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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL

Nineteenth Meeting
Montreal, 8-10 May 1996

**REPORT OF THE NINETEENTH MEETING OF THE EXECUTIVE
COMMITTEE OF THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL**

INTRODUCTION

The Nineteenth Meeting of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol was held at Montreal from 8 to 10 May 1996 and was preceded by a meeting of the Sub-Committee on Project Review held at the same venue on 6 and 7 May 1996.

The Meeting was attended by representatives of the following countries members of the Executive Committee in accordance with decision VII/27 of the Seventh Meeting of the Parties:

- (a) Parties not operating under paragraph 1 of Article 5 of the Protocol: Australia, Austria, Denmark, Japan, Russian Federation, United Kingdom of Great Britain and Northern Ireland (Vice-Chairman), and United States of America;

- (b) Parties operating under paragraph 1 of Article 5 of the Protocol: Chile, Colombia, Egypt, India, Kenya (Chairman), Philippines and Senegal.

In accordance with the decisions taken by the Executive Committee at its Second and Eighth Meetings, representatives of the United Nations Development Programme (UNDP), the United Nations Environment Programme (UNEP), the United Nations Industrial Development Organization (UNIDO), and the World Bank attended the Meeting as observers.

Representatives of the Technical and Economic Assessment Panel were present.

Representatives of the Ozone Secretariat and the Secretariat of the Global Environment Facility (GEF) were also present.

A representative of the European Commission was present.

The Meeting was also attended by representatives of the following non-governmental organizations: Friends of the Earth, Greenpeace, State University of New York at Albany and Université du Québec à Montréal.

AGENDA ITEM 1: OPENING OF THE MEETING

1. The Meeting was opened by H.E. Prof. S.K. Ongeru (Kenya), Chairman of the Executive Committee, who welcomed participants, extending a special welcome to the new members of the Executive Committee. He drew attention to the Fund's impressive achievements during the short period of its existence and highlighted the tasks that laid ahead.

AGENDA ITEM 2: ORGANIZATIONAL MATTERS

(a) Adoption of the agenda

2. The Executive Committee adopted the following agenda:

1. Opening of the meeting.
2. Organizational matters:
 - (a) Adoption of the agenda;
 - (b) Organization of work.
3. Secretariat activities.
4. Financial matters:

- (a) Report from the Treasurer:
 - (i) The status of contributions and disbursements
 - (ii) The use of promissory notes and their implications for the liquidity of the Fund
 - (iii) 1995 accounts of the Multilateral Fund;
 - (b) Revised format for financial and progress reporting.
5. Report of the Sub-Committee on Project Review on:
- (a) Overview of policy issues including issues identified during project review;
 - (b) Bilateral cooperation;
 - (c) Work programmes and work programme amendments;
 - (d) Investment projects.
6. Progress reports of the implementing agencies:
- (a) Consolidated progress report;
 - (b) UNDP progress report;
 - (c) UNEP progress report;
 - (d) UNIDO progress report;
 - (e) World Bank progress report.
7. Country programmes:
- (a) Bahamas;
 - (b) Gambia;
 - (c) Lebanon;
 - (d) Morocco;
 - (e) Papua New Guinea;
 - (f) Tunisia;
 - (g) Viet Nam.
8. Progress of implementation of country programmes.
9. Guidelines for renewal of institutional-strengthening projects.
10. Innovative approaches for the phasing out of ozone-depleting substances in low-ODS-consuming countries.
11. Approaches to ODS phase-out in small and medium-sized enterprises.

12. The role of cost-effectiveness thresholds in sectoral phase-out proposals and guidelines for umbrella projects.
13. Re-examination of guidelines for halon fire extinguisher conversion projects.
14. Duration of transitional periods for incremental operating costs and savings.
15. Three-year rolling business plan.
16. Report of the second meeting of the Expert Group on the production of substitutes for ODS.
17. Terms of reference for the study on technology transfer.
18. Change of ownership of approved projects.
19. Training strategy options for the phase-out of ozone-depleting substances under the Multilateral Fund.
20. Design of a monitoring and evaluation system for the Multilateral Fund (draft terms of reference).
21. Other matters.
22. Adoption of the report
23. Closure of the meeting.

(b) Organization of work

3. The Meeting decided to follow its customary procedure.

AGENDA ITEM 3: SECRETARIAT ACTIVITIES

4. The Chief Officer reported on the activities of the Secretariat since the Eighteenth Meeting and introduced document UNEP/OzL.Pro/ExCom/19/2. He also drew attention to the bilateral cooperation requests, approved inter-sessionally by the Executive Committee between the Eighteenth and Nineteenth Meetings.

5. The Executive Committee took note with appreciation of the report on Secretariat activities.

AGENDA ITEM 4: FINANCIAL MATTERS

(a) **Report from the Treasurer**

(i) **Status of contributions and disbursements**

6. The Treasurer introduced his report on the updated status of contributions and disbursements of the Trust Fund for the Multilateral Fund (UNEP/OzL.Pro/ExCom/19/3 and Corr.1, Part I), pointing out that the decision taken by the Seventh Meeting of the Parties to adopt the new United Nations scale of assessments (decision VII/37) had given rise to some discussion and had necessitated the inclusion of a column for disputed contributions in the table showing the status of contributions for 1996.

7. The Executive Committee decided:

- (a) To take note of the status of the Fund and of contributions for the period 1991-1996 as at 10 May 1996 (see Annex I below);
- (b) To note that the resources available in the Fund as at 10 May 1996 stood at US \$29,822,150; and
- (c) To welcome the advice that France and Germany would pay their contributions in the very near future, Denmark would pay the major part of its 1996 contribution within one month, Japan intended to pay its contribution according to the former scale shortly, the United States would shortly pay the remainder of its 1995 contribution and a portion of its 1996 contribution, and Italy would soon be in a position to pay its outstanding contributions.

(Decision 19/1)

(ii) **Use of promissory notes and their implications for the liquidity of the Fund**

8. The Treasurer drew attention to the section of his report on promissory notes and their implications for the liquidity of the Fund (UNEP/OzL.Pro/ExCom/19/3 and Corr.1, Part II), which had been prepared in response to the request made by the Executive Committee to the Treasurer in its decision 18/1 to report to the Committee at its Nineteenth Meeting on the issues entailed by the receipt of contributions in the form of promissory notes, specifically in regard to the implications for the liquidity of the Fund of receiving an increasing number of contributions in that form, with a view to identifying a permanent solution to the problem.

9. With regard to the transfer of notes to the World Bank, the Treasurer was pleased to report that all current problems in this respect had been resolved as the format of the notes used

by Canada, France, Germany and the United Kingdom all now allowed for the rights of UNEP as payee to be designated to another organization such as the World Bank.

10. The Treasurer was also pleased to report that significant progress had been made towards UNDP and UNIDO partly accepting promissory notes as committable resources in the near future. Both organizations were currently in the process of amending their rules, regulations and/or financial management practices, as necessary, in order to allow commitments to be made based on resources in the form of promissory notes held either by the agencies themselves or by UNEP as Treasurer of the Fund. It would be necessary to amend the existing agreements between the Executive Committee and the agencies to reflect the acceptance of promissory notes, and it was expected that both UNDP and UNIDO would be in a position to table these amendments for the consideration and approval of the Executive Committee at its Twentieth Meeting.

11. The Executive Committee noted with satisfaction the progress made in resolving issues entailed by the receipt of contributions in the form of promissory notes.

(iii) 1995 accounts of the Multilateral Fund

12. The Treasurer drew attention to the 1995 accounts of the Multilateral Fund (UNEP/OzL.Pro/ExCom/19/3 and Corr.1, Part III).

13. The Executive Committee took note of the 1995 accounts of the Multilateral Fund presented by the Treasurer.

(b) Revised format for financial and progress reporting

14. The Chief Officer introduced document UNEP/OzL.Pro/ExCom/19/4.

15. The Executive Committee decided to convene a meeting of the Sub-Committee on Financial Matters (Australia, Austria, Philippines (Chairman) and Senegal) to address the issues raised in the document. The Sub-Committee reported back to the Executive Committee under agenda item 6 (see paragraph 0 below).

AGENDA ITEM 5: REPORT OF THE SUB-COMMITTEE ON PROJECT REVIEW

16. The representative of Colombia, Chairman of the Sub-Committee on Project Review (Australia, Colombia (Chairman), Egypt, India, United Kingdom and United States of America), introduced the Sub-Committee's report (UNEP/OzL.Pro/ExCom/19/5), which contained the recommendations of the Sub-Committee on a number of issues, as well as the list of new projects recommended for approval.

(a) Overview of policy issues, including issues identified during project review

Projects involving conversion to HCFCs

17. The Executive Committee, noting the recommendation of the Sub-Committee (UNEP/OzL.Pro/ExCom/19/5, para. 12), decided:

- (a) To take note of decision VII/3 of the Seventh Meeting of the Parties to control HCFCs and to note further that projects involving conversion to HCFCs should be considered in the light of that decision, as well as other relevant factors;
- (b) That in the future, in cases where conversion to HCFCs was recommended, the implementing agencies should be requested to provide a full explanation of the reasons why such conversion was recommended, together with supporting documentation that the criteria laid down by the Executive Committee for transitional substances had been met, and should make it clear that the enterprises concerned had agreed to bear the cost of subsequent conversion to non-HCFC substances; and
- (c) To request the Secretariat to prepare for examination by the Executive Committee at its Twentieth Meeting a paper on:
 - (i) The historical background to HCFC conversion projects;
 - (ii) What information on alternatives to HCFCs had been provided by the implementing agencies to the applicant countries, and how that information had been received and acted upon; and
 - (iii) The justifications given for the choice of one technology over another.

(Decision 19/2)

35 per cent over-programming

18. The Executive Committee, having considered the recommendation of the implementing agencies concerning a reduction in the level of over-programming for project proposals (UNEP/OzL.Pro/ExCom/19/6/Rev.1, para. 23), decided that, since the matter was a technical and administrative issue which had not originally been the subject of an Executive Committee decision, it could be left for resolution among the implementing agencies and the Secretariat.

(Decision 19/3)

Sectoral distribution

19. The Executive Committee, noting the recommendation of the Sub-Committee on the sectoral distribution of projects (UNEP/OzL.Pro/ExCom/19/5, para. 16), decided to request the implementing agencies and countries to include with each project proposal submitted for approval by the Executive Committee a brief description of how the project would contribute to helping the country to achieve the 1999 freeze.

(Decision 19/4)

Methyl bromide

20. The Executive Committee considered the recommendations of the Sub-Committee on Project Review on methyl bromide (UNEP/OzL.Pro/ExCom/19/5, paras. 17-19), and also had before it a conference room paper containing proposed policy guidance for methyl bromide projects, which had been prepared by a member of the Executive Committee, after his offer to do so had been accepted with appreciation by the Sub-Committee (UNEP/OzL.Pro/ExCom/19/5, para. 19).

21. The Executive Committee decided:

- (a) To note the need to coordinate work on this subject and to request the Fund Secretariat to consult with other interested parties, such as agricultural departments at the national level and the Food and Agriculture Organization of the United Nations at the international level, to ensure that all concerned were aware of and working towards the same goals;
- (b) To invite the United Nations Industrial Development Organization to take the lead in preparing, in collaboration with the other implementing agencies, a brief paper on the work currently in progress on alternatives to methyl bromide, funded both on bilateral and multilateral bases through financial programmes other than the Multilateral Fund, and to present it for the consideration of the Executive Committee at its Twentieth Meeting.

(Decision 19/5)

Halon production closure projects

22. Having considered that part of the report of the Sub-Committee dealing with two halon production closure projects that had been submitted to, but not approved by, the Executive Committee at its Eighteenth Meeting (UNEP/OzL.Pro/ExCom/19/5, paras. 21-22), the Executive Committee, decided:

- (a) To recall that, at its Thirteenth Meeting, the Executive Committee had approved a project on halon-1211 production closure (Tongxiang Chemical Fertilizer Factory), to be implemented by the World Bank. Approval was contingent on a permanent decrease in the total national halon production at a level of at least 400 tonnes below current levels as indicated in the project;
- (b) To recall also its decision 18/5, by which it had decided:
 - (i) That no action should be taken on these projects until guidelines for the production-sector phase-out had been agreed upon by the Executive

Committee; and

- (ii) That when such guidelines were in place, re-submission of the projects should be accompanied by a satisfactory explanation of how they met the conditions of the agreement reached between China and the Committee at the Thirteenth Meeting;
- (c) To note that the World Bank had informed the Secretariat that the closure of the Tongxiang plant was concluded in December 1994 but that it would not disburse any funds for the Tongxiang project until the conditions of the Committee were met;
- (d) To take note of an explanation by the Chinese Government contained in a conference room paper circulated at the current Meeting and of a statement made by the member from China in the delegation of the Philippines, in which he reaffirmed his country's commitment to honouring its international obligations for the protection of the ozone layer and stated that while the engagement entered into by China at the Thirteenth Meeting had itself been contingent on the provision of sufficient international support and transfer of technology to achieve a reduction in the level of production of halons in accordance with the country programme, the actual funding for such projects received by China had been very low, at a time of unexpectedly high market demand for fire-fighting equipment, despite his Government's efforts to limit halon consumption;
- (e) To take note also of the outcome of the subsequent meeting of the Sub-Committee on Project Review, following which the Sub-Committee recommended that the Tongxiang project should be cancelled. However, taking note of the fact that this plant closure had achieved a permanent 400-tonne reduction, the Executive Committee decided, as an exceptional measure, that, of the amount approved at the Thirteenth Meeting, the World Bank should release US \$104,000 to China as an enterprise incentive and final compensation, and should return the remaining funds, amounting to US \$734,000, to the Multilateral Fund.

(Decision 19/6)

23. Following the decision, the member from China in the delegation of the Philippines requested that the following statement be included in the report:

“ I deeply regret the recommendation of the Sub-Committee on Project Review, but in view of the worsening plight of the 50 unemployed workers from the Tongxiang plant, I have no choice but to accept the unreasonable recommendation of US \$104,000, which will do no more than cover the workers' salaries for two years.

“Additionally, I am very worried about this Executive Committee decision, which will have significant negative effects on ODS phase-out in China.

“ It is a very disappointing response to all of China's creative efforts, and it seems that the more China does, the less return it receives. The explanation given by the Chinese

government clearly laid out the reasons for the failure to achieve an overall reduction in halon production.

“ I hope that there will be no more Executive Committee decisions like this one, which is very unfair to China in particular and developing countries in general.”

Low-pressure versus high-pressure foaming machines

24. The Executive Committee, recalling that, by paragraph (i) of its decision 18/10, it had approved a recommendation to request the implementing agencies to study the feasibility of using low-pressure foaming machines with HCFC-141b formulations in the manufacture of rigid foams (UNEP/OzL.Pro/ExCom/18/75, annex V, para. 3), decided:

- (a) To note that two projects submitted to the Nineteenth Meeting proposed the use of low-pressure machines; and
- (b) To request the implementing agencies to take this and related technological developments into account and, in consultation with the Fund Secretariat, to prepare a report on the subject for submission to the Twentieth Meeting.

