina, the TPMP in Bhutan, the accelerated phase-out of CFCs and halons in China, the NPP for CFCs and halons in Colombia, the verification audit report of the terminal CFC phase-out management plan in Croatia, the TPMP in Ghana, the technology transfer leading to methyl bromide phase-out in soil fumigation in Kenya, the national CFC phase-out plan in Mexico and the sector plan for phasing out the CFC-11 and CFC-12 production sector in Mexico.

59. The Executive Committee decided:

- (a) To note the verification and progress reports on the implementation of the national CFC phase-out plan (NPP) for Argentina, and to approve the annual implementation programme for 2008-2009 with a proviso requesting the Government of Argentina and UNIDO to ensure that future verification would include the country's monitoring of its activities under the Agreement through the monitoring institutions defined in Appendix 5 A to the Agreement;
- (b) To note the progress report on the implementation of the terminal phase-out management plan (TPMP) for Bhutan, as well as the annual implementation plan for 2008-2009;
- (c) To note the 2008 progress report on the accelerated phase-out of CFCs and halons in China and to encourage China to continue its efforts to monitor closely the import and export of ODS and the illegal trade and production of ODS, thus contributing to the compliance effort in the region and globally;
- (d) To note the progress report on the implementation of the NPP for Colombia, covering the 2007-2008 period, and to approve the annual implementation programme for 2009;
- (e) To note the successful verification of Croatia's compliance in 2007 with its phase-out obligations for CFC consumption under the TPMP;
- (f) To note the progress report on the implementation of the TPMP for Ghana in 2008 and to approve the annual implementation programme for 2009;
- (g) To note the progress report on the implementation of the project on technology transfer leading to methyl bromide phase-out in soil fumigation in Kenya in 2008 and to approve the annual implementation programme for 2009, requesting the Government of Germany and UNIDO to assist the Government of Kenya to strengthen current ODS regulations to ban controlled uses of methyl bromide once the project had been completed;

- (h) To note the verification and progress reports on the implementation of the NPP for Mexico and to approve the annual implementation programme for 2008-2009, requesting UNIDO to ensure that a verification of the country's monitoring of its activities was carried out as part of future verifications, as specified in paragraph 6 of the Agreement approved by decision 42/32;
- (i) With regard to the sector plan for phasing out CFC-11 and CFC-12 in the production sector for Mexico:
 - (i) To commend the Government of Mexico and UNIDO on their good efforts to comply with decision 47/29 and for successfully implementing the audits in 2007 and 2008 to confirm the sustained cessation of CFC production at the Quimobásicos plant in Mexico;
 - (ii) To agree that the 2007 verification would be the final exercise to be undertaken by UNIDO; and
 - (iii) To request the National Ozone Office to maintain monitoring of the CFC production closure at the Quimobásicos Plant as part of the effort to sustain the national CFC phase-out plan in future years.

(Decision 56/9)

60. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/56/11/Add.1, which provided information on the progress made in all chiller projects in response to decisions 47/26 and 55/5. The 55th Meeting of the Executive Committee had requested the Secretariat to consult the GEF and the implementing agencies on resolving co-financing issues with respect to the approval of chiller projects and, where applicable, the related release of funding, and to report to the Executive Committee at its 56th Meeting.

61. In the discussion that followed, it was stated that the Executive Committee had been wise to explore other funding mechanisms and the implementing agencies, as well as the countries involved, were congratulated on their excellent work in finding co-financing for the chiller projects. Small amounts of funding by the Executive Committee had enabled significant funds to be leveraged and it was clear from that success that co-financing would provide useful lessons for other projects. While co-financing as such was useful, the Meeting was reminded that Article 5 countries had a number of specific commitments up to 2013 and it might not be possible to find co-financing in that time period. It would also be useful to have a statement on the benefits of co-financing as part of the desk study on the evaluation of chiller projects being prepared under the Fund's evaluation programme. The results of the desk study should also be considered by the Secretariat when preparing a policy paper on a "facility for additional income from loans and other sources" as per decision 55/2, taking into account: the benefits for both ozone and climate change, the need for the timely implementation of projects in order to adhere to the compliance schedule of the Montreal Protocol, and the need for the development of an exit strategy.

62. It was also suggested that voluntary emission reductions be studied and that the credits created through the implementation of such projects could be owned by the Multilateral Fund. However, some reservations about co-financing were expressed. While the Clean Development Mechanism was working within the United Nations and funds were available from the GEF, neither funding mechanism's time-frame tallied exactly with those of the Multilateral Fund. Although those funding mechanisms might be acceptable if the difficulties could be resolved, recourse to the voluntary markets was to be avoided as such mechanisms were not endorsed by countries and might not respond to the needs of sustainable development.

63. The representative of the World Bank explained that it was the Bank's understanding that, according to decision 47/26, the co-financing required for the World Bank's global project amounted to twice the level of those funds being provided by the Multilateral Fund. Co-financing needed to be evaluated at the global level for a global project and not at the level of any particular country, and so it followed that some countries might not need to secure co-financing if in total sufficient levels of co-financing were available under the global project. The representative of the Secretariat said that the understanding of the Secretariat was in essence that of the World Bank.

64. It was also clarified that the source of co-funding in the demonstration project for the integrated management of the centrifugal chiller sub-sector in Cuba was the Climate Change Action Fund and not the Canadian International Development Agency (CIDA).

65. Following the discussion the Executive Committee decided:

- (a) To note the report on progress made in all chiller projects contained in document UNEP/OzL.Pro/ExCom/56/11/Add.1; and
- (b) To request that the discussions held at the 56th Meeting be taken into account when preparing a revision of the desk study on the evaluation of chiller projects and when preparing a policy paper on "a facility for additional income from loans and other sources" in response to decision 55/2.

(Decision 56/10)

66. The representative of the Secretariat then introduced document UNEP/OzL.Pro/ExCom/56/11/Add.2, prepared pursuant to Executive Committee decision 55/5, which identified projects where conversion to HCFC-based equipment was still being considered and briefly assessed the feasibility of conversion to non-HCFC alternatives. There was only one investment project that would come within that category, while for national or sector phase-out plans, the Committee had only a limited possibility of directly influencing the choice of technology because of a flexibility clause in the related agreements.

67. The Executive Committee decided:

- (a) To take note of the report on planned conversion to HCFC-based equipment in ongoing projects contained in document UNEP/OzL.Pro/ExCom/56/11/Add.2;
- (b) To note the information cited in the report to the effect that UNDP would call for tenders under the project "Terminal umbrella project for phase-out of the use of CFC-11 in the manufacture of polyurethane foam" in Chile for equipment that allowed the use of non-ODS technology once it became available in the country;
- (c) To request agencies to discuss with relevant countries the possibility of avoiding the use of HCFCs as replacement technology in conversion activities under phase-out plans where possible; and

- (d) To request agencies to report in their annual implementation reports for multi-year agreements those cases in which HCFC technology was used to replace CFC technology, including the name and location of the relevant beneficiaries, capacity converted or previous CFC consumption, the reason for the technology selection, and whether the equipment selected could also be used with non-ODS technology to lessen the need for further assistance from the Multilateral Fund.

(Decision 56/11)

AGENDA ITEM 7: PROJECT PROPOSALS

(a) Overview of issues identified during project review

68. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/56/12 and Add.1, which comprised two sections: Section I provided the statistics on the submissions to the 56th Meeting received from implementing and bilateral agencies and an assessment of the fund balance available against the demand for funds based on the submissions; Section II contained three policy issues that were of particular interest as they had possible implications for similar situations in the future.

69. Regarding Section I, the representative of the Secretariat said that, with the interest being returned by the implementing agencies and additional contributions received being taken into account, the available cash balance had increased by another US \$4 million. As a result the current cash balance was approximately US \$75 million and the likely shortfall had been reduced from US \$8.7 million to about US \$4.7 million.

Resubmission of projects not approved by the Executive Committee

70. Turning to Section II, he introduced the first policy issue, which concerned the permissibility of resubmitting projects that had not been approved by the Executive Committee. Current practice enabled resubmission if relevant new information was provided. The Secretariat had received a request through UNIDO to resubmit the project preparation requests for CFC-MDI conversion on behalf of the Governments of Algeria, the Syrian Arab Republic and the Bolivarian Republic of Venezuela. Those three projects had been considered but not approved at the 55th Meeting of the Executive Committee.

71. During the ensuing debate there was some discussion of both the general procedural principles involved, as they applied to the work of the Committee, and the particular situation of the countries concerned. There were some concerns that the precedent set by reconsideration of projects that had not been approved at a prior Meeting would encourage resubmission of a large number of projects, confounding the smooth operation of the Committee. Also, the procedures of the Committee stipulated that resubmitted requests must contain new and relevant substantive information if they were to be considered by the Executive Committee. The representative of the Secretariat confirmed that the resubmissions by Algeria, the Syrian Arab Republic and the Bolivarian Republic of Venezuela did not contain any new or relevant information.

72. A number of Members said that the three submissions warranted special consideration and particular effort should be made to resolve the issue, given the health implications of the CFC-MDI conversion projects for the countries concerned and the difficulties they might be experiencing in meeting the 2010 phase-out deadline. Such special consideration need not set a precedent for the Committee's procedures. While some Members said that the potential solution of allowing countries to resubmit their requests, provided that they included new and relevant information to support them, was in accordance with the Committee's current procedural practice, another Member recalled that at a previous Meeting the Committee had decided that the present Meeting would be the last at which MDI projects would be considered, so any further submission of requests would miss that deadline.

73. The Executive Committee decided, in regard to the resubmission of project proposals to the Committee:

- (a) That project proposals that had previously not been approved by the Executive Committee could not be resubmitted for reconsideration unless new and relevant substantive information was provided; and
- (b) In the event that such new information was provided that the Secretariat could submit that proposal for consideration by the Committee.

(Decision 56/12)

Management of the unspent fund balance from MYAs

74. The representative of the Secretariat introduced the second policy issue, which concerned management of the unspent fund balance from MYAs after ODS reduction or phase-out targets had been achieved. The issue had arisen in connection with three MYAs in China but might also occur in other contexts. The Committee would have to consider (i) whether a country continued to be eligible for any remaining funds once a project had achieved its targets, recalling that the funding of MYAs was performance-based; (ii) if a country could continue to receive funds, what would be the required level of monitoring and reporting; and (iii) whether the implementing agency should continue to exercise financial oversight and performance verification and, if so, what would be the consequences if an agency could not do so because of administrative or legal hurdles.

75. The general view was that the Committee should maintain its commitments under MYAs. Monitoring of disbursement was essential in order to ensure that it did not adversely affect the cash flow of the Fund. If an agency was unable to perform, the work should be reallocated to another agency, with transfer of the support costs.

76. The representative of the World Bank said that, after consultation with the Government of China with regard to its three sector plans, the Bank, on behalf of China, presented a proposal to continue monitoring use of the project balances. The proposal consisted of two elements: a final work plan for each sector and a simplified mechanism for monitoring implementation of the agreed work plan. China had submitted three final work plans: one, for halon, had been approved in 2007, and the other two, on CFC production and foam, were submitted for consideration by the Committee at the present Meeting. Each plan contained a list of activities to be carried out in 2009 and beyond and their budgets. China planned to implement the work plans for each sector, on the understanding that any necessary adjustments could be made and that it would not be necessary to submit additional plans unless major changes were introduced. With regard to monitoring, China proposed to continue financial audits on the three project accounts, and the reports, which would follow the format used in previous years, would be sent to the Executive Committee annually as of 2009.

77. The Executive Committee decided to set up a contact group, with the representative of the United States of America as the facilitator. Having heard the report of the contact group, the Executive Committee decided:

- (a) To continue monitoring activities and the utilization of project balances beyond the end of the agreements with the Executive Committee for the foams and halons and CFC production sector plans and the related accelerated phase-out sector plans in China, with the following simplified procedures:
 - (i) China would submit a final work plan for the foam sector, as had been done in the halon and CFC production sectors with information on planned activities

including associated funding. Each respective work plan would provide a list of activities and the associated budget for each activity to be carried out in 2009 and beyond. China would use those work plans as a basis for implementation of work in each sector in 2009 and beyond with the understanding that China had flexibility to make necessary adjustments to those plans. With this flexibility, China would not be required to submit any additional work plans unless there were major changes made to them;

- (ii) China would continue to have independent financial audits conducted of the account of the three sector plans. The financial audit reports based on the format used in the previous years would be provided to the Executive Committee on an annual basis from 2009 and beyond. China would provide the necessary information for the project completion reports;
 - (iii) The World Bank would facilitate the review and submission of any adjustments to the work plans and financial audit reports to the Executive Committee, and submit the related project completion reports upon the final expenditure of funds;
- (b) To note that the Executive Committee was approving work plans beyond 2009 for the halon and CFC production and the related accelerated phase-out sector plans in China; and
- (c) To request China to resubmit the work plan for activities beyond 2009 for the foam sector to the 57th Meeting.

(Decision 56/13)

Verification report on the national CFC phase-out plan of the Bolivarian Republic of Venezuela

78. The representative of the Secretariat, introducing the third policy issue, said that UNIDO, as lead implementing agency, had submitted to the 56th Meeting a request for approval of the fourth tranche of the national CFC phase-out plan for the Bolivarian Republic of Venezuela. The Secretariat had reviewed the documentation and informed UNIDO that the verification report for 2006 and 2007 was not acceptable in its present form because of incomplete data verification. Furthermore, the reported CFC consumption for 2006 was above the maximum allowable level under the agreement by 980.6 ODP tonnes. The Ozone Secretariat had informed the Fund Secretariat that the Bolivarian Republic of Venezuela's data submission under Article 7 stated that 985.1 metric tonnes of CFC-12 had been produced in 2006 to satisfy the needs of Article 5 Parties in the region during the period 2007-2009, which might imply that that amount would not be taken into account in assessing potential non-compliance, based on decision XVIII/17 of the Eighteenth Meeting of the Parties. The annual reports provided by UNIDO and the initial verification reports indicated that the Bolivarian Republic of Venezuela had exported 114 ODP tonnes in 2007, consistent with its Article 7 data reporting. The Fund Secretariat had received verifications of CFC production and stockpiles in 2007. The verified stockpiles for future export and actual exports in 2007 appeared to add up to about 173 ODP tonnes less than the amount stated to be stockpiled for future exports. That amount might be counted as consumption beyond the maximum level allowable in the agreement for the year 2006, which was equal to the Bolivarian Republic of Venezuela's CFC consumption limit under the Protocol for 2006.

79. UNIDO had been informed of the discrepancy and of the possible indication that the agreement CFC target for 2006 had not been met. Article 7 data reporting, however, which did not include stockpiles, showed the country to be in compliance with the Protocol control measures for 2006. The Government of the Bolivarian Republic of Venezuela had informed the Chief Officer in writing on 5 November 2008 that 173.7 ODP tonnes from the stockpiles put aside at the end of 2006 for future export

had in fact been consumed domestically during 2007. The country pointed out, however, that its use was less than the consumption entitlement under the Protocol for 2007, which was 400 ODP tonnes.

80. The representative of UNIDO said that the necessary explanations regarding the verification report had been provided. The Ozone Secretariat had concluded that the Bolivarian Republic of Venezuela appeared to be in full compliance with Article 7. The Bolivarian Republic of Venezuela had banned importation of CFCs in 2005 but continued to export to countries in the region to allow them to meet their domestic needs. It had used 173.7 ODP tonnes of the ring-fenced stockpile for its own domestic needs, which was well below the 400 ODP tonnes of consumption allowed. The verifications of the CFC consumption for the years 2006 and 2007 remained incomplete.

81. After several suggestions that the issue be deferred until the next meeting of the Committee, the representative of Sweden expressed concern regarding the implications of deferral on the compliance status of the Bolivarian Republic of Venezuela.

82. The Executive Committee decided:

- (a) That consideration of the fourth tranche of the national CFC phase-out plan of the Bolivarian Republic of Venezuela be deferred to the 57th Meeting of the Executive Committee; and
- (b) To request UNIDO to complete the verifications for 2006 and 2007 and submit all other information required in respect of CFC consumption.

(Decision 56/14)

List of projects and activities submitted for blanket approval

83. The representative of the Secretariat drew the Committee's attention to the list of projects and activities recommended for blanket approval presented in Annex I to document UNEP/OzL.Pro/ExCom/56/12. He noted that, in line with document UNEP/OzL.Pro/ExCom/56/24/Add.1, the China sector plan for phase-out of CFC-11 in the foam sector (2009 annual programme) was to be removed from the list of projects and activities recommended for blanket approval and added to the list of projects for individual consideration contained in Annex II to the document.

84. The Executive Committee decided:

- (a) To approve the projects and activities submitted for blanket approval at the levels of funding indicated in Annex IV to the present report, together with the conditions or provisos included in the corresponding project evaluation sheets and the conditions attached to the projects by the Executive Committee;
- (b) With regard to the terminal phase-out management plan in Guatemala:
 - (i) To approve the agreement between the Government of Guatemala and the Executive Committee for the terminal phase-out management plan contained in Annex V to the present report at a total amount in principle of US \$314,000 (US \$65,000 for UNEP and US \$249,000 for UNDP) plus agency support costs of US \$30,860 (US \$8,450 for UNEP and US \$22,410 for UNDP);

- (ii) To urge UNEP and UNDP to take full account of the requirements of decisions 41/100 and 49/6 of the Executive Committee during the implementation of the terminal phase-out management plan;
 - (iii) To approve the first tranche of the plan at US \$282,000 (US \$33,000 for UNEP and US \$249,000 for UNDP) plus agency support costs of US \$26,700 (US \$4,290 for UNEP and US \$22,410 for UNDP);
- (c) With regard to the terminal phase-out management plan in Guinea-Bissau:
- (i) To approve the agreement between the Government of Guinea-Bissau and the Executive Committee for the terminal phase-out management plan contained in Annex VI to the present report at a total amount in principle of US \$100,000 plus agency support costs of US \$13,000 for UNEP;
 - (ii) To urge UNEP to take full account of the requirements of decisions 41/100 and 49/6 of the Executive Committee during the implementation of the terminal phase-out management plan;
 - (iii) To approve the first tranche of the plan at US \$62,500 plus agency support costs of US \$8,125 for UNEP;
- (d) With regard to the terminal phase-out management plan in Mozambique:
- (i) To approve the agreement between the Government of Mozambique and the Executive Committee for the terminal phase-out management plan contained in Annex VII to the present report at a total amount in principle of US \$251,500 (US \$134,000 for UNEP and US \$117,500 for UNDP) plus agency support costs of US \$27,995 (US \$17,420 for UNEP and US \$10,575 for UNDP);
 - (ii) To urge UNEP and UNDP to take full account of the requirements of decisions 41/100 and 49/6 of the Executive Committee during the implementation of the terminal phase-out management plan;
 - (iii) To approve the first tranche of the plan at US \$175,500 (US \$75,000 for UNEP and US \$100,500 for UNDP) plus agency support costs of US \$18,795 (US \$9,750 for UNEP and US \$9,045 for UNDP);
- (e) With regard to the terminal phase-out management plan in Nicaragua:
- (i) To approve the agreement between the Government of Nicaragua and the Executive Committee for the terminal phase-out management plan contained in Annex VIII to the present report at a total amount in principle of US \$520,000 (US \$200,000 for UNEP and US \$320,000 for UNDP) plus agency support costs of US \$50,000 (US \$26,000 for UNEP and US \$24,000 for UNDP);
 - (ii) To urge UNEP and UNDP to take full account of the requirements of decisions 41/100 and 49/6 of the Executive Committee during the implementation of the terminal phase-out management plan;
 - (iii) To approve the first tranche of the plan at US \$450,000 (US \$130,000 for UNEP and US \$320,000 for UNDP) plus agency support costs of US \$40,900 (US \$16,900 for UNEP and US \$24,000 for UNDP);

- (f) With regard to the terminal phase-out management plan in Suriname:
 - (i) To approve the agreement between the Government of Suriname and the Executive Committee for the terminal phase-out management plan contained in Annex IX to the present report at a total amount in principle of US \$278,000 (US \$153,000 for UNEP and US \$125,000 for UNDP) plus agency support costs of US \$31,140 (US \$19,890 for UNEP and US \$11,250 for UNDP);
 - (ii) To urge UNEP and UNDP to take full account of the requirements of decisions 41/100 and 49/6 of the Executive Committee during the implementation of the terminal phase-out management plan;
 - (iii) To approve the first tranche of the plan at US \$225,000 (US \$100,000 for UNEP and US \$125,000 for UNDP) plus agency support costs of US \$24,250 (US \$13,000 for UNEP and US \$11,250 for UNDP);
- (g) With regard to the terminal phase-out management plan in Swaziland:
 - (i) To approve the agreement between the Government of Swaziland and the Executive Committee for the terminal phase-out management plan contained in Annex X to the present report at a total amount in principle of US \$253,500 (US \$132,000 for UNEP and US \$121,500 for UNDP) plus agency support costs of US \$28,095 (US \$17,160 for UNEP and US \$10,935 for UNDP);
 - (ii) To urge UNEP and UNDP to take full account of the requirements of decisions 41/100 and 49/6 of the Executive Committee during the implementation of the terminal phase-out management plan;
 - (iii) To approve the first tranche of the plan at US \$156,500 (US \$75,000 for UNEP and US \$81,500 for UNDP) plus agency support costs of US \$17,085 (US \$9,750 for UNEP and US \$7,335 for UNDP); and
- (h) That for projects related to renewal of institutional strengthening, blanket approval included approval of the observations to be communicated to recipient governments contained in Annex XI to the present report.

(Decision 56/15)

(b) Cost structure for determining funding levels for preparation of HCFC investment and associated activities (decision 55/13(d))

85. The representative of the Secretariat said that, in response to the request contained in decision 55/13(d), the Secretariat had discussed a proposed approach to determining the cost structure for investment project preparation with the implementing and relevant bilateral agencies. Document UNEP/OzL.Pro/ExCom/56/13 described a funding structure for the preparation of investment activities. On the basis of five defined manufacturing sectors, the Secretariat had developed a funding structure that resulted in costs of between US \$30,000 for a single enterprise and US \$150,000 per sector. Criteria for requests for preparation funds for demonstration projects were also included in accordance with decision 55/43, paragraphs (b) to (f), with a similar funding structure being proposed.

86. Several Members raised concerns that the document neither contained a definition of associated projects nor covered the refrigeration servicing sector, despite the sector often being a very large consumer of HCFCs and the biggest source of emissions of those substances. A number of Members

believed that it would be appropriate for the Meeting to set a cap on the cost of preparation of HPMP investment projects and to decide how to fund reconversion in the servicing sector. One Member said that LVC countries should be given funding for chiller projects as well as investment projects, in order to ensure their compliance.

87. The representative of the Secretariat clarified that heat pumps were treated as refrigeration systems and that in the case of solvent uses in the manufacturing sector a country would be advised of its project's eligibility via the Secretariat. Dealing with concerns that had been expressed by a number of Members regarding the servicing sector, he explained that document UNEP/OzL.Pro/ExCom/56/13 sought to address unfinished business from the previous Meeting of the Committee, which had taken decisions on preparatory funding for HPMPs, including activities akin to the refrigeration servicing sector plans but had not addressed the manufacturing sector. Since the development of investment activities for the manufacturing sectors for stage one of an HPMP had not been dealt with at the 55th Meeting, the decisions before the present Meeting only covered the remaining aspect of HPMP preparation. The refrigeration servicing sector had been addressed by the decisions taken at the 55th Meeting and was not the issue for the present Meeting.

88. One Member said that there was no compelling reason for changing the funding structures, and while US \$150,000 should be adequate for preparation funding for sector plans, if some agencies wished to develop sub-sector plans their total amount should not exceed that for the overall sector. She also said that there should be limits on total investment project funding. Another Member emphasized that the Meeting should not reopen what had been decided at the 55th Meeting concerning the costs agreed for other elements of the HPMP, which included the refrigeration servicing sector.

89. The representative of the Secretariat clarified that those small countries with a manufacturing sector could prepare investment projects and benefit from preparatory funding according to the normal rules. The funding being discussed at the present Meeting was complementary and additional to that which had been approved at the 55th Meeting.

90. The representative of UNEP explained, for the benefit of one Member, that general awareness-raising activities were supported by institutional strengthening funding through national ozone units, but more specific awareness-raising activities in individual sectors were often addressed under other projects. The representative of the Secretariat said that preparation for awareness-raising activities had been part of the three components (a) to (c) discussed at the 55th Meeting and reflected in document UNEP/OzL.Pro/ExCom/56/13, and whatever was decided during the present Meeting would concern only investment project preparation for countries possessing a manufacturing sector. Funding for specific awareness-raising activities would be part and parcel of the future funding for the full HPMP once it had been submitted by the country and approved by the Executive Committee.

91. The Chair suggested that an open-ended contact group be established with a view to reaching agreement on the text of a decision. The representative of Sweden, as facilitator of the contact group, reported that it had held four meetings and proposed the text of a draft decision, to which a number of oral amendments were made.

92. On the basis of the text proposed by the contact group, the Executive Committee decided:

- (a) To note document UNEP/OzL.Pro/ExCom/56/13 regarding a cost structure for determining funding levels for preparation of HCFC investment and associated activities (decision 55/13(d));

- (b) To define the elements of a cost structure for funding the preparation of an overall HCFC phase-out management plan (HPMP) in line with decision 54/39 and comprising several components as follows:
- (i) Assistance for policy and legislation, e.g. to develop new or extend existing legislation regarding HCFC, products containing HCFCs, quotas, and licences;
 - (ii) Survey of HCFC use and analysis of data;
 - (iii) Development and finalization of the HPMP including its stage one to address the 2013 and 2015 control measures, the latter being akin to a terminal phase-out management plan (TPMP) or a refrigeration service sector plan;
 - (iv) Development of investment activities for the HCFC-consuming manufacturing sectors for stage one of an HPMP, if such activities were necessary;
- (c) To provide funding for elements (b)(i) to (iii) above as specified in the table below, based on the countries' HCFC consumption for 2007, while applying decision 55/13(a), (b) and (c):

Group according to consumption pattern	Funding for above components (b)(i) to (iii)
Countries with zero consumption of HCFC	US \$30,000
Countries with consumption only of HCFC-22, or consumption below 6 ODP tonnes/year	US \$85,000
Countries with medium consumption, between 6 ODP tonnes/year and 100 ODP tonnes/year	US \$150,000
Countries with consumption higher than 100 ODP tonnes/year	US \$195,000

- (d) To limit the maximum funding provided for the element (b)(iv) of the HPMP for any country with a manufacturing sector using HCFCs as per the following table based on the countries' HCFC consumption for 2007, on the understanding that those limits represented maximum amounts and requests for project preparation would have to justify the level of funding up to that amount, and on the understanding that preparation costs for demonstration projects according to decision 55/43 paragraphs (b) to (f) were not taken into account when calculating that level of funding;

Consumption limit (ODP tonnes)	Investment preparation limit
Up to 100	\$100,000
101 –300	\$200,000
301-500	\$250,000
501 – 1,000	\$300,000
1,001 and above	\$400,000

- (e) To define five manufacturing sub-sectors as follows: air-to-air air conditioning systems; refrigeration (including all refrigeration, heat pumps and air conditioning sub-sectors except air-to-air air conditioning systems); polyurethane foam; extruded polyurethane (XPS) foam; and solvent uses in manufacturing;
- (f) To provide funding for the element (b)(iv) of the HPMP for countries with manufacturing capacity up to a maximum specified below, to be determined by the total number of enterprises to be converted under HPMP stage one in the relevant sub-sector as defined

under paragraph (e) above, excluding those enterprises with demonstration projects that might be chosen by the Executive Committee according to decision 55/43, paragraphs (b) to (f):

- (i) One enterprise to be converted in a manufacturing sector: US \$30,000;
 - (ii) Two enterprises to be converted in a manufacturing sector: US \$60,000;
 - (iii) Three to 14 enterprises to be converted in a manufacturing sector: US \$80,000;
 - (iv) Fifteen or more enterprises to be converted in a manufacturing sector: US \$150,000;
- (g) That in the case where Parties wish to submit requests for preparation of sub-sector plans in the approved sectors, the total funding available for all sub-sector plans in each sector should not exceed US \$150,000;
- (h) Not to apply the provisions in subparagraphs (c), (e) and (f) above to China;
- (i) To request that for demonstration projects, according to decision 55/43 paragraphs (b) to (f), the request for preparation funds should include specification of country, sector, brief description of the project, approximate ODP tonnes phase-out to be achieved, the enterprise(s) to be addressed, if relevant, and the date when they began operation, reference to the relevant sub-paragraph of decision 55/43, and a description of compelling reasons as to why the Executive Committee should choose this project as described in decision 55/43 (b). Funding could be provided up to the following levels:
- (i) Stand-alone demonstration projects (55/43) in a manufacturing sector, per project: US \$30,000;
 - (ii) Umbrella demonstration projects (55/43) with three to 14 beneficiaries in one manufacturing sector, per umbrella project: US \$80,000;
 - (iii) Projects addressing 15 or more beneficiaries could not receive preparation funding for demonstration projects related to decision 55/43; and
- (j) To request the Secretariat to apply this cost structure when assessing the eligibility for funding of the different elements of the HPMP preparation, and to propose adjustments to the structure, in particular with regard to investment and associated activities, to the Executive Committee when necessary.

