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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Sixty-ninth Meeting
Montreal, 15-19 April 2013

ANNOTATED PROVISIONAL AGENDA

1. Opening of the meeting

Opening remarks by the Chairperson of the Executive Committee.

2. Organizational matters

(a) Adoption of the agenda

Document UNEP/OzL.Pro/ExCom/69/1 contains the provisional agenda for the 69th Meeting of the Executive Committee.

Issues to be addressed: None.

Action expected from the Executive Committee: The Executive Committee may wish to adopt the agenda of the meeting on the basis of the provisional agenda contained in document UNEP/OzL.Pro/ExCom/69/1 and, if needed, as amended verbally at the plenary.

(b) Organization of work

The Chairperson will propose to the plenary the organization of work.

3. Secretariat activities

Document UNEP/OzL.Pro/ExCom/69/2 presents a report on the activities of the Secretariat since the 68th Meeting of the Executive Committee.

Issues to be addressed: None.

Action expected from the Executive Committee: The Executive Committee may wish to take note of the Secretariat activities contained in document UNEP/OzL.Pro/ExCom/69/2.

4. Status of contributions and disbursements

Document [UNEP/OzL.Pro/ExCom/69/3](#) provides information on the Status of the Fund as recorded at UNEP as of 8 March 2013. At that date, the fund balance stood at US \$49,895,524. This is the net balance after taking into account all the funds approved by the Executive Committee, up to and including the 68th Meeting.

Issues to be addressed: None.

Action expected from the Executive Committee: The Executive Committee may wish:

- (a) To note the report of the Treasurer on the status of contributions and disbursements and the information on promissory notes as contained in document [UNEP/OzL.Pro/ExCom/69/3](#); and
- (b) To urge all Parties to pay their contributions to the Multilateral Fund in full and as early as possible.

5. Status of resources and planning

(a) Report on balances and availability of resources

Document [UNEP/OzL.Pro/ExCom/69/4](#) presents a summary of the financial adjustments indicated by the bilateral and implementing agencies (IAs) as agreed by the Fund Secretariat. It includes statistical data, as required by decisions 28/7 and 56/2, from projects for bilateral and IAs with balances that have been held for over the allowable 12-month period following completion of the project.

Issues to be addressed: None.

Action expected from the Executive Committee: The Executive Committee may wish:

- (a) To note:
 - (i) The report on balances and availability of resources contained in document [UNEP/OzL.Pro/ExCom/69/4](#);
 - (ii) That the net level of funds being returned by the implementing agencies to the 69th meeting was US \$635,063 against projects, which included the return of US \$505,286 from UNDP, US \$29,119 from UNEP, US \$66,345 from UNIDO and US \$34,313 from the World Bank;
 - (iii) That the net level of support costs being returned by the implementing agencies to the 69th meeting was US \$51,625 against projects, which included the return of US \$39,758 from UNDP, US \$3,785 from UNEP, US \$4,994 from UNIDO, and US \$3,088 from the World Bank;
 - (iv) That implementing agencies had balances totalling US \$535,869, excluding support costs, from projects completed over two years previously, which included US \$286,241 for UNDP, US \$8,000 for UNEP and US \$241,628 for UNIDO;
 - (v) That the Government of Japan has balances totalling US \$13,087, excluding support costs, for one project completed over two years previously;

- (vi) That the net level of funds and support costs being returned by the bilateral agencies to the 69th meeting was US \$176,122, which included the return of US \$175,930 from the Government of France and US \$192 from the Government of Portugal and to request the Treasurer to follow-up with the Government of Portugal the return on the cash transfer of US \$192 to the Fund; and
- (b) To request implementing agencies with projects completed in 2007 to 2009 to return the balances as soon as possible.

(b) Status reports and compliance

Documents UNEP/OzL.Pro/ExCom/69/5 and Add.1 contain six parts. Part I addresses the implementation of decisions 32/76(b), 46/4 and 67/6(c), which requested the Secretariat to prepare an update for each meeting of the Executive Committee on the status of compliance of Article 5 countries that are subject to the Montreal Protocol's control measures and as a guide for business planning for HCFC compliance. Part II contains information on those Article 5 countries that are subject to decisions of the Parties on compliance. Part III presents data on the implementation of country programmes (CP), including an analysis of the ozone-depleting substances (ODS) consumption data by sector and a section that addresses the characteristics of national ODS phase-out programmes. Part IV addresses those projects with implementation delays and those for which special status or specific detailed reports are needed. Part V (contained in the addendum to document UNEP/OzL.Pro/ExCom/69/5 of limited distribution) presents UNIDO's report in response to decision 68/34(b) including information to demonstrate that imports of equipment into the Democratic People's Republic of Korea (the) under the CTC phase-out plan were in accordance with the United Nations Security Council resolutions adopted from 2006 onwards. Part VI addresses reports on resource mobilisation activities.

