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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
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DRAFT BUSINESS PLAN FOR THE YEAR 2002 OF UNDP

COMMENTS AND RECOMMENDATIONS FROM THE FUND SECRETARIAT

1. The total value of investment projects currently proposed to be submitted by UNDP in 2002 is US $ 43.4 million, including 15 per cent over-programming and project preparation. Project preparation amounts to US $ 1.429 million including agency fees. This level of funding is expected to result in the phase-out of 3,850 ODP tonnes. The largest amount of funding is targeted for the foam sector (US $13 million excluding agency fees) followed by the refrigeration sector (US $ 11.6 million excluding agency fees).

2. UNDP is expected to submit requests for US $ 6.2 million excluding agencies fees for 49 non-investment activities in 2002 comprising 15 institutional strengthening renewals at a total cost of US $ 2.595 million, 6 country programme update at a total cost of US$ 305,000 and 28 technical assistance projects at a cost of US$ 3.277 million.

3. UNDP's contingency list, Annex V, contains projects valued at US $ 8.72 million excluding agency fees in six countries: Brazil, Cuba, Libya, India, Indonesia, and Iran. These projects would replace projects that UNDP identified as having policy issues including: foam terminal programme in Argentina, India, Mexico and Nigeria, aerosol projects in Cuba, India and Uruguay, and RMP projects in Brazil and Nigeria.

Activities and Assistance for Compliance

4. UNDP is planning 10 activities (148 ODP tonnes) in countries that may not be in compliance with the CFC freeze; 54 activities (1,715 ODP tonnes) in countries that may achieve the freeze but not the 50 per cent reduction, and 35 activities (1,072 ODP tonnes) to maintain momentum. US $17.29 million is allocated for those at risk for the first two controls and over US $10.8 million for those that appear to be able to achieve them. Also, US $555,000 is allocated for countries that may be at risk due to incomplete data reporting.

5. For halon, UNDP has included one activity (with no phase-out) for a country that might not achieve the 2002 freeze and 50 per cent reduction and one activity (with no phase-out) for a regional project. Of the 12 methyl bromide activities in the business plan, one (5 ODP tonnes) is included for a country at risk to meet the methyl bromide freeze, one (30 ODP tonnes) for a country that may achieve the freeze but not the 20 per cent reduction, eight (197 ODP tonnes) for countries that already appear to be able to achieve the 20 per cent reduction in 2005 and two (with no phase-out) for countries with incomplete data or regional projects. UNDP has also included one activity (580 ODP tonnes) in its business plan for phasing out of CFC-113 and TCA and one activity (20 ODP tonnes) for phasing out CTC/TCA in the solvent sector.

<u>Project Preparation</u>

6. Project preparation in 2002 is planned to be submitted for 31 activities in countries that might need additional actions to achieve the CFC controls through 2005 (including those with no data) out of a total of 48 activities, one activity in a country at risk to achieve the methyl bromide

freeze and the 20 per cent reduction out of the total of 8 activities and one activity for solvent CTC/TCA.

COMMENTS

Projects under implementation critical to compliance

7. In reviewing UNDP's portfolio, the Secretariat noted that the following countries appear not to be in compliance with the CFC freeze where UNDP is currently implementing projects: Bangladesh, Chad, Gabon, Ghana, Libya, Niger, Nigeria, Paraguay and Peru. For most countries (Chad, Gabon, Ghana, Niger, Paraguay and Peru), the projects are recovery recycling projects/RMPs. UNDP provided updated information on the status of these projects.

8. For Bangladesh, the critical project is the aerosol project that was supposed to have been completed in April. UNDP indicated that the project would now result in a phase out of 595 tonnes once implemented. It had scheduled final commissioning of the project in November, but the UK firm responsible for the safety audit and commissioning delayed its visit due to tensions in the region.

9. For Chad, Gabon, and Niger, RMP workshops were held or scheduled in the case of Niger and the initial RMPs have had sufficient progress so that UNDP could now plan to submit 50 per cent RMP supplements for these countries in 2002.

10. UNDP's incentive programme in Ghana will take six years to complete. UNDP indicated that introductory workshops have taken place and several applications for incentive payments have been received. If this continues, the total incentive amount could be disbursed faster than the 6-year period envisaged.

11. UNDP is implementing foam projects in Libya and Nigeria that should assist these countries in achieving compliance. UNDP reported that the projects are proceeding as planned in Nigeria, but in Libya, the enterprises believe that they can convert from methylene chloride to LCD technology by re-submitting new project requests.

12. For Paraguay, UNDP indicated that new data is being submitted that would show Paraguay in compliance.

13. The 13th Meeting of the Parties indicating that Peru was in non-compliance and requested Peru to submit an action plan for phase-out. UNDP is implementing projects that could assist Peru in its compliance efforts. However, UNDP indicated that the ongoing project at Incarvel is not likely to be completed in 2001 as planned because they are trying to use foam equipment from a bankrupt company (Inresa) and parts needed are still to be delivered and installed. Nevertheless, UNDP indicated that there has been progress on the recovery and recycling project. Also, a project phasing out 34 tonnes of CFC is planned to be submitted in 2002 and UNDP has been requested to assist Peru with its 50 per cent RMP supplement.

Performance indicators

14. Table 1 presents a comparison between UNDP's approved 2001 business plan performance indicators and those proposed for 2002.

Table 1

INVESTMENT PROJECT PERFORMANCES INDICATORS (ACTUAL 2001 AND PLANNED 2002)

ITEMS	2001	2002
Weighted indicators		
Actual ODS phased out from completed projects (ODP tonnes)	6,000	5,000
Disbursement (US$)*	$39,200,000	$38,080,000 a/
Satisfactory project completion reports received (percentage)	100%	100%
Distribution of projects among countries in business plan (number of countries)	35	43 b/c/
Non-weighted indicators		
Net emissions(reductions) of ODP resulting from implementation delays(early completion) (ODP tonnes)	27,612	To be determine
Value of Projects to be Approved (US$)*	$38,779,440	$38,652,254
ODP from Projects to be Approved	4,514	3,850
Cost of Project Preparation	2.7%	2.7%
Cost-effectiveness from Approvals (US$/ODP in kg)	$7.6	$9.6
Speed of delivery (first disbursement)	14 months	13 months
Speed of delivery (completion)	36 months	33 months

* Including agency fees, but not over-programming.
a/ US$34.0 million plus an assumed 12% agency support costs.
b/ Includes countries in non-investment and investment projects.
c/ This will be valid only if the Executive Committee in 2001 approves UNDP submitted projects in LVCs.

15. UNDP's phase-out and disbursement targets are lower than those for 2002, however, UNDP's targets exceed the amount of phase out and level of commitments indicated in its progress report.

16. For the weighted indicator, distribution among countries, UNDP is planning investment activities in 44 countries, an increase of 9 countries more than it included in last year's business plan target.

17. UNDP plans to achieve faster project completion and first disbursement than it did in 2001.

18. UNDP's non-investment project performance indicators are similar to those in 2001 as indicated in Table 2.

Table 2

NON-INVESTMENT PROJECT PERFORMANCES INDICATORS (ACTUAL 2001 AND PLANNED 2002)

ITEMS	2001	2002
Weighted indicators		
Number of Projects to be Completed	11	12
Funds Disbursed (US$)*	$2,053,960	$3,390,000
Speed of delivery (first disbursement)	12 months	11 months
Speed of delivery (completion)	36 months	34 months
Non-weighted indicators		
Appropriate & timely policies initiated by countries as a result of non-investment activities (number)	5	3
Reduction in ODS consumption over and above that effected by investment projects (ODP tonnes)	30	160

*Include agency fees.

19. UNDP also expects to deliver its non-investment projects faster than it did in 2001.

20. UNDP expects to assist fewer countries with policy measures in 2002 than it did in 2001.

21. Subsequent to the submission of its business plan, UNDP revised its target for reduction in ODS due to non-investment projects to 160 tonnes. This is consistent with information in UNDP's progress report.

Bilateral activities

22. UNDP provided information on activities that it is implementing for bilateral agencies. UNDP has completed three bilateral activities valued at US $1.1 million that phased out 39 ODP tonnes. UNDP is currently implementing 12 projects valued at US$2.7 million that will lead to the phase out of 184 ODP tonnes. UNDP has activities under implementation for bilateral agencies from Australia, Belgium, Italy, Japan, and Sweden. Sweden's solvent technology transfer project to China valued at US 885,000 was not funded with resources from the Multilateral Fund.

Forward commitments

23. UNDP provided total forward commitments from projects approved to-date and those planned for approval in Annexes II through IV in its business plan as requested. It also added an Annex VI to its business plan that indicated its planned commitments after 2002 that are not forward commitments. The total amount of forward commitments planned for submission in 2002 is US $25 million. A similar amount (US $26 million) would be submitted for approval form multi-year projects in 2003.

Policy issues

24. UNDP indicated that the reasons for the projects it listed with policy issues are due to multi-year funding for aerosol and foam terminal projects that may take some time to approve or for projects in the new MDI sub-sector. UNDP listed terminal foam projects in its plan for Argentina (US $2 million), Mexico (US $1.6 million) and Nigeria (US $5.4 million). It also listed a terminal aerosol project for India (US $1.6 million). MDI projects are foreseen in Cuba and Uruguay.

25. UNDP provided the following information on projects that it listed with policy issues. Projects in Brazil and Mexico were included with policy issues because there is a data discrepancy that needs to be resolved to determine if the projects included in UNDP's business plan could be submitted in 2002.

26. Methyl bromide projects were listed with policy issues for the Dominican Republic and Honduras because UN headquarters in New York has not officially recorded their ratification of the Copenhagen Amendment although both countries have indicated that their Governments have ratified. Mozambique has not ratified the Copenhagen Amendment as well, but there was no indication that the Government had ratified it, yet.

Activities in Countries with Data Discrepancy Issues

27. The Secretariat identified potential projects with data discrepancy issues as of August 2001. Agencies were requested to comment on that assessment. A final assessment will be provided in UNEP/OzL.Pro/ExCom/35/5, the Consolidated Draft Business Plan. UNDP addressed all of the issues presented to it.

28. Kenya is proposing two methyl bromide projects (one in cut flowers for UNDP) in 2002 that together exceed its remaining consumption. Kenya indicated that the country was experiencing a 45 per cent growth in farms producing cut flowers and therefore the latest consumption data does not reflect this growth.

29. The latest reported foam sector consumption by the Government (2,703 MT) of Indonesia would still raise a data issue because 2,619 tonnes are under implementation and over 500 tonnes are included for Indonesia in business plans. UNDP indicated that the World Bank is undertaking a survey.

30. The Executive Committee has approved 158 tonnes for Lebanon's aerosol sector against a current consumption of 53 tonnes. UNDP included an aerosol project in Lebanon in its business plan. Lebanon submitted a group SME project to the 29th Meeting for the aerosol sector indicating that the project would lead to the complete phase out of CFCs in the sector (UNEP/OzL.Pro/ExCom/29/39). UNDP indicated that it was awaiting clarification from Lebanon.

31. The Government of Argentina is in the process of certifying its consumption pursuant to Decision 33/2 that should enable UNDP's foam projects to be submitted in 2002.

32. UNDP has engaged a national consultant in Bolivia to identify the remaining manufacturing enterprises in Bolivia's commercial refrigeration sector. It is also surveying the foam sectors in Brazil, the Dominican Republic, and Mexico.

Business Plan Letters

33. UNDP provided letters or explanations for all but the projects in Cambodia, Honduras, Liberia, Mozambique, the regional methyl bromide and halon management projects in Africa, and Uganda. For those projects that were not included in the letters, UNDP indicated that several were carryover projects from its 2001 business plan, annual funding request for multi-year funding projects that had already been approved in principle by the Executive Committee, or part of an RMP under preparation. In the case of Belize, the Government requested an umbrella conversion project but subsequent discussions led to agreement for RMP updates and an awareness/incentive programme.

