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EXECUTIVE COMMITTEE OF
 THE MULTILATERAL FUND FOR THE
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**REPORT ON MULTI-YEAR AGREEMENT TABLES DATABASE FOR HCFC PHASE-OUT
MANAGEMENT PLANS (DECISION 59/7)**

1.   This report provides information to the Executive Committee regarding the progress on the development of a database for the annual reporting on multi-year agreements, called multi-year agreement tables (MYA tables).

Background

2.   The Executive Committee had requested through decision 49/6 that the Secretariat develop an appropriate reporting format for the tracking of accumulative progress achieved in the annual work programmes of phase-out plans, summarizing and standardizing an overview table covering certain information requested in decision 47/50, with a view to simplifying and rationalizing the overall reporting requirements. Based on decisions 50/9, 51/13 and 53/8, the Senior Monitoring and Evaluation Officer (SMEO) had started to develop reporting formats for MYA tables; those tables had subsequently been transferred to an internet-based system for on-line data entry. When the former SMEO had left his post, a senior officer from the Secretariat had taken over the related tasks and continued the development of an MYA-database for CFC phase-out projects.

3.   At the 59th Meeting, the Secretariat presented document UNEP/OzL.Pro/ExCom/59/9, consisting of a report on progress on the development of MYA tables. In this report, the Secretariat recalled the history of MYA tables and pointed to the general difference between the tables for CFCs phase-out and those for HCFC phase-out. The Executive Committee, in its related decision 59/7, requested the Secretariat to carry out the work necessary to enable use of the MYA tables through an on-line database for HCFC phase-out management plans (HPMPs) with the aim of receiving on-line submissions of MYA tables for new HPMPs with affect from April 2010 and subsequent tranches for HPMPs from September 2010. The Executive Committee also requested a further improvement to the usability of the software for the bilateral and implementing agencies, as well as the Secretariat, through improvements in data entry, compatibility, assessment and output formats. Finally, the Secretariat was requested to report to the Executive Committee at its 63rd Meeting. In order to undertake the necessary work, the Executive Committee provided a budget of US $60,000 for the purchase of the hardware and software needed, the programming of the database and related work, noting in decision 59/52 that this budget should be deducted from the SMEO's work programme.

Progress since the 59th Meeting

4.   The Secretariat had purchased a new server including software to house the database. The concept developed for the MYA tables for the CFC phase-out was transferred to the database for HPMPs. The database was enlarged by data entry possibilities for complex new HPMPs which included multiple agencies and activities in the manufacturing sectors; this had not been needed for the CFC database since no new complex CFC phase-out plans had been approved after the database went on-line. This new database has been used for all HPMP submissions so far and is also providing the project evaluation sheets for new HPMPs. Till now, no tranche requested had been submitted to the Executive Committee, consequently, the functionality of the MYA database for tranche requests has not been tested yet. The budget of US $60,000 had been used as shown in table 1.

Table 1: Cost details for further development of the MYA data base for HPMPs

Item	Associated cost (US $)
Programmer	40,000
Help desk and quality control	10,000
Hard- and software	10,000
Total	**60,000**

Experiences made in transferring the concept from CFCs to HCFCs

5.   The experience from the MYA tables for CFC agreements made it clear that collection of data from the outset of any multi-year plan is of high importance, since once several years have gone by without planning and reporting, it will be very challenging to establish a meaningful assessment of the progress in the project *versus* the original plan. The MYA database for HPMPs needed therefore to be introduced from the outset of such projects being submitted, i.e. it needed to be in place before the first project was approved.

6.   This situation provided a number of advantages compared to the situation with the CFC MYA database. It was possible to establish exact definitions in the template for draft agreements approved by the Executive Committee in decision 61/46, which standardized the use of certain terms in aspects crucial for the database. The concept of annual reporting is also included in the draft agreement template, which had provided constant challenges in reporting on for CFC phase-out plans, both in written reports as well as in MYA tables. Consequently, the MYA tables for HPMPs are principally more structured than the tables for CFCs had been.

7.   There were also a number of significant challenges, most of which result from the fact that a concept for the MYA tables for HPMPs needed to be devised before the first HPMP had been submitted, i.e. before the 60th Meeting. At that time, the details of how HPMPs would be developed by the countries and agencies were still unclear, and the Secretariat had not seen any HPMPs yet. Significant new insights came with the submission of the first HPMPs for large volume consuming countries to the 62nd Meeting. However, after the 60th Meeting, the workload on the preparation for the 61st, 62nd, and 63rd Executive Committee Meetings did not allow the concept developed to be revisited or modified in order to incorporate the new experiences; instead, only minor characteristics could be adapted to new developments and decisions by the Executive Committee. Another difference as compared to the experience with CFC MYA tables was that these MYAs would incorporate a large amount of investment projects, covering very diverse enterprises. These investment projects could be small stand-alone activities at the only one or two small enterprises in a country, they could cover major investments into the conversion of one or two major manufacturers, they could be umbrella projects, or sector plans with hundreds of enterprises. At the conceptual stage it was not anticipated that there would be significant difficulties to obtain, as a minimum names and locations of enterprises to be converted for activities only concerning some dozen enterprises. However, the experience in project review subsequently showed that in several cases, agencies were not in the position to provide any level of detail about the enterprises to be converted, even when there was only a relatively small amount of companies concerned. A related issue is that in the HPMPs, a large number of activities are investment activities with an associated, specific phase-out.   This phase-out is, in terms of its contribution to a country's compliance, depends on the specific substances used since they have different ODPs, and projects including single activities could cover several substances.   The possibility of accounting for these results therefore needed to be developed. At the design stage of the MYA tables it had also been assumed that the costs structure of phase-out plans could be made transparent according to the definitions of incremental cost, while at the submission stage of project proposals it turned out that the information, in particular for large HPMPs, was frequently more opaque than originally anticipated.