Issues to be addressed:

- Any comments on the following observations:
 - Most countries have zero consumption of the remaining substances (excluding HCFCs and exempted uses) and 25 countries are reporting MB consumption above the 2015 control limits;
 - 2011 or 2012 HCFC consumption for seventy-nine countries was below their baseline consumption;
 - Eight Article 5 countries have not received HPMP funding but an HPMP has been submitted for only one country to the 69th meeting;
 - Seven countries will submit (Libya, Mauritania, South Sudan and Tunisia) or resubmit (Democratic People's Republic of Korea (the), Botswana and Syrian Arab Republic) their HPMPs after the 69th meeting;
 - Of the three compliance-related issues in 2012, all but one has been resolved;
 - Of the 143 countries required to report CP data, 138 reported 2011 data and 81 countries submitted data using the web-based system;
 - HPMP funding to-date will result in the phase-out of 24 per cent of the HCFC consumption baseline;
 - For the 147 countries reporting 2010 and 2011 data, HCFC consumption increased by 0.05 per cent;
 - 71 countries indicated that they had quota systems in place for HCFC control measures;
- The need for:
 - Continuing monitoring eleven out of 25 projects with implementation delays;
 - Considering requesting additional reports for 48 projects including one HPMP preparation activity;

- Considering requesting additional specific status reports to 29 projects with issues;
- A progress report on the current status of implementation of the methyl bromide projects in three countries;
- A report on the status of the licensing system for 6 countries;
- A final report for the Colombia's demonstration project to validate the use of super-critical CO₂ in the manufacture of sprayed polyurethane rigid foam from the Government of Japan;
- A final report on the study for the financing options for low-volume consuming countries from UNEP and a final report of the study for climate co-benefits from the World Bank;
- A final comprehensive analysis of the results indicated in the final report on the resource mobilization for climate co-benefits from UNDP;
- An update on the production and submission of the financial and technical report and the signature of the new IS agreement for Haiti from UNEP;
- A project completion report for the NPP in Brazil and the return of any funds balance to the Multilateral Fund after completion of the remaining activities by UNDP.

Action expected from the Executive Committee: The Executive Committee may wish to consider:

- (a) Noting:
- (i) With appreciation, the status reports and reports on projects with implementation delays submitted to the Secretariat by the implementing agencies and the Governments of the Czech Republic, Italy, Japan and Spain addressed in UNEP/OzL.Pro/ExCom/69/5;
 - (ii) That 81 country programme (CP) implementation reports for the year 2011 were submitted through the web-based system, which was initiated on 25 April 2007;
 - (iii) That the Secretariat and the implementing agencies would take established actions according to the Secretariat's assessments and report to notify governments and implementing agencies as required;
 - (iv) The 2007 to 2009 consumption verification report of the terminal phase-out management plan (TPMP) in Zambia, demonstrating that the consumption remained below the maximum allowable consumption specified for 2007 to 2009 as approved in the TPMP agreement;
 - (v) With appreciation the report on actions taken for projects in Haiti to improve training components and fund transfer and to provide sufficient technical advice for technology decision-making;
 - (vi) The 2011 and 2012 consumption verification report and the 2011 and 2012 annual implementation report of the national CFC phase-out plan (NPP) in Brazil;
 - (vii) With appreciation the interim report on the demonstration project to validate the use of super-critical CO₂ in the manufacture of sprayed polyurethane rigid foam, as submitted by the Government of Japan;
 - (viii) The report on resource mobilization submitted by UNEP;
 - (ix) The final reports on the resource mobilization for climate co-benefits submitted

by UNDP and by UNIDO;

- (b) Requesting:
- (i) Additional status reports on the projects listed in Annexes VI and VII to document UNEP/OzL.Pro/ExCom/69/5;
 - (ii) The submission of additional specific status reports to the 70th meeting on the 29 projects with issues listed in Annex VIII of document UNEP/OzL.Pro/ExCom/69/5;
 - (iii) The Governments of France and Israel to provide their implementation delay reports to the 70th meeting of the Executive Committee;
 - (iv) The implementing agencies to consider the need for additional methyl bromide projects in the following countries that have partial methyl bromide phase-out projects or are exempted from compliance per decision XV/12: Algeria, Argentina, China, Congo (the), Democratic Republic of the Congo (the), Nigeria, Sudan (the), Swaziland, Tunisia and Turkey;
 - (v) UNIDO to submit a progress report to the 70th meeting on the current status of implementation of the methyl bromide projects in Argentina, Egypt and Morocco, including a detailed explanation as to why the consumption levels reported under Article 7 of the Montreal Protocol in 2011 are above those allowed under their respective Agreements with the Executive Committee, and the proposed action plans to meet the targets as required in these Agreements;
 - (vi) The Governments of Guinea-Bissau, Kenya, Mozambique, Panama, Papua New Guinea and Timor-Leste, for the second consecutive meeting except for Guinea-Bissau, to report to the Secretariat, as a matter of urgency, on whether their licensing systems are functioning 'satisfactorily', 'very well' or 'not so well';
 - (vii) UNEP to provide an update on the production and submission of the financial and activity report and the signature of the new institutional strengthening (IS) agreement for Haiti that will enable the release of funds balance;
 - (viii) UNDP to complete the remaining activities as outlined in the report on implementation of the NPP in Brazil; to submit a project completion report once the NPP has been completed during 2013, in accordance with the format noted at the 65th meeting and as proposed by UNDP; and to return any balance to the Multilateral Fund after completion of the remaining activities;
 - (ix) The Government of Japan to submit the final report of the demonstration project to validate the use of super-critical CO₂ in the manufacture of sprayed polyurethane rigid foam in Colombia taking into consideration the additional information requested in document UNEP/OzL.Pro/ExCom/69/5 to the 70th meeting;
 - (x) UNDP to prepare a final comprehensive analysis of the results indicated in the final report on the resource mobilization for climate co-benefits submitted by UNDP, for submission to the Executive Committee no later than the 71st meeting;

