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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Seventy-sixth Meeting
Montreal, 9-13 May 2016

**DRAFT REPORT OF THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND
FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL TO THE
TWENTY-EIGHTH MEETING OF THE PARTIES**

Introduction

1. The present report covers the activities undertaken by the Executive Committee since the Twenty-Seventh Meeting of the Parties¹ and consists of three parts dealing with: policy matters; projects, their implementation and monitoring; and business planning, administrative and financial matters. During the reporting period, the 75th and 76th meetings of the Executive Committee were both held in Montreal from 16 to 20 November 2015 and 9 to 13 May 2016, respectively. The reports² of those meetings are available on the Multilateral Fund's web site (www.multilateralfund.org).

Attendance

2. The 75th meeting was attended³ by Australia, Belgium, Italy, Japan, the Russian Federation, Sweden and the United States of America, representing parties not operating under paragraph 1 of Article 5 of the Montreal Protocol (non-Article 5 parties), and by Bahrain, Brazil, the Comoros, Egypt, Grenada, India and the United Republic of Tanzania, representing parties operating under paragraph 1 of Article 5 (Article 5 parties). The meeting was chaired by Mr. John Thompson (United States of America), with Mr. Leslie Smith (Grenada) as Vice-Chair.

3. [The 76th meeting was attended⁴ by Austria, Belgium, Canada, Germany, Japan, the Russian Federation and the United States of America, representing non-Article 5 parties, and by Argentina, Cameroon, China, Egypt, India, Jordan and Mexico, representing Article 5 parties. The meeting was chaired by Mr. Agustin Sanchez (Mexico), with Mr. Paul Krajnik (Austria) as Vice-Chair.]

¹ The terms of reference of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol (UNEP/OzL.Pro.9/12, Annex V) require the Executive Committee to report annually to the Meeting of the Parties

² UNEP/OzL.Pro/ExCom/75/85 and UNEP/OzL.Pro/ExCom/76/[to be completed]

³ In accordance with decision XXVI/19

⁴ [In accordance with decision XXVII/13]

4. The 75th [and 76th] meetings were also attended by representatives of the implementing agencies, namely, the United Nations Development Programme (UNDP), the United Nations Environment Programme (UNEP), both as implementing agency and Treasurer of the Multilateral Fund, the United Nations Industrial Development Organization (UNIDO) and the World Bank; by representatives of the Ozone Secretariat; and other observers.

I. POLICY MATTERS

5. The preparation and implementation of HCFC phase-out management plans (HPMPs) and an HCFC production phase-out management plan (HPPMP) continued to be the focus of work at the 75th [and 76th] meetings. The HPMPs and HPPMP approved so far are listed in Annex I to the present report [*annex to be completed*] and only stage I of three HPMPs⁵ for Article 5 countries still remain to be adopted.

(i) Uncertainty on incremental operating cost in the foam sector

6. During review of a few of the stage II of the HPMPs, it had not been possible for the Secretariat to determine the incremental operating cost for reduced HFO formulations in the foam sector as small changes in the assumptions used in the calculation of such costs could have a major effect on the overall costs. Further to discussions in plenary and at an informal group, the Executive Committee requested the Secretariat to prepare, for consideration at the 76th meeting, a document on the calculation of the incremental capital and operating costs for foam sector alternatives, providing transparency and consistency in comparing the quality of foam produced for different applications and transparency on the sources of information, and taking into account prices in different regions and the size of enterprises (decision 75/28). [*To be completed*]

(ii) Incremental costs of conversion of the heat exchanger lines

7. At the 75th meeting, following the report of the informal group established to consider, among other issues, assessment of incremental costs of the conversion of heat-exchanger manufacturing lines that related to stage II of the HPMP for one country, the Executive Committee requested the Secretariat to undertake additional work on the level of incremental costs for the conversion of heat-exchanger manufacturing lines in enterprises converting to R-290 technology, and to report to the Executive Committee at the 76th meeting (decision 75/43(f)). [*To be completed*]

(iii) Projects to demonstrate technologies with low global-warming potential (GWP) and feasibility studies on district cooling