(Decision 19/7)

Funding for the related safety equipment for the conversion to hydrocarbons in enterprises that are no longer using CFCs

25. The Executive Committee, noting the recommendations of the Sub-Committee (UNEP/OzL.Pro/ExCom/19/5, paras. 8-9) concerning two proposed aerosol projects in Kenya in enterprises that had already completed the phase-out of ODS, decided to approve a payment of 50 per cent of the cost of the projects, on the strict understanding such approval did not set a precedent and that similar projects would not be considered as eligible for funding in the future.

(Decision 19/8)

Projects for partial conversion in domestic refrigeration

26. The Executive Committee agreed with the Sub-Committee's view that it was important to have an overall picture of the cost-effectiveness of a project as a whole, even if it was intended to implement it in stages, and accordingly decided to approve the Sub-Committee's request to the implementing agencies to present projects as a whole, which in the refrigeration sector would comprise both a foam component and a refrigerant component (UNEP/OzL.Pro/ExCom/19/5, paras. 27-28).

(Decision 19/9)

Work programme preparation and project preparation funding

27. The Executive Committee, noting the recommendations of the Sub-Committee (UNEP/OzL.Pro/ExCom/19/5, paras. 13-15), decided:

- (a) That project preparation activities additional to the 1996 business plans should not be funded;
- (b) That, notwithstanding subparagraph (a) above, activities related to country programme preparation and institutional-strengthening projects, even in the event that they were additional to the 1996 business plans, should continue to be approved;
- (c) To request the implementing agencies, commencing with the 1997 business plans, to set aside 10 to 15 per cent of their total project preparation funding to cover unforeseen project preparation activities.

(Decision 19/10)

Other policy issues contained in the report of the Sub-Committee on Project Review

28. The Executive Committee decided to consider under the relevant agenda items the other policy issues set out in the Sub-Committee's report, namely, the guidelines for renewal of institutional-strengthening projects (agenda item 9); innovative approaches for the phasing out of ozone-depleting substances in low-ODS-consuming countries (agenda item 10); the question of approaches to ODS phase-out in small and medium-sized enterprises (agenda item 11); the role of cost-effectiveness thresholds in sectoral phase-out proposals and guidelines for umbrella projects (agenda item 12); re-examination of halon fire extinguisher conversion project guidelines (agenda item 13); and duration of transitional periods for incremental operating costs and savings (agenda item 14).

(b) Bilateral cooperation

29. Having considered the project proposals to be funded through bilateral cooperation, together with the comments and recommendations of the Secretariat thereon (UNEP/OzL.Pro/ExCom/19/7), the Executive Committee decided to approve the requests from the Governments of France and Switzerland to credit against their 1996 and 1995 contributions, respectively, the amounts indicated in Annex II to the present report.

(Decision 19/11)

(c) Work programmes and work programme amendments

- **1996 UNEP work programme**

30. The Executive Committee, having considered the 1996 UNEP work programme and the comments and recommendations of the Secretariat thereon (UNEP/OzL.Pro/ExCom/19/9 and Corr.1), together with the related parts of the report of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/19/5, paras. 38-40), decided:

- (a) To note that the proposal for US \$109,800 to prepare an inventory and assessment of environmentally sound and economically viable technologies and know-how conducive to phase-out of ozone-depleting substances had not been contained in the UNEP business plan approved by the Executive Committee at its Eighteenth Meeting but had been called for by the Seventh Meeting of the Parties by its decision VII/22;
- (b) Bearing in mind, however, that some elements of the activity referred to in subparagraph (a) above went beyond UNEP's core clearing-house functions, to approve the sum of US \$50,000 for it;
- (c) That any further activities undertaken by UNEP should be financed through a reprioritization of its core funding; and
- (d) To approve the 1996 UNEP work programme, as amended by the present decision, at a level of US \$3,060,718, comprising US \$2,708,600 and 13 per cent support costs of US \$352,118, as indicated in Annex III to this report.

(Decision 19/12)

- Work programme amendments

31. Having considered the amendments to the work programmes of UNDP (UNEP/OzL.Pro/ExCom/19/8), UNIDO (UNEP/OzL.Pro/ExCom/19/10) and the World Bank (UNEP/OzL.Pro/ExCom/19/11), together with the comments and recommendations of the Fund Secretariat thereon, the Executive Committee decided, in accordance with its decisions 19/10, on work programme preparation and project preparation funding, and 19/29, on renewal of institutional-strengthening projects:

- (a) To approve the UNDP work programme amendments relating to institutional-strengthening projects, as indicated in Annex III to the present report;
- (b) Not to approve, in accordance with decision 19/10:
 - (i) The amendments to the UNDP work programme as contained in document UNEP/OzL.Pro/ExCom/19/8, except as provided for in subparagraph (a) above;

- (ii) The amendments to the UNIDO work programme as contained in document UNEP/OzL.Pro/ExCom/19/10;
- (iii) The amendments to the World Bank work programme as contained in document UNEP/OzL.Pro/ExCom/19/11.

(Decision 19/13)

(d) Investment projects

- Project proposals and resource allocation

32. The Executive Committee decided:

- (a) In accordance with decision 18/11, subparagraph (a), to approve for funding at the Nineteenth Meeting the projects and activities approved as eligible for funding, but not funded, at the Eighteenth Meeting, as indicated in Annex IV to the report of that Meeting (UNEP/OzL.Pro/ExCom/18/75);
- (b) To approve as eligible for funding the projects and activities listed in Annex IV to the present report;
- (c) To note that, since the projects carried over from the Eighteenth Meeting, the four institutional-strengthening extensions and the UNEP work programme together totalled US \$28,106,763, giving a remaining balance of US \$1,715,388, no funds were currently available for the new investment projects, the cost of which amounted to approximately US \$21.8 million; and
- (d) In view of the likelihood that an amount of funds to cover the new projects approved for funding would be deposited relatively soon, as stated by the Treasurer and certain members of the Executive Committee in the course of the Meeting, to request the Treasurer, when sufficient funds have been received, to notify all members of the Executive Committee, through the Fund Secretariat, and to release the recommended levels of funding to the pertinent agencies, in order to fund simultaneously all of the new projects approved for funding.

(Decision 19/14)

- Decisions relating to individual projects and activities

Chile: Montreal Protocol implementation programme - Phase II

33. The Executive Committee, having considered that part of the report of the Sub-Committee on Project Review relating to phase II of the Montreal Protocol implementation programme in Chile (UNEP/OzL.Pro/ExCom/19/5, paras. 34-37), decided:

- (a) To approve the project as eligible for funding at an initial level of US \$1 million;
- (b) That no additional funding would be provided until there had been an evaluation of the project as funded to date.

(Decision 19/15)

India: Conversion of refrigerator manufacture to cyclopentane foam-blowing agent at Godrej-GE Appliances Ltd. (GGEAL)

34. The Executive Committee, noting the discussion in the Sub-Committee on Project Review regarding the project for the conversion of refrigerator manufacture to cyclopentane foam-blowing agent at Godrej-GE Appliances Ltd. (GGEAL) in India (UNEP/OzL.Pro/ExCom/19/5, paras. 29-33), decided:

- (a) To note that, following an assurance by the representative of India that the enterprise concerned would not seek any further funds if the cost-effectiveness threshold were to be exceeded for the complete conversion, the Sub-Committee had decided that funding should not be withheld on the basis of the partial-conversion aspect of the project (UNEP/OzL.Pro/ExCom/19/5, para. 29);
- (b) To endorse the suggestion of the Chairman of the Sub-Committee that the World Bank and the Secretariat should attempt to resolve their technical disagreement and present their findings to the next meeting of the Sub-Committee (UNEP/OzL.Pro/ExCom/19/5, para. 32);
- (c) Also to endorse the decision of the Sub-Committee that, as a general rule, any technical matters of disagreement should be communicated to the members of the Sub-Committee at least two weeks before a Sub-Committee meeting, so that they could come to the meeting prepared to discuss the issues (UNEP/OzL.Pro/ExCom/19/5, para. 33).

(Decision 19/16)

Malaysia: Umbrella project to phase out ODS at SMEs in the aerosol sector

35. In approving as eligible for funding the umbrella project to phase out ODS at small and medium-sized enterprises in the aerosol sector in Malaysia, the Executive Committee decided:

- (a) To endorse the statement in the report of the Sub-Committee on Project Review that its positive recommendation was based on the fact that the project involved small and medium-sized enterprises, would eliminate all aerosol uses, the costs were less than double the cost-effectiveness threshold, national laws banning new uses had been adopted, the Government would not request further funding in the sector and every effort had been made to reduce costs through consolidation (UNEP/OzL.Pro/ExCom/19/5, para. 47);
- (b) That its decision to approve the project as eligible for funding did not constitute a precedent.

(Decision 19/17)

Philippines: Umbrella project covering five companies for conversion from CFC-11 used as foam blowing agent into HCFC-141b, and CFC-12 and R-502 used as refrigerant into HFC-134a and HFC-404a (Gomeco, Chee Puck, Well Built, Low Temp Corporation, Allied Metals)

36. Having considered that part of the report of the Sub-Committee relating to the Philippines umbrella project covering five companies for conversion from CFC-11 used as foam-blowing agent into HCFC-141b, and CFC-12 and R-502 used as refrigerant into HFC-134a and HFC-404a (UNEP/OzL.Pro/ExCom/19/5, paras. 48-49), the Executive Committee decided:

- (a) To note the view expressed in the Sub-Committee that, as a matter of principle for future operations, unless otherwise provided for, projects with low- and high-cost effectiveness should not be combined in order to achieve a cost-effectiveness figure that would enable the project to be funded;
- (b) To note that, since it was determined that the project as submitted would not constitute phase-out of the subsector, UNDP had withdrawn the two subprojects that did not meet individual cost-effectiveness thresholds (Low Temp Corporation, Allied Metals) and only the remaining three subprojects were submitted (Gomeco, Chee Puck, Well Built);

- (c) To approve as eligible for funding the project for the three enterprises in the amount of US \$156,475;
- (d) To note that:
 - (i) The overall cost-effectiveness of the project was below the threshold value and each of the three enterprises individually also met the cost-effectiveness threshold in the subsector; and
 - (ii) The recovery/recycling component had been excluded from the project.

(Decision 19/18)

Philippines: Elimination of CFC-12 in the manufacture of household refrigerators at Philacor, Concepcion, Sanyo and Trans-Union Corp.

37. Having considered the recommendations of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/19/5, paras. 10-11) concerning the project proposal for the elimination of CFC-12 in the manufacture of household refrigerators at Philacor, Concepcion, Sanyo and Trans-Union Corp. in the Philippines, as contained in document UNEP/OzL.Pro/ExCom/19/28/Rev.1, the Executive Committee decided:

- (a) To approve an amount of US \$952,000 to fund the phase-out activities at Philacor and Concepcion;
- (b) To give the Government of the Philippines the discretion to allocate among the enterprises in the original umbrella project, as it saw fit, the funding approved for the activities at Philacor and Concepcion; and
- (c) To request the World Bank to prepare a report for the Twentieth Meeting on implementation of the project approved at the Ninth Meeting for conversion of the foam part of refrigerator manufacture by the same enterprises. The report should address the issues raised in paragraph 9 of document UNEP/OzL.Pro/ExCom/9/16/Add.1 and the conference room paper on issues identified by the Secretariat during the project review for the Philippines household refrigeration project, tabled at the meeting of the Sub-Committee on Project Review held prior to the Eighteenth Meeting of the Executive Committee. In particular, it should provide detailed information on the change of technology and consequent reallocation of major areas of expenditure so that the Executive Committee might be informed as to eligibility and the reasonableness of costs.

(Decision 19/19)

Philippines: Elimination of the use of CFC-13, trichloroethane (TCA), CFC-11 and CFC-12 at multiple corporations that manufacture special formulations for various industrial markets

38. In approving as eligible for funding the Philippines project for the elimination of the use of CFC-13, trichloroethane (TCA), CFC-11 and CFC-12 at multiple corporations that manufacture special formulations for various industrial markets, the Executive Committee decided that such approval was subject to the following conditions:

- (a) The test chemicals were to be placed under the control of UNDP and the project consultant and provided to the enterprises for consultant-supported tests only. Duplication of testing for similar formulations was to be avoided. Any residual chemicals would be carried forward to the second and final phase of the project;
- (b) The operational costs would not be made available by UNDP until the companies had demonstrated a complete ODS phase-out in their blending operations;
- (c) The Government of the Philippines would not seek funding from the Multilateral Fund for phase-out of ODS by the end-users.

(Decision 19/20)

Sudan: Phasing out of ODS at three small domestic refrigerator factories in Sudan (Coldair Refrigerator Factory, Modern Refrigerator and Metal Furniture Co., Sheet Metal Industries Co. Refrigerator Factory)

39. In approving as eligible for funding the project for the phasing out of ODS at three small domestic refrigerator factories in Sudan, the Executive Committee decided:

- (a) To note that:
 - (i) The total incremental cost of the project had been revised to US \$100,000, bringing the overall cost-effectiveness of the project within the threshold for the domestic refrigeration sector (US \$13.76/kg);
 - (ii) The cost-effectiveness of the least cost-effective enterprise was less than 100 per cent above the threshold value; and
 - (iii) The project would achieve complete ODS phase-out in the domestic refrigeration subsector in Sudan;
- (b) To agree that approval of the project as eligible for funding should be without prejudice to any refinements that might be made to the guidelines for the approval of umbrella projects adopted by decision 19/32, and should not constitute a decision of principle

on the issue of whether or not to approve projects covering 100 per cent of a given sector rather than the residual element.

(Decision 19/21)

Other project proposals considered individually by the Sub-Committee

40. The Executive Committee decided:

(a) To note that the project proposal for the elimination of CFCs in the manufacture of rigid polyurethane foam in small and medium-sized enterprises in India (UNEP/OzL.Pro/ExCom/19/6/Rev.1, Annex III) had been presented for information only and would be submitted by UNDP for approval at the Twentieth Meeting (UNEP/OzL.Pro/ExCom/19/5, para. 53);

(b) To note also that the project proposal for the elimination of CFC-11 and CFC-12 in the manufacture of domestic refrigerators and freezers at Multibras s.a. in Brazil (UNEP/OzL.Pro/ExCom/19/13 and Corr.1), for which the Secretariat's review had been completed and the funding agreed between the Fund Secretariat and UNDP, would be resubmitted to the Twentieth Meeting, on the basis of an agreement that had been reached between UNDP and the Fund Secretariat (UNEP/OzL.Pro/ExCom/19/5, para. 54).

(Decision 19/22)

AGENDA ITEM 6: PROGRESS REPORTS OF THE IMPLEMENTING AGENCIES

(a) Consolidated progress report

41. The Chief Officer introduced the consolidated progress report of the implementing agencies (UNEP/OzL.Pro/ExCom/19/39 and Corr.1), which presented an overview of project allocations by implementing agency and sector, followed by an analysis of the three sections of the agencies' project databases. The report was based on information provided by the implementing agencies in the mandatory format for progress and financial reporting, and a number of problems that had been encountered were identified.

42. The Sub-Committee on Financial Matters was asked to examine, with the help of the implementing agencies and the Secretariat, the major problems and critiques that had been highlighted, and to report back to the Executive Committee.