(Decision 56/16)

93. The representative of India recalled that the contact group had agreed that countries with a consumption limit of 1,001 ODS tonnes and above would be eligible for US \$400,000 for investment preparation and that funds for HPMP preparation as per paragraph 92(b)(i)-(iii) would be considered on an individual basis. The Indian delegation had been surprised to find that the decision was entirely different from the draft provided by the contact group, to the detriment of large HCFC-consuming countries such as India. As India was one of the largest HCFC consuming and producing Parties to the Protocol, the Indian delegation had raised its concerns on the issue since the 55th Meeting of the Committee. Situations such as that described should not be repeated in the future, in order to maintain the principles of the Committee and also the spirit of the Montreal Protocol.

94. It was clarified that the text agreed by the contact group was presented to the Executive Committee, informal consultations that did not fully involve all members of the contact group had also been held, resulting in amendments to the text prepared by the contact group. The convenor, Sweden, when presenting the text to the Meeting, introduced those amendments orally.

95. The representative of the Secretariat confirmed the observations of the representative of India.

(c) Bilateral cooperation

96. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/56/14, which contained a review of the 11 requests for bilateral cooperation, amounting to US \$4,338,708 (including agency fees), submitted to the 56th Meeting for possible approval. Two of those were from the Government of Canada, three from the Government of Germany, one from the Government of Israel, four from the Government of Italy and one from the Government of Spain. The document provided an overview of requests from bilateral agencies and of their eligibility for approval by the Executive Committee, taking into consideration the maximum level of funding available for bilateral cooperation for 2008.

97. The requests from the Governments of Canada, Israel, Italy and Spain did not exceed the allocations for those Governments for the 2006–2008 triennium. The value of the request from Germany, however, if added to the amount of US \$8,492,796 that had been already approved for 2006–2008, exceeded Germany's bilateral contribution level for the triennium. The maximum level of additional projects that could be considered for approvals at the present Meeting for Germany was US \$191,436, if Germany was not to exceed its 20 per cent maximum level of bilateral contributions for the 2006–2008 triennium.

98. Three of the requests were presented for individual consideration under the present agenda item, and were set out in document UNEP/OzL.Pro/ExCom/56/14. For Germany, those covered: preparation of a sector plan for the refrigeration and air-conditioning servicing sectors as part of the HPMP preparation for India, and HPMP preparation for the refrigeration and air-conditioning servicing sector and a sector plan for the foam sector for the Islamic Republic of Iran; and for Israel, project proposal for an international methyl bromide compliance assistance workshop in Israel.

99. Of the remaining eight bilateral cooperation submissions, six were included in the projects and activities given blanket approval under agenda item 7(a). For Canada, those covered the terminal phase-out management plan for ODS in the refrigeration and air-conditioning sector in Saint Lucia and the terminal phase-out management plan for Annex A Group I substances in Uruguay; for Italy, the umbrella project for terminal phase-out of ODS in the solvent sector in the Democratic Republic of Congo, the phase-out of methyl bromide as a soil fumigant in Morocco, and the terminal CTC phase-out project in Serbia; and for Spain, the phase-out of methyl bromide in horticulture in Libyan Arab Jamahiriya.

100. The remaining two projects were among the investment activities considered under agenda item 7(g), covering: for Germany, the terminal phase-out of methyl bromide in soil fumigation in Yemen; and for Italy, the national strategy for transition to non-CFC MDIs and the plan for phase-out of CFCs in the manufacture of pharmaceutical MDIs in India.

India: Preparation of a sector plan for the refrigeration and air-conditioning servicing sectors as part of the HCFC phase-out management plan (HPMP) preparation (Germany)

101. The representative of the Secretariat introduced a request, submitted by Germany on behalf of the Government of India, for funding for the preparation of a sector plan for the refrigeration and air-conditioning servicing sector as part of the HPMP preparation for India. The Executive Committee, at

its 55th Meeting, had agreed that for countries with HCFC consumption at the level in India, an HPMP would be funded at a level of US \$173,750, which would cover all components of the HPMP that were non-investment, including the servicing sector. The submission from Germany for the servicing sector in India would therefore fall within the amount agreed for the first part of the HPMP preparation funding of US \$173,750, that was being requested by UNDP as lead agency and was therefore not eligible.

102. One Member said that greater recognition should be given to the special situation of countries such as India with large servicing sectors, and funding for project preparation and associated activities for such countries should be considered in future Meetings to prepare those countries to meet their HCFC compliance objectives.

103. The Executive Committee decided:

- (a) Not to approve the request for preparation of a sector plan for the refrigeration and air-conditioning servicing sector as part of the HCFC phase-out management plan (HPMP) preparation for India, as that sector was already embodied in the amount agreed for the first part of the HPMP preparation funding of US \$173,750 that had been approved for UNDP as lead agency; and
- (b) To approve US \$30,000 plus support costs of US \$3,900 as part of the overarching strategy for India in line with decision 56/25.

(Decision 56/17)

Islamic Republic of Iran: Preparation of a HCFC phase-out management plan for the refrigeration and air-conditioning servicing sector and a sector plan for the foam sector (Germany)

104. The representative of the Secretariat introduced a request, submitted by Germany on behalf of the Government of the Islamic Republic of Iran, for funding of HPMP preparation for the refrigeration and air-conditioning servicing sector, and a sector plan for the foam sector. With regard to the servicing sector, that would already be covered by the US \$173,750 requested for HPMP project preparation by UNDP as lead agency and was therefore not eligible for funding. With reference to the foam sector, the Secretariat noted that the amount requested by Germany was consistent with decision 56/16 for a sector strategy. However, as the maximum amount eligible for the Islamic Republic of Iran for project preparation of investment projects in the manufacturing sector was only US \$300,000 as per decision 56/16, the Secretariat noted that the Government of Germany and the other cooperating agencies working on the HPMP preparation for the Islamic Republic of Iran needed to finalize an amount for that sector not to exceed the maximum level.

105. Following discussions on the overarching strategy for the Islamic Republic of Iran, the Executive Committee decided to approve US \$30,000 plus support costs of US \$3,900 as part of decision 56/27.

(Decision 56/18)

Global: International methyl bromide compliance workshop (Israel)

106. The representative of the Secretariat introduced a proposal submitted by the Government of Israel for an international methyl bromide compliance workshop in Israel for Article 5 countries that required assistance in phasing out methyl bromide and had not yet received any substantial assistance from the Fund. The Government of Israel's proposed project was built on previous similar workshops, and addressed what was perceived as the weak link on methyl bromide phase-out, namely training. UNIDO, as a participant in a previous workshop, had confirmed the professional and practical content of the

workshop and Israel's experience in developing alternative technology, which had been applied in many countries.

107. The Executive Committee decided to approve the request for the international methyl bromide compliance workshop, at a cost of US \$101,200 plus agency support costs of US \$13,156 for the Government of Israel.

(Decision 56/19)

108. The Executive Committee decided:

- (a) To request the Treasurer to offset the costs of the bilateral projects approved at the 56th Meeting as follows:
 - (i) US \$102,830 (including agency fees) against the balance of Canada's bilateral contribution: US \$17,909 in 2007 and US \$84,921 in 2008;
 - (ii) US \$114,356 (including agency fees) against the balance of Israel's bilateral contribution for 2008;
 - (iii) US \$2,799,005 (including agency fees) against the balance of Italy's bilateral contribution: US \$1,290,028 in 2006, US \$764,499 in 2007 and US \$512,512 in 2008;
 - (iv) US \$565,000 (including agency fees) against the balance of Spain's bilateral contribution in 2008; and
 - (v) US \$191,436 (including agency fees) against the balance of Germany's bilateral contribution in the 2006-2008 triennium.

(Decision 56/20)

(d) Amendments to work programmes for 2008

(i) UNDP

109. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/56/15, which covered 22 activities submitted by UNDP, including requests for renewal of institutional strengthening projects, preparation of HCFC phase-out management plans, HPMP investment project preparation, technical assistance to validate alternative technology for HCFCs and technical assistance for MDI transition strategies. The activities recommended for blanket approval had been considered under agenda item 7(a) and 13 requests were recommended for individual consideration.

China: Project preparation for an HCFC demonstration project for solvents used in medical equipment cleaning

China: Project preparation for a demonstration project to phase out HCFCs in unitary commercial air conditioning sector

China: Project preparation for an HCFC demonstration project for solvents used in electronic cleaning

China: Project preparation for a demonstration project to phase out HCFCs for industrial refrigeration and air conditioning/chillers

110. UNDP had submitted four requests for project preparation for demonstration projects in China on alternatives to HCFCs, of which two were for the refrigeration sector and two for the solvent sector. The

Secretariat had reviewed those requests in light of decision 55/14 but had been unable to recommend the projects for approval as US \$4.1 million had already been approved as a package for the preparation of an HPMP for China, on the condition that no further funding would be approved for the country for stage one of the HPMP project preparation.

111. One Member noted that the submissions by China did not contain sufficient information to allow his delegation to approve the requests. He mentioned that data related to the date of the establishment of the enterprises, the amount of HCFCs to be phased out, as well as information on the technology to be demonstrated, would greatly assist in determining the feasibility of those requests. Another Member supported those observations and proposed that the projects be deferred to a future meeting to allow UNDP and China to collect the required information.

112. Following a discussion, the Executive Committee decided to defer the requests for project preparation for HCFC demonstration projects for China and to urge the Government of China and UNDP to submit revised requests for consideration of the Committee in line with Executive Committee decision 55/43(e) and (f) and decision 56/16, to the 57th Meeting.

(Decision 56/21)

Ghana: MDI transition strategy

113. UNDP had proposed an MDI transition strategy for Ghana to be funded at the level of US \$30,000 and it was noted that UNDP had provided the relevant supporting documentation and information required under decision 51/34(d). One Member said a decision to fund the MDI transition strategy for Ghana could not be taken at the present Meeting as insufficient information on the use of non-CFC MDIs in Ghana had been provided. Following that comment, UNDP and some Members suggested that the Ghana project could be reformulated to put in place policies that would send market signals to assist patients and physicians in making the transition to non-CFC MDIs.

114. On the basis of those revisions, the Executive Committee decided to approve the request for preparation of an MDI transition strategy in Ghana at the level of US \$30,000, on the understanding that no further funds for phase-out in the MDI sector in Ghana would be available and that UNDP would take into consideration the views expressed at the present Meeting when implementing the project.

(Decision 56/22)

Nicaragua: MDI transition strategy

115. UNDP had proposed an MDI transition strategy for Nicaragua to be funded at the level of US \$30,000. It was noted that UNDP had provided the relevant supporting documentation and information required under decision 51/34(d). One Member stated that while Nicaragua had provided an elaborate programme supporting its request for an MDI transition strategy, it appear that it did not require any new funding to implement that strategy.

116. Following a discussion, the Executive Committee decided not to approve the request for preparation of an MDI transition strategy in Nicaragua.

(Decision 56/23)

Global: Preparation for validation for low-cost options in the use of hydrocarbons as blowing agent in the manufacturing of polyurethane rigid foams

Global: Preparation for validation of environmental impact of optimized liquid HFC formulations in polyurethane rigid and integral skin foam applications

117. UNDP had submitted two global requests for technical assistance to validate alternatives to HCFC technology in the foam sector. Both projects were desk studies to examine and validate two specific alternatives, HFC and hydrocarbons, for HCFCs in foam. The representative of the Secretariat noted that both projects were in line with decision 55/43(e), which, *inter alia*, invited bilateral and implementing agencies to prepare and submit a limited number of time-specific project proposals involving interested systems houses or chemical suppliers for the development, optimization and validation of chemical systems for use with non-HCFC blowing agents.

118. One Member said that the two global requests were really for desk studies on foam blowing technology. He further noted that there was no category for that funding and asked whether such a study might not better be conducted by the Fund Secretariat. If the projects were to be considered as demonstration projects, then they would need to specify the countries and systems houses being considered, the ODP tonnes being addressed, as well as the technology to be demonstrated.

119. Following a discussion, the Executive Committee decided to defer the two global requests for technical assistance to validate alternatives to HCFC technology in the foam sector and asked UNDP to resubmit them when the countries where those projects would be demonstrated were identified, and the information required in line with decision 56/16(i) had been provided.

(Decision 56/24)

India: Preparation of an overarching HPMP strategy as well as sector plans for the aerosol, fire fighting, foam, RAC manufacturing and solvents to meet Stage I of the HCFC control measures

120. UNDP had submitted a request for project preparation for an overarching HPMP strategy for India and for funds for the preparation of five sector plans as part of package proposal for India, submitted by UNDP as lead agency. Other requests for funding in different sectors had also been submitted by Germany under bilateral cooperation, which had been discussed earlier, as well as under those of UNEP and UNIDO, thus forming a comprehensive HPMP for India.

121. The Executive Committee noted that, in line with decision 56/16, India would be eligible for maximum funding for HPMP preparation of US \$595,000, and requested UNDP as lead agency to coordinate with cooperating agencies on how those funds would be distributed.

122. The total funding would comprise US \$195,000 for an overarching strategy and US \$400,000 as the maximum funding ceiling for the preparation of investment projects in the manufacturing sector. However, in line with decision 55/13(a), the amount for the overarching strategy for India would only be US \$173,750.

123. Following a discussion on how the implementing agencies would distribute the project preparation costs, the Executive Committee decided:

- (a) To approve US \$173,750 for the overarching HPMP strategy for India and note that those funds would be distributed as follows: US \$113,750 plus agency support costs of US \$8,531 for UNDP as lead agency, US \$30,000 plus agency support costs of US \$3,900 for UNEP, and US \$30,000 plus agency support costs of US \$3,900 for Germany; and

- (b) To approve a total of US \$330,000 for the preparation of sector plans and agency support costs for UNDP as follows : US \$20,000 plus agency support costs of US \$1,500 for the fire fighting and solvents sub-sectors; US \$105,000 plus agency support costs of US \$7,875 for the foam sub-sector; US \$125,000 plus agency support costs of US \$9,375 for the air-conditioning sector; and US \$80,000 plus agency support costs of US \$6,000 for the refrigeration manufacturing sector, on the condition that those approvals constituted a component of Stage 1 of the HPMP for India and that no further funding for project preparation would be requested for those sectors.

(Decision 56/25)

Indonesia: Preparation in the RAC manufacturing sector in context of HPMP

Indonesia: Preparation in the RAC servicing sector in the context of HPMP

124. UNDP's work programme amendment also included two additional HPMP preparation proposals for Indonesia, one for preparing a sector strategy in the refrigeration servicing sector, and one for a sector strategy in the refrigeration manufacturing sector. Indonesia had already received funding at the 55th Meeting at the amount of US \$173,750, which would cover all the components of the HPMP, and therefore the request for the refrigeration servicing sector was not eligible for additional funding.

125. With regard to the request to prepare a sector strategy in the RAC manufacturing sector, the Secretariat had noted that if the one contained in the World Bank's work programme amendment was also considered, the country would exceed the US \$200,000 maximum level for eligible funding that it could receive for the preparation of investment projects, as provided for by decision 56/16 UNDP was requested to work with the World Bank to come to an agreement on how that maximum funding would be shared.

126. The representative of UNDP announced that the Government of Indonesia had asked that consideration of the request be deferred.

127. The Executive Committee decided:

- (a) Not to approve the request for additional funds to prepare a refrigeration servicing sector strategy for Indonesia as it had already been included in the funds approved for HPMP preparation at the 55th Meeting; and
- (b) To defer consideration of the request for funding for project preparation in the refrigeration air-conditioning manufacturing sector in Indonesia to its 57th Meeting.

(Decision 56/26)

Islamic Republic of Iran: Preparation of an overarching HPMP strategy as well as sector plans for the aerosols, fire fighting, foam, RAC manufacturing and solvents to meet Stage I of the HCFC control measures

128. UNDP had submitted a request for the Islamic Republic of Iran for project preparation for an overarching HPMP strategy, well as sector plans for aerosols, fire fighting, foam, RAC manufacturing and solvents to meet Stage I of the HCFC control measure.

129. The Executive Committee noted that in line with decision 56/16, the Islamic Republic of Iran would be eligible for maximum funding of US \$195,000 for HPMP preparation, and requested UNDP, as lead agency, to coordinate with cooperating agencies on how those funds would be distributed. The

representative of the Secretariat also said that the Islamic Republic of Iran had asked that its request for investment project preparation be deferred to a subsequent Meeting of the Executive Committee.

130. Following a discussion on how the implementing agencies would distribute the project preparation costs, the Executive Committee decided:

- (a) To approve US \$173,750 consistent with decision 55/13(a) for the overarching HPMP strategy for the Islamic Republic of Iran; and
- (b) To note that those funds would be distributed as follows: US \$113,750 plus agency support costs of US \$8,531 for UNDP as lead agency, US \$30,000 plus agency support costs of US \$3,900 for UNEP, and US \$30,000 plus agency support costs of US \$3,900 for Germany.

(Decision 56/27)

Nigeria: Preparation for validation of the cost-effective use of locally produced hydrocarbons as refrigerant in refrigeration applications

131. UNDP had submitted a request for project preparation for a demonstration project in Nigeria with the aim of validating the cost-effective use of locally-produced hydrocarbons. The aim would be to produce high grade hydrocarbons that would effectively replace HCFCs in many refrigeration applications.

132. While there was no consensus to proceed with the project at the present Meeting, several Members felt that it was an important one and asked that the project be reconsidered at the 57th Meeting of the Executive Committee. Following a discussion, the Executive Committee decided to defer consideration of the project for validation of the cost-effective use of locally-produced hydrocarbons as a refrigerant in refrigeration applications in Nigeria until its 57th Meeting and to request UNDP to reformulate the project to take into account the views that had been expressed at the present Meeting, and the request for more information on the need for hydrocarbons.

(Decision 56/28)

(ii) UNEP

133. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/56/16, which covered 28 activities that had been given blanket approval under agenda item 7(a), and 10 activities for individual consideration, including the CAP budget for 2009, which had already been addressed under agenda item 7(f).

Tuvalu: Renewal of institutional strengthening project (2nd year of phase II)

134. The representative of the Secretariat said that UNEP had submitted a request for renewal of the institutional strengthening project for Tuvalu, which was being presented to the Committee for individual consideration as the country had not yet submitted its country programme data for 2007 in line with decision 52/5(f). In addition, while Tuvalu had made excellent progress, the amount requested for approval was for one year only, as the country had not confirmed that it had a full-time ODS officer.

135. The Executive Committee decided:

- (a) To approve renewal of year 2 of phase II of the institutional strengthening project for Tuvalu, on the condition that no disbursement would be made until confirmed in a

communication to the Fund Secretariat that the national ozone unit had a full-time ODS officer and that outstanding country programme data for 2006 and 2007 were submitted; and

- (b) To express to the Government of Tuvalu the comments appearing in Annex XI to the present report.

(Decision 56/29)

Timor-Leste: Institutional strengthening project (start-up funds)

136. The representative of the Secretariat said that UNEP had submitted a request for start-up funding for institutional strengthening in Timor-Leste, which was one of the remaining non-Parties to the Protocol. In a letter to the Secretariat, it had indicated its intention to deposit the instruments of ratification of the Vienna Convention and the Montreal Protocol at the earliest by February 2009. Assistance was being requested to establish and strengthen national capacity for managing ODS phase-out to ensure compliance with the Montreal Protocol.

137. The representative of UNEP proposed that half of the sum requested be disbursed immediately after approval to assist the country in preparing the instruments of ratification, and some Members agreed that Timor-Leste would need institutional strengthening in order to prepare those instruments. Another Member said, however, that a precedent should not be set whereby a country received assistance before the instruments of ratification had been deposited.

138. The Executive Committee decided to approve institutional strengthening start-up funds for Timor-Leste at a level of US \$40,000, on the condition that no funding would be disbursed until the instruments of ratification of the Montreal Protocol had been received by the United Nations depositary in New York.

(Decision 56/30)

India: Preparation of a HCFC phase-out management plan (three strategies for non-investment component)

Islamic Republic of Iran: Preparation of a HCFC phase-out management plan (non-investment component)

139. The representative of the Secretariat said that UNEP had submitted requests for project preparation of the non-investment component of the HPMPs for India and the Islamic Republic of Iran as part of an HPMP project preparation package proposal submitted by the lead agency, UNDP. In the case of India, UNEP's request covered development of an information outreach strategy, an HCFC trade and monitoring strategy and a training strategy for enforcement.

140. For the Islamic Republic of Iran, UNEP had requested funding for the preparation of an awareness strategy and a training strategy for enforcement officers, as well as strengthening the import/export control policy. UNEP also planned to allocate funds for the preparation of a good practices training programme, which was part of the servicing sector strategy in which the Government of Germany was to take the lead.

141. At its 55th Meeting, the Committee had agreed that preparation of an HPMP for countries with HCFC consumption similar to that of India and the Islamic Republic of Iran would be funded at a level of US \$195,000 to cover the non-investment components of the HPMP, as stated in decision 54/34. The Secretariat was therefore unable to recommend the requests for project preparation for the non-investment

components of the two HPMPs. Several Members suggested that existing national ozone networks be used.

142. The Executive Committee decided:

- (a) Not to approve funding of the non-investment activities for India and the Islamic Republic of Iran as they were already embodied in the HPMP funding of US \$195,000 requested by UNDP as lead agency;
- (b) To approve US \$30,000 for India plus agency support costs of US \$3,900 for UNEP as part of the approval for the overarching strategy in line with decision 56/25; and
- (c) To approve US \$30,000 for the Islamic Republic of Iran plus agency support costs of US \$3,900 for UNEP as part of the approval for the overarching strategy in line with decision 56/27.

(Decision 56/31)

China: Awareness project to support China's HPMP preparation

143. The representative of the Secretariat said that UNEP was asking for funds on behalf of China in order to implement awareness activities in the country as part of HPMP preparation. The Secretariat had advised UNEP that the project should form part of the final HPMP implementation for China and could not be funded separately. She recalled that UNEP had already received funding at the 55th Meeting as part of the overall HPMP funding for China, covering the preparation of a communication and awareness strategy. Nevertheless, such activities might be required by China immediately. Subsequently, China had requested that the funds to be approved be referred to not as a deduction but as an advance on the HPMP funds that would be approved in the future.

144. The Executive Committee decided to approve the request for China at the level of US \$140,000 plus agency support costs of US \$18,200 for UNEP, on the condition that China provided a written agreement that those funds would constitute an advance on the final request for funding for a programme on communication and awareness to be submitted by UNEP as part of the full HPMP submission.

(Decision 56/32)

Asia and the Pacific: Establishment of a regional network for Pacific island countries

145. The representative of the Secretariat said that, as part of its CAP budget, UNEP was requesting the establishment of a network for Pacific island countries (PIC), as they were unique and required their own network. UNEP would also establish the post of a regional network coordinator by realigning current tasks in the Asia and Pacific region. The Secretariat had advised UNEP that the PIC strategy, which committed 11 countries in the region to phasing out CFC consumption by 2005, had not been fully implemented. The Secretariat considered that assistance had already been provided to the PIC countries through the regional PIC strategy and that coordination of activities in those countries to sustain compliance with CFC and HCFC phase-out was one of the tasks of the CAP team in the region. The Secretariat suggested that those countries could be assisted through the CAP, with a specific allocation for travel to allow participation in meetings, without necessarily creating a formal PIC network, under the CAP's flexibility. The Secretariat was unable to recommend approval of funding for the establishment of a network for PICs.

146. Several Members commended UNEP on having adjusted its priorities within the CAP so that it could include the costs of the proposed network in its existing funding. It was considered that a full-time

coordinator would be unnecessary; the responsibilities of such a post could be added to those of the coordinator of another network, such as the South East Asia and Pacific network (SEAP). The PIC network and SEAP should work together, sharing their experience, making economies of scale and exchanging information.

147. The Executive Committee decided:

- (a) To approve the request to establish a separate network for Pacific island countries (PIC), maintaining an allocation for those countries within the UNEP Compliance Assistance Programme (CAP) to allow their participation in network meetings in the Asia and the Pacific region and encourage coordination; and
- (b) To note the above when approving the UNEP CAP budget and in reviewing the proposal to ensure linkage to the South East Asia and Pacific (SEAP) network.

(Decision 56/33)

Global: Compliance contingency budget

148. The representative of the Secretariat said that UNEP was also requesting a one-time approval for a compliance contingency budget amounting to US \$200,000, in addition to the UNEP CAP budget, describing it as a strategic reserve to cover unforeseen, short-term, urgent needs directly related to countries at risk of not meeting their 2010 compliance targets. UNEP proposed that the funds be used for convening urgent meetings on compliance issues at a ministerial or higher level, consultations with politicians from the concerned countries and additional travel costs of officials outside the OzonAction CAP to facilitate the countries' compliance. The activities proposed under the requested budget were similar to the objectives of the CAP in respect of compliance targets, and UNEP had the flexibility to use the CAP funds and adjust activities to the changing needs of countries. The Secretariat therefore saw no justification for the additional funds and was unable to recommend the request for approval.

149. The Executive Committee decided not to approve the request for a compliance contingency budget and asked UNEP to include the activities within the UNEP Compliance Assistance Programme (CAP) budget, using the flexibility provided by decision 47/24 to reallocate funding between UNEP CAP budget lines to accommodate changing priorities.

(Decision 56/34)

(iii) UNIDO

150. The representative of the Secretariat, introducing document UNEP/OzL.Pro/ExCom/56/17, said that UNIDO had submitted eight projects for consideration by the Executive Committee. Three of those had been among the projects given blanket approval under agenda item 7(a) and are listed in Annex IV.

China: Preparation of two demonstration projects for conversion to non-HCFC technology in the manufacturing of room air-conditioners

151. The representative of the Secretariat said that UNIDO had submitted two requests for project preparation for demonstration projects in China for alternatives to HCFCs. Those covered projects that would demonstrate the use of hydrocarbon technology in one plant and HFC technology in another, aimed at eventually phasing out HCFC use in that sub-sector. The proposal also indicated that there was currently no final alternative to replace HCFCs in the sector.

152. In the ensuing discussion, it was agreed that insufficient information had been presented on such matters as the amount of HCFCs to be phased out, the enterprises involved or the starting dates to justify approval of the demonstration projects.

153. The Executive Committee decided:

- (a) To defer the requests for project preparation for demonstration projects for China; and
- (b) To urge the Government of China and UNIDO to submit revised requests for consideration of the Committee in line with decisions 55/43(e) and (f) and decision 56/16 to the 57th Meeting.

(Decision 56/35)

Jordan: Preparation of an HCFC demonstration project

154. The representative of the Secretariat said that UNIDO had submitted a request for project preparation for a demonstration project in Jordan for the refrigeration sector. The project would be developed for Petra Engineering Industries, a company established in 1987 manufacturing refrigeration and air-conditioning equipment. Recent information from UNIDO had indicated that the company was using 125 metric tonnes of HCFC-22 as a refrigerant charge in the new equipment it was manufacturing, and 20 metric tonnes of HCFC-141b for the manufacturing of insulation foam for that equipment. The company intended to undertake a demonstration project to convert to use of a HFC refrigerant (HFC-407 and/or HFC-410a) and an ODS-free blowing agent (HFC or hydrocarbons). Jordan had received funds for the preparation of an HPMP at the amount of US \$150,000 at the 55th Meeting of the Committee, which did not include costs for preparation of the investment part of the HPMP.

155. During the ensuing discussion, it was agreed that the project met the applicable criteria and was in line with decision 55/43(f). It was also stated that as the consumption of the said enterprise had now been specified, that would be the basis for calculating the amount of HCFC consumption that would be reduced by the project.

156. The Executive Committee decided to approve the preparation of an HCFC demonstration project in Jordan, at an amount of US \$40,000 plus agency costs of US \$3,000 for UNIDO.

(Decision 56/36)

Saudi Arabia: Preparation of a demonstration project for the phase-out of HCFC-141b in the manufacturing of sandwich panels at Saudi Panels Factory

157. The representative of the Secretariat said that UNIDO had submitted a request for a demonstration project for the phase-out of HCFC-141b in the manufacturing of sandwich panels at the Saudi Panels Factory, Saudi Arabia, which was established in 1999. The project was intended to demonstrate the use of hydrocarbon technology as a replacement for HCFC-141b. The country had received funds for the preparation of an HPMP amounting to US \$195,000 at the 55th Meeting of the Executive Committee, which had not included the investment part of the HPMP.

158. During the ensuing discussion it was considered that, as a new cut-off date for projects of that type had not yet been decided by the Committee the project was ineligible for approval.

159. The Executive Committee decided:

- (a) Not to approve the request for a demonstration project for the phase-out of HCFC-141b

in the manufacture of sandwich panels in Saudi Arabia; and

- (b) To urge UNIDO to resubmit the project once a decision on cut-off dates had been made.

(Decision 56/37)

India: Preparation of a sector plan to phase out HCFCs in the transport refrigeration and air-conditioning subsector

160. The representative of the Secretariat said that, in line with discussions at the 55th Meeting, UNIDO had submitted a request for project preparation for sector plans for the transport refrigeration and air-conditioning sub-sector as part of a package proposal for India submitted by UNDP as lead agency, in the light of decision 55/13(d).

161. Taking into account discussions on the project under the UNDP work programme amendments for 2008 (agenda item 7(d)(i) above), UNIDO was asked to adjust the amount requested for the project for consistency with decision 56/16.

