



United Nations  
Environment  
Programme

Distr.  
LIMITED

UNEP/OzL.Pro/ExCom/35/10  
7 November 2001



ORIGINAL: ENGLISH

---

EXECUTIVE COMMITTEE OF  
THE MULTILATERAL FUND FOR THE  
IMPLEMENTATION OF THE MONTREAL PROTOCOL  
Thirty-fifth Meeting  
Montreal, 5-7 December 2001

**DRAFT BUSINESS PLAN FOR THE YEAR 2002 OF WORLD BANK**

## **COMMENTS AND RECOMMENDATIONS FROM THE FUND SECRETARIAT**

1. The total value of investment projects to be submitted by the World Bank in 2002 is expected to be US \$59.6 million plus US \$1.6 million intended for project preparation.
2. This level of funding is expected to result in the phase-out of 15,669 ODP tonnes. The largest amount of funding is targeted for the production sector (US \$28.6 million) followed by the foam sector (US \$7.67 million).
3. The World Bank is expected to submit requests for US \$737,000 for four institutional strengthening renewals and 2 technical assistance projects costing US \$120,000.
4. The World Bank's contingency list, Annex 5, contains projects valued at US \$4.7 million in five countries: Colombia, Jordan, Pakistan, Thailand and Turkey. These projects would replace projects that the World Bank identified as having policy issues including: the process agent, CTC and TCA production, and chiller projects.

### **Activities and Assistance for Compliance**

5. The World Bank is planning one activity (10 ODP tonnes) in a country that may not be in compliance with the CFC freeze; 3 activities (120 ODP tonnes) in countries that may achieve the freeze but not the 50 per cent reduction, and 17 activities (3,413 ODP tonnes) to maintain momentum. US \$1.45 million is allocated for those at risk for the first two controls and over US \$14.1 million for those that appear to be able to achieve them. Also, US \$20,000 is allocated for the Caribbean region project that includes countries that without complete data reporting. National CFC phase out projects are foreseen for Ecuador and the Philippines and Thailand. Ongoing CFC and production sector projects ensure compliance with production reductions. The World Bank also included activities in the CFC production sector for Argentina, China, India and Venezuela.
6. For halon, the World Bank has included one activity (3,089 ODP tonnes) for countries to maintain momentum in its 2002 business plan. The Bank will also submit the 2003 annual programme for the halon sector in China as part of its 2002 business plan. Of the 5 methyl bromide activities in the business plan, two of which (125 ODP tonnes) are included for countries at risk of meeting the methyl bromide freeze and the 20 per cent reduction or with incomplete data, and three (330 ODP tonnes) are for countries that already appear to be able to achieve the 20 per cent reduction in 2005. The World Bank has three activities in the CTC sector for which one activity (10 ODP tonnes) is for a country that appears to be able to achieve the 85 per cent reduction and two (500 ODP tonnes) are for countries with incomplete data. However, the Bank indicated that CTC consumption in India (one of the three with incomplete data), excluding feedstock is about 11,043 metric tonnes. Therefore the Bank's planned activity in India should assist India to meet its 85 per cent reduction. The World Bank will be preparing a TCA production phase out project in China for submission in 2003.

Project Preparation

7. Project preparation in 2002 is planned to be submitted for four activities in countries that might need additional actions to achieve the CFC controls through 2005 out of a total of 14 activities; one activity in a country in the methyl bromide sector for which there is insufficient data to assess compliance. In addition, the World Bank submitted activities in the CFC, TCA and CTC production sectors.

**COMMENTS****Projects under implementation critical to compliance/Projects with Delays**

8. Implementing agencies were requested by the Secretariat to indicate their plans to reduce their backlog of projects with implementation delays.

9. The World Bank noted in its business plans that it would continue to focus on the timely implementation of approved investment activities. The number of supervision activities undertaken by the Bank's task managers had increased in the past few years in order to detect and resolve any implementation barriers as quickly as possible. The Bank indicated that the mechanism set up by the Executive Committee with regard to reporting requirements for projects with implementation delays had allowed the Bank and the countries concerned to put pressure on the enterprises to move ahead quickly with their projects. The local financial intermediaries have also been informed by the Bank to increase their assistance to the enterprises. In 2001, the Bank organized a workshop for its financial intermediaries and ozone officers with regard to the project implementation process. The objective of the workshop was to increase communication between financial intermediaries and the ozone officers in order to preempt and/or resolve any project implementation delays in their countries.

