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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Sixty-second Meeting
Montreal, 29 November - 3 December 2010

UNIDO'S WORK PROGRAMME AMENDMENTS FOR 2010

COMMENTS AND RECOMMENDATION OF THE FUND SECRETARIAT

1. UNIDO is requesting approval from the Executive Committee of US \$367,000 for the amendments of its 2010 work programme, plus agency support costs of US \$27,525. The work programme is attached to this document.

2. The activities proposed in UNIDO's work programme amendments are presented in Table 1 below:

Table 1: UNIDO's Work Programme Amendments

Country	Activity/Project	Amount Requested (US \$)	Amount Recommended (US \$)
SECTION A: ACTIVITIES RECOMMENDED FOR BLANKET APPROVAL			
A1. Renewal of institutional strengthening projects			
Armenia	Renewal of institutional strengthening (phase II)	120,000	120,000
Mexico	Renewal of institutional strengthening (phase X)	247,000	247,000
	Subtotal:	367,000	367,000
Agency support costs (7.5 per cent for project preparation and institutional strengthening and for other activities over US \$250,000, and 9 per cent for other activities under US \$250,000)		27,525	27,525
Total:		394,525	394,525

SECTION A: ACTIVITIES RECOMMENDED FOR BLANKET APPROVAL

A1. Renewal of institutional strengthening projects

- (a) Armenia (phase II): US \$120,000
- (b) Mexico (phase X): US \$247,000

Project description

3. UNIDO submitted the requests for the renewal of the institutional strengthening (IS) projects for Armenia and Mexico. The descriptions of the requests for these countries are presented in Annex I to this document.

Secretariat's comments

4. The Fund Secretariat reviewed the IS terminal reports and action plans submitted by UNIDO on behalf of Armenia and Mexico, which were provided using the revised format for IS renewals approved by decision 61/43. The Secretariat took into account decision 59/17, 59/47(b) and 61/43 in considering these IS requests, particularly decision 61/43 where the Executive Committee decided "to maintain funding for institutional strengthening (IS) support at current levels, and to renew IS projects for the full two-year period from the 61st Meeting".

Secretariat's recommendations

5. The Fund Secretariat recommends blanket approval of the IS renewal requests for Armenia and Mexico at the level of funding indicated in Table 1 of document UNEP/OzL.Pro/ExCom/62/14. The Executive Committee may wish to express to the Governments of Armenia and Mexico the comments which appear in Annex II to this document.

Annex I

INSTITUTIONAL STRENGTHENING PROJECT PROPOSALS

Armenia: Renewal of institutional strengthening

Summary of the project and country profile		
Implementing agency:		UNIDO
Amounts previously approved for institutional strengthening (US \$):	Phase I: Apr-09	120,000
	Total:	120,000
Amount requested for renewal (phase II) (US \$):		120,000
Amount recommended for approval for phase II (US \$):		120,000
Agency support costs (US \$):		9,000
Total cost of institutional strengthening phase II to the Multilateral Fund (US \$):		129,000
Date of approval of country programme:		
ODS consumption reported in country programme (ODP tonnes):		
Baseline consumption of controlled substances (ODP tonnes):		
(a) Annex A, Group I (CFCs) (average 1995-1997)		196.5
(b) Annex A, Group II (halons) (average 1995-1997)		0.0
(c) Annex B, Group II (carbon tetrachloride) (average 1998-2000)		0.0
(d) Annex B, Group III (methyl chloroform) (average 1998-2000)		0.0
(e) Annex E (methyl bromide) (average 1995-1998)		0.0
Latest reported ODS consumption (2009) (ODP tonnes) as per Article 7:		
(a) Annex A, Group I (CFCs)		18.1
(b) Annex A, Group II (halons)		0.0
(c) Annex B, Group II (carbon tetrachloride)		0.0
(d) Annex B, Group III (methyl chloroform)		0.0
(e) Annex E (methyl bromide)		0.0
(f) Annex C, Group I (HCFCs)		6.8
	Total:	24.9
Year of reported country programme implementation data:		2009
Amount approved for projects (as at July 2010) (US \$):		265,000
Amount disbursed (as at December 2009) (US \$):		69,728
ODS to be phased out (as at July 2010) (ODP tonnes):		0.0
ODS phased out (as at December 2009) (ODP tonnes):		0.0

1. Summary of activities and funds approved by the Executive Committee:

Summary of activities	Funds approved (US \$)
(a) Investment projects:	0
(b) Institutional strengthening:	120,000
(c) Project preparation, technical assistance, training and other non-investment projects:	145,000
Total:	265,000

Progress report

2. Armenia ratified Montreal and Beijing Amendments as of 12 December 2008, proving its commitments to eliminate all substances controlled by the Montreal Protocol.

