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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Sixty-third Meeting
Montreal, 4-8 April 2011

UNIDO BUSINESS PLAN FOR THE YEARS 2011-2014

COMMENTS AND RECOMMENDATIONS FROM THE FUND SECRETARIAT

1. This document presents a summary of UNIDO's planned activities for the phase-out of ozone-depleting substances (ODS) during the 2011-2014 planning period. It also contains UNIDO's business plan performance indicators and recommendations for consideration by the Executive Committee. UNIDO's 2011-2014 business plan narrative is attached to the present document.

2. Table 1 presents, by year, the value of activities included in UNIDO's business plan according to categories "required for compliance" and "not required for compliance".

Table 1

RESOURCE ALLOCATION IN UNIDO'S BUSINESS PLAN AS SUBMITTED TO THE EXECUTIVE COMMITTEE (2011-2014) (US \$000s)

| Required/Not required by model | 2011 | 2012 | 2013 | 2014 | Total (2011 to 2014) |
|---|---------------|---------------|---------------|---------------|-------------------------|
| Required for compliance (MYAs and standard costs) | 6,111 | 8,436 | 4,750 | 6,520 | 25,818 |
| Required for compliance (HCFCs) | 86,783 | 70,732 | 66,308 | 40,937 | 264,760 |
| Not required for compliance (Resource mobilization) | 323 | | | | 323 |
| Not required for compliance (ODS disposal) | 4,198 | 6,031 | | | 10,229 |
| Grand total | 97,415 | 85,199 | 71,058 | 47,457 | 301,129 |

3. UNIDO has included activities valued at US \$97.4 million in 2011 and a total value of US \$301.1 million over the period 2011 to 2014.

Multi-year agreements (MYAs) and standard costs

4. Table 2 presents information on UNIDO's MYAs, methyl bromide (MB), institutional strengthening (IS), and core unit activities that are considered to be required for compliance under the adjusted business plan.

Table 2

REQUIRED FOR COMPLIANCE FOR MYAs AND STANDARD COSTS (2011 to 2014) INCLUDING NEW MB ACTIVITIES (US \$000s)

| Required by model | 2011 | 2012 | 2013 | 2014 | Total (2011 to 2014) |
|--|--------------|--------------|--------------|--------------|-------------------------|
| Approved MYAs | 3,801 | 3,984 | 2,523 | 2,568 | 12,876 |
| New MB activities | 206 | 700 | | | 907 |
| IS | 74 | 1,661 | 74 | 1,734 | 3,543 |
| Core unit | 2,030 | 2,091 | 2,154 | 2,218 | 8,492 |
| Total (required for compliance for MYAs and standard costs) | 6,111 | 8,436 | 4,750 | 6,520 | 25,818 |

5. Although funding levels for IS and the timing of the submission of those requests are known, UNIDO has included values for IS in its business plan that vary from those allowed under the current funding structure by US \$106,673, and has also included requests in years for which they were not due. The Secretariat's proposed adjustments would modify UNIDO's business plan according to when IS renewals are due based on the last approval of IS requests.

6. No issues were raised with respect to the other activities, also considered required for compliance. UNIDO's core unit costs are projected to increase at a rate of 3 per cent per year.

HCFC activities

Climate impact in UNIDO's business plan

7. Table 3 sets out the results of the climate impact measurements provided in UNIDO's business plan by sub-sector and shows that the plan could result in the reduction of 40.7 million CO₂-equivalent tonnes.

Table 3

CLIMATE IMPACT OF HCFC ACTIVITIES IN UNIDO'S 2011-2014 BUSINESS PLAN (IN MILLIONS OF CARBON DIOXIDE-EQUIVALENT TONNES)

| Sub-sector | Total business plan values* (US \$000) | CO₂-equivalent tonnage (in millions) for one year of reductions |
|---|---|---|
| Aerosol | 645 | 0.00 |
| Approved Multi-Year | 4,838 | 0.04 |
| Foam Rigid | 24,918 | 1.40 |
| Foam XPS | 106,631 | 19.66 |
| Refrigeration AC | 187,378 | 19.25 |
| Refrigeration Commercial | 13,221 | 0.00 |
| Refrigeration Servicing (LVC countries) | 4,624 | 0.13 |
| Refrigeration Servicing (non-LVC countries) | 6,499 | 0.21 |
| Total | 348,753 | 40.7 |

*Also includes values after 2014.