**Performance indicators**

10. Table 1 presents a comparison between the World Bank's approved 2001 business plan performance indicators and those proposed for 2002.

**Table 1**

**INVESTMENT PROJECT PERFORMANCES INDICATORS  
(ACTUAL 2001 AND PLANNED 2002)**

<b>ITEMS</b>	<b>2001</b>	<b>2002</b>
<b>Weighted indicators</b>		
Actual ODS phased out from completed projects (ODP tonnes)	5,510	8,100
Disbursement (US\$)*	54,520,000	46,200,000
PCRs received (%)	100%	100%
Countries in business plan (number)	15	15
<b>Non-weighted indicators</b>		
Net emissions (reductions) of due to delays (early completion) (ODP tonnes)	(1,600)	26,000
Value of Projects Approved (US\$)*	52,220,000	56,860,000
ODP from Projects Approved	15,933	15,669
Cost of Project Preparation	3.64%	2.7%
Cost-effectiveness from Approvals (US\$/ODP in kg)	\$3.57	\$3.44
Speed of delivery (first disbursement)	25 months	26 months
Speed of delivery (completion)	38 months	39 months

\*Includes agency fees, but not over-programming.

11. The World Bank set a target to phase out 8,100 ODP tonnes in 2002. Based on planned completion dates in the Bank's progress report submitted to the 34<sup>th</sup> Meeting plus projects approved in 2001 for a 2002 phase out, the Bank should achieve a phase out of 8,163 ODP tonnes in 2002. This does not include the 2002 phase out from the China halon plan submitted to the 35<sup>th</sup> Meeting and the 2002 CFC production sector phase out to be approved at the 36<sup>th</sup> Meeting. The Secretariat informed the Bank of these facts, but the Bank confirmed its 8,100 tonne phase-out target for 2002.

12. The Bank's business plan tables indicate that the Bank will have deliverables in 2002 for 16 countries, as opposed to the target of 15 countries for the performance indicator number of countries in business plan. The Bank indicated that its target of 15 countries assumes that the Committee might decide not to approve all project preparation funds to enable it to deliver projects in all 16 countries.

13. The Bank's target for net emissions due to project implementation delays is 26,000 ODP tonnes in 2002. The Secretariat's calculation of this target is based on planned completions in the progress report. The Secretariat's calculation is 17,400 ODP tonnes for the Bank. The Bank's business plan target indicates an increase of 8,600 ODP tonnes more of emissions due to delays beyond that forecast in its progress report submitted to the 34<sup>th</sup> Meeting. Moreover, the Bank's target in 2000 was 1600 ODP tonnes of net reductions from early completions. This would suggest significant delays anticipated in 2002 beyond that indicated in the progress report.

14. Table 2 presents a comparison between the World Bank's approved 2001 business plan performance indicators for non-investment projects and those proposed for 2002.

**Table 2**

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

<b>ITEMS</b>	<b>2001</b>	<b>2002</b>
<b>Weighted indicators</b>		
Number of Projects to be Completed	9	8
Funds Disbursed (US\$)*	\$2,300,000	\$1,390,000
Speed of delivery (1 <sup>st</sup> disbursement)	19 months	19 months
Speed of delivery (completion)	24 months	35 months
<b>Non-weighted indicators</b>		
Appropriate and timely policies initiated by countries as a result of non-investment activities (countries)	Specific policies identified for 2 countries	Specific policies identified for 1 country
Reduction in ODS consumption from over and above that effected by investment projects (ODP tonnes)	5 ODP tonnes from four recovery and recycling projects	20 ODP tonnes from four recovery and recycling projects

\* Including agency fees.

15. In the case of the speed of completion for non-investment projects, the target was increased from 24 to 35 months. The Bank achieved a speed of completion for non-investment projects of 30 months through 2000.