43. Following an oral report by the Chairman of the Sub-Committee on Financial Matters, the Executive Committee decided:

- (a) To approve the revisions to the database format for progress and financial reporting, adopted in decision 17/22, as contained in Annex V to the present report;
- (b) To take note of the importance of ensuring that the information in the narrative of the report was fully consistent with that contained in the database submitted by the implementing agencies;
- (c) That there would be two reports per year, with reporting periods concluding on 31 December for a report to be received by the Secretariat on 15 March, and 30 June for a report to be received by the Secretariat on 1 September, unless otherwise mutually agreed by the Secretariat and the implementing agency;
- (d) To request the implementing agencies to include in the data submitted information on dates of approval and implementation of projects and disbursement of the funds, on a project-by-project basis, and to highlight in the narrative the reasons for any delays, since such delays could lock up Fund resources for significant periods, possibly several years;
- (e) To request the implementing agencies as a matter of course to identify for each project whether or not an implementing agreement was already in place, so that the Executive Committee would be able to assess whether each project was likely to be implemented within a short span of time or to be significantly delayed; and
- (f) To request the implementing agencies to provide the content of the database to the Executive Committee in diskette form, with a printout available on request.

(Decision 19/23)

(b) UNDP progress report

44. The Executive Committee decided:

- (a) To take note with appreciation of the progress report of UNDP (UNEP/OzL.Pro/ExCom/19/40 and Corr.1); and
- (b) To note that UNDP had reported a credit of US \$4,660,955 available to offset against new project approvals for UNDP at the current Meeting and comprising:
 - (i) 1995 interest income under its Montreal Protocol Trust Fund amounting to US \$4,004,425; and
 - (ii) The remaining project balance totalling US \$656,530, comprising US \$581,000 plus support costs of US \$75,530 as UNDP, in consultation with the Government of Mexico, had cancelled the FACOSA compressor

subproject of the VITRO Group project (MEX/REF/15/INV/031) after FACOSA had been fully taken over by a multinational company and only US \$3,000 of the project costs had been expended.

(Decision 19/24)

(c) UNEP progress report

45. The Executive Committee took note with appreciation of the progress report of UNEP (UNEP/OzL.Pro/ExCom/19/41).

(d) UNIDO progress report

46. The Executive Committee took note with appreciation of the progress report of UNIDO (UNEP/OzL.Pro/ExCom/19/42).

(e) World Bank progress report

47. The Executive Committee decided:

- (a) To take note with appreciation of the progress report of the World Bank (UNEP/OzL.Pro/ExCom/19/43);
- (b) To note that the World Bank had brought to the attention of the Secretariat the credits and adjustments reported in Table III-5 of its progress report, which totalled US \$2,618,732; and
- (c) With regard to the transfer by the World Bank to UNDP of its aerosols demonstration project in India (IND/ARS/17/DEM/50: Conversion of five aerosol filling installations to manual filling equipment using HAP):
 - (i) To take note of the transfer of the project by the World Bank to UNDP;
 - (ii) To note that the Treasurer would debit the World Bank and credit UNDP with the project budget of US \$181,550; and
 - (iii) To approve a sum of US \$17,613 for UNDP as the remaining balance of project support costs.

(Decision 19/25)

AGENDA ITEM 7: COUNTRY PROGRAMMES

48. Under this item, the Executive Committee had before it the country programmes for Bahamas (UNEP/OzL.Pro/ExCom/19/44), Gambia (UNEP/OzL.Pro/ExCom/19/45), Lebanon (UNEP/OzL.Pro/ExCom/19/46), Morocco (UNEP/OzL.Pro/ExCom/19/47), Papua New Guinea (UNEP/OzL.Pro/ExCom/19/48), Tunisia (UNEP/OzL.Pro/ExCom/19/49) and Viet Nam (UNEP/OzL.Pro/ExCom/19/50).

49. The Executive Committee decided:

- (a) To approve the country programmes of Bahamas, Gambia, Lebanon, Morocco, Papua New Guinea, Tunisia and Viet Nam, while noting that such approval did not denote approval of the projects therein or their funding levels, except as indicated in subparagraphs (b)-(f) below which is also reflected in Annex III to this report;
- (b) In the case of Bahamas:
 - (i) To request UNDP to assist the Government of Bahamas in the preparation of the refrigerant recovery and recycling programme identified in the country programme; and
 - (ii) To approve the amount of US \$50,000 for institutional strengthening and US \$6,500 support costs for UNEP, and to request UNEP not to disburse any funds for this activity until after the preparation of a refrigerant recovery and recycling programme and its approval by the Executive Committee;
- (c) In the case of Gambia, to approve the amount of US \$42,200 for institutional strengthening and US \$9,500 for training of customs officers to be implemented as part of the institutional strengthening, and US \$6,721 support costs for UNEP, and to request UNEP not to disburse any funds for these activities until after the preparation of a refrigerant recovery and recycling programme, including training in refrigeration, and its approval by the Executive Committee;
- (d) In the case of Lebanon, to approve the amount of US \$179,000 for institutional strengthening and US \$23,270 support costs for UNEP, the activity to be included in the 1996 UNEP work programme;
- (e) In the case of Morocco, to approve the amount of US \$179,000 for institutional strengthening and US \$23,270 support costs for UNEP, the activity to be included in the 1996 UNEP work programme; and
- (f) In the case of Papua New Guinea, to approve the amount of US \$45,800 for institutional strengthening and US \$5,954 support costs for UNEP, and to request

UNEP not to disburse any funds for this activity until after the preparation of a refrigerant recovery and recycling programme and its approval by the Executive Committee.

(Decision 19/26)

50. The Executive Committee requested the Governments of Bahamas, Gambia, Lebanon, Morocco, Papua New Guinea, Tunisia, and Viet Nam to present annually information to the Executive Committee on progress being made in the implementation of the country programme, in accordance with the decision of the Executive Committee on implementation of country programmes (UNEP/OzL.Pro/ExCom/10/40, para. 135). Using the approved format, the initial report, covering the period 15 May 1996 to 31 December 1996, should be submitted to the Fund Secretariat no later than 31 March 1997.

(Decision 19/27)

AGENDA ITEM 8: PROGRESS OF IMPLEMENTATION OF COUNTRY PROGRAMMES

51. The Chief Officer introduced document UNEP/OzL.Pro/ExCom/19/51, which contained an update on the report on progress of implementation of country programmes.

52. The Executive Committee decided:

- (a) That the data submitted to the Ozone Secretariat and those submitted to the Fund Secretariat should be reconciled; and
- (b) That discrepancies in data provided by Parties to the Ozone Secretariat and to the Secretariat of the Multilateral Fund should be submitted to the Executive Committee.

(Decision 19/28)

AGENDA ITEM 9: GUIDELINES FOR RENEWAL OF INSTITUTIONAL-STRENGTHENING PROJECTS

53. The Chief Officer introduced UNEP/OzL.Pro/ExCom/19/52 and Corr.1, which set out in paragraphs 32-38 and their relevant annexes proposed guidelines for considering extensions or renewals of institutional-strengthening projects.

54. The Executive Committee decided:

- (a) In the case of countries requesting institutional-strengthening projects for the first time, approval would be for three years;
- (b) Initial renewals would be at the same level of funding as the first approval; would be for two years; and would be conditional upon a report of progress and an articulated plan of future actions, this report to be submitted six months before the end of the three-year approval period; and
- (c) Any subsequent renewal would also be for two years; and would also be conditional upon a report of progress and an articulated plan of future actions.

(Decision 19/29)

AGENDA ITEM 10: INNOVATIVE APPROACHES FOR THE PHASING OUT OF OZONE-DEPLETING SUBSTANCES IN LOW-ODS-CONSUMING COUNTRIES

55. The Executive Committee, having considered the report submitted by UNEP on innovative approaches for the phasing-out of ozone-depleting substances in low-ODS-consuming countries (UNEP/OzL.Pro/ExCom/19/53), decided:

- (a) To take note of the report submitted by UNEP;
- (b) To endorse the methodology in the report for approaches to institutional strengthening and country programme formulation in low- and very-low-volume-ODS-consuming countries and to encourage UNEP to implement the methodology on a trial basis;
- (d) To request UNEP, in keeping with subparagraph (d) of decision VII/25 of the Seventh Meeting of the Parties, to continue its work for the preparation of an overall approach in addressing the needs of low-volume-ODS-consuming countries by, inter alia, drawing on the experience and ongoing activities of other organizations and to submit a report thereon to the Executive Committee at its Twentieth Meeting.

(Decision 19/30)

AGENDA ITEM 11: APPROACHES TO ODS PHASE-OUT IN SMALL AND MEDIUM-SIZED ENTERPRISES

56. The Executive Committee, having considered the joint report of UNDP and UNEP on approaches to ODS phase-out in small and medium-sized enterprises (UNEP/OzL.Pro/ExCom/19/54), decided:

- (a) To take note with appreciation of the joint report of UNDP and UNEP;
- (b) To pursue consideration of approaches to phase-out of ODS in small and medium-sized enterprises;
- (c) To request comments in writing from members of the Executive Committee on the approaches outlined in the document with a view to the Secretariat preparing a new document in consultation with the implementing agencies for consideration by the Twentieth Meeting; and
- (e) To consider requests in projects related to small and medium-sized enterprises for unavoidable and unintentional technology upgrades on a case-by-case basis.
- (f)

(Decision 19/31)

AGENDA ITEM 12: THE ROLE OF COST-EFFECTIVENESS THRESHOLDS IN SECTORAL PHASE-OUT PROPOSALS AND GUIDELINES FOR UMBRELLA PROJECTS

57. The Executive Committee, having considered the documents on the role of cost-effectiveness thresholds in sectoral phase-out proposals and guidelines for umbrella projects prepared by the Secretariat (UNEP/OzL.Pro/ExCom/19/55 and Corr.1), as well as the recommendations of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/19/5, paras. 42 and 43), decided:

- (a) For a trial period of 18 months, to consider an umbrella project as eligible for funding if it met all the following conditions:
 - (i) The umbrella project included all the remaining enterprises in a sector or subsector for which cost-effectiveness thresholds had been established by the Executive Committee;
 - (ii) The country concerned would submit no further requests for funding from the Multilateral Fund for any enterprise in that sector or subsector;
 - (iii) The overall cost-effectiveness of the umbrella project fell within the sectoral threshold established by the Executive Committee;
 - (iv) No individual enterprise proposal had a cost-effectiveness threshold more than 100 per cent above the established threshold;
- (b) To request the Secretariat and the implementing agencies to discuss further the

question of the percentage of a country's original level of consumption for the sector or subsector accounted for by the enterprises included in the umbrella project and, in the light of the comments made and the experience gained, to report to the Executive Committee at its Twentieth Meeting.

(Decision 19/32)

AGENDA ITEM 13: RE-EXAMINATION OF GUIDELINES FOR HALON EXTINGUISHER CONVERSION PROJECTS

58. The Executive Committee, having considered the document on the re-examination of guidelines for halon fire extinguisher conversion projects prepared by the Secretariat (UNEP/OzL.Pro/ExCom/19/56), as well as the recommendations of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/19/5, para. 23), decided:

- (a) To note that halon fire conversion projects in China would be presented to the Executive Committee in the context of China's strategy for this subsector;
- (b) That there was no need at present to amend any of the existing provisions of the guidelines for halon fire extinguisher conversion projects; and
- (c) To note that the Fund Secretariat and the implementing agencies would develop a joint paper proposing an addition to the guidelines to address capital and operating costs.

(Decision 19/33)

AGENDA ITEM 14: DURATION OF TRANSITIONAL PERIODS FOR INCREMENTAL OPERATING COSTS AND SAVINGS

59. The Executive Committee, having considered the Secretariat's overview of the question of the duration of incremental operating costs (UNEP/OzL.Pro/ExCom/19/6/Rev.1, para. 29), together with the recommendations of the Sub-Committee thereon (UNEP/OzL.Pro/ExCom/19/5, para. 29), decided:

- (a) To request the implementing agencies to provide information relating to incremental operating costs and their durations in project completion reports; and
- (b) To further request the implementing agencies to consult with the Secretariat on a consistent format for project completion reports.

(Decision 19/34)

60. The representative of India requested that the following statement be included in the report:

“ Wherever there are savings, the duration is longer and wherever there are losses the duration is shorter. If acceptable, when savings are made the duration could be reduced to two years.

“ There is little point in adopting this approach if approval is on a project-by-project basis. The Executive Committee approved principles and they should apply as such. There should be no subsequent application and decision on a project-by-project basis.

“ In the entry on the aerosol sector in the table on page 4, it should be stated that savings resulting from CFC phase-out for contract aerosol fillers, in circumstances where a parallel market exists, should be excluded, in accordance with Executive Committee decision 17/15.”

AGENDA ITEM 15: THREE-YEAR ROLLING BUSINESS PLAN

61. The Secretariat introduced UNEP/OzL.Pro/ExCom/19/58, which had been prepared in response to the request of the Seventh Meeting of the Parties (decision VII/23) that the Executive Committee provide to the Parties at their Eighth Meeting a full three-year rolling business plan based on the outline and framework approved by the Parties at their Seventh Meeting. This first draft for a rolling business plan covering the period 1996-1998 was submitted for discussion by the Executive Committee and guidance to the Secretariat on any further work to be done.

62. After an exchange of views during which a number of suggestions were advanced, the Executive Committee decided:

(a) To request the Secretariat to finalize the paper to the extent possible in the light of the discussion; and

(b) To submit it to the next meeting of the Open-ended Working Group.

(Decision 19/35)

AGENDA ITEM 16: REPORT OF THE SECOND MEETING OF THE EXPERT GROUP ON THE PRODUCTION OF SUBSTITUTES FOR ODS

63. The Chief Officer introduced UNEP/OzL.Pro/ExCom/19/59, which was the report of the Production Sector Expert Group and reflected the opinions of the members of that Group. In addition to the experts commissioned by the Secretariat, both Article 5 and non-Article 5 countries had been represented at the Group's Second Meeting, with each group of countries being represented by two members. However, the country representatives had not reviewed the Report,

which had been prepared by the Expert Group itself. Particular attention was called to paragraph 28, which summarized the results of the Group's discussions into two categories: Category 1, Recommendations for a possible decision by the Executive Committee; and Category 2, Guidance required from the Executive Committee.