HCFC demonstration projects

8. A total of US \$806,272 is included in UNIDO's business plan for HCFC demonstration activities that will phase out 3 ODP tonnes in one country.

HCFC phase-out management plan (HPMP)/HCFC project preparation

9. The total level of funding for project preparation for HPMPs (US \$134,375) and HPMP associated investment projects (US \$365,500) is US \$499,875.

HCFC servicing sector in low-volume-consuming (LVC) countries

10. The total level of funding for projects for the HCFC servicing sector in LVC countries is US \$3.59 million representing the phase-out of 32.1 ODP tonnes for the period 2011 to 2014.

11. At its 60th Meeting, the Executive Committee established values for HPMPs for activities to comply with the 2015 and 2020 control measures according to projected baselines. At its 62nd Meeting, the Executive Committee agreed to base a 100 per cent phase-out on a pro rata share of the 2020 funding level to meet the 35 per cent reduction (decision 62/10). The Secretariat's proposed adjustments would limit the funding levels to the maximum allowable level of funding for LVC countries in line with decision 60/44(f)(xii) for the HCFC servicing sector, according to the reduction from the baseline. This would reduce the total level of funding for these projects by US \$238,441.

HCFC servicing sector for non-LVC countries

12. The total level of funding for projects for the refrigeration servicing sector in non-LVC countries is US \$6.41 million representing the phase-out of 64.3 ODP tonnes for the period 2011 to 2014. Decision 60/44(f)(xv) establishes a threshold of US \$4.50/metric kg. The Secretariat's proposed adjustments would limit the funding levels to the maximum allowable level of funding for the refrigeration servicing sector in non-LVC countries as per this decision and reduce the total level of funding for these projects by US \$795,540.

Extruded polystyrene (XPS) foam

13. The total level of funding for projects for XPS foam is US \$105.8 million representing the phase-out of 568 ODP tonnes. Under decision 62/12(c) the Executive Committee decided to consider projects for the phase-out of HCFC-22/HCFC-142b used for the manufacture of XPS foam when it was clearly demonstrated that such activities would be required by national circumstances and priorities to comply with the 2013 and 2015 control measures, and to consider all other XPS foam projects after 2014. A combination of the replenishment study prepared in 2008 and decision 60/44(f) establishes a threshold of US \$6.92/metric kg for the foam sector. The Secretariat's proposed adjustments would limit the funding levels to the maximum of the agreed cost-effectiveness threshold and reduce the total level of funding for these projects by US \$57.8 million.

Rigid foam

14. The total level of funding for projects for rigid foam including the rigid insulation refrigeration sub-sector is US \$24.61 million representing the phase-out 291.8 ODP tonnes for the period 2011 to 2014. Decision 62/13 establishes a threshold of US \$7.83/kg with a maximum of up to 25 per cent above this threshold for low-global warming alternatives. The Secretariat's proposed adjustments would limit the funding levels to the maximum allowable level of funding for rigid foam as per this decision and reduce the total level of funding for these projects by US \$550.

Refrigeration general

15. The total level of funding for projects for the refrigeration sector is US \$122.38 million representing the phase-out of 420.5 ODP tonnes for the period 2011 to 2014. A combination of the replenishment study prepared in 2008 and decision 60/44(f) establishes a threshold of US \$10.65/metric kg for the refrigeration sector. The Secretariat's proposed adjustments would limit the funding levels to the maximum of the agreed cost-effectiveness threshold and reduce the total level of funding for these projects by US \$17 million.

Aerosol

16. The total level of funding for projects for HCFCs in the aerosol sector is US \$645,000 representing the phase-out of 9.7 ODP tonnes for the period 2011 to 2014 with a cost-effectiveness of US \$5.50/metric kg. The aerosol sector is to be addressed on a case-by-case basis as per decision 60/44(f)(xvi).