RECOMMENDATIONS

The Monitoring, Evaluation and Finance Sub-Committee may wish to consider:

1. Noting UNDP's draft business plan contained in UNEP/OzL.Pro/ExCom/35/7.

2. Requesting UNDP to take into account comments provided in UNEP/OzL.Pro/ExCom/35/7 concerning planned activities in Kenya and Lebanon in the finalization of its 2002 business plan.

3. Requesting the Project Review Sub-Committee to consider guidance for a potential new sector for CFC-12 use in the aluminium industry.

4. Requesting UNDP to provide letters from countries for all activities that it includes in its final business plan for 2002.

35th Meeting of the Executive Committee of the Multilateral Fund of the Montreal Protocol (5-7 December 2001, Montreal)

UNDP 2002 DRAFT BUSINESS PLAN's NARRATIVE (5 November 2001)

INTRODUCTION

1. Like in the year 2001, the MLF Secretariat and Implementing Agencies developed the 2002 Business Plan through a joint exercise. Each country's situation was analyzed in relation to its capability to meet the Montreal Protocol control measures. For each country this analysis took into account:
   - the most recent estimates of ODS consumption
   - ODS which will be eliminated due to already approved MLF projects
   - special consideration was given to countries that needed help to meet the freeze and 50% reduction requirements. Lower priority was given to those countries who may already have met the above control measures but needed assistance to maintain "momentum".

2. The country responses were shared among Implementing Agencies and the Secretariat. Each country response detailed its requests and which Agency it wanted to meet each specific request. UNDP then prepared its 2002 Business plan based on the received country submissions after looking at how each request would help that country meet its Montreal Protocol obligations. UNDP verified, in writing, each country/sector request included in its business plan with the country concerned, and confirmations and/or clarifications by fax or email were received for each entry.

A. 2002 BUSINESS Plans RELATIONSHIP TO PREVIOUS PLANS.

3. A review of UNDP's 1991-2001 ongoing investment projects expected as of end-Dec. 2001 and the **relationship** to the UNDP 2002 Business Plan shows the following trends by sector:

Summary table A

SECTOR	1991-2001 INV. PROJECTS		2002 Business Plan	
	APPROVALS		PROPOSED BUDGET	
	US$	Percent	US$	Percent
Aerosols	6,648,733	2.3	1,408,696	4.2
Foams	149,475,415	51.7	11,329,043	33.7
Fumigation	7,228,768	2.5	4,590,217	13.7
Halons	2,893,938	1.0	0	0
Refrigeration	98,186,813	34.0	10,082,699	30.0
Solvents	24,198,176	8.4	6,200,000	18.4
Sterilants	430,423	0.1	0	0
TOTAL	289,062,267	100.0	33,610,656	100.0

Note 1: Figures include investment projects, Recovery/Recycling projects and MeBr demonstration and phase-out projects. Project preparation funds and agency support cost are however not included.

Note 2: Since the projects of the 35th and 36th ExCom (using 2001 allocations) have not yet been approved, the 1991-2001 figures may be changed slightly afterwards.

Note 3: The budget estimate for 2002 is based on the amount of US$ 38,652,254 as in the table 4 of the business plan, minus the 15% over-programming.

4. As can be seen from the above table, in the period 1991-2001, the foams and the refrigeration sectors together accounted for 85.7% of UNDP's estimated cumulative approval total for investment projects, with much smaller shares for solvents (8.4%), aerosols (2.3%), methyl bromide (2.5%) and halons (1.0%). The

table also shows that the 2002 business plan's sector shares will be lower for the foam and refrigeration sectors, while the shares of the aerosols, fumigation and solvents sectors will be higher than the historical average. This increase may be due to the introduction of new sectors not dealt with before, like MDIs and TCA and an increased number of methyl bromide projects, due to the impending freeze.

5. Overall UNDP investment project **cost-effectiveness** (in $/kg.) by year of approval is as follows:

Summary table B

Year	Budget	ODP as per approval	CE
1992	3,380,614	420	8.0
1993	7,482,483	998	7.5
1994	48,016,209	6,693	7.2
1995	27,790,122	5,176	5.4
1996	27,173,586	3,872	7.0
1997	44,924,446	6,408	7.0
1998	29,394,501	4,650	6.3
1999	35,312,055	4,444	7.9
2000	28,801,556	4,227	6.8
2001 (preliminary)	36,786,695	4,257	8.6
SUBTOTAL 1992-2001	325,848,962	45,401	7.2
Estimate 2002	33,610,656	3,850	9.6

Note: the 3 footnotes from last table also apply to this one.

6. As can be seen from the above table, the investment programme cost-effectiveness has been oscillating between $5.4/kg and $7.9/kg between 1992 and the year 2000. However, the cost–effectiveness is estimated to rise to $8.6/kg in 2001 and $9.6/kg in 2002. The reasons for this increase can be summarized as follows:
   - most large cost-effective projects have already been approved during previous years.
   - UNDP is increasingly being requested to start investment project preparation for low-volume ODS consuming countries (LVCs) where cost-effectiveness criteria do not apply.
   - An increasing number of foam/refrigeration umbrella projects covering large numbers of SME's.
   - the inclusion of many large-scale multi-year MeBr investment projects where the CE will not be as favorable as other consumption sector projects (Argentina, Costa Rica, Kenya, Malawi, Mozambique, …)
   - approval of the 2001 annual programme of the China Solvents Sector Plan which at $6.955 million has a cost-effectiveness of $11.44/kg.;
   - an increasing number of requests to work in countries with compliance difficulties, but where the only remaining activities relate to the Refrigerant Management Plan and the refrigeration servicing sector, with very unfavorable cost-effectiveness values.

7. The **number of countries** in which UNDP implements projects for the Multilateral Fund is as follows:

Summary table C

Year	Cumulative Number of countries	Cumulative Number of LVCs	% of LVCs over total
1991-2000	66	42	63.6
1991-2001	69	43	62.3
1991-2002 (planned)	74	48	64.8

Note: Does not include the CIS countries being funded by GEF

8. The above table shows that by the end of 2000, UNDP had programmes in 66 countries out which 42 are LVCs. In 2001, three new countries were added (Congo DR, Mongolia and Yemen) of which Mongolia is an LVC. As for the draft business plan for 2002, UNDP plans to work in five additional countries (Cambodia, Laos, Liberia, Somalia and Togo) all of which are LVCs.

9. **Continued involvement in LVCs**. In view of the growing concern that a large number (34.6 %) of LVCs would not be able to meet the Montreal Protocol reduction measure for 2005, UNDP is including a larger number of them in its 2002 business plan. The following table shows that in 2002, UNDP is planning activities in 25 LVCs out of 43 countries, for both investment and non-investment activities, which is a higher percentage than in any of the previous years.

Summary table D

Year	Number of countries in yearly business plans	Number of LVCs in yearly business plans	% of LVCs over total
Average/year 1991-2000	23.8	9	39.5
2001 (actual)	40	11	27.5
2002 (planned)	43	25	58.1

10. We would however like to note that UNDP had planned to work in 18 LVCs out of a total of 40 countries in 2001. While our 2001 business plan was indeed approved as such by the MEF Subcommittee in March 2001, the new Excom guidelines introduced in March 2001, related to the Refrigeration Servicing sector, resulted in the disapproval of project preparation funds for several of these LVCs. As a result, UNDP was only able to present projects for 11 out of the planned 18 LVCs in 2001. UNDP hopes, in 2002, to succeed in its efforts to meet the difficult and labor-intensive criteria introduced by the Excom to reach the goal to assist 26 LVCs.

11. **RMP – related Activities**. In line with the discussion of the previous paragraph, and in its efforts to try to assist a larger number of countries that may have difficulties in meeting the Montreal Protocol compliance measures, UNDP intends to significantly step up its activities related to Refrigerant Management Plans (RMPs). The number of such activities would be much higher in 2002, as compared to previous years. UNDP feels that through its vast network of Country Offices, and using the National Execution modality, it can make an important contribution in assisting article-5 countries to implement this kind of projects. In many cases, the proposed activities would contain a mix of awareness and incentive programmes, similar to the ones that have already approved in 2000 for Burkina Faso, Ghana, Sri Lanka and in 2001 for Uruguay and possibly Georgia. The following table describes each one of these proposals, some of which may appear in table 1 or table 4 of the business plan tables. For the sake of clarity, proposed RMP activities in non-LVCs are also included in the same table.

Summary table E

Nr	LVC	Country	See	Short title	Budget	Other agencies involved / Remark
1		BANGLADESH	table 1	CP/RMP-Update	50,000	UNDP only. Update of CP / RMP is expected to lead to project in the refrigeration-servicing sector.
				Awareness/Incentive Programme	212,000	
2	1	BELIZE	table 1	RMP update	10,000	Canada and UNDP. Update of RMP is expected to be led by Canada with UNDP providing necessary assistance in regard to R&R and/or end-users conversion
				Awareness/Incentive Programme	75,000	
3		BRAZIL	table 4	Project Preparation	50,000	UNDP only. RMP formulation started in 2001. It is expected that it would be finalized in 2002.
				REF: Refrigerant management plan	1,000,000	

4	1	CAMBODIA	table 1	CP/RMP formulation	25,000	Jointly with UNEP. UNDP will develop R&R and possibly other projects to be submitted in 2003.
5	1	CHAD	table 1	RMP update	20,000	UNDP only. While originally planned for 2001, sufficient progress has been made, to allow for the 50% additional funding as per decision 31/48.
				Awareness/Incentive Programme	184,000	
6	1	CONGO PR (Brazzaville)	table 1	Awareness/Incentive Programme	120,000	UNEP RMP. PRP was approved for UNDP in July 01 to develop missing project. To be ready in 2002.
7	1	CONGO DR (Kinshasa)	table 4	Project Preparation	15,000	Jointly with UNEP. UNDP will formulate R&R and awareness/incentive scheme.
				REF: Recovery/Recycling	120,000	
			table 1	Awareness/Incentive Programme	150,000	
8	1	COSTA RICA	table 4	Project Preparation	15,000	UNDP only. RMP formulation started in 2001. It is expected that it would be finalized in 2002.
				REF: Refrigerant management plan	250,000	
9		DOMINICAN REPUBLIC	table 1	RMP Update	20,000	UNDP only. Sufficient progress has been made, to allow for 50% additional funding as per decision 31/48.
			Table 4	Project Preparation	15,000	
				REF: Refrigerant management plan	500,000	
10	1	EL SALVADOR	table 1	RMP Update	20,000	UNDP only. Sufficient progress has been made, to allow for 50% additional funding as per decision. 31/48.
				Awareness/Incentive Programme	246,000	
11	1	GABON	table 1	RMP update	20,000	UNDP only. While originally planned for 2001, sufficient progress to allow for 50% additional funding
				Awareness/Incentive Programme	160,000	
12	1	JAMAICA	table 1	Awareness/Incentive Programme	100,000	Canada with UNDP. Update of RMP to be led by Canada with UNDP providing assistance in conversion of hospital cold rooms (project preparatory funds approved in 2000)
13	1	LIBERIA	table 4	Project Preparation	15,000	Jointly with UNEP. Originally planned for 2001 but proposal had to wait finalization of CP.
				REF: Recovery/Recycling	100,000	
14	1	MOZAMBIQUE	table 1	Monitoring the RMP	15,000	Activity was never approved before, and should allow NOU to follow up on past RMP-related activities.
15	1	NIGER	table 1	RMP update	20,000	UNDP only. Originally planned for 2001. Sufficient progress seems to have been made, to allow for the 50% additional funding as per decision 31/48.
				Awareness/Incentive Programme	104,000	
16		NIGERIA	table 4	Project Preparation	50,000	UNDP only. RMP formulation started in 2001. It is expected that it would be finalized in 2002.
				REF: Refrigerant management plan	500,000	
17	1	PERU	table 1	RMP Update	20,000	UNEP RMP, but UNDP requested to do RMP update and 50% additional funding as per decision 31/48.
				Awareness/Incentive Programme	233,000	
18	1	SOMALIA	table 4	Project Preparation	10,000	Jointly with GTZ. RMP formulation to be undertaken by GTZ. UNDP to undertake preparation and implementation of R&R and possible end-users conversion programmes.
			table 1	RMP formulation	10,000	
			table 1	Awareness/Incentive Programme	120,000	
			table 4	REF: Recovery/Recycling	100,000	
19	1	TOGO	table 4	Project Preparation	15,000	Jointly with UNEP. UNDP will formulate R&R and awareness/incentive scheme.
				REF: Recovery/Recycling	120,000	
			table 1	Awareness/Incentive Programme	100,000	
20	1	TRIN/TOBAGO	table 1	RMP update	20,000	UNDP only. Sufficient progress seems to have been made, to allow RMP-updated and 50% additional funding as per decision 31/48.
				Awareness/Incentive Programme	204,000	
21	1	UGANDA	table 1	Monitoring the RMP	15,000	Activity was never approved before, and should allow NOU to follow up on past RMP-related activities.
22		YEMEN	table 4	Project Preparation	15,000	Jointly with UNEP. Formulation activities started in 2001 need to be finalized in 2002.
			table 1	Awareness/Incentive Programme	200,000	
			table 4	REF: Recovery/Recycling	200,000	
LVC	17				5,563,000	

