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Executive Committee of
the Multilateral Fund for the
Implementation of the Montreal Protocol

Twenty-seventh Meeting
Montreal, 24-26 March 1999

1999 BUSINESS PLANS FOR BILATERAL COOPERATION

This document includes:

- (1) The consolidation of the work plans submitted by bilateral agencies
- (2) The work plans of the bilateral agencies

COMMENTS AND RECOMMENDATIONS OF THE FUND SECRETARIAT

COMMENTS

1. The Executive Committee decided to allow flexibility in the year for which bilateral projects would be credited provided that bilateral agencies submit their work plans in time at the beginning of the year, so that the Secretariat could transmit them to the Monitoring, Evaluation and Finance Sub-Committee for consideration during discussions of the business plans at the Committee's first meeting of the year (decision 25/13(a)).
2. The following bilateral agencies provided work plans: Belgium, Canada, Finland, France, Germany, Japan, New Zealand, and Sweden. In addition, Austria and Italy indicated an interest in pursuing bilateral activities in 1999. The work plans are included as Annexes I through VIII.
3. Bilateral agencies plan to conduct activities in 36 Article 5 countries. Those countries include: Angola, Brazil, Belize, Bolivia, Burkina Faso, Chile, China, Costa Rica, Cuba, Egypt, Georgia, Ghana, Grenada, Guatemala, Indonesia, Iran, Jamaica, Jordan, Kenya, Laos, Lebanon, Madagascar, Malaysia, Mauritius, Moldova, Morocco, Oman, Panama, Philippines, Senegal, Syria, Thailand, Uganda, Uruguay, Viet Nam, and Zimbabwe. Some of these activities appear to be potentially in conflict with those planned 1999 activities of the implementing agencies.
4. Table 1 presents planned bilateral activities by type of activity. Historically, most bilateral activities have been non-investment activities. In 1999, 69 per cent of the planned level of expenditures for bilateral agencies is for investment projects.

Table 1

PLANNED 1999 BILATERAL ACTIVITIES BY TYPE

Type	Total (US\$)	Percent of Total
Investment	13,970,680	69%
Methyl bromide	1,480,000	7%
Project preparation	288,000	1%
RMP preparation	880,000	4%
RMP implementation	1,150,000	6%
Technical assistance	2,588,086	13%
Total	20,356,766	100%

5. In several cases, bilateral agencies noted that projects were to be implemented by one of the four implementing agencies of the Multilateral Fund. This has often been the case for non-investment activities with many of the bilateral projects approved in recent years implemented by UNEP.

6. However, this year, about half of the funds (US \$7 million) for investment projects were identified for implementation by either UNDP or UNIDO. The Executive Committee provides an allocation for investment projects for each agency (UNDP – 30 per cent, UNIDO – 25 per cent, and the World Bank – 45 per cent). Unlike non-investment projects, at the end of each business planning year, these agencies performance against their business plans are assessed. At its 25th Meeting, the Executive Committee decided to reduce the shares of all of these implementing agencies because no agency achieved their performance targets for their 1997 business plans. The shares allocated and/or revised for the three agencies implementing investment projects will be changed as a result of receiving additional allocations through bilateral agencies.

RECOMMENDATIONS

The Fund Secretariat recommends that the Executive Committee through the Monitoring, Evaluation, and Finance Sub-Committee consider:

1. Noting with appreciation the work plans for bilateral cooperation submitted by : Belgium, Canada, Finland, France, Germany, Japan, New Zealand, and Sweden.
2. The implications on established/revised agency shares of those implementing agencies conducting investment projects for bilateral agencies.

Annex I

1999 BILATERAL COOPERATION WORK PLAN FOR BELGIUM

BELGIUM 1999 POSSIBLE BILATERAL PROJECTS

Investment

Sector : Foam

Country: Bolivia

Project Title : Conversion from CF11 to HCFC-141b Technology in the Manufacture of Rigid Polyurethane Foam

Description : Quimica Andina will phaseout the use of 5 t/y of CFC-11 in the manufacture of rigid polyurethane foam for insulation applications. The production is to be converted to HCFC-141b as an interim step, with a likely permanent solution being water based formulations. The project includes replacement of the low pressure sprayfoam dispenser with a high pressure sprayfoam dispenser (\$35.000), and installation of a metering system for HCFC-141b for the boxfoam dispenser (\$15.000). Other costs include trials (\$10.000), training and technology transfer (\$10.000) and contingency (\$7.000). The project also includes incremental operating costs for two years (\$19.000).