3. Armenia is an active member of the Regional Ozone Network for Eastern Europe and Central Asian countries through printed materials. The Executive Committee greatly supports the efforts of

Armenia to reduce the consumption of CFCs. The Executive Committee is therefore hopeful that, in the next two years, Armenia will achieve the full phase-out process of CFC consumption levels and will initiate appropriate measure in view of HCFC consumption phase-out.

4. In the two-year institutional strengthening implementation period the National Ozone Unit (NOU) achieved developing necessary additional legislative acts on HCFC quotas and awareness-raising activities were substantially focused on HCFC issues.

Plan of action

5. The NOU is the nucleus of the ODS management structure and was established as a specialized body within the country's Ministry of Nature Protection to provide the execution and follow-up of the ODS phase-out strategy as laid down in the action plan of the country programme. Regular access of the Ozone Unit to senior decision-makers is assured through integration of the Ozone Unit's action plan in the National Environmental Action Plan and by legislative framework put in place. The NOU is responsible for monitoring the ODS import and consumption data, for the quota and the licensing system which are major measures to control ODS consumption.

6. The country is planning to assure sustainability of the phase-out of halons and methyl bromide and to initiate appropriate measures to comply with the HCFC phase-out targets.

7. The subject of illegal trade will further be pursued in close collaboration with the custom authority service, as well as awareness-raising of technicians about the recovery and recycling techniques and practices, with a view to using the gained experience in the HCFCs phase-out programme.

Mexico: Renewal of institutional strengthening

Summary of the project and country profile		
Implementing agency:		UNIDO
Amounts previously approved for institutional strengthening (US \$):		
	Phase I: Jun-92 & Dec-94	350,000
	Phase II: Jul-95 & May-96	95,000
	Phase III: Oct-96	190,000
	Phase IV: Jul-98	190,000
	Phase V: Jul-00	190,000
	& Jul-02 (transfer)	53,839
	& Jul-02 (transfer)	(53,839)
	Phase VI: Jul-02	247,000
	Phase VII: Apr-05	247,000
	Phase VIII: Jul-07	247,000
	Phase IX: Jul-09	185,250
	Total:	1,941,250
Amount requested for renewal (phase X) (US \$):		247,000
Amount recommended for approval for phase X (US \$):		247,000
Agency support costs (US \$):		18,525
Total cost of institutional strengthening phase X to the Multilateral Fund (US \$):		265,525
Date of approval of country programme:		1992
ODS consumption reported in country programme (1989) (ODP tonnes):		14,629.9
Baseline consumption of controlled substances (ODP tonnes):		
(a) Annex A, Group I (CFCs) (average 1995-1997)		4,624.9
(b) Annex A, Group II (halons) (average 1995-1997)		124.6
(c) Annex B, Group II (carbon tetrachloride) (average 1998-2000)		62.5
(d) Annex B, Group III (methyl chloroform) (average 1998-2000)		56.4
(e) Annex E (methyl bromide) (average 1995-1998)		1,130.8

Latest reported ODS consumption (2009) (ODP tonnes) as per Article 7:	
(a) Annex A, Group I (CFCs)	-101.7
(b) Annex A, Group II (halons)	0.0
(c) Annex B, Group II (carbon tetrachloride)	0.0
(d) Annex B, Group III (methyl chloroform)	0.0
(e) Annex E (methyl bromide)	745.4
(f) Annex C, Group I (HCFCs)	1,125.9
Total:	1,769.6
Year of reported country programme implementation data:	
	2009
Amount approved for projects (as at July 2010) (US \$):	
	93,667,959
Amount disbursed (as at December 2009) (US \$):	
	80,709,850
ODS to be phased out (as at July 2010) (ODP tonnes):	
	6,203.43
ODS phased out (as at December 2009) (ODP tonnes):	
	5,800.24

8. Summary of activities and funds approved by the Executive Committee:

Summary of activities	Funds approved (US \$)
(a) Investment projects:	82,391,711
(b) Institutional strengthening:	1,941,250
(c) Project preparation, technical assistance, training and other non-investment projects:	9,334,998
Total:	93,667,959

Progress report

9. The Executive Committee has reviewed the report presented with the institutional strengthening project renewal request for Mexico and notes with appreciation that Mexico reported data to the Ozone Secretariat for the year 2009. The Executive Committee also notes that within the framework of the institutional strengthening project, Mexico has achieved in 2009-2010 a remarkable phase-out of its ODS consumption vis-à-vis 2005.