12. **Methyl bromide investment projects.** UNDP proposes to continue the disbursement strategy of previous years, namely, Excom approval of the full budget, to be disbursed in installments over several years, according to the projects' duration, needs and results. For instance:

a) For the Argentina "Methyl bromide phase-out in tobacco and non-protected vegetable seedbeds" project, funding is spread over five years, with smaller disbursements in the first two years, and more important disbursements in the remaining years.

b) For the Costa Rica "Project to adopt alternatives in melon, cut flowers, banana, tobacco seedbeds and nurseries, leading to methyl bromide phase-out", presented to the 35th Excom meeting, funding is spread almost evenly over five years, with a slightly lower installment in the first year.

c) For Chile, Peru, Malawi and Lebanon, whose projects were approved in years 2000 and 2001, and Kenya, Sri Lanka, Mozambique, and Zimbabwe, whose projects will be submitted during year 2002, funding will be spread over the years, according to the projects' duration, needs, results, and the respective Agreement.

d) For Malaysia, whose project was approved at the 29th Excom meeting, for Bolivia, whose project is being presented to the 35th Excom, and for Ghana, whose project will be presented in year 2002, the disbursement is spread over one year.

13. **Regional projects.** UNDP is proposing in BP 2002, two regional projects for low-volume consuming countries, as an alternative approach to increase cost-effectiveness when assisting these countries. These projects are:

a) Africa HAL - Regional Halon Bank Management Plan (HBMP) for West Africa. Terminal phase-out project in the halon sector for low-volume consuming countries in French-speaking West Africa including: Benin, Burkina Faso, Cameroon, Democratic Republic of Congo, Guinea and the People's Republic of Congo. The countries in the region have a reported an installed capacity of 7,340 ODP T. The project proposes to eliminate consumption of 61 ODP T. Activities to be implemented would include: elaboration of national halon management plans; provision of the equipment necessary to allow the countries to effectively recover and recycle halons at the regional level; and, the establishment of coordinated regional halon recycling agreement.

b) Africa FUM - Regional Terminal Phase-out Programme in Methyl Bromide for Low-Volume Consuming Countries in Africa. In partnership with GTZ, UNDP proposes to assist low-volume consuming countries in Africa to phase-out their consumption of MeBr through a multi-phase, multi-faceted implementation programme that would include both non-investment and investment projects. The projects would be implemented at the national and regional levels, using local expertise wherever possible and, with projects to be developed as deemed necessary during the evolution of the programme. The impetus for this proposal follows a request received during the 5th Joint Meeting of ODS Officers held in Namibia in September 2001.

14. Consumption sector funding approaches: Following the example of the China solvent sector strategy in March 2000, UNDP is proposing to move away gradually from the "project-by-project approach" to a sector and sub-sector phase-out approach, for those countries that are ready to do so. More recent examples using the sector phase-out approach approved are:

- Dec 2000: Malawi - Phase-out of all non-essential and non-QPS methyl bromide
- Jul 2001: Lebanon - Sectors phase-out of MeBr in vegetable, cut flower and tobacco production
- Dec 2001 (hopefully): Mexico – Terminal Phase-out Strategy for the Foam Sector.
- Dec 2001 (hopefully): Mexico – Terminal Phase-out Strategy for the Halons Sector.

In 2002, UNDP is planning to significantly increase the number of sector and sub-sector phase-out

programmes, as indicated in the following table. Some RMPs for larger volume consuming countries were also mentioned in the previous table.

Summary table F

	COUNTRY	Sector/Sub-sector phase-out programmes	Multi-year Refrigerant Management Plans
1	ARGENTINA	FOA: Terminal programme	
2	ARGENTINA	FUM: Soil (Tobacco)	
3	BRAZIL	FOA: Integral skin	
4	BRAZIL	FOA: Multiple-sub-sectors (SMEs)	
5	BRAZIL	FOA: Rigid	
6	BRAZIL		REF: Refrigerant management plan
7	CHINA	SOL: Combined CFC-113 and TCA	
8	COSTA RICA	FUM: Soil fumigation terminal programme	
9	COSTA RICA		REF: Refrigerant management plan
10	INDIA	ARS: Terminal Programme	
11	INDIA	FOA: Terminal Programme	
12	KENYA	FUM: Soil (cut flowers)	
13	MEXICO	FUM: Storage	
14	MOZAMBIQUE	FUM: Soil (Tobacco)	
15	NIGERIA	FOA: Terminal Programme	
16	NIGERIA		REF: Refrigerant management plan
17	REGIONAL (Africa)	FUM: Terminal Programme	
18	SYRIA	REF: Commercial	
19	ZIMBABWE	FUM: Storage	

While the shift to more sector and sub-sector phase-out programmes is a significant one, UNDP wishes to express its concern that such programmes often take much longer to be approved, so that there is a large risk that a big portion of the business plan may not be approved in 2002. The reason may be linked to intense negotiations about the funding level to be applied to such programmes, or as was the case in Mexico, to new ExCom decisions being taken while the programme is being considered. UNDP therefore hopes that the Executive Committee will look favorably to its initiative to embark on an increased number of sector and sub-sector phase-out programmes, and that it will do all it can to minimize the amount of time to approve them.

15. **Strategies for ODS Phase-out in Small-and-Medium Sized Enterprises (SMEs).** In 2001, UNDP continued using the group project approach as well as the above-mentioned sector phase-out approach to meet the special needs of SMEs. A key objective is to prevent growth in SME consumption of ODS while the Fund is approving projects to eliminate ODS consumption in larger enterprises in the same country. This trend will continue, as already indicated in the previous paragraph. One example is the multiple-sub-sectors project for SMEs in Brazil.

16. **Increased Coverage in Africa**. In 2000, UNDP had work programmes in 25 African countries, including four mid-size countries (Egypt, Libya, Morocco, Nigeria) and 21 LVCs (Benin, Botswana, Bukina Faso, Burundi, Botswana, Central African Republic, Chad, Congo-Brazzaville, Gabon, Gambia, Ghana, Kenya, Lesotho, Malawi, Mali, Mauritius, Mozambique, Niger, Tanzania, Uganda, Zambia and Zimbabwe). In UNDP's 2001 Business Plan, the number of countries in Africa increased by one– Congo-Kinshasa– and will increase by another 3 in 2002 (Liberia, Somalia, Togo). This would bring the total number to 29.

B. PLANNED BUSINESS ACTIVITIES: UNDP

17. **Table 1 (attached annex) on Non-Investment Projects** covers ongoing projects and new requests in 2002:

a) There are 50 ongoing non-investment projects comprising institutional strengthening projects in 22 countries, 13 RMP monitoring projects, 3 end-user awareness/incentive projects for the servicing sector, 4 requests to develop RMPs in large volume consuming countries and 8 other ongoing technical assistance/demo projects. As of end-2001, budgets would be $ 7.49 million for funding through 2001 and $6.18 million for new requests in 2002 BP, of which $3.3 million would have been disbursed by Dec. 2001, according to projects' disbursement schedules, and the balance in 2002/2003.

b) In 2002, the following 15 institutional strengthening renewal requests amounting to $2,594,507 (excluding support costs) will be submitted to the ExCom for approval:

Summary table G

COUNTRY	Short title	US$
ARGENTINA	Institutional Strengthening: Phase 3	239,700
LEBANON	Institutional Strengthening: Phase 3	119,300
TRIN/TOBAGO	Institutional Strengthening: Phase 3	44,000
BRAZIL	Institutional Strengthening: Phase 4	270,000
COLOMBIA	Institutional Strengthening: Phase 4	212,000
INDONESIA	Institutional Strengthening: Phase 4	208,650
IRAN	Institutional Strengthening: Phase 4	133,470
KENYA	Institutional Strengthening: Phase 4	116,667
SRI LANKA	Institutional Strengthening: Phase 4	103,120
CHINA	Institutional Strengthening: Phase 5	300,000
GHANA	Institutional Strengthening: Phase 5	107,000
MALAYSIA	Institutional Strengthening: Phase 5	215,000
URUGUAY	Institutional Strengthening: Phase 5	116,000
VENEZUELA	Institutional Strengthening: Phase 6	219,600
MEXICO	Institutional Strengthening: Phase 6	190,000
		2,594,50

c) In 2002, there would be 2 requests for CP/RMP formulation, 2 RMP-monitoring requests (Uganda and Mozambique), 10 requests for RMP updates/formulation and 15 requests for Awareness/Incentive Programmes. These requests, with comments, were already included in the table on RMPs under paragraph 11.

d) Also in 2002, there are four more requests for Country Programme updates (Kenya, Lebanon, India, Venezuela). These are in addition to the two requests for joint CP/RMP Formulation/updates for Bangladesh and Cambodia, which were already included in c).

e) Apart from the above requests for 2002, there are also the two regional projects in Africa described in paragraph 13, and one individual request for halon banking activities in the Dominican Republic.

18. **Tables 2, 3, 4 (attached annex) show UNDP's request for investment project preparation, including that for development of recovery/recycling and MeBr alternative projects**. Table 2 lists these requests by sector/sub-sector, table 3 by region/country and table 4 by sector and country. ExCom decision 32/5 specifically ends project preparation activities in the year they were approved and closing these accounts the year after, at which time all unspent balances would be returned to the Fund (except for those rare PRP activities approved at the last meeting of the year). Thus any "surplus" project preparation funds from previous years could no longer be utilized for a succeeding year but would have to be returned when accounts are closed. As a result, all new project preparation activities in 2002 will have to be fully funded in 2002 itself, with no roll-over of funds from previous years.

19. UNDP will prepare $39.0 million in investment projects in the year 2002 under its regular programme.

Without support cost, but including the 15% over-programming, this amount corresponds to US$ 38,652,254 in investment projects, and US$ 1,095,000 in project preparation funds. In order to allow activities to start at the beginning of 2002, UNDP is requesting $200,000 at the 35th meeting of the Executive Committee as an advance for UNDP's 2002 project preparation funds. The investment allocation would correspond to 93 individual projects and sector phase-out programmes that would eliminate 3,850 ODP tonnes.