- (c) Urging UNEP:
- (i) To submit a final report on the study for the financing options for low-volume consuming countries (LVC) by the 70th meeting taking into account decisions made by the Executive Committee on specific information that the final report should contain; and
 - (ii) To complete the regional workshops on co-financing by December 2013 with a view to providing a report on conclusions of these workshops to the first meeting in 2014;
- (d) Urging the World Bank to submit a final report of the study for climate co-benefits by the 70th meeting; and
- (e) Noting the report submitted by UNIDO on the CTC phase-out plan in the Democratic People's Republic of Korea in response to decision 68/34(b), contained in UNEP/OzL.Pro/ExCom/69/5/Add.1.

6. 2013-2015 business plans

(a) Consolidated business plan of the Multilateral Fund

Documents UNEP/OzL.Pro/ExCom/69/6 and Corr.1 present an analysis of the business plans submitted by the bilateral and implementing agencies to the 69th meeting. It contains eight sections addressing resource allocation, MYAs and standard costs, HCFC activities and other activities, activities not required for compliance, the impact of adjustments based on existing Executive Committee decisions, performance indicators, other policy issues and recommendations. For HCFC activities, the HCFC production sector, project preparation for Stages I and II, Stage II in LVC countries, Stage II servicing sector in non-LVC countries, Non-LVC countries that have not received funding for 35 per cent and other activities are also addressed.

Issues to be addressed:

- The business plan value for 2013-2015 exceeds the budget by a total of about US \$153.8 million;
- Adjustments based on existing decisions would exceed the budget by US \$116.1 million;
- Over-budgeting and distribution of annual tranches of HPMPs;
- Availability of funding for stage II HPMP for the production sector;
- Whether to remove, maintain, or maintain but re-phase to after 2013:
 - Activities not required for compliance;
 - New HCFC activities that exceed a 35 per cent reduction of the baseline;
- Six non-LVC and 15 LVC countries do not have funding in the business plan to address a 35 per cent reduction in the baseline;

Action expected from the Executive Committee: The Executive Committee may wish to endorse the Consolidated 2013-2015 business plan of the Multilateral Fund, as adjusted by the Secretariat [and the Executive Committee], as contained in document UNEP/OzL.Pro/ExCom/69/6, while noting that endorsement denotes neither approval of the projects identified therein nor their funding or tonnage levels, and based on its consideration of whether:

- (a) To adjust the business plans as proposed by the Secretariat;

- (b) The activities not required for compliance should be removed or maintained;
- (c) The new HCFC activities should be maintained as submitted, adjusted to a maximum of 35 per cent or adjusted based on the Secretariat's review of stage I of HCFC phase-out management plans (HPMPs) and what is left to be addressed for stage II; and
- (d) To further adjust the value in the business plans for the production sector to maintain overall activities within the budget for the triennium.

(b) Business plans of the implementing agencies

(i) Bilateral agencies

Document UNEP/OzL.Pro/ExCom/69/7 presents the business plans for bilateral agencies submitted to the 69th meeting. The Governments of Germany and Japan submitted business plans for the years 2013-2015.

Issues to be addressed:

- Need to include funding for stage I of HCFC phase-out management plan for Botswana in the agencies' business plans.

Action expected from the Executive Committee: The Executive Committee may wish to consider:

- (a) Noting the 2013-2015 business plans of bilateral cooperation submitted by Germany and Japan as addressed in document UNEP/OzL.Pro/ExCom/69/7; and
- (b) Requesting the bilateral and implementing agencies to include funding for stage I of HCFC phase-out management plan for Botswana in their business plans.

(ii) UNDP

Document UNEP/OzL.Pro/ExCom/69/8 contains a summary of UNDP's planned activities for the phase-out of ODS for the period 2013-2015 and the impact of the adjustments made by the Fund Secretariat based on existing Executive Committee decisions. It also contains UNDP's business plan performance indicators and recommendations for consideration by the Executive Committee.

Issues to be addressed:

- Policy issues:
 - Two policy issues relate to the need to complete the HPMP stage II submissions and the HPMP stage II preparation guidelines;
 - Backlog of project completion reports (PCRs); and
 - Proposed activity for mapping ODS alternatives at the national level.