10. The Executive Committee expects that the ongoing regulatory efforts will be further enhanced by the implementation of ODS monitoring system put in place.

11. Mexico is an active member of the Regional Ozone Network for Latin America and supports countries of the region through dissemination of printed materials. The Executive Committee greatly supports the efforts of Mexico to complete the national CFC phase-out plan implementation and to initiate measures in regard of the HCFC phase-out management plan.

Plan of action

12. The programme of activities relating to the Montreal Protocol forms part of Mexico's commitment to phase out the consumption of ODS in a controlled and cost-effective manner. The NOU is part of the Environmental and Natural Resources Secretariat (*SEMARNAT*) and cooperates closely with the General Directorate for Air Quality Management and Public Release and Transfer Registry. The Ozone Unit is the focal point for Montreal Protocol activities. The activities of the NOU are included in the governmental system called DAS-G. The NOU mainly coordinates the whole Montreal Protocol programme in the country and prepares the basis for legislative and regulatory measures to be adopted by the responsible government authorities with a view to the HCFC phase-out targets.

13. The NOU is responsible for monitoring the ODS import and consumption data and has for this purpose developed the Information and Monitoring System (SISSAO).

14. The Ozone Unit will follow-up with priority the issue of initiating measures to improve the HCFC control, to freeze the HCFC consumption in 2013 and to achieve the 10 per cent reduction target in 2015, as per the approved phase-out schedule of the Montreal Protocol.

Annex II

VIEWS EXPRESSED BY THE EXECUTIVE COMMITTEE ON RENEWALS OF INSTITUTIONAL STRENGTHENING PROJECTS SUBMITTED TO THE 62nd MEETING

Armenia

1. The Executive Committee reviewed the request for the renewal of the institutional strengthening project for Armenia and noted with appreciation that Armenia had reported its 2009 Article 7 data and country programme data to the Ozone Secretariat and the Fund Secretariat respectively. For 2009, Armenia reported 18.1 ODP tonnes of Annex A substances, representing 9 per cent of its CFC compliance baseline (196.5 ODP tonnes). The Executive Committee also noted that within the framework of its country programme, Armenia had taken significant steps to phase out its ODS consumption, specifically, the implementation of strategies in different sectors as well as continued regulatory efforts through its licensing and quota system. The Executive Committee also took note that the institutional strengthening project significantly contributed to public awareness activities and facilitated consultations by the national ozone unit with key stakeholders. The Executive Committee greatly supports the efforts of Armenia to reduce the consumption of CFCs and is hopeful that Armenia will achieve the complete phase-out of CFC consumption according to the Montreal Protocol schedule and initiate appropriate measures in view of the freeze in HCFC consumption in 2013 and the ten per cent reduction in 2015.

Mexico

2. The Executive Committee reviewed the report presented with the institutional strengthening project renewal request for Mexico and noted with appreciation that Mexico had reported 2009 Article 7 data to the Ozone Secretariat and country programme data to the Fund Secretariat. The Committee further noted that over the period 2009 to 2010, Mexico has achieved remarkable progress in monitoring HCFC consumption and in initiating preparatory activities for achieving the HCFC control measures. The Executive Committee greatly supports the efforts of Mexico to reduce the consumption of CFCs in a controlled and cost-effective manner, its commitment to improve the regulatory control of HCFCs through the implementation of an ODS monitoring system, and to achieve the freeze in HCFC consumption in 2013 and the 10 per cent reduction in 2015 in accordance with the targets specified under Decision XIX/6 of the Meeting of the Parties to the Montreal Protocol.



UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

62nd Executive Committee of the
Multilateral Fund for the Implementation
of the Montreal Protocol

UNIDO Work Programme

62nd ExCom

UNIDO

Work Programme - 62nd ExCom
(4 October 2010)

Introduction

The UNIDO Work Programme for the consideration of the 62nd ExCom of the Multilateral Fund has been prepared following the government requests as well as based on ongoing and planned activities. The Work Programme will further support the implementation of UNIDO's three year Rolling Business Plan 2010-2012.