8. At the 75th meeting, the Executive Committee considered 11 demonstration projects and two feasibility studies for district cooling. While the funding being requested was below the total funding of US \$10 million provided for in decision 72/40, eight additional projects were due to be considered at the 76th meeting. As a result, the total amount of funding already approved, being requested at the meeting or to be requested in future (including project preparation funding and agency support costs) surpassed the amount set aside for demonstration projects. Further to discussions in plenary and at a contact group, the Executive Committee agreed to provide funding for the two feasibility studies and two projects to demonstrate low-GWP technologies (see Part II “Non-investment activities” and “Demonstration projects” below). The Committee also allowed resubmission, to the 76th meeting, of five demonstration project proposals for the foam sector and three demonstration project proposals for the refrigeration and air-conditioning (RAC) manufacturing sector that had been submitted to the 75th meeting. [*To be completed*]

⁵ These include Mauritania, South Sudan and Syrian Arab Republic.

(iv) Template for draft agreements for stage II of HPMPs

9. Following discussion on the template for draft agreements for stage II of HPMPs⁶, in particular clauses relating to financial completion of stage I; penalty clause; consideration of alternatives already used in several stage I agreement; and consideration of non-in-kind technologies, the Executive Committee requested the Secretariat to resubmit the draft template agreement for stage II of HPMPs for consideration at the 76th meeting after taking into account both the discussion at the 75th meeting and additional comments received from Executive Committee members by 31 December 2015 (decision 75/66). [*To be completed*]

(v) Finalization of the Multilateral Fund Climate Impact Indicator (MCII)

10. The Executive Committee noted a report on the finalization of the MCII⁷ based on feedback received from the Executive Committee at the 73rd meeting, the response from the Intergovernmental Panel on Climate Change and the feedback from the World Bank in the context of its work with other multilateral development banks to harmonize greenhouse gas accounting across their investment portfolios and its work on energy subsidy reform. The Secretariat would continue to calculate the impact on the climate of investment projects in the RAC manufacturing sector using the MCII model and would apply the methodologies described in paragraph 14 of document UNEP/OzL.Pro/ExCom/73/54 for investment projects in all other manufacturing sectors (decision 75/68).

(vi) Format for preparation of the surveys of ODS alternatives and presentation of the resulting data

11. At the 75th meeting, the Executive Committee considered the format for the surveys of ODS alternatives. Concerns were expressed relating to the difficulties that might be encountered when collating some of the data specified in the tabulation, timeline and sustainability of the exercise. After hearing the report of the informal group set up to discuss the matter and suggestions to improve the content and structure of the format, the Executive Committee noted the document on the format for the surveys of ODS alternatives⁸ on the understanding that information contained in part I (preparation of the surveys) and annex I (use of ODS alternatives by sector) of the document was provided for guidance purposes only. Surveys would be conducted on a voluntary basis, information would be collected where available, and the results would solely be for information purposes. National surveys on ODS alternatives would be undertaken by Article 5 countries that had received funding from the Multilateral Fund to cover the years 2012–2015, with the assistance of the relevant bilateral or implementing agency and using the methodology and approach agreed between the country and the agency. The results of any survey would, however, be presented in accordance with part II (presentation of the results of the surveys) and annex II (data analysis tables by sector) of the document (decision 75/67).

(vii) Sub-group on the Production Sector

12. The Sub-group on the Production Sector met in the margins of the 75th meeting and continued deliberating on a number of matters. Based on the report of the Sub-group⁹, the Executive Committee noted the verification report on the HCFC production sector for China and subsequently considered and approved a tranche of the HPPMP for China with a number of conditions (decisions 75/73 and 75/74). The Sub-group also considered, but was unable to reach agreement on the technical audit of the HCFC production sector in Mexico. The draft HCFC production sector guidelines would be considered by the Sub-group in the margins of the 76th meeting. [*To be completed*]

⁶ UNEP/OzL.Pro/ExCom/75/76

⁷ UNEP/OzL.Pro/ExCom/75/78

⁸ UNEP/OzL.Pro/ExCom/75/77/Rev.1

⁹ UNEP/OzL.Pro/ExCom/75/84

(viii) Main procedures of the operation of the Executive Committee

13. At the 75th meeting, the Executive Committee took note of the analysis of the main procedures of the operation of the Executive Committee¹⁰ including the roles of the Secretariat and the implementing agencies regarding their provision of advice to the Executive Committee and, where applicable, to beneficiary countries. Several concerns were raised, including the accountability of implementing agencies; countries being able to speak in order to clarify issues regarding their own projects; and the review of the present scenario of two meetings per year. Those issues would be taken into account in a document being prepared for the 76th meeting pursuant to decision 73/70(h). *[To be completed]*