Project value : 108.480 US\$ (13 % administrative costs included)

Non-investment

Country: Ghana

Project Title : Customs Training Program on Control and Monitoring of ODS and ODS based Equipment

Description : The main objective of the training program is to enable customs officers in Ghana to control and monitor the imports and exports of CFC refrigerants as well as other ODS and ODS based equipment in order to assist the country to comply with the freeze and phase-out schedules for ODS under the Montreal Protocol. The immediate result of the training program is the availability of trained customs trainers and the development of a concept agenda and strategy for the subsequent training of the remaining customs officers in the country.

Project value : 50.850 US\$ (13 % administrative costs included)

Annex II

1999 BILATERAL COOPERATION WORK PLAN FOR CANADA

CANADA BILATERAL ASSISTANCE UNDER THE MLF - 1999 DRAFT BUSINESS PLAN

(* indicates the contribution year against which the funds should be credited)

SECTOR	COUNTRY	YEAR	TITLE and NATURE OF PROJECT	ESTIMATED PROJECT VALUE (US\$)
Refrigeration	BELIZE	1997	<u>Refrigerant Management Plan Implementation Project:</u> Undertake the implementation of the service technician ¹ and import/export licensing - customs ² training components of Belize's Refrigerant Management Plan (RMP). This work will be undertaken in collaboration with UNEP/TIE, as part of the overall implementation of the RMP's other components.	30,000.00 ¹ 30,000.00 ² 60,000.00
Refrigeration	BOLIVIA	1998	<u>Refrigerant Management Plan Implementation Project:</u> Undertake the implementation of the service technician ¹ and import/export licensing - customs ² training components of Bolivia's Refrigerant Management Plan (RMP), as developed by UNEP/TIE. This work will be undertaken in collaboration with UNEP/TIE, as part of the overall implementation of the RMP's other components.	60,000.00 ¹ 60,000.00 ² 120,000.00
Refrigeration	BURKINA FASO	1997	<u>Refrigerant Management Plan Implementation Project:</u> Undertake the implementation of the import/export licensing - customs training component of Burkina Faso's Refrigerant Management Plan (RMP). This work will be undertaken in collaboration with UNEP/TIE, as part of the overall implementation of the RMP's other components.	40,000.00
Refrigeration	CHILE	1998	<u>Refrigerant Management Plan Formulation Project:</u> Undertake the formulation of Chile's Refrigerant Management Plan (RMP). The RMP will be developed in collaboration with UNEP/TIE.	30,000.00
Refrigeration	CUBA	1998	<u>Refrigerant Management Plan Implementation Project:</u> Undertake the implementation of Cuba's Refrigerant Management Plan (RMP). The RMP is presently being developed through a Cuba-Canada-UNEP/TIE joint bilateral project (ExCom 25 approval). It is expected that the implementation of Cuba's RMP will require a collaborative effort, drawing upon expertise possessed by UNEP/TIE and possibly that of GTZ.	150,000.00

CANADA BILATERAL ASSISTANCE UNDER THE MLF - 1999 DRAFT BUSINESS PLAN (page 2)

Refrigeration	CUBA	1999	<u>Hospital Chiller Conversion Project</u> : The hospital chiller sector is a priority sector for Cuba. In collaboration with UNIDO and GTZ, Canada will contribute a percentage of the funds required, as well as relevant expertise, to implement Cuba's Hospital Chiller project as developed by UNIDO. Given that the estimated cost requirements of the project, Canada's contribution will be evenly divided and spread out over a three year period (1999-2001).	600,000.00/ yr 1,800,000.00 (1999-2001)
Refrigeration	GRENADA	1998	<u>Refrigerant Management Plan Implementation Project</u> : Undertake the implementation of the service technician ¹ and import/export licensing - customs ² training components of Grenada's Refrigerant Management Plan (RMP). This work will be undertaken in collaboration with UNEP/TIE, as part of the overall implementation of the RMP's other components.	30,000.00 ¹ 30,000.00 ² 60,000.00
Refrigeration	JAMAICA	1998	<u>Refrigerant Management Plan Implementation Project</u> : Undertake the implementation of the service technician ¹ and import/export licensing - customs ² training components of Jamaica's Refrigerant Management Plan (RMP). This work will be undertaken in collaboration with UNEP/TIE, as part of the overall implementation of the RMP's other components.	30,000.00 ¹ 30,000.00 ² 60,000.00
Refrigeration	SENEGAL	1998	<u>Refrigerant Management Plan Implementation Project</u> : Undertake the implementation of the import/export licensing - customs training component of Senegal's Refrigerant Management Plan (RMP). This work will be undertaken in collaboration with UNEP/TIE, as part of the overall implementation of the RMP's other components.	40,000.00