Action expected from the Executive Committee: The Executive Committee may wish to consider:

- (a) Noting the 2013-2015 business plan of UNDP as contained in document UNEP/OzL.Pro/ExCom/69/8;
- (b) Approving the performance indicators for UNDP set out in Table 4 as contained in document UNEP/OzL.Pro/ExCom/69/8; and

- (c) Removing the ODS alternative mapping study for Nigeria in the amount of US \$128,400 from the 2013 business plan.

(iii) UNEP

Document UNEP/OzL.Pro/ExCom/69/9 contains a summary of UNEP'S planned activities for the phase-out of ODS for the period 2013-2015 and the impact of the adjustments made by the Fund Secretariat based on existing Executive Committee decisions. It also contains UNEP's business plan performance indicators and recommendations for consideration by the Executive Committee.

Issues to be addressed:

- Policy issue with respect to the inclusion of the State of Palestine in business plans;
- Modifications to performance indicators.

Action expected from the Executive Committee: The Executive Committee may wish to consider:

- (a) Noting the 2013-2015 business plan of UNEP as contained in document UNEP/OzL.Pro/ExCom/69/9;
- (b) Approving the performance indicators for UNEP set out in Tables 4 and 5 as contained in document UNEP/OzL.Pro/ExCom/69/9 while setting a target of 51 for annual tranches of multi-year agreements (MYAs) approved, 57 for the number of individual projects approved, zero ODP tonne for ODS phased out for individual projects, 36 for project completion and 46 for milestone activities completed for MYAs; and
- (c) Adding HCFC phase-out management plan stage II project preparation funds for Kiribati in the amount of US \$22,600 in the year 2018.

(iv) UNIDO

Document UNEP/OzL.Pro/ExCom/69/10 contains a summary of UNIDO's planned activities for the phase-out of ODS for the period 2013-2015 and the impact of the adjustments made by the Fund Secretariat based on existing Executive Committee decisions. It also contains UNIDO's business plan performance indicators and recommendations for consideration by the Executive Committee.

Issues to be addressed:

- Whether funding for demonstration projects on alternatives to methyl bromide for quarantine and pre-shipment (QPS) applications might be added to UNIDO's business plan;
- Modifications to performance indicators.

Action expected from the Executive Committee: The Executive Committee may wish to consider:

- (a) Noting the 2013-2015 business plan of UNIDO as contained in document UNEP/OzL.Pro/ExCom/69/10;
- (b) Approving the performance indicators for UNIDO set out in Table 4 as contained in document UNEP/OzL.Pro/ExCom/69/10 while setting a target of 55.4 ODP tonnes for ODS phased out for individual projects and 6 for project completion; and

- (c) Whether funding for demonstration projects on alternatives to methyl bromide for quarantine and pre-shipment (QPS) applications might be added to UNIDO's business plan.

(v) **World Bank**

Document UNEP/OzL.Pro/ExCom/69/11 contains a summary of the World Bank's planned activities for the phase-out of ODS for the period 2013-2015 and the impact of the Fund Secretariat's adjustments based on existing Executive Committee decisions. It also contains the World Bank's business plan performance indicators and recommendations for consideration by the Executive Committee.

Issues to be addressed:

- Policy issues on:
 - The need to fund swing plants;
 - The indicative nature of the 2015-2020 figures; and
 - The relevance of certain performance indicators;
- Modifications to performance indicators.

Action expected from the Executive Committee: The Executive Committee may wish to consider:

- (a) Noting the 2013-2015 business plan of the World Bank as contained in document UNEP/OzL.Pro/ExCom/69/11;
- (b) Approving the performance indicators for the World Bank set out in Table 4 as contained in document UNEP/OzL.Pro/ExCom/69/11 while setting a target of 8 for annual tranches of multi-year agreements (MYAs) approved, 2 for individual projects approved, 240.4 ODP tonnes for ODS phased out for individual projects, and 7 for milestone activities completed for MYAs; and
- (c) Requesting the Secretariat and the implementing agencies to address the issue raised by the Bank concerning performance indicators in the context of the "2013-2015 business plans and tranche submission delays" document to be submitted to the 70th meeting.

7. Programme implementation:

(a) **Monitoring and evaluation:**

(i) **Final evaluation report of multi-year agreement projects**

Document UNEP/OzL.Pro/ExCom/69/12 contains a synthesis of the findings of eight case studies carried out in eight non LVC countries on the phasing-out of CFC. It includes lessons learned and recommendations to improve the implementation of HPMPs.

Issues to be addressed: None.

Action expected from the Executive Committee: The Executive Committee may wish to consider the recommendations contained in the final evaluation report of multi-year agreement projects as presented in document UNEP/OzL.Pro/ExCom/69/12.

(ii) Terms of reference for the desk study on the evaluation of the preparatory phase of phasing out of HCFCs

Document UNEP/OzL.Pro/ExCom/69/13 contains the terms of reference for the desk study on the evaluation of preparatory phase of phasing out of HCFCs. The document recommends that several individual case studies be prepared in addition to the desk study.

Issues to be addressed: Increase in budget.