Activities not required for compliance

ODS disposal activities

17. UNIDO's business plan includes US \$10.2 million for ODS demonstration projects and associated project preparation that would result in the destruction of 744 ODP tonnes of ODS. Project preparation amounting to US \$295,625 is included in the business plan for 2011. The climate impact of

these activities might be equivalent to the global warming potential of the ODS being destroyed. However, information was not provided on the types of ODS to be destroyed so the analysis was not performed.

18. UNIDO's business plan includes US \$3.1 million (including US \$295,625 for project preparation in 2011) for ODS destruction activities for LVC countries in 2012 that would result in the destruction of 200 ODP tonnes.

Other activities not required for compliance (resource mobilization, studies and workshops)

19. UNIDO did not include any other activities not required for compliance, except resource mobilization amounting to US \$322,500. Although resource mobilization is not required for compliance, the Executive Committee has deferred the resource mobilization requested at previous meetings for consideration at the 63rd Meeting in the context of UNIDO's work programme (see UNEP/OzL.Pro/ExCom/63/20).

Impact of adjustments based on existing Executive Committee decisions on business plans as submitted

20. After making the adjustments proposed above, the total value of UNIDO's 2011-2014 business plan is US \$225.1 million as shown in Table 4.

Table 4

RESOURCE ALLOCATION IN UNIDO'S BUSINESS PLAN SUBMITTED TO THE EXECUTIVE COMMITTEE, AS ADJUSTED BY EXISTING EXECUTIVE COMMITTEE DECISIONS (2011-2014) (US \$000s)

| Required/Not required by model | 2011 | 2012 | 2013 | 2014 | Total (2011 to 2014) | Total (2015 to 2020) | Total After 2020 |
|---|---------------|---------------|---------------|---------------|-----------------------------|-----------------------------|-------------------------|
| Required for compliance (MYAs and standard costs) | 7,115 | 7,415 | 5,754 | 5,426 | 25,711 | 1,740 | 0 |
| Required for compliance (HCFCs) | 64,424 | 49,475 | 43,960 | 31,010 | 188,869 | 67,352 | 0 |
| Not required for compliance (Resource mobilization) | 323 | 0 | 0 | 0 | 323 | 0 | 0 |
| Not required for compliance (ODS disposal) | 4,198 | 6,031 | 0 | 0 | 10,229 | 0 | 0 |
| Grand total | 76,060 | 62,921 | 49,714 | 36,436 | 225,131 | 69,091 | 0 |

Performance indicators

21. A summary of UNIDO's performance indicators pursuant to decisions 41/93, 47/51 and 49/4(d) is provided in Table 5.

Table 5

PERFORMANCE INDICATORS

| Item | 2011 Targets |
|--|--|
| Number of annual programmes of multi-year agreements approved versus those planned (new plus tranches of ongoing MYAs) | 40 |
| Number of individual projects/activities (investment and demonstration projects, TAS, institutional strengthening) approved versus those planned | 7 |
| Milestone activities completed/ODS levels achieved for approved multi-year annual tranches versus those planned | 6 |
| ODS phased-out for individual projects versus those planned per progress reports | 0 |
| Project completion (pursuant to decision 28/2 for investment projects) and as defined for non-investment projects versus those planned in progress reports | 7 |
| Number of policy/regulatory assistance completed versus that planned | N/A |
| Speed of financial completion versus that required per progress report completion dates | 12 months after operational completion |
| Timely submission of project completion reports versus those agreed | On time |
| Timely submission of progress reports and responses unless otherwise agreed | On time |

22. UNIDO's target for the number of annual tranches should include 37 new agreements and 6 approved agreements for a total of 43 annual tranches. As per the 2009 progress report excluding MYA projects, the phase-out target should be 594 ODP tonnes. UNIDO's target for project completion should be 19, including 5 institutional strengthening, 4 demonstration, 8 investment and 2 technical assistance projects, but excluding MYAs and project preparation.