162. The Executive Committee decided to approve the request for preparation of a sector plan to phase out HCFCs in the transport refrigeration and air-conditioning sub-sector in India, at an amount of US \$70,000 plus agency support costs of US \$5,250 for UNIDO, on the condition that the approval constituted a component of Stage 1 of the HPMP for India and that no further funding for project preparation would be requested for the transport refrigeration and air-conditioning sub-sectors.

(Decision 56/38)

Islamic Republic of Iran: Preparation of a HCFC phase-out management plan (compressor manufacturing and residential air-conditioning sectors)

163. The representative of the Secretariat said that UNIDO had submitted a proposal for preparation of an HCFC phase-out management plan for the compressor manufacturing and residential air conditioning manufacturing sub-sector as part of a package proposal for the Islamic Republic of Iran submitted by UNDP as lead agency, in the light of decision 55/13(d). Following a discussion, and in line with paragraph 129 UNDP, as lead agency for the HPMP preparation, informed the Meeting that the country wished to defer the present request to the 57th Meeting. The project was therefore withdrawn by UNIDO from consideration at the present Meeting.

(iv) World Bank

164. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/56/18, which covered two activities submitted for funding by the World Bank. Of those, one request was for renewal of the institutional strengthening project for Ecuador and another for preparation of a sector plan for the foam sector in the context of HPMP preparation for Indonesia.

Ecuador: Renewal of institutional strengthening project (phase IV, year 2)

165. The representative of the Secretariat said that Ecuador was still in potential non-compliance with methyl bromide controls, as its 2007 recorded consumption of 122.4 ODP tonnes represented a deviation from the country's obligation under the Protocol. The Secretariat also noted that the country had not yet complied with decision XVIII/23 of the Eighteenth Meeting of the Parties for an approved action plan to return to compliance. That and other issues related to Ecuador's compliance situation were to be discussed and finalized at the 41st Meeting of the Implementation Committee.

166. One Member expressed concern that Ecuador had been in non-compliance since 2006 and still had not responded to the decision of the Parties to prepare an action plan and suggested that, in approving the funds, a condition should be included to defer disbursement until the action plan to return to compliance had been submitted to the Implementation Committee. In providing clarification, the representative of the Ozone Secretariat replied that he had held consultations with the Government of Ecuador recently and had been able to clarify to them their obligations to the Implementation Committee. The country had been under the impression that its earlier efforts to comply had covered all aspects of their non-compliance. He said further that an action plan had now been prepared, showing that Ecuador would be in compliance in 2008 and was taking all the necessary steps to remain so in the future.

167. The Executive Committee decided:

- (a) To approve funding for the second year of phase IV of the institutional strengthening project for Ecuador for one year only at a level of funding of US \$88,400 plus agency support costs of US \$6,630, without prejudice to the non-compliance mechanism of the Montreal Protocol; and
- (b) To express to the Government of Ecuador the comments appearing in Annex XI to the present report.

(Decision 56/39)

Indonesia: Preparation of a sector plan to reduce HCFC consumption in the foam sector

168. The representative of the Secretariat said that the World Bank was also requesting additional funding for HPMP preparation for Indonesia, for a sector plan to reduce the use of HCFCs in the foam manufacturing sector, in line with decision 55/13(b). The Committee at its 55th Meeting had already approved funding for Indonesia for preparation of an HPMP at US \$173,750. In its submission, the World Bank had indicated the estimated number of enterprises that would be covered by the sector plan, the potential amount of HCFCs to be phased out and the activities to be covered by the funds. The representative of UNDP, as lead agency for Indonesia, announced that the Government of Indonesia had asked that consideration of the request be deferred.

169. The Executive Committee decided to defer consideration of the request for funding for a sector plan to reduce the use of HCFCs in the foam manufacturing sector in Indonesia to its 57th Meeting.

(Decision 56/40)

(e) **Administrative costs**

(i) **Report on key issues from the assessment of the administrative costs required for the 2009-2011 triennium (decision 55/4)**

170. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/56/19, which presented the key issues arising from the PricewaterhouseCoopers (PwC) administrative cost study. A draft of the report had been discussed at an inter-agency coordination meeting on 2 October 2008 where the key points raised in the paper had been agreed to by those present. Annex I to the report contained the definition of administrative costs that had been used by the Secretariat since 1998, and while UNEP had objected to some elements of that definition, the other implementing agencies had indicated that their own administrative costs were compatible with that definition and consequently no change had been recommended.

171. Overall administrative costs approved for the implementing agencies for the period 1998 to 2007 had amounted to 12.09 per cent of approvals for projects, an amount that was below the standard United Nations rate of 13 per cent and compared favourably with that of the GEF. The representative of the Secretariat said that, by taking into account the administrative components of UNEP CAP, it was possible to compare the administrative costs of the four implementing agencies. The Meeting was informed that during the inter-agency coordination meeting, the World Bank had suggested the possibility of providing additional administrative costs to package and monitor complex arrangements for funding from different sources that could be used to leverage resources for the HCFC phase-out. He suggested that the Executive Committee might wish to consider that issue during its future deliberations on the subject of co-financing and the use of additional income.

172. One Member said that as the history of the budget increases had remained under the standard UN rate of 13 per cent, there was no reason for concern at the present time. He observed, however, that it would be important to keep track of the rate of increase to ensure that it was no greater than the historical average. It followed that it was important for all the implementing agencies to continue to report on their increases in administrative costs each year, especially with respect to their core unit costs. As the implementing agencies had sufficient administrative income, there was no need for that to change at the present time.

173. Following the discussion, the Executive Committee decided:

- (a) To note the report on key issues arising from the assessment of the administrative costs required for the 2009-2011 triennium, prepared pursuant to decision 55/44 and contained in document UNEP/OzL.Pro/ExCom/56/19;
- (b) To maintain the existing administrative cost regimes for the bilateral and implementing agencies for the 2009-2011 triennium;
- (c) To request implementing agencies to provide sufficient actual data in order to monitor the differences between administrative cost income and the costs incurred; and
- (d) To request UNIDO to provide the assumption for its administrative costs model, and in future requests for core unit funding to furnish administrative cost information distinguishing project-related activities from administrative costs.

(Decision 56/41)

(ii) 2009 core unit costs for UNDP, UNIDO and the World Bank

174. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/56/20, which contained information on actual administrative costs for 2006 and 2007, estimated costs for 2008, and their associated approved budgets, as well as requests for proposed 2009 core unit costs. He also said that decision 46/35 provided for annual increases of core unit costs of up to three per cent and observed that for most agencies there had been annual increases since the 46th Meeting. All agencies had requested a three per cent increase over their core unit costs for 2008, and all had also provided justifications for those increases. In closing, he reminded the Executive Committee that the World Bank had returned unused core unit funding from 2007 at the present Meeting, which was the first time that an agency had actually returned core unit funds.

175. The Executive Committee decided:

- (a) To note the report on 2008 core unit costs for UNDP, UNIDO and the World Bank as presented in document UNEP/OzL.Pro/ExCom/56/20; and

- (b) To approve the requests for US \$1,857,636 for core unit funding for 2009 for UNDP, US \$1,857,636 for UNIDO, and US \$1,663,347 for the World Bank, in accordance with decision 46/35 and in the light of the above report and decision 56/41(b) on key issues arising from the assessment of the administrative costs required for the 2009-2011 triennium contained in document UNEP/OzL.Pro/ExCom/56/19.

(Decision 56/42)

(f) Compliance Assistance Programme (CAP) budget for 2009

176. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/56/21, which contained UNEP CAP budget for 2009, valued at US \$8,490,000 plus agency support costs of US \$679,200. The amount requested represented a 3 per cent increase over the 2008 budget in line with decision 47/24. However there were a number of changes in the CAP budget that the Meeting might wish to review. In particular 11 posts had been reclassified, resulting in increases in the budget lines of 4.82 per cent for project personnel costs and 5.05 per cent for general service staff and temporary assistance. As a result of those changes, there had also been a decrease in some operational lines, for staff travel, training, equipment and miscellaneous costs. The Secretariat was concerned that the decrease in the programme and operational budgets might affect the quality of the assistance being provided to Article 5 countries

177. UNEP had indicated that it had examined the staffing component of the regional CAP offices and that it had been necessary to make some adjustments to reflect the new responsibilities related to HCFCs, resulting in the transfer of some tasks from a number of staff members to HPMP officers. The explanations for the changes in staffing had not clearly indicated how they would lead to any increased efficiency in the CAP, or why certain posts had been upgraded and others had not.

178. In closing, the representative of the Secretariat said that UNEP had proposed the creation of a regional network for the Pacific island countries (PIC) and the establishment of a PIC regional coordinator. A proposal had also been made for a one-time request for a special "2010 compliance contingency budget" of US \$200,000, both of which proposals had been considered under agenda item 7(d)(ii) (see decisions 56/33 and 56/34 on this proposal).

179. There was general agreement on the importance of the activities undertaken under the UNEP CAP and on the need to ensure that UNEP had sufficient flexibility to reallocate resources and staff as necessary in order to achieve its priorities under the CAP. Article 5 countries had greatly benefited from the activities undertaken by the UNEP CAP. Appreciation was expressed to UNEP for its good work and for providing a budget that was consistent with the guidelines of the Executive Committee, which was seen as a major step forward compared to its previous budget proposals.

180. In response to the question from a Member as to why some posts had been upgraded from P4 to P5 while others had not, the representative of UNEP explained that those decisions had been made in light of the increased responsibilities that had been assigned to certain positions, as well as the need to comply with UN staff rules and to stay within the CAP budget. He gave, as an example, the new responsibilities for regional network coordinator for the Region of Africa (ROA), who had been given the additional responsibility of coordinating two regions of Africa as well as managing the entire ROA CAP team and whose post would consequently be reclassified from P4 to P5.

181. Following the discussion the Executive Committee decided:

- (a) To approve the CAP budget for 2009 at the amount of US \$8,490,000 plus agency support costs of 8 per cent amounting to US \$679,200 and apply decision 56/41 to the budget accordingly and to agree to the changes submitted by UNEP in its budget proposal;

- (b) To request UNEP, in future submissions on the CAP budget to continue:
 - (i) To provide detailed information on the activities for which the global funds would be used;
 - (ii) To expand the prioritization of funding between CAP budget lines to accommodate changing priorities; and to provide details on the reallocations made in its budget following decisions 47/24 and 50/26; and
 - (iii) To report on the current post levels of staff and to inform the Executive Committee of any changes therein particularly in respect of increased budgetary allocations.

(Decision 56/43)

(g) Investment projects

Metered-dose inhalers

Argentina: Phase-out of CFC consumption in the manufacturing of aerosol MDIs (World Bank)

182. Introducing document UNEP/OzL.Pro/ExCom/56/22, the representative of the Secretariat said that, on behalf of the Government of Argentina, the World Bank had submitted a project proposal for the phase-out of CFC consumption in the manufacturing of MDIs in Argentina through the conversion of production lines to isobutane and hydrofluoroalkane (HFA) technology. A number of policy and cost issues had been discussed during the project review process, including the eligibility for and sources of funding for the conversion of production lines, and essential use nominations for pharma-grade CFCs post-2010. The overall cost of the project was estimated at US \$2.8 million, including a transition strategy.

183. The Government of Argentina, the Secretariat and the company concerned were commended for introducing an innovative technology that also had climate change benefits. One member urged that the desk study being carried out by UNEP take note of the technology so that it might be brought to wider attention.

184. The Executive Committee decided to approve the project for the phase-out of CFC consumption in the manufacturing of metered-dose inhalers in Argentina, at the amount of US\$2,806,874 plus agency support costs of US \$210,516 to the World Bank, on the understanding that:

- (a) Laboratorio Pablo Cassará will cease consumption of CFCs for non-essential uses and convert to a non-ODS technology at its own cost if the selection of the isobutane technology proposed by the enterprise is not approved by the local health authorities; and
- (b) The Government of Argentina will have flexibility in using the funding available for eligible activities it deems appropriate to achieve the complete phase-out of CFCs in the MDI sector and in accordance with relevant decisions and guidelines of the Fund.

(Decision 56/44)

China: Sector plan for the phase-out of CFC consumption in the MDI sector (UNIDO)

185. Introducing document UNEP/OzL.Pro/ExCom/56/24, the representative of the Secretariat said that, on behalf of the Government of China, UNIDO had submitted a sector plan for the phase-out of

322.5 ODP tonnes of CFCs used in the manufacturing of MDIs at a total cost to the Fund of US\$18.85 million, plus agency support costs. The project had previously been submitted to the 53rd and 55th Meetings. The Secretariat, in reviewing additional information provided by the Government of China following consideration of the issue by the Executive Committee at its 55th Meeting, had concluded that the methodology proposed at that Meeting for determining the incremental cost of the sector plan was still valid. Using that methodology the total level of proposed funding would be US\$12.49 million, on the understanding that the Government of China would have flexibility to use the funding available for eligible activities it deemed appropriate to achieve complete phase-out of CFCs in the MDI sector. This proposal had not been accepted by the Government of China. The Executive Committee decided to refer consideration of the matter to a contact group.

186. After having heard the report of the contact group, the Executive Committee decided to approve the sector plan for phase-out of CFC consumption in the MDI sector in China at a total cost of US \$13.5 million plus agency support costs of US \$1,012,500 for UNIDO, on the understanding that:

- (a) The Government of China would have flexibility in using the funding available for eligible activities it deemed appropriate to achieve the complete phase-out of CFCs in the metered-dose inhaler (MDI) sector and in accordance with the relevant decisions and guidelines of the Fund; and
- (b) That no more funding would be approved by the Executive Committee for the phase-out of CFCs in China.

(Decision 56/45)

Colombia: Phase-out of CFCs in the manufacturing of MDIs (UNDP)

187. The representative of the Secretariat said that UNDP had submitted a project proposal on behalf of the Government of Colombia for phasing-out use CFCs in the manufacture of MDIs by assisting the sole locally owned enterprise producing CFC-MDIs to convert its production line to HFA technology by 2012. The total cost of the project was less than US \$1.1 million before any adjustments required by relevant decisions. In discussions with UNDP, the Secretariat had raised several issues, all of which had been resolved. The total cost of the project had been agreed at US \$409,359, after having taken into account a deduction of US \$30,500 from the total to eliminate double-counting of funds provided under the national phase-out plan and almost US \$490,000 provided as a counterpart contribution by the enterprise.

188. The Executive Committee decided to approve the project to phase-out use of CFCs in the manufacture of MDIs at the amount of US \$409,359 plus agency support costs of US \$30,702 for UNDP.

(Decision 56/46)

India: National strategy for transition to non-CFC MDIs and plan for phase-out of CFCs in the manufacture of pharmaceutical MDIs (Italy, UNDP, UNEP)

189. The representative of the Secretariat said that UNDP as the lead implementing agency had submitted, on behalf of the Government of India, a national strategy for transition to non-CFC MDIs and a plan to phase-out CFCs in the manufacture of pharmaceutical MDIs. The total estimated cost of the project was US \$61.7 million. However, India was requesting US \$26.7 million after deducting the foreign ownership component of one enterprise, adjustments due to 4.9 per cent in exports of MDIs to non-Article 5 countries and 57 per cent in counterpart contributions by the enterprises. The Secretariat had proposed an alternative method for determining the incremental cost of the project on the basis of its

review of the proposal, the large number of MDIs with different active ingredients and strengths, additional information obtained during project review and experience gained by the Fund in the MDI sector. The method was consistent with the policies and guidelines of the Fund and addressed all policy and cost issues raised during the project review. With this method, the level of funding proposed for complete phase-out of CFCs in the manufacture of MDIs in India was US \$25.1 million. After adjustments of US \$15.3 million for foreign ownership, exports to non-Article 5 countries, counterpart funding and funding for CFC phase-out that had already been approved in the national phase-out plan, the total cost of the proposal was US \$10.2 million, which included the transition strategy and a project implementation and monitoring unit.

190. Noting the substantial counterpart contribution from the MDI manufacturing enterprises, the urgent need to complete the conversion of the MDI sector to non-CFC alternatives and the work undertaken by the Government of India, the Secretariat and the bilateral and implementing agencies, the Executive Committee decided to approve the national strategy for transition to non-CFC MDIs and plan for phase-out of CFCs in the manufacture of pharmaceutical MDIs in India at US \$10,202,267 plus agency support costs of US \$851,700 (US \$2,000,000 plus agency support costs of US \$230,000 for the Government of Italy; US \$8,082,267 plus agency support costs of US \$606,170 for UNDP; and US \$120,000 plus agency support costs of US \$15,600 for UNEP), on the understanding the Government of India would have flexibility in using the funding approved for eligible activities that it considered adequate to achieve the complete phase-out of CFCs in the MDI sector and in accordance with relevant decisions and guidelines of the Fund.

(Decision 56/47)

Indonesia: Technical assistance to implement national transition strategy to CFC-free MDI
(UNDP, UNEP)

191. The representative of the Secretariat said that the World Bank had submitted a proposal for a technical assistance programme for a national transition strategy to CFC-free MDIs in Indonesia. The total cost of the project has been estimated at US \$196,000. He recalled that the Committee at its 44th Meeting had approved the national phase-out plan, noting that no additional funds would be available from the Fund for phasing-out CFCs, except for 30 ODP tonnes used in the pharmaceutical aerosol sector, including MDIs.

192. The Executive Committee, having noted the commitment of the Government of Indonesia to the complete phase-out of CFC consumption used in the manufacturing of MDIs by the end of 2009, decided to approve the MDI technical assistance programme in Indonesia at the amount of US \$155,000 plus agency support costs of US \$13,950 for the World Bank, on the understanding that no more funding would be approved from the Fund for the phase-out of CFCs in Indonesia.

(Decision 56/48)

Pakistan: Plan for phase-out of CFCs in the manufacture of pharmaceutical MDIs (UNDP, UNEP)

193. The representative of the Secretariat introduced the project proposal to phase out CFCs in the manufacture of MDIs in Pakistan to be implemented by UNDP, together with a transition strategy to be implemented by UNEP, for a total funding request of approximately US \$2.1 million. The project proposed the conversion of three MDI manufacturing plants to HFA technology, a request for a new production line and operating costs for one year associated with the conversion of the facilities being operated by GlaxoSmithKline (GSK) in Pakistan, as well as a request for additional equipment to retrofit the production lines being operated by Zafa Pharmaceutical Laboratories (Zafa) and Macter International

(Macter). Data had shown that three batches of CFC-MDIs had been produced at Zafa for stability tests from January 2002 to 2005, and therefore it was uncertain whether the conversion of the production line at Zafa was eligible for funding.

194. During project review it had been established that the conversion of the MDI manufacturing line at GSK would entail a simpler production line, which would reduce costs. Therefore, it had been agreed that the funding request, before adjustments, would be reduced to US \$1.56 million. Given that the level of funding, after adjustments, would amount to US \$100,000, the resulting support costs would not allow UNDP to implement the project adequately, and an additional US \$100,000 had been requested to provide oversight and verification of the conversion in all the MDI manufacturing enterprises if the conversion of both Zafa and Macter was not funded. In the event that Zafa proved to be eligible for funding the additional amount to implement the project adequately would be reduced to US \$70,000.

195. It was noted that the adjustment to the level of funding of US \$378,810 was based on the total CFC consumption in the MDI sector without discounting the consumption associated with the foreign ownership of one plant. If the foreign ownership was not to be considered, then the decrease would be US \$79,550. The issue of the eligibility of the production line at Zafa was also discussed. One Member indicated that in 2002 the MDIs were produced for stability tests. Another Member said, however, that actual commercial production of MDIs only started in 2005 and, therefore, the eligibility of the plant was in doubt. Following an initial discussion the Executive Committee referred the matter to a small contact group for further consideration.

196. After having heard the report of the contact group, the Executive Committee decided:

- (a) To approve the plan for phase-out of CFCs in the manufacture of pharmaceutical metered-dose inhalers (MDIs) in Pakistan at the amount of US \$449,996 plus agency support costs of US \$33,750 for UNDP;
- (b) To approve the national strategy for transition to non-CFC MDIs at the amount of US \$79,000 plus agency support costs of US \$9,100 for UNEP; and
- (c) That the Government of Pakistan would have flexibility in using the funding available for eligible activities it deemed appropriate to achieve the complete phase-out of CFCs in the MDI sector and in accordance with the relevant decisions and guidelines of the Fund.

(Decision 56/49)

Foam sector

Brazil: Pilot project for validation of methyl formate as a blowing agent in the manufacture of polyurethane foam (phase I) (UNDP)

197. The representative of the Secretariat introduced the proposal for a pilot project for validation of methyl formate as a blowing agent in the manufacture of polyurethane foam in Brazil submitted by UNDP. The project proposed first to develop and validate the use of methyl formate in polyurethane applications, apply that technology in a limited number of plants and then transfer the technology to interested system houses. He said that, in light of decision 55/43(e), under which bilateral and implementing agencies had been invited to submit specific projects involving system houses in the development and validation of non-HCFC blowing agents, the Executive Committee might wish to consider approving the pilot project.

198. In the discussion that followed it was observed that one of the issues being raised by the use of the new technology was the necessity of establishing licensing arrangements with the licensor of the

technology. It was also pointed out that the present funding request was for phase one of a two stage process and that there was no ODP phase-out associated with the first phase of the project. A number of different pilot projects for HCFCs were being brought forward to the Executive Committee and there was a need to discuss the implications of those projects in greater depth under agenda item 8. Concern was also expressed at the possibility that the new technology would need to be validated in a number of different regions, a process which could involve significant additional costs. The representative of UNDP said that once the technology had been validated, it could be transferred without needing further validation in other regions.

199. Following a discussion, the Executive Committee decided to approve the pilot project for validation of methyl formate as a blowing agent in the manufacture of polyurethane foam (phase I) in Brazil at a total cost of US \$401,500 plus agency support costs of US \$30,113 for UNDP, noting that the project was consistent with decision 55/43(e) and that it had been designed to disseminate the results from the validation of methyl formate technology in rigid and integral skin polyurethane foam applications globally, and on the understanding that the project would be the final validation project for methyl formate in the manufacture of rigid and integral skin polyurethane foams, and that approval of the project was without prejudice to consideration of the future funding request for phase II of the project by the Executive Committee.

(Decision 56/50)

Mexico: Pilot project for validation of methyl formate in microcellular polyurethane foam applications (phase I) (UNDP)

200. The Executive Committee considered the pilot project for validation of methyl formate in microcellular polyurethane foam applications in Mexico submitted by UNDP, as summarized above in relation to the project in Brazil.

201. The Executive Committee decided to approve the pilot project for validation of methyl formate in microcellular polyurethane foam applications (phase I) in Mexico at a total cost of US \$291,500 plus agency support costs of US \$21,862 for UNDP, noting that the project was consistent with decision 55/43(e) and that it had been designed to disseminate the results of the validation of methyl formate technology in microcellular polyurethane foam applications globally, and on the understanding that the project would be the final validation project for methyl formate in the manufacture of microcellular polyurethane foams, and that approval of the project was without prejudice to consideration of the future funding request for phase II of the project by the Executive Committee.

(Decision 56/51)

China: Sector plan for phase-out of CFC-11 in the foam sector (World Bank)

202. The representative of the Secretariat said that the World Bank had submitted a request for the release of the fourth and last funding tranche of US \$1,767,000 plus agency support costs for the 2009 implementation programme for phasing out use of CFC-11 in the polyurethane foam sector in China. The request had been accompanied by a report on the 2007 work programme and achievements to date, a verification report for 2007 and the proposed annual work programme for 2009. The underlying policy issue related to the project had already been resolved (see decision 56/13). Consumption in the foam sector had been verified to be within the limits agreed upon under the accelerated phase-out plan, and was lower than that in the original agreement approved at the 35th Meeting of the Executive Committee. The annual report showed that the phase-out activities were advancing according to plan and had been verified as so. The work plan for 2009 included a number of government activities and preparation of a project completion report.

203. Having resolved the issue with respect to post-2010 monitoring for the agreement (see decision 56/13), the Executive Committee decided to approve the 2009 programme of the plan for phasing-out CFCs in the polyurethane foam sector in China and the associated tranche at a funding level of US \$1,767,000 plus support costs of US \$159,030 for the World Bank, on the understanding that funding for activities beyond 2009 would be released by the World Bank only after the work plan to be submitted to the 57th Meeting had been approved.

(Decision 56/52)

Halon

China: Halon production/consumption sector agreement (World Bank)

204. The representative of the Secretariat recalled that the halon production/consumption sector plan was the first sector phase-out plan to have been approved, addressing both consumption and production. To date, US \$61.9 million of the US \$62 million approved for the overall plan had been released. China, through the World Bank, was requesting the release of the 12th and last tranche of US \$100 000 for implementation of the 2009 programme. Having resolved the issue with respect to post-2010 monitoring of the agreement (see decision 56/13), the Executive Committee decided to approve the release of the final tranche of the China halon sector plan at the amount of US \$100,000 plus agency support costs of US \$7,500 for the World Bank.

(Decision 56/53)

Methyl bromide

Egypt: National phase-out of methyl bromide in horticulture and commodities fumigation except in date use (UNIDO)

205. The representative of the Secretariat said that UNIDO had submitted a national phase-out plan for methyl bromide in horticulture and commodities fumigation (except for dates), which would result in the complete phase-out of controlled uses of methyl bromide in Egypt by the end of 2013. The plan had been approved by the Committee at its 38th Meeting at a cost of US \$2.75 million, on the understanding that Egypt would freeze consumption during 2003 and 2004 and would achieve complete phase-out by 2009, provided that a second portion of the project was approved at a level of US \$2.26 million. At its 52nd Meeting, the Committee had considered a progress report, which included a request from the Government to change some of the techniques selected for the original project. The Committee noted that once the project was fully implemented the remaining methyl bromide consumption eligible for funding in Egypt would be 131.4 ODP tonnes, and consequently, the maximum level of funding for the second portion of the project would be US \$1.75 million. Further to discussions with the Secretariat, UNIDO resubmitted a revised project at a cost of US \$1.93 million, almost US \$541,000 less than the original proposal. Furthermore, almost US \$400 000 had been paid in cash and in kind as a counterpart contribution for the introduction of some of the alternative technology.

206. The Executive Committee, after noting the level of counterpart funding, the positive results achieved in the introduction of alternative techniques, the fact that the revised project would complete the introduction of those techniques, the fact that the Government had committed itself to achieving phase-out by the end of 2013 and the cost-effective value of the revised project of US \$10.50/kg, decided:

- (a) To approve the project on the national phase-out for methyl bromide in horticulture and commodities fumigation (except for dates) in Egypt at a total cost of US \$1,934,994 plus agency support costs of US \$145,125 for UNIDO, on the understanding that no additional

funding would be provided to the Government of Egypt for the phase-out of controlled uses of methyl bromide in the country; and

- (b) To approve the agreement between the Government of Egypt and the Executive Committee contained in Annex XIII to the present report.

(Decision 56/54)

Morocco: Phase-out of methyl bromide—terminal project (first tranche) (Italy, UNIDO)

207. The representative of the Secretariat said that UNIDO, on behalf of the Government of Morocco, had submitted two project proposals for the phase-out of methyl bromide. One related to the sixth and final tranche of the project for the phase-out of methyl bromide used for soil fumigation in tomato production that was recommended for blanket approval, and a terminal project for the phase-out of methyl bromide used as a soil fumigant in the production of green beans and cucurbits, which would complete the phasing-out of methyl bromide in the country. All policy and cost issues had been addressed by the agencies.

208. The Executive Committee decided:

- (a) To approve in principle the terminal project for the phase-out of methyl bromide used as a soil fumigant in the production of green beans and cucurbits in Morocco, at a total cost of US \$1,437,594 plus agency support costs of US \$84,750 for UNIDO and US \$40,300 for the Government of Italy, on the understanding that no additional funding would be provided for Morocco for the phase-out of controlled uses of methyl bromide in the country,
- (b) To approve the revised agreement between the Government of Morocco for the phase-out of controlled uses of methyl bromide contained in Annex XIV to the present report, and
- (c) To approve the first tranche of the project at a total cost of US \$690,000 plus agency support costs for US \$51,750 for UNIDO and US \$310,000 plus agency support costs of US \$40,300 for the Government of Italy.

(Decision 56/55)

Thailand: National methyl bromide phase-out plan (third tranche) (World Bank)

209. The representative of the Secretariat said that the World Bank had submitted a progress report on implementation of the second annual programme of the national methyl bromide phase-out plan for Thailand and a request for funding for the third tranche of the project. Since approval of the project, the Government of Thailand had reduced methyl bromide consumption in compliance with its Agreement with the Executive Committee, consumption in 2007 being 24.7 ODP tonnes below the allowable level under the Protocol and the maximum allowable level in the Agreement. As of August 2008, only 12 per cent of the total amount of the funds approved had been disbursed and it was estimated that, by the end of 2009, nearly US \$1.35 million would have been disbursed, leaving a balance of some US \$386 000 from the first two tranches. In view of the level of funding still available for disbursement until the end of 2009 and beyond, the Secretariat was unable to recommend approval of the third tranche of the project.