II. PROJECTS, THEIR IMPLEMENTATION AND MONITORING

(i) Fund achievement since inception

14. Since 1991, *[to be completed]* projects and activities (excluding cancelled and transferred projects) had been approved. Of the *[to be completed]* tonnes of ODS to be eliminated once all these projects had been implemented, a total of *[to be completed]* tonnes of ODS had already been phased out (including consumption and production). The geographical and sectoral distribution of phase-out in all approved projects and activities and funds approved since inception is shown in the table below:

	Number of projects	Consumption ODP tonnes approved*	Consumption ODP tonnes phased-out*	Production ODP tonnes approved*	Production ODP tonnes phased out*	Funds approved* (US \$)
Region						
Africa	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>
Asia and Pacific	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>
Europe	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>
Latin America and Caribbean	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>
Global	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>
Sector						
Aerosol	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>
Destruction	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>
Fire fighting	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>
Foam	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>
Fumigant	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>
Halon	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>
Multi-sector	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>
Other	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>
Process agent	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>
Phase-out plan	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>
Production	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>
Refrigeration	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>
Several	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>
Solvent	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>
Sterilant	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>
Total	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>

* Excluding cancelled and transferred projects and including agency support costs, where applicable.

15. The total funds approved by the Executive Committee since 1991 in order to achieve the phase-out of ODS amounted to US \$*[to be completed]*, including US \$*[to be completed]* for agency support costs (excluding cancelled and transferred projects). Of the total project funds approved, the amounts allocated to, and disbursed by, each of the bilateral and implementing agencies, are indicated in the table below:

¹⁰ UNEP/OzL.Pro/ExCom/75/83

Agency	Funds approved* (US \$)	Agency support cost* (US \$)	Funds disbursed** (US \$)
Bilateral	[to be completed]	[to be completed]	[to be completed]
UNDP	[to be completed]	[to be completed]	[to be completed]
UNEP	[to be completed]	[to be completed]	[to be completed]
UNIDO	[to be completed]	[to be completed]	[to be completed]
World Bank	[to be completed]	[to be completed]	[to be completed]
Total	[to be completed]	[to be completed]	[to be completed]

* As at (excluding cancelled and transferred projects)

** As at (excluding cancelled and transferred projects)

(ii) Projects and activities approved during the reporting period

16. During the reporting period, the Executive Committee approved a total of [to be completed] additional projects and activities, with a planned phase-out of [to be completed] ODP tonnes in the production and consumption of controlled substances amounting to US \$[to be completed], including US \$[to be completed] for agency support costs as per the table below:

Agency	Funds approved(US \$)	Agency support cost (US \$)	Total (US \$)
Bilateral	[to be completed]	[to be completed]	[to be completed]
UNDP	[to be completed]	[to be completed]	[to be completed]
UNEP	[to be completed]	[to be completed]	[to be completed]
UNIDO	[to be completed]	[to be completed]	[to be completed]
World Bank	[to be completed]	[to be completed]	[to be completed]
Total	[to be completed]	[to be completed]	[to be completed]

Investment projects

17. Of the total funds approved in the period under review, the Executive Committee allocated US \$[to be completed], including US \$[to be completed] for agency support costs, for the implementation of investment projects to eliminate an estimated quantity of [to be completed] ODP tonnes in consumption and production of ODS.

HPMPs and HPPMPs

18. During the reporting period, the Executive Committee approved tranches of stage I of HPMPs for [to be completed] countries, and the fourth tranche of stage I of the HPPMP for one country (see Part I “Sub-group on the Production Sector” above). [To be completed]

19. Commitments in principle associated with stages I and II of HPMPs approved during the reporting period totalled [to be completed]. Funding in the amount of US \$[to be completed], including US \$[to be completed] in agency support costs, were approved for the first tranches of these agreements.

Demonstration projects

20. During the reporting period, the Executive Committee approved funding in the amount of US \$[to be completed], including US \$[to be completed] in agency support costs for [to be completed] projects to demonstrate low-GWP technologies in the [foam, RAC manufacturing, and refrigeration servicing] sectors.