RECOMMENDATIONS

23. The Executive Committee may wish to consider:

- (a) Noting the 2011-2014 business plan of UNIDO as contained in document UNEP/OzL.Pro/ExCom/63/11; and
- (b) Approving the performance indicators for UNIDO set out in Table 5 as contained in document UNEP/OzL.Pro/ExCom/63/11 while setting a target of 43 for annual tranches of multi-year agreements (MYAs) approved, 594 ODP tonnes for ODS phase-out for individual projects and 19 for project completion.

UNIDO
BUSINESS PLAN 2011



UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

EXECUTIVE SUMMARY

The 2011 Business Plan of UNIDO together with the forecast for 2012, 2013 and 2014 represents the Rolling Business Plan of Montreal Protocol activities of the Organization. Funding estimates up to 2020 have also been provided for the servicing sector in LVCs. This provides useful information for ExCom members for the funding needs to reach the 2015 and 2020 control measures for HCFCs.

UNIDO's Business Plan was prepared based on the previous rolling business plan, taking into consideration the approvals and experience of previous years, the requests received from Article 5 countries, priorities established and the decisions taken by the Executive Committee, in particular Decision 60/44 and 60/5. It also reflects the discussions held in Montreal during the Inter-agency Coordination Meeting on 26-28 January 2011. It is also largely inspired from the historical decision of the 19th Meeting of the Parties agreeing on the acceleration of the phase-out of HCFCs, and the relevant ExCom decisions on HPMPs and HCFC investment and demonstration projects. The countries' needs have been calculated based on the actual 2009 data and by assuming a 5% increase in consumption in the year 2010. For countries, where more updated consumption data was available, resources were planned according to their actual needs.

In 2011, UNIDO will submit for approval by the Executive Committee forward commitments amounting to US\$ 3,801,250. As listed in the business plan, the lion's share, about US\$ 87 million (almost 90%) of UNIDO's 2011 Business Plan is focusing on the phase out of HCFCs. 5 % of UNIDO's expected new 2011 project portfolio is earmarked for demonstration of the destruction of unwanted ODSs as well as one technology demonstration project in the XPS sector in China. Methyl bromide projects account for 3% of UNIDO's 2011 Business Plan.

In accordance with ExCom's decision 38/68, as modified by decision 46/35, in 2006, and following decision 56/41 maintaining the existing cost regime for the 2011-2014 Triennium, **US\$ 2,029,899**, has been allocated for funding of the 2011 core unit at UNIDO.

The total amount foreseen in UNIDO's 2011 Business Plan, including forward commitments, new investment and non-investment activities, and funding of core unit is **US\$ 97,414,798** including support costs and with an impact of **1,109 ODP** tonnes.

US\$ 85.2 million worth of projects was included for the year 2012 with a planned phase-out of 1,025 ODP tonnes, US\$ 71.1 million worth of projects were earmarked for 2013 with an impact of 444.36 ODP tonnes, while for 2014 US\$ 47.5 million with an impact of 316 tonnes of ODP tonnes are forecasted.

The level of estimated climate co benefits that could be achieved through HCFC phase-out activities contained in UNIDO's 2011 Business Plan will be calculated by the Fund Secretariat based on the methodology agreed upon between the Fund Secretariat and the bilateral and implementing agencies during the Inter-agency Coordination Meeting held in January 2011.

A. MULTILATERAL FUND TARGETS

1. CONTEXT

UNIDO prepared its business plan for 2011 to 2014 based on ExCom decision 54/39, 60/5, 60/11, 60/44, 61/5 and 62/5 as well as the Government requests received from Article 5 countries. An inter-agency coordination meeting was held on 26-28 January 2011 in Montreal, Canada. Considering the draft business plans submitted by all implementing and bilateral agencies and the compliance-oriented model, the Secretariat identified the countries that are in need of assistance in order to comply with the various phase-out schedules, for which no activities were included in the business plans of implementing agencies and pointed out cases where a duplication of activities occurred among the various implementing agencies.

The countries' needs have been calculated based on the actual 2009 data and by assuming a 5% increase in consumption in the year 2010. For countries, where more updated consumption data was available, resources were planned according to their actual needs.

The Business Plan is also largely inspired from the historical decision of the 19th Meeting of the Parties agreeing on the acceleration of the phase-out of HCFCs, and the relevant ExCom decisions on HPMPs and HCFC investment and demonstration projects.