210. In response, the World Bank had recalled that the Agreement with the Committee stated the Government's commitment to sustain consumption of methyl bromide permanently, at the specified level in exchange for funds received according to a defined funding schedule agreed to by all Parties at the time

of approval of the Agreement had been met. The Government of Thailand had fulfilled its commitment to reduce its methyl bromide consumption and, as a result, expected the final tranche of funding to be released in 2008. In several similar situations where there was a low level of disbursement for multi-year projects, the Secretariat had requested the relevant agency to defer the request, regardless of whether the reported level of ODS consumption was in accordance with that agreed. Usually, the agency had concerned agree to do so.

211. During the discussion, the Government of Thailand was commended on having set up the necessary policy and regulatory framework to achieve the phase-out of methyl bromide, but it was emphasized that funding that had been approved was intended to promote compliance through the implementation of activities included in relevant work programmes that had already been approved. On that basis, it would not be advisable to provide additional funding at the present time.

212. Following the discussion, the Executive Committee, while commending the Government of Thailand for meeting a number of the project targets, decided to defer the request for funding the third tranche of the national methyl bromide phase-out plan to a future Meeting, once the activities initiated with the previously approved tranches had been implemented and the available funding had been disbursed or committed.

(Decision 56/56)

Yemen: Terminal phase-out of methyl bromide in soil fumigation (first tranche) (Germany)

213. Introducing document UNEP/OzL.Pro/ExCom/56/55, the representative of the Secretariat advised that the Government of Germany had submitted a project proposal for the terminal phase-out of methyl bromide on behalf of the Government of Yemen. All policy and cost issues had been successfully addressed by the Government of Germany.

214. On that basis, the Executive Committee decided:

- (a) To approve, in principle, the project for the terminal phase-out of methyl bromide in Yemen, at an amount of US \$601,450 plus agency support costs of US \$76,159 for Germany, on the understanding that no additional funding would be provided for Yemen for the phase-out of controlled uses of methyl bromide in the country;
- (b) To approve the revised draft agreement between the Government of Yemen and the Executive Committee for the phase-out of controlled uses of methyl bromide contained in Annex XV to the present report; and
- (c) To approve the first tranche of the terminal phase-out of methyl bromide in Yemen, at a total cost of US \$201,450 plus agency support costs of US \$25,509 for Germany, on the understanding that of that amount US \$123,636 would be approved at the present Meeting and the balance of US \$77,814 would be requested by the Government of Germany at the 57th Meeting of the Executive Committee.

(Decision 56/57)

Zambia: Technical assistance for the total phase-out of methyl bromide in tobacco, cut flowers, horticulture and post harvest uses (UNIDO)

215. Introducing document UNEP/OzL.Pro/ExCom/56/56, the representative of the Secretariat said that, on behalf of the Government of Zambia, UNIDO had submitted a project proposal to phase out

10 ODP tonnes of methyl bromide used in soil fumigation and the post-harvest sector, representing all controlled uses of methyl bromide. The project, as originally submitted, was based on 2005 methyl bromide consumption. However, on the basis of further discussions, it was agreed that the level of consumption to be phased out should be 7.4 ODP tonnes, calculated as the 2005-2007 average reported consumption.

216. The Executive Committee decided:

- (a) To approve the technical assistance programme for the total phase-out of methyl bromide in tobacco, cut flowers, horticulture and post-harvest uses in Zambia, at an amount of US \$289,548 plus agency support costs of US \$21,716 for UNIDO, on the understanding that no additional funding would be provided for Zambia for the phase-out of controlled uses of methyl bromide in the country; and
- (b) To approve the draft agreement between the Government of Zambia and the Executive Committee for the phase-out of controlled uses of methyl bromide contained in Annex XVI to the present report.

(Decision 56/58)

Multi-year agreements

Ecuador: National CFC phase-out plan: 2008 annual programme (World Bank)

217. Introducing documents UNEP/OzL.Pro/ExCom/56/29 and Add.1, the representative of the Secretariat said that, on behalf of the Government of Ecuador, the World Bank had submitted a request for the fifth and final tranche of the national CFC phase-out plan. The World Bank had also submitted a verification report together with the 2007 progress report and 2008 annual implementation programme, according to which a number of activities were to be implemented in 2009 regarding the import/export licensing system, recovery and recycling activities and a chiller activity. With respect to the implementation of the large-scale recovery and recycling programme in Ecuador, the Secretariat had recently received the information it had requested on the amount of CFCs recovered and reused, and how that figure had been taken into account when deciding on the purchase of further recovery and recycling machines. It had not been possible to submit a copy of a report on the benefits of the replacement of chillers by room air-conditioners before the present Meeting.

218. On that basis, the Executive Committee decided to approve the requested tranche of US \$18,334, plus agency support costs of US \$1,375 for the World Bank, on the understanding that the World Bank would forward a copy of the report on the chiller replacement to the Secretariat when it became available.

(Decision 56/59)

Process agents

China: Phase-out of the production and consumption of CTC for process agent and other non-identified uses (phase I): 2009 annual programme (World Bank)

219. The representative of the Secretariat introduced a submission by the World Bank on behalf of the Government of China on the 2009 annual programme for the sector plan for phasing out the production and consumption of carbon tetrachloride (CTC) and the consumption of CFC-113 as a process agent (phase I) (document UNEP/OzL.Pro/ExCom/56/24). The request for disbursement of the funds would be considered by the Executive Committee at its 57th Meeting, subject to verification by the World Bank of the 2008 work programme.

220. The Executive Committee decided:

- (a) To take note of the proposed 2009 work programme of the China sector plan for phasing out the production and consumption of carbon tetrachloride (CTC) and the consumption of CFC-113 as a process agent (25 applications) under phase I;
- (b) To take note of the proposed plan to extend implementation of the CTC phase-out sector plan for both phase I and phase II beyond 2010 and the proposal to allocate the estimated unspent fund balance of US \$1.3 million; and
- (c) To approve the 2009 annual programme at US \$1.0 million and agency support costs of US \$75,000 for the World Bank for phase I of the sector plan, noting that the request for funding and support costs would be submitted by the World Bank to the Executive Committee at its 57th Meeting together with a verification report on the implementation of the 2008 annual programme.

(Decision 56/60)

China: Phase-out of the production and consumption of CTC for process agent and other non-identified uses (phase II): 2009 annual programme (World Bank)

221. The representative of the Secretariat introduced a submission by the World Bank on behalf of the Government of China on the 2009 annual programme of the sector plan for phasing out the production and consumption of carbon tetrachloride (CTC) for process agent and other non-identified uses (phase II) (document UNEP/OzL.Pro/ExCom/56/24). The request for disbursement of the funds would be considered by the Executive Committee at its 58th Meeting, subject to verification of the 2008 work programme by the World Bank.

222. The Executive Committee decided to approve the 2009 annual work programme of phase II of the sector plan for phasing out CTC production and consumption for process agents and other non-identified uses (phase II) at US \$1.5 million, and agency support costs of US \$112,500 for the World Bank, with the understanding that the request for funding and support costs would be submitted by the World Bank to the Executive Committee at its 58th Meeting, together with a verification report on the implementation of the 2008 annual programme.

(Decision 56/61)

Production

China: CFC production sector agreement (World Bank)

223. The representative of the Secretariat, introducing a submission by the World Bank on behalf of the Government of China requesting approval of the 2009 annual work programme for the China CFC production sector (document UNEP/OzL.Pro/ExCom/56/24), said that the request for disbursement of the funds would be considered by the Executive Committee at its 57th Meeting, subject to verification by the World Bank of the 2008 work programme.

224. Having resolved the issue with respect to post-2009 monitoring of the agreement (see decision 56/13), the Executive Committee decided to approve the 2009 work programme of the China CFC production closure programme at US \$7.5 million and agency support costs of US \$562,500 for the World Bank, noting that the request for funding and support costs would be submitted by the World Bank to the 57th Meeting, together with a verification report on the implementation of the 2008 annual programme.

(Decision 56/62)

India: Accelerated CFC production phase-out (World Bank)

225. The representative of the Secretariat introduced the submission by the World Bank, on behalf of the Government of India, of the revised draft agreement between the Government of India and the Executive Committee for the accelerated phase-out of CFC production in India (document UNEP/OzL.Pro/ExCom/56/34).

226. The Executive Committee decided to approve the revised agreement between the Government of India and the Executive Committee on the accelerated phase-out of CFC production in India contained in Annex XVII to the present report.

(Decision 56/63)

AGENDA ITEM 8: HCFC

(a) Further elaboration and analysis of issues pertaining to the phase-out of HCFC production sector (decisions 53/37(g) and 55/42)

227. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/56/57, which consisted of two parts: Part I was an excerpt from the report of the 55th Meeting of the Executive Committee (UNEP/OzL.Pro/ExCom/55/53) on agenda item 9(a) concerning the HCFC production sector; Part II was a reprint of a document prepared by the Fund Secretariat "Further Elaboration and Analysis of Issues Pertaining to the Phase-out of the HCFC Production Sector (decision 53/37(g))" (UNEP/OzL.Pro/ExCom/55/45), which had been submitted to the 55th Meeting of the Executive Committee.

228. A contact group was established to discuss issues related to the procedures and practices used during the previous production sector phase-out for controlled substances, the calculation of closure costs, synchronization of the HCFC production and consumption phase-out, the need for incentives for early closure and disincentives for late closure of HCFC facilities, the need for robust monitoring, issues related to production sector cut-off dates and swing plants and whether further information about clean development mechanism processes was needed.

229. The facilitator of the group, the representative of Australia, reported that although consensus had been reached on a number of issues, there was still some difference of opinion concerning the inclusion of swing plants. One view was that, given that HCFC phase-out had been accelerated at the Nineteenth Meeting of the Parties, the owners of swing plants should be compensated for the reduced time available for production and the earlier phase-out schedule. Others considered that swing plants should be treated as second conversions and therefore subject to reconsideration, in line with decision XIX/6. Some participants were of the view that the accelerated phase-out agreement did not change existing commitments entered into by the countries, that swing plants were not second conversions but CFC production closure and that consideration of swing plants as eligible for HCFC production sector closure invalidated the original concept of compensating them for lost profits.

230. The members of the group had decided to continue their discussions on the production sector at the 57th Meeting, using the text that had been used as the basis for discussions at the present Meeting.

231. The Executive Committee decided:

- (a) To defer the issue of cut-off dates for the production sector to a future meeting, taking into account any further discussions on a cut-off date for HCFC consumption;
- (b) To further consider the issue of swing plants at the 57th Meeting of the Executive Committee;
- (c) To request the Fund Secretariat to provide a summary of information publicly available on relevant elements of the operation of the clean development mechanism and the amounts of HCFC-22 production available for credits as a first step;
- (d) To constitute and convene the production sector sub-group at the 57th Meeting to finalize the work of the contact group on elements of a future decision with respect to the HCFC production sector, including:
 - (i) Adopting the practices and procedures laid out in paragraphs (a)(i)-(a)(vii) to (d) of decision 19/36 of the Executive Committee for the HCFC production sector or excluding paragraph (a)(vii) which states that “the environmental clean-up of the ODS-producing facility should not constitute an incremental cost; however, it should be done in an environmentally responsible manner”;
 - (ii) Continuing to calculate production costs on the basis of closure taking into account foreign ownership and export to non-Article 5 components of facilities being closed or calculating production costs on the basis of closure, conversion, and/or redirection to feedstock taking into account foreign ownership and export to non-Article 5 components of facilities being closed;
 - (iii) Encouraging a synchronized production/consumption phase-out as part of the first HPMP;
 - (iv) Considering, as appropriate, providing incentives for early phase-out of HCFC production and/or providing disincentives for HCFC production that would be phased out later;
 - (v) Requiring a robust monitoring system, similar to that used for the verification of the CTC phase-out, to monitor facilities that received funding but continued to produce HCFCs for feedstock uses;
 - (vi) Continuing the discussion on other issues including but not limited to:
 - a. Technical audits for production sector in China under its HPMP; and
 - b. An analysis of costs for production closure versus conversion to HFC-32 versus feedstock.

(Decision 56/64)

(b) Issues related to relevant cost considerations surrounding the financing of HCFC phase-out (decision 55/43(g))

232. The representative of the Secretariat introduced documents UNEP/OzL.Pro/ExCom/56/58 and Add.1, which provided information collected by the Secretariat in order to assist the Committee in its further deliberations on policy relating to second-stage conversions and determination of the cut-off date for installation of HCFC-based manufacturing equipment, after which incremental costs for the conversion of such equipment would not be eligible for funding. During the ensuing discussion, divergent cut-off dates were proposed, with several Members arguing for the year 2012, a number for 2007, and others for 2004 or 2000. Several spoke in favour of the Fund supporting activities pertaining to second conversions as soon as possible, but some stated that decision XIX/6 clearly ruled out full funding. The representative of Sweden suggested that, with regard to decision 55/43, the Chief Officer might also wish to contact the Nordic Environment Finance Corporation (NEFCO) with respect to its Nordic Carbon Fund.

233. One Member said that the point had been reached when the cut-off date issue had to be resolved if negative impacts were to be avoided; and in view of the urgency in finding a solution there should be consultations among all Members. The Chair suggested that an open-ended contact group be established with a view to bringing Members' views closer together on the issues. The representative of the Dominican Republic, as facilitator of the contact group, said that it had met once and had not been able to reach agreement either on determining the cut-off date or on the policy relating to second-stage conversions. Accordingly, it was the group's suggestion that the subject be deferred for consideration by the Committee at its 57th Meeting.

234. The Executive Committee decided to continue its deliberations on the issue of second conversions and cut-off dates at its 57th Meeting, in light of the mandate provided by the Nineteenth Meeting of the Parties, and the information provided in document UNEP/OzL.Pro/ExCom/56/58 and annexes thereto.

(Decision 56/65)

AGENDA ITEM 9: ACCOUNTS OF THE MULTILATERAL FUND

(a) 2007 financial statements

235. The Treasurer introduced document UNEP/OzL.Pro/ExCom/56/59, which presented the audited 2007 financial statement of the Fund and highlighted the differences between the implementing agencies' provisional and final 2007 accounts with respect to their income and expenditures. One implementing agency had reported an additional interest income of US \$1.3 million, which had been included in the Fund balance. Adjustments had also been made to the aggregate expenditure level in the accounts for the current year to reflect the changes reported by implementing agencies in their 2007 final financial statements.

236. The Treasurer also said that the United Nations Board of Auditors had recommended that the Executive Committee draw the attention of the Meeting of the Parties to the issue of the long-outstanding arrears in contributions and asked that a decision be taken either to write off those arrears or to solicit their payment.

237. The Executive Committee decided:

- (a) To note the audited financial statement of the Fund as at 31 December 2007;

- (b) To note the Auditors' request that the attention of the Meeting of the Parties should once again be drawn to the need for the long-outstanding contributions to be paid or written off; and
- (c) To request the Treasurer to record in the 2008 accounts the differences between the agencies' provisional and final 2007 accounts as reflected in tables 1 and 2 of document UNEP/OzL.Pro/ExCom/56/59.

(Decision 56/66)

(b) Reconciliation of the 2006 and 2007 accounts

238. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/56/60, which presented the results of the reconciliation of the 2006 and 2007 accounts. The reconciliation of the 2006 accounts had been delayed by the need for UNEP to review its records on approved projects to explain a discrepancy of US \$6,060, as well as a discrepancy of US \$105,494 recorded in its financial statement. The World Bank should also explain US \$303 in excess income.

239. The 2007 reconciliation of accounts exercise had revealed that the records of approved amounts for the agencies were substantially the same as those of the Secretariat, with differences varying between US \$3 to US \$10. However, comparison among the approvals for the implementing agencies in the progress reports and the 2007 income accounts of the implementing agencies indicated a shortfall in the World Bank's income of US \$2,686,741 and a surplus of US \$45,161 in UNEP's income. UNEP was also still investigating an entry of US \$93,622 in its final expenditures for 2007. The representative of the Secretariat said that, as a result of the 2007 reconciliation exercise, some adjustments were still required in 2008, and the World Bank still needed to explain its shortfall, and UNEP its surplus, to the 57th Meeting of the Executive Committee.

240. The Executive Committee decided:

- (a) To note the reconciliation of the 2007 accounts as presented in document UNEP/OzL.Pro/ExCom/56/60;
- (b) To note that, in order to complete the 2006 reconciliation exercise, a further update from UNEP and the World Bank was required on:
 - (i) US \$105,494 project support cost expenditures;
 - (ii) US \$303 excess in the World Bank's income to allow the Treasurer to offset that amount from future transfers;
- (c) To note that the 2007 reconciliation of the accounts exercise was pending further explanation from the World Bank on the shortfall of US \$2,686,741 in its income and US \$45,161 surplus from UNEP in its income and to request UNEP and the World Bank to report on those two amounts to the 57th Meeting;
- (d) To note that UNEP was still investigating an entry of US \$93,622 in its 2007 final expenditures to explain the difference between the expenditures in its progress reports and in its provisional statement, and would report on those items at the 57th Meeting;
- (e) To request UNDP to adjust its 2007 expenditures by US \$6,445 in 2008;

- (f) To request the Treasurer to record in 2008 the 2007 income of US \$1,320,670 for UNDP, US \$187,233 for UNEP, US \$633,576 for UNIDO and US \$1,838,022 for the World Bank in 2008; and
- (g) To request the Treasurer to record the 2007 expenditures of US \$299,485 for UNDP in 2008.

(Decision 56/67)

AGENDA ITEM 10: REVISED 2009, 2010 AND PROPOSED 2011 BUDGETS OF THE FUND SECRETARIAT

241. The representative of the Secretariat introduced a revision to the 2009 budget contained in document UNEP/OzL.Pro/ExCom/56/61, together with the budget for 2010, as approved at the 54th Meeting of the Committee, and the proposed budget to cover staff costs in 2011. She said that in the budget the Secretariat proposed to make a one-time allocation of US \$120,000 in 2008 to cover an overrun resulting from conference services costs in Bangkok that had not been provided for in the annual budget of the Secretariat. She also said that should the Executive Committee decide to hold its 58th Meeting in Geneva, the Secretariat would need another one-time allocation in 2009 of approximately US \$220,000 to meet costs related to holding the meeting outside Montreal. She also pointed out that costs related to holding Executive Committee meeting back-to-back with a Meeting of the Parties usually had little impact on the budget because of host government agreements.

242. Several Members requested that the Secretariat be given sufficient flexibility to cover budget overruns when providing conference services, but it was also suggested that the Secretariat consider the budgetary consequences of holding meetings of the Executive Committee away from the seat of the Multilateral Fund Secretariat in Montreal in order to aid the Executive Committee in deciding where to hold its meeting.

243. The representative of the Secretariat explained that the Chief Officer of the Fund Secretariat had only a limited ability to redeploy funds between budget lines and that for the purposes of transparency it had been important to inform the Executive Committee of the situation. She informed the Meeting that there had been a saving of US \$50,000 on the ICF study. That sum lay outside the budget of the Fund Secretariat although, with the approval of the Executive Committee, it could be offset against the overrun that had resulted from the costs associated with holding the 55th Meeting in Bangkok. She also said that, given the United Nations staff rules associated with travel, plus the higher costs of the conference services, it would cost the Executive Committee approximately US \$220,000 more to hold its 58th meeting in Geneva than it would if the Executive Committee decided to meet in Montreal. The Meeting concluded that it would not be cost neutral for the Secretariat's budget and therefore agreed to hold its 58th Meeting in Montreal.

244. In addressing the issue of the departure of the Senior Monitoring and Evaluation Officer, it was decided to establish a contact group, comprising the representatives of Australia, Belgium, Germany, Japan, Romania, Sweden and the United States of America, to draw up a text of a draft decision. The contact group agreed that a condition be added to the 2009 Secretariat budget table, specifically that the Secretariat should not expend more than 50 per cent of the amount indicated for the services of a temporary Senior Monitoring and Evaluation Officer. Further, given that the Senior Monitoring and Evaluation Officer was leaving the Fund Secretariat, some Members considered that there was no need to retain the full amount in the Secretariat budget for the budget lines for that officer and that the position of Senior Monitoring and Evaluation Officer needed to be reconsidered at the 57th Meeting of the Executive Committee.

245. The representative of Sweden, as facilitator of an informal contact group on the issue, proposed a draft decision, to which he made an oral amendment.

246. The Executive Committee decided:

- (a) To approve the amount of US \$2,714,587 in the revised 2009 budget of the Fund Secretariat contained in Annex XVIII to the present report to cover the operational costs of the Secretariat, resulting in a total of US \$6,135,678 with the inclusion of the 2009 salary component already approved at the 54th Meeting of the Executive Committee;
- (b) To note the amount of US \$3,592,146 for the salary component in 2010 already approved at the 54th Meeting;
- (c) To approve the proposed 2011 salary component of the budget totalling US \$3,771,753;
- (d) To allow the Secretariat, on a one-time basis, flexibility in the 2008 budget to exceed the 20 per cent limit to reallocate funds among budget lines and move anticipated savings of approximately US \$50,000 from the sub-contract component to cover the overrun on conference service costs under the Executive Committee line in respect of having held the 55th Meeting of the Executive Committee in Bangkok, back-to-back with the meeting of the Open-ended Working Group of the Montreal Protocol in July 2008;
- (e) That the funds allocated to the position of the temporary staff assuming the role of the Senior Monitoring and Evaluation Officer in 2009 were limited to the budgetary allocation for that position only; and
- (f) To reconsider the budget for this position concurrently with its decision on the future priorities and arrangements for the monitoring and evaluation programme.

(Decision 56/68)

AGENDA ITEM 11: STUDY ON FINANCING THE DESTRUCTION OF UNWANTED ODS

247. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/56/62, containing a summary of the decisions taken by the Committee on the agenda item and the elements of the terms of reference for a study on financing the destruction of unwanted ODS, to be undertaken by the World Bank. The Executive Committee, at its 55th Meeting, had approved the terms of reference (decision 55/34), but as funding had only been approved in July 2008 there had not been sufficient time to commission and complete the study.

248. In a brief overview of the status of the study, the representative of the World Bank said that the consultation selection process had been initiated and would be completed in December 2008, with a contract issued in January 2009. The final draft study was expected to be ready by the third quarter of 2009 and was expected to be submitted to the 59th Meeting of the Executive Committee. The Government of Japan had provided written confirmation of its intention to support the study by sharing relevant information on its ODS destruction project in Indonesia, and the Government of Sweden had indicated that it would support the study through a specific case study in the Russian Federation undertaken by the Nordic Environment Finance Corporation (NEFCO), including the work on hazardous waste management strategy within the framework of the Arctic Council. In addition, the Corporation would finance the development of a market strategy focusing on key stakeholders in the carbon markets.

249. In the brief ensuing discussion, there was general approval of and support for the approaches being taken in the World Bank study.

250. The Executive Committee took note of the status of the study on financing the destruction of unwanted ODS and the timetable for its completion, as presented by the World Bank.

AGENDA ITEM 12: DRAFT REPORT OF THE EXECUTIVE COMMITTEE TO THE TWENTIETH MEETING OF THE PARTIES TO THE MONTREAL PROTOCOL

251. The Chief Officer introduced the draft report of the Executive Committee to the Twentieth Meeting of the Parties contained in document UNEP/OzL.Pro/ExCom/56/63, which summarized the most important decisions taken by the Committee at its 53rd, 54th and 55th Meetings. She said that as the reporting period also included the 56th Meeting, the report would need to be updated immediately after the report of the 56th Meeting had been finalized.

252. One Member said that the update should include a chapter, in the section on "Policy matters", on HCFC phase-out policy relating to second-stage conversions and determination of the cut-off date for installation of HCFC-based manufacturing equipment; that chapter should reflect the concern that had been expressed regarding lack of progress. Another Member said that the Secretariat could be trusted to reflect that discussion accurately and to incorporate a reference to the myriad complex technical issues concerning HCFCs with which the Executive Committee was grappling.

253. The Executive Committee decided to authorize the Secretariat to finalize the report in the light of the discussions held and decisions taken at the 56th Meeting of the Executive Committee, as well as the comments made by Committee Members.

(Decision 56/69)

AGENDA ITEM 13: OTHER MATTERS

Report by UNEP on the status of RMP and TPMP projects in Myanmar and Brunei Darussalam

254. In decision 55/24, the Committee had approved UNEP's request for preparation of the TPMP for Myanmar without new funds but using the balance of the remaining activities in the RMP, on the condition that UNEP would not utilize any funds until an official letter had been received from the country signifying its agreement to that approach. The representative of UNEP drew the Committee's attention to the receipt of an e-mail from Myanmar in September 2008 confirming its commitment to meet the 2010 compliance targets through a TPMP. UNEP had been advised by the Secretariat that an official written document addressed to the Chief Officer of the Fund was still required for that condition to be met. No such written commitment having so far been received, and in light of the fact that there would be less than one year remaining to implement a TPMP if it was to be submitted in 2009, UNEP would use its 2009 South-South cooperation to conduct training for technicians and customs officers, in addition to the remaining funds for the balance of activities under the RMP.

255. The Executive Committee decided to remove the preparation of a TPMP for Myanmar from the list of projects in light of UNEP's decision, in the absence of an official letter being received from that country, and agreed to assist the country to meet its 2010 compliance needs through the existing funds from the RMP, and UNEP's further assistance.

(Decision 56/70)

256. In the case of Brunei Darussalam, the representative of UNEP reported that UNEP, as lead agency, as well as UNDP, were having difficulties meeting Executive Committee decision 54/19 to complete a full TPMP for Brunei Darussalam for submission to the present Meeting using the balance of funds from the RMP. UNEP therefore requested the assistance of the Secretariat for high-level intervention in the form of a communication to the Government of Brunei Darussalam to expedite

signature of two outstanding project documents concerning the RMP to enable it to implement the remaining activities in the country. UNEP also requested the Committee to cancel the TPMP preparation and allow both agencies to prepare and submit to the 57th Meeting action plans for 2009 and 2010 to include activities enabling Brunei Darussalam to achieve complete CFC phase-out by 2010. UNEP also undertook to provide the Executive Committee, through the Secretariat, with an annual progress report on phase-out activities in Brunei.

257. The Executive Committee decided to request:

- (a) The Chair of the Executive Committee to write to the Government of Brunei Darussalam requesting the expeditious signature of the project documents to enable the implementation of the RMP;
- (b) UNEP and UNDP to prepare and submit to the Executive Committee at its 57th Meeting an action plan for 2009 and 2010 to include activities that would enable Brunei Darussalam to achieve complete phase-out of CFCs by 2010; and
- (c) UNEP and UNDP to provide the Committee with an annual progress report on phase-out activities in Brunei Darussalam.

(Decision 56/71)

Dates and venues of future meetings of the Executive Committee

258. The Chief Officer confirmed the dates of the Executive Committee's 57th and 58th Meetings. The 57th Meeting would be held from 30 March to 3 April 2009 and the 58th Meeting was being scheduled to take place from 6 to 10 July 2009, in Montreal. She also said that the Secretariat had entered into discussions with the Ozone Secretariat about the possibility of holding the 59th meeting of the Executive Committee back-to-back with the Twenty-first Meeting of the Parties.

259. The Executive Committee decided:

- (a) To hold its 57th Meeting in Montreal from 30 March to 3 April 2009; and
- (b) To hold its 58th Meeting in Montreal tentatively from 6 to 10 July 2009.

(Decision 56/72)

260. One Member requested that the Secretariat explore with ICAO the possibility of advancing the 58th Meeting by one day to enable Members to depart in time to attend coordination meetings in Geneva in preparation for the 29th Meeting of the Open-ended Working Group.

261. Before the agenda item was closed, the Chief Officer advised the Committee that three professional staff members had reached a significant milestone in the Secretariat during the course of 2008. Mr. Andrew Reed, Mr. Eduardo Ganem and Ms. Martha Leyva had serviced and diligently prepared for 50 Meetings of the Executive Committee. That was a major achievement to be noted.

AGENDA ITEM 14: ADOPTION OF THE REPORT

262. The Executive Committee adopted its report on the basis of the draft report contained in document UNEP/OzL.Pro/ExCom/56/L.1.

AGENDA ITEM 15: CLOSURE OF THE MEETING

263. The 56th Meeting was the last for Mr. Ansgar Eussner, Senior Monitoring and Evaluation Officer, who would take up a position as Chief of Programme Evaluation, Management and Audit at the International Civil Aviation Organization in Montreal, and also for Mr. Sheng Shuo Lang, Deputy Chief Officer, who was retiring. The Committee expressed heartfelt appreciation and thanks for the contributions they had made over many years to the success and effectiveness of the Multilateral Fund.

264. The Executive Committee expressed its gratitude to the Government of Qatar for hosting the Meeting and for its warm hospitality.

265. Following the customary exchange of courtesies, the Chair declared the Meeting closed at 5.55 p.m. on Wednesday, 12 November 2008.