16. The World Bank provided a 20 ODP tonne target in its business plan for the performance indicator reduction in ODS from non-investment projects. It should be noted that the World Bank should phase out 200 ODP tonnes from its halon banking activity in Argentina in 2002 as forecasted in the Bank's progress report that was submitted to the 34<sup>th</sup> Meeting.

### **Bilateral activities**

17. The Bank has been requested to implement two bilateral projects. These are the Mexico chiller project with bilateral assistance from the Government of the United Kingdom (US \$565,000) and the halon management project for Thailand with assistance from the Government of Sweden (US \$200,000). The second phase of the Mexico chiller concessional loan project is foreseen for 2002.

### **Forward commitments**

18. The Bank indicated in its narrative that US \$38.6 million of its total allocation would be for new investment activities in 2002 out of its total allocation of US \$58.5 million. The remaining US \$19.9 million in the 2002 plan of the Bank is for forward commitments. The total amount of forward commitments remaining for the Bank after 2002 would be US \$46.9 million.

## **Policy issues**

19. The Bank indicated that there were two projects in its draft business plan that may raise policy issues. These are projects in the process agent sector in China and India because these two projects are the two first sector plans for the process agents sector. The Bank anticipates that new policy issues might emerge during the review of these projects.

## **Projects in Countries where there are no umbrella grant agreements**

20. The Bank is planning activities in the Bahamas and Yemen where umbrella grant agreements are not currently in place. Both Bahamas and Yemen are at risk of not achieving compliance with their CFC phase out obligations. It is also planning a study on innovative financing for the Caribbean that might lead to future preparation of an investment project that would require agreements with the countries, or perhaps the region concerned.

21. Among the implementing agencies, the World Bank takes the longest time for initial disbursement of funds. Through 2000, Bank projects took 25 months to disburse after projects were approved. The Bank indicated in the past that most of the reasons for this length of time had to do with the establishment of umbrella grant agreements for the Bank to conduct Montreal Protocol activities in the individual countries. Moreover, the internal approval process in the World Bank normally requires an umbrella agreement followed by the selection of financial intermediaries, then appraisal missions and finally sub-grant agreements for individual projects.

22. The World Bank indicated in its business plan that it was developing a new instrument for mobilising the resources from the Multilateral Fund to the Bahamas. This mechanism could also be used for Yemen. The new instrument is being designed on the basis of similar small Global Environment Facility projects that the Bank is implementing. The Bank indicated that it expects its speed of first disbursement to improve significantly with the new instrument.

23. The World Bank included US \$20,000 as a technical assistance project to explore with UNEP (US \$30,000) innovative financing options in the Caribbean to assist countries in the Caribbean to implement RMPs. The Bank indicated that this would not be project preparation for an investment project at this time, although UNEP, in its business plan, indicated that the project would consider a revolving fund for the Caribbean countries. The Bank indicated that the outcome of this study would provide the Governments of Caribbean countries with better understanding of various innovative financing options. It would enable them to design and develop their own innovative financing approaches, with the assistance of an implementing agency, that are suitable to specific conditions prevailing in their countries.

24. It is to be noted that the World Bank has submitted to the 35<sup>th</sup> Meeting a Terminal Phase-out Management Plan for the total phase-out of CFC consumption in the Bahamas (UNEP/OzL.Pro/ExCom/35/28). The Bank indicated that it would begin the implementation of the project in January 2002 – one month after project approval, with the first consumption reduction by the end of 2002.

### **Activities in Countries with Data Discrepancy Issues**

25. 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.

26. The Bank included a foam sector project in Indonesia in its 2002 plan. Latest consumption in Indonesia's foam sector is 2,281 tonnes of CFC, but 2,619 tonnes have already been approved to be phased out. Indonesia is seeking additional projects totalling 543 tonnes in the sector in its request to agencies for 2002. The Bank indicated that it had extensive dialogue with the Government of Indonesia on the data discrepancy and potential causes of this data discrepancy have been identified.

27. The Bank included a MAC and compressor refrigeration project in Mexico in its 2002 business plan. The latest sector consumption in Mexico indicates that there are 120 tonnes left in the manufacturing sector against which 40 tonnes of phase out has been approved but unimplemented. The Bank's MAC and compressor project would lead to the phase out of 120 tonnes at a cost of US \$750,000.