CANADA BILATERAL ASSISTANCE UNDER THE MLF - 1999 DRAFT BUSINESS PLAN (page 3)

Refrigeration	URUGUAY	1998	<u>Refrigerant Management Plan Implementation Project</u> : Undertake the implementation of the service technician ¹ and import/export licensing - customs training ² components of Uruguay's Refrigerant Management Plan (RMP). This work will be undertaken in collaboration with UNEP/TIE, as part of the overall implementation of the RMP's other components. <i>The customs training component of the RMP figures as part of a regional project for the Southern Cone countries that also forms part of Canada's 1999 draft BP (see below under 'Regional' projects). The estimated value of the import/export licensing - customs training component has been added into the regional project total.</i>	70,000.00 ¹ 60,000.00 ² 70,000.00
TOTAL Refrigeration projects		1997 1998 1999		100,000.00 60,000.00 60,000.00

CANADA BILATERAL ASSISTANCE UNDER THE MLF - 1999 DRAFT BUSINESS PLAN (page 4)

Methyl Bromide	CHINA	1999	<p>Within the context of China's Methyl Bromide sector strategy, develop and implement a non-investment project in the methyl bromide sector to support the development of a MeBr Multi-Stakeholder Round Table.</p> <p>The Strategy and Guidelines for Projects in the Methyl Bromide Sector contain specific instructions for the development of non-investment projects in the MeBr sector. <i>These 'guidelines for non-investment projects' [UNEP/OzL.Pro/ExCom/24/47, Annex IV, para. 41-44] clearly state that a wide range of specific non-investment activities will be necessary to facilitate the phase out of MeBr in Article 5 countries.</i></p> <p>One mechanism suggested within the Strategy for the promotion of information exchange is the establishment of broad MeBr stakeholder forums. Such forums are to include the participation of all relevant stakeholders including, government officials, farmers and farmers associations, agricultural research institutes, pesticide manufacturers, and non-governmental organizations (NGOs).</p> <p>The establishment of a Chinese MeBr Multi-Stakeholder Round Table would be based on Canadian and Australian policy experiences within this sector and would loosely be modeled on the structure of the Canadian MeBr Industry/ Government Working Group, a consultative forum that was established to provide advice and direction on the effective implementation of Canada's program for the control and phase-out of MeBr. The expected results of such a project would include: enhanced understanding of the importance of achieving MeBr phase-out; establishment of an effective policy setting process targeted at meeting MeBr phase-out; enhanced understanding of research priorities and project development and implementation needs; local capacity-building.</p>	250,000.00
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CANADA BILATERAL ASSISTANCE UNDER THE MLF - 1999 DRAFT BUSINESS PLAN (page 5)

Methyl Bromide	CHINA	1999	Within the context of China's Methyl Bromide sector strategy, undertake, in collaboration with UNIDO, the implementation of a full post-harvest demonstration project in the structural sector within the context of an integrated pest management (IPM) approach. Both proven MeBr alternatives and techniques in good management practices will be demonstrated. In order that the results of this demonstration project be effectively disseminated to a broad audience, both in China and globally, a non-investment component (information sharing, public awareness raising) will be integrated into the project proposal. Such a project component would undoubtedly be undertaken in collaboration with UNEP/TIE in order to ensure effective global dissemination of information.	350,000.00
Methyl Bromide	GUATEMALA (discussions underway for elaboration into a possible sub-regional project including Nicaragua and Honduras)	1999	Development and implementation of a non-investment project in the methyl bromide sector to support the development of a MeBr Multi-Stakeholder Round Table. * see description of identical project concept for China (above)	70,000.00
TOTAL Methyl Bromide Projects		1999		420,000.00

CANADA BILATERAL ASSISTANCE UNDER THE MLF - 1999 DRAFT BUSINESS PLAN (page 6)