Annex I

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

Table 1 : STATUS OF THE FUND FROM 1991-2008 (IN US DOLLARS)

As at 7 November 2008

INCOME		
Contributions received:		
- Cash payments including note encashments		2,096,548,265
- Promissory notes held		29,761,206
- Bilateral cooperation		124,443,851
- Interest earned		193,347,133
- Miscellaneous income		9,851,710
Total Income		2,453,952,165
ALLOCATIONS* AND PROVISIONS		
- UNDP	547,175,353	
- UNEP	146,254,419	
- UNIDO	511,649,611	
- World Bank	985,791,639	
Less Adjustments	-	
Total allocations to implementing agencies		2,190,871,022
Secretariat and Executive Committee costs (1991-2008)		
- includes provision for staff contracts into 2010		66,269,336
Treasury fees (2003-2008)		2,550,550
Monitoring and Evaluation costs (1999-2008)		2,866,754
Technical Audit costs (1998-2005)		909,960
Information Strategy costs (2003-2004)		
- includes provision for Network maintenance costs for 2004		104,750
Bilateral cooperation		124,443,851
Provision for fixed-exchange-rate mechanism's fluctuations		
- losses/(gains) in value		(38,573,647)
Total allocations and provisions		2,349,442,576
Cash		74,748,383
Promissory Notes:		
	2008	4,841,500
	2009	16,235,475
	2010	6,754,402
	2011	1,929,829
		29,761,206
BALANCE AVAILABLE FOR NEW ALLOCATIONS		104,509,589

* 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 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 - 2008 SUMMARY STATUS OF CONTRIBUTIONS AND OTHER INCOME
BALANCE AVAILABLE FOR NEW ALLOCATIONS
As at 7 November 2008

Description	1991-1993	1994-1996	1997-1999	2000-2002	2003-2005	1991 - 2005	2006	2007	2008	1991 - 2008
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	133,566,789	2,446,837,720
Cash payments/received	206,290,209	381,509,659	412,142,743	406,540,400	411,071,863	1,817,554,874	119,132,831	89,345,069	70,515,491	2,096,548,265
Bilateral assistance	4,366,255	11,955,410	21,987,748	22,642,671	48,181,291	109,133,375	4,499,573	5,000,998	5,809,905	124,443,851
Promissory notes	0	0	0	0	4,815,000	4,815,000	9,507,573	9,649,146	5,789,487	29,761,206
Total payments	210,656,464	393,465,069	434,130,491	429,183,071	464,068,154	1,931,503,249	133,139,977	103,995,213	82,114,883	2,250,753,322
Disputed contributions	0	8,098,267	0	0	0	8,098,267	0	0	0	8,098,267
Outstanding pledges	24,272,777	31,376,278	38,436,518	10,816,930	9,931,846	114,834,349	326,690	29,471,454	51,451,906	196,084,398
Payments %age to pledges	89.67%	92.61%	91.87%	97.54%	97.90%	94.39%	99.76%	77.92%	61.48%	91.99%
Interest earned	5,323,644	28,525,733	44,685,516	53,946,601	19,374,449	151,855,943	13,773,709	18,998,156	8,719,325	193,347,133
Miscellaneous income	1,442,103	1,297,366	1,223,598	1,125,282	1,386,177	6,474,526	1,329,111	1,001,142	1,046,931	9,851,710
TOTAL INCOME	217,422,212	423,288,168	480,039,605	484,254,955	484,828,780	2,089,833,718	148,242,797	123,994,511		2,453,952,165

Accumulated figures	1991-1993	1994-1996	1997-1999	2000-2002	2003-2005	1991 - 2005	2006	2007	2008	1991-2008
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	133,566,789	2,446,837,720
Total payments	210,656,464	393,465,069	434,130,491	429,183,071	464,068,154	1,931,503,249	133,139,977	103,995,213	82,114,883	2,250,753,322
Payments %age to pledges	89.67%	92.61%	91.87%	97.54%	97.90%	94.39%	99.76%	77.92%	61.48%	91.99%
Total income	217,422,212	423,288,168	480,039,605	484,254,955	484,828,780	2,089,833,718	148,242,797	123,994,511	0	2,453,952,165
Total outstanding contributions	24,272,777	31,376,278	38,436,518	10,816,930	9,931,846	114,834,349	326,690	29,471,454	51,451,906	196,084,398
As % to total pledges	10.33%	7.39%	8.13%	2.46%	2.10%	5.61%	0.24%	22.08%	38.52%	8.01%
Outstanding contributions for certain Countries with Economies in Transition (CEITs)	24,272,777	31,376,278	32,764,258	9,811,798	7,511,983	105,737,094	2,006,804	2,006,804	2,777,109	112,527,812
CEITs' outstandings %age to pledges	10.33%	7.39%	6.93%	2.23%	1.58%	5.17%	1.50%	1.50%	2.08%	4.60%

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 : 1991-2008 Summary Status of Contributions

As at 7 November 2008

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions	Exchange (Gain)/Loss. NB: Negative amount = Gain
Australia*	45,207,824	43,935,917	1,271,907	0	0	-205,041
Austria	25,513,384	25,381,594	131,790	0	0	-1,398,077
Azerbaijan	869,554	311,683	0	0	557,871	0
Belarus	2,660,523	0	0	0	2,660,523	0
Belgium	31,602,183	31,602,183	0	0	0	193,941
Bulgaria	1,152,825	1,152,825	0	0	0	0
Canada*	84,854,295	75,392,077	9,298,138	0	164,080	-4,585,960
Cyprus	344,170	344,170	0	0	0	0
Czech Republic	6,698,716	6,632,626	66,090	0	0	39,515
Denmark	20,777,680	20,572,679	205,000	0	0	-1,271,724
Estonia	193,163	193,162	0	0	0	0
Finland	16,405,523	15,953,652	451,870	0	0	-998,220
France	184,564,571	159,478,979	15,937,529	0	9,148,063	-15,656,955
Germany	271,709,256	210,231,996	41,018,881	20,263,206	195,173	-2,277,209
Greece	12,583,240	9,554,551	0	0	3,028,690	-1,333,501
Hungary	4,124,660	4,078,166	46,494	0	0	-76,259
Iceland	927,870	927,870	0	0	0	-32,755
Ireland	7,248,117	7,248,117	0	0	0	208,838
Israel	9,533,070	3,724,671	38,106	0	5,770,293	0
Italy	143,893,483	129,205,093	11,778,859	0	2,909,532	3,291,976
Japan	476,368,945	454,554,393	16,238,346	0	5,576,206	0
Kuwait	286,549	286,549	0	0	0	0
Latvia	392,557	392,557	0	0	0	-2,483
Liechtenstein	225,277	225,277	0	0	0	0
Lithuania	588,147	55,078	0	0	533,069	0
Luxembourg	2,074,191	2,074,191	0	0	0	-130,521
Malta	98,232	51,445	0	0	46,786	0
Monaco	173,105	173,105	0	0	0	-1,388
Netherlands	47,936,975	49,665,288	0	0	-1,728,313	0
New Zealand	6,870,405	6,870,405	0	0	0	68,428
Norway	17,750,692	17,750,692	0	0	0	-324,412
Panama	16,915	16,915	0	0	0	0
Poland	7,525,021	6,641,715	113,000	0	770,306	0
Portugal	10,361,440	8,691,055	101,700	0	1,568,685	198,162
Romania	100,122	100,122	0	0	0	0
Russian Federation	99,246,218	0	0	0	99,246,218	0
Singapore	531,221	459,245	71,976	0	0	0
Slovak Republic	2,110,606	2,094,084	16,523	0	0	0
Slovenia	939,199	939,199	0	0	0	0
South Africa	3,793,691	3,763,691	30,000	0	0	0
Spain	69,831,023	68,077,179	1,753,844	0	0	-1,462,766
Sweden	32,452,997	30,624,620	1,828,377	0	0	-1,181,509
Switzerland	35,234,519	33,321,288	1,913,230	0	0	-1,775,249
Tajikistan	101,647	8,686	0	0	92,961	0
Turkmenistan***	293,245	5,764	0	0	287,481	0
Ukraine	8,999,158	1,082,925	0	0	7,916,233	0
United Arab Emirate	559,639	559,639	0	0	0	0
United Kingdom	157,840,551	157,275,551	565,000	0	0	-9,860,479
United States of America	592,619,570	504,676,989	21,567,191	9,498,000	56,877,390	0
Uzbekistan	651,754	188,606	0	0	463,148	0
SUB-TOTAL	2,446,837,720	2,096,548,265	124,443,851	29,761,206	196,084,398	-38,573,647
Disputed Contributions (**)	8,098,267	0	0	0	8,098,267	
TOTAL	2,454,935,987	2,096,548,265	124,443,851	29,761,206	204,182,665	

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 only.

(***) In accordance with Decisions VI/5 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 its 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 2008

As at 7 November 2008

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Australia	2,660,143	2,660,143			0
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	3,903,141	855,152		(57,927)
Cyprus	65,167	65,167			0
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		842,980		9,232,813
Germany*	14,473,719		2,699,622	5,789,487	5,984,609
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	4,665,805	1,120,000		2,376,757
Japan	29,362,667	29,362,667	33,900		(33,900)
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
Portugal	785,344				785,344
Romania	100,122	100,122			0
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	4,044,217	166,562		0
Sweden	1,667,602	1,667,602			0
Switzerland	2,000,120	1,997,218	91,689		(88,787)
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	133,566,789	70,515,491	5,809,905	5,789,487	51,451,906

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

* Bilateral assistance of US \$353,814 approved at the 52nd Meeting of the Excom applied in 2008.

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

Table 5 : Status of Contributions for 2007

As at 7 November 2008

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	322,050		16,280
Cyprus	65,167	65,167			0
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	9,287,393	839,250		(50,850)
Germany	14,473,719	4,824,573	2,894,691	9,649,146	(2,894,691)
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	6,761,775	868,013		532,775
Japan	29,362,667	29,362,667	62,150		(62,150)
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	2,003			783,341
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	1,603,225	14,844		382,051
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	1,847,943			27,514,724
Uzbekistan	23,393				23,393
TOTAL	133,466,667	89,345,069	5,000,998	9,649,146	29,471,454

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

Table 6 : Status of Contributions for 2006

As at 7 November 2008

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	399,455		204,977
Cyprus	65,167	65,167			0
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	9,342,968	675,400		57,425
Germany	14,473,719	9,649,146	2,894,744	4,824,573	(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	8,162,562			0
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			0
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	24,679,667		4,683,000	(0)
Uzbekistan	23,393				23,393
TOTAL	133,466,667	119,132,831	4,499,573	9,507,573	326,690

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

Table 7 : Status of Contributions for 2003 - 2005

As at 7 November 2008

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Australia	9,452,417	9,452,417	0	0	0
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	1,273,043	0	749
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	45,394,655	11,348,664	0	(1)
Greece	3,129,672	2,707,413	0	0	422,260
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	2,584,170	101,700	0	0
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	5,279,536	685,861	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	32,155,508	0	0	(0)
United States of America	104,280,000	88,715,000	10,750,000	4,815,000	0
Uzbekistan	63,400	21,133	0	0	42,267
TOTAL	474,000,000	411,071,863	48,181,291	4,815,000	9,931,846

Table 8: Status of Promissory Notes As At 7 November 2008

MULTILATERAL FUND'S PROMISSORY NOTES

Country	HELD BY			IMPLEMENTING AGENCY FOR WHICH HELD OR ASSIGNED TO					
	WORLD BANK	B TREASURER	C= A+B TOTAL	D UNDP	E UNEP	F UNIDO	G WORLD	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			0					0	0
Germany		20,263,206	20,263,206					20,263,206	20,263,206
The Netherlands			0					0	0
United Kingdom			0					0	0
United States of America		9,498,000	9,498,000					9,498,000	9,498,000
TOTAL	0	29,761,206	29,761,206	0	0	0	0	29,761,206	29,761,206

2004-2008 Ledger of Promissory Notes as at 7 November 2008

Table 9: SCHEDULE OF MULTILATERAL FUND PROMISSORY NOTES: 2004 - 2008													
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	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	
4/31/2005	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\$	4,794,373.51	3,760,292.79	1/19/2007	TREASURER	4,794,373.51	1/19/2007	4,088,320.38	328,027.59	
6/27/2008	2008	Canada		Can\$	4,794,373.51	3,760,292.79	9/19/2008	TREASURER	4,794,373.51	9/19/2008	4,492,899.74	732,606.95	
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	7/31/2007	TREASURER	7,503,239.54	7/31/2007	10,249,425.21	906,456.78	
Dec 2007	2007	France		Euro	7,483,781.61	9,287,393.43	9/16/2008	TREASURER	7,483,781.61	9/16/2008	10,629,963.40	1,342,569.97	
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	-	
							8/10/2007	TREASURER	3,152,406.60	8/10/2007	3,152,406.60	-	
									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	-	
							8/10/2007	TREASURER	1,260,962.64	8/10/2007	1,260,962.64	-	
							2/12/2008	TREASURER	1,260,962.64	2/12/2008	1,260,962.64	-	
							8/12/2008	TREASURER	1,260,962.63	8/12/2008	1,260,962.64	-	
									7,565,775.83				
5/10/2006	2006	Germany	BU 106 1004 01	Euro	11,662,922.38	14,473,718.52	2/28/2007	TREASURER	1,943,820.40	2/28/2007	2,558,067.65	145,781.24	
							8/10/2007	TREASURER	1,943,820.40	8/10/2007	2,681,305.85	269,019.44	
							2/12/2008	TREASURER	1,943,820.40	2/12/2008	2,821,066.54	408,780.12	
							8/12/2008	TREASURER	1,943,820.40	8/12/2008	2,930,114.87	517,828.45	
									4,824,572.86				
									BALANCE				
									3,887,640.78				
									11,662,922.38				
7/23/2007	2007	Germany	BU 107 1006 01	Euro	11,662,922.38	14,473,718.52	2/12/2008	TREASURER	1,943,820.40	2/12/2008	2,821,066.54	408,780.12	
							8/12/2008	TREASURER	1,943,820.39	8/12/2008	2,930,114.87	517,828.46	
									9,649,145.69				
									BALANCE				
									9,719,101.98				
									11,662,922.38				
8/15/2008	2008	Germany	BU 108 1004 01	Euro	4,665,168.96	5,789,487.42	BALANCE	TREASURER	5,789,487.42				
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	8/23/2005	TREASURER	1,207,260.68	8/23/2005	2,166,550.02	380,132.91	
							Feb. 2006	TREASURER	3,621,782.04	Feb. 2006	6,303,711.64	944,460.32	
							7/24/2006	TREASURER	3,621,782.04	7/24/2006	4,473,383.73	900,549.53	
									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	7/24/2006	TREASURER	1,207,260.68	7/24/2006	2,236,691.86	450,274.75	
							8/9/2006	TREASURER	3,163,681.03	8/9/2006	6,036,303.40	1,354,916.85	
							8/16/2006	TREASURER	2,872,622.37	8/16/2006	5,429,236.28	1,178,537.31	
									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	-	
							10/25/2007	TREASURER	920,000.00	10/25/2007	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	-	
							10/25/2007	TREASURER	1,159,700.00	10/25/2007	1,159,700.00	-	
									3,159,700.00				
4/25/2007	2006	USA		US\$	7,315,000.00	7,315,000.00	10/25/2007	TREASURER	2,500,000.00	10/25/2007	2,500,000.00	-	
									4,815,000.00				
									BALANCE				
2/21/2008	2006	USA		US\$	4,683,000.00	4,683,000.00	BALANCE	TREASURER	4,683,000.00				

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL**Table 10: OUTSTANDING PROMISSORY NOTES SCHEDULE OF ENCASHMENT AS AT 7 NOVEMBER 2008
(IN US\$)**

	Due in 2008	Due in 2009	Due in 2010	Due in 2011	TOTAL
<u>GERMANY:</u>					
P. Note: (in US \$ at FERM rate of US \$1:Euro 0.8058)					
2006		4,824,573			4,824,573
2007		4,824,573	4,824,573		9,649,146
2008		1,929,829	1,929,829	1,929,829	5,789,487
<u>USA:</u>					
2007 Note: (US\$)	2,500,000	2,315,000			4,815,000
2008 Note: (US\$)	2,341,500	2,341,500			4,683,000
	4,841,500	16,235,475	6,754,402	1,929,829	29,761,206

NOTE:

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.

USA's promissory notes due in 2008 are payable in November.

**LIST OF COUNTRIES WHICH AS AT 7 NOVEMBER 2008 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. Denmark
6. Finland
7. France
8. Germany
9. Greece
10. Hungary
11. Latvia
12. Slovak Republic
13. Spain
14. Sweden
15. Switzerland
16. United Kingdom

Annex II

Table 1

ANNUAL TRANCHES NOT SUBMITTED TO TWO OR MORE CONSECUTIVE MEETINGS

Country	Agency	Sector	Tranches	Reason for Delay	Number of Meetings Late
Antigua and Barbuda	World Bank	CFC Phase Out Plan	2006	Current delay due to the time elapsed since the approval, it was necessary to change the work plan. Implementation has begun with the funds approved in the first tranche and a verification audit is being conducted.	3
Bahrain	UNDP	CFC Phase Out Plan	2008	Activities for the completion of the first tranche were not completed due to the delay in hiring a consultant and the associated delay with finalizing the specifications for the equipment order.	2
Bahrain	UNEP	CFC Phase Out Plan	2008	Continued delay in signing the MOU and transferring funds for training institute.	2
Bolivia	Canada	ODS Phase Out Plan	2008	Progress made in the implementation of the first tranche is still insufficient to justify the request for the second tranche.	2
Bolivia	UNDP	ODS Phase Out Plan	2008	Progress made in the implementation of the first tranche is still insufficient to justify the request for the second tranche.	2
Costa Rica	UNDP	Methyl Bromide	2008	Continued implementing the first tranche with the delay due to hiring a new project coordinator.	2
Gabon	UNDP	CFC Phase Out Plan	2008	Although equipment for non-investment activity been delivered, the equipment for the investment part has not thereby delaying the completion of the first stage.	2
Gabon	UNEP	CFC Phase Out Plan	2008	Although equipment for non-investment activity been delivered, the equipment for the investment part has not thereby delaying the completion of the first stage.	2
Paraguay	UNDP	CFC Phase Out Plan	2008	Continued lack of sufficient disbursement of funds from existing approved tranche.	3
Senegal	Italy	CFC Phase Out Plan	2008	Although the specifications that delayed the submission to the last meeting have been completed, the equipment are still not available and therefore activities in the field are still pending.	2
Senegal	UNEP	CFC Phase Out Plan	2008	Although the specifications that delayed the submission to the last meeting have been completed, the equipment is still not available and therefore activities in the field are still pending.	2
Tunisia	World Bank	ODS Phase Out Plan	2008	Delay due to the fact that there was not enough time to engage a firm/consultant and complete a third party audit by the time of the submission deadline and 2) that more implementation of the first tranche was required before a request is made to the Executive Committee for the second tranche.	2

Table 2

ANNUAL TRANCHEs NOT SUBMITTED THAT WERE DUE FOR THE FIRST TIME THIS YEAR FOR SUBMISSION TO THE 56TH MEETING

Country	Agency	Sector	Tranches	Reason for Delay
Bangladesh	UNDP	ODS Phase Out Plan	2005, 2006 and 2007	Delay was due to lack of significant disbursement on the first tranche due to in part the fact that no supplier provided a bid for the retrofitting equipment in the plan.
Bangladesh	UNEP	ODS Phase Out Plan	2005, 2006 and 2007	Delay was due to lack of significant disbursement on the first tranche due to in part the fact that no supplier provided a bid for the retrofitting equipment in the plan.
Cuba	UNDP	ODS Phase Out Plan	2008	Lack of sufficient disbursement of funds from existing approved tranches.
El Salvador	UNDP	CFC Phase Out Plan	2008	Delay was due to the late signing of the project document in June 2008 for the project approved in November 2007.
El Salvador	UNEP	CFC Phase Out Plan	2008	Continued lack of sufficient disbursement of funds from existing approved tranche.
Kuwait	UNEP	CFC Phase Out Plan	2008	Delay due to the death of the national ozone officer and the resulting transition period.
Kuwait	UNIDO	CFC Phase Out Plan	2008	Delay due to the death of the national ozone officer and the resulting transition period.
Nepal	UNDP	CFC Phase Out Plan	2008	Delay was due to the late signing of the project document in September 2008 for the project approved in July 2007.
Nepal	UNEP	CFC Phase Out Plan	2008	Delay was due to the late signature of the project document that has recently been signed.
Oman	UNIDO	CFC Phase Out Plan	2008	Delay due to a restructuring of the Ministry of the Environment.
Paraguay	UNEP	CFC Phase Out Plan	2008	Continued lack of sufficient disbursement of funds from existing approved tranche.
Sudan	UNIDO	ODS Phase Out Plan	2008	The verification audit report was not prepared on time.
Turkey	World Bank	CFC Phase Out Plan	2008	Pending new arrangements for the supervision of the project.
Vietnam	World Bank	Methyl Bromide	2008	Instead of a new grant agreement, existing agreement (for the National ODS phase-out plan) is expected to be amended within a month in order to include methyl bromide activities and the next tranche will not be required until end of 2009.

Annex III

PROJECTS FOR WHICH ADDITIONAL STATUS REPORTS WERE REQUESTED

Agency	Code	Project Title
UNIDO	ARG/FUM/30/INV/105	Phase-out of methyl bromide in strawberry, protected vegetables and cut flower production
IBRD	ARG/PHA/47/INV/148	National CFC phase-out plan: 2006 work programme
UNEP	BAH/PHA/50/TAS/17	Terminal phase-out management plan (first tranche)
UNDP	BAR/REF/43/TAS/11	Implementation of the RMP: technical assistance project to the MAC and end-users sectors
UNDP	BAR/REF/43/TAS/12	Implementation of the RMP: monitoring the activities in the RMP
UNIDO	BHE/HAL/42/TAS/18	Phase-out of halon consumption
UNIDO	BHE/SEV/43/INS/19	Extension of the institutional strengthening project (phase II)
UNEP	BOT/SEV/41/INS/08	Extension of institutional strengthening project: phase 2
UNEP	CBI/SEV/50/INS/10	Extension of the institutional strengthening project (phase II)
UNEP	ETH/SEV/41/INS/12	Extension of institutional strengthening project (phase IV)
UNEP	ETH/SEV/50/INS/16	Extension of the institutional strengthening project (phase IV)
UNEP	FSM/SEV/49/INS/04	Renewal of institutional strengthening project (phase II)
UNEP	GAB/SEV/50/INS/19	Extension of the institutional strengthening project (phase V)
UNDP	GBS/REF/43/TAS/07	Implementation of the RMP: technical assistance project for MAC and refrigeration service and end-user sub-sectors
UNEP	GBS/SEV/50/INS/09	Extension of the institutional strengthening project (phase II)
UNEP	GLO/SEV/48/TRA/274	Updating the customs training manual
IBRD	GLO/REF/47/DEM/268	Global chiller replacement project (China, India, Indonesia, Malaysia and Philippines)
UNIDO	KUW/HAL/45/PRP/07	Preparation of a halon phase-out plan
UNIDO	LIB/HAL/47/TAS/26	Plan for the phase-out of import and net consumption of halons in the fire fighting sector
UNDP	MDV/REF/38/TAS/05	Implementation of the RMP: awareness and incentive programme
UNDP	MEX/FUM/26/DEM/86	Alternatives to methyl bromide for structural fumigation in Mexico
UNDP	PAN/PHA/44/INV/22	National phase-out plan for Annex A (Group I) substances (first tranche)
UNEP	PAN/SEV/44/INS/21	Extension of institutional strengthening project (phase IV)
UNEP	PER/SEV/37/INS/31	Renewal of institutional strengthening project (Phase 3)
UNEP	RWA/SEV/50/INS/12	Extension of the institutional strengthening project (phase II)
UNEP	SOM/SEV/36/INS/03	Establishment of the Ozone Unit
UNEP	SOM/SEV/44/INS/05	Establishment of the National Ozone Committee (institutional strengthening)
UNEP	SUD/SEV/42/INS/16	Extension of institutional strengthening: phase IV
UNIDO	SYR/PHA/49/INV/96	National CFC phase-out plan for Syria (first tranche)
IBRD	THA/PHA/45/INV/144	National CFC phase-out plan: 2005 annual programme
IBRD	THA/PHA/48/INV/146	National CFC phase-out plan: 2006 annual implementation plan
IBRD	THA/PHA/53/INV/149	National CFC phase-out plan: 2007 annual implementation plan
Germany	URT/REF/36/TAS/14	Recovery and recycling of CFCs
Australia	VAN/REF/36/TAS/02	Implementation of the PIC Strategy: assistance for enforcing ODS regulations and training programme for customs officers
UNEP	VAN/SEV/36/INS/03	Establishment of a National Compliance Centre (institutional strengthening)
IBRD	VIE/FUM/50/INV/48	National phase-out plan of out methyl bromide (first tranche)
UNIDO	YUG/PHA/43/TAS/23	National CFC phase-out plan (first tranche)
UNIDO	YUG/SEV/44/INS/25	Extension of institutional strengthening project (phase II)

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/56/64
Annex IV

Project Title	Agency	ODP (tonnes)	Funds recommended (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
ARGENTINA						
AEROSOL						
Metered dose inhalers						
Phase-out of CFC consumption in the manufacture of aerosol MDIs	IBRD	118.4	\$2,806,874	\$210,516	\$3,017,390	23.70
<i>Approved on the understanding that Laboratorio Pablo Cassará will cease consumption of CFCs for non-essential uses and convert to a non-ODS technology at its own cost if the selection of the isobutane technology proposed by the enterprise is not approved by the local health authorities; and the Government would have flexibility in using the funding available for eligible activities it deems appropriate to achieve the complete phase-out of CFCs in the MDI sector and in accordance with relevant decisions and guidelines of the Fund.</i>						
Total for Argentina		118.4	\$2,806,874	\$210,516	\$3,017,390	
BANGLADESH						
PHASE-OUT PLAN						
HCFC phase out plan						
Preparation of a HCFC phase-out management plan	UNDP		\$125,000	\$9,375	\$134,375	
Preparation of a HCFC phase-out management plan	UNEP		\$25,000	\$3,250	\$28,250	
Total for Bangladesh			\$150,000	\$12,625	\$162,625	
BENIN						
SEVERAL						
Ozone unit support						
Renewal of institutional strengthening project (phase VI)	UNEP		\$60,000	\$0	\$60,000	
Total for Benin			\$60,000		\$60,000	
BHUTAN						
PHASE-OUT PLAN						
HCFC phase out plan						
Preparation of a HCFC phase-out management plan (additional)	UNEP		\$55,000	\$7,150	\$62,150	
Total for Bhutan			\$55,000	\$7,150	\$62,150	
BRAZIL						
FOAM						
Technical assistance/support						
Pilot project for validation of methyl formate as a blowing agent in the manufacture of polyurethane foam (phase I)	UNDP		\$401,500	\$30,113	\$431,613	
<i>Approved noting that the project was consistent with decision 55/43(e) and that it had been designed to disseminate the results from the validation of methyl formate technology in rigid and integral skin polyurethane foam applications globally, and on the understanding that the project would be the final validation project for methyl formate in the manufacture of rigid and integral skin polyurethane foams, and that approval of the project was without prejudice to consideration of the future funding request for phase II of the project by the Executive Committee.</i>						

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/56/64
Annex IV

Project Title	Agency	ODP (tonnes)	Funds recommended (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
PHASE-OUT PLAN						
CFC phase out plan						
National CFC phase-out plan (seventh tranche)	UNDP	350.0	\$250,000	\$12,500	\$262,500	
	Total for Brazil	350.0	\$651,500	\$42,613	\$694,113	
BURKINA FASO						
PHASE-OUT PLAN						
HCFC phase out plan						
Preparation of a HCFC phase-out management plan (additional)	UNEP		\$55,000	\$7,150	\$62,150	
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase VIII)	UNEP		\$72,410	\$0	\$72,410	
	Total for Burkina Faso		\$127,410	\$7,150	\$134,560	
CAPE VERDE						
PHASE-OUT PLAN						
HCFC phase out plan						
Preparation of a HCFC phase-out management plan	UNEP		\$85,000	\$11,050	\$96,050	
	Total for Cape Verde		\$85,000	\$11,050	\$96,050	
CHAD						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase IV)	UNEP		\$60,000	\$0	\$60,000	
	Total for Chad		\$60,000		\$60,000	
CHINA						
AEROSOL						
Metered dose inhalers						
Sector plan for phase-out of CFCs consumption in MDI sector	UNIDO	322.5	\$13,500,000	\$1,012,500	\$14,512,500	41.86
<i>Approved on the understanding that the Government would have flexibility in using the funding available for eligible activities it deemed appropriate to achieve the complete phase-out of CFCs in the MDI sector and in accordance with the relevant decisions and guidelines of the Fund; and that no more funding would be approved by the Executive Committee for the phase-out of CFCs.</i>						
FOAM						
Sectoral phase out plan						
Sector plan for phase-out of CFC-11 in the China foam sector: 2009 annual programme	IBRD		\$1,767,000	\$159,030	\$1,926,030	
<i>Approved on the understanding that funding for activities beyond 2009 would be released by the World Bank only after the work plan to be submitted to the 57th Meeting had been approved.</i>						

