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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Twenty-second Meeting of the Sub-Committee on Project Review
Montreal, 26-27 March 2001

PROVISIONAL ANNOTATED AGENDA

- 1. Opening of the meeting**
- 2. Adoption of the agenda**

The Sub-Committee may wish to adopt the draft agenda as contained in document UNEP/OzL.Pro/ExCom/SCPR/22/1.

- 3. Introductory remarks**

Introductory remarks by the Chief Officer on the Sub-Committee's programme of work, on submissions to the 33rd Meeting of the Executive Committee and on resource availability.

- 4. Organisation of work:**

Monday session: 10:00 a.m. to 1:00 p.m.; 3:00 p.m. to 6:00 p.m.
Tuesday session: 10:00 a.m. to 1:00 p.m.; 3:00 p.m. to 6:00 p.m.

5. Issues identified during project review:

The issues are listed below, together with references to the relevant paragraphs in the Overview Paper, (UNEP/OzL.Pro/ExCom/33/18):

- (a) Funding of updates for refrigerant management plans (paragraphs 4 to 8)
- (b) Confidentiality of project data (paragraphs 9 to 19)
- (c) Change in technology (for information only, paragraph 20)

The Sub-Committee may wish to make recommendations on the issues raised.

6. Bilateral co-operation (UNEP/OzL.Pro/ExCom/33/19)

Three proposals have been reviewed by the Secretariat and recommended for blanket approval (UNEP/OzL.Pro/ExCom/SCPR/22/2). One proposal from the Government of the Czech Republic, and one proposal from the Government of Switzerland have been referred for individual consideration. The issues concerning each proposal are outlined in the Secretariat's comments contained in the above document.

The Sub-Committee may wish to recommend the three proposals for approval and make further recommendations as appropriate on the other two proposals.

7. Work programmes:

- (a) 2001 work programme of UNDP (UNEP/OzL.Pro/ExCom/33/20)
- (b) 2001 work programme of UNIDO (UNEP/OzL.Pro/ExCom/33/21)
- (c) (2001 work programme of the World Bank (UNEP/OzL.Pro/ExCom/33/22)
- (d) Work programme amendments of UNEP (UNEP/OzL.Pro/ExCom/33/23)

All of the proposed activities are recommended for blanket approval (UNEP/OzL.Pro/ExCom/SCPR/22/2) except 30 activities which are referred for individual consideration. The issues associated with these activities are described in the Secretariat's comments on the work programmes of UNDP (17 activities), UNIDO (7 activities) and the World Bank (5 activities) and on the work programme amendments of UNEP (1 activity) in the documents indicated above.

The Sub-Committee may wish to (i) endorse the recommendations for blanket approval for activities contained in the 2001 work programmes for UNDP, UNIDO and the World Bank and the work programme amendments for UNEP; and (ii) make recommendations for the 30 activities with issues on the basis of the information provided in the documentation and the briefing provided by the Secretariat.

8. Investment projects:

Investment projects from the Governments of China, India, Mexico, and Senegal are presented for consideration by the Sub-Committee on Project Review. The project descriptions and the comments and recommendations of the Fund Secretariat on these projects are contained in documents UNEP/OzL.Pro/ExCom/33/24/China, 33/24/India, 33/24/Mexico and 33/24/Senegal).

(a) Investment projects recommended for blanket approval:

Two activities pertaining to a refrigerant management plan for Senegal are recommended for blanket approval in document UNEP/OzL.Pro/ExCom/SCPR/22/2.

The Sub-Committee is invited to recommend that the investment projects on the list be approved.

(b) Projects for individual consideration:

Annex I to this paper contains five projects listed for individual consideration, with a total value of US \$39,015,755 as submitted. The issues concerning each project are outlined in the Secretariat's comments as presented in the project documents indicated above.

The Sub-Committee may wish to make recommendations on the projects in Annex I on the basis of the Secretariat's comments in the country project documents, any additional briefing provided at the meeting and other factors, as appropriate.