<p>Regional - Capacity-building and Training</p>	<p>Georgia and Moldova (as part of a regional CEIT project being considered by the GEF)</p>	<p>1999</p>	<p><u>Surveys and Workshops to Assess Methyl Bromide Consumption and Production and Alternatives in Countries with Economies in Transition (CEITs):</u> This project will allow <u>Georgia and Moldova</u>, CEITs functioning under Article 5 (1) of the Montreal Protocol, to participate in a regional CEIT project being proposed by UNEP/TIE for funding under the GEF.</p> <p>The project objective is to initiate activities in CEITs that will lead to the phase out of MeBr and to identify and promote alternative, environmentally safe and sustainable pest management practices in CEITs. Broadly speaking, the project will:</p> <ul style="list-style-type: none"> - compile comprehensive data in CEITs on trends in MeBr consumption and production, and the specific crops, commodities and applications where MeBr is being used; - identify existing and potential alternatives for major uses of MeBr in CEITs, with an emphasis on developing IPM systems that minimize the use of pesticides; and, - identify technical, policy and financial assistance needs that will enable Georgia and Moldova to develop national and/or regional strategies that will allow them to freeze their consumption of MeBr by 2002, as required by the Montreal Protocol. 	<p>80,000.00</p>
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CANADA BILATERAL ASSISTANCE UNDER THE MLF - 1999 DRAFT BUSINESS PLAN (page 7)

Regional - Training	SOUTHERN CONE COUNTRIES (Argentina, Chile, Paraguay, Uruguay)	1999	<p><u>Regional Import/Export Licensing and Customs Training Project:</u> Undertake a regional approach to the implementation of the import/export licensing - customs training component, building upon existing MERCOSUR trade links, as part of the implementation of RMPs for Argentina, Chile, Paraguay and Uruguay. This work will be undertaken in collaboration with UNEP/TIE. Paraguay's RMP has been approved for implementation by UNIDO however, implementation of the customs training component has not yet commenced. UNIDO is in agreement that the import-export licensing/ customs training component of the RMP could be implemented through a bilateral project managed by Canada. In addition, Canada is aware that a recovery and recycling project in Argentina is already underway under the auspices of a Argentina-Switzerland bilateral project.</p> <p>Such a project would therefore be based on extensive collaboration between the agencies, multilateral and bilateral, active in the refrigeration sector in this region. It is not foreseen that new funds would be solicited for the Paraguayan component of this project, given UNIDO has already had funds allocated for the implementation of this project component. Canada would simply request that UNIDO contribute the share allocated to this RMP component be transferred into the regional project, should it be approved.</p>	120,000.00
TOTAL Regional Projects		1999		120,000.00
Training	Global	1999	Preparation of Import/Export Licensing - Customs training manual (policy support and training material) to be developed jointly with the Ministry of the Environment, Finland, in coordination with UNEP/TIE.	80,000.00
TOTAL Training Projects		1999		80,000.00
TOTAL CANADA'S 1999 BUSINESS PLAN		1999		100,000.00
		1998		0.00
		1999		5,000,000.00
		TOTAL		5,100,000.00

Annex III

1999 BILATERAL COOPERATION WORK PLAN FOR FINLAND

FINLAND - 1999 POSSIBLE BILATERAL PROJECTS

SECTOR	COUNTRY	YEAR	NATURE OF PROJECT	ESTIMATED PROJECT VALUE (US \$)
All sectors Refrigerant Management Plan	Panama	1999	Undertake the implementation of the Refrigerant Management Plan (RMP) for Panama (to be developed by UNEP/DTIE).	100,000.00
All sectors Refrigerant Management Plan	Costa Rica	1999	Undertake the implementation of the Refrigerant Management Plan (RMP) for Costa Rica (to be developed by UNEP/DTIE).	100,000.00
TOTAL RMP Projects				200,000.00
Training	Global	1999	Preparation of Customs training material jointly with Environment Canada (to be developed by UNEP/DTIE).	20,000.00
TOTAL POSSIBLE 1999 BILATERAL PROJECTS	3 PROJECTS			220,000.00