20. Table 2 provides a distribution by sector and sub-sector. The summary is presented below:

Summary table H

Sector	PRP funds	Budget	%	ODP	%
ARS	80,000	1,620,000	4.3	381	9.9
FOA	495,000	13,028,400	34.0	1,734	45.0
FUM	125,000	5,278,750	13.6	262	6.8
REF	380,000	11,595,104	30.1	873	22.7
SOL	15,000	7,130,000	18.0	600	15.6
TOTAL	1,095,000	38,652,254	100.0	3,850	100.0

21. Table 3 provides a distribution by country. A total of 30 countries are covered in 2002., which are summarized by region in the following table:

Summary table I

Region	Nr of countries	PRP funds	Budget	%	ODP	%
AFR	11	260,000	6,400,000	16.8	709	18.4
ASP	10	295,000	18,547,504	47.4	1,721	44.7
LAC	9	540,000	13,704,750	35.8	1,420	36.9
TOTAL	30	1,095,000	38,652,254	100.0	3,850	100.0

22. Table 4, based on Table 2 and 5, presents project preparation requests desegregated by country, sector and sub-sector. It is self-explanatory. There are 14 LVCs identified in the programme. Activities which were highlighted as having "Policy Issues" total US$ 8,720,000 and are the following:

Summary table J

COUNTRY	SUBSECTOR	Budget	ODP	Policy Issue
ARGENTINA	FOA: Terminal Programme	1,000,000	125	Sector Phase-out; approval may not be obtained in 2002.
BRAZIL	REF: Refrigerant management plan	1,000,000	100	Large-scale RMP: approval may not be obtained in 2002.
CUBA	ARS: MDIs	660,000	150	New sector: approval may not be obtained in 2002.
INDIA	ARS: Terminal Programme	800,000	200	Sector Phase-out; approval may not be obtained in 2002.
INDIA	FOA: Terminal Programme	2,000,000	225	Sector Phase-out; approval may not be obtained in 2002.
MEXICO	FOA: Terminal Programme	800,000	145	Sector Phase-out; approval may not be obtained in 2002.
NIGERIA	FOA: Terminal Programme	1,900,000	270	Sector Phase-out; approval may not be obtained in 2002.
NIGERIA	REF: Refrigerant management plan	500,000	30	Large-scale RMP: approval may not be obtained in 2002.
URUGUAY	ARS: MDIs	60,000	13	New sector: approval may not be obtained in 2002.
TOTAL		8,720,000	1,258	

23. Table 5 presents the contingency list of projects. The total contingency list amounts US$ 8,720,000 (equivalent to the amount of policy issues in table 4) which would eliminate 1,023 ODP tonnes in the foam and commercial refrigeration sectors. It would require $170,000 in project preparation assistance. Projects will be formulated and submitted in 2002, in the event some of the above-mentioned programmes are not approved in 2002 as planned.

24. **Table 6 presents a list of pipeline projects for the year 2003**. While table 4 presented those activities in 2003 that would form part of a multi-year phase-out programme, table 6 contains both these multi-year activities as well as the other requests received in 2001, which, based on allocated share and priorities established by the Excom, could not be included in UNDP's 2002 business plan.

C. PERFORMANCE INDICATORS

Note: All US$ figures in this section exclude agency support and over-programming. The category of Investment projects includes Refrigeration Recovery/Recycling projects, as well as MeBr demonstration projects.

25. **Project Disbursements in 2002.** Estimated project disbursements by UNDP in 2002, excluding support costs, should total $37.8 million comprising $34.0 million on investment projects, $3.0 million on non-investment projects and $0.8 million of project preparation funds.

26. The disbursement targets are possible only if no critical delays are encountered, such as disagreements with Governments on implementation modalities, delays in signing project documents, inability of equipment suppliers to meet deadlines, inability of joint venture companies or companies that have accepted partial funding to provide their share in foreign exchange, and the policy of some Governments to levy taxes/duties on equipment purchased through MLF projects, with enterprises refusing to complete their projects until the policies change. Total disbursements by year (excluding obligations) would be:

Summary table K

Year	Disbursements ($ millions)	Cumulative Disbursements ($ millions)
1991	0.25	0.25
1992	0.52	0.77
1993	3.86	4.63
1994	6.47	11.10
1995	11.53	22.63
1996	29.50	52.13
1997	34.49	86.62
1998	33.62	120.24
1999	36.60	156.84
2000	41.63	198.47
2001 (B. Plan estimate)	37.40	235.87
2002 Target	37.80	273.67

27. One can note from the above table, that yearly disbursements are estimated to decrease in 2001 from its maximum level reached in 2000. There are several reasons that explains this. An important factor is that a significant portion of UNDP's 2000 business plan for Iran and Mexico for an amount of US$ 3 million was not approved by the Executive Committee during that year, due to new policy issues that were introduced during the review process of these projects. While the Iran programme was approved in July 2001, the bulk of the disbursement for these projects will not occur in 2001, but the year after. A similar case is likely to be repeated in 2001, since a large portion of UNDP's 2001 business plan for Brazil

(about US$ 4.3 million) will only be approved in 2002. This delayed approval process in 2000/2001 has the obvious consequence that the disbursement figures in 2001/2002 will be lower than would otherwise be the case.

28. For the period 1991-2001, preliminary estimates show cumulative UNDP project disbursements of $235.87 million as compared to total approvals of $320.43 million giving a delivery rate of 73.6%. In 2002, net additional disbursements of $37.80 million are anticipated. A comparison of disbursements on investment, non-investment and project preparation activities during 1991-2001 (estimate), expected in year 2002 and the cumulative target during 1991-2002 is as follows:

Summary table L

Period	Inv. Project Disbursements ($ millions)	Non-Inv. Project Disbursements ($ millions)	Project Prep. Disbursements ($ millions)	Total Disbursements ($ millions)
1991 – Dec 2001 (prelim. est.)	206.65	20.60	8.62	235.87
2002 Target	34.00	3.00	0.80	37.80
1991-2002 Target	240.65	23.60	9.42	273.67

29. 2001 UNDP Investment Project Disbursement. In its 2001 Business Plan, UNDP had targeted its total 1991-2001 disbursement on investment projects to be $207.42 million. While it is too early to determine whether the target will be met, preliminary indications are that UNDP may meet that target.

30. 2002 UNDP Investment Project Disbursement Target: In its 2001 Business Plan, UNDP has set a target of $34 million as its investment project disbursement target in the year 2002. Since anticipated disbursements as of end-2001 are targeted to be around $206.65 million, by end-2002 this figure should be around $240.65 million. The ExCom mandated target for end-2002 cumulative disbursement would be 70% of funded investment projects as of end-2001, or 70% of $323.03 million, which is $226.12 million. Thus UNDP will most probably exceed the ExCom's mandated 70% disbursement target by end-2002. In fact, the investment disbursement percentage is expected to be 74.5%.

31. Investment Project Approvals in 2001. UNDP's Investment Project Performance Indicators approved at the 35th ExCom meeting had projected investment project approvals of $38.78 million in 2001, excluding PRP, and over-programming, but including support costs. Without support costs, this figure becomes $34.31 million. As of end-December 2001, UNDP expects to receive $32.59 million in investment project approvals for that year. However, one must take out the $2.16 million for Iran that belongs to the 2000 business plan, and one must add the $4.3 million for Brazil to be submitted in March 2002 (but belongs to the 2001 business plan). If this is taken into account, the approvals against UNDP's 2001 business plan are estimated to be $34.73 million. It therefore seems likely that UNDP will be meeting its target for investment project approvals for 2001.

32. ODP to be Phased Out from 2001 Business Plan Approvals. UNDP's 2001 Business Plan had a projected ODP phase-out target of 4,514 ODP tonnes for projects to be approved in 2001. As of December 2001, a total of 3,762 ODP tonnes should be approved for phase-out. When deducting the Iranian projects belonging to the 2000 business plan (202 OPD tonnes), and adding the Brazilian projects to be approved in 2002 (466 ODP tonnes), the total ODP against UNDP's 2001 business plan would read 4,026 ODP tonnes. UNDP may therefore fall short of meeting this target. The explanation for this is that the aerosol programmes in Vietnam and India did not yet materialize, and that parts of some of the

flexible foam programmes (eg Libya) as well as the Mexican Foam Sector Strategy have not yet been approved. Also, the Mexico Halons Phase-out programme will not phase out as much ODP since consumption was lower than expected. These allocations were mostly replaced by projects in the commercial refrigeration sector (Iran, India, Indonesia), which have a lower cost-effectiveness, resulting in less ODP phase-out for the same amount of funds.

33. **ODP to be Phased Out in 2001**: UNDP's 2001 Business Plan had projected an ODP phase-out target of 6,000 ODP tonnes in 2001. It is still too early to determine what actual ODP phase-out in 2001 would total. This information will be available in UNDP's 2002 progress report.

34. **Speed of Investment Project Delivery**. A summary of UNDP's speed of delivery and completion for investment projects shows the following:

Summary table M

Year	Average # of months from Approval to First Disbursement	Average # of months from Approval to Completion
1992	18	29
1993	14	26
1994	14	32
1995	15	24
1996	9	22
1997	12	31
1998	14	32
1999	14	35
2000	13	33
2001 (estimate)	13	33
2002 (target)	13	33

35. Based on evaluation of UNDP's July 2001 Progress Report for the period ending December 2000, the following observations apply:

a) The average length of time between investment project approval and first disbursement for investment projects ranges between 9-18 months for projects approved during 1992-97. In the 1998-1999 period it averaged 14 months, which went down to 13 in 2000. UNDP proposes that the same target will hold for 2002.

b) UNDP's investment projects, approved during 1992-96, have taken between 22-32 months to complete their ODS phase-out. Since 1997, the time needed for project completion has increased from 31 months in 1997 to 32 months in 1998 to 35 months in 1999. It then went down to 33 months in 2000. The same 33-month duration is used for 2001 and 2002, since there are no reasons to believe that the cause of implementation delays have been resolved for the portfolio as a whole.

c) In July 1999, the 28th ExCom Meeting decided that projects could only be termed completed when all use of CFCs had stopped (and stocks exhausted), and that formal agreements were required between the enterprise and the Government requiring destruction of CFC-using equipment and no further use of CFCs before projects could be termed completed. Further the requirement that project balances be returned to the Fund at the latest 12 months after project completion has forced UNDP to use its "Hand-Over Protocol" date to signify project completion

since it is only at that time that all the above conditions are met. The above factors, together with the longer time needed for project implementation due to technical, financial, external and other factors documented in UNDP's July 1999 and and July 2000 progress reports, justify why investment project duration will still take the statistical average of 33 months. It should also be noted that umbrella projects, often covering SMEs, take three years or more to complete, as will MeBr sector phase-out programmes and other sector approaches, automatically adding to the overall implementation period.

d) While UNDP has agreed to reduce project duration for foam projects using HCFC-141b to 24 months, this change will not reduce the statistical average, as other projects will in fact take much longer to complete.

36. **Speed of Non-Investment Project Delivery**. Analysis of UNDP's speed of delivery and completion for non-investment projects shows the following:

Summary table M

Year	Months from Approval to First Disbursement	Months from Approval to Completion
1991	11	24
1992	16	33
1993	10	33
1994	6	24
1995	4	15
1996	6	24
1997	10	29
1998	13	36
1999	12	36
2000	11	34
2001 (estimate)	11	34
2002 (target)	11	34

37. The above table shows the following:

a) The average length of time between non-investment project approval and first disbursement has fluctuated in the 91-97 period and ranged from 4 to 16 months. In 1998 it was 13 months and during 1999 it averaged 12 months. The average during 2000 was 11 months and the same should hold in 2001 and 2002, as conditions remain the same.

b) The average length of time between non-investment project approval and completion has also fluctuated significantly in previous years. During 1998-1999 it averaged 36 months. It decreased to 34 months in 2000, and the same should hold in 2001/2002, as conditions remain the same.

38. **ODS Phase-out in 2002.** By end-2000 UNDP eliminated 21,894 ODP tonnes. In 2001 and 2002, UNDP proposes to eliminate an additional 6,000 and 5,000 ODP tonnes respectively, so that by end-2002 UNDP would have eliminated a total of 32,844 ODP tonnes. This would amount to 73.5% of the 1991-2002 UNDP programme of 44,691 ODP tonnes. The actual and projected ODS phase-out expressed in ODP tonnes is as follows:

Summary table N

YEAR	ODP Approved		ODP Phased Out		% Phased out compared to previous year's approvals
	yearly	Cumulative	yearly	Cumulative	
1992	420	420	0	0	
1993	998	1,418	178	178	12.6
1994	6,693	8,111	227	405	5.0
1995	5,202	13,313	1,497	1,902	14.3
1996	3,900	17,213	1,658	3,560	20.7
1997	6,408	23,621	3,065	6,625	28.0
1998	4,650	28,271	4,428	11,053	39.1
1999	4,569	32,840	3,800	14,853	45.2
2000	4,239	37,079	5,667	21,894	59.0
2001 (estimate)	3,762	40,841	6,000	27,894	68.3
2002 (planned)	3,850	44,691	5,000	32,844	73.5

39. **2002 ODS Phase-out as a Percentage of UNDP Programme**. The total ODP to be eliminated in 2002 under UNDP investment projects would be 5,000 ODP tonnes. The target is lower than in 2001, because the yearly amounts of ODP approved also tend to decrease. This amounts to 12.2% of the total approved UNDP programme by end-2001 of 40,841 ODP tonnes.