Non-investment activities

21. During the reporting period, amendments to the 2015 work programmes [and 2016 work programmes] of UNDP¹¹, UNEP¹², UNIDO¹³ and the World Bank¹⁴ were approved (decisions 75/29 and 75/32 to 75/37, and decisions 76/[*to be completed*]). These covered: renewal of institutional strengthening projects; preparation for stage II of HPMPs and related investment activities, and stage II of an HPPMP; feasibility studies for district cooling; and surveys of alternatives to ODS.

(iii) Monitoring and evaluation

22. During the 75th meeting, the Executive Committee noted the 2015 consolidated project completion report¹⁵, urged bilateral and implementing agencies to submit outstanding project completion reports (PCRs) to the 76th meeting and invited all those involved in the preparation and implementation of multi-year agreements (MYAs) and individual projects to take into consideration the lessons learned from PCRs when preparing and implementing future projects (decision 75/5). By the same decision, the format of the PCR for HPMPs was approved and the Senior Monitoring and Evaluation Officer was requested to further develop the pilot application for searching for, and extracting, information on lessons learned in PCRs so that the application covered all the PCRs, and to report back to the 76th meeting. [*To be completed*]

23. The Executive Committee considered the MYA database report prepared pursuant to decision 74/6¹⁶ that suggested modifications to allow for the collection of the most needed data. Noting the MYA database report, the Executive Committee requested the Senior Monitoring and Evaluation Officer and the Secretariat to work closely with bilateral and implementing agencies on implementation of decision 74/6 and to report back to the 76th meeting (decision 75/6). [*To be continued*]

24. The Executive Committee also noted two desk studies, one on the evaluation of HCFC phase-out projects in the RAC manufacturing sector¹⁷ (decision 75/7) and the other on the evaluation of the pilot demonstration projects on ODS disposal and destruction¹⁸ (decision 75/8). Again, the Committee invited the bilateral and implementing agencies to take into account, when appropriate, the findings and recommendations of those desk studies. The Secretariat was requested to post on the Fund website the outcome of demonstration projects implemented to date and the key lessons learned from relevant completed projects.

25. The Executive Committee considered the draft monitoring and evaluation work programme for the year 2016. Views were expressed on the matter of the final evaluation of HCFC phase-out projects in the RAC manufacturing sector and the budget. After hearing the report of the informal group set up to discuss the matter, the Executive Committee approved the 2016 monitoring and evaluation work programme¹⁹ and a corresponding budget of US \$177,226, and approved terms of reference for phase two of the evaluation of HCFC phase-out projects in the RAC manufacturing sector (decision 75/9).

¹¹ UNEP/OzL.Pro/ExCom/75/29 and UNEP/OzL.Pro/ExCom/76/[*to be completed*]

¹² UNEP/OzL.Pro/ExCom/75/30 and UNEP/OzL.Pro/ExCom/76/[*to be completed*]

¹³ UNEP/OzL.Pro/ExCom/75/31 and UNEP/OzL.Pro/ExCom/76/[*to be completed*]

¹⁴ UNEP/OzL.Pro/ExCom/75/32 and UNEP/OzL.Pro/ExCom/76/[*to be completed*]

¹⁵ UNEP/OzL.Pro/ExCom/75/7

¹⁶ UNEP/OzL.Pro/ExCom/75/8

¹⁷ UNEP/OzL.Pro/ExCom/75/9

¹⁸ UNEP/OzL.Pro/ExCom/75/10

¹⁹ UNEP/OzL.Pro/ExCom/75/11/Rev.2

(iv) Progress reports as at 31 December 2014

26. At the 75th meeting, the Executive Committee noted the consolidated progress report of the Multilateral Fund as at 31 December 2014²⁰ and extended approved completion dates for three projects. The Secretariat was requested to prepare a paper for the 76th meeting to inform the Executive Committee of issues relating the recording of disbursements for activities associated with tranches of MYAs and planned completion dates of tranches (decision 75/10). The Committee also noted the progress reports of the bilateral and implementing agencies²¹, changed the completion dates for nine projects (decisions 75/11 to 75/15), and requested bilateral and implementing agencies to submit specific reports on several approved projects to the 76th meeting. [*To be completed*]

(v) Evaluation of the implementation of the 2014 business plans

27. The Committee noted the evaluation of the implementing agencies' performance against their 2014 business plans and the fact that all the agencies had a quantitative assessment of their performance for 2014 of at least 70 on a scale of 100²² (decision 75/16).