Annex IV

1999 BILATERAL COOPERATION WORK PLAN FOR FRANCE

Titre du projet	Pays	Budget prévisionnel (US \$)	Statut du projet	Commentaires
Programme de pays et plan de gestion des réfrigérants	Angola	50 000	Soumis à la 27ème réunion du Comité Exécutif	Ce projet dépend de l'enregistrement par le Secrétariat des Nations Unies des instruments de ratification
Conversion de PMI utilisant du CFC 113	Chine	572 200	Projet en discussion avec le pays	
Préparation de projets dans le secteur des solvants	Chine	100 000	Projet en discussion avec le pays	
Séminaire sur l'utilisation des solvants	Chine	504 300	Projet en discussion avec le pays	Projet en coopération avec le PNUD
Réduction des émissions dans les systèmes de refroidissement	Ghana	30 000	Soumis à la 27ème réunion	
Projets Halons	Iran	300 000	En cours de finalisation	Une partie sera soumise à la 27ème Réunion
Projets solvants	Iran	600 000	En cours de finalisation	Une partie sera soumise à la 27ème Réunion
Réduction des émissions dans les systèmes de refroidissement	Jordanie	40 000	Soumis à la 27ème réunion	
Programme de pays et plan de gestion des réfrigérants	Laos	30 000	Soumis à la 27ème réunion	Projet en coopération avec le PNUE
Programme de pays et plan de gestion des réfrigérants	Madagascar	250 000	En cours de finalisation	
Adaptation des climatiseurs de voitures	Malaisie	500 000	En cours de formulation	Projet en coopération avec la Suède
Projet d'investissement - Bromure de méthyle	Maroc	250 000	Projet en préparation	Projet en coopération avec l'UNIDO
Plan de gestion des Halons au Proche Orient	Régional	136 500	Soumis à la 27ème réunion du ComEx	Projet en coopération avec Allemagne et PNUE
Réduction des émissions dans les systèmes de refroidissement	Vietnam	251 361	Formulation terminée	Attente de l'approbation finale du Gouvernement vietnamien
Total		3 614 361		

Annex V

1999 BILATERAL COOPERATION WORK PLAN FOR JAPAN

JAPAN - 1999 POSSIBLE BILATERAL PROJECTS (Provisional as of January 25,1999)

- Note: 1. Discussions regarding bilateral projects with beneficiary countries and Implementing Agencies are yet under way.
The nature of a project and its estimated project value could be changed when it is submitted.
Also other projects could be formulated and then submitted in 1999. And some possible projects could be implemented by Implementing Agencies as their own projects and then deleted from Japan's bilateral projects planned for 1999.
2. It is Japan's intent to debit bilateral project funding against the money already withheld and 1999 contribution.

SECTOR	COUNTRY	YEAR	NATURE OF PROJECT	ESTIMATED PROJECT VALUE (US \$)
Solvent	China	1999	Project Preparation/technical assistance at several factories in the City of Shenzhen to convert use of ODSs during the process of manufacturing liquid crystal (LC) display and TV picture tube. -Experts from LC and TV manufacturing companies and cleaning equipment suppliers visit factories to undertake identification of alternative technologies and preparation of investment projects. (Implemented In close cooperation with UNDP)	50,000.00
Solvent	China	1999	Elimination of the use of CFC113 during the process of manufacturing LC display at Shenzhen Tianma Micro-electronic Joint-stock Co.,Ltd. -Technology transfer, start up and training to implement the selected alternative cleaning system and technologies to convert cleaning process and equipment. (CFC113 annual consumption: 80 MT) (Implemented in close cooperation with UNDP)	1,300,000.00
Solvent	China	1999	Elimination of the use of CFC113 during the process of manufacturing LC display and TV picture tube at 9 factories in the City of Shenzhen. -Technology transfer, start up and training to implement the selected alternative cleaning system and technologies to convert cleaning process and equipment. (CFC113 annual consumption: Total 207MT)	2,900,000.00

			(Including factories whose local ownership are not 100%) (Implemented in close cooperation with UNDP)	
TOTAL Solvent Projects				4,250,000.00
Refrigeration	China	1999	Conversion of CFC12 compressor manufacturing lines into HFC134a compressor manufacturing lines together with elimination of the use of CFC113 during the cleaning process of manufacturing compressor at Changshu Refrigeration Equipment Works (brand name: Baixue). -Technology transfer to design HFC134a compressor and redesign and convert manufacturing and cleaning process, technology and equipment taking into consideration the specific characteristics of the new refrigerant in cooperation with experts from compressor manufacturers and cleaning equipment suppliers. -Start up and training to convert new technology and equipment. (Annual indirect phase out of 120MT of CFC12 refrigerant and direct elimination of 94MT of CFC113 consumed during the cleaning process) (Implemented in close cooperation with UNIDO)	2,700,000.00
Refrigeration	China	1999	Establishment of a training centre for refrigeration servicing technicians for recycling and servicing CFC12 and HFC134a in close cooperation with the China Household Electrical Appliances Association(CHEA). Project in detail are yet under formulation at CHEA. (CFC12 servicing: N.A.) (Implemented in close cooperation with UNIDO)	N.A.
TOTAL Refrigeration Projects				2,700,000.00 + N.A. for refrigeration servicing training centre