40. **Diversity of the UNDP Portfolio**. The Executive Committee has requested implementing agencies to diversify their project portfolios to reach the largest number of potential recipient countries. The following table highlights UNDP's efforts in this area by comparing the programme portfolio expected as of end-2001 with that expected as of end-2002:

Summary table O

DIVERSITY CRITERIA	As of end-2001	As of end-2002
a) Total number of countries covered	69	74
b) Number of LVCs covered	43	48
c) Countries in the Africa region	26	29
d) Countries in the Asia/Pacific region	19	21
e) Countries in Latin America/Caribbean region	22	22
f) Countries in Europe/CIS region	2	2

41. **Project Costing and Use of Contingency Costs**. For many projects approved since 1997, contingency costs have had to be utilized and in some cases additional funding from the recipient enterprises was essential since equipment costs have in several instances been going up rather than down. This has been documented in several submitted investment project completion reports. This experience will likely continue into 2002. With the smaller size of enterprises being covered, project cost-effectiveness is also not as favorable. Revised baseline equipment calculations would increase the counterpart funding required from recipient enterprises. The Executive may want to review this criteria in view of such trend.

42. **Cost of Investment Project Preparation**

a) During 1991-2000, preliminary estimates show $7.74 million in project preparation funds

disbursed resulted in the approval of $252.64 million in investment projects, giving a cost of preparation ratio of 3.06%.

b) For 2001, UNDP had estimated its cost of investment project preparation ratio also at 3.0%. The ExCom had requested UNDP to lower this figure to 2.7%. For 2001, UNDP has indeed lowered its estimate of the cost of investment project preparation to 2.7%. However, the ever-increasing ExCom requirements on more specific and detailed ODS consumption data not only for the enterprise in question but for the sector/subsector, together with the increasing number of SME group projects which would entail data analysis covering a large number of smaller enterprises could raise this cost. In 2002, UNDP will find out whether it has under-estimated these costs and revert later to the Executive Committee with a specific proposal on this matter.

43. Cost-Effectiveness of Investment Projects. We refer to paragraphs 5 and 6 of this report for a discussion on this topic. There may be the need for the Excom to review the targets for these indicators in the future.

44. **Summary of UNDP 2002 Investment Project Performance Indicators**:

Summary table P

PERFORMANCE INDICATOR	YEAR 2001 TARGETS
Weighted indicators	
ODP phased out from previous approvals (ODP tonnes)	5,000
Funds disbursed (US$) including INV, R&R and MeBr projects a/	$38,080,000
Satisfactory project completion reports received (%age)	100%
Distribution of projects among countries in business plan (number) b/ c/	43
Non-weighted indicators	
Value of projects to be approved (US$) d/	$38,652,254
ODP from projects to be approved (ODP tonnes)	3,850
Cost of project preparation (% of submission)	2.7
Cost-effectiveness from projects to be approved (US$/ODP in kg.)	$9.6 /kg.
Speed of delivery until first disbursement (months from approval)	13
Speed of delivery until project completion (months from approval)	33
Net emission/reduction of ODP resulting from implementation delays/early completion (tonnes)	To be determined

a/ US$ 34.-0 million plus an assumed 12% agency support costs.
b/ Includes countries in non-ivestment and investment projects
c/ This will be valid only if the Executive Committee in 2001 approves UNDP-submitted projects in LVCs
d/ Includes support cost but excludes 15% overprogramming

45. Summary of UNDP 2002 Non-investment Project Performance Indicators:

Summary table Q

PERFORMANCE INDICATOR	YEAR 2001 TARGETS
Weighted indicators	
Number of projects to be completed	12
Funds disbursed (US$) a/	$3,390,000
Speed of delivery until first disbursement (months from approval)	11

Speed of delivery until project completion (months from approval)	34
Non-weighted indicators	
Appropriate and timely policies initiated by countries as a result of networking, training, information exchange, country programme development and/or institutional strengthening (number of countries)	3
Reduction in ODS consumption over and above that effected by investment projects (ODP tonnes)	20

a/ US$ 3,000,000 in the year 2002 plus 13%

D. POLICY AND ADMINISTRATIVE ISSUES TO BE ADDRESSED IN 2002

46. **Addressing new sub-sectors with no interim guidelines.** Two countries have requested UNDP to assist the conversion of enterprises that manufacture Metered Dose Inhalers, MDIs, for asthma treatment. UNDP had requested ExCom guidance in 2001's Business Plan on how to proceed. While there was clearance related to the eligibility of submission of projects in these sub-sectors, development of interim guidelines was not instructed/ requested. Therefore, guidelines or templates for the calculations of eligible incremental costs are needed. The situation is urgent due to compliance issues involved. Guidance is also requested as to conditions related to development of their Transition Strategies.

47. **Sector phase-out programmes for large countries.** There are several sector terminal programmes for large countries like Argentina, India, Mexico and Nigeria. Difficulties to assemble information with the detail required and an extended project review process is envisaged which may lead to delays in the approval of those large programs. The Executive Committee may wish to consider limiting the approval time of such large-scale programs to, for example, one year.

48. **Large Scale Refrigerant Management Plan.** RMP are under preparation for large countries like Brazil and Nigeria where very few or no RMP components have being approved. The expectation is to have them finalized for submission to the last meeting of 2002. Large number of components as well as the amount of grant resources foreseen may lead to an extended review process and difficulties to approve them in 2002. The Executive Committee may wish to consider to approve individual RMP components for such large-scale RMPs.

49. **Project Costing and Use of Contingency Costs**. For many projects approved since 1997, contingency costs have had to be utilized and in some cases additional funding from the recipient enterprises was essential since equipment costs have in several instances been going up rather than down. This has been documented in several submitted investment project completion reports. This experience will likely continue into 2002. With the smaller size of enterprises being covered, project cost-effectiveness is also not as favorable. Revised baseline equipment calculations would increase the counterpart funding required from recipient enterprises. The Executive may want to review this criterion in view of such trend.

50. **Cost of Investment Project Preparation**. For 2001, UNDP had estimated its cost of investment project preparation ratio also at 3.0%. The ExCom had requested UNDP to lower this figure to 2.7%. For 2001, UNDP has indeed lowered its estimate of the cost of investment project preparation to 2.7%. However, the ever-increasing ExCom requirements on more specific and detailed ODS consumption data not only for the enterprise in question but for the sector/sub-sector, together with the increasing number of SME group projects which would entail data analysis covering a large number of smaller enterprises could raise this cost. In 2002, UNDP will find out whether it has under-estimated these costs and revert later to the Executive Committee with a specific proposal on this matter.

51. **Cost-Effectiveness of Investment Projects.** The investment programme cost-effectiveness has been oscillating between $5.4/kg and $7.9/kg between 1992 and the year 2000. However, the cost–effectiveness is estimated to rise to $8.6/kg in 2001 and $9.6/kg in 2002. The reasons for this increase can be summarized as follows:

- most large cost-effective projects have already been approved during previous years.
- UNDP is increasingly being requested to start investment project preparation for low-volume ODS consuming countries (LVCs) where cost-effectiveness criteria do not apply.
- An increasing number of foam/refrigeration umbrella projects covering large numbers of SME's.
- the inclusion of many large-scale multi-year MeBr investment projects where the CE will not be as favorable as other consumption sector projects (Argentina, Costa Rica, Kenya, Malawi, Mozambique, …)
- approval of the 2001 annual programme of the China Solvents Sector Plan which at $6.955 million has a cost-effectiveness of $11.44/kg.;
- an increasing number of requests to work in countries with compliance difficulties, but where the only remaining activities relate to the Refrigerant Management Plan and the refrigeration servicing sector, with very unfavorable cost-effectiveness values.

There may be the need for the Excom to review the targets for these indicators for the next business plan cycle.

52. **Impact of new Excom requirements on resources:** New requirements for ODP consumption certification by the NOUs, have caused major difficulties for some of them, who are required to undergo more paperwork to comply with the certification process as per their own Governmental rules. This has delayed project preparation and incurred additional costs to both IS projects and UNDP which was asked to assist in the process. This was not foreseen as part of the costs to be incurred under project preparation or IS projects. UNDP will come back at a later date with more precise information on the matter and a specific proposal to the Excom .

TABLE 1: Ongoing Non-Investment Projects: UNDP 2002 Business Plan											5-Nov-01	
						Project Funding		Disbursement				
Agency	LVC	Country	Re-gion	Ty-pe	Functional Title / Subsector	Value ($) through Dec 2001	Request ($) for 2002 Plan *	Through Dec 2001	In 2002	After 2002	Date Comple-ted	Status
UNDP	1	AFRICA	AFR	TAS	Regional Halon TAS		610,000	0	61,000	549,000	Jul-05	New request - with GTZ
UNDP	1	AFRICA	AFR	TAS	Regional MeBr TAS		250,000	0	25,000	225,000	Jul-05	New request - with GTZ
UNDP	1	BURKINA FASO	AFR	TAS	End-users incentive programme	132,250		26,426	10,582	95,242	Jan-06	Ongoing project
UNDP	1	BURKINA FASO	AFR	TAS	Monitoring the RMP	16,350		3,267	1,308	11,775	Aug-07	App'd 34th ExCom
UNDP	1	BURUNDI	AFR	TAS	Monitoring the RMP	10,450		8,352	2,098	-	Dec-01	Ongoing project
UNDP	1	CHAD	AFR	TAS	Awareness/Incentive Programme		184,000	0	18,400	165,600	Jul-05	New request
UNDP	1	CHAD	AFR	TAS	Monitoring the RMP activities	15,455		6,176	9,279	-	Dec-02	Ongoing project
UNDP	1	CHAD	AFR	TAS	RMP update		20,000	0	6,909	13,091	Jul-03	New request
UNDP	1	DR CONGO (Kinsh.)	AFR	TAS	Awareness/Incentive Programme		120,000	0	12,000	108,000	Jul-05	New request
UNDP	1	GABON	AFR	TAS	Awareness/Incentive Programme		160,000	0	16,000	144,000	Jul-05	New request
UNDP	1	GABON	AFR	TAS	Monitoring the RMP	12,100		9,671	2,429	-	Dec-01	Ongoing project
UNDP	1	GABON	AFR	TAS	RMP update		20,000	0	6,909	13,091	Jul-03	New request
UNDP	1	GHANA	AFR	TAS	End-users incentive programme	198,000		39,564	15,844	142,593	Jan-06	Ongoing project
UNDP	1	GHANA	AFR	INS	Institutional Strengthening: Phase 4	107,000		21,380	29,576	56,044	Jan-03	Ongoing project
UNDP	1	GHANA	AFR	INS	Institutional Strengthening: Phase 5		107,000	0	10,700	96,300	Jul-04	Extension INS
UNDP	1	GHANA	AFR	TAS	Monitoring the RMP	15,455		3,088	1,237	11,130	Jan-06	Ongoing project
UNDP	1	KENYA	AFR	CPG	CP update		30,000	0	10,363	19,637	Jul-03	New request
UNDP	1	KENYA	AFR	INS	Institutional Strengthening: Phase 3	116,667		23,312	32,248	61,107	Jan-03	Ongoing project
UNDP	1	KENYA	AFR	INS	Institutional Strengthening: Phase 4		116,667	0	11,667	105,000	Jul-04	Extension INS
UNDP	1	MALI	AFR	TAS	Monitoring the RMP	15,455		3,088	1,237	11,130	Jan-04	Ongoing project
UNDP	1	MOZAMBIQUE	AFR	TAS	Monitoring the RMP		15,000	0	1,500	13,500	Jul-05	New request
UNDP	1	NIGER	AFR	TAS	Awareness/Incentive Programme		104,000	0	10,400	93,600	Jul-05	New request
UNDP	1	NIGER	AFR	TAS	Monitoring of the RMP	15,455		12,353	3,102	-	Apr-01	Ongoing project
UNDP	1	NIGER	AFR	TAS	RMP update		20,000	0	6,909	13,091	Jul-03	New request
UNDP		NIGERIA	AFR	INS	Institutional strengthening: Phase 2	200,000		39,963	55,282	104,755	Aug-03	App'd 34th ExCom
UNDP		NIGERIA	AFR	INS	Institutional Strengthening: Phase 1	300,000		239,779	60,221	-	Jun-01	Ongoing project
UNDP		NIGERIA	AFR	TAS	TAS for RMP Development	100,000		19,982	27,641	52,377	Jan-03	Ongoing project
UNDP	1	PR CONGO (Brazav.)	AFR	TAS	Awareness/Incentive Programme		120,000	0	12,000	108,000	Jul-05	New request
UNDP	1	SOMALIA	AFR	TAS	Awareness/Incentive Programme		120,000	0	12,000	108,000	Jul-05	New request
UNDP	1	SOMALIA	AFR	TAS	RMP formulation		10,000	0	3,454	6,546	Jul-03	New request - with GTZ
UNDP	1	TOGO	AFR	TAS	Awareness/Incentive Programme		120,000	0	12,000	108,000	Jul-05	New request
UNDP	1	UGANDA	AFR	TAS	Monitoring the RMP		15,000	0	1,500	13,500	Jul-05	New request
UNDP		BANGLADESH	ASP	TAS	Awareness/Incentive Programme		212,000	0	21,200	190,800	Jul-05	New request
UNDP		BANGLADESH	ASP	CPG	CP and RMP-Update		50,000	0	17,272	32,728	Jul-03	New request
UNDP		BANGLADESH	ASP	INS	Institutional Strengthening: Phase 2	100,000		79,926	20,074	-	Dec-01	Ongoing project
UNDP		BANGLADESH	ASP	INS	Institutional Strengthening: Phase 3	100,000		0	34,543	65,457	Dec-03	35th ExCom
UNDP		BANGLADESH	ASP	TAS	Monitoring the RMP activities	15,455		6,176	9,279	-	Dec-02	Ongoing project
UNDP	1	CAMBODIA	ASP	CPG	CP/RMP formulation		25,000	0	8,636	16,364	Jul-03	New request
UNDP		CHINA	ASP	INS	Institutional Strengthening: Phase 4	300,000		59,945	82,923	157,132	Jan-03	Ongoing project