During the preparation of projects, the remaining absent data or discrepancies, if any, will be collected or clarified. The current Business Plan, however, reflects only those phase-out targets, which according to our present information, can be realistically addressed through investment and non-investment activities.

Moreover, during the preparation of the Business Plan, we had to take into consideration our experience and information collected. However, the indicated amount is only forecast for planning purposes. The fluctuation of possible costs is very high depending on sector, selected technology and production capacities.

2. RESOURCE ALLOCATION

In 2011, UNIDO is planning to submit US\$ 71.6 mio worth of projects, the majority of which is focused on phase-out of HCFCs. During 2010, UNIDO submitted the remaining final tranches of NPPs and TPMPs except for Eritrea and Iraq, which were allowed to be submitted up until the 63rd Ex-Com as per Decision 61/5. Special attention will be given to the acceleration of the project implementation of CFC phase-out projects in the MDI sector.

Table 1 below summarizes the resource allocation of UNIDO's 2011 Business Plan.

HCFC phase-out activities form large part of UNIDO's 2011 Business Plan. Investment projects are under preparation for the conversion of manufacturing enterprises to HCFC-free alternatives. As per Decision 60/44, from 2011 onwards all investment projects will be incorporated to the HPMP. New technological developments will be promoted to ensure sustainable conversion of HCFC-based manufacturing enterprises.

In addition, UNIDO is preparing ODS destruction demonstration projects, some of which will be submitted in 2011 for the ExCom's consideration. ODS destruction demonstration projects for LVCs will be prepared jointly with UNEP.

UNIDO will continue to provide assistance to countries to phase-out methyl bromide.

Furthermore, renewal of institutional strengthening projects and technical assistance activities form part of UNIDO's 2011-2014 Business Plan.

The details of UNIDO's 2011-2014 Business Plan are spelled out in the Business Plan Database.

The total budget for 2011 for the above activities is US\$ 95,391,444 plus US\$ 2,029,889 core unit funding for UNIDO

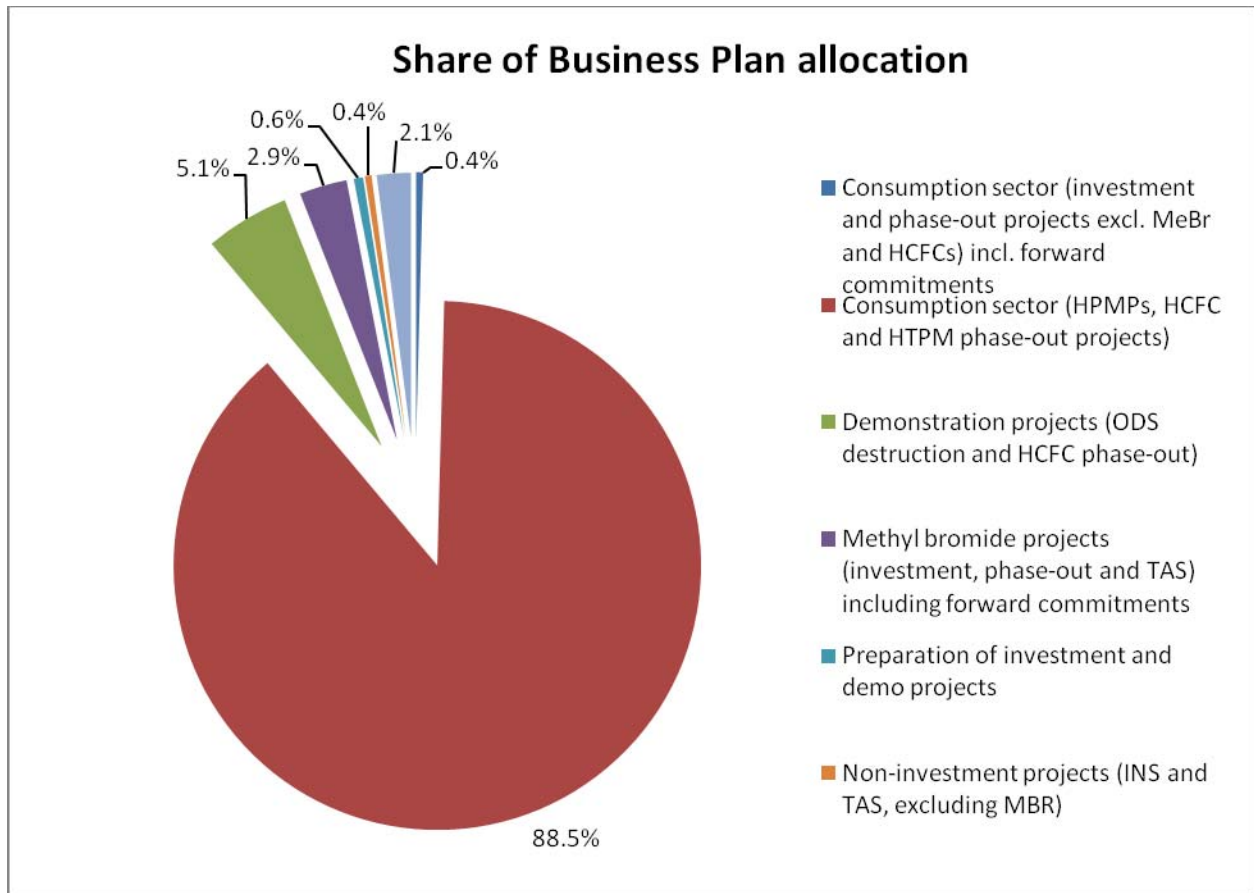
In addition, UNIDO is implementing several HPMPs in coordination with UNEP, where the HPMP will be submitted by UNEP and the investment component will be implemented by UNIDO. Funding has been split in both agencies business plan to reflect the allocation of resources for implementation.