All Ozone Depleting Substances (ODSs)	South Asia	1999	Regional Workshop on Control and Monitoring of ODSs Consumption for the South Asia Region, to assist countries to establish or improve ODSs import/export licensing system as per decision IX/8 of the MOP. (Implemented through UNEP/IE)	120,000.00
All Ozone Depleting Substances (ODSs)	South East Asia and Pacific	1999	Regional Workshop on Control and Monitoring of ODSs Consumption for the South East Asia and Pacific Region, to assist countries to establish or improve ODSs import/export licensing system as per decision IX/8 of the MOP. (Implemented through UNEP/IE)	120,000.00
TOTAL ODSs Projects				240,000.00
TOTAL POSSIBLE 1999 BILATERAL PROJECTS	7 PROJECTS			7,190,000.00 + N.A. for refrigeration servicing training centre

Annex VI

1999 BILATERAL COOPERATION WORK PLAN FOR GERMANY

GERMANY

**DRAFT
PROKLIMA BUSINESS PLAN 1999**

GTZ

**BILATERAL ACTIVITIES FUNDED BY THE
MULTILATERAL FUND OF THE MONTREAL
PROTOCOL**

PRESENTED TO THE MP-SECRETARIATE

JANUARY 1999

Mandate:

The 1999 business plan of the German GTZ/PROKLIMA programme is based on the 20 % bilateral quota of the German Contribution to the Fund.

GTZ/PROKLIMA prepared its draft 1999 business plan by taking into account the targets of ODS approvals and expenditures proposed in the revised three-year (1997/99) business plan of the Multilateral Fund which the Executive Committee endorsed at its 22nd Meeting (UNEP/OzL.Pro/ExCOM/22/12). Planned submissions are in line with the approved three-year business plan of the Multilateral Fund. The Draft Business Plan 1999 is prepared in accordance with the priorities of the Fund established by the Executive Committee at its 22nd Meeting and with other recommendations provided by the Executive Committee at its 23rd and 25th Meeting. New submissions programmed for 1999 include projects (order of priority) in the following sectors:

- Refrigeration and Air Conditioning,
- Methyl Bromide,
- Halon Banking and Management Plans,
- PUR and PE Foam
- Aerosols.

Methodology:

GTZ/PROKLIMA will continue to utilise the extensive GTZ international infrastructure, projects and respective experiences in the field. As far as possible approved ODS phase-out projects will be linked to existing GTZ-projects. National consultants in the partner countries will be employed to the highest extent possible. Participative and ownership principle will form the base for all projects. Monitoring and evaluation will take place according to GTZ's long standing and German Government approved monitoring and evaluation concepts. Strong emphasis will be put on co-operation with the implementing agencies and other bilateral donors wherever feasible.

Sectors:

CFC

RMP activities in Africa (regional approach) will receive a strong focus of attention. The RMPs for 14 countries in Southern and Eastern Africa, namely Botswana, Ethiopia, Kenya, Lesotho, Malawi, Mauritius, Mozambique, Namibia, Seychelles, Swaziland, Tanzania, Uganda, Zambia and Zimbabwe have been developed to assist the countries in meeting the 99 freeze and further phase-out obligations. The implementation has been approved at the 26th ExCom Meeting. Since the submitted activities were partly not eligible they have been deferred pending further decisions based on the outcome of the RMP workshop held in Cairo. It is anticipated that the activities will be resubmitted after a decision by the ExCom has been taken.

Methyl Bromide

At the 26th Meeting of the ExCom four demonstration projects for Methyl Bromide alternatives have been approved. Two demonstration projects, for Kenya and for Uganda, are expected to be submitted in 1999. Furthermore, regional information and awareness activities are foreseen for Southern and Eastern Africa. According to decision 24/19 and following a request of the Government of China, Germany is involved in the development of a sectoral policy plan for Methyl Bromide phase-out in China. Dependent on the ratification of the

Copenhagen Amendment, demonstration projects on alternatives to Methyl Bromide are to be implemented in 1999 or latest in 2000. In addition to the proposed projects (see attached list) GTZ will support further research on Methyl Bromide alternatives within existing GTZ projects in partnercountries.