TABLE 1: Ongoing Non-Investment Projects: UNDP 2002 Business Plan											5-Nov-01	
						Project Funding		Disbursement				
Agency	LVC	Country	Re-gion	Ty-pe	Functional Title / Subsector	Value ($) through Dec 2001	Request ($) for 2002 Plan *	Through Dec 2001	In 2002	After 2002	Date Comple-ted	Status
UNDP		CHINA	ASP	INS	Institutional Strengthening: Phase 5		300,000	0	30,000	270,000	Jul-04	Extension INS
UNDP		INDIA	ASP	CPG	CPG-Update		100,000	0	34,543	65,457	Jul-03	New request
UNDP		INDIA	ASP	DEM	Demo: 5 small aerosol fillers	176,250		140,870	35,380	-	Apr-01	Ongoing project
UNDP		INDIA	ASP	INS	Institutional strengthening: Phase 4	287,100		57,367	79,357	150,376	Aug-03	App'd 34th ExCom
UNDP		INDIA	ASP	INS	Institutional Strengthening: Phase 3	287,100		229,469	57,631	-	Apr-01	Ongoing project
UNDP		INDIA	ASP	TAS	National fire codes/standards halons	88,000		35,168	52,832	-	Dec-02	Ongoing project
UNDP		INDIA	ASP	TAS	RAC Servicing Sector Study	30,000		5,994	8,292	15,713	Jan-03	Ongoing project
UNDP		INDIA	ASP	TAS	TAS for SMEs in aerosol products	155,000		61,943	93,057	-	Dec-02	Ongoing project
UNDP		INDONESIA	ASP	INS	Institutional Strengthening: Phase 3	208,650		41,692	57,673	109,285	Jan-03	Ongoing project
UNDP		INDONESIA	ASP	INS	Institutional Strengthening: Phase 4		208,650	0	20,865	187,785	Jul-04	Extension INS
UNDP		IRAN	ASP	INS	Institutional Strengthening: Phase 2	133,470		106,678	26,792	-	May-01	Ongoing project
UNDP		IRAN	ASP	INS	Institutional Strengthening: Phase 3	133,470		26,669	36,892	69,908	Jan-03	Ongoing project
UNDP		IRAN	ASP	INS	Institutional Strengthening: Phase 4		133,470	0	13,347	120,123	Jul-04	Extension INS
UNDP	1	LEBANON	ASP	CPG	CP update		50,000	0	17,272	32,728	Jul-03	New request
UNDP	1	LEBANON	ASP	INS	Institutional Strengthening: Phase 2	119,300		47,676	71,624	-	Aug-02	Ongoing project
UNDP	1	LEBANON	ASP	INS	Institutional Strengthening: Phase 3		119,300	0	11,930	107,370	Jul-04	Extension INS
UNDP		MALAYSIA	ASP	INS	Institutional Strengthening: Phase 4	215,000		42,960	59,428	112,611	Jan-03	Ongoing project
UNDP		MALAYSIA	ASP	INS	Institutional Strengthening: Phase 5		215,000	0	21,500	193,500	Jul-04	Extension INS
UNDP	1	NEPAL	ASP	TAS	Monitoring the RMP	8,894		3,554	5,340	-	Feb-02	Ongoing project
UNDP		PAKISTAN	ASP	INS	Institutional Strengthening: Phase 1	259,000		207,009	51,991	-	Jun-01	Ongoing project
UNDP		PAKISTAN	ASP	INS	Institutional Strengthening: Phase 2	172,667		0	59,645	113,022	Dec-03	35th ExCom
UNDP	1	SRI LANKA	ASP	TAS	End-users incentive programme	250,000		49,954	20,005	180,041	Jan-06	Ongoing project
UNDP	1	SRI LANKA	ASP	INS	Institutional Strengthening: Phase 3	103,120		82,420	20,700	-	Dec-01	Ongoing project
UNDP	1	SRI LANKA	ASP	INS	Institutional Strengthening: Phase 4		103,120	0	10,312	92,808	Jul-04	Extension INS
UNDP	1	SRI LANKA	ASP	TAS	Monitoring the RMP	15,455		3,088	1,237	11,130	Jan-06	Ongoing project
UNDP		THAILAND	ASP	INS	Institutional Strengthening: Phase 1	400,000		319,706	80,294	-	Dec-01	Ongoing project
UNDP		THAILAND	ASP	INS	Institutional Strengthening: Phase 2	266,667		213,137	53,530	-	Jul-01	Ongoing project
UNDP		YEMEN	ASP	TAS	Awareness/Incentive Programme		200,000	0	20,000	180,000	Jul-05	New request
UNDP		GEORGIA	EUR	TAS	Monitoring the RMP	16,350		0	1,635	14,715	Dec-04	35th ExCom
UNDP		||GLOBAL	GLO	TAS	Global MAC project: Phase 3	250,000		199,816	50,184	-	Sep-01	Ongoing project
UNDP		ARGENTINA	LAC	INS	Institutional Strengthening: Phase 2	239,700		191,584	48,116	-	Dec-01	Ongoing project
UNDP		ARGENTINA	LAC	INS	Institutional Strengthening: Phase 3		239,700	0	82,800	156,900	Dec-03	Ongoing project
UNDP	1	BELIZE	LAC	TAS	Awareness/Incentive Programme		75,000	0	7,500	67,500	Jul-05	New request
UNDP	1	BELIZE	LAC	TAS	RMP update		10,000	0	3,454	6,546	Jul-03	New request - with Canada
UNDP		BRAZIL	LAC	INS	Institutional Strengthening: Phase 3	270,000		53,950	74,631	141,419	Jan-03	Ongoing project
UNDP		BRAZIL	LAC	INS	Institutional Strengthening: Phase 4		270,000	0	27,000	243,000	Jul-04	Extension INS
UNDP		BRAZIL	LAC	TAS	TAS for RMP Development	100,000		19,982	27,641	52,377	Jan-03	Ongoing project
UNDP		COLOMBIA	LAC	INS	Institutional Strengthening: Phase 3	212,000		84,722	127,278	-	Apr-02	Ongoing project
UNDP		COLOMBIA	LAC	INS	Institutional Strengthening: Phase 4		212,000	0	21,200	190,800	Jul-04	Extension INS
UNDP		COLOMBIA	LAC	TAS	TAS for RMP Development	40,000		7,993	11,056	20,951	Jan-03	Ongoing project

TABLE 1: Ongoing Non-Investment Projects: UNDP 2002 Business Plan												5-Nov-01
						Project Funding		Disbursement				
Agency	LVC	Country	Re-gion	Ty-pe	Functional Title / Subsector	Value ($) through Dec 2001	Request ($) for 2002 Plan *	Through Dec 2001	In 2002	After 2002	Date Comple-ted	Status
UNDP	1	COSTA RICA	LAC	INS	Institutional Strengthening: Phase 3	108,087		86,390	21,697	-	Apr-01	Ongoing project
UNDP	1	COSTA RICA	LAC	INS	Institutional Strengthening: Phase 4	108,087		0	37,337	70,750	Dec-03	35th ExCom
UNDP	1	COSTA RICA	LAC	TAS	TAS for RMP Development	40,000		7,993	11,056	20,951	Jan-03	Ongoing project
UNDP		CUBA	LAC	INS	Institutional strengthening: phase 3	114,666		22,912	31,695	60,059	Aug-03	App'd 34th ExCom
UNDP		CUBA	LAC	INS	Institutional Strengthening: Phase 2	114,666		91,648	23,018	-	Jul-01	Ongoing project
UNDP		DOMINICAN R	LAC	TAS	Halons TAS		30,000	0	3,000	27,000	Jul-05	New request
UNDP		DOMINICAN R	LAC	TAS	Monitoring of RMP activities	15,000		11,989	3,011	-	Jul-01	Ongoing project
UNDP		DOMINICAN R	LAC	TAS	RMP Update		20,000	0	6,909	13,091	Jul-03	New request
UNDP	1	EL SALVADOR	LAC	TAS	Awareness/Incentive Programme		246,000	0	24,600	221,400	Jul-05	New request
UNDP	1	EL SALVADOR	LAC	TAS	Monitoring of RMP activities	10,500		8,392	2,108	-	Dec-01	Ongoing project
UNDP	1	EL SALVADOR	LAC	TAS	RMP Update		20,000	0	6,909	13,091	Jul-03	New request
UNDP	1	JAMAICA	LAC	TAS	Awareness/Incentive Programme		100,000	0	10,000	90,000	Jul-05	New request
UNDP		MEXICO	LAC	TAS	Foam sector strategy	40,000		15,985	24,015	-	Jan-02	Ongoing project
UNDP		MEXICO	LAC	INS	Institutional Strengthening: Phase 5	190,000		75,930	114,070	-	Aug-02	Ongoing project
UNDP		MEXICO	LAC	INS	Institutional Strengthening: Phase 6		190,000	0	19,000	171,000	Jul-04	Extension INS
UNDP		MEXICO	LAC	TAS	Monitoring Project Halons	89,000		0	8,900	80,100	Jan-05	35th ExCom
UNDP		MEXICO	LAC	TAS	Halon Codes Outreach project	77,000		0	7,700	69,300	Jan-05	35th ExCom
UNDP	1	PERU	LAC	TAS	Awareness/Incentive Programme		233,000	0	23,300	209,700	Jul-05	New request
UNDP	1	PERU	LAC	TAS	RMP Update		20,000	0	6,909	13,091	Jul-03	New request
UNDP	1	TRIN/TOBAGO	LAC	TAS	Awareness/Incentive Programme		203,000	0	20,300	182,700	Jul-05	New request
UNDP	1	TRIN/TOBAGO	LAC	INS	Institutional Strengthening: Phase 2	44,000		8,792	12,162	23,046	Jan-03	Ongoing project
UNDP	1	TRIN/TOBAGO	LAC	INS	Institutional Strengthening: Phase 3		44,000	0	4,400	39,600	Jul-04	Extension INS
UNDP	1	TRIN/TOBAGO	LAC	TAS	RMP update		20,000	0	6,909	13,091	Jul-03	New request
UNDP	1	URUGUAY	LAC	INS	Institutional Strengthening: Phase 4	116,000		46,357	69,643	-	Aug-02	Ongoing project
UNDP	1	URUGUAY	LAC	INS	Institutional Strengthening: Phase 5		116,000	0	11,600	104,400	Jul-04	Extension INS
UNDP		VENEZUELA	LAC	CPG	CP Update		50,000	0	17,272	32,728	Jul-03	New request
UNDP		VENEZUELA	LAC	INS	Institutional Strengthening: Phase 5	219,600		87,759	131,841	-	Aug-02	Ongoing project
UNDP		VENEZUELA	LAC	INS	Institutional Strengthening: Phase 6		219,600	0	21,960	197,640	Jul-04	Extension INS
					SUBTOTAL	7,493,891	6,176,507	3,300,000	2,900,000	7,470,398		
					Incl Support Cost	8,468,096	6,979,453	(see note 6)	(see note 7)			