Table 1. Resource allocation

| Pos. | Type/sector | US\$ (incl. support cost) | Share of Business Plan allocation (%) |
|-------------|---|--------------------------------------|--|
| (a) | Consumption sector (investment and phase-out projects excl. MeBr and HCFCs) incl. forward commitments | 407,475 | 0.4% |
| (b) | Consumption sector (HPMPs and HCFC phase-out projects) | 86,181,508 | 88.4% |
| (c) | Demonstration projects (ODS destruction and HCFC phase-out) | 4,743,905 | 4.9% |
| (d) | Methyl bromide projects (investment, phase-out and TAS) including forward commitments | 2,840,100 | 2.9% |
| (e) | Preparation of investment and demo projects | 925,625 | 0.9% |
| (f) | Non-investment projects (INS and TAS, excluding MBR) | 396,102 | 0.4% |
| (g) | Funding of core unit | 2,029,889 | 2.1% |
| | Total | 97,415,798 | 100% |

The details of the 2011-2014 rolling Business Plan are spelled out in the Business Plan Database.

Resource allocation as per Table 1



3. GENERAL OVERVIEW ON ASSISTANCE TO COUNTRIES IN NON-COMPLIANCE

In 2010, the implementation of UNIDO's ongoing activities supported by the Multilateral Fund in countries with decisions on non-compliance such as Bosnia and Herzegovina and Saudi Arabia succeeded in bringing some countries back into compliance or sustaining the compliance of other countries.

Currently all countries presented in the current business plan are in compliance with regard to their obligations towards the Montreal Protocol. Countries that were noted to be in non-compliance during prior meetings of the parties are now in compliance. UNIDO's activities in those countries for 2010 are described below:

Bosnia and Herzegovina

Bosnia and Herzegovina committed itself, as recorded in decision XXI/18, to reducing its consumption of Annex A, group I, controlled substances (CFCs) to no greater than zero ODP-tonnes in 2009.

UNIDO implemented an ODS phase out management plan in BHE. All tranches of the NPP were approved already by the Executive Committee. The Party introduced an ODS import export licensing system in May 2007, resulting in a situation of non-compliance. The enforcement of the import/export licensing system along with the implementation of the project activities under the NPP improved the compliance prospects for Bosnia Herzegovina in 2009 & 2010 and enabled it to comply with the full phase out of ODS by 1st of January 2010. In its submission of ozone-depleting substance data for 2009, Bosnia and Herzegovina reported consumption of zero ODP-tonnes of CFCs. Those data place the party in compliance with its commitment contained in decision XXI/18.