Halon Banking

For 1999 it is planned to concentrate on the regional management of Halon Banking West Asia. The Development of a National Halon Bank in a regional context for 6 countries in the Gulf region in meeting the obligations under the Montreal Protocol is envisaged. This project will be implemented with respect to decision 26/16 of the Executive Committee.

Aerosols

For 1999 only 2 proposals will be put forward in this field for Mauritius and Lebanon.

Foam

China's request to get bilateral support from Germany for the phase-out of CFC in the Foam sector will be honoured as soon as China finishes its audit.

Resource Allocation:

The GTZ/PROKLIMA draft 1999 business plan is based on a total budget of US\$ 6.4 million for all Multilateral Fund activities in 1999.

See enclosed table

Additional Activities:

GTZ/PROKLIMA will further support the development of the Concessional Lending issue.

Base for 1998 Businessplan

Proklima's 1998 Projects

Country (estimated)	Project Sector	Amount US\$
Kenya	demonstration project for for small scale cut flower growers	\$300.000,00 MeBr
Uganda	project preparation funds for MeBr project	\$20.000,00 MeBr
Uganda	demonstration project for cut flowers	\$150.000,00 MeBr
Jordan	demonstration project for grain storage	\$150.000,00 MeBr
Africa, regi workshop	MeBr information	\$150.000,00 MeBr
China	project preparation funds for MeBr projects	\$40.000,00 MeBr
Subtotal MeBr		\$910.000,00
Africa regio	additional RMP activities	\$700.000,00 Ref.
Syria	R&R	\$50.000,00 Ref.
Egypt	RMP development	\$30.000,00 Ref.
Egypt	RMP implementation	\$100.000,00 Ref.
Iran	training in improved operations for ref. technicians in using HCT	\$50.000,00 Ref.
Indonesia	R&R programme	\$100.000,00 Ref.
Brasilien	Retrofit conversions in commercial ref.	\$500.000,00 Ref.
Cuba	14 hospitals	\$500.000,00 Ref.
China	Running conversion	\$2.200.000,00 Ref.
Zimbabwe	project preparation funds for dairy conversion	\$50.000,00 Ref.
Zimbabwe	dairy conversion	\$70.000,00 Ref.
Kenya	R&R	\$98.725,00 Ref.
Mauritius	R&R	\$178.350,00 Ref.
(transferred by UNDP)		
Subtotal Ref. sector		\$4.825.075,00
Mauritius	phase out at ChemTech	\$80.000,00 Aerosol
Lebanon	phase out at Amartoury	\$80.000,00 Aerosol
Subtotal Aerosol sector		\$160.000,00
Syria	Halon Bank R&R	\$25.000,00 Halon
Middle East	Halon Management Plans	\$150.000,00 Halon
Oman	Halon Bank R&R	\$25.000,00 Halon
Subtotal Halons		\$200.000,00
China	phaseout projects	\$610.000,00 Foam
Subtotal Foam Sector		\$610.000,00
Total		\$8.405.075,00

Annex VII

1999 BILATERAL COOPERATION WORK PLAN FOR NEW ZEALAND



18 December, 1998

Mr Sheng Shuo Lang
Officer-in-Charge
Multilateral Fund of the Montreal Protocol
MONTREAL

Dear Mr Lang

I am writing in response to your letter of 3 December requesting bilateral agencies to provide a draft business plan for 1999 including information relating to projects under the Multilateral Fund.

I can inform you of the New Zealand Government's intention to retain 20% of its 1999 contribution (approximately US\$88,000) to the Multilateral Fund, for the purpose of funding the implementation of a regional phase-out programme in the South Pacific. The project is being developed in full cooperation with UNEP IE. The project was discussed informally with staff of the Executive Committee including Dr Omar El Arini and Tony Hetherington at the recent Meeting of the Parties in Cairo.