28. The Bank has 3 foam projects for Pakistan in its 2002 draft business plan. Pakistan's latest consumption in the foam sector is 260 tonnes, but 757 tonnes have already been approved to be phased out.

29. The Bank also included a foam project in Tunisia. Tunisia's latest consumption is 360 tonnes in the sector but 347 tonnes have already been approved to be phased out. The Bank project would phase out 25 tonnes, i.e., more than there is left in the country according to the latest available data.

### **Comments on specific projects**

30. The World Bank received US \$122,000 to prepare a solvent sector project in the process agent sub-sector in China for submission to the 37th Meeting in June 2002. The project is included in its 2002 draft business plan. China indicated that 1999 consumption in the process agent sector was 3,427 ODP tonnes. The Bank's business plan indicates that this project would phase out 250 ODP tonnes at a cost of US \$3 million. The Secretariat requested the Bank to indicate how this level of phase out was calculated. The Bank indicated that a survey was carried out as part of the development of a sector plan for the process agent sector in China. It revealed that about 9,062 MT of CTC were used as a process agent in the year 2000. The Bank noted that 3,154 MT of this amount were used in applications endorsed by the Parties. The consumption was confirmed by actual site visits to more than 150 enterprises. The Bank indicated that it was working with the Government of China to seek for clarification of the apparent discrepancy in this consumption data.

31. The Bank also included a CTC sector plan strategy for India as a non-investment activity in 2002. The Bank indicated that the project would result in a CTC production closure project

for submission to the Executive Committee in 2003. Project preparation is part of the investment share allocation for business planning.

32. The Bank included a chiller project for Venezuela in its business plan. UNIDO has submitted to the Secretariat the first draft of Refrigeration Strategy for Venezuela. The Executive Committee approved US \$1.1 million for four chiller projects in Venezuela at its 8<sup>th</sup> Meeting in October 1992. Less than US \$185,000 was disbursed for these projects before the funds were returned. Also, it should be noted that Committee has approved over US \$1.5 million for a national CFC recovery and recycling project for Venezuela and two other recycling projects. The project in the Bank's business plan would cost US \$500,000 to phase out 25 tonnes. The Bank explained that the Government of Venezuela had taken a number of actions to ensure that it would meet all of its obligations under the Montreal Protocol. The Bank indicated that the Government had increased awareness among the industry on the immediate need to phase out CFC thereby creating interest in a new chiller assistance programme. The Bank also indicated that the Mexico concessional loan project had demonstrated the benefit of CFC phase-out in the chiller sector. A similar project is foreseen for Venezuela.

### **Projects not in business plan letters**

33. The World Bank provided letters or explanations for all of the projects in its business plan. For those projects that were not included in the letters, the Bank indicated that: the Caribbean region project was recommended at a network meeting; projects in Chile and Turkey were carried over from the Bank's 2001 business plan; the monitoring of import/export in Indonesia project was listed as a black market study in Indonesia's letter; and some annual funding requests for multi-year funding projects were not included in letters from countries.

## **RECOMMENDATIONS**

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

1. Noting the World Bank's draft 2002 business plan contained in UNEP/OzL.Pro/ExCom/35/10.
2. Requesting the World Bank to modify its investment project performance indicator targets for phase-out in 2002, the number of countries in business plan, and the net emissions due to delays and its non-investment project performance indicators for speed of completion and reductions in ODS consumption due to non-investment projects taking into account the Sub-Committee's consideration of the Report on the Performance Indicators and Proposal on Modifications (UNEP/OzL.Pro/ExCom/35/16).
3. Requesting the World Bank to provide more information on its expedited agreement process in the context of its final business plan indicating the steps to reach agreement and the estimated time from approval to agreement for activities in countries where the



Bank's Montreal Protocol Unit has not yet established agreements in the light of its planned activities in countries such as the Bahamas, the Caribbean region, and Yemen.

4. Requesting the World Bank to include the non-investment activity for the development of a CTC closure project as part of its investment project allocation.