In 2011, UNIDO will continue to monitor the situation in country.

Saudi Arabia

Saudi Arabia reported consumption of Annex A, group I, controlled substances (CFCs) of 657.8 ODP-tonnes in 2007 and 365.0 ODP-tonnes in 2008. Those data represented a deviation from the party's obligation under the Protocol to limit its consumption of CFCs to no greater than 15 per cent of its consumption baseline for that substance, namely, 269.8 ODP-tonnes for those years. Saudi Arabia subsequently submitted a plan of action with time-specific benchmarks for ensuring its prompt return to compliance in response to decision XXI/21. The plan of action indicated the party's return to compliance by 2009 and was therefore consistent with the Protocol's final phase-out date of 1 January 2010.

The plan of action was considered at the Implementation Committee's forty-fourth meeting.

UNIDO assisted Saudi Arabia in implementation of its action plans to return to compliance through the implementation of the National Phase-out plan. Moreover, all possible regulatory and technical measures and actions to achieve and maintain zero consumption of CFCs in 2010 and beyond have been put into operation.

UNIDO is also assisting in monitoring of the system for licensing the import and export of ODS.

In 2011 UNIDO will continue to work with Saudi Arabia to implement its plan of action to phase out the CFCs and to monitor closely the progress of Saudi Arabia with regard to the implementation of its plan of action and the phase-out of CFCs.

4. PROGRAMME EXPANSION

In the years 2011 to 2014 UNIDO aims to enhance its assistance to Article 5 countries by strengthening its project portfolio through the implementation of HCFC phase-out management plans and HCFC phase-out investment and demonstration projects.

The main objective of this Business Plan is to assist Article 5 countries in meeting their obligations under the Montreal Protocol. It is expected that tonnages to be eliminated through forward commitments, ongoing and planned activities will meet the Montreal Protocol accelerated HCFCs phase-out targets and methyl bromide phase-out activities for 2015.

The analysis of the activities of our Business Plan reveals that the major share of UNIDO's MP project portfolio consists of HPMP's and HCFC investment component activities in different sub-sectors;

In 2011, UNIDO will continue to cover all the regions (Latin America and the Caribbean, Africa, Asia and Pacific, Europe) with planned activities in various sectors and countries (including non-investment activities and project preparation).

The following section summarizes the activities contained in UNIDO's 2011 Business Plan sorted by region.

Africa

In Africa, funding requests for twenty (20) countries, with a value of US\$ 5, 229,000 will be submitted in 2011. The main concentration will be in HPMPs, HCFC investment projects, ODS destruction demonstration projects, fumigation projects and institutional strengthening projects. UNIDO is cooperating with UNEP on several HPMPs in African countries.

Asia

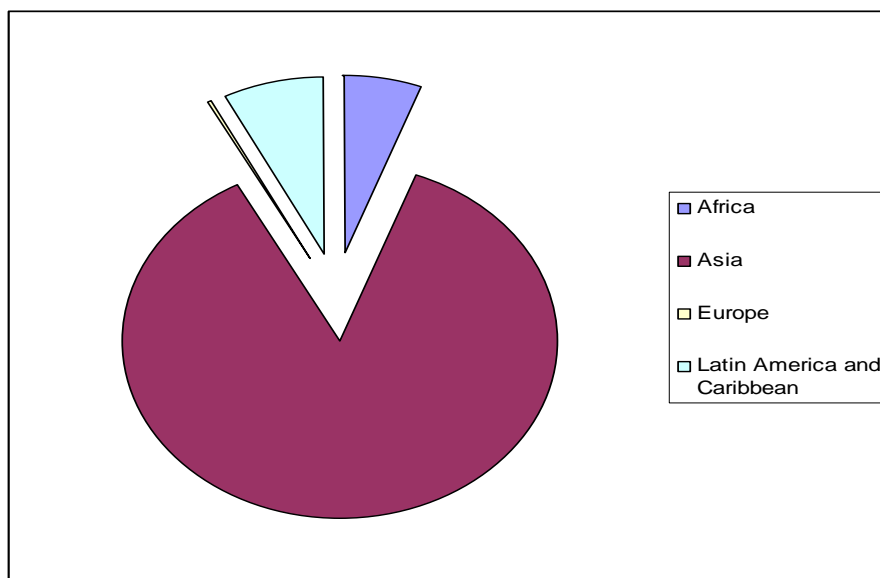
In Asia requests for funding for fourteen (14) countries, with a value of US\$ 79,060,000 will be submitted in 2011. This represents over 80% of the total Business Plan for 2011. Among these, HCFC management plans, HCFC investment projects (including project preparation), technical assistance project, demonstration projects for HCFC phase-out, institutional strengthening projects and ODS destruction demonstration project are included.