(vi) Tranche submission delays

28. The 75th meeting considered the report on tranche submission delay²³, noting that 56 of 79 tranches of MYAs due for submission had been submitted to the meeting on time and that five of those tranches had then been withdrawn following discussion with the Secretariat. There was, however, no indication that any of the countries with delayed tranches would be in non-compliance and all countries concerned were in compliance with the 2013 freeze on HCFC consumption. The Secretariat was requested to send letters to the governments concerned to urge submission of the next tranche (decision 75/4). [*To be completed*].

(vii) Country programme data and prospect of compliance

29. At the 75th meeting, the Executive Committee considered the document on country programme data and prospect of compliance²⁴. A number of concerns were raised regarding the proposed revised format for the country programme reports. An informal group was established to discuss the matter. After hearing the report, the Executive Committee noted that 100 of the 125 country programme reports for the year 2014 had been submitted using the web-based system. Bilateral and implementing agencies were requested to assist Article 5 countries in addressing discrepancies between country programme and Article 7 reports, and one implementing agency was requested to continue assisting three countries with steps relating to licensing and quota systems and to report back to the 76th meeting. [*To be completed*] The Committee also decided to continue using the existing country programme data format for 2015 country programme reports, but asked the Secretariat to prepare a revised format for consideration at the 76th meeting, taking into account the related issues raised at the 75th meeting (decision 75/17). [*To be completed*]

(viii) Status reports and reports on projects with specific requirements

30. At the 75th meeting, the Executive Committee considered the reports on projects with specific reporting requirements²⁵. These included the financial audit reports, work plans and progress reports for

²⁰ UNEP/OzL.Pro/ExCom/75/12

²¹ UNEP/OzL.Pro/ExCom/75/13 to UNEP/OzL.Pro/ExCom/75/17

²² UNEP/OzL.Pro/ExCom/75/18

²³ UNEP/OzL.Pro/ExCom/75/6

²⁴ UNEP/OzL.Pro/ExCom/75/19

²⁵ UNEP/OzL.Pro/ExCom/75/20 and Add.1

six sectors in China; action plans for the accelerated CFC production phase-out project and the phase-out in consumption and production of CTC in India; a report on the use of a high-GWP technology by foam enterprises that had been converted to a low-GWP technology in the Dominican Republic and in El Salvador; the final complementary report on low-cost options for the use of hydrocarbons in the manufacture of polyurethane foams in Egypt; and the report submitted by UNEP on actions taken to implement recommendations of the audit of the UNEP OzonAction Branch by the United Nations Office of Internal Oversight Services.

31. In relation to those reports, the Committee approved the two action plans for the accelerated CFC production phase-out project and the phase-out in consumption and production of CTC in India, and requested a number of actions from countries, bilateral and implementing agencies (decisions 75/18 to 21). This included *inter alia* requesting the Governments of China and India to undertake a study on their countries' use of CTC for feedstock applications – and in China on its production for feedstock applications – and to make the results of the studies available by the end-2018 for China and 2016 for India. *[To be completed]*

III. BUSINESS PLANNING, FINANCIAL AND ADMINISTRATIVE MATTERS

(i) Status of contributions and disbursements

32. As at *[to be completed]* 2016, the total income to the Multilateral Fund, including cash payments, promissory notes held, bilateral contributions, interest earned and miscellaneous income, amounted to US \$*[to be completed]*, and total allocations, including provisions, amounted to US \$*[to be completed]*. The balance available at *[to be completed]* 2016 therefore amounted to US \$*[to be completed]*.

33. The yearly distribution of contributions against pledges is shown in the table below:

Year	Pledged contributions US \$	Total payments US \$	Arrears/outstanding pledges US \$
1991-1993	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>
1994-1996	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>
1997-1999	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>
2000-2002	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>
2003-2005	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>
2006-2008	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>
2009-2011	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>
2012-2014	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>
2015-2017	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>
Total	<i>[to be completed]</i>	<i>[to be completed]</i>	<i>[to be completed]</i>

Note: Not including any disputed contributions.