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Project Title	Agency	ODP (tonnes)	Funds recommended (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
HALON						
Sectoral phase out plan						
Sector plan for halon phase-out in China: 2009 annual programme <i>Note: 1,500 ODP tonnes of halon-1301 production will be phased out.</i>	IBRD	1,000.0	\$100,000	\$7,500	\$107,500	
PRODUCTION						
TCA closure						
Strategy for gradual phase-out of 1,1,1-trichloroethane (TCA) production (second stage programme) <i>Note: 79 ODP tonnes of TCA production will be phased-out. Took note of the verification report on the TCA production for 2007 and the success achieved in stage one of the sector plan between 2005 to 2007.</i>	IBRD		\$700,000	\$52,500	\$752,500	
MB closure						
Sector plan for methyl bromide production sector (second tranche) <i>Note: 214 ODP tonnes of methyl bromide production will be phased-out. Took note of the supplementary verification of the MB feedstock use in 2005 to 2007.</i>	UNIDO		\$3,000,000	\$225,000	\$3,225,000	
REFRIGERATION						
Sectoral phase out plan						
Refrigeration servicing sector CFC phase-out plan (fifth tranche)	UNIDO	680.0	\$700,000	\$52,500	\$752,500	
SOLVENT						
Multiple solvents						
ODS phase-out in China solvent sector: 2009 annual programme	UNDP	84.0	\$1,480,000	\$111,000	\$1,591,000	
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase VIII)	UNDP		\$390,000	\$29,250	\$419,250	
Technical assistance/support						
Awareness/outreach activities on HCFC phase-out and its challenges during HPMP preparatory phase <i>Approved on the condition that China provided a written agreement that those funds would constitute an advance on the final request for funding for a programme on communication and awareness to be submitted by UNEP as part of the full HPMP submission.</i>	UNEP		\$140,000	\$18,200	\$158,200	
	Total for China	2,086.5	\$21,777,000	\$1,667,480	\$23,444,480	
COLOMBIA						
AEROSOL						
Metered dose inhalers						
Phase-out of CFC in the manufacturing of MDIs	UNDP	7.4	\$409,359	\$30,701	\$440,060	55.16
	Total for Colombia	7.4	\$409,359	\$30,701	\$440,060	

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Project Title	Agency	ODP (tonnes)	Funds recommended (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
COMOROS						
PHASE-OUT PLAN						
CFC phase out plan						
Terminal phase-out management plan (second tranche)	UNEP		\$53,000	\$6,890	\$59,890	
Terminal phase-out management plan (second tranche)	UNDP	0.4	\$32,000	\$2,880	\$34,880	
	Total for Comoros	0.4	\$85,000	\$9,770	\$94,770	
CONGO, DR						
SOLVENT						
Sectoral phase out plan						
Umbrella project for terminal phase-out of ODS in the solvent sector (second phase)	Italy	11.7	\$144,220	\$18,749	\$162,969	
	Total for Congo, DR	11.7	\$144,220	\$18,749	\$162,969	
CROATIA						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase VI)	UNEP		\$87,707	\$0	\$87,707	
	Total for Croatia		\$87,707		\$87,707	
CUBA						
PHASE-OUT PLAN						
HCFC phase out plan						
Preparation of a HCFC phase-out management plan	UNDP		\$150,000	\$11,250	\$161,250	
	Total for Cuba		\$150,000	\$11,250	\$161,250	
DOMINICA						
PHASE-OUT PLAN						
CFC phase out plan						
Terminal CFC phase-out management plan (second and third tranches)	UNDP		\$57,000	\$5,130	\$62,130	
Terminal CFC phase-out management plan (second and third tranches)	UNEP		\$66,000	\$8,580	\$74,580	
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase IV)	UNEP		\$60,000	\$0	\$60,000	
	Total for Dominica		\$183,000	\$13,710	\$196,710	
DOMINICAN REPUBLIC						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase V)	UNEP		\$134,333	\$0	\$134,333	
	Total for Dominican Republic		\$134,333		\$134,333	

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Project Title	Agency	ODP (tonnes)	Funds recommended (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
ECUADOR						
PHASE-OUT PLAN						
CFC phase out plan						
National CFC phase-out plan: 2008 annual programme <i>Approved on the understanding that the World Bank would forward a copy of the report on the chiller replacement to the Secretariat when it became available.</i>	IBRD		\$18,334	\$1,375	\$19,709	
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase IV, second year) <i>Approved without prejudice to the non-compliance mechanism of the Montreal Protocol.</i>	IBRD		\$88,400	\$6,630	\$95,030	
Total for Ecuador			\$106,734	\$8,005	\$114,739	
EGYPT						
FUMIGANT						
Methyl bromide						
National phase-out of methyl bromide in horticulture and commodities fumigation except in date use <i>Approved in accordance with the Agreement between the Government and the Executive Committee, and on the understanding that no more funding would be provided to the Government for the phase-out of controlled uses of methyl bromide.</i>	UNIDO	184.2	\$1,934,994	\$145,125	\$2,080,119	10.50
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase VII)	UNIDO		\$228,323	\$17,124	\$245,447	
Total for Egypt			184.2	\$2,163,317	\$162,249	\$2,325,566
EL SALVADOR						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (year 2 of phase V)	UNEP		\$30,000	\$0	\$30,000	
Total for El Salvador			\$30,000		\$30,000	
EQUATORIAL GUINEA						
PHASE-OUT PLAN						
HCFC phase out plan						
Preparation of a HCFC phase-out management plan	UNEP		\$85,000	\$11,050	\$96,050	
Total for Equatorial Guinea			\$85,000	\$11,050	\$96,050	
ETHIOPIA						
PHASE-OUT PLAN						
HCFC phase out plan						
Preparation of a HCFC phase-out management plan	UNEP		\$85,000	\$11,050	\$96,050	
Total for Ethiopia			\$85,000	\$11,050	\$96,050	

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Project Title	Agency	ODP (tonnes)	Funds recommended (US\$)		C.E. (US\$/kg)
			Project	Support	
FIJI					
SEVERAL					
Ozone unit support					
Extension of the institutional strengthening project (phase VI)	UNEP		\$60,000	\$0	\$60,000
	Total for Fiji		\$60,000		\$60,000
GABON					
SEVERAL					
Ozone unit support					
Extension of the institutional strengthening project (phase VI)	UNEP		\$60,000	\$0	\$60,000
	Total for Gabon		\$60,000		\$60,000
GHANA					
AEROSOL					
Metered dose inhalers					
MDI transition strategy	UNDP		\$30,000	\$2,700	\$32,700
<i>Approved on the understanding that no further funds for phase out in the MDI sector would be available and that UNDP would take into consideration the views expressed at the present Meeting when implementing the project.</i>					
SEVERAL					
Ozone unit support					
Extension of the institutional strengthening project (phase VIII)	UNDP		\$139,100	\$10,433	\$149,533
	Total for Ghana		\$169,100	\$13,133	\$182,233
GUATEMALA					
PHASE-OUT PLAN					
CFC phase out plan					
Terminal phase-out management plan for Annex A Group I substances (first tranche)	UNEP		\$33,000	\$4,290	\$37,290
<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 for Annex A Group I substances (first tranche)	UNDP	5.9	\$249,000	\$22,410	\$271,410
<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 Guatemala	5.9	\$282,000	\$26,700	\$308,700
GUINEA					
PHASE-OUT PLAN					
HCFC phase out plan					
Preparation of a HCFC phase-out management plan	UNEP		\$85,000	\$11,050	\$96,050

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Project Title	Agency	ODP (tonnes)	Funds recommended (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project: (phase VI)	UNEP		\$60,000	\$0	\$60,000	
Total for Guinea			\$145,000	\$11,050	\$156,050	
GUINEA-BISSAU						
PHASE-OUT PLAN						
CFC phase out plan						
Terminal phase-out management plan (first tranche)	UNEP		\$62,500	\$8,125	\$70,625	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. The agency 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 Guinea-Bissau			\$62,500	\$8,125	\$70,625	
HONDURAS						
FUMIGANT						
Methyl bromide						
National methyl bromide phase-out plan, phase II (third tranche)	UNIDO	23.9	\$300,000	\$22,500	\$322,500	
<i>Approved on the understanding that disbursement is conditional on the submission to the Fund Secretariat of an official communication from the Government of Honduras stating that the level of methyl bromide consumption in 2008 was below 207.5 ODP tonnes, which represents the maximum allowable level of consumption in the Agreement between the Government of Honduras and the Executive Committee.</i>						
Total for Honduras		23.9	\$300,000	\$22,500	\$322,500	
INDIA						
AEROSOL						
Metered dose inhalers						
National strategy for transition to non-CFC MDIs	UNEP		\$120,000	\$15,600	\$135,600	
<i>Approved on the understanding the Government would have flexibility in using the funding approved for eligible activities that it considered adequate to achieve the complete phase-out of CFCs in the MDI sector and in accordance with relevant decisions and guidelines of the Fund.</i>						
Plan for phase-out of CFCs in the manufacture of pharmaceutical MDIs	Italy	139.7	\$2,000,000	\$230,000	\$2,230,000	14.32
<i>Approved on the understanding the Government would have flexibility in using the funding approved for eligible activities that it considered adequate to achieve the complete phase-out of CFCs in the MDI sector and in accordance with relevant decisions and guidelines of the Fund.</i>						
Plan for phase-out of CFCs in the manufacture of pharmaceutical MDIs	UNDP	564.6	\$8,082,267	\$606,170	\$8,688,437	14.32
<i>Approved on the understanding the Government would have flexibility in using the funding approved for eligible activities that it considered adequate to achieve the complete phase-out of CFCs in the MDI sector and in accordance with relevant decisions and guidelines of the Fund.</i>						

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Project Title	Agency	ODP (tonnes)	Funds recommended (US\$)		C.E. (US\$/kg)
			Project	Support	
PHASE-OUT PLAN					
HCFC phase out plan					
Preparation of a HCFC phase-out management plan (air conditioning sector)	UNDP		\$125,000	\$9,375	\$134,375
<i>Approved on the condition that the approval constituted a component of Stage 1 of the HPMP and that no further funding for project preparation would be requested for this sector.</i>					
Preparation of a HCFC phase-out management plan (foam sector)	UNDP		\$105,000	\$7,875	\$112,875
<i>Approved on the condition that the approval constituted a component of Stage 1 of the HPMP and that no further funding for project preparation would be requested for this sector.</i>					
Preparation of a HCFC phase-out management plan (fire fighting and solvent sectors)	UNDP		\$20,000	\$1,500	\$21,500
<i>Approved on the condition that the approval constituted a component of Stage 1 of the HPMP and that no further funding for project preparation would be requested for this sector.</i>					
Preparation of a HCFC phase-out management plan (transportation refrigeration and air-conditioning sectors)	UNIDO		\$70,000	\$5,250	\$75,250
<i>Approved on the condition that the approval constituted a component of Stage 1 of the HPMP for India and that no further funding for project preparation would be requested for the transport refrigeration and air-conditioning sub-sectors.</i>					
Preparation of a HCFC phase-out management plan (refrigeration sector)	UNDP		\$80,000	\$6,000	\$86,000
<i>Approved on the condition that the approval constituted a component of Stage 1 of the HPMP and that no further funding for project preparation would be requested for this sector.</i>					
Preparation of a HCFC phase-out management plan (overarching strategy)	UNDP		\$113,750	\$8,531	\$122,281
Preparation of a HCFC phase-out management plan (overarching strategy)	UNEP		\$30,000	\$3,900	\$33,900
<i>Approved as part of the approval for the overarching strategy in line with decision 56/25.</i>					
Preparation of a HCFC phase-out management plan (overarching strategy)	Germany		\$30,000	\$3,900	\$33,900
<i>Approved as part of the overarching strategy for India in line with decision 56/25.</i>					
Total for India		704.3	\$10,776,017	\$898,101	\$11,674,118
INDONESIA					
AEROSOL					
Metered dose inhalers					
Technical assistance to implement national transition strategy to CFC-free MDI	IBRD	16.3	\$155,000	\$13,950	\$168,950
<i>Approved on the understanding that no more funding will be approved from the Multilateral Fund for the phase-out of CFCs in Indonesia, noting the commitment by the Government to the complete phase-out of CFC consumption used in the manufacturing of MDIs by the end of 2009.</i>					
Total for Indonesia		16.3	\$155,000	\$13,950	\$168,950

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Project Title	Agency	ODP (tonnes)	Funds recommended (US\$)		C.E. (US\$/kg)
			Project	Support	
IRAN					
PHASE-OUT PLAN					
HCFC phase out plan					
Preparation of a HCFC phase-out management plan (overarching strategy)	UNDP		\$113,750	\$8,531	\$122,281
Preparation of a HCFC phase-out management plan (overarching strategy)	Germany		\$30,000	\$3,900	\$33,900
<i>Approved as part of the overarching strategy for India in line with decision 56/25.</i>					
Preparation of a HCFC phase-out management plan (overarching strategy)	UNEP		\$30,000	\$3,900	\$33,900
<i>Approved as part of the approval for the overarching strategy in line with decision 56/25.</i>					
SEVERAL					
Ozone unit support					
Extension of the institutional strengthening project (phase VII)	UNDP		\$173,511	\$13,013	\$186,524
Total for Iran			\$347,261	\$29,344	\$376,605
JORDAN					
REFRIGERATION					
Preparation of project proposal					
Preparation of a demonstration project for the conversion of HCFC to non-HCFC technology in the manufacturing of mini-split units at Petra Engineering	UNIDO		\$40,000	\$3,000	\$43,000
Total for Jordan			\$40,000	\$3,000	\$43,000
LAO, PDR					
SEVERAL					
Ozone unit support					
Renewal of the institutional strengthening project (phase IV)	UNEP		\$60,000	\$0	\$60,000
Total for Lao, PDR			\$60,000		\$60,000
LEBANON					
SEVERAL					
Ozone unit support					
Extension of the institutional strengthening project (phase VI)	UNDP		\$155,090	\$11,632	\$166,722
Total for Lebanon			\$155,090	\$11,632	\$166,722
LIBYA					
FUMIGANT					
Methyl bromide					
Phase-out of methyl bromide in horticulture: tomatoes, cucumbers, peppers and others (second tranche)	Spain	55.0	\$500,000	\$65,000	\$565,000
<i>Approved on the understanding that disbursement is conditional on the submission to the Fund Secretariat of an official communication from the Government of Libya stating that the level of methyl bromide consumption in 2008 was below 55 ODP tonnes representing the maximum allowable level of consumption in the agreement between the Government and the Executive Committee.</i>					

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Project Title	Agency	ODP (tonnes)	Funds recommended (US\$)		C.E. (US\$/kg)
			Project	Support	
Total for Libya		55.0	\$500,000	\$65,000	\$565,000
MACEDONIA, FYR					
PHASE-OUT PLAN					
CFC phase out plan					
Terminal phase-out management plan for CFCs (fourth tranche)	UNIDO	5.0	\$15,000	\$1,125	\$16,125
Total for Macedonia, FYR		5.0	\$15,000	\$1,125	\$16,125
MADAGASCAR					
PHASE-OUT PLAN					
ODS phase out plan					
Terminal phase-out management plan (second tranche) <i>The Government of Madagascar, UNEP and UNIDO in cooperation with the Government of France were requested to undertake measures to incorporate the recovery and recycling system established and being developed under bilateral activities of France into a combined scheme with the TPMP, to extend the monitoring under the TPMP to the combined scheme, and to report on this monitoring and its results as part of the submission of the next tranche.</i>	UNEP		\$87,000	\$11,310	\$98,310
Terminal phase-out management plan (second tranche) <i>The Government of Madagascar, UNEP and UNIDO in cooperation with the Government of France were requested to undertake measures to incorporate the recovery and recycling system established and being developed under bilateral activities of France into a combined scheme with the TPMP, to extend the monitoring under the TPMP to the combined scheme, and to report on this monitoring and its results as part of the submission of the next tranche.</i>	UNIDO	2.3	\$47,000	\$4,230	\$51,230
Total for Madagascar		2.3	\$134,000	\$15,540	\$149,540
MALDIVES					
SEVERAL					
Ozone unit support					
Extension of the institutional strengthening project (phase V)	UNEP		\$60,000	\$0	\$60,000
Total for Maldives			\$60,000		\$60,000
MALI					
SEVERAL					
Ozone unit support					
Extension of the institutional strengthening project (phase V)	UNEP		\$60,677	\$0	\$60,677
Total for Mali			\$60,677		\$60,677

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Project Title	Agency	ODP (tonnes)	Funds recommended (US\$)		C.E. (US\$/kg)
			Project	Support	
MEXICO					
FOAM					
Technical assistance/support					
Pilot project for validation of methyl formate in microcellular polyurethane applications (phase I)	UNDP		\$291,500	\$21,862	\$313,362
<i>Approved noting that the project was consistent with decision 55/43(e) and that it had been designed to disseminate the results of the validation of methyl formate technology in microcellular polyurethane foam applications globally, and on the understanding that the project would be the final validation project for methyl formate in the manufacture of microcellular polyurethane foams, and that approval of the project was without prejudice to consideration of the future funding request for phase II of the project by the Executive Committee.</i>					
Total for Mexico			\$291,500	\$21,862	\$313,362
MOLDOVA, REP					
PHASE-OUT PLAN					
CFC phase out plan					
Terminal CFC phase-out management plan (second tranche)	UNEP		\$140,500	\$18,265	\$158,765
<i>Approved on the understanding that the country will continue to submit annual reports on progress in implementation, and a new annual plan should the agreed existing one undergo any major changes during implementation.</i>					
Terminal CFC phase-out management plan (second tranche)	UNDP	10.0	\$152,500	\$11,438	\$163,938
<i>Approved on the understanding that the country will continue to submit annual reports on progress in implementation, and a new annual plan should the agreed existing one undergo any major changes during implementation.</i>					
Total for Moldova, Rep			10.0	\$29,703	\$322,703
MOROCCO					
FUMIGANT					
Methyl bromide					
Phase-out of methyl bromide used as a soil fumigant in the production of green beans and curcurbits (first tranche)	UNIDO		\$690,000	\$51,750	\$741,750
<i>Approved in accordance with the revised Agreement between the Government and the Executive Committee, and on the understanding that no more funding would be provided from the Multilateral Fund for the phase-out of controlled uses of methyl bromide in Morocco.</i>					
Phase-out of methyl bromide used for soil fumigation in tomato production (sixth tranche)	UNIDO	182.4	\$398,427	\$29,882	\$428,309
Phase-out of methyl bromide used as a soil fumigant in the production of green beans and curcurbits (first tranche)	Italy		\$310,000	\$40,300	\$350,300
<i>Approved in accordance with the revised Agreement between the Government and the Executive Committee, and on the understanding that no more funding would be provided to the Government for the phase-out of controlled uses of methyl bromide.</i>					
Total for Morocco			182.4	\$121,932	\$1,520,359

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Project Title	Agency	ODP (tonnes)	Funds recommended (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
MOZAMBIQUE						
PHASE-OUT PLAN						
CFC phase out plan						
Terminal phase-out management plan (first tranche) <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>	UNDP	2.3	\$100,500	\$9,045	\$109,545	
Terminal phase-out management plan (first tranche) <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>	UNEP		\$75,000	\$9,750	\$84,750	
	Total for Mozambique	2.3	\$175,500	\$18,795	\$194,295	
NEPAL						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase V)	UNEP		\$60,000	\$0	\$60,000	
	Total for Nepal		\$60,000		\$60,000	
NICARAGUA						
PHASE-OUT PLAN						
CFC phase out plan						
Terminal phase-out management plan for Annex A Group I substances (first tranche) <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>	UNEP		\$130,000	\$16,900	\$146,900	
Terminal phase-out management plan for Annex A Group I substances (first tranche) <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>	UNDP	3.7	\$320,000	\$24,000	\$344,000	
	Total for Nicaragua	3.7	\$450,000	\$40,900	\$490,900	
NIGERIA						
PHASE-OUT PLAN						
HCFC phase out plan						
Preparation of a HCFC phase-out management plan (additional funding)	UNDP		\$45,000	\$3,375	\$48,375	
Preparation of a HCFC phase-out management plan (additional funding)	UNIDO		\$20,000	\$1,500	\$21,500	
	Total for Nigeria		\$65,000	\$4,875	\$69,875	
OMAN						
SEVERAL						
Ozone unit support						
Renewal of institutional strengthening support (phase III)	UNIDO		\$68,467	\$5,135	\$73,602	

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Project Title	Agency	ODP (tonnes)	Funds recommended (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
Total for Oman			\$68,467	\$5,135	\$73,602	
PAKISTAN						
AEROSOL						
Metered dose inhalers						
National strategy for transition to non-CFC MDIs	UNEP		\$70,000	\$9,100	\$79,100	
<i>Approved on the understanding that the Government would have flexibility in using the funding available for eligible activities it deems appropriate to achieve the complete phase-out of CFCs in the MDI sector and in accordance with relevant decisions and guidelines of the Fund.</i>						
Plan for phase-out of CFCs in the manufacture of pharmaceutical MDIs	UNDP		\$449,996	\$33,750	\$483,746	
<i>Approved on the understanding that the Government would have flexibility in using the funding available for eligible activities it deems appropriate to achieve the complete phase-out of CFCs in the MDI sector and in accordance with relevant decisions and guidelines of the Fund.</i>						
Total for Pakistan			\$519,996	\$42,850	\$562,846	
PANAMA						
PHASE-OUT PLAN						
CFC phase out plan						
National phase-out plan for Annex A (Group I) substances (fourth and fifth tranches)	UNDP	66.0	\$255,000	\$19,125	\$274,125	
<i>Approved on the understanding that the country will continue to submit for the remaining years until 2010 a verification, a report on progress in implementation, and, when relevant, a new annual plan.</i>						
Total for Panama			66.0	\$255,000	\$19,125	\$274,125
SAINT KITTS AND NEVIS						
PHASE-OUT PLAN						
HCFC phase out plan						
Preparation of a HCFC phase-out management plan	UNEP		\$85,000	\$11,050	\$96,050	
CFC phase out plan						
Terminal CFC phase-out management plan (second and third tranches)	UNDP		\$55,000	\$4,950	\$59,950	
Terminal CFC phase-out management plan (second and third tranches)	UNEP		\$90,000	\$11,700	\$101,700	
Total for Saint Kitts and Nevis			\$230,000	\$27,700	\$257,700	
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 (second tranche)	Canada	1.2	\$49,000	\$6,370	\$55,370	
Total for Saint Lucia			1.2	\$49,000	\$6,370	\$55,370

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/56/64
Annex IV

Project Title	Agency	ODP (tonnes)	Funds recommended (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
SAINT VINCENT AND THE GRENADINES						
PHASE-OUT PLAN						
CFC phase out plan						
Terminal phase out management plan for CFCs (second and third tranches)	UNDP	0.8	\$27,000	\$2,430	\$29,430	
Terminal phase out management plan for CFCs (second and third tranches)	UNEP		\$28,000	\$3,640	\$31,640	
Total for Saint Vincent and the Grenadines		0.8	\$55,000	\$6,070	\$61,070	
SERBIA						
SOLVENT						
Multiple solvents						
Terminal CTC phase-out project	Italy	2.6	\$49,324	\$6,412	\$55,736	
Total for Serbia		2.6	\$49,324	\$6,412	\$55,736	
SIERRA LEONE						
PHASE-OUT PLAN						
HCFC phase out plan						
Preparation of a HCFC phase-out management plan	UNEP		\$85,000	\$11,050	\$96,050	
Total for Sierra Leone			\$85,000	\$11,050	\$96,050	
SURINAME						
PHASE-OUT PLAN						
CFC phase out plan						
Terminal phase-out management plan for Annex A Group I substances (first tranche)	UNEP		\$100,000	\$13,000	\$113,000	
<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)	UNDP	6.2	\$125,000	\$11,250	\$136,250	
<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 Suriname		6.2	\$225,000	\$24,250	\$249,250	
SWAZILAND						
PHASE-OUT PLAN						
HCFC phase out plan						
Preparation of a HCFC phase-out management plan	UNEP		\$85,000	\$11,050	\$96,050	
CFC phase out plan						
Terminal phase-out management plan (first tranche)	UNEP		\$75,000	\$9,750	\$84,750	
<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/56/64
Annex IV

Project Title	Agency	ODP (tonnes)	Funds recommended (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
Terminal phase-out management plan (first tranche) <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>	UNDP		\$81,500	\$7,335	\$88,835	
Total for Swaziland			\$241,500	\$28,135	\$269,635	
SYRIA						
PHASE-OUT PLAN						
CFC phase out plan						
National CFC phase-out plan (second tranche) <i>The Government and UNIDO were requested to ensure that, in line with the conditions of the Agreement, future verification will include the country's monitoring of its activities under the Agreement through the monitoring institutions defined in Appendix 5-A of the Agreement.</i>	UNIDO	328.7	\$170,000	\$12,750	\$182,750	
Total for Syria			328.7	\$170,000	\$12,750	\$182,750
TIMOR LESTE						
SEVERAL						
Ozone unit support						
Institutional strengthening project (start-up cost) <i>Approved on the condition that no funding would be disbursed until instruments of ratification for the Montreal Protocol are received at the United Nations depository in New York.</i>	UNEP		\$40,000	\$0	\$40,000	
Total for Timor Leste			\$40,000		\$40,000	
TOGO						
PHASE-OUT PLAN						
HCFC phase out plan						
Preparation of a HCFC phase-out management plan	UNEP		\$85,000	\$11,050	\$96,050	
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase V)	UNEP		\$60,666	\$0	\$60,666	
Total for Togo			\$145,666	\$11,050	\$156,716	
TUVALU						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (2nd year of phase II) <i>Approved on the condition that no disbursement may occur until the country confirms in a communication to the Fund Secretariat that there is a full time ODS officer and that outstanding country programme data for 2006 and 2007 were submitted.</i>	UNEP		\$30,000	\$0	\$30,000	
Total for Tuvalu			\$30,000		\$30,000	
UGANDA						
PHASE-OUT PLAN						
HCFC phase out plan						
Preparation of a HCFC phase-out management plan	UNEP		\$30,000	\$3,900	\$33,900	

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/56/64
Annex IV

Project Title	Agency	ODP (tonnes)	Funds recommended (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
Total for Uganda			\$30,000	\$3,900	\$33,900	
URUGUAY						
PHASE-OUT PLAN						
CFC phase out plan						
Terminal phase-out management plan for Annex A Group I Substances (second tranche)	Canada		\$42,000	\$5,460	\$47,460	
Terminal phase-out management plan for Annex A Group I substances (second tranche)	UNDP	69.7	\$48,000	\$3,600	\$51,600	
SEVERAL						
Ozone unit support						
Renewal of institutional strengthening project (phase VIII)	UNDP		\$150,800	\$11,310	\$162,110	
Total for Uruguay			69.7	\$240,800	\$20,370	\$261,170
VENEZUELA						
SEVERAL						
Ozone unit support						
Renewal of institutional strengthening project (phase IX)	UNDP		\$285,480	\$21,411	\$306,891	
Total for Venezuela			\$285,480	\$21,411	\$306,891	
YEMEN						
FUMIGANT						
Methyl bromide						
Terminal phase-out of methyl bromide (first tranche, part 1)	Germany	5.9	\$109,740	\$13,896	\$123,636	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee, and on the understanding that no more funding would be provided to the Government for the phase-out of controlled uses of methyl bromide. Of the total funding approved for the first tranche, US \$123,636 would be allocated at the 56th Meeting and the balance of US \$77,814 would be requested by Germany at the 57th Meeting.</i>						
Total for Yemen			5.9	\$109,740	\$13,896	\$123,636
ZAMBIA						
FUMIGANT						
Methyl bromide						
Technical assistance for the total phase-out of methyl bromide in tobacco, cut flowers, horticulture and post harvest uses	UNIDO	7.4	\$289,548	\$21,716	\$311,264	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee, and on the understanding that no more funding would be provided to the Government for the phase-out of controlled uses of methyl bromide.</i>						
PHASE-OUT PLAN						
HCFC phase out plan						
Preparation of a HCFC phase-out management plan	UNEP		\$85,000	\$11,050	\$96,050	
Total for Zambia			7.4	\$374,548	\$32,766	\$407,314

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/56/64
Annex IV

Project Title	Agency	ODP (tonnes)	Funds recommended (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
GLOBAL						
FUMIGANT						
Technical assistance/support						
International methyl bromide compliance assistance workshop	Israel		\$101,200	\$13,156	\$114,356	
SEVERAL						
Agency programme						
Core unit budget (2009)	UNDP		\$0	\$1,857,636	\$1,857,636	
Core unit budget (2009)	IBRD		\$0	\$1,663,347	\$1,663,347	
Core unit budget (2009)	UNIDO		\$0	\$1,857,636	\$1,857,636	
Compliance Assistance Programme: 2009 budget	UNEP		\$8,490,000	\$679,200	\$9,169,200	
<i>UNEP was requested that, in future submissions on the CAP budget to continue: to provide detailed information on the activities for which the global funds would be used; to expand the prioritization of funding between CAP budget lines to accommodate changing priorities; and to provide details on the reallocations made in its budget following decisions 47/24 and 50/26; and to report on the current post levels of staff and to inform the Executive Committee of any changes therein particularly in respect of increased budgetary allocations.</i>						
Total for Global			\$8,591,200	\$6,070,975	\$14,662,175	
GRAND TOTAL		4,258.1	\$57,347,247	\$9,956,600	\$67,303,847	

Summary

UNEP/OzL.Pro/ExCom/56/64
Annex IV

Sector	Tonnes (ODP)	Funds approved (US\$)		
		Project	Support	Total
BILATERAL COOPERATION				
Aerosol	139.7	\$2,000,000	\$230,000	\$2,230,000
Fumigant	60.9	\$1,020,940	\$132,352	\$1,153,292
Solvent	14.3	\$193,544	\$25,161	\$218,705
Phase-out plan	1.2	\$151,000	\$19,630	\$170,630
TOTAL:	216.0	\$3,365,484	\$407,143	\$3,772,627
INVESTMENT PROJECT				
Aerosol	1,029.2	\$25,593,496	\$1,932,287	\$27,525,783
Foam		\$2,460,000	\$211,005	\$2,671,005
Fumigant	397.9	\$3,612,969	\$270,973	\$3,883,942
Halon	1,000.0	\$100,000	\$7,500	\$107,500
Production		\$3,700,000	\$277,500	\$3,977,500
Refrigeration	680.0	\$700,000	\$52,500	\$752,500
Solvent	84.0	\$1,480,000	\$111,000	\$1,591,000
Phase-out plan	850.9	\$2,942,834	\$277,773	\$3,220,607
TOTAL:	4,042.1	\$40,589,299	\$3,140,538	\$43,729,837
WORK PROGRAMME AMENDMENT				
Aerosol		\$30,000	\$2,700	\$32,700
Refrigeration		\$40,000	\$3,000	\$43,000
Phase-out plan		\$1,957,500	\$201,262	\$2,158,762
Several		\$11,364,964	\$6,201,957	\$17,566,921
TOTAL:		\$13,392,464	\$6,408,919	\$19,801,383
Summary by Parties and Implementing Agencies				
Canada	1.2	\$91,000	\$11,830	\$102,830
Germany	5.9	\$169,740	\$21,696	\$191,436
Israel		\$101,200	\$13,156	\$114,356
Italy	154.0	\$2,503,544	\$295,461	\$2,799,005
Spain	55.0	\$500,000	\$65,000	\$565,000
IBRD	1,134.7	\$5,635,608	\$2,114,848	\$7,750,456
UNDP	1,171.0	\$15,068,603	\$2,992,886	\$18,061,489
UNEP		\$11,805,793	\$973,000	\$12,778,793
UNIDO	1,736.4	\$21,471,759	\$3,468,723	\$24,940,482
GRAND TOTAL	4,258.1	\$57,347,247	\$9,956,600	\$67,303,847

ADJUSTMENTS ARISING FROM THE 56TH MEETING OF THE EXECUTIVE COMMITTEE FOR BALANCES ON PROJECTS AND ACTIVITIES

Agency	Project Costs (US\$)	Support Costs (US\$)	Total (US\$)
UNDP (per decision 56/2(ii)&(iii))	267,698	20,581	288,279
UNEP (per decision 56/2(ii)&(iii))	443,000	55,840	498,840
UNIDO (per decision 56/2(ii)&(iii))	396,418	29,816	426,234
World Bank (per decision (56/2(iii))	0	17,251	17,251
Total	1,107,116	123,488	1,230,604

NET ALLOCATIONS TO IMPLEMENTING AGENCIES AND BILATERAL CONTRIBUTIONS BASED ON DECISIONS OF THE 56TH MEETING OF THE EXECUTIVE COMMITTEE

Agency	Project Costs (US\$)	Support Costs (US\$)	Total (US\$)
Canada (1)	91,000	11,830	102,830
Germany (2)	169,740	21,696	191,436
Israel (2)	101,200	13,156	114,356
Italy (3)	2,503,544	295,461	2,799,005
Spain (2)	500,000	65,000	565,000
UNDP	14,800,905	2,972,305	17,773,210
UNEP	11,362,793	917,160	12,279,953
UNIDO	21,075,341	3,438,907	24,514,248
World Bank	5,635,608	2,097,597	7,733,205
Total	56,240,131	9,833,112	66,073,243

(1) US \$17,909 to be assigned to bilateral contributions for 2007 and US \$84,921 to be assigned to bilateral contributions for 2008

(2) Total amount to be assigned to 2008 bilateral contributions

(3) US \$1,632,512 to be assigned to bilateral contributions for 2007, US \$764,499 to be assigned to bilateral contributions for 2008, and US \$401,994 to be assigned to bilateral contributions for 2008.