Action expected from the Executive Committee: The Executive Committee may wish to approve the proposed expanded desk study, including an increase in budget of US \$15,000.

(b) Tranche submission delays

Document UNEP/OzL.Pro/ExCom/69/14 addresses delays in the submissions of tranches that were due to the current meeting and presents recommendations for consideration by the Executive Committee.

Issues to be addressed:

- Fourteen of the 28 annual tranches in multi-year agreements (MYAs) due for submission to the 69th meeting were not submitted;
- All delayed tranches were either second, or subsequent tranches of HCFC phase-out management plans (HPMPs), and the main reason for late submission was the failure to meet the requirement for the 20 per cent disbursement threshold of funding for the first tranche of the HPMPs.

Action expected from the Executive Committee: The Executive Committee may wish to consider:

- (a) Noting:
- (i) The information on tranche submission delays under multi-year agreements (MYAs) submitted to the Secretariat by Germany, UNDP, UNEP, UNIDO and the World Bank as contained in document UNEP/OzL.Pro/ExCom/69/14;
 - (ii) That 14 out of 28 tranches of MYAs due for submission had been submitted on time to the 69th meeting, that all delayed tranches were either second or subsequent tranches of HCFC phase-out management plans (HPMPs), and that the main reason for late submission was the failure to meet the requirement for the 20 per cent disbursement threshold of funding for the first tranche of the HPMPs; and
- (b) Requesting the Secretariat to send letters to the Governments of Chile, Croatia, Cuba, Indonesia, Iran (Islamic Republic of), Montenegro, Namibia, Panama, Seychelles and Viet Nam to urge them to address issues that prevented the scheduled submission of HPMP tranches, as early as possible.

8. Project proposals

(a) Overview of issues identified during project review

Document UNEP/OzL.Pro/ExCom/69/15 contains four sections: An analysis of the number of projects and activities submitted by bilateral and implementing agencies to the 69th meeting; issues identified during the project review process; projects and activities submitted for blanket approval; and investment projects for individual consideration.

Issues to be addressed: None.

Action expected from the Executive Committee: The Executive Committee may wish:

- (a) To approve the projects and activities submitted for blanket approval at the levels of funding indicated in Annex [] to the final report, together with the conditions or provisions included in the corresponding project evaluation documents and the conditions attached to the projects by the Executive Committee; and
- (b) To decide 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 [] to the final report.

(b) Bilateral cooperation

Document UNEP/OzL.Pro/ExCom/69/16 provides an overview of requests from bilateral agencies, and whether these are eligible for approval by the Executive Committee in light of the maximum level of bilateral cooperation available for 2013.

Issues to be addressed: None.

Action expected from the Executive Committee: The Executive Committee may wish to request the Treasurer to offset the costs of the bilateral project approved at the 69th meeting as follows:

- US \$XX (including agency fees) against the balance of Germany's bilateral contribution for 2012-2014.

(c) Work programmes

(i) 2013 work programme of UNDP

Document UNEP/OzL.Pro/ExCom/69/17 contains two institutional strengthening renewal requests submitted by UNDP. These IS requests were recommended for blanket approval and were considered under agenda item 8(a).

Issues to be addressed: None.

Action expected from the Executive Committee: None.

(ii) 2012 work programme of UNEP

Document UNEP/OzL.Pro/ExCom/69/18 contains ten activities submitted by UNEP, including requests for nine institutional strengthening renewal projects, and one request for technical assistance. Nine activities were recommended for blanket approval and were considered under agenda item 8(a).

Issues to be addressed: request for funding the project promoting low-global warming potential refrigerants for air conditioning sectors in high-ambient temperature countries in West Asia at the total requested funding of US \$575,000 (for UNEP and UNIDO) taking into account decision 66/5(b), where the Executive Committee decided to keep the project in the business plan with an adjusted funding for US \$250,000 for the entire project.

Action expected from the Executive Committee: Taking into account decision 66/5(b), where the limit of US \$250,000 had been set for this entire project in UNEP's 2012 business plan, the Executive Committee may wish to consider whether or not to approve the UNEP component of the request for the project promoting low-global warming potential refrigerants for air-conditioning sectors in high-ambient temperature countries in West Asia at the total funding level of funding of US \$175,000, plus agency support costs of US \$22,750 for UNEP.

(iii) 2013 work programme of UNIDO

Document UNEP/OzL.Pro/ExCom/69/19 contains a component of a request for promoting low-global warming potential refrigerants for air-conditioning sector in high ambient temperature countries in West Asia. The project is included in the 2013 work programme of UNEP, being the lead implementing agency.

Issues to be addressed: request for funding the UNIDO component for the project promoting low-global warming potential refrigerants for air conditioning sectors in high-ambient temperature countries in West Asia, taking into account decision 66/5(b), where the Executive Committee decided to keep the project in the business plan with an adjusted funding for US \$250,000 for the entire project.

Action expected from the Executive Committee: Taking into account decision 66/5(b), where the limit of US \$250,000 had been set for this entire project in UNEP business plan, the Executive Committee may wish to consider whether or not to approve the UNIDO component of the request for the project promoting low-global warming potential refrigerants for air-conditioning sectors in high-ambient temperature countries in West Asia at the level of funding of US \$400,000, plus agency support costs of US \$28,000 for UNIDO.