Europe

In Europe, requests for three (3) countries, with a value of US\$ 236,000 will be submitted in 2011. The main focus will be in HPMP, HCFC investment projects (foam sector) and institutional strengthening projects.

Latin America and the Caribbean

In Latin America and the Caribbean Region, requests for seven (7) countries, with a value of US\$ 6,742,000 will be submitted in 2011. The main attention will be beside the HPMP preparation, in preparation and submission of HCFC investment projects in different sectors (including one aerosol project), ODS destruction demonstration project, fumigation project and institutional strengthening project.



PERFORMANCE INDICATORS

The 47th ExCom Meeting has reviewed the weighting of the existing performance indicators. The new weightings, based on decision 47/51, are indicated in the below table.

| Performance Indicator | Item | Weighting | Target 2010 |
|------------------------------|---|------------------|--|
| Approval | Number of annual programmes of multi-year agreements approved | 15 | 40 |
| Approval | Number of individual projects/activities (investment projects, methyl bromide, halon banks, TAS) approved | 10 | 7 |
| Implementation | Milestone activities completed/ODS levels achieved for approved multi-year annual tranches versus those planned | 20 | 6 |
| Implementation | ODP phased out for individual projects | 15 | 0 |
| Implementation | Project completion (pursuant to Decision 28/2 for investment projects) and as defined for non-investment projects | 10 | 7 |
| Implementation | Policy/regulatory assistance completed | 10 | N/A |
| Administrative | Speed of financial completion | 10 | 12 months after operational completion |
| Administrative | Timely submission of project completion reports | 5 | On time |
| Administrative | Timely submission of progress reports and responses unless otherwise agreed | 5 | On time |

Based on Decision 49/4, the performance indicator on milestone activities for MYAs was changed as listed now in the above table.

INITIATIVES TO ENSURE COMPLIANCE

Successful and timely implementation of ongoing activities is essential for the current compliance period.

Special attention is provided to countries that may previously have been in non-compliance and that have decisions outlining plans of actions with time-specific benchmarks for return to compliance.

UNIDO has continued to provide supportive initiatives in order to ensure timely project completion of projects approved so far, and to facilitate compliance of the recipient countries with their MP obligations, which supported successful project implementation:

- Regular follow up of the implementation process is being done by the staff of the ozone office together with UNIDO's national and international consultants and project managers. This ensures that effective actions on critical issues such as resolving bottlenecks in site preparation, customs clearance, installation, commissioning and safety certification, monitoring of CFC-related equipment are taken.
- UNIDO is frequently attending Regional Network Meetings and respective workshops providing additional support to our counterpart countries.
- Communication and interaction between regional and country offices about the implementation process has ensured the smooth flow of project plans. As in previous years, directors of UNIDO regional and country offices are regularly briefed at UNIDO HQs on ongoing and possible future activities. They are involved in the implementation process and are following up the progress of the programmes. In turn, the representatives brief headquarter staff working in a specific country on the regular activities in the field and problems faced, if any.
- UNIDO also provides, when requested, support such as policy assistance, putting in place relevant legislation etc. Additionally, UNIDO project managers are visiting the project site, if definitely required.
- Based on recommendation of the Implementation Committee, additional assistance will be offered to the countries with delays in reporting of its ozone-depleting substance data