Annex V

**AGREEMENT BETWEEN GUATEMALA 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 Guatemala (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
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APPENDIX 2-A: THE TARGETS, AND FUNDING

		2008	2009	2010	Total
1	Montreal Protocol reduction schedule of Annex A, Group I substances (ODP tonnes)	33.7	33.7	0	
2	Max. allowable total consumption of Annex A, Group I substances (ODP tonnes)	5.9	2.5	0	
3	Reduction from on-going projects (ODP tonnes)	0	0	0	0
4	New reduction under plan (ODP tonnes)	3.4	2.5	0	5.9
5	Unfunded reductions (ODP tonnes)	0	0	0	0
6	Total annual reduction (ODP tonnes)	3.4	2.5	0	5.9
7	Lead IA agreed funding (US \$)	33,000	32,000	0	65,000
8	Cooperating IA agreed funding (US \$)	249,000	0	0	249,000
9	Total agreed funding (US \$)	282,000	32,000	0	314,000
10	Lead IA support costs (US \$)	4,290	4,160	0	8,450
11	Cooperating IA support costs (US \$)	22,410	0	0	22,410
12	Total agreed support costs (US \$)	26,700	4,160	0	30,860
13	Grand total agreed funding (US \$)	308,700	36,160	0	344,860

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Following approval of the first tranche in 2008, funding for the second tranche will be considered for approval not later than the second meeting of 2009.

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 Control 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). The Lead IA, 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 Guatemala for related auditing. Based on discussion with the Lead IA, Guatemala 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 Guatemala 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 Guatemala 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 current Annual Implementation Programme and preparing for the annual implementation programme for the following year, for submission to the Executive Committee;
- (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 Guatemala 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 VI

AGREEMENT BETWEEN GUINEA-BISSAU 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 Guinea-Bissau (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. UNEP 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 9 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

		2008	2009	2010	Total
1	Montreal Protocol reduction schedule of Annex A, Group I substances (ODP tonnes)	3.9	3.9	0	
2	Max. allowable total consumption of Annex A, Group I substances (ODP tonnes)	3.9	3.9	0	3.9
3	Reduction from on-going projects (ODP tonnes)	0	0	0	0
4	New reduction under plan (ODP tonnes)	0	3.9	0	3.9
5	Unfunded reductions (ODP tonnes)	0	0	0	0
6	Total annual reduction (ODP tonnes)	0	3.9	0	3.9
7	Lead IA agreed funding (US \$)	62,500	37,500	0	100,000
8	Total agreed funding (US \$)	62,500	37,500	0	100,000
9	Lead IA support costs (US \$)	8,125	4,875	0	13,000
10	Total agreed support costs (US \$)	8,125	4,875	0	13,000
11	Grand total agreed funding (US \$)	70,625	42,375	0	113,000

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Following approval of the first tranche in 2008, funding for the second tranche will be considered for approval not later than the second meeting of 2009.

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). 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 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 Guinea-Bissau for related auditing. Based on discussion with the Lead IA, Guinea-Bissau 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 Guinea-Bissau 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 Guinea-Bissau 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 current Annual Implementation Programme and preparing for the annual implementation programme for the following year for submission to the Executive Committee.
- (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

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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 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 MOZAMBIQUE 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 Mozambique (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

		2008	2009	2010	Total
1	Montreal Protocol reduction schedule of Annex A, Group I substances (ODP tonnes)	2.7	2.7	0	
2	Max. allowable total consumption of Annex A, Group I substances (ODP tonnes)	2.3	0	0	
3	Reduction from on-going projects (ODP tonnes)	0	0	0	0
4	New reduction under plan (ODP tonnes)	2.3	0	0	2.3
5	Unfunded reductions (ODP tonnes)	0	0	0	0
6	Total annual reduction (ODP tonnes)	2.3	0	0	2.3
7	Lead IA agreed funding (US \$)	75,000	59,000	0	134,000
8	Cooperating IA agreed funding (US \$)	100,500	17,000	0	117,500
9	Total agreed funding (US \$)	175,500	76,000	0	251,500
10	Lead IA support costs (US \$)	9,750	7,670	0	17,420
11	Cooperating IA support costs (US \$)	9,045	1,530	0	10,575
12	Total agreed support costs (US \$)	18,795	9,200	0	27,995
13	Grand total agreed funding (US \$)	194,295	85,200	0	279,495

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Following approval of the first tranche in 2008, funding for the second tranche will be considered for approval not later than the second meeting of 2009.

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 Mozambique for related auditing. Based on discussion with the Lead IA, Mozambique 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 Mozambique 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 Mozambique 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 current Annual Implementation Programme and preparing for the annual implementation programme for the following year, for submission to the Executive Committee;
- (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 Mozambique 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 VIII

AGREEMENT BETWEEN NICARAGUA 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 Nicaragua (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 rows 7 and 8 respectively 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	CFC12
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APPENDIX 2-A: THE TARGETS, AND FUNDING

		2008	2009	2010	Total
1	Montreal Protocol reduction schedule of Annex A, Group I substances (ODP tonnes)	12.4	12.4	0.0	
2	Max. allowable total consumption of Annex A, Group I substances (ODP tonnes)	3.7	2	0.0	
3	New reduction under plan (ODP tonnes)	1.7	2.0	0.0	3.7
4	Lead IA agreed funding (US \$)	130,000	70,000		200,000
5	Cooperating IA agreed funding (US \$)	320,000			320,000
6	Total agreed funding (US \$)	450,000	70,000		520,000
7	Lead IA support costs (US \$)	16,900	9,100		26,000
8	Cooperating IA support costs (US \$)	24,000			24,000
9	Total agreed support costs (US \$)	40,900	9,100		50,000
10	Grand total agreed funding (US \$)	490,900	79,100		570,000

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Following approval of the first tranche in 2008, funding for the second tranche will be considered for approval not later than the second meeting of 2009.

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 Nicaragua for related auditing. Based on discussion with the Lead IA, Nicaragua 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 Nicaragua's phase-out plan;
- (b) Assisting Nicaragua 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 Nicaragua 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 2008 and preparing for annual implementation programme for 2009 for submission to the Executive Committee.
- (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 Nicaragua 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 Nicaragua 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 SURINAME 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 Suriname (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-115
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APPENDIX 2-A: THE TARGETS, AND FUNDING

		2008	2009	2010	Total
1	Montreal Protocol reduction schedule of Annex A, Group I substances (ODP tonnes)	6.2	6.2	0	
2	Max. allowable total consumption of Annex A, Group I substances (ODP tonnes)	6.2 ¹	3.1	0	
3	Reduction from on-going projects (ODP tonnes)	0	0	0	0
4	New reduction under plan (ODP tonnes)	3.1	3.1	0	6.2
5	Unfunded reductions (ODP tonnes)	0.0	0.0	0	0
6	Total annual reduction (ODP tonnes)	3.1	3.1	0	6.2
7	Lead IA agreed funding (US \$)	100,000	53,000	0	153,000
8	Cooperating IA agreed funding (US \$)	125,000	0	0	125,000
9	Total agreed funding (US \$)	225,000	53,000	0	278,000
10	Lead IA support costs (US \$)	13,000	6,890	0	19,890
11	Cooperating IA support costs (US \$)	11,250	0	0	11,250
12	Total agreed support costs (US \$)	24,250	6,890	0	31,140
13	Grand total agreed funding (US \$)	249,250	59,890	0	309,140

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Following approval of the first tranche in 2008, funding for the second tranche will be considered for approval not later than the second meeting of 2009.

¹ Consumption quota set by the country for 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 government will establish a project monitoring mechanism (PMM) to monitor project implementation, report on progress, monitor the impact of projects and recommend remedial actions if project implementation is delayed or impacts not achieved. UNEP, as the lead IA will be responsible for establishing this mechanism and UNDP, as the cooperating IA will support UNEP in executing this function

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 Suriname for related auditing. Based on discussion with the Lead IA, Suriname 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 Suriname 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 Suriname 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 current Annual Implementation Programme and preparing for the annual implementation programme for the following year, for submission to the Executive Committee;

- (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 Suriname 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 SWAZILAND 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 Swaziland (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

		2008	2009	2010	Total
1	Montreal Protocol reduction schedule of Annex A, Group I substances (ODP tonnes)	3.7	3.7	0	
2	Max. allowable total consumption of Annex A, Group I substances (ODP tonnes)	3.7	3.7	0	
3	Reduction from on-going projects (ODP tonnes)	0	3.7	0	3.7
4	New reduction under plan (ODP tonnes)	0	0	0	0
5	Unfunded reductions (ODP tonnes)	0	0	0	0
6	Total annual reduction (ODP tonnes)	0	3.7	0	3.7
7	Lead IA agreed funding (US \$)	75,000	57,000	0	132,000
8	Cooperating IA agreed funding (US \$)	81,500	40,000	0	121,500
9	Total agreed funding (US \$)	156,500	97,000	0	253,500
10	Lead IA support costs (US \$)	9,750	7,410	0	17,160
11	Cooperating IA support costs (US \$)	7,335	3,600	0	10,935
12	Total agreed support costs (US \$)	17,085	11,010	0	28,095
13	Grand total agreed funding (US \$)	173,585	108,010	0	281,595

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Following approval of the first tranche in 2008, funding for the second tranche will be considered for approval not later than the second meeting of 2009.

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 Swaziland for related auditing. Based on discussion with the Lead IA, Swaziland 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 Swaziland 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 Swaziland 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 current Annual Implementation Programme and preparing for the annual implementation programme for the following year, for submission to the Executive Committee;
- (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 Swaziland 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

VIEWS EXPRESSED BY THE EXECUTIVE COMMITTEE ON RENEWALS OF INSTITUTIONAL STRENGTHENING PROJECTS SUBMITTED TO THE 56th MEETING

Benin

1. The Executive Committee has reviewed the report presented with the Institutional Strengthening Project renewal for Benin and notes with appreciation that the country has reported data to the Ozone Secretariat indicating that its CFC consumption is in compliance with the phase-out schedule and that it has taken significant steps to phase-out its CFC consumption. The Executive Committee is therefore hopeful that, in the next two years, Benin will continue with the implementation of its country programme and Terminal Phase-out Management Plan activities with outstanding success to achieve the total phase-out of CFC.

Burkina Faso

2. The Executive Committee has reviewed the report presented with the Institutional Strengthening Project renewal for Burkina Faso and notes with appreciation that the country has reported data to the Ozone Secretariat showing that its CFC consumption in 2007 is below the required 85 per cent reduction. The Executive Committee is therefore hopeful that, in the next two years, Burkina Faso will continue with the implementation of its country programme and related activities with outstanding success and achieve total phase-out its ODS consumption ahead of the Montreal Protocol phase-out schedule.

Chad

3. The Executive Committee has reviewed the report presented with the institutional strengthening Project renewal for Chad and notes with appreciation that the country has reported data to the Ozone Secretariat stating that the country reduced its CFC consumption beyond the 85 per cent target for 2007. The Executive Committee is therefore hopeful that, in the next two years, Chad will continue with the implementation of its country programme activities with outstanding success towards the total phase-out of its ODS consumption as stated in the action plan.

China

4. The Executive Committee has reviewed the report presented with the institutional strengthening project renewal request for China and notes with appreciation the fact that China has successfully achieved the early phase-out of CFC and Halon by 1 July 2007, a full two and half years ahead of MP schedule. In its submission, China has also successfully coordinated with the implementing agencies in managing and monitoring implementation of its various sectoral phase-out plans. China also reported a number of initiatives, including strengthening its capacity for compliance with regulations and improving policy formulation and enforcement. For the next two years, China will continue to strengthen enforcement of existing controls, replicate early phase-out actions in other cities and provinces, and continue to tackle illegal ODS production, trade and consumption. China will also initiate to address the accelerated HCFC phase-out schedule. The Executive Committee expresses the expectation that in the next two years, China will continue the progress achieved, sustain and build upon its current level of CFC reductions to achieve the goal of complete phase-out by 2010, and to meet the reduction schedule in HCFC.

Croatia

5. The Executive Committee has reviewed the report submitted with the institutional strengthening project renewal request for Croatia and notes with appreciation that the country reported Article 7 data to the Ozone Secretariat demonstrating that the Party was in compliance with reduction steps for all controlled substances. The Executive Committee also notes that Croatia 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 Croatia will continue phasing-out ODS with outstanding success.

Dominica

6. The Executive Committee has reviewed the report submitted with the Institutional Strengthening Project renewal request for Dominica and notes with appreciation that the country reported Article 7 data to the Ozone Secretariat demonstrating that the Party maintained zero consumption of Annex A Group1 CFCs. With the activities planned for the next phase the Executive Committee also notes that Dominica has a high nationally institutionalized national ozone officer supported through this Institutional Strengthening project. The Executive Committee is hopeful that in the next two years, Dominica will maintain the momentum achieved and complete the activities planned to meet compliance, and initiate activities in HCFCs.

Dominican Republic

7. The Executive Committee has reviewed the report submitted with the institutional strengthening project renewal request for Dominican Republic and notes with appreciation that the country reported Article 7 data to the Ozone Secretariat demonstrating that the Party was in compliance with reduction steps for all controlled substances. With the activities planned for the next phase, the Executive Committee also notes that Dominican Republic is expected to continue reporting zero consumption in methyl bromide and to keep reducing ODSs.

Ecuador

8. The Executive Committee has reviewed the terminal report presented with the institutional strengthening project renewal request for Ecuador. The Committee notes with appreciation the efforts made by the Government of Ecuador to continue its ODS phase out efforts through its National ODS phase-out plan (NOPP). However, it also notes with concern the country's continued potential non compliance with the methyl bromide control measures of the Montreal Protocol. The Executive Committee also recognises that the country is doing its utmost to meet the methyl bromide control measures as demonstrated by the identification of an alternative that is currently being tested. It is therefore hopeful that in the next period, the country will be able to reduce its methyl bromide consumption to within its allowable consumption. The Committee is also encouraged by the country's continued success in engaging stakeholders to comply with ODS phase-out policies; and, through its ongoing monitoring, enforcement and public awareness raising activities, and hopes that it will continue making progress towards complete phase-out of CFCs in 2010, as well as reduce other ODS according to their schedule.

Egypt

9. The Executive Committee has reviewed the report presented with the institutional strengthening project renewal request for Egypt and notes with appreciation that it has taken significant steps to phase out its ODS consumption as shown by the 2007 Article 7 data reported to the Ozone Secretariat which is below the maximum allowable consumption for the country under the Montreal Protocol. The Executive Committee also notes Egypt's implementation of strategies in different sectors of ODS phase-out which

has shown good results in implementation. The Committee also takes good note of the country's continued implementation of its regulatory efforts through the licensing and quota system. The Executive Committee is therefore hopeful that, in the next two years, Egypt will continue with the implementation of its country programme and the NPP activities with outstanding success to meet full compliance with the 2010 phase out, and will be fully engaged in the initiation of activities to prepare for the development of its HCFC phase-out management plan.

El Salvador

10. The Executive Committee has reviewed the report submitted with the institutional strengthening project renewal request for El Salvador and notes with appreciation that the country reported Article 7 data to the Ozone Secretariat demonstrating that the Party was in compliance with reduction steps for all controlled substances. The Executive Committee acknowledges with appreciation that El Salvador has ratified the Beijing amendment during the last Phase of the institutional strengthening programme and also notes that the country 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.

Fiji

11. The Executive Committee has reviewed the report of the Institutional Strengthening project extension for Fiji and notes with appreciation that the country has reported data to the Ozone Secretariat indicating that Fiji has maintained its phase-out of CFC consumption since 2000 and also managed to return to compliance with methyl bromide consumption in 2007. The Executive Committee is therefore hopeful that, in the next two years, Fiji will continue with the implementation of its country programme, Terminal Phase-out Management Plan and methyl bromide phase-out plan and other activities with outstanding success.

Gabon

12. The Executive Committee has reviewed the report presented with the Institutional Strengthening Project renewal for Gabon and notes with appreciation that the country has reported data to the Ozone Secretariat stating the country reduced its CFC consumption beyond the 85 per cent target for 2007 and other ODS consumption is maintained at zero. The Executive Committee is therefore hopeful that, in the next 2 years, Gabon will continue with the implementation of its country programme activities with outstanding success towards total phase-out of its ODS consumption as stated in the action plan.

Ghana

13. The Executive Committee has reviewed the information presented with the institutional strengthening renewal request for Ghana. The Executive Committee takes note of the fact that Ghana's reported CFC consumption in 2007 shows it to be in compliance with the 85 per cent reduction of CFC consumption under the Montreal Protocol. The Executive Committee also congratulates Ghana for the inclusion of ozone protection concepts into its current environmental impact assessment process thereby requiring permits for new buildings with refrigeration equipment that need to be installed. It also notes that Ghana has initiated activities related to HCFCs as a result of the decisions taken by the Nineteenth Meeting of the Parties, as well as decisions from the 55th Executive Committee meeting on HPMP preparation. The Executive Committee greatly appreciates the efforts of Ghana to reduce ODS consumption and is hopeful that in the next two years it will focus on the fulfilment of the Montreal Protocol commitments, especially in relation to the 100 per cent CFC reduction measure.

Guinea

14. The Executive Committee has reviewed the report presented with the Institutional Strengthening Project renewal for Guinea and notes with appreciation that the country has reported 2007 data indicating that Guinea has complied with the phase-out schedule in CFC consumption. The Executive Committee is therefore hopeful that, in the next two years, Guinea will continue with the implementation of its country programme and refrigerant management plan activities with outstanding success in the reduction of CFC consumption.

Islamic Republic of Iran

15. The Executive Committee has reviewed the information reported for the second year of the Institutional Strengthening Phase VI and the request for Phase VII renewal for the Islamic Republic of Iran and notes with appreciation the fact that the Islamic Republic of Iran has come back to compliance. In its submission, in addition to its successful coordination with implementing agencies in managing and monitoring implementation of phase-out activities, the Islamic Republic of Iran reported a number of initiatives, including: full enforcement of import/export licensing system on CFC and solvents and training of responsible officers from concerned ministries/organizations to facilitate enforcement. It also notes the country's efforts to initiate actions to address the accelerated HCFC freeze and 10 per cent reduction by 2013 and 2015. The Executive Committee greatly appreciates the effort of Islamic Republic of Iran to reduce ODS consumption and expresses the expectation that in the next two years, the Islamic Republic of Iran will continue the progress achieved, sustain and build upon its current level of CFC reductions to achieve complete CFC phase-out in order to comply with the Protocol's reduction schedules and achieve its phase-out targets as stipulated in its Agreement with the Executive Committee, including efforts to prepare HPMP to address the HCFC accelerated freeze and phase-out schedule.

Lao People's Democratic Republic

16. The Executive Committee has reviewed the report of the institutional strengthening project extension for Lao People's Democratic Republic and notes with appreciation that the country has reported data to the Ozone Secretariat indicating that Lao PDR is on track to phase-out its CFC consumption. The Executive Committee is therefore hopeful that, in the next two years, Lao PDR will continue with the implementation of its country programme and activities with outstanding success, in particular, on the implementation Terminal Phase-out Management Plan including the phasing out of HCFC.

Lebanon

17. The Executive Committee has reviewed the report presented with the institutional strengthening project renewal request for Lebanon and notes with appreciation the fact of continuous successful actions undertaken despite the conflict and difficult situation in the country. The Executive Committee also appreciates the early data reporting actions to the Ozone Secretariat and Multilateral Fund Secretariat. It also takes note of the fact that Lebanon has met the 2006 and 2007 phase-out targets stipulated in the national phase-out management plan agreement (NPMP). The Executive Committee greatly appreciates the effort of Lebanon to reduce ODS consumption and is hopeful that in the next two years, Lebanon will continue the progress achieved, sustain and build upon its current level of CFC reductions to achieve the goal of complete CFC phase-out by 2010, complying with the Protocol's reduction schedules and achieve its phase-out targets stipulated in the NPMP.

Maldives

18. The Executive Committee has reviewed the report of the institutional strengthening project extension for Maldives and notes with appreciation that the country has reported data to the Ozone

Secretariat indicating that Maldives is on track to phase-out its CFC consumption. The Executive Committee is therefore hopeful that, in the next two years, Maldives will continue with the implementation of its country programme and activities with outstanding success, in particular, on the implementation Terminal Phase-out Management Plan including the phasing out of HCFC.

Mali

19. The Executive Committee has reviewed the report presented with the institutional strengthening Project renewal for Mali and notes with appreciation that the country has reported data to the Ozone Secretariat showing that it reduced its CFC consumption in 2005 beyond the required 50 per cent reduction. The Executive Committee is therefore hopeful that, in the next two years, Mali will continue with the implementation of its country programme and related activities with outstanding success towards total phase-out its ODS consumption as stated ahead Montreal Protocol phase-out schedule.

Nepal

20. The Executive Committee has reviewed the report of the Institutional Strengthening project extension for Nepal and notes with appreciation that the country has reported data to the Ozone Secretariat indicating that Nepal is on track to phase-out its CFC consumption. The Executive Committee is therefore hopeful that, in the next two years, Nepal will continue with the implementation of its country programme and activities with outstanding success, in particular, on the implementation Terminal Phase-out Management Plan including the phasing out of HCFC.

Oman

21. The Executive Committee has reviewed the report presented with the institutional strengthening project renewal request for Oman and notes with appreciation that Oman reported data to the Ozone Secretariat, as at end 2007, which was well within the control measures of the Montreal Protocol. The Executive Committee also notes that within the framework of the institutional strengthening project, Oman has taken significant steps to fully implement its Terminal Phase-out Management Plan and its RMP. The Executive Committee is also encouraged by the continued efforts of the country to implement its import /export licensing system. The Executive Committee is therefore hopeful that, in the next two years, Oman will continue with the implementation of TPMP activities with outstanding success to achieve complete phase-out of CFCs and Halons by January 2010 and to meet freeze levels of HCFCs.

Togo

22. The Executive Committee has reviewed the report presented with the Institutional Strengthening Project renewal and notes with appreciation that the country has reported data to the Ozone Secretariat indicating that the country is in compliance with the phase-out schedule in CFC consumption. The Executive Committee is therefore hopeful that, in the next two years, Togo will continue with the implementation of its country programme and refrigerant management plan activities with outstanding success in the reduction of CFC consumption.

Tuvalu

23. The Executive Committee has reviewed the report of the institutional strengthening project for Tuvalu and notes with appreciation that the country has returned to compliance with the recent submission of the 2006 and 2007 Article 7 data to the Ozone Secretariat. The Executive Committee also notes with appreciation that Tuvalu has maintained the phase-out of its CFC consumption since 2000 and would like to congratulate Tuvalu for having passed the Ozone Layer Protection Act in 2008. The Executive Committee is therefore hopeful that Tuvalu will be able to maintain its zero consumption of

CFCs in order to meet the 2010 phase-out obligations and continue with the implementation of its activities with outstanding success.

Uruguay

24. The Executive Committee has reviewed the report presented with the institutional strengthening project renewal request for Uruguay and notes with appreciation that it has continued the implementation of the different investment projects in the country, notably on methyl bromide where an accelerated phase-out is foreseen. The Executive Committee also appreciates the activities of the country in ensuring the strict implementation of its licensing system as well as its efforts to develop a more efficient automated on-line system for permit applications. It also notes the country's efforts to initiate HCFC activities in preparation for its HCFC phase-out management plan. The Executive Committee greatly appreciates the effort of Uruguay to reduce ODS consumption and expresses the expectation that in the next two years, Uruguay will continue the progress achieved, sustain and build upon its current level of CFC reductions to achieve the goal of complete CFC phase-out by 2010, complying with the Protocol's reduction schedules and achieve its phase-out targets stipulated in the national phase-out management

Venezuela

25. The Executive Committee has reviewed the terminal report presented with the institutional strengthening project renewal request for Venezuela and notes with appreciation the achievements made by Venezuela's National Ozone Unit during the implementation of the eighth phase. In particular the Executive Committee notes the progress made by Venezuela towards maintaining the 50 per cent reduction in CFC consumption achieved in 2005, achieving the 85 per cent reduction in CFC consumption in 2007 and the implementation of phase-out projects in key ODS-consuming and producing sectors, including the National CFC Phase-out Plan and the CFC production facility closure project. The Executive Committee commends the Government of Venezuela for its achievements during the current phase and expresses the expectation that, in the next two years, Venezuela will continue the implementation of its programmed activities with outstanding progress, and will sustain and build upon its current levels of reductions in CFCs.