64. Following a discussion of several issues, the Executive Committee decided:

(a) That:

- (i) Each Article 5 producer country should complete the Preliminary Data on the Production Sector form in Annex VI to the present report and submit it to the Fund Secretariat by 31 December 1996;
- (ii) The Article 5 producer country should inform the Executive Committee eight months before it is ready to submit its sector phase-out plan according to the format provided in Annex VII to the present report. The Executive Committee should commission a technical audit of the production sector of the country concerned in conjunction with the preparation of the sector plan. This will enable the results of the technical audit to be incorporated into the sector plan and serve as a reference point for reviewing the sector plan. The Executive Committee should approve funding for the preparation of the sector plan and the technical audit;
- (iii) The technical audit should follow the terms of reference provided in Annex VIII to the present report and include a detailed questionnaire/check-list to be developed prior to the commencement of the audit;
- (iv) The technical audit should be conducted by a combined team of local and international experts;
- (v) Pending the completion of sector plans, the Executive Committee should focus on closure projects which could be considered according to interim guidelines with the understanding that guidelines on other types of projects, e.g. conversions and erecting ODS substitutes production, should be developed at a later date;
- (vi) In general, the cost of dismantling the old plant should be offset by the scrap value of the old plant. However, this should be examined on a case-by-basis;

- (vii) The environmental clean-up of the ODS-producing facility should not constitute an incremental cost; however, it should be done in an environmentally responsible manner;
- (b) To approve the formats for preliminary data on the production sector and the form for the sector phase-out plan, included in Annexes VI-VII to the present report;
- (c) To approve the collection of “Quantities of exported CFCs” called for in item 3.3 on page 2 of Annex VI to the present report, where countries were willing to provide such data, but not to insist on collection if countries regarded the export data as confidential;
- (d) To approve the collection of data on “Total employees per CFC plant table 4.1 on page 4 of Annex VI to the present report; and
- (e) To appoint a subgroup composed of the representatives of Australia, Chile, India, Philippines, the United Kingdom and the United States to study the non-approved parts of the report on the day prior to the next meeting of the Open-ended Working Group in Geneva, and submit a revised document to the Twentieth Meeting of the Executive Committee.

(Decision 19/36)

AGENDA ITEM 17: TERMS OF REFERENCE FOR THE STUDY ON TECHNOLOGY TRANSFER

65. The Secretariat introduced draft Terms of Reference for the Study on Technology Transfer (UNEP/OzL.Pro/ExCom/19/60), together with a conference room paper containing modifications proposed by India to the draft terms of reference. In accordance with decision VII/26 of the Seventh Meeting of the Parties, a final report on this issue had to be presented to the Eighth Meeting of the Parties.

66. The Chairman appointed a subgroup composed of the representatives of Australia, Austria, Colombia, India, Philippines and the United States to try to reconcile the proposal contained in document UNEP/OzL.Pro/ExCom/19/60, the version submitted by India in the conference room paper, and the proposal by Friends of the Earth that “know-how” should be added to

67. The subgroup met but was unable to resolve the differences that had emerged in the discussion. The Executive Committee then decided that the matter should be taken up again at the Twentieth Meeting of the Executive Committee.

(Decision 19/37)

AGENDA ITEM 18: CHANGE OF OWNERSHIP OF APPROVED PROJECTS

68. The Secretariat introduced document UNEP/OzL.Pro/ExCom/19/61, which contained a draft decision covering “what action would be taken when a locally-owned company for which a project had been approved became significantly foreign- (i.e. non-Article 5) owned, before or after the signature of the project document or grant agreement with the implementing agency.” The document had been prepared in response to Executive Committee decision 18/14, subparagraph (d).

69. The Executive Committee decided:

- (a) Where, following project approval by the Executive Committee, an implementing agency is notified ex post facto that an ownership shift occurred in the period after project submission to the Fund Secretariat but before formal approval by the Executive Committee, the implementing agency shall, where such company is fully sold to a non-eligible entity, cancel the project and return the grant funds to the Multilateral Fund, or, shall reduce the grant component to correspond to the share of national ownership, in which case the implementing agency will need to obtain from the enterprise concerned an official commitment/guarantee to full project implementation and provision of counterpart funds, since only partial funding will be provided through the Multilateral Fund;
- (b) Where an ownership shift occurs after Executive Committee approval but before signature of the project document or grant/sub-grant agreement, the implementing agency shall, where such company is fully sold to a non-eligible entity, cancel the project and return the grant funds to the Multilateral Fund, or, shall reduce the grant component to correspond to the share of national ownership, in which case the implementing agency will need to obtain from the enterprise concerned an official commitment/guarantee to full project implementation and provision of counterpart funds, since only partial funding will be provided through the Multilateral Fund;
- (c) Where an ownership shift occurs after the implementing agency and the government/company have already signed the project document or grant/sub-grant agreement but before the equipment procurement process has started, implementing agencies shall, where such company is fully sold to a non-eligible entity, cancel the project and return the grant funds to the Multilateral Fund, or, shall reduce the grant component to correspond to the share of national ownership, in which case the implementing agency will need to obtain from the enterprise concerned an official commitment/guarantee to full project implementation and provision of counterpart funds, since only partial funding will be provided through the Multilateral Fund;

- (d) Where an ownership shift occurs after the implementing agency and the government/company have signed the project document or grant/sub-grant agreement and the equipment procurement process is under way and financial obligations raised and/or servicing contracts have been entered into, implementing agencies shall continue project implementation as usual, consistent with their legal obligations;
- (e) Implementing agencies should ensure that all project documents and grant/sub-grant agreements include a condition that, should a partial or complete shift in ownership of an Article 5 enterprise to a non-Article 5 entity occur following project approval by the Executive Committee, the grant component shall be reduced or cancelled in accordance with the above-specified circumstances, and unutilized funds returned by the implementing agency to the Multilateral Fund.

(Decision 19/38)

AGENDA ITEM 19: TRAINING STRATEGY OPTIONS FOR THE PHASE-OUT OF OZONE-DEPLETING SUBSTANCES UNDER THE MULTILATERAL FUND

70. The representative of UNEP introduced document UNEP/OzL.Pro/ExCom/19/62 explaining that the document had been prepared in response to a request by the Executive Committee at its Ninth Meeting, in March 1993. He pointed out that some time had been required to elapse for the results of training to become evident and be described in the report. He also stated that, of the four options for training identified in the document, Option 3, Enhanced Coordination: Making Better Use of Existing Training Infrastructures, was the most cost-effective. Certain questions on the implementation of Option 3, on which the guidance of the Executive Committee was sought, were contained in Annex 8 to the document.

71. The Executive Committee decided:

- (a) To take note of the report on training options contained in document UNEP/OzL.Pro/ExCom/19/62; and
- (b) That Option 3 was the preferred framework for considering training strategies; and
- (c) That it was not necessary to establish a training advisory committee.

(Decision 19/39)

AGENDA ITEM 20: DESIGN OF A MONITORING AND EVALUATION SYSTEM FOR THE MULTILATERAL FUND (DRAFT TERMS OF REFERENCE)

72. The Chief Officer introduced the draft terms of reference for the design of a monitoring and evaluation system for the Multilateral Fund (UNEP/OzL.Pro/ExCom/19/63), which been prepared in collaboration with the implementing agencies in pursuance of Executive Committee decision 18/20.

73. The Executive Committee decided:

- (a) To endorse the draft terms of reference for the design of a monitoring and evaluation system for the Multilateral Fund;
- (b) To authorize the Secretariat, in cooperation with the implementing agencies, to proceed with the preparation of a draft monitoring and evaluation system for submission to the Executive Committee at its Twentieth Meeting.

(Decision 19/40)

AGENDA ITEM 21: OTHER MATTERS**Report of the Executive Committee on actions taken to improve the Financial Mechanism for the implementation of Montreal Protocol pursuant to decision VII/22 of the Seventh Meeting of the Parties**

74. The Executive Committee decided:

- (a) To authorize the Secretariat to prepare and circulate to members of the Executive Committee a draft report on actions that the Executive Committee had already taken pursuant to decision VII/22 of the Seventh Meeting of the Parties to the Montreal Protocol to improve the Financial Mechanism for the implementation of the Protocol;
- (b) To further authorize the Secretariat to finalize the report on the basis of the comments on the draft received from the members of the Executive Committee and to submit it, on behalf of the Committee and through the Ozone Secretariat, for the consideration of the Open-ended Working Group of the Parties to the Montreal Protocol at its thirteenth meeting, to be held in Geneva from 26 to 29 August 1996.

(Decision 19/41)

Date and place of the Twentieth Meeting of the Executive Committee

75. The Executive Committee decided that its Twentieth Meeting would be held in Montreal from 16 to 18 October 1996. The Meeting would be preceded by a meeting of the Sub-Committee on Project Review at the same venue on 14 and 15 October 1996.

(Decision 19/42)

AGENDA ITEM 22: ADOPTION OF THE REPORT

76. The Executive Committee adopted the present report, on the basis of the draft report contained in documents UNEP/OzL.Pro/ExCom/19/L.1 and Add.1, at its closing session, on 10 May 1996.

AGENDA ITEM 23: CLOSURE OF THE MEETING

77. Following the customary exchange of courtesies, the Chairman declared the Nineteenth Meeting of the Executive Committee closed at 2:35 p.m. on Friday, 10 May 1996.

ANNEX I

MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL	
Status of the Fund as at 10 May 1996 in US \$	
INCOME	
Contributions received:-	
- Cash payments	355,043,014
- Promissory notes	74,557,614
Bilateral cooperation	14,689,605
Interest earned	26,910,602
Miscellaneous income	2,840,248
TOTAL	474,041,083
EXECUTIVE COMMITTEE ALLOCATIONS AND STATUS OF AGENCY ACCOUNTS	
UNDP (*)	122,697,542
- Cash advances	121,181,375
- Interest income retained	6,290,192
- Due from the Fund	(4,774,025)
UNEP	17,886,068
- Cash advances	17,455,352
- Interest income retained	853,681
- Due from the Fund	(422,965)
UNIDO(*)	79,478,211
- Cash advances	79,404,264
- Interest income retained	3,166,953
- Due from the Fund	(3,093,006)
World Bank(*)	192,833,089
- Cash advances	118,952,828
- Promissory notes encashed	8,230,079
- Promissory notes held	40,368,072
- Pending promissory note transfers	14,049,526
- Interest income retained	11,232,584
Bilateral Cooperation	14,689,605
Secretariat and Executive Committee meeting costs (1991-1996)	15,710,497
- includes provision for staff contracts to 1998	
Programme support (1991-1998)	923,920
TOTAL	444,218,932
BALANCE AVAILABLE	29,822,151

(*) Executive Committee allocations include adjustments reported by the agencies to the Secretariat as follows:
US\$ (656,530) for UNDP; US\$ (5,807) for UNIDO; and US\$ (2,618,732) for the World Bank.

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL
1991 - 1996 SUMMARY CONTRIBUTIONS STATUS
AS AT 10 MAY 1996

DESCRIPTION	1991 (US \$)	1992 (US \$)	1993 (US \$)	1994 (US \$)	1995 (US \$)	1996 (US \$)	TOTAL (US \$)
PLEDGED CONTRIBUTIONS	53,308,224	73,322,709	112,897,375	148,369,289	148,143,050	151,666,667	687,707,314
CASH PAYMENTS	45,566,338	58,532,941	86,234,123	94,295,647	66,024,251	4,389,714	355,043,014
BILATERAL ASSISTANCE	480,000	1,726,772	2,282,736	4,874,062	5,326,035	0	14,689,605
PROMISSORY NOTES	0	3,283,914	7,994,173	24,160,513	30,331,371	8,787,644	74,557,614
TOTAL PAYMENTS	46,046,338	63,543,627	96,511,032	123,330,222	101,681,657	13,177,358	444,290,233
DISPUTED CONTRIBUTIONS	0	0	0	0	0	1,193,325	1,193,325
OUTSTANDING PLEDGES	7,261,886	9,779,082	16,386,343	25,039,067	46,461,393	0	137,295,984
PAYMENTS/PLEDGES %AGE	86.38%	86.66%	85.49%	83.12%	68.64%	8.69%	64.60%

INTEREST EARNED	540,614	1,757,933	3,025,097	5,701,779	11,211,677	4,673,502	26,910,602
MISCELLANEOUS INCOME	703,334	522,219	216,520	651,433	428,554	318,188	2,840,248

TOTAL INCOME	47,290,286	65,823,779	99,752,649	129,683,434	113,321,888	18,169,048	474,041,083
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1991 - 1996	Total Outstanding Contributions	242,223,756
	%age to Total Pledges	35.22%
1991 - 1996	Outstanding Contributions for Economies in Transition	76,388,718
	%age to Total Pledges	11.11%

1991 - 1995	Total Outstanding Contributions	104,927,771
	%age to Total Pledges	19.57%
1991 - 1995	Outstanding Contributions for Economies in Transition	63,983,981
	%age to Total Pledges	11.94%

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

1991- 1996 SUMMARY CONTRIBUTIONS STATUS

AS AT 10 MAY 1996

PARTY	AGREED CONTRIBUTIONS (US \$)	CASH PAYMENTS (US \$)	BILATERAL ASSISTANCE (US \$)	PROMISSORY NOTES (US \$)	DISPUTED CONTRIBUTIONS (US \$)	OUTSTANDING CONTRIBUTIONS (US \$)
AUSTRALIA	12,169,842	11,211,703	231,407	0	0	726,732
AUSTRIA	6,212,240	4,705,733	0	0	0	1,506,507
BELARUS	3,309,593	0	0	0	0	3,309,593
BELGIUM	8,588,289	6,833,600	0	0	0	1,754,689
BRUNEI DARUSSALAM	34,833	0	0	0	0	34,833
BULGARIA	897,207	753,523	0	0	0	143,684
CANADA	24,948,120	17,570,767	2,169,483	0	0	5,207,870
CYPRUS	148,670	96,421	0	0	0	52,249
CZECH REPUBLIC	2,903,667	2,410,272	0	0	0	493,395
DENMARK	5,399,598	3,944,981	205,000	0	0	1,249,617
FINLAND	4,574,634	3,499,179	0	0	0	1,075,455
FRANCE	49,291,382	5,921,449	630,031	31,611,363	693,288	10,435,251
GERMANY	72,586,953	34,713,431	1,355,296	20,769,566	0	15,748,660
GREECE	2,938,344	3,238,531	0	0	0	(300,187)
HUNGARY	1,420,925	896,378	0	0	0	524,547
ICELAND	241,067	188,818	0	0	0	52,249
IRELAND	1,498,654	1,446,898	0	0	0	51,756
ISRAEL	1,574,736	1,368,851	0	0	0	205,885
ITALY	35,611,289	7,620,945	0	0	0	27,990,344
JAPAN	103,665,716	76,783,706	0	0	0	26,882,010
KUWAIT	286,549	0	0	0	0	286,549
LATVIA	143,684	0	0	0	0	143,684
LIECHTENSTEIN	80,356	62,940	0	0	0	17,416
LITHUANIA	148,038	0	0	0	0	148,038
LUXEMBOURG	499,552	499,552	0	0	0	0
MALTA	28,052	28,052	0	0	0	0
MONACO	59,787	59,787	0	0	0	0
NETHERLANDS	12,426,686	7,917,488	0	1,744,365	0	2,764,833
NEW ZEALAND	1,928,536	1,928,536	0	0	0	0
NORWAY	4,436,982	3,461,671	0	0	0	975,311
PANAMA	16,915	16,915	0	0	0	0
POLAND	3,327,029	473,318	0	0	0	2,853,711
PORTUGAL	1,708,280	1,229,333	0	0	0	478,947
RUSSIAN FEDERATION	54,813,611	0	0	0	0	54,813,611
SINGAPORE	531,221	459,245	71,976	0	0	0
SLOVAKIA	902,278	419,727	0	0	0	482,551
SOUTH AFRICA	3,201,108	2,859,433	30,000	0	0	311,675
SPAIN	16,532,425	12,417,832	0	0	0	4,114,593
SWEDEN	9,271,415	7,133,568	0	0	0	2,137,847
SWITZERLAND	9,116,083	6,762,471	0	0	0	2,353,612
TURKMENISTAN	56,603	0	0	0	0	56,603
UKRAINE	12,841,967	785,600	0	0	0	12,056,367
UNITED ARAB EMIRATES	1,623,182	559,639	0	0	0	1,063,543
UNITED KINGDOM	40,596,712	19,664,354	0	20,432,321	500,037	0
UNITED STATES OF AMERICA	173,751,570	105,098,367	9,996,412	0	0	58,656,791
UZBEKISTAN	1,362,934	0	0	0	0	1,362,934
TOTAL	687,707,314	355,043,014	14,689,605	74,557,614	1,193,325	242,223,756