At this time we are still in the planning phase. Using funds provided by UNEP IE a regional meeting was held in early December in Apia, Samoa for governments in the South Pacific region. The participants expressed considerable interest in a regional approach to phase-out. According to the agreement with UNEP IE, a strategy, including a business plan, will be prepared by the end of February 1998. This strategy will draw on feedback from this meeting and other material gathered by the consultant. Unfortunately the strategy document will not be completed in time for your 11 January 1999 deadline. The plan will be submitted to the Multilateral Fund Secretariat as soon as it is available.

As it is the Christmas season many of our staff are on leave at this time of year. Should you need any further information before Christmas, I suggest you contact directly the consultant who is preparing this plan. His details are:

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Or you could contact Mr Raj Shende at UNEP IE in Paris.

I trust this information is of use.

Yours sincerely



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Annex VIII

1999 BILATERAL COOPERATION WORK PLAN FOR SWEDEN

Draft Swedish 1999 Business Plan for Implementation of Bilateral Projects under the Montreal Protocol.

Sweden has received official requests for bilateral assistance from two countries: The Philippines and Malaysia. Sida is currently working on the project preparations. We have had some initial discussions about bilateral cooperation with China and Thailand as well. However, we have not yet received official requests for bilateral assistance from these countries.

The projects planned for can be summarised as follows:

The Philippines

Sectors covered: Refrigeration/air-conditioning (servicing)

Project title: *Phase 1. "Preparation of a 'new approach' strategy to eliminate CFC refrigerants for servicing and installations on-site"*

Amount of funding: *Phase 1. About US\$ 150 000*

Project Summary

The consumption of ODS in the Philippines consists almost entirely of CFC refrigerants for servicing and installations on-site of mobile and stationary refrigeration and air-conditioning equipment.

Servicing is to a large extent conducted by small enterprises whereof many in the informal sector. A comprehensive national strategy must be developed and implemented in 1999 in order to achieve the required reductions in time. An important tool will be restricting access of CFC refrigerants to service enterprises with the necessary training, equipment and infrastructure. Other important strategy/project components will be technical support and awareness raising. The project is intended to provide the Philippine Department of Environment and National Resources (DENR) with the necessary assistance to develop and implement these restrictions and those related components which are needed to reduce the CFC consumption for servicing to maximum 450 ODP tonnes by 1 January 2007.

The preparations for phase one is almost completed, a project document is currently being developed. The project document will be developed in accordance with the Executive Committee's Decision 25/50 (the "New Approach"). The projects implemented by UNDP and UNIDO in the same sector will be taken into account.

Phase 2 is planned to commence in the beginning of the year 2000:

Project title: Phase 2. Implementation of the "New Approach" Strategy

Malaysia

This project is in the early preparation stage. No consultant has yet been contracted but an official request has been received from Malaysia's Department of Environment (DOE) and the project preparations have started.

Sectors covered: Mobile air-conditioning (servicing)

Project title: Phase 1. Development of Action Plan to eliminate CFC refrigerants in the MAC-sector

Amount of funding: Phase 1. About US\$ 150 000

Project Summary

The many investment projects that Malaysia has implemented in the manufacturing sector have resulted in a large reduction of the CFC consumption. However, in order to achieve a total phase out of CFC before the year 2010, Malaysia needs to tackle the consumption in the service sector, which today stands for about 75% of the total CFC consumption.

The Government of Malaysia has requested Sida to assist in developing and implementing an Action Plan with the aim of phasing out the consumption in the MAC-sector, where the largest remaining consumption is found.

Even though Malaysia already has embarked on a recovery and recycling project the impact on CFC reduction is reported not to be significant due to increase in vehicles and in reconditioned cars/trucks imports which also have higher leakage rates. One national car manufacturer was also said to produce one model fitted with CFC12 up to July 1997.

The Action Plan is envisaged to include at least the following components: training, equipment, technical support and awareness raising.

Phase 2 is planned to commence in the beginning of the year 2000:

Project title: Phase 2. Implementation of the Action Plan

The Philippines and Malaysia - phase 2

It is difficult at this stage to calculate the costs for the second phases of the above summarized projects. But we estimate to utilize all of our 20% under the year 2000.

China and Thailand

With China and Thailand we have so far only had limited discussions about bilateral cooperation.

China is doing preparations for a project proposal regarding Process Agents which they have said will be sent to Sida as a request for bilateral assistance. Thailand has requested Sida to assist in the development of a Halon Management Plan.

Hopefully we can start preparing these projects during 1999. Approximate cost for the development of project documents etc. might be around 100 000 USD each.