Interest collected during the 2015–2017 triennium

34. As at *[to be completed]* 2016, the total level of interest recorded in the Treasurer's accounts amounted to US *[to be completed]* for the 2015–2017 triennium.

Fixed-exchange-rate mechanism (FERM)

35. The Treasurer informed the *[to be completed]* meeting of the total amounts gained from exchange differences since the inception of the FERM, which stood at US \$*[to be completed]* as at *[to be completed]* 2016.

Status of the Fund and schedule of release of funding approved at the 75th meeting

36. At its 75th meeting, the Executive Committee urged all parties to pay their contributions to the Multilateral Fund in full and as early as possible and requested the Secretariat, as follow-up to

decision 74/3(b) on outstanding contributions, to report to the 76th meeting on the feedback received from countries with outstanding contributions from one triennium or more (decision 75/1).

37. The meeting noted the return of funds and requested implementing agencies both to return to the 76th meeting balances from projects approved over two years previously and to disburse or cancel commitments not needed for completed projects and projects completed “by decision of the Executive Committee” so that they could return those balances to the 76th meeting (decision 75/2).

38. After receiving an update on the Fund balance and taking into account the return of funds, insufficient resources were available for commitment in relation to the funding approvals made at the 75th meeting. To address the shortfall, the World Bank and the Government of China agreed to a delay in the disbursement of part of the funding tranche of the 2016 annual implementation programme of stage I of the HPPMP for China until sufficient resources were available. Similarly, the Treasurer delayed the transfer of funds for the Secretariat’s 2018 budget. [To be completed]

(ii) Bilateral cooperation

39. During the reporting period, requests by France, Germany, Italy and Japan [*to be completed*] were approved to offset funds amounting to [*to be completed*] for bilateral projects (decisions 75/31 and 76/[*to be completed*]), bringing the total for bilateral cooperation since the inception of the Multilateral Fund to US \$[*to be completed*] (including agency fees and excluding cancelled and transferred projects), representing approximately [*to be completed*] per cent of the funds approved.

(iii) 2015–2017 business plan

40. At the 75th meeting, the Executive Committee noted the update on implementation of the 2015-2017 business plan²⁶ and that several of the activities in the 2015 business plan that had not been submitted to the 75th meeting had been included in the business plans of the bilateral and implementing agencies for the year 2016 (see Section III “2016–2018 business plan”, below). With respect to decision XXVI/10 by the Twenty-Sixth Meeting of the Parties requesting the Executive Committee to take action to ensure, as far as possible, that the whole of the triennial budget was committed by the end of the triennium, the Committee encouraged bilateral and implementing agencies to plan carefully the timing and value of tranches in stage II of HPMPs to reduce possible carryovers to a subsequent triennium due to the late submission of tranche requests (decision 75/3).

(iv) 2016–2018 business plan

41. At the 75th meeting, the Executive Committee endorsed the 2016–2018 consolidated business plan of the Multilateral Fund, as adjusted by the Secretariat and the Executive Committee during the meeting, and by adding to the 2016 business plan the HPMPs from the 2015 business plan that had been deferred at the 75th meeting (decision 75/22). Performance indicators were approved for the implementing agencies (decisions 75/23 to 75/27) and their individual business plans²⁷ were noted.

42. With regard to the business plan for Germany, the Government of Germany was requested to indicate how it would rationalize its new business plan activities in 2016 and 2017, taking into account approvals and forward commitments at the 75th meeting, to ensure that the level of funding did not exceed 20 per cent of Germany’s contribution for the 2015–2017 replenishment period and to report back to the 76th meeting (decision 75/23). [*To be completed*]

²⁶ UNEP/OzL.Pro/ExCom/75/5 and Add.1

²⁷ UNEP/OzL.Pro/ExCom/75/22 to UNEP/OzL.Pro/ExCom/75/26

(v) UNEP's Compliance assistance programme (CAP) budget for 2016

43. At the 75th meeting, the Executive Committee approved the 2016 CAP budget²⁸, in the amount of US \$9,540,000, plus agency support costs of 8 per cent, and noted both the 2016–2018 rolling strategy proposed by UNEP for its CAP and the approaches contained therein. UNEP was requested to continue to submit an annual work programme and budget for the CAP, providing detailed information on the progress of the four new activities identified in the 2016 work programme where the global funds would be used, extending the prioritization of funding between CAP budget lines so as to accommodate changing priorities and providing details on the reallocations made in its budget pursuant to decisions 47/24 and 50/26, and reporting on the current staff post levels and inform the Executive Committee of any changes thereto, particularly in respect to any increased budget allocations (decision 75/38).