9. Policy papers:

(a) Pre-requisites for terminal phase-out in the refrigeration sector (UNEP/OzL.Pro/ExCom/33/25)

Pursuant to decision 29/26, the Secretariat, in conjunction with the implementing agencies and bilateral donors, prepared a paper on prerequisites and guidelines for terminal phase-out projects in the refrigeration sector including complete CFC phase-out proposals. The paper presents relevant background information on this issue, including the revised guidelines for RMPs, the situation of countries needing to move forward with terminal phase-out and the priorities of the Multilateral Fund. The paper indicates information and actions which might be considered as a prerequisite to commencement of project preparation for terminal phase-out in the refrigeration sector. It suggests additional information and activities which might need to be undertaken as part of project preparation and which would form guidelines for preparation of a terminal phase-out project; and invites the Executive Committee to consider adopting these prerequisites and guidelines.

- (b) The use of 13 per cent allowance for support cost (UNEP/OzL.Pro/ExCom/33/26)

UNEP has informed the Secretariat that it has started the preparation of the paper requested by Decision 32/31, and will be able to report orally on the progress made to the meeting of the Project Review Sub-Committee. UNEP proposes to complete the paper in time for submission to the 34th Meeting of the Executive Committee.

- (c) Strategic framework for national, sub-regional and regional customs training (UNEP/OzL.Pro/ExCom/33/27)

At its 32nd Meeting, the Committee requested UNEP, in consultation with the Fund Secretariat and the implementing agencies, to prepare a report to examine the strategic framework for requests for funding of activities associated with national, sub-regional and regional customs training and harmonisation, as well as the implication of the commitment of the regional organizations concerned in establishing regulatory mechanisms. The Committee also decided not to approve additional sub-regional project on harmonisation of legislative and regulatory mechanisms until it had held a discussion on the strategic vision behind the future approval of such projects (Decision 32/43). Pursuant to this decision, UNEP has submitted a paper for the consideration by the Committee.

- (d) Strategy plan of ODS phase-out from production of extruded polyethylene and polystyrene foams sub-sector in China (UNEP/OzL.Pro/ExCom/33/28)

In Decision 28/46 the Committee considered a strategy plan of ODS phase-out from production of extruded polyethylene and polystyrene foam sub-sectors of China, and requested UNIDO to refine the strategy. Subsequently, the Committee considered the revised strategy at its 29th Meeting and requested UNIDO, in conjunction with the Secretariat, to carry out further work to demonstrate that the strategy complies with Decision 28/46 and to refine the project to eliminate references to Decision 25/50 which was not applicable (Decision 29/64). The revised strategy submitted by UNIDO to the 33rd Meeting would appear to meet the requirements of Decision 28/46. Subject to its deliberations, the Committee could take note of the strategy plan of ODS phase-out from production of extruded polyethylene and polystyrene foam sub-sectors of China, with the understanding that (a) this does not denote approval of the projects and associated costs identified in the strategy plan and; (b) the identified projects in the strategy may be submitted to the Executive Committee for consideration, consistent with the rules and policies of the Fund extant at the time.

- (e) Draft guidelines for the preparation of country programme updates (UNEP/OzL.Pro/ExCom/33/29)

Pursuant to Decision 32/68, the Secretariat has prepared revised Draft Guidelines for Preparation of Country Programme Updates. The Secretariat reviewed the recording of the discussion of the Committee's 32nd Meeting, and took into account, as appropriate,

the comments provided by members of the Executive Committee and additional comments submitted by the Government of Japan (attached as Annex I to the paper). The revisions introduced relate to paragraphs 12, 15, 19, 24, 26, 27, II.1 of Annex II and the Appendix of document UNEP/OzL.Pro/ExCom/32/31 and are indicated in italic font. The revised document is reproduced as Annex II to the paper.

The Sub-Committee might wish to consider the issues and recommendations contained in the above policy papers, as pertinent.

10. Other matters:

(a) Resource allocation:

The Secretariat will brief the Sub-Committee regarding the status of the Multilateral Fund.

Annex I**Investment Projects for Individual Consideration**

Country	Sector	Project title	Agency
China	Production	CFC production sector 2001 annual programme	IBRD
China	Refrigeration	Replacement of CFC-11 foaming agent with cyclopentane and CFC-12 refrigerant with HFC-134a in manufacture of domestic refrigerators at Shangling Electric Appliance (Group) Co. Ltd.	IBRD
China	Solvent	Report and request for second payment on the implementation of the 2000-2001 annual programme under the China solvent sector plan	UNDP
India	Production	2001 annual work programme - CFC production sector gradual phase out project	IBRD
Mexico	Foam	Foam sector ODS phase out plan	UNDP