Institutional strengthening is requested for Mexico (Phase X) and for the Armenia (Phase II).

The work programme also a demonstration project proposal for the EECA region, with a view to potential viable HCFCs alternative

The document comprises the following sections:

Section 1

Gives in a tabulated form, by project types and country, a consolidated list of activities foreseen for institutional strengthening.

Funding is requested for Institutional strengthening projects extensions in Armenia and Mexico, within a total amount of US\$ 394,525(including A.S.C.)

- **Total: US\$ 394,525 (including A.S.C.)**

Section 2

Section 2 provides the corresponding project concepts indicating some details and funding requirements.

UNIDO
Work Programme - 62nd ExCom

Section 1

Consolidated table giving project preparation
and non-investment projects in all countries and sectors

Country	Type	Sub- stance	Title of Project	Requested amount USD	A.S.C USD	Total (incl ASC) USD	A.S.C . %	P. D.	Rema rks
Institutional strengthening									
Armenia	INS	all	IS extension - Phase II	120,000	9,000	129,000	7.5	24	
Mexico	INS	all	IS extension - Phase X	247,000	18,525	265,525	7.5	24	
			Sub-total	367,000	27,525	394,525			
TOTAL				367,000	27,525	394,525			

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Work Programme - 62nd ExCom

Section 2

Project concepts

Project Concept

Country: Armenia

Title: Extension of Institutional Strengthening for the implementation of Montreal Protocol in Armenia

Project Duration: 24 months (January 2011 - December 2012)

Project Budget: 129,000 (including US\$ 9,000 representing 7.5% Agency Support Costs)

Implementing Agency: UNIDO

Coordinating Agency: Ministry of Nature Protection/National Ozone Unit

Project Summary

The project aims at Ministry of Nature Protection/National Ozone Unit and will ensure helping the Government meet its obligations under the Montreal Protocol on the substances that deplete the Ozone Layer.

In this context, the National Ozone Office will be assisted in monitoring and identification of Ozone-depleting substances consumption and up-dating the needed national policies and regulations, with a focus on HCFCs consumption.

The NOU is the nucleus of the ODS management structure and was established as a specialized body within the country's Ministry of Nature Protection to provide the execution and follow-up of the ODS phase-out strategy as laid down in the Action Plan of the Country Programme. Regular access of the OU to senior decision-makers is assured through integration of the OU's Action Plan in the National Environmental Action Plan and by legislative framework put in place. The NOU is responsible for monitoring the ODS import and consumption data, for the quota and the licensing system which are major measures to control ODS consumption

The country is planning to assure sustainability of the phase-out of Halons and Methyl Bromide and to initiate appropriate measures to comply with the HCFCs phase-out targets.

The subject of illegal trade will further be pursued in close collaboration with the Customs, as well as awareness-raising of technicians about R&R techniques and practices, with a view to use the gained experience in the HCFCs phase-out programme.

Project Concept

Country: Mexico

Title: Extension of Institutional Strengthening for the implementation of Montreal Protocol in Mexico

Project Duration: 24 months

Project Budget: 265,525 (including US\$ 18,525 representing 7.5% Agency Support Costs)

Implementing Agency: UNIDO

Coordinating Agency: SEMARNAT / Ozone Unit

Project Summary

The project aims at institutional strengthening and capacity building of the SEMARNAT (Ministry of Environment)/ Ozone Unit and will ensure helping the Government meet its obligations under the Montreal Protocol on the substances that deplete the Ozone Layer.

In this context, the National Ozone Office will be assisted in monitoring and identification of Ozone-depleting substances consumption and up-dating the needed national policies and regulations, with a focus on HCFCs consumption.

The NOU will monitor all the projects related activities, including the collection of consumption data and reporting as required, with a specific view to HCFCs phase-out schedule for the Article 5 countries.

The NOU in México is considered as an integral part of the General Direction of Air Quality Management, and has a full commitment with the national administration, and has a direct contact with the vice ministry for environmental protection, mainly in order to direct the policies, strategies and priorities for México in the ozone layer protection activities. The NOU will follow-up with priority the issue of initiating measures to improve the HCFCs control, to freeze the HCFCs consumption in 2013 and to achieve the 10% reduction target in 2015.