(vi) Core unit costs for UNDP, UNIDO and the World Bank

44. At the 75th meeting, the Executive Committee approved core unit funding for 2016²⁹ for UNDP of US \$2,040,715, for UNIDO of US \$2,040,715, and for the World Bank of US \$1,725,000, noting that the World Bank's core unit operation was again below its budgeted level and that the World Bank would be returning unused balances (decision 75/39).

(vii) Terms of reference for the review of the administrative cost regime and its core unit funding budget

45. The Executive Committee approved the revised terms of reference for the review of the administrative cost regime, and its core unit funding budget³⁰, for the assessment of administrative costs for the 2018–2020 triennium, as well as a one-off budget for the Secretariat to conduct the administrative cost study (decision 75/69). The report on the review of the administrative cost regime and its core unit funding budget would be considered at the first meeting in 2017, in line with decision 73/62(c).

(viii) Accounts of the Multilateral Fund

46. At the 75th meeting, the Executive Committee noted: the final financial statements of the Multilateral Fund as at 31 December 2014³¹, which had been produced in accordance with International Public Sector Accounting Standards (IPSAS); feedback from the Treasurer on the bank account of the Multilateral Fund in New York, United States of America; and information on IPSAS-compatible ways of recording financial information. The Executive Committee requested the Treasurer to record in the 2015 accounts of the Multilateral Fund the differences between the implementing agencies' provisional 2014 financial statements and final 2014 statements and authorized the Treasurer to restate the 2014 expenditure balance in the 2015 accounts so that the UNIDO 2014 accounts met the IPSAS reporting requirements (decision 75/70).

47. The Executive Committee noted the reconciliation of the 2014 accounts³², the 2014 outstanding reconciling items, as well as a number of standing reconciling items, and requested the Treasurer and UNIDO to carry out a number of adjustments and related actions. UNEP was requested to submit a revised 2014 progress report to the 76th meeting with a view to completing the 2014 reconciliation of accounts exercise (decision 75/71). [*To be completed*]

²⁸ UNEP/OzL.Pro/ExCom/75/33/Rev.1

²⁹ UNEP/OzL.Pro/ExCom/75/34

³⁰ Annex XXXII of UNEP/OzL.Pro/ExCom/75/85

³¹ UNEP/OzL.Pro/ExCom/75/80

³² UNEP/OzL.Pro/ExCom/75/81

(ix) Budgets of the Fund Secretariat

48. At the 75th meeting, the Executive Committee noted the approved 2015, 2016, and 2017 and proposed 2018 budgets of the Fund Secretariat³³ and approved the staff and operational costs of the 2018 budget, based on a scenario of two meetings per year, while giving the Secretariat the option of providing an updated version at the 76th meeting. The Secretariat was authorized to reallocate funding among budget lines in the 2015 approved budget to absorb the additional costs incurred owing to the introduction of the UMOJA system in June 2015 and the need for a higher number of meeting documents than originally estimated. The Secretariat would report back to the Executive Committee at its 77th meeting if any funding transfers exceeded the 20 per cent limit within the Chief Officer's authority (decision 75/72). [*To be completed*]

(x) Fund Secretariat activities

49. During the period under review, the Fund Secretariat took actions³⁴ pursuant to the decisions taken by the Executive Committee at its previous meetings, and prepared documentation and provided conference services. In addition to the documents customarily prepared for Executive Committee meetings, the Secretariat also prepared documents, *inter alia*, on the policy matters referred to above.

50. The Secretariat analysed and reviewed [*to be completed*] funding requests and provided comments and recommendations for the Executive Committee's consideration. The requested level of funding for approval of US \$[*to be completed*], following project review, amounted to US \$[*to be completed*].

51. The meetings received updates on staff matters and on linkages and synergies with other multilateral environmental agreements and relevant organizations.

³³ UNEP/OzL.Pro/ExCom/75/82

³⁴ UNEP/OzL.Pro/ExCom/75/2 and [UNEP/OzL.Pro/ExCom/76/[*to be completed*]]