SUMMARY TABLE:					
Subtotal Ongoing and New Requests	7,493,891	6,176,507	3,300,000	2,900,000	7,470,398
Completed Non-Investment Projects	17,822,945	0	17,300,000	100,000	0
SUBTOTAL Ongoing, New, Completed	25,316,836	6,176,507	20,600,000	3,000,000	7,470,398
Support Cost	3,291,189	802,946			
GRAND TOTAL Ongoing, New, Completed	28,608,024	6,979,453			

Footnotes:

(1) Implementing agencies will only provide data for those sectors/categories for which there are planned activities.

(2) Include funded activities

(3) In some cases project implementation (eg ODS phaseout or workshop completion) may have occurred but financial transactions may not have been completed

TABLE 1: Ongoing Non-Investment Projects: UNDP 2002 Business Plan										5-Nov-01	
						Project Funding		Disbursement				
Agency	LVC	Country	Re-gion	Ty-pe	Functional Title / Subsector	Value ($) through Dec 2001	Request ($) for 2002 Plan *	Through Dec 2001	In 2002	After 2002	Date Comple-ted	Status
		(4) Disbursement figures for 2001 for ongoing projects are estimates. Exact figures will be available in the progress report in May 2002										
		(5) Approvals for the 35th ExCom were indicated as "ongoing" since they are expected to be approved in 2001.										
		(6) The disbursements through 2001 for ongoing projects of US$ 3,300,000 includes US$ 1,673,184 already disbursed by end-2000 and the balance (US$ 1,626,816) disbursed in 2001.										
		(7) Disbursements for 2002 take into account that some of the "new requests" for 2002 may only be approved towards the end of 2002 or in 2003.										

TABLE 2: Programme Development by Sector: UNDP 2002 Business Plan **5-Nov-01**

IA	Sector	Sub-sector	Nr of countries (for 2002 only)		Project Prepararion		Project Submission (2002)				2003 Submissions related to Multi-Year Programmes only			
					Surplus PRP from 2001	PRP in 2002	Nr Of Projects	Value $	CFC ODP	Non-CFC ODP	Nr Of Projects	Value $	CFC ODP	Non-CFC ODP
UNDP	ARS	ARS: Contract filler	1		0	15,000	1	100,000	18	0	0	0	0	0
UNDP	ARS	ARS: MDIs	2		0	55,000	2	720,000	163	0	0	0	0	0
UNDP	ARS	ARS: Terminal Programme	1		0	25,000	1	800,000	200	0	1	800,000	200	0
UNDP	FOA	FOA: Flexible slabstock	5		0	80,000	12	1,686,900	281	0	0	0	0	0
UNDP	FOA	FOA: Integral skin	1		0	70,000	1	2,000,000	200	0	1	2,500,000	167	0
UNDP	FOA	FOA: Multiple-subsectors	2		0	50,000	1	1,000,000	128	0	1	1,000,000	128	0
UNDP	FOA	FOA: Rigid	3		0	120,000	7	2,391,500	327	0	1	1,500,000	220	0
UNDP	FOA	FOA: Rigid Terminal Programme	1		0	0	0	0	0	0	0	0	0	0
UNDP	FOA	FOA: Terminal Programme	4		0	160,000	5	5,950,000	798	0	4	4,600,000	615	0
UNDP	FUM	FUM: Soil - Other	1		0	10,000	1	100,000	0	5	0	0	0	0
UNDP	FUM	FUM: Soil (curcurbits)	1		0	5,000	1	200,000	0	10	0	0	0	0
UNDP	FUM	FUM: Soil (cut flowers)	1		0	25,000	1	500,000	0	50	1	500,000	0	55
UNDP	FUM	FUM: Soil (Terminal Phaseout)	2		0	0	2	1,128,750	0	60	2	1,500,000	0	85
UNDP	FUM	FUM: Soil (Tobacco)	2		0	25,000	2	2,100,000	0	70	2	2,050,000	90	25
UNDP	FUM	FUM: Storage	2		0	35,000	2	650,000	0	43	2	700,000	0	40
UNDP	FUM	FUM: Terminal Programme	2		0	25,000	2	1,000,000	0	24	2	1,499,824	0	45
UNDP	REF	REF: Commercial	9		0	165,000	33	7,695,104	533	0	4	400,000	27	0
UNDP	REF	REF: Domestic	1		0	15,000	8	1,000,000	70	0	0	0	0	0
UNDP	REF	REF: Recovery/Recycling	5		0	70,000	5	650,000	65	0	0	0	0	0
UNDP	REF	REF: Refrigerant management pla	4		0	130,000	4	2,250,000	205	0	4	3,150,000	265	0
UNDP	SOL	SOL: Combined CFC-113 and TC	1		0	0	1	6,330,000	500	80	1	5,755,000	600	133
UNDP	SOL	SOL: TCA/CTC	1		0	15,000	1	400,000	20	0	1	400,000	10	0
		Grand Total	**30**		**0**	**1,095,000**	**93**	**38,652,254**	**3,508**	**342**	**27**	**26,354,824**	**2,322**	**383**
		Support Costs			**0**	**1,237,350**		**43,427,047**						
					Minus 15% Overprogramming			**37,762,650**						
					Adding the Prep.Assistance			**39,000,000**						

TABLE 3: Programme Development by Country: UNDP 2002 Business Plan **5-Nov-01**

IA	Country				Project Preparation		Project Submission Year of Plan (2002)				2003 Submissions related to Multi-Year Programmes only			
	Country	Re-gion	LVC		Surplus PRP from 2001	PRP in 2002	Nr of Projects	Value $	CFC ODP	Non-CFC ODP	Nr of Projects	Value $	CFC ODP	Non-CFC ODP
UNDP	DR CONGO (Kinshasa)	AFR	1		0	35,000	4	600,000	90	0	0	0	0	0
UNDP	GHANA	AFR	1		0	5,000	1	200,000	0	10	0	0	0	0
UNDP	KENYA	AFR	1		0	25,000	1	500,000	0	50	1	500,000	0	55
UNDP	LIBERIA	AFR	1		0	15,000	1	100,000	10	0	0	0	0	0
UNDP	LIBYA	AFR			0	20,000	3	750,000	128	0	0	0	0	0
UNDP	MALAWI	AFR	1		0	0	1	750,000	0	21	1	1,249,824	0	42
UNDP	MOZAMBIQUE	AFR	1		0	20,000	1	500,000	0	50	1	250,000	0	25
UNDP	NIGERIA	AFR			0	100,000	2	2,400,000	300	0	2	2,500,000	264	0
UNDP	SOMALIA	AFR	1		0	10,000	1	100,000	10	0	0	0	0	0
UNDP	TOGO	AFR	1		0	15,000	1	100,000	10	0	0	0	0	0
UNDP	ZIMBABWE	AFR	1		0	15,000	1	400,000	0	30	1	200,000	0	15
UNDP	CHINA	ASP			0	0	1	6,330,000	500	80	1	5,755,000	600	133
UNDP	INDIA	ASP			0	85,000	3	4,000,000	507	0	2	2,300,000	367	0
UNDP	INDONESIA	ASP			0	45,000	12	2,489,104	183	0	0	0	0	0
UNDP	IRAN	ASP			0	55,000	27	3,778,400	300	0	0	0	0	0
UNDP	LAOS	ASP			0	15,000	2	200,000	33	0	0	0	0	0
UNDP	LEBANON	ASP			0	30,000	4	800,000	33	30	1	500,000	0	25
UNDP	MALAYSIA	ASP	1		0	10,000	1	100,000	0	5	0	0	0	0
UNDP	SRI LANKA	ASP			0	25,000	1	250,000	0	3	1	250,000	0	3
UNDP	SYRIA	ASP			0	15,000	4	400,000	27	0	4	400,000	27	0
UNDP	YEMEN	ASP	1		0	15,000	1	200,000	20	0	0	0	0	0
UNDP	ARGENTINA	LAC			0	60,000	3	2,956,000	149	20	2	2,800,000	215	0
UNDP	BOLIVIA	LAC	1		0	25,000	1	400,000	28	0	0	0	0	0
UNDP	BRAZIL	LAC			0	260,000	5	5,250,000	609	0	4	7,000,000	715	0
UNDP	COLOMBIA	LAC			0	50,000	2	1,400,000	135	0	0	0	0	0
UNDP	COSTA RICA	LAC	1		0	15,000	2	778,750	25	30	2	1,100,000	10	60
UNDP	CUBA	LAC			0	30,000	1	660,000	150	0	0	0	0	0
UNDP	DOMINICAN REPUBLIC	LAC			0	50,000	3	1,150,000	103	0	2	450,000	15	0
UNDP	MEXICO	LAC			0	25,000	2	1,050,000	145	13	2	1,100,000	109	25
UNDP	URUGUAY	LAC	1		0	25,000	1	60,000	13	0	0	0	0	0
	Grand Total	**30**	**14**		**0**	**1,095,000**	**93**	**38,652,254**	**3,508**	**342**	**27**	**26,354,824**	**2,322**	**383**
		Support Costs			**0**	**1,237,350**		**43,427,047**						
				Minus 15% Overprogramming				**37,762,650**						
				Adding the Prep.Assistance				**39,000,000**						

TABLE 4: Programme Development by Country, Sector and Sub-sector: UNDP 2002 Business Plan