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL
STATUS OF CONTRIBUTIONS FOR 1996
AS AT 10 MAY 1996

PARTY	AGREED CONTRIBUTIONS (US \$)	CASH PAYMENTS (US \$)	BILATERAL ASSISTANCE (US \$)	PROMISSORY NOTES (US \$)	DISPUTED CONTRIBUTIONS (US \$)	OUTSTANDING CONTRIBUTIONS (US \$)
AUSTRALIA	2,577,608	1,850,876	0	0	0	726,732
AUSTRIA	1,506,507	0	0	0	0	1,506,507
BELARUS	509,426	0	0	0	0	509,426
BELGIUM	1,754,689	0	0	0	0	1,754,689
BRUNEI DARUSSALAM	34,833	0	0	0	0	34,833
BULGARIA	143,684	0	0	0	0	143,684
CANADA	5,403,397	195,527	0	0	0	5,207,870
CYPRUS	52,249	0	0	0	0	52,249
CZECH REPUBLIC	452,823	0	0	0	0	452,823
DENMARK	1,249,617	0	0	0	0	1,249,617
FINLAND	1,075,455	0	0	0	0	1,075,455
FRANCE	11,159,474	0	0	30,935	693,288	10,435,251
GERMANY	15,748,660	0	0	0	0	15,748,660
GREECE	661,818	962,005	0	0	0	(300,187)
HUNGARY	243,828	0	0	0	0	243,828
ICELAND	52,249	0	0	0	0	52,249
IRELAND	365,742	313,986	0	0	0	51,756
ISRAEL	465,885	260,000	0	0	0	205,885
ITALY	9,052,105	0	0	0	0	9,052,105
JAPAN	26,882,010	0	0	0	0	26,882,010
KUWAIT	0	0	0	0	0	0
LATVIA	143,684	0	0	0	0	143,684
LIECHTENSTEIN	17,416	0	0	0	0	17,416
LITHUANIA	148,038	0	0	0	0	148,038
LUXEMBOURG	121,914	121,914	0	0	0	0
MALTA	0	0	0	0	0	0
MONACO	17,416	17,416	0	0	0	0
NETHERLANDS	2,764,833	0	0	0	0	2,764,833
NEW ZEALAND	417,990	417,990	0	0	0	0
NORWAY	975,311	0	0	0	0	975,311
PANAMA	0	0	0	0	0	0
POLAND	587,799	0	0	0	0	587,799
PORTUGAL	478,947	0	0	0	0	478,947
RUSSIAN FEDERATION	7,750,239	0	0	0	0	7,750,239
SINGAPORE	0	0	0	0	0	0
SLOVAKIA	143,684	0	0	0	0	143,684
SOUTH AFRICA	561,675	250,000	0	0	0	311,675
SPAIN	4,114,593	0	0	0	0	4,114,593
SWEDEN	2,137,847	0	0	0	0	2,137,847
SWITZERLAND	2,107,368	0	0	0	0	2,107,368
TURKMENISTAN	56,603	0	0	0	0	56,603
UKRAINE	1,985,455	0	0	0	0	1,985,455
UNITED ARAB EMIRATES	330,909	0	0	0	0	330,909
UNITED KINGDOM	9,256,746	0	0	8,756,709	500,037	0
UNITED STATES OF AMERICA	37,916,667	0	0	0	0	37,916,667
UZBEKISTAN	239,474	0	0	0	0	239,474
TOTAL	151,666,667	4,389,714	0	8,787,644	1,193,325	137,295,984

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL
STATUS OF CONTRIBUTIONS FOR 1995
AS AT 10 MAY 1996

PARTY	AGREED CONTRIBUTIONS (US \$)	CASH PAYMENTS (US \$)	BILATERAL ASSISTANCE (US \$)	PROMISSORY NOTES (US \$)	OUTSTANDING CONTRIBUTIONS (US \$)
AUSTRALIA	2,633,990	2,513,094	120,896	0	0
AUSTRIA	1,308,273	1,308,273	0	0	0
BELARUS	837,295	0	0	0	837,295
BELGIUM	1,849,026	1,849,026	0	0	0
BRUNEI DARUSSALAM	0	0	0	0	0
BULGARIA	226,767	226,767	0	0	0
CANADA	5,424,973	4,523,393	901,580	0	0
CYPRUS	34,887	34,887	0	0	0
CZECH REPUBLIC	732,633	692,061	0	0	40,572
DENMARK	1,133,837	928,837	205,000	0	0
FINLAND	994,288	994,288	0	0	0
FRANCE	10,466,186	0	375,257	10,090,929	0
GERMANY	15,577,174	0	0	15,577,174	0
GREECE	610,528	610,528	0	0	0
HUNGARY	313,986	33,267	0	0	280,719
ICELAND	52,331	52,331	0	0	0
IRELAND	313,986	313,986	0	0	0
ISRAEL	401,204	401,204	0	0	0
ITALY	7,483,323	0	0	0	7,483,323
JAPAN	21,717,336	21,717,336	0	0	0
KUWAIT	0	0	0	0	0
LATVIA	0	0	0	0	0
LIECHTENSTEIN	17,444	17,444	0	0	0
LITHUANIA	0	0	0	0	0
LUXEMBOURG	104,662	104,662	0	0	0
MALTA	0	0	0	0	0
MONACO	17,444	17,444	0	0	0
NETHERLANDS	2,616,547	872,182	0	1,744,365	0
NEW ZEALAND	418,647	418,647	0	0	0
NORWAY	959,400	959,400	0	0	0
PANAMA	0	0	0	0	0
POLAND	819,851	0	0	0	819,851
PORTUGAL	348,873	348,873	0	0	0
RUSSIAN FEDERATION	11,704,685	0	0	0	11,704,685
SINGAPORE	0	0	0	0	0
SLOVAKIA	226,767	0	0	0	226,767
SOUTH AFRICA	715,189	715,189	0	0	0
SPAIN	3,453,841	3,453,841	0	0	0
SWEDEN	1,936,244	1,936,244	0	0	0
SWITZERLAND	1,936,244	1,690,000	0	0	246,244 (*)
TURKMENISTAN	0	0	0	0	0
UKRAINE	3,261,961	0	0	0	3,261,961
UNITED ARAB EMIRATES	366,317	0	0	0	366,317
UNITED KINGDOM	8,756,709	5,837,806	0	2,918,903	0
UNITED STATES OF AMERICA	37,916,667	13,453,241	3,723,302	0	20,740,124
UZBEKISTAN	453,535	0	0	0	453,535
TOTAL	148,143,050	66,024,251	5,326,035	30,331,371	46,461,393

* Withheld by Parties for bilateral cooperation cooperation.

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL
STATUS OF CONTRIBUTIONS FOR 1994
AS AT 10 MAY 1996

PARTY	AGREED CONTRIBUTIONS (US \$)	CASH PAYMENTS (US \$)	BILATERAL ASSISTANCE (US \$)	PROMISSORY NOTES (US \$)	OUTSTANDING CONTRIBUTIONS (US \$)
AUSTRALIA	2,633,990	2,567,190	66,800	0	0
AUSTRIA	1,308,273	1,308,273	0	0	0
BELARUS	837,295	0	0	0	837,295
BELGIUM	1,849,026	1,849,026	0	0	0
BRUNEI DARUSSALAM	0	0	0	0	0
BULGARIA	226,767	226,767	0	0	0
CANADA	5,424,973	4,990,403	434,570	0	0
CYPRUS	34,887	34,887	0	0	0
CZECH REPUBLIC	732,633	732,633	0	0	0
DENMARK	1,133,837	1,133,837	0	0	0
FINLAND	994,288	994,288	0	0	0
FRANCE	10,466,186	0	254,774	10,211,412	0
GERMANY	15,577,174	9,047,864	1,336,918	5,192,392	0
GREECE	610,528	610,528	0	0	0
HUNGARY	313,986	313,986	0	0	0
ICELAND	52,331	52,331	0	0	0
IRELAND	313,986	313,986	0	0	0
ISRAEL	401,204	401,204	0	0	0
ITALY	7,483,323	0	0	0	7,483,323
JAPAN	21,717,336	21,717,336	0	0	0
KUWAIT	0	0	0	0	0
LATVIA	0	0	0	0	0
LIECHTENSTEIN	17,444	17,444	0	0	0
LITHUANIA	0	0	0	0	0
LUXEMBOURG	104,662	104,662	0	0	0
MALTA	0	0	0	0	0
MONACO	17,444	17,444	0	0	0
NETHERLANDS	2,616,547	2,616,547	0	0	0
NEW ZEALAND	418,647	418,647	0	0	0
NORWAY	959,400	959,400	0	0	0
PANAMA	16,915	16,915	0	0	0
POLAND	819,851	0	0	0	819,851
PORTUGAL	348,873	348,873	0	0	0
RUSSIAN FEDERATION	11,704,685	0	0	0	11,704,685
SINGAPORE	209,324	169,324	40,000	0	0
SLOVAKIA	226,767	114,667	0	0	112,100
SOUTH AFRICA	715,189	685,189	30,000	0	0
SPAIN	3,453,841	3,453,841	0	0	0
SWEDEN	1,936,244	1,936,244	0	0	0
SWITZERLAND	1,936,244	1,936,244	0	0	0
TURKMENISTAN	0	0	0	0	0
UKRAINE	3,261,961	0	0	0	3,261,961
UNITED ARAB EMIRATES	366,317	0	0	0	366,317
UNITED KINGDOM	8,756,709	0	0	8,756,709	0
UNITED STATES OF AMERICA	37,916,667	35,205,667	2,711,000	0	0
UZBEKISTAN	453,535	0	0	0	453,535
TOTAL	148,369,289	94,295,647	4,874,062	24,160,513	25,039,067

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL
STATUS OF CONTRIBUTIONS FOR 1993
AS AT 10 MAY 1996

PARTY	AGREED CONTRIBUTIONS (US \$)	CASH PAYMENTS (US \$)	BILATERAL ASSISTANCE (US \$)	PROMISSORY NOTES (US \$)	OUTSTANDING CONTRIBUTIONS (US \$)
AUSTRALIA	2,011,867	2,007,550	4,317	0	0
AUSTRIA	999,272	999,272	0	0	0
BELARUS	639,534	0	0	0	639,534
BELGIUM	1,412,304	1,412,304	0	0	0
BRUNEI DARUSSALAM	0	0	0	0	0
BULGARIA	173,207	173,207	0	0	0
CANADA	4,143,646	3,310,313	833,333	0	0
CYPRUS	26,647	26,647	0	0	0
CZECH REPUBLIC	559,592	559,592	0	0	0
DENMARK	866,035	866,035	0	0	0
FINLAND	759,446	759,446	0	0	0
FRANCE	7,994,173	0	0	7,994,173	0
GERMANY	11,897,994	11,897,994	0	0	0
GREECE	466,327	466,327	0	0	0
HUNGARY	239,825	239,825	0	0	0
ICELAND	39,971	39,971	0	0	0
IRELAND	239,825	239,825	0	0	0
ISRAEL	306,443	306,443	0	0	0
ITALY	5,715,834	1,744,241	0	0	3,971,593
JAPAN	16,587,909	16,587,909	0	0	0
KUWAIT	286,549	0	0	0	286,549
LATVIA	0	0	0	0	0
LIECHTENSTEIN	13,324	13,324	0	0	0
LITHUANIA	0	0	0	0	0
LUXEMBOURG	79,942	79,942	0	0	0
MALTA	13,324	13,324	0	0	0
MONACO	7,483	7,483	0	0	0
NETHERLANDS	1,998,543	1,998,543	0	0	0
NEW ZEALAND	319,767	319,767	0	0	0
NORWAY	732,799	732,799	0	0	0
PANAMA	0	0	0	0	0
POLAND	626,210	0	0	0	626,210
PORTUGAL	266,472	266,472	0	0	0
RUSSIAN FEDERATION	8,940,150	0	0	0	8,940,150
SINGAPORE	159,883	127,907	31,976	0	0
SLOVAKIA	173,207	173,207	0	0	0
SOUTH AFRICA	546,268	546,268	0	0	0
SPAIN	2,638,077	2,638,077	0	0	0
SWEDEN	1,478,922	1,478,922	0	0	0
SWITZERLAND	1,545,540	1,545,540	0	0	0
TURKMENISTAN	0	0	0	0	0
UKRAINE	2,491,517	785,600	0	0	1,705,917
UNITED ARAB EMIRATES	279,796	279,796	0	0	0
UNITED KINGDOM	6,668,458	6,668,458	0	0	0
UNITED STATES OF AMERICA	28,334,903	26,921,793	1,413,110	0	0
UZBEKISTAN	216,390	0	0	0	216,390
TOTAL	112,897,375	86,234,123	2,282,736	7,994,173	16,386,343

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL
STATUS OF CONTRIBUTIONS FOR 1992
AS AT 10 MAY 1996

PARTY	AGREED CONTRIBUTIONS (US \$)	CASH PAYMENTS (US \$)	BILATERAL ASSISTANCE (US \$)	PROMISSORY NOTES (US \$)	OUTSTANDING CONTRIBUTIONS (US \$)
AUSTRALIA	1,326,980	1,287,586	39,394	0	0
AUSTRIA	625,456	625,456	0	0	0
BELARUS	278,919	0	0	0	278,919
BELGIUM	988,896	988,896	0	0	0
BRUNEI DARUSSALAM	0	0	0	0	0
BULGARIA	126,782	126,782	0	0	0
CANADA	2,611,699	2,611,699	0	0	0
CYPRUS	0	0	0	0	0
CZECH REPUBLIC	425,986	425,986	0	0	0
DENMARK	583,195	583,195	0	0	0
FINLAND	431,057	431,057	0	0	0
FRANCE	5,282,564	1,998,650	0	3,283,914	0
GERMANY	7,911,167	7,892,789	18,378	0	0
GREECE	338,084	338,084	0	0	0
HUNGARY	177,494	177,494	0	0	0
ICELAND	25,356	25,356	0	0	0
IRELAND	152,138	152,138	0	0	0
ISRAEL	0	0	0	0	0
ITALY	3,372,389	3,372,389	0	0	0
JAPAN	9,618,492	9,618,492	0	0	0
KUWAIT	0	0	0	0	0
LATVIA	0	0	0	0	0
LIECHTENSTEIN	8,452	8,452	0	0	0
LITHUANIA	0	0	0	0	0
LUXEMBOURG	50,713	50,713	0	0	0
MALTA	8,452	8,452	0	0	0
MONACO	0	0	0	0	0
NETHERLANDS	1,394,597	1,394,597	0	0	0
NEW ZEALAND	202,850	202,850	0	0	0
NORWAY	464,866	464,866	0	0	0
PANAMA	0	0	0	0	0
POLAND	473,318	473,318	0	0	0
PORTUGAL	152,138	152,138	0	0	0
RUSSIAN FEDERATION	8,443,650	0	0	0	8,443,650
SINGAPORE	92,973	92,973	0	0	0
SLOVAKIA	131,853	131,853	0	0	0
SOUTH AFRICA	380,345	380,345	0	0	0
SPAIN	1,648,160	1,648,160	0	0	0
SWEDEN	1,022,704	1,022,704	0	0	0
SWITZERLAND	912,827	912,827	0	0	0
TURKMENISTAN	0	0	0	0	0
UKRAINE	1,056,513	0	0	0	1,056,513
UNITED ARAB EMIRATES	160,590	160,590	0	0	0
UNITED KINGDOM	4,107,721	4,107,721	0	0	0
UNITED STATES OF AMERICA	18,333,333	16,664,333	1,669,000	0	0
UZBEKISTAN	0	0	0	0	0
TOTAL	73,322,709	58,532,941	1,726,772	3,283,914	9,779,082