(iv) 2013 work programme of the World Bank

Document UNEP/OzL.Pro/ExCom/69/20 contains a request for funding to cover the verification of CFC production for essential uses in China submitted by the World Bank. This request was recommended for blanket approval and was considered under agenda item 8(a).

Issues to be addressed: None.

Action expected from the Executive Committee: None.

(d) Investment projects

Document UNEP/OzL.Pro/ExCom/69/15 contains a list of projects for individual consideration (see Table 1). Five tranches (two for methyl bromide phase-out plans and three for HCFC

phase-out management plans) and the request for the remaining of a tranche for accelerated CFC production phase-out were recommended for blanket approval and were considered under agenda item 8(a).

Issues to be addressed: In the table below, each of the projects should be considered for approval individually. Project descriptions and the comments of the Secretariat can be found in the relevant country project document referred to in the table.

Table 1. List of projects for individual consideration

Country	Project	Agency	ExCom	Issue
ODS destruction				
Georgia	Pilot demonstration project on ODS waste management and disposal	UNDP	69/26	All issues have been satisfactorily addressed
Region: Europe	Demonstration of a regional strategy for ODS waste management and disposal in the Europe and Central Asia region	UNEP/UNIDO	69/32	All issues have been satisfactorily addressed
Second tranches of HPMPs				
China	HCFC phase-out management plan (phase I, second tranche) XPS foam sector plan	UNIDO/Germany	69/23	All issues have been satisfactorily addressed (re-submission)
Venezuela (Bolivarian Republic of)	HCFC phase-out management plan (stage I, third tranche)	UNIDO/UNEP	69/31	Status of the licence and quota system; level of disbursement; progress on implementation
HPMPs for LVC countries				
Barbados	HCFC phase-out management plan (stage I, first tranche)	UNEP/UNDP	69/21	All issues have been satisfactorily addressed

Action expected from the Executive Committee: The Executive Committee may wish to consider whether to approve each of the projects listed in the table above on the basis of information provided in the relevant project proposal document including the Secretariat's comments, any additional documents circulated in accordance with decision 41/80 and, any information provided at the meeting by the Secretariat or the relevant bilateral/implementing agency.

9. Draft guidelines for funding the preparation of stage II of HCFC phase-out management plans (decision 66/5)

Document UNEP/OzL.Pro/ExCom/69/33 contains draft guidelines to determine funding levels for the preparation of stage II of the HCFC phase-out management plans (HPMPs) for Article 5 countries.

Issues to be addressed:

- Proposed guidelines for funding the preparation of stage II of HCFC phase-out management plans (HPMP);
- Timing for the possible submission of requests for project preparation funding for Stage II HPMP;
- Information requirements when submitting requests for project preparation for stage II of the HPMPs to demonstrate that additional funding is required;
- Proposed funding levels for Stage II overall HPMP preparation;
- Balances of previous HPMP preparation funding approved.

Action expected from the Executive Committee: The Executive Committee may wish to consider:

- (a) Noting document UNEP/OzL.Pro/ExCom/69/33 on the draft guidelines for funding the preparation of stage II of HCFC phase-out management plans (HPMP);
- (b) Requesting Article 5 countries to include in the development and finalization of the strategic plan for stage II of the HPMPs as a minimum, the control target of the Montreal Protocol subsequent to that committed in stage I of their HPMPs, on the understanding that should countries decide on additional phase-out commitments including the complete phase-out (i.e. 100 per cent in stage II), that they should demonstrate a strong national level of commitment in place to support accelerated phase-out together with cost considerations for meeting those commitments;
- (c) Noting that requests for stage II HPMP project preparation funding could be submitted:
 - (i) No earlier than one year after the approval of the second to the last tranche of stage I HPMPs for Article 5 countries which committed to reduce their HCFC baseline consumption by 10 per cent in 2015;
 - (ii) From 2014 for Article 5 countries which committed to reduce their HCFC baseline consumption by more than 10 per cent between 2015 and 2020, in accordance with the decision of the Executive Committee approving their respective stage I HPMPs;
 - (iii) From 2018 for Article 5 countries which committed to reduce their HCFC baseline consumption by 35 per cent in 2020;
 - (iv) From 2014 for Article 5 countries that decide to completely phase-out HCFC consumption ahead of the Montreal Protocol schedule in stage II;
- (d) Requesting bilateral and implementing agencies when submitting requests for project preparation for stage II of the HPMPs to demonstrate that additional funding is required, and to provide:
 - (i) For the overall stage II strategy:
 - a. An indication of the activities that will need to be undertaken for project preparation, with specific costs clearly identified (i.e. surveys, consultation meetings, etc);
 - b. A description of the information that needs to be gathered and updated and why it was not included in stage I;