05-Nov-01

IA	Country			Sub-sector	Project Prepararion		Project Submission Year of Plan (2002)				2003 Submissions related to Multi-Year Programmes only				
	Country	Re-gion	LVC		Surplus from 2001	PRP in 2002	Nr of Projects	Value $	CFC ODP	Non-CFC	Nr of Projects	Value $	CFC ODP	Non-CFC	Policy Issue
UNDP	DR CONGO (Kinshasa)	AFR	1	FOA: Flexible slabstock	0	20,000	3	450,000	75						
UNDP	DR CONGO (Kinshasa)	AFR	1	REF: Recovery/Recycling	0	15,000	1	150,000	15						
UNDP	GHANA	AFR	1	FUM: Soil (curcurbits)	0	5,000	1	200,000		10					
UNDP	KENYA	AFR	1	FUM: Soil (cut flowers)	0	25,000	1	500,000		50	1	500,000		55	
UNDP	LIBERIA	AFR	1	REF: Recovery/Recycling	0	15,000	1	100,000	10						
UNDP	LIBYA	AFR		FOA: Flexible slabstock	0	20,000	3	750,000	128						
UNDP	MALAWI	AFR	1	FUM: Terminal Programme	0	0	1	750,000		21	1	1,249,824		42	
UNDP	MOZAMBIQUE	AFR	1	FUM: Soil (Tobacco)	0	20,000	1	500,000		50	1	250,000		25	
UNDP	NIGERIA	AFR		FOA: Terminal Programme	0	50,000	1	1,900,000	270		1	1,500,000	214		1
UNDP	NIGERIA	AFR		REF: Refrigerant management plan	0	50,000	1	500,000	30		1	1,000,000	50		1
UNDP	SOMALIA	AFR	1	REF: Recovery/Recycling	0	10,000	1	100,000	10						
UNDP	TOGO	AFR	1	REF: Recovery/Recycling	0	15,000	1	100,000	10						
UNDP	ZIMBABWE	AFR	1	FUM: Storage	0	15,000	1	400,000		30	1	200,000		15	
UNDP	CHINA	ASP		SOL: Combined CFC-113 and TCA	0	0	1	6,330,000	500	80	1	5,755,000	600	133	
UNDP	INDIA	ASP		ARS: Terminal Programme	0	25,000	1	800,000	200		1	800,000	200		1
UNDP	INDIA	ASP		FOA: Terminal Programme	0	40,000	1	2,000,000	225		1	1,500,000	167		1
UNDP	INDIA	ASP		REF: Commercial	0	20,000	1	1,200,000	82						
UNDP	INDONESIA	ASP		FOA: Rigid	0	15,000	3	300,000	39						
UNDP	INDONESIA	ASP		REF: Commercial	0	30,000	9	2,189,104	144						
UNDP	IRAN	ASP		FOA: Flexible slabstock	0	10,000	2	186,900	30						
UNDP	IRAN	ASP		FOA: Rigid	0	10,000	2	391,500	50						
UNDP	IRAN	ASP		REF: Commercial	0	20,000	15	2,200,000	150						
UNDP	IRAN	ASP		REF: Domestic	0	15,000	8	1,000,000	70						
UNDP	LAOS	ASP	1	FOA: Flexible slabstock	0	15,000	2	200,000	33						
UNDP	LEBANON	ASP	1	ARS: Contract filler	0	15,000	1	100,000	18						
UNDP	LEBANON	ASP	1	FOA: Flexible slabstock	0	15,000	2	100,000	15						
UNDP	LEBANON	ASP	1	FUM: Soil (Terminal Phaseout)	0	0	1	600,000		30	1	500,000		25	
UNDP	MALAYSIA	ASP		FUM: Soil - Other	0	10,000	1	100,000		5					
UNDP	SRI LANKA	ASP	1	FUM: Terminal Programme	0	25,000	1	250,000		3	1	250,000		3	
UNDP	SYRIA	ASP		REF: Commercial	0	15,000	4	400,000	27		4	400,000	27		
UNDP	YEMEN	ASP		REF: Recovery/Recycling	0	15,000	1	200,000	20						
UNDP	ARGENTINA	LAC		FOA: Terminal Programme	0	45,000	1	1,000,000	125		1	1,000,000	125		1
UNDP	ARGENTINA	LAC		FUM: Soil (Tobacco)	0	5,000	1	1,600,000		20	1	1,800,000	90		
UNDP	ARGENTINA	LAC		REF: Commercial	0	10,000	1	356,000	24						

TABLE 4: Programme Development by Country, Sector and Sub-sector: UNDP 2002 Business Plan

05-Nov-01

IA	Country	Re-gion	LVC	Sub-sector	Project Prepararion		Project Submission Year of Plan (2002)				2003 Submissions related to Multi-Year Programmes only				
	Country				Surplus from 2001	PRP in 2002	Nr of Projects	Value $	CFC ODP	Non-CFC	Nr of Projects	Value $	CFC ODP	Non-CFC	Policy Issue
UNDP	BOLIVIA	LAC	1	REF: Commercial	0	25,000	1	400,000	28						
UNDP	BRAZIL	LAC		FOA: Integral skin	0	70,000	1	2,000,000	200		1	2,500,000	167		
UNDP	BRAZIL	LAC		FOA: Multiple-subsectors	0	50,000	1	1,000,000	128		1	1,000,000	128		
UNDP	BRAZIL	LAC		FOA: Rigid	0	70,000	1	1,000,000	148		1	1,500,000	220		
UNDP	BRAZIL	LAC		REF: Commercial	0	20,000	1	250,000	33						
UNDP	BRAZIL	LAC		REF: Refrigerant management plan	0	50,000	1	1,000,000	100		1	2,000,000	200		1
UNDP	COLOMBIA	LAC		FOA: Rigid Terminal Programme	0	25,000	1	700,000	90						
UNDP	COLOMBIA	LAC		REF: Commercial	0	25,000	1	700,000	45						
UNDP	COSTA RICA	LAC	1	FUM: Soil (Terminal Phaseout)	0	0	1	528,750		30	1	1,000,000		60	
UNDP	COSTA RICA	LAC	1	REF: Refrigerant management plan	0	15,000	1	250,000	25		1	100,000	10		
UNDP	CUBA	LAC		ARS: MDIs	0	30,000	1	660,000	150						1
UNDP	DOMINICAN REPUBLIC	LAC		FOA: Terminal Programme	0	20,000	1	250,000	33						
UNDP	DOMINICAN REPUBLIC	LAC		REF: Refrigerant management plan	0	15,000	1	500,000	50		1	50,000	5		
UNDP	DOMINICAN REPUBLIC	LAC		SOL: TCA/CTC	0	15,000	1	400,000	20		1	400,000	10		
UNDP	MEXICO	LAC		FOA: Terminal Programme	0	5,000	1	800,000	145		1	600,000	109		1
UNDP	MEXICO	LAC		FUM: Storage	0	20,000	1	250,000		13	1	500,000		25	
UNDP	URUGUAY	LAC	1	ARS: MDIs	0	25,000	1	60,000	13						1
				Grand Total	0	1,095,000	93	38,652,254	3,508	342	27	26,354,824	2,322	383	9
				Total incl. Support Cost	0	1,237,350		43,427,047							
							Minus 15% Overprogramming		37,762,650						
							Adding the Prep.Assistance		39,000,000						

Footnote: Except for the multi-year programmes, pipeline projects for 2003 were not reflected in this table, but were put into a new table 6.

TABLE 5: Contingency Table: UNDP 2002 Business Plan **5-Nov-01**

Agency	Country	Re-gion	LVC	Sector and Sub-sector	Project Prepararion		Project Submission Year of Plan (2002)				Project Submissions (2003)			
					Surplus PRP from 2001	PRP in 2002	Nr of Projects	Value $	CFC ODP	Non-CFC ODP	Nr of Projects	Value $	CFC-ODP	Non-CFC
UNDP	LIBYA	AFR		FOA: Flexible slabstock	0	20,000	3	1,000,000	333					
UNDP	INDIA	ASP		REF: Commercial	0	20,000	6	1,500,000	170					
UNDP	INDONESIA	ASP		FOA: Rigid	0	10,000	2	230,000	30					
UNDP	INDONESIA	ASP		REF: Commercial	0	20,000	9	1,500,000	150					
UNDP	IRAN	ASP		FOA: Flexible slabstock	0	5,000	2	190,000	30					
UNDP	IRAN	ASP		FOA: Rigid	0	5,000	2	400,000	50					
UNDP	IRAN	ASP		REF: Commercial	0	20,000	10	1,520,000	100					
UNDP	IRAN	ASP		REF: Domestic	0	20,000	6	730,000	50					
UNDP	BRAZIL	LAC		REF: Commercial	0	30,000	6	1,200,000	80					
UNDP	CUBA	LAC		REF: Commercial	0	20,000	1	450,000	30					
				Grand Total	**0**	**170,000**	**47**	**8,720,000**	**1,023**	**0**	**0**	**-**	**0**	**0**
				Support Costs	**-**	**22,100**		**1,133,600**						
				Total Incl Support Cost	**-**	**192,100**		**9,853,600**						
				Minus 15% Overprogramming				**8,375,560**						
						Adding the Prep.Assistance		**8,567,660**						

TABLE 6: 2003 Pipeline Project List by Country / Subsector

05-Nov-01

IA	Country	Re-gion	LVC	Sub-sector	Project Submissions (2003) Nr of Projects	Value $	CFC ODP	Non-CFC	Part of a Multi-Year Programme ?
UNDP	KENYA	AFR	1	FUM: Soil (cut flowers)	1	1,000,000		110	Y
UNDP	LIBYA	AFR		FOA: Flexible slabstock	3	2,000,000	333		N
UNDP	MALAWI	AFR	1	FUM: Terminal Programme	1	1,249,824		42	Y
UNDP	MOZAMBIQUE	AFR	1	FUM: Soil (Tobacco)	1	500,000		50	Y
UNDP	NIGERIA	AFR		FOA: Terminal Programme	1	3,500,000	500		Y
UNDP	NIGERIA	AFR		REF: Refrigerant management plan	1	1,500,000	75		Y
UNDP	ZIMBABWE	AFR	1	FUM: Storage	1	400,000		30	Y
UNDP	CHINA	ASP		SOL: Combined CFC-113 and TCA	1	5,755,000	600	133	Y
UNDP	INDIA	ASP		ARS: Terminal Programme	1	800,000	200		Y
UNDP	INDIA	ASP		FOA: Terminal Programme	1	4,500,000	500		Y
UNDP	INDIA	ASP		REF: Commercial	1	2,500,000	170		N
UNDP	INDONESIA	ASP		FOA: Rigid	2	230,000	30		N
UNDP	INDONESIA	ASP		REF: Commercial	9	2,281,500	150		N
UNDP	IRAN	ASP		FOA: Flexible slabstock	2	186,900	30		N
UNDP	IRAN	ASP		FOA: Rigid	2	391,500	50		N
UNDP	IRAN	ASP		REF: Commercial	10	1,521,000	100		N
UNDP	IRAN	ASP		REF: Domestic	6	738,000	50		N
UNDP	LEBANON	ASP	1	FUM: Soil (Terminal Phaseout)	1	500,000		25	Y
UNDP	SRI LANKA	ASP	1	FUM: Terminal Programme	1	250,000		3	Y
UNDP	SYRIA	ASP		REF:Commercial	4	400,000	27		Y
UNDP	ARGENTINA	LAC		FOA: Multiple-subsectors	1	1,000,000	125		Y
UNDP	ARGENTINA	LAC		FUM: Soil (Tobacco)	1	2,800,000	140		Y
UNDP	BRAZIL	LAC		FOA: Integral skin	1	3,000,000	200		Y
UNDP	BRAZIL	LAC		FOA: Multiple-subsectors	1	1,000,000	128		Y
UNDP	BRAZIL	LAC		FOA: Rigid	1	1,500,000	220		Y
UNDP	BRAZIL	LAC		REF: Commercial	1	500,000	65		N
UNDP	BRAZIL	LAC		REF: Refrigerant management plan	1	2,000,000	200		Y
UNDP	COLOMBIA	LAC		FOA: Rigid Terminal Programme	1	350,000	50		Y
UNDP	COSTA RICA	LAC	1	FUM: Soil Terminal Programme	1	1,000,000		60	Y
UNDP	COSTA RICA	LAC	1	REF: Refrigerant management plan	1	100,000	10		Y
UNDP	CUBA	LAC		REF: Commercial	1	450,000	30		N
UNDP	DOMINICAN REPUBLIC	LAC		REF: Refrigerant management plan	1	500,000	50		Y
UNDP	DOMINICAN REPUBLIC	LAC		SOL: TCA	1	800,000	20		Y
UNDP	MEXICO	LAC		FOA: Terminal Programme	1	800,000	145		Y
UNDP	MEXICO	LAC		FUM: Storage	1	750,000		38	Y
				Grand Total	65	46,753,724	4,198	491	
				Incl. Support Cost (estimated 12%)		52,364,171			
				Minus 15% Overprogramming		45,534,062			

Footnote: Except for the multi-year programmes, project preparation requests for the above-mentioned 2003 projects will be requested as part of UNDP's 2003 business plan.