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL
STATUS OF CONTRIBUTIONS FOR 1991
AS AT 10 MAY 1996

PARTY	AGREED CONTRIBUTIONS (US \$)	CASH PAYMENTS (US \$)	BILATERAL ASSISTANCE (US \$)	PROMISSORY NOTES (US \$)	OUTSTANDING CONTRIBUTIONS (US \$)
AUSTRALIA	985,407	985,407	0	0	0
AUSTRIA	464,459	464,459	0	0	0
BELARUS	207,124	0	0	0	207,124
BELGIUM	734,348	734,348	0	0	0
BRUNEI DARUSSALAM	0	0	0	0	0
BULGARIA	0	0	0	0	0
CANADA	1,939,432	1,939,432	0	0	0
CYPRUS	0	0	0	0	0
CZECH REPUBLIC	0	0	0	0	0
DENMARK	433,077	433,077	0	0	0
FINLAND	320,100	320,100	0	0	0
FRANCE	3,922,799	3,922,799	0	0	0
GERMANY	5,874,784	5,874,784	0	0	0
GREECE	251,059	251,059	0	0	0
HUNGARY	131,806	131,806	0	0	0
ICELAND	18,829	18,829	0	0	0
IRELAND	112,977	112,977	0	0	0
ISRAEL	0	0	0	0	0
ITALY	2,504,315	2,504,315	0	0	0
JAPAN	7,142,633	7,142,633	0	0	0
KUWAIT	0	0	0	0	0
LATVIA	0	0	0	0	0
LIECHTENSTEIN	6,276	6,276	0	0	0
LITHUANIA	0	0	0	0	0
LUXEMBOURG	37,659	37,659	0	0	0
MALTA	6,276	6,276	0	0	0
MONACO	0	0	0	0	0
NETHERLANDS	1,035,619	1,035,619	0	0	0
NEW ZEALAND	150,635	150,635	0	0	0
NORWAY	345,206	345,206	0	0	0
PANAMA	0	0	0	0	0
POLAND	0	0	0	0	0
PORTUGAL	112,977	112,977	0	0	0
RUSSIAN FEDERATION	6,270,202	0	0	0	6,270,202
SINGAPORE	69,041	69,041	0	0	0
SLOVAKIA	0	0	0	0	0
SOUTH AFRICA	282,442	282,442	0	0	0
SPAIN	1,223,913	1,223,913	0	0	0
SWEDEN	759,454	759,454	0	0	0
SWITZERLAND	677,860	677,860	0	0	0
TURKMENISTAN	0	0	0	0	0
UKRAINE	784,560	0	0	0	784,560
UNITED ARAB EMIRATES	119,253	119,253	0	0	0
UNITED KINGDOM	3,050,369	3,050,369	0	0	0
UNITED STATES OF AMERICA	13,333,333	12,853,333	480,000	0	0
UZBEKISTAN	0	0	0	0	0
TOTAL	53,308,224	45,566,338	480,000	0	7,261,886

Annex II

Project proposals approved for funding through bilateral cooperation

Country	Project Title	Year of contribution (1)	Tonnes ODP	Contributing Country	Funds Approved
Foam					
* Lebanon	Projects preparation/technical assistance	1995		France	\$20,000
Halon					
* Brazil	Halon recycling and bank management	1995	112	Canada	\$499,360
* Venezuela	Halon recycling and bank management - Phase II	1995	45	Canada	\$352,220
Refrigeration					
Argentina	Provision of technical assistance and training on safe designs of hydrocarbon based domestic and commercial refrigeration appliances	1995		Switzerland	\$242,600
* Chile	Demonstration mobile air conditioning (MAC) and refrigerated transport (RT)	1995	10	USA	\$140,000
* China	Refrigeration mobile air conditioning (MAC) servicing	1995	11.4	USA	\$385,000
* Costa Rica	Mobile air conditioning (MAC) and refrigerated transport (RT)	1995	10	USA	\$130,000
* Guatemala	Refrigeration: mobile air conditioning (MAC) and refrigerated transport (RT)	1995	10	USA	\$120,000
Morocco	Project preparation for the formulation of a project to implement a recycling network for CFC-11, CFC-12 and HCFC-22	1996		France	\$20,000
* Region: LAC	Project preparation	1995		USA	\$50,000
Senegal	Project preparation for projects in the hotel and fisheries industries and recycling	1996		France	\$10,000
TOTAL:			<u>198.4</u>		<u>\$1,969,180</u>

(*) Approved inter-sessionally by the Executive Committee between the 18th and 19th Meetings

(1) The year to which the bilateral contribution is credited

Annex III

WORK PROGRAMME/AMENDMENT

Country	Project Title	Agency	Funds Approved (US \$)		
			Project	Support	Total
Aerosol					
Global	Produce sector-specific video for aerosol sector	UNEP	\$70,000	\$9,100	\$79,100
Fumigant					
Global	Produce a video on methyl bromide alternatives	UNEP	\$70,000	\$9,100	\$79,100
Global	Develop a technical brochure on methyl bromide	UNEP	\$25,000	\$3,250	\$28,250
Halon					
Global	Provide halon bank management query response, information collection and dissemination	UNEP	\$29,000	\$3,770	\$32,770
Refrigeration					
Global	Training modules for national training courses on good practices in refrigeration	UNEP	\$40,000	\$5,200	\$45,200
Global	Guidelines for the establishment of R&R systems and related legislation for low volume ODS consuming countries	UNEP	\$55,000	\$7,150	\$62,150
Global	Prepare guidance to assist hotel industry in LVCs to avoid, replace, or eliminate ODS	UNEP	\$50,000	\$6,500	\$56,500
Several					
Bahamas	* Institutional strengthening for the phase-out of ODSs under the Montreal Protocol	UNEP	\$50,000	\$6,500	\$56,500
Gambia	* Training of customs officers	UNEP	\$9,500	\$1,235	\$10,735
Gambia	* Institutional strengthening	UNEP	\$42,200	\$5,486	\$47,686
Ghana	* project	UNDP	\$23,200	\$3,016	\$26,216
Lebanon	* Creation of an Ozone Unit	UNEP	\$179,000	\$23,270	\$202,270
Mexico	* Extension of institutional strengthening	UNDP	\$47,500	\$6,175	\$53,675
Morocco	* Creation of Ozone Unit	UNEP	\$179,000	\$23,270	\$202,270
Papua New Guinea	* Creation of an Ozone Unit	UNEP	\$45,800	\$5,954	\$51,754
Uruguay	* Extension institutional strengthening	UNDP	\$29,000	\$3,770	\$32,770
Venezuela	* Extension institutional strengthening	UNDP	\$54,900	\$7,137	\$62,037
Region: AFR	Regional workshop on monitoring and control of ODS consumption for english-speaking Africa	UNEP	\$85,000	\$11,050	\$96,050
Region: AFR	African Network	UNEP	\$299,400	\$38,922	\$338,322
Region: ASP	West Asian Network	UNEP	\$169,200	\$21,996	\$191,196
Region: ASP	Regional workshop on monitoring and control of ODS consumption for West Asia	UNEP	\$80,000	\$10,400	\$90,400
Region: ASP	Networking and Training	UNEP	\$40,000	\$5,200	\$45,200

(*) Activities included in the respective country programmes approved at the 19th Meeting.

WORK PROGRAMME/AMENDMENT

Country	Project Title	Agency	Funds Approved (US \$)		
			Project	Support	Total
Region: LAC	Regional workshop on monitoring and control of ODS consumption for Latin America and	UNEP	\$105,000	\$13,650	\$118,650
Region: LAC	Networking and Training in Latin American Region Network (including English-speaking Caribbean	UNEP	\$299,000	\$38,870	\$337,870
Global	Prepare an inventory and assessment of environmentally sound and economically viable technologies and know-how conducive to phase out	UNEP	\$50,000	\$6,500	\$56,500
Global	Conduct outreach at conferences and workshops	UNEP	\$24,000	\$3,120	\$27,120
Global	Provide direct query-response service	UNEP	\$48,000	\$6,240	\$54,240
Global	Training modules on management of ODS phase out in SMEs	UNEP	\$40,000	\$5,200	\$45,200
Global	Support to national activities	UNEP	\$30,000	\$3,900	\$33,900
Global	Travel	UNEP	\$75,000	\$9,750	\$84,750
Global	Ad hoc Group meetings	UNEP	\$50,000	\$6,500	\$56,500
Global	Disseminate information	UNEP	\$270,000	\$35,100	\$305,100
Global	Deliver OAIC-DV and other OzonAction Programme information through World Wide Web home page site on a one year trial basis	UNEP	\$14,500	\$1,885	\$16,385
Global	Continue to maintain contact data base of experts and mailing list for OzonAction Programme	UNEP	\$30,000	\$3,900	\$33,900
Global	Training modules on policy design and setting up of legislation	UNEP	\$60,000	\$7,800	\$67,800
Global	Publish the OzonAction newsletter and special supplements	UNEP	\$245,000	\$31,850	\$276,850
Global	Collect sectoral data from worldwide sources	UNEP	\$104,500	\$13,585	\$118,085
Global	Update the OAIC diskette version	UNEP	\$28,000	\$3,640	\$31,640
Global	Produce handbook on technology options especially for SMEs	UNEP	\$25,000	\$3,250	\$28,250
Global	Prepare information papers and case studies	UNEP	\$46,000	\$5,980	\$51,980
Global	countries	UNEP	\$152,000	\$19,760	\$171,760
		TOTAL	<u>\$3,368,700</u>	<u>\$437,931</u>	<u>\$3,806,631</u>

(*) Activities included in the respective country programmes approved at the 19th Meeting.

Annex IV
List of new projects approved as eligible for funding

(A) INVESTMENT PROJECT

Country	Project Title	Tonnes ODP	Agency	Funds Approved (US\$)			C.E. (US\$/kg)
				Project	Support	Total	
Aerosol Hydrocarbon							
Kenya	Phase out CFCs at Aesthetics Ltd.	107	UNIDO	\$55,000	\$7,150	\$62,150	0.51
Kenya	Phasing out CFCs at Mirage Industries Ltd.	51	UNIDO	\$47,250	\$6,143	\$53,393	0.93
Lebanon	Investment project for phasing out CFCs at Zeeni's Trading Agency	212	UNIDO	\$361,900	\$47,047	\$408,947	1.71
Lebanon	Investment project for phasing out CFCs at Cosmaline Industries s.a.al.	87.7	UNIDO	\$212,500	\$27,625	\$240,125	2.42
Tunisia	Phasing out CFCs at Jasminal Laboratories	86	UNIDO	\$210,000	\$27,300	\$237,300	2.44
Syria	Phasing out CFCs at Gaston Banna & Sons Co.	104	UNIDO	\$299,500	\$38,935	\$338,435	2.88
Tunisia	Phasing out CFCs at Satem Parfums et Produits Cosmetiques	29	UNIDO	\$119,500	\$15,535	\$135,035	4.12
Malaysia	Umbrella project to phase out ODS at SMEs in the aerosol sector	250	UNDP	\$1,486,660	\$193,266	\$1,679,926	5.95
Foam Flexible polyurethane							
Cote D'Ivoire	Phasing out CFC-11 at F.I.M.A. flexible polyurethane foam plant	53.1	UNIDO	\$85,087	\$11,061	\$96,148	1.6
Malaysia	Conversion to CFC-free technology for the manufacture of flexible polyurethane foam at Nite Beauty Industries	10	UNDP	\$36,875	\$4,794	\$41,669	3.69
Sudan	Phasing out of CFC-11 at Patra Foam Co. flexible polyurethane foam plant	16	UNIDO	\$72,227	\$9,390	\$81,617	4.52
Syria	Phasing out CFC-11 at Dakkak Co. flexible polyurethane foam plant	17	UNIDO	\$96,553	\$12,552	\$109,105	5.68
General							
Malaysia	Conversion to CFC -free technology for the manufacture of flexible polyurethane foam at Far East Foam Industries	41	UNDP	\$209,000	\$27,170	\$236,170	5.1
Integral skin							
Tunisia	Phasing out CFC-11 at Meublutex	28	UNIDO	\$105,000	\$13,650	\$118,650	3.39

(A) INVESTMENT PROJECT

Country	Project Title	Tonnes ODP	Agency	Funds Approved (US\$)			C.E. (US\$/kg)
				Project	Support	Total	
India	Phase out of CFCs in the manufacture of cold cured molded PUF products at Autofit P., Ltd.	20	UNDP	\$103,125	\$13,406	\$116,531	5.16
India	Phase out of CFCs in the manufacture of cold cured molded and integral skin PUF products at Kaygee Foams P., Ltd.	32.96	UNDP	\$217,250	\$28,243	\$245,493	6.59
Indonesia	Investment project for phasing out ODS at PT Naviri Kencana Perdana	47.8	UNIDO	\$377,382	\$49,060	\$426,442	7.9
India	Phase out of the CFCs in the manufacture of cold cured molded and integral skin PUF products at Preto Foams	11.45	UNDP	\$167,100	\$21,723	\$188,823	14.59
Brazil	Umbrella project covering 6 companies for the conversion to CFC-free technology in the manufacture of integral rigid skin and flexible molded polyurethane foam (Rorispuma, Indek, Flexfom, Walrod, Rigiline, Magalhaes)	51.78	UNDP	\$746,000	\$96,980	\$842,980	15.05