- (ii) For investment projects in line with decision 56/16:
 - a. Information on the number of enterprises where the request for funding is being sought;
 - b. Date of establishment of such enterprises, taking into account decision 60/44(a) on the starting point;
 - c. If the request is for a sector where project preparation was approved in stage I but had not been included in the HPMP submitted, an explanation why additional funding is required and a list of activities with corresponding costs to support this request.
- (e) Providing funding for stage II HPMP project preparation up to the following levels:
 - (i) US \$20,000 for Article 5 countries with a remaining HCFC consumption eligible for funding of 0 to 5 ODP tonnes used only in the refrigeration servicing sector;
 - (ii) US \$30,000 for Article 5 countries with a remaining HCFC consumption eligible for funding of 5.1 to 10 ODP tonnes;
 - (iii) US \$50,000 for Article 5 countries with a remaining HCFC consumption eligible for funding of 10.1 to 50 ODP tonnes;
 - (iv) US \$70,000 for Article 5 countries with a remaining HCFC consumption eligible for funding of 50.1 to 100 ODP tonnes;
 - (v) US \$90,000 for Article 5 countries with a remaining HCFC consumption eligible for funding of 100.1 to 1,500 ODP tonnes;
 - (vi) US \$[to be determined] for China;
- (f) Providing funding for any Article 5 country with a manufacturing sector using HCFCs that has not been addressed in stage I of their HPMPs, according to the number of manufacturing enterprises to be converted (i.e., US \$30,000 for one; US \$60,000 for two; US \$80,000 for three to 14; and US \$150,000 for more than 14), up to maximum funding level based on the countries' HCFC consumption for 2007 (i.e., US \$100,000 for countries with a consumption below 100 ODP tonnes; US \$200,000, for consumption between 101 and 300 ODP tonnes), in line with decision 56/16; and
- (g) Requesting the bilateral and implementing agencies to return any balances from project preparation funding provided for stage I HPMP to the Multilateral Fund before a request for stage II project preparation funding may be considered.

10. Report on the Multilateral Fund Climate Impact Indicator (MCII) (Decision 59/45, 62/62, 63/62, 64/51, 65/48, 66/53 and 67/32)

Document UNEP/OzL.Pro/ExCom/69/34 contains a report prepared by the Secretariat pursuant to decision 67/32. It provides information on the characteristics of the fully developed version of the MCII, status and schedule for its full implementation, options for its further implementation, conclusion and recommendations.

Issues to be addressed:

- Whether to request additional work to be undertaken by the Secretariat.

Action expected from the Executive Committee: The Executive Committee may wish to consider:

- (a) Noting the report on finalisation of the Multilateral Fund Climate Impact Indicator (MCII) provided in document UNEP/OzL.Pro/ExCom/69/34;
- (b) Whether to request additional work to be undertaken by the Secretariat beyond that outlined in document UNEP/OzL.Pro/ExCom/69/34;
- (c) Requesting the Secretariat to maintain a discussion forum on the MCII, to enable continued and transparent exchanges among implementing agencies, Executive Committee members and the Secretariat on the matter; and
- (d) Requesting the Secretariat to provide the next report to the 72nd meeting on progress made and experience gained in applying the MCII to project submissions.

11. Fund transfers and information on any interest accrued on funds held by China for stage I of its HCFC phase-out management plan, and historical implementation modalities of the Multilateral Fund (decision 68/22(a) and (b))

Document UNEP/OzL.Pro/ExCom/69/35 contains a review of relevant agreements and provides observations on the agreements between the implementing agencies and Foreign Economic Cooperation Office, Ministry of Environment Protection (FECO/MEP). A summary of these agreements is provided in the annex to the document. It then addresses the components of decision 68/22: the historical implementation modalities of the Multilateral Fund, information on disbursement from China to beneficiary enterprises, interest accrued on funds held by China for stage I of its HPMP, the annual progress and financial report, the condition for minimum level of disbursement, and oversight over fund expenditures. It concludes with overall observations and recommendations.

Issues to be addressed:

- A status report on information on interest accrued for stage I of the HPMP;
- The 20 per cent disbursement threshold for future agreements;
- The need for recording disbursement within the annual progress report;
- Providing a financial statement with the annual Accounts of the Fund;
- Need for additional reporting on the issues raised in the document.

Action expected from the Executive Committee: The Executive Committee may wish to:

- (a) Note:
 - (i) The document “Fund transfers and information on any interest accrued on funds held by China for stage I of its HCFC phase-out management plan, and historical implementation modalities of the Multilateral Fund (decision 68/22(a) and (b))” as contained in UNEP/OzL.Pro/ExCom/69/35;
 - (ii) With appreciation, the input of UNDP, UNEP, UNIDO and the World Bank on their agreements with Foreign Economic Cooperation Office, Ministry of

Environment Protection (FECO/MEP) for the implementation of stage I of the HCFC phase-out management plan (HPMP) for China;

- (b) Request:
- (i) The implementing agencies to provide a status report containing information on any interest accrued on funds held by China for stage I of its HPMP in the light of decision 68/22(b), to the 69th meeting;
 - (ii) The Fund Secretariat to consider in the context of its paper on guidelines for stage II HPMPs, options to ensure that the level of funding for the first year of stage II could meet the 20 per cent disbursement threshold and that subsequent tranches might be considered with respect to the need for cash and the likelihood of reaching the threshold; and
- (c) Urge the implementing agencies to reach an agreement with the Fund Secretariat on recording disbursement for the implementation modality used for the stage I of the HPMP in China and similar projects within the Fund's annual progress and financial reports and the Accounts of the Fund and report back to the 70th meeting.