8.   The MYA database had been conceptualized assuming that there was a need to create an overarching HPMP, under which a number of sector plans with different lead agencies would be approved separately. This has a significant impact on the possible set-up of HPMPs and sector plans, user rights such as the right to submit a plan to the Secretariat or change data, and the management of these user rights. The associated database concepts are relatively complex to devise and to implement. However, the experience gained from the submissions to the 62nd and 63rd Meeting has shown that, while agency-specific sector plans are initially being developed, they are being fully integrated into country-wise agreements, and it appears as if the lead agency will be the only agency responsible for developing and submitting the MYA tables. Finally, in parallel to the tracking of ODS phase-out on an activity basis, the

climate impact can also be addressed and calculated through the MYA tables. Depending on the system used to calculate the climate impact, this might involve minimum additional data. The database is presently set up to fulfil this task.

9.   The multiple conceptual changes in the requirements for HPMPs undertaken by the Committee at the 60th, 61st, and 62nd Meetings caused a number of changes in the MYA tables to allow data to be administered in accordance with the requirements of the Executive Committee. These changes have been implemented immediately upon agreement of the changes. The MYA tables for new HPMPs are not utilised in project review beyond providing assistance in developing the project evaluation sheets, since the purpose of the MYA tables, as laid down by the Executive Committee, rests to a large degree with the possibility of comparing the planned activities for every year as well as for the overall HPMP with the actual activities carried out. At the time of the initial submission of the HPMP, such comparisons are not necessary.

10.   The concept devised after the 59th Meeting requested the agencies to enter a large amount of data when submitting the HPMP to the Secretariat. However, some of the data is not provided at all by the agencies, other data might not be necessary since the negotiations between the Secretariat and the agencies often change the structure of the activities in the HPMP dramatically and alter or reduce their scope, and also have influence on the shares of different agencies. In addition, the Executive Committee is addressing certain key issues on a country-by-country basis, increasing further the difference between the activities originally submitted to those subsequently approved for funding. Consequently, instead of asking the agencies to submit detailed data in the MYA tables on submission of the original HPMP, the Secretariat intends to require agencies to enter this data once the Executive Committee has approved the HPMP in principle.

Conclusion

11.   The main challenges in carrying out the requested further development of the MYA tables have been the shifting conditions for the HPMPs over the previous 18 months in combination with the heavy workload of the project review staff of the Secretariat, that need to provide considerable feedback into the concept related to the MYA tables. The repeated changes in database programming in order to accommodate new decisions consumed time that would otherwise have been available to finalise the development of the MYA database for HPMPs. The MYA table submission for tranche requests still remains to be finished, and is scheduled to be ready before tranche submissions for HPMPs are expected starting from the 64th Meeting. The work on better output formats is also ongoing and will have interim results in the same timeframe. These activities are covered by contracts, which are included in the funding approved at the 59th Meeting by the Executive Committee. With the arrival of the new SMEO, the responsibility for the MYA tables will pass back from a senior officer in the Secretariat to the SMEO by the end of the 63rd Meeting.

12.   The experience with the MYA database for HPMPs is positive, and the agencies have been accommodating in providing the necessary information. Development of the HPMP between the 59th and the 63rd Meetings will allow simplification of the structure of the MYA tables considerably by removing, in particular, the possibility of managing different levels of agencies such as lead and co-ordinating agencies, and reducing the amount of data required for investment activities. At the same time the structure, which currently allows for the submission of separate sector plans under one HPMP, can be streamlined to a consolidated structure. At the 64th Meeting, two submissions for tranche requests are expected which will be used to test the functionality of the MYA database for tranche requests. The full functionality is expected to be reached after the 64th Meeting, using the experience gained.

Secretariat's recommendation

13.   The Secretariat recommends that the Executive Committee:

(a)   Notes the report on multi-year agreement (MYA) tables database for HCFC phase-out management plans (HPMPs);

(b)   Requests further work to be undertaken as outlined in the report;

(c)   Notes that the responsibility for the MYA database is returning to the Senior Monitoring and Evaluation Officer;

(d)   Requests agencies to update the entries in the MYA database shortly after the approval of the HPMP to reflect the approved and planned activity for the HPMP and the relevant annual plans until and including the year of the next tranche submission; and

(e)   Requests the Senior Monitoring and Evaluation Officer to inform the Executive Committee whether the respective agencies have complied with the request from the Executive Committee under (d) above.

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