Rigid polyurethane

Mexico	the manufacture of insulated construction panels and doors at Multypanel	306	UNDP	\$428,000	\$55,640	\$483,640	1.4
India	Phase out of CFCs in the manufacture of rigid PUF insulated thermoware at Bharat Plastic Products	24.97	UNDP	\$96,000	\$12,480	\$108,480	3.84
India	Phase out of CFCs in the manufacture of rigid PUF products in Inalsa Ltd.	28.88	UNDP	\$123,000	\$15,990	\$138,990	4.26
India	Phase out of CFCs in the manufacture of rigid PUF insulated thermoware at Mahavir Enterprises	19.41	UNDP	\$94,500	\$12,285	\$106,785	4.87
India	Phase out of CFCs in the manufacture of rigid PUF products at Omkar PUF Insulation	10.62	UNDP	\$59,000	\$7,670	\$66,670	5.56
Malaysia	Elimination of CFC-11 in the manufacture of polyurethane cold-room insulation panels/truck container panels at Kejuruteraan Transfreeze Sdn Bhd	11.4	IBRD	\$71,500	\$9,295	\$80,795	6.27
Malaysia	Elimination of CFC-11 in the manufacture of polyurethane refrigerator panels at Penang Trading Co.	10.5	IBRD	\$71,500	\$9,295	\$80,795	6.81

(A) INVESTMENT PROJECT

Country	Project Title	Tonnes ODP	Agency	Funds Approved (US\$)			C.E. (US\$/kg)
				Project	Support	Total	
Thailand	Phase out of the use of CFCs in the manufacture of rigid PUR foam for thermoware at Raengwa Standard Industry Co. Ltd.	25.0	UNDP	\$181,500	\$23,595	\$205,095	7.26
Multi-sector							
Chile	Montreal Protocol implementation programme - phase II	400	IBRD	\$1,000,000	\$130,000	\$1,130,000	2.5
Refrigeration Commercial							
Philippines	Umbrella project covering 3 companies for conversion from CFC-11 used as foam blowing agent into HCFC-141b, and CFC-12 and R-502 used as refrigerant into HFC-134a and HFC-404a (Gomeco, Chee Puck, Well Built)	28	UNDP	\$156,475	\$20,342	\$176,817	5.59
Brazil	Elimination of CFC-11 and CFC-12 in the production of commercial refrigeration equipment at Reubli, S.A.	89.9	IBRD	\$901,270	\$117,165	\$1,018,435	10.02
India	Elimination of CFCs in the manufacture of commercial refrigeration equipment at Rockwell Devices P., Ltd.	18	IBRD	\$181,004	\$23,531	\$204,535	10.6
India	Elimination of CFCs in the manufacture of commercial refrigeration equipment at Rabi-Run Refrigeration P., Ltd.	14	IBRD	\$142,622	\$18,541	\$161,163	10.83
India	Elimination of CFCs in the manufacture of commercial refrigeration equipment at Sethia Appliances P., Ltd.	16	IBRD	\$173,384	\$22,540	\$195,924	11.38
Turkey	elimination of ODS used in the production of freezers, coolers, ice makers, and ice cream machines at UGUR Makinalari Sanayi ve Ticaret, A.S.	64.6	IBRD	\$1,116,455	\$145,139	\$1,261,594	11.73
India	Elimination of CFCs in the manufacture of commercial refrigeration equipment at Seepra Refrigeration P., Ltd.	15	IBRD	\$171,910	\$22,348	\$194,258	12.12

(A) INVESTMENT PROJECT

Country	Project Title	Tonnes ODP	Agency	Funds Approved (US\$)			C.E. (US\$/kg)
				Project	Support	Total	
India	Elimination of CFCs in the manufacture of commercial refrigeration equipment at Shakti Fabricators	13.5	IBRD	\$159,230	\$20,700	\$179,930	12.43
India	Elimination of CFCs in the manufacture of commercial refrigeration equipment at Chandra Frig Co. P., Ltd.	9.9	IBRD	\$130,984	\$17,028	\$148,012	13.98
Venezuela	the manufacture of bottle coolers, freezers and water coolers at Tecoven, C.A.	13.16	UNDP	\$190,000	\$24,700	\$214,700	14.44
Venezuela	the manufacture of bottle coolers, freezers and water coolers at Hielomatic, C.A.	11.12	UNDP	\$162,375	\$21,109	\$183,484	14.6
Peru	Elimination of CFC-11 and CFC-12 in the manufacture of chest freezers at Master Service, S.A.	9.44	UNDP	\$140,000	\$18,200	\$158,200	14.83
Venezuela	Elimination of CFC-11 and CFC-12 in the manufacture of refrigerated display cases and bottle coolers at Neve Industrial, C.A.	7.54	UNDP	\$112,100	\$14,573	\$126,673	14.87
Peru	the manufacture of chest freezers at Col-Frio	11.7	UNDP	\$175,000	\$22,750	\$197,750	14.96
Peru	Elimination of CFC-11 and CFC-12 in the manufacture of chest freezers at Compañía Peruana de Máquinas para Coser S.A. (Copemaco)	12.9	UNDP	\$193,834	\$25,198	\$219,032	15.03
Colombia	Elimination of CFC-11 and 12 in the manufacture of commercial refrigeration equipment at Refrigeracion Supernordico Ltda.	10.77	UNDP	\$162,500	\$21,125	\$183,625	15.09
Peru	Elimination of CFC-11 and CFC-12 in the manufacture of chest freezers and refrigerators at Formetal	7.8	UNDP	\$118,000	\$15,340	\$133,340	15.13
Romania	Conversion of commercial refrigeration equipment to phase out CFC-12, HCFC-502 and CFC-11 at Tehnofrig S.A.	20	UNIDO	\$297,768	\$38,710	\$336,478	15.2
Argentina	Elimination of the use of CFC's in the manufacture of display cabinet and walk-in freezers at Disthel	10	UNDP	\$196,000	\$25,480	\$221,480	15.21

(A) INVESTMENT PROJECT

Country	Project Title	Tonnes ODP	Agency	Funds Approved (US\$)			C.E. (US\$/kg)
				Project	Support	Total	
Domestic							
China	Conversion of manufacturing facilities from CFC11 foaming agent to cyclopentane at Huayi	170	IBRD	\$972,490	\$126,424	\$1,098,914	8.88
Pakistan	Conversion of refrigerator manufacture from CFC-11 to cyclopentane foam blowing agent and CFC-12 to R-134a refrigerant at Domestic Appliances Ltd.	17.1	IBRD	\$257,650	\$33,495	\$291,145	9
Philippines	Elimination of CFC-12 in the manufacture of household refrigerators at Philacor, Concepcion, Sanyo and Trans-Union Corp.	80	IBRD	\$952,000	\$123,760	\$1,075,760	11.9
Argentina	Elimination of CFCs in the manufacturing plants of domestic refrigerators of Frimetal, Rosario	89.7	IBRD	\$1,855,000	\$241,150	\$2,096,150	13.44
Sudan	Phasing out of ODS at three small domestic refrigerator factories in Sudan (Coldair Refrigerator Factory, Modern refrigerator & Metal furniture Co., Sheet Metal Industries Co. Refrigerator Factory)	7.28	UNIDO	\$100,000	\$13,000	\$113,000	13.74
Solvent							
Mixed							
Philippines	Elimination of the use of CFC-113, 1,1,1 trichloroethane (TCA), CFC-11 and CFC-12 at multiple corporations that manufacture special formulations for various industrial markets	53.6	UNDP	\$642,800	\$83,564	\$726,364	11.99
India	Conversion of electronic cleaning processes from ODS solvents to semi-aqueous cleaning and no-clean soldering technologies at ITI, Bangalore	6.97	UNIDO	\$107,954	\$14,034	\$121,988	15.48
Total		2,900.6		\$ 16,901,714	\$ 2,197,226	\$ 19,098,940	

(B) LOW-ODS CONSUMING COUNTRY

Country	Project Title	Tonnes ODP	Agency	Funds Approved (US\$)			C.E. (US\$/kg)
				Project	Support	Total	
Foam							
Flexible polyurethane							
Central African Republic	Continuation of conversion to CFC-free technology in manufacturing of flexible polyurethane foam at Vita-Centrafrigue	1.7	UNDP	\$62,000	\$8,060	\$70,060	36.5
Refrigeration							
Domestic							
Uruguay	Completing the elimination of CFC use in domestic refrigeration manufacturing - adoption of HCFC-141b as blowing agent and HFC-134a as refrigerant at Nevol S.A.	4.62	IBRD	\$141,512	\$18,397	\$159,909	30.6
Total		6.3		\$ 203,512	\$ 26,457	\$ 229,969	

(C) MAC AND COMPRESSOR

Country	Project Title	Tonnes ODP	Agency	Funds Approved (US\$)			C.E. (US\$/kg)
				Project	Support	Total	

Refrigeration

Compressor

China	Phasing out ODS at the X'ian Yuan Dong Compressor Co., Xi'an		UNIDO	\$1,599,000	\$207,870	\$1,806,870	
			Total	\$1,599,000	\$207,870	\$1,806,870	

(D) CFC RECYCLING AND HALON BANKING

Country	Project Title	Tonnes ODP	Agency	Funds Approved (US\$)			C.E. (US\$/kg)
				Project	Support	Total	
Malawi	Implementation of a national programme for recovery and recycling of refrigerant	7.2	UNDP	\$106,320	\$13,822	\$120,142	
Peru	Implementation of a national programme for recovery and recycling of refrigerant	28.6	UNDP	\$342,695	\$44,550	\$387,245	
Uganda	Implementation of a national programme for recovery and recycling of refrigerant	3.6	UNDP	\$56,000	\$7,280	\$63,280	
Zambia	Implementation of a national programme for recovery and recycling of refrigerant	7.2	UNDP	\$106,320	\$13,822	\$120,142	
Total		46.6		\$ 611,335	\$ 79,474	\$ 690,809	

Summary of new projects recommended for approval

Sector	Tonnes ODP	Funds Approved (US\$)		
		Project	Support	Total
(A) INVESTMENT PROJECT				
Aerosol	926.7	\$2,792,310	\$363,000	\$3,155,310
Foam	765.9	\$3,340,599	\$434,278	\$3,774,877
Multi-sector	400	\$1,000,000	\$130,000	\$1,130,000
Refrigeration	747.4	\$9,018,051	\$1,172,347	\$10,190,398
Solvent	60.6	\$750,754	\$97,598	\$848,352
TOTAL:	2,900.60	\$16,901,714	\$2,197,223	\$19,098,937
(B) LOW-ODS CONSUMING COUNTRY				
Foam	1.7	\$62,000	\$8,060	\$70,060
Refrigeration	4.6	\$141,512	\$18,397	\$159,909
TOTAL:	6.3	\$203,512	\$26,457	\$229,969
(C) MAC AND COMPRESSOR				
Refrigeration		\$1,599,000	\$207,870	\$1,806,870
TOTAL:		\$1,599,000	\$207,870	\$1,806,870
(D) CFC RECYCLING AND HALON BANKING				
Refrigeration	46.6	\$611,335	\$79,474	\$690,809
TOTAL:	46.6	\$611,335	\$79,474	\$690,809
GRAND TOTAL:	2953.5	\$19,315,561	\$2,511,023	\$21,826,584

Distribution by Implementing Agency				
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IBRD	1,024.2	\$8,298,511	\$1,078,806	\$9,377,317
UNDP	1,056.4	\$6,870,429	\$893,156	\$7,763,585
UNIDO	872.9	\$4,146,621	\$539,061	\$4,685,682

ANNEX V

I. REVISIONS TO DATA BASE FORMAT FOR PROGRESS AND FINANCIAL REPORTING

Modalities

1. Implementing agencies will submit their data tables for Progress and Financial Reporting in the spreadsheet format used by the Fund Secretariat (currently Microsoft Excel 5.0) on diskette or as specified by the Secretariat. The data base used by the Fund Secretariat (Microsoft Access 2.0) may be used if the data base formats are interchangeable with the spreadsheet format.
2. Two reports will be presented per year for reporting periods ending 30 June and 31 December. The diskette should be received in the office of the Secretariat on 1 September for the 30 June report and 15 March of the following year for the 31 December report unless otherwise notified by the Secretariat.
3. For presentation purposes, all project data should be grouped by status, e.g., completed, ongoing, transferred and closed projects should be included in the data base. Data within these groups should be presented in alpha-numerical order according to Agency, Country, Sector, Meeting Number, Type, Inventory Number, and Region. Agencies should provide totals where appropriate for each column.
4. All provisions of decision 17/22 that are not specifically revised remain in effect, for example, data totals should continue to be presented at the end of the data tables as per decision 17/22. Since administrative support is included in the data totals, it should no longer be required on a per project basis. Administrative support costs will continue to be presented in the annual summary table.
5. It should be noted that progress and financial reporting does not replace the requirement in the agreements between the implementing agencies and the Executive Committee for annual audited financial reports to be submitted to the Treasurer prepared in accordance with the financial audit regulations of the agency. However, the information included through the Uniform Format for Progress and Financial Reporting should be reconcilable with the annual audited financial reports presented to the Executive Committee through the Treasurer, especially with regard to total expenditures (disbursements and obligations) and approvals.

Format Revisions

6. This section addresses additional information that should be included in the progress report data base and proposed revisions to the format approved in decision 17/22. All relevant definitions provided in decision 17/22 still apply.

Required Revision

7. The first additional information is required from decision 18/16.

Date Funds First Disbursed

8. Date when equipment was first purchased toward implementation of investment project, or date of any expenditure toward implementation of non-investment project.

Suggested Additions

9. It is proposed to add the following information to the format:

Adjustment (US \$)

10. Adjustments to the initial approved funding level. For projects where budgets need to be adjusted, an amount will be indicated under the column entitled "Balances". In some cases, agencies may otherwise indicate that a change in the budget is needed. After the Executive Committee has approved any change in the budget of an approved project, the amount adjusted will be reflected under this column entitled "Adjustment".

Status

11. Status should be designated with one of four terms: ONG for ongoing; COM for completed; CLO for closed; and TRF for transferred to another implementing agency.

Sub-Sector

12. A three digit code that the sector designation should be changed to one letter (e.g. refrigeration from REF to R) and a sub-sector code should be added (e.g. DOM means domestic refrigeration sub-sector). This will enable the Committee to be provided with summary statistics by sub-sector which are pertinent to business plan monitoring and cost-effectiveness thresholds. The Secretariat will provide the implementing agencies with both the new codes and the existing codes for immediate insertion into the agencies' data bases.

Implementation Characteristics

<i>Agency/ National Imple- mentation</i>	<i>Time- or Objective- Sensitive Account</i>	<i>Disburse- ment Method (I/R/D)</i>
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13. Agencies may implement projects differently. Some projects are implemented by the agencies and others by national governments or the enterprises themselves. Some projects are approved for a one-year or three-year period and their completion represents the end of a period of time instead of the accomplishment of a project objective. For example, 33 per cent disbursement on a three-year institutional strengthening project means that funds have been advanced for one-year. A 33 per cent rate of disbursement on an agency implemented investment project may mean that the project's objective is 33 per cent completed. Also, some agencies may disburse funds as a project is implemented or only disburse funds after the project is implemented. These difference make it difficult to assess the importance of performance indicators such as proportion of funds disbursed.

14. To distinguish performance by funding and implementation characteristics, three columns should be added to the format. The first column should indicate if the project is being implemented through agency (A) or national (N) implementation.

15. The second column will indicate if the project is implemented through a time- (T) or objective-sensitive (O) account.