Annex XII

COMPLIANCE ASSISTANCE PROGRAMME (CAP) FOR THE YEAR 2009

	Budget Line	Component	Location			CAP 2008 approved at ExCom 53	CAP 2009 approved at ExCom 56	
10	PROJECT PERSONNEL COMPONENT							
	<i>1100 Project personnel</i>							
		Title		Level	m/m			
	1101	Head of Branch	Paris	D1	10	190,080	191,000	
	1102	Network & Policy Manager	Paris	P5	12	190,080	207,000	
	1103	Capacity Building Manager	Paris	P4	12	172,800	181,000	
	1104	Information Manager	Paris	P4	12	163,080	181,000	
	1105	Monitoring & Administration Officer	Paris	P3	12	146,880	152,000	
	1106	Information Officer	Paris	P3	9	146,880	114,000	
	1107	Programme Officer - HCFC	Paris	P3	12	135,000	152,000	
	1108	Programme Officer - ECA / Paris	Paris / ECA	P3	12	146,880	152,000	
	1109	Programme Officer - Information Technology	Paris	P3	6	73,440	76,000	
	1110	ROA Programme Officer - HPMP	Nairobi	P4	12	159,600	167,000	
	1111	ROA Programme Officer - Policy and Enforcement	Nairobi	P4	12	156,000	167,000	
	1112	ROA Programme Officer - HPMP	Nairobi	P3	12	123,600	137,000	
	1113	ROA Programme Officer - Methyl Bromide	Nairobi	P3	12	123,600	137,000	
	1114	ROLAC Regional Network Coordinator	Panama	P4	12	151,006	153,000	
	1115	ROLAC Programme Officer - Policy and Enforcement	Panama	P4	12	143,640	153,000	
	1116	ROLAC Programme Officer - HPMP	Panama	P3	12	130,680	130,000	
	1117	ROLAC Programme Officer - Methyl Bromide	Panama	P3	12	130,680	130,000	
	1118	ROAP Regional Network Coordinator	Bangkok	P5	12	150,000	174,000	
	1119	ROAP Programme Officer - Policy and Enforcement	Bangkok	P4	12	142,000	152,000	
	1120	ROAP PIC Network Coordinator - HPMP	Bangkok	P4	12	140,000	152,000	
	1121	ROAP Programme Officer - HPMP	Bangkok	P3	12	135,000	124,000	
	1122	ROWA Regional Network Coordinator	Bahrain	P4	12	162,410	179,000	
	1123	ROWA Programme Officer - HPMP	Bahrain	P3	12	152,399	151,000	
	1124	ROWA Programme Officer - Policy and Enforcement	Bahrain	P3	12	152,399	151,000	
	1125	ROA Regional Network Coordinator	Nairobi	P5	12	159,600	194,000	
	1126	ECA Regional Network Coordinator	ECA	P3	12	146,880	152,000	
	<i>1199</i>	<i>Sub-total</i>				<i>3,824,614</i>	<i>4,009,000</i>	
	<i>1300</i>	<i>Programme Assistance (General Service staff)</i>						
		Title/Description		Level	m/m			
	1301	Secretary Chief	Paris	G6	12	93,960	94,000	
	1302	Assistant Network Manager	Paris	G5	12	81,742	83,000	
	1303	Assistant Clearinghouse	Paris	G6	12	93,960	94,000	
	1304	Assistant Monitoring & Administration	Paris	G6	12	84,230	94,000	
	1305	Assistant IS/RMP/CP	Paris	G5	12	76,500	83,000	
	1306	Assistant Programme	Paris	G5	12	76,500	83,000	
	1307	Assistant Data & Documentation	Paris	G5	12	84,230	83,000	
	1309	ROA RNC Assistant	Nairobi	G6	12	26,700	35,000	
	1310	ROA Office Assistant	Nairobi	G5	12	26,700	28,000	
	1311	ROLAC RNC Assistant	Panama	G6	12	35,920	36,000	
	1312	ROLAC Office Assistant	Panama	G5	12	35,920	29,000	
	1313	ROAP-SA RNC Assistant	Bangkok	G5	12	38,800	43,000	
	1314	ROAP Office Assistant	Bangkok	G6	12	45,000	55,000	
	1315	ROWA RNC Assistant	Bahrain	G6	12	37,662	44,000	
	1316	ROWA Office Assistant	Bahrain	G5	12	37,662	36,000	
	1317	Temporary assistance CAP				67,500	68,000	
	1318	RNC ECA Assistant	ECA	G5	12	76,500	83,000	
	<i>1399</i>	<i>Sub-total</i>				<i>1,019,486</i>	<i>1,071,000</i>	
	<i>1600</i>	<i>Travel on official business (UNEP staff)</i>						
	1601	Paris staff travel	Paris			219,390	200,000	
	1602	ROA staff travel	Nairobi			159,600	135,000	
	1603	ROLAC staff travel	Panama			105,060	90,000	
	1604	ROAP-SA / PIC staff travel	Bangkok			85,490	65,000	
	1605	ROWA staff travel	Bahrain			85,000	70,000	
	1606	ECA staff travel	ECA			23,820	35,000	
	<i>1699</i>	<i>Sub-total</i>				<i>678,360</i>	<i>595,000</i>	
	1999	COMPONENT TOTAL						
						5,522,460	5,675,000	
20	SUB CONTRACT COMPONENT							
	<i>2200</i>	<i>Sub-contracts (MOUs/LAs for supporting organizations)</i>						
	2202	ROA Sub-contracts with supporting organizations	Nairobi			53,600	30,000	
	2203	ROLAC Sub-contracts with supporting organizations	Panama			11,670	12,000	
	2204	ROAP Sub-contracts with supporting organizations	Bangkok			30,900	31,000	
	2205	ROWA Sub-contracts with supporting organizations	Bahrain			50,000	52,000	
	2206	ECA Sub-contracts with supporting organizations	ECA			38,110	40,000	

	Budget Line	Component	Location		CAP 2008 approved at ExCom 53	CAP 2009 approved at ExCom 56
	2212	ROA Regional awareness raising	Nairobi		47,290	49,000
	2213	ROLAC Regional awareness raising	Panama		73,202	75,000
	2214	ROAP Regional awareness raising	Bangkok		47,380	40,000
	2215	ROWA Regional awareness raising	Bahrain		23,000	24,000
	2216	ECA Regional awareness raising	ECA		23,690	25,000
	2299	<i>Sub-total</i>			398,842	378,000
	2300	<i>Sub-contracts (for commercial purposes)</i>				
	2301	Technical and policy information materials	Paris		63,907	64,000
	2302	OzonAction Newsletter / Thematic Special Issues	Paris		100,000	100,000
	2303	Illustration/graphics/layout design	Paris		18,540	18,000
	2304	Exhibition/outreach	Paris		20,600	20,000
	2305	Adaptable media materials for the International Ozone Day	Paris		203,417	200,000
	2306	Regional Information Exchange on Servicing Sector	Regional			50,000
	2399	<i>Sub-total</i>			406,464	452,000
	2999	COMPONENT TOTAL			805,306	830,000
30	TRAINING COMPONENT					
	3300	<i>Meetings/conferences</i>				
	3301	Advisory and Consultative Meetings - Paris	Paris		31,000	31,000
	3302	ROA network meetings/thematic workshops	Nairobi		260,500	268,000
	3303	ROLAC network meetings/thematic workshops	Panama		181,414	187,000
	3304	ROAP-SA network meetings/thematic workshops	Bangkok		95,000	85,000
	3305	ROWA network meetings/thematic workshops	Bahrain		80,000	83,000
	3306	ECA network meetings/thematic workshops	ECA		126,690	131,000
	3307	PIC network meetings/thematic workshops	Bangkok			60,000
	3312	ROA South-South cooperation	Nairobi		33,000	35,000
	3313	ROLAC South-South cooperation	Panama		42,600	44,000
	3314	ROAP South-South cooperation	Bangkok		58,710	50,000
	3315	ROWA South-South cooperation	Bahrain		32,000	33,000
	3316	ECA South-South cooperation	ECA		26,780	28,000
	3399	<i>Sub-total</i>			967,694	1,035,000
	3999	COMPONENT TOTAL			967,694	1,035,000
40	EQUIPMENT AND PREMISES COMPONENT					
	4100	<i>Expendable equipment (items under \$1,500 each)</i>				
	4101	Office supplies - Paris and ECA	Paris / ECA		14,420	14,000
	4102	Office supplies - Regions	Regional		35,819	37,000
	4199	<i>Sub-total</i>			50,239	51,000
	4200	<i>Non-expendable equipment</i>				
	4201	Office equipment / computer - Paris and ECA	Paris / ECA		20,600	21,000
	4202	Office equipment / computer - Regions	Regional		38,120	40,000
	4299	<i>Sub-total</i>			58,720	61,000
	4300	<i>Rental of premises</i>				
	4301	Office rental - Paris and ECA	Paris / ECA		324,038	334,000
	4302	Office rental - Regions	Regional		128,511	132,000
	4399	<i>Sub-total</i>			452,549	466,000
	4999	COMPONENT TOTAL			561,508	578,000
50	MISCELLANEOUS COMPONENT					
	5100	<i>Operation and maintenance of equipment</i>				
	5101	Rental and maintenance of office equipment - Paris and ECA	Paris		20,600	21,000
	5102	Rental and maintenance of office equipment - Regions	Regional		30,239	32,000
	5199	<i>Sub-total</i>			50,839	53,000
	5200	<i>Reporting cost</i>				
	5201	Reporting/reproduction costs	Paris		10,000	10,000
	5202	Translations - Regions	Regional		30,539	20,000
	5299	<i>Sub-total</i>			40,539	30,000
	5300	<i>Sundry</i>				
	5301	Communication & dissemination - Paris and ECA	Paris / ECA		207,952	200,000
	5302	Communication - Regions	Regional		86,792	89,000
	5399	<i>Sub-total</i>			294,744	289,000
	5999	COMPONENT TOTAL			386,122	372,000
	99	TOTAL DIRECT PROJECT COST			8,243,090	8,490,000
		<i>Programme support costs (8%)</i>			659,447	679,200
90	GRAND TOTAL				8,902,537	9,169,200

Annex XIII

AGREED CONDITIONS FOR THE PHASE-OUT OF METHYL BROMIDE IN EGYPT

1. The Executive Committee:
 - (a) At its 38th Meeting, approved US \$2,750,592 as the total funds that will be available to Egypt to achieve the reduction of 185.6 ODP tonnes of methyl bromide (MB) used in horticulture and the commodities sector, reducing the aggregated consumption of controlled uses to 185.7 ODP tonnes in 2005;
 - (b) At its 52nd Meeting, noted the change to some of the alternative technologies that were selected by major stakeholders when the original project was prepared, as requested by the Government of Egypt;
 - (c) At its 56th Meeting, approved an additional US \$1,934,994 as the total funds that will be available to Egypt to achieve the complete phase-out of MB used in horticulture and the commodities sector (184.2 ODP tonnes) except for 6.0 ODP tonnes used for the fumigation of high moisture dates until a suitable alternative is available (decision XV/12).
2. As reported to the Ozone Secretariat, the MB baseline for compliance for Egypt is 238.1 ODP tonnes; the 2007 MB consumption was 186.0 ODP tonnes. Accordingly, Egypt has achieved compliance with the Montreal Protocol's 20 per cent reduction in 2005.
3. Reductions in accordance with the terms of the above-mentioned projects and other commitments presented in the project document will ensure that Egypt meets the reduction schedule presented below. In this regard, Egypt will reduce the national consumption of controlled uses of MB, excluding quarantine and pre-shipment applications, to no more than the following levels of consumption in the years listed below:

Year	Level of MB consumption (ODP tonnes)				ODP tonnes	
	Soil fumigation	Commodities	Structures	Dates(*)	Total phased out	Total consumption
2009	124.2	51.0	9.2	6.0		190.4
2010	106.2	36.0	9.2	6.0	33.0	157.4
2011	80.2	21.0	9.2	6.0	41.0	116.4
2012	40.2	6.0	3.2	6.0	61.0	55.4
2013	0.0	0.0	0.0	6.0	49.2	6.0
Total					184.2	

(*) Subject to the availability of a suitable alternative (decision XV/12)

4. Egypt commits to permanently sustaining the consumption levels indicated above through the use of import quotas and other policies it may deem necessary.
5. The Government of Egypt has reviewed the consumption data identified in all sectors covered by the projects and is confident that it is correct. Accordingly, the Government is entering into this agreement with the Executive Committee on the understanding that, in case any additional MB consumption is identified at a later date (excluding 6.0 ODP tonnes used for the fumigation of high moisture dates), the responsibility to ensure its phase-out will lie solely with the Government of Egypt.

6. The Government of Egypt, in agreement with UNIDO, will have flexibility in organizing and implementing the project's components that it deems more important in order to meet the MB 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 MB reductions agreed upon. The Government of Egypt may choose to accelerate the MB reduction schedule without penalty to the project budget.

7. UNIDO shall report annually to the Executive Committee on the progress achieved in meeting the MB reductions required in all sectors, as well as on annual costs related to the use of the alternative technologies selected and the inputs purchased with the project funds.

Annex XIV

REVISED AGREED CONDITIONS FOR PHASE OUT OF METHYL BROMIDE IN MOROCCO

1. The Executive Committee:
 - (a) At its 29th Meeting, approved US \$1,006,652 as the total funds that will be available to Morocco to achieve the complete phase-out of methyl bromide (MB) used in cut flowers and banana production (61 ODP tonnes);
 - (b) At its 32nd Meeting, approved additional US \$2,189,729 as the total funds that will be available to Morocco to achieve the complete phase-out of MB used in strawberry sector (additional 151.6 ODP tonnes);
 - (c) At its 34th Meeting, approved in principle additional US \$3,957,844 as the total funds that will be available to Morocco to achieve the complete phase-out of MB used in tomato sector (additional 389.9 ODP tonnes);
 - (d) At its 44th Meeting, agreed for a change of technology, to replace the negative pressure steam pasteurization with grafting technology, adjusting the funding level of the project to US \$3,912,949 to achieve the complete phase-out of MB used in tomato sector; and
 - (e) At its 56th Meeting, approved in principle an additional US \$1,437,594 as the total funds that will be available to Morocco to achieve the complete phase-out of MB used in green beans and cucurbits (melon) sector (additional 106.2 ODP tonnes).

2. As reported to the Ozone Secretariat, the MB baseline for compliance for Morocco is 697.2 ODP; the 2007 methyl bromide consumption was 263.8 ODP tonnes. Accordingly, Morocco 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. Through the implementation of the above investment projects, the Government of Morocco commits to a permanent reduction in aggregate consumption of controlled uses of MB to no more than the following levels:

Year	ODP tonnes					
	Strawberry	Banana and cut flowers	Tomato	Green beans and melon	Total phased out	Total consumption
2001	23.4	-	-		23.4	744.0
2002	15.6	40.0	-		55.6	688.4
2003	20.4	21.0	34.1		75.5	612.9
2004	42.2	-	-		42.2	570.7
2005	50.0	-	39.0		89.0	481.7
2006	-	-	56.4		56.4	425.3
2007	-	-	78.0		78.0	347.3
2008	-	-	86.4		86.4	260.9
2009	-	-	96.0	20.0	116.0	86.2
2010	-	-	-	30.0	30.0	56.2
2011				28.2	28.2	28.0
2012				28.0	28.0	
2013				0		
Total	151.60	61.00	389.90	106.2	708.7	

4. Upon completion of the projects, controlled uses of MB in Morocco will be completely phased out. Morocco also commits to permanently sustain the consumption levels indicated above through the use of import restrictions and other policies it may deem necessary. UNIDO shall report back each year to the Executive Committee on the progress achieved in meeting the reductions required by the projects.

5. For the phase-out of MB in the tomato sector, funding will be disbursed by UNIDO in accordance with the following schedule, and with the understanding that a subsequent year's funding will not be disbursed until the Executive Committee has favourably reviewed the prior year's progress report:

Year	US \$
2001	400,000
2004	607,513
2005	1,670,995
2006	411,633
2007	424,381
2008	398,427
Total	3,912,949

6. For the phase-out of MB in the green bean and melon sector, funding will be disbursed by UNIDO and the Government of Italy in accordance with the following schedule, and with the understanding that a subsequent year's funding will not be disbursed until the Executive Committee has favourably reviewed the prior year's progress report:

Year	UNIDO (US \$)	Italy (US \$)
2008	690,000	310,000
2010	437,594	
Total	1,127,594	310,000

7. The Government of Morocco has reviewed the consumption data identified in the cut flower, banana, strawberry, tomato, green beans and cucurbits sectors 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 MB consumption for controlled uses be identified at a later date, the responsibility to ensure its phase-out will lie solely with the Government.

8. The Government of Morocco shall have flexibility in the implementation of the different project components, which it considers important to meet its phase-out commitments. UNIDO and Italy agree to manage the funding for the projects in a manner designed to ensure that the specific annual reductions agreed are met.

9. These agreed conditions between the Government of Morocco and the Executive Committee have taken into account the already approved MB phase out projects in the cut flower, banana, strawberry and tomato sectors and, therefore, supersede the agreed conditions at the 32nd, 34th and 44th Meetings of the Executive Committee.

Annex XV

**AGREED CONDITIONS FOR THE PHASE-OUT OF METHYL BROMIDE
IN YEMEN**

1. The Executive Committee:
 - (a) At its 41st Meeting, approved US \$250,000 as the total funds available to Yemen in order to achieve the 2005 allowable level of methyl bromide consumption (phase-out of 9.1 ODP tonnes); and
 - (b) At its 56th Meeting, approved in principle an additional US \$601,450 as the total funds that will be available to Yemen to achieve the complete phase-out of controlled uses of methyl bromide in soil fumigation (35.9 ODP tonnes).

2. As reported to the Ozone Secretariat, the methyl bromide baseline for compliance for Yemen is 54.5 ODP tonnes; the 2007 methyl bromide consumption was 35.7 ODP tonnes. Accordingly, Yemen has achieved compliance with the Montreal Protocol's 20 per cent reduction in 2005.

3. Reductions in accordance with the terms of the above-mentioned projects and other commitments presented in the project document will ensure that Yemen meets the reduction schedule presented below. In this regard, Yemen will reduce the national consumption of controlled uses of methyl bromide, excluding quarantine and pre-shipment applications, to no more than the following levels of consumption in the years listed below:

Year	MB phase out (ODP tonnes)	Allowable consumption (ODP tonnes)
2008 - 2009	5.9	30.0
2010 - 2011	10.0	20.0
2012 - 2013	10.0	10.0
2014 - 2015	10.0	0

4. Yemen commits to permanently sustaining the consumption levels indicated above through the use of import quotas and other policies it may deem necessary.

5. Funding for the project will be disbursed by the Government of Germany in line with the following budget breakdown:

Year	Project (US \$)	Agency fee (US \$)
2008	201,450	25,509
2010	200,000	25,325
2012	200,000	25,325
Total	601,450	76,159

6. The Government of Yemen has reviewed the consumption data identified in all sectors covered by the projects and is confident that it is correct. Accordingly, the Government is entering into this agreement with the Executive Committee on the understanding that, in case any additional methyl bromide consumption is identified at a later date, the responsibility to ensure its phase-out will lie solely with the Government of Yemen.

7. The Government of Yemen, in agreement with the Government of Germany, will have flexibility in organizing and implementing the project's components that it deems more important in order to meet the methyl bromide phase-out commitments noted above. The Government of Germany agrees to manage

the funding for the project in a manner designed to ensure the achievement of the specific MB reductions agreed upon. The Government of Yemen may choose to accelerate the methyl bromide reduction schedule without penalty to the project budget.

8. The Government of Germany shall report annually to the Executive Committee on the progress achieved in meeting the methyl bromide reductions required in all sectors, as well as on annual costs related to the use of the alternative technologies selected and the inputs purchased with the project funds.

Annex XVI

AGREED CONDITIONS TO PHASE OUT METHYL BROMIDE IN ZAMBIA

1. The Executive Committee agrees to approve in principle US \$289,548 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 Zambia, 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 Zambia is 29.4 ODP tonnes; the 2007 methyl bromide consumption was 6.0 ODP tonnes. Accordingly, Zambia 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 Zambia meets the reduction schedule presented below. In this regard, Zambia 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*
2008	0.0	7.4
2009	2.0	5.4
2010	2.0	3.4
2011	3.4	0.0
Total	7.4	

* Controlled uses of methyl bromide.

4. Zambia 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 Zambia has reviewed the consumption data identified in the tobacco, cut flower, horticulture and post-harvest sectors 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 Zambia, in agreement with UNIDO, 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 in the tobacco, cut flower, horticulture and post-harvest sectors, as well as on annual costs related to the use of the alternative technologies selected and the inputs purchased with the project funds.

Annex XVII

**AGREEMENT BETWEEN INDIA AND THE EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE ACCELERATED CFC PRODUCTION
PHASE-OUT**

1. This Agreement supplements the Consensus Agreement for the Indian production sector for which the Executive Committee and India entered into at the 29th Meeting (“the Existing Agreement”). This Agreement represents the understanding of India (“the Country”) and the Executive Committee with respect to the Accelerated Phase-out of the CFC Production by 1 August 2008.

2. The Country agrees to revise its CFC production phase-out schedule with the understanding that:

- (a) India would produce no more than 690 MT of CFCs, primarily for the manufacturing of metered-dose inhalers (MDIs) up until 1 August 2008;
- (b) India’s CFC producers would sell no more than 825 MT of CFCs for MDI production in the years 2008 and 2009, comprising 690 MT of new production and 135 MT reprocessed from existing stock;
- (c) India would export 1,228 MT of CFCs no later than 31st December, 2009;
- (d) India would not import any new virgin CFCs;
- (e) Any by-product non-pharmaceutical grade CFCs generated from the production under (a) are counted against the limit in row 2 of Table 1 in Appendix 1 and could be released to the market;
- (f) This Agreement does not cover any CFC production that may be agreed by the Parties to meet essential uses for India; and
- (g) Other conditions in the Existing Agreement, in addition to the above, are applied to this Agreement.

3. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in Table 2 of Appendix 1, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to the phase-out of the production of CFCs.

4. 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 3 of Table 2 in Appendix 1 (the “Funding”) to the Country. The Executive Committee will provide the funding tranches associated to the new accelerated phase-out at the 57th and 60th Executive Committee Meetings. For the subsequent tranche in 2009 under the Existing Agreement, the release of this tranche will follow the terms and conditions stipulated in the Existing Agreement.

5. The Country will meet the production limits as indicated in row 2 of Table 1 in Appendix 1. The Country also agrees to allow for independent technical audits administered by the Implementing Agency (World Bank) in order to confirm the production, reprocessing limit, sales (both export and domestic) and stock of CFCs in accordance with the agreement.

6. 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. The Country also agrees to establish policies or enforcement mechanisms to ensure coordination of CFC phase-out efforts in both the production and consumption sectors by implementing policy and regulatory measures set out in Appendix 2.

7. Should the Country, for any reason, not meet the Targets for the elimination of the Substances or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding. In the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Disbursement 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 instalment of Funding under the Funding Disbursement Schedule. In addition, India understands that the Executive Committee may reduce the funding of the subsequent tranches on the basis of US \$1,000 per ODP tonnes of reductions not achieved for the commitments mentioned in paragraphs 2 and 5 of this Agreement.

8. 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 production sector projects or any other related activities in the Country.

9. The Country, the Executive Committee and the World Bank may mutually agree to take steps to facilitate implementation of this Agreement. In particular, it will provide access by the World Bank to information necessary to verify compliance with this Agreement.

10. 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.

Appendix 1 Targets and Funding

Table 1. Production targets

Description	Year		
	2008	2009	2010
1. Targets under the Existing Agreement (ODP tons)	2,259	1,130	0
2. Production under this Agreement (ODP tons)	690	0	0

Table 2. Funding

Description	Year		
	2008	2009	2010
1. Funding under the Existing Agreement (US \$' 000s)	6,000	6,000	0
2. Support cost under the Existing Agreement (US \$' 000s)	450	450	0
3. Total adjusted funding for this Agreement (US \$' 000s)	-	2,113	1,057
4. Support cost for the adjusted funding for this Agreement (US \$ 000s)	-	0	238
5. Total funding to be released to the Country and IA	6,450	8,563	1,295

Appendix 2 Policy and Regulatory Measures

11. As per the Plan of Action submitted by the Country at the 54th Meeting of the Executive Committee, the Country agrees to undertake the following measures:

- (a) Ban the production of CFCs, excluding any production for essential uses that may be agreed by the Parties for India, by 1 August 2008;
- (b) Ensure consistency of the consumption schedule of the Ozone Rules and the consumption limits in row 3 of Appendix 2 – A of the Agreement between India and the Executive Committee for the national phase-out of CFC consumption in India focusing on the refrigeration service sector;
- (c) India will not import any more new/virgin CFCs; and
- (d) Strengthening of the system for monitoring movement of CFC stocks and imports, if any.

Annex XVIII

REVISED 2009, APPROVED 2010 AND PROPOSED 2011 BUDGETS OF THE FUND SECRETARIAT

		Approved	Approved	Approved
		2009	2010	2011
10	PERSONNEL COMPONENT			
1100	Project Personnel (Title & Grade)			
	01 Chief Officer (D2)	208,873	219,316	230,282
	02 Deputy Chief Officer (D1)	206,131	216,438	227,260
	03 Programme Officer (P3)	136,615	143,446	150,618
	04 Senior Project Management Officer (P5)	186,273	195,587	205,366
	05 Senior Project Management Officer (P5)	186,273	195,587	205,366
	06 Senior Project Management Officer (P5)	186,273	195,587	205,366
	07 Senior Project Management Officer (P5)	186,273	195,587	205,366
	08 Information Management Officer (P3)	164,706	172,941	181,588
	09 Senior Admin & Fund Management Officer (P5)*	167,126	175,483	184,257
	10 Senior Monitoring and Evaluation Officer (P5)**	186,273	195,587	205,366
	11 Programme Officer (P3)	136,615	143,446	150,618
	12 Associate IT Officer (P2)	82,654	86,787	91,127
	13 Associate HR Officer (P2)	-	-	-
	14 Programme Officer (P3)	136,615	143,446	150,618
1199	Sub-Total	2,170,703	2,279,238	2,393,200
1200	Consultants			
	01 Technical and project review	100,000		
1299	Sub-Total	100,000	-	-
1300	Administrative Support Personnel			
	01 Admin Assistant (G8)	78,516	82,442	86,564
	02 Meeting Services Assistant (G7)	74,294	78,008	81,909
	03 Programme Assistant (G8)	78,516	82,442	86,564
	04 Senior Secretary (G6)	58,160	61,068	64,122
	05 Senior Secretary (G6)	58,160	61,068	64,122
	06 Computer Operations Assistant (G8)	78,516	82,442	86,564
	07 Secretary (G6)	61,469	64,543	67,770
	08 Secretary/Clerk, Administration (G7)	65,941	69,238	72,700
	09 Registry Clerk (G5)	50,241	52,753	55,391
	10 Database Assistant (G8)	78,516	82,442	86,564
	11 Secretary, Monitoring & Evaluation (G6)	58,160	61,068	64,122
	12 IMIS Assistant (G8)	-	-	-
	13 Secretary (G6)	58,160	61,068	64,122
	14 Secretary (G6)	58,160	61,068	64,122
	Sub-Total	856,811	899,651	944,634
1320	Conference Servicing Cost			
1333	Meeting Services: ExCom (3)	780,000		
1335	Temporary assistance	65,000		
	Sub-Total	845,000		
1399	TOTAL ADMINISTRATIVE SUPPORT	1,701,811	899,651	944,634

* Difference in cost between P4 and P5 is to be charged to BL 2101

**The Secretariat may not expend more than 50% of the 2009 budgeted amount on temporary senior monitoring and evaluation officer services.

		Revised	Approved	Proposed
		2009	2010	2010
1600	Travel on official business			
	01	Mission Costs	208,000	
	02	Network Meetings (4)	20,000	
1699	Sub-Total		228,000	-
1999	COMPONENT TOTAL		4,200,514	3,178,890
20	CONTRACTUAL COMPONENT			
2100	Sub-contracts			
	01	Treasury services	500,000	
2999	COMPONENT TOTAL		500,000	-
30	MEETING PARTICIPATION COMPONENT			
3300	Travel & DSA for Art 5 delegates to ExCom Meetings			
	01	Travel of Chairperson and Vice-Chairperson	15,000	
	02	Executive Committee (3)	225,000	
3999	COMPONENT TOTAL		240,000	-
40	EQUIPMENT COMPONENT			
4100	Expendables			
	01	Office Stationery	19,500	
	02	Computer expendable (Software, accessories, hubs, switches, memory)	11,700	
4199	Sub-Total		31,200	-
4200	Non-Expendable Equipment			
	01	Computers, printers	13,000	
	02	Other expendable equipment (Shelves, Furnitures)	6,500	
4299	Sub-Total		19,500	-
4300	Premises			
	01	Rental of office premises***	550,000	
	Sub-Total		550,000	
4999	COMPONENT TOTAL		600,700	-

*** Based on 2007 actual differentials, the rental costs will be offset by \$521,020

		Revised	Approved	proposed
		2009	2010	2011
50	MISCELLANEOUS COMPONENT			
5100	Operation and Maintenance of Equipment			
	01 Computers and printers, etc.(toners, colour printer)	9,000		
	02 Maintenance of office premises	9,000		
	03 Rental of photocopiers (office)	19,500		
	04 Telecommunication equipment rental	9,000		
	05 Network maintenance (2 server rooms)	16,250		
5199	Sub-Total	62,750	-	-
5200	Reporting Costs			
	01 Executive Committee meetings and reports to MOP	20,000		
5299	Sub-Total	20,000	-	-
5300	Sundries			
	01 Communications	65,000		
	02 Freight Charges	15,000		
	03 Bank Charges	5,000		
	04 Staff Training	20,137		
5399	Sub-Total	105,137	-	-
5400	Hospitality & Entertainment			
	01 Hospitality costs	13,000		
5499	Sub-Total	13,000	-	-
5999	COMPONENT TOTAL	200,887	-	-
GRAND TOTAL		5,742,101	3,178,890	3,337,834
	Programme Support Costs (13%)	393,577	413,256	433,918
COST TO MULTILATERAL FUND		6,135,678	3,592,146	3,771,753
	Previous budget schedule	3,421,091	3,592,146	-
	Increase/decrease	2,714,587	0	3,771,753