12. Operation of the Executive Committee (decision 61/48)

Document UNEP/OzL.Pro/ExCom/69/36 contains the report prepared by the Secretariat pursuant to decision 61/48. It presents the potential reasons for a change in the operation of the Executive Committee, an analysis of a two-meeting scenario based on the current status of policies and guidelines adopted by the Committee for the phase-out of HCFCs and the approval of HPMPs, and the future workload of the Executive Committee. It also proposes a re-arrangement of the Executive Committee meetings describing an intersessional process for the approval of project proposals; makes suggestions on dates of the meetings including a review of the their costs. A set of observations and recommendations for the Executive Committee's consideration is also included.

Issues to be addressed: None.

Action expected from the Executive Committee: The Executive Committee may wish to consider either maintaining the *status quo* of holding three meetings a year, or holding two meetings a year in 2014 on a trial basis.

13. Recruitment process for the position of Chief Officer of the Multilateral Fund Secretariat (decisions 67/37 and 68/46)

Document UNEP/OzL.Pro/ExCom/69/37 contains a report prepared by the Secretariat as a follow-up to decisions 67/37 and 68/46. The document provides an update on the status of the vacancy announcement for the position of the Chief Officer, reports on the intersessional composition of the selection panel, suggests a revised timeline for interviews and presents conclusions and recommendations.

Issues to be addressed:

- Modalities for intersessional consultations of the selection panel to review the long list and agree on the interview list.

Action expected from the Executive Committee: The Executive Committee may wish to:

- (a) Take note of document UNEP/OzL.Pro/ExCom/69/37;
- (b) Approve Annex I containing the revised vacancy announcement for the post of third Chief Officer with a closing date of 24 April 2013;
- (c) Note the Executive Director's reply to the Chief Officer of 22 March 2013 regarding the two UNEP representatives in the selection panel;
- (d) Approve the establishment of a selection panel consisting of: the United Kingdom of Great Britain and Northern Ireland, the United States of America and Japan representing non-Article 5 countries, and xxx, xxx, xxx, representing Article 5 countries and Mr. Achim Steiner, or Ms. Amina Mohamed on Mr. Steiner's behalf, and Mr. Marco Gonzalez representing UNEP;
- (e) Note the OED Chief of Staff's note to the Chair of the Executive Committee on the selection process for the Chief Officer;
- (f) Approve a three phased screening process by the selection panel for a) a desk review of applications and "longlisting" b) written test and interview of the shortlisted candidates by the panel and c) selection of 3 candidates to be proposed to the Secretary General for his final decision; and
- (g) Request the selection panel to report through the Chair of the Executive Committee to the 70th meeting of the Executive Committee on progress made on the selection process of the Chief Officer.

14. Decision of the Parties at their Twenty-fourth Meeting regarding the evaluation of the financial mechanism

Document UNEP/OzL.Pro/ExCom/69/38 is provided in response to a request for an agenda item on the recommendations from the Evaluation of the Financial Mechanism. The document provides actions taken by the Executive Committee on each of the recommendations.

Issues to be addressed: None.

Action expected from the Executive Committee: The Executive Committee may wish to note the report on decisions of the Parties at their Twenty-Fourth Meeting regarding the evaluation of the financial mechanism, as contained in document UNEP/OzL.Pro/ExCom/69/38 and to forward a modified version of it to the 25th Meeting of the Parties including any relevant decisions or actions taken at the meetings of the Executive Committee prior to it.

15. Report of the Sub-group on the Production Sector

Document UNEP/OzL.Pro/ExCom/69/39 will be issued during the 69th meeting and will provide a report of the meeting of the Production Sector Sub-group to take place in the margins of the Meeting. The document will contain an account of the Sub-group's consideration of a provisional agenda, a draft decision for the HCFC Production Sector guidelines as modified by the Sub-group at its meeting in the margins of the 68th meeting of the Executive Committee, and a paper on the costs and rationale for the administrative cost functions identified in the draft Agreement and project duration for the China HCFC production phase-out management plan (HPPMP) (stage I). The report will also provide an account of the Sub-group's consideration of the proposal for the

China HPPMP (stage I), which was submitted to the Sub-group for approval at the 68th meeting (documents UNEP/OzL.Pro/ExCom/69/SGP/1-3).

16. Other matters

The substantive issues agreed for inclusion on agenda item 2(a) will be taken up under this agenda item.

17. Adoption of the report

The Committee will have in front of it the draft report of the 69th meeting for its consideration and adoption.

18. Closure of the meeting

The meeting is expected to be closed on Friday, 19 April 2013.