16. The third column will specify the disbursement method: disbursement during implementation (I), disbursement for retroactive (R) projects (projects approved after the ODS has been phased out); and disbursement for projects begun after Executive Committee approval (D).

Interest Available for Return to Fund
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17. A column should be added to the annual summary data table that indicates the amount of interest being returned to Fund for use at the Executive Committee Meeting when the progress report is being presented.

Suggested Revisions

18. The following revisions to the format adopted in decision 17/22 are recommended:

- All dates should be provided in a numeric format. For example, May 1995 should be entered “199505”. This entry should not have spaces, commas, dashes or any other punctuation marks.
- Each item in the project number should be listed in a separate column.
- A definition for the revised date of implementation should be added to decision 17/22 as follows: Revised date of implementation is the date when the investment project is currently expected to be phased out or in the case of non-investment projects, when the activity is currently expected to be implemented.
- Planned Commitment in Current Year should be provided for both completed and ongoing projects and in the annual summary table.
- “Rate of Disbursement” should be renamed “Per Cent of Funds Disbursed”.
- Change sector code to designate sector with one letter (A for aerosol, F for foam, etc.) followed by a three digit sub-sector code to enable data on resource allocation and phase-out categories.
- A column entitled, “Balance”, should replace “Savings/Deficits” and is defined as the difference between approved funding plus adjustments minus funds disbursed. This should be specified for completed, ongoing, transferred, and closed projects. For projects with a date of financial completion, no information should be provided unless an action for a final adjustment needs to be made at the meeting when the progress report is presented.
- Since a status column is being added, completed, ongoing, closed and transferred projects will all be included on the same worksheet. This means that the following headings have been changed and are defined according to the status designation:
 - ODP Phase Out for completed projects or ODP to be Phased Out for ongoing projects.
 - Date of Financial Completion for completed projects or Revised Date of Implementation for ongoing projects.
 - Date of Actual Implementation for completed projects or Proposed Date of Implementation for ongoing projects.
- The savings/deficits column should be deleted from the Annual Summary table. Columns should be rearranged per Part II.

**II. REVISED DATA BASE FORMAT FOR PROGRESS
AND FINANCIAL REPORTING**

Project Data

1. The following column headings should be presented for closed, completed and ongoing projects:

<i>Status</i>	<i>Agency/ National Imple- mentation</i>	<i>Time- or Objective- Sensitive Account</i>	<i>Disburse- ment Method (I/R/D)</i>	<i>Agenc y</i>	<i>Country Code</i>	<i>Sector Code</i>	<i>Mtg Numb er</i>	<i>Type</i>	<i>Inv#</i>	<i>Region Code</i>	<i>ODS to be Phased Out or ODS Phased Out</i>	<i>Project Title</i>
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<i>Date App'd</i>	<i>Date-Financial Completion (Completed) or Revised Date of Implementation (Ongoing)</i>	<i>Date Implemen ted (Propose d or Actual)</i>	<i>App'd Funding (US \$)</i>	<i>Adjust- ment (US \$)</i>	<i>Funds Disb'd (US \$)</i>	<i>Per Cent of Funds Disbursed</i>	<i>First Disb Date</i>	<i>Balance (US \$)</i>	<i>Planned Commit- ments in Current Year (US \$)</i>	<i>Remark s</i>
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Annual Summary

2. The following column headings should be presented for annual summaries which should be presented in the implementing agencies' progress report narrative by implementation characteristics:

<i>Agency</i>	<i>Year</i>	<i>Number of Approvals</i>	<i>Number Completed</i>	<i>ODS Phased Out</i>	<i>App'd Funding (US \$)</i>	<i>Adjustment (US \$)</i>
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<i>Funds Disb'd (US \$)</i>	<i>Proportion of Funds Disbursed</i>	<i>Planned Commitment in Current Year (US \$)</i>	<i>Interest Earned (US \$)</i>	<i>Interest Returned (US \$)</i>	<i>Administrative Support (US \$)</i>
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III. FORMAT FOR THE NARRATIVE OF AGENCY PROGRESS REPORTS AND THE CONSOLIDATED PROGRESS REPORT

<u>Section</u>	<u>Title</u>
I.	Project Approvals and Disbursements <ul style="list-style-type: none">A. Annual Summary (paragraph 2 of Part II)B. Summary by Type (CPG, DEM, INS, INV, etc.)
II.	Project Completions <ul style="list-style-type: none">A. ODS phased out Since Last ReportB. Non-investment Projects
III.	Global and Regional Project Highlights <ul style="list-style-type: none">A. Global ProjectsB. Regional Projects
IV.	Performance Indicators <ul style="list-style-type: none">A. Agency's Business Plan Performance GoalsB. Cumulative Completed ProjectsC. Cumulative Ongoing Projects
V.	Status of Agreements/Project Documents and Project Preparation, by country <ul style="list-style-type: none">A. Agreements/Project Documents to be signed/executed/finalized and when they will be ready for disbursingB. Project Preparation by country, approved amount, and amount disbursed.
VI.	Administrative Issues (Operational, Policy, Financial, and Other Issues) <ul style="list-style-type: none">A. Meetings AttendedB. Interagency Co-operationC. AdjustmentsD. Other Issues
Annex I	Country Developments and Institutional Strengthening Unit Highlights
Annex II	Data Base (note: completed, ongoing, closed, and transferred will be part of one data base).

IV. FORMAT FOR THE NARRATIVE OF AGENCY PROGRESS REPORTS AND THE CONSOLIDATED PROGRESS REPORT

[Note: Project preparation and investment projects are not part of UNEP's portfolio and will not be addressed in UNEP's progress report narrative. UNEP's clearinghouse, networking, and regional training activities will be addressed under Section III.]

I. Project Approvals and Disbursements

- A. Annual Summary (per paragraph 2 of Part II)
- B. Summary by Type (CPG, DEM, INS, INV, etc.)

1. This section should have one or two summary sentences and tables for approvals and disbursements by type of project/activity and a list of sectors by country for which total phase-out has been funded. The data should be listed by implementation characteristics.

II. Project Completions

A. ODS phased out Since Last Report

- 1. Summary
- 2. Approved Amount, Expenditure, ODP tonnes phased out, and whether additional disbursements are anticipated. The data should be listed by disbursement method.

B. Non-investment Project Completions Since Last Report including approved amount, expenditure to-date, and whether additional disbursements are anticipated.

- 1. Country Programmes
- 2. Technical Assistance
- 3. Training
- 4. Workshops

2. This section should have a few sentence summary of completed activities and tables as indicated for each completed activity.

III. Global and Regional Project Highlights

- A. Global Projects
- B. Regional Projects

3. This section provides for a brief narratives, about 200 words, for activities on Global and Regional Projects.

IV. Performance Indicators

A. Agency' Business Plan Performance Goals

4. Each agency stipulates its performance goals for the annual business plan. This sub-section should present those indicators and address in a few sentences how the agency is meeting those goals. The data should be listed by implementation characteristics.

B. Cumulative Completed Projects

Sector/Region	Number of Projects	Funds Approved	Per Cent of Funds Disbursed	Months from Approval to First Disbursement	Months from Approval to Implementation	Cost-Effectiveness
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5. This sub-section provides summary information for each sector and region according to indicators that can be derived from the data base. It enables the agencies to present a summary of all of the projects that the agency has completed since the beginning of the Multilateral Fund. The data should be listed by implementation characteristics.

C. Cumulative Ongoing Projects

Sector/Region	Number of Projects	Funds Approved	Per Cent of Funds Disbursed	Average Months from Approval	Average Projected Time to Completion
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6. This sub-section provides summary information for each sector and region according to indicators that can be derived from the data base. It enables the agencies to present a summary of all of the projects that the agency is currently implementing. The data should be listed by implementation characteristics.

- V. Status of Agreements¹ and Project Preparation (where applicable), by country
- A. Agreements to be signed/executed/finalized and when they will be ready for disbursing
 - B. Project Preparation by country, approved amount, and amount disbursed.

7. This section could begin with a few sentences about the subjects and should follow with a table on agreements and one on project preparation. Project preparation should be listed by country and by approval, i.e., if the Committee approved separate requests for project preparation for aerosols, foams, etc., each request should be listed separately under the country heading.

VI. Administrative Issues (Operational, Policy, Financial, and Other Issues)

- A. Meetings Attended
- B. Interagency Co-operation
- C. Adjustments
- D. Other Issues

8. The agency will list those meetings attended and any interagency (including bilateral agencies) co-operation undertaken during the reporting period. This section also allows for adjustments to previous approvals and any other issue that the agency may wish to bring to the attention of the Committee.

¹ Project documents represent agreements for some agencies.

Annex I Country Development and Institutional Strengthening Unit Highlights

9. This annex will be listed by country for the countries in which the implementing agency is involved. The first paragraph (about 200 words) will address highlights of projects and activities under agency implementation.

10. The second paragraph (about 200 words) will address the activities of institutional strengthening units whose funds are allocated by the concerned implementing agency. It will focus on the goals, objectives, and activities funded through the institutional strengthening unit allocation provided by the Executive Committee. The narrative should also address any additional requirements specified by the Committee in its decision concerning institutional strengthening renewal.

Annex II Data Base (note: completed, ongoing, closed, and transferred will be part of one data base). The data should be summarized per decision 17/22 by implementation characteristics.

ANNEX VI

PRELIMINARY DATA ON THE PRODUCTION SECTOR

1. List of plants in the country

Name	Location	Product List	Nominal Capacity	Date of Construction	Name of Proprietors

2. Effective production of ODS substances country-wide

Tonnes/Yr.						
	CFC-11	CFC-12	CFC-113	Others*	Halon 1211	Halon 1301
1993						
1994						
1995						
1996 (est.)						

* To be specified.

3. Effective production of ODS substances plant by plant

Data for a plant "X" (one table for one plant**)

Tonnes/Yr.						
	CFC-11	CFC-12	CFC-113	Others*	Halon 1211	Halon 1301
1993						
1994						
1995						
1996 (est.)						

* To be specified.

** If it is a swing plant, please specify.

- 3.1 Industry turn over as % of GNP
as % of Chemical industries

- 3.2 Quantities of exported CFCs (Optional)

Tonnes/Yr.						
	CFC-11	CFC-12	CFC-113	Others*	Halon 1211	Halon 1301
1993						
1994						
1995						
1996 (est.)						

* To be specified.

4. Total employees in the CFC industry
- a) In the production sector (Direct labour + overheads + maintenance)
 - b) In the packaging sectors

- 4.1 Total employees per CFC plant (one table per plant)

Number of employees in the plant "...XY..."					
	Direct labour	Overhead	Labs	Maintenance	Packaging
1993					
1994					
1995					
1996 (est.)					

ANNEX VII**FORM FOR THE SECTOR PHASE-OUT PLAN**

1. Strategy for phase out

a) Time schedule for the phase out

Name of the plant	Proposed date of shut down	Name & Quantities of CFC

b) Proposal of an action plan for phase out regarding sites

c) Strategy and action plan regarding manpower

2. Strategy for production of new substitutes

Substitutes with zero ozone depletion potential: HFCs (including HFC-134a), Hydrocarbons, etc. Technology and time schedule (2000/2020)					
Location of the plant	Proposed date of start up	Name and quantities of substitutes	Status of technology	Status of the plant *	Availability of raw materials

* New equipment or revamping of the existing plant.

Transitional substances (including HCFC-22, 123a, 141b, 142b, etc.) Technology and time schedule (2000/2020)					
Location of the plant	Proposed date of start up	Name and quantities of substitutes	Status of technology	Status of the plant *	Availability of raw materials

* New equipment or revamping of the existing plant.

3. General Comments

ANNEX VIII

TERMS OF REFERENCE FOR THE TECHNICAL AUDIT

Purposes of the Field Audit

While the overall objective of the audit process is to provide all the data needed to review sectoral plans, this information will, of course, be plan specific and will further depend on decisions of the Executive Committee regarding compensation for lost profit and on funding of new production capacity. One can, however, visualize that, although preparation and initial analysis can be carried out anywhere, by such means as distribution of questionnaires, meetings with ODS production sector representatives, etc., obtaining certain information to complete the analysis will require a Field Audit. Broadly, there are three purposes to the Field Audit:

- 1) establish utilized (audited) present operating yearly capacity and potential capacity of individual plants and total country production capacity;
- 2) determine production history of individual plants and total country production history; and
- 3) other relevant technical/commercial information on country and market underlying the sectoral plan which is conveniently gathered in the Field.

Function and Responsibilities of Field Audit Team(s)

- Modality of Operation - operate country-by-country, as invited,
- Reporting - to the Chief Officer of the Multilateral Fund with input and advice from the Expert Group; and
- Composition - Total of at least three with overlapping skills in fluorine technology, process/project/operations, estimating/economics; in addition, a representative from the Expert Group and local expert, as needed.

Issues to be addressed by field audit team

Capacity

- Assess ability of each site to produce ODS under sustainable conditions, i.e. for a full year, including environmental impact;

- For CFCs, assess potential for conversion of each site to HCFC or HFC production¹;
- Assess site and national availability and cost of chlorocarbons and HF, i.e. size and location of plants.

Production History and Profitability

- Assess production history based on site production and storage records and from local/national sales records, including imports-exports; and
- Collect site cost/profitability data, including cost of labour, number of workers, selling price of products, taxes and subsidies, if any.

Other relevant information

- Collect data from national plan on project supply and demand for ODS and ODS substitutes, HF and chlorocarbons;
- Analyze transport costs for raw materials and products; and
- Evaluate status and availability of national technology for ODS substitutes, together with their estimated production costs and possible scale of production over the next five years.

Analysis of Field Data and Completion of Audit (by Expert Group, subgroup thereof or consultants)

This builds on the information from the Field Audit teams to create the framework to review sectoral plans. Some tasks may be plan specific, and technical information beyond that garnered in the Field Audit may be required, but typical issues include:

- Evaluate ODS production economics for main and/or typical sites, including distribution/transportation costs;
- Compare production data to other sources;
- Compare production data to results of “capacity audit”;
- Evaluate conversion costs, for applicable sites, to HCFC and HFC production, and the resulting production economics and achievable capacities;
- Demand estimate based on Country Programmes and downstream projects;
- Evaluate sectoral plan data for level of detail needed for costing;
- Assess technical feasibility of sectoral plans, reflecting all results of the audit; and
- Cost sectoral plans.

¹ Subject to further analysis and verification, including detailed process calculations if necessary. Field Audit should collect data for such analysis and rule out sites for expansion, conversion and/or revamp based on field factors such as, space limitations, limited access to raw materials, etc.

Cost and Duration

Cost and duration of a Field Audit will be country specific, depending on the number of sites to be visited. These will typically include the principal production centers as well as repositories of national data, and potentially one or more research centers.

Once the number of sites to be visited is fixed, it becomes possible to estimate the duration of the Field Audit. Given the need for access to key people, etc., it is conceivable that a Field Audit may comprise more than one mission. The duration is converted to a cost by multiplying by the Team size and the cost per manday.

Cost of analysis of the data and completion of the audit will also be plan specific, but will certainly involve at a minimum several manweeks of work. It is to be noted also that information on new plant economics and future price projections will be needed and will have to be developed or acquired at additional cost.