-----

# DRAFT 2002 BUSINESS PLAN

WORLD BANK

INVESTMENT OPERATIONS FUNDED BY THE  
MULTILATERAL FUND OF THE  
MONTREAL PROTOCOL

Presented to the 35th Meeting  
of the Executive Committee

October 2001

TABLE OF CONTENTS

**I. MULTILATERAL FUND TARGETS .....1**

**A. MEETING THE OBJECTIVES OF THE MULTILATERAL FUND .....1**

**B. RESOURCE ALLOCATION .....4**

**C. SPECIAL INITIATIVES.....5**

**II. PLANNED BUSINESS ACTIVITIES.....7**

**A. ONGOING ACTIVITIES.....7**

**B. PROGRAM EXPANSION .....7**

**III. PERFORMANCE INDICATORS .....15**

**IV. POLICY ISSUES .....19**

**V. ADMINISTRATIVE AND FINANCIAL MATTERS .....21**

**Attachments**

- Table I: Non-Investment Projects
- Table II: Program Development By Sector
- Table III: Program Development by Country
- Table IV: Program Development by Country and Sector/Sub-Sector
- Table V: Contingency for Investment Projects



## **I. MULTILATERAL FUND TARGETS**

### **A. Meeting the Objectives of the Multilateral Fund**

1. The Draft 2002 Business Plan of the World Bank is developed on the basis of input provided by Article 5 countries during the business plan preparation process and the Draft Framework on the Objective, Priorities, Problems and Modalities for Strategic Planning of the Multilateral Fund in the Compliance Period.

2. According to the Draft Framework for Strategic Planning of the Multilateral Fund, key priority areas for future operation of the Multilateral Fund should be given to Article 5 countries to enable:

- Countries which have existing ODS sectoral phase-out agreements with the Executive Committee (ExCom) (e.g. CFC production, solvent, halons, tobacco, etc.) to implement their annual reduction targets;
- Countries which are experiencing difficulty in implementing their CFC freeze obligation to do so in an expeditious manner;
- Countries which may have difficulty in complying with the freeze obligation for halons and methyl bromide in January 2002 to do so;
- Countries to sustain the momentum achieved in their national ODS phase-out programs so that they will be able to meet the next reduction targets in 2005, including the 85 per cent reduction in CTC, as well as further reduction targets in 2007 and beyond;
- Countries to achieve the compliance with the TCA freeze in 2003;
- Countries that are meeting their future obligations maintain momentum of their ODS phaseout program;
- Countries that are willing to do so to early and accelerated phase-out of their ODS consumption;
- Countries to reduce the supply of ODS by continuing to address the production sector;
- Countries to employ an appropriate mix of investment and non-investment activities in line with their needs to achieve compliance;
- Countries to strengthen their NOUs in national governments under conditions and terms to be negotiated later on.

3. Similar to the 2001 Business Plans, preparation of draft 2002 Business Plans was done with active participation of Article 5 countries. The Secretariat has undertaken an analysis on the Montreal Protocol implementation status of all Article 5 countries. In addition, each Article 5 country was requested to submit its list of additional activities that should be incorporated in agencies' business plans for 2002 and 2003. All implementing agencies participated in the inter-agency meeting organized by the Secretariat to review all activities proposed by the countries in order to ensure that needs of Article 5 countries will be reflected in the agencies' business plans, and to ensure that there will be no duplication of effort.

4. The Draft World Bank 2002 Business Plan proposes activities and continuing funding to support existing ODS sectoral phase-out agreements, including CFC production closure projects

for China and India, the halon sector plan for China, the refrigeration sector plan for Turkey, and the national CFC phaseout plans for Malaysia and Thailand. (The national CFC phaseout plans for Malaysia and Thailand are submitted for the ExCom's consideration at its 35<sup>th</sup> Meeting in December 2001.) While no funding request will be made in 2002 for the Bahamas terminal CFC phaseout program, the full implementation of this project will start in 2002. (The Bahamas terminal CFC phaseout program is also submitted for the ExCom's consideration at the 35<sup>th</sup> Meeting.) The draft 2002 Business Plan also proposes activities to assist Yemen to meet its CFC freeze obligation and 50% reduction target. Several activities are included in the draft 2002 Business Plan to assist countries in meeting their 50% CFC reduction targets. These include new investment activities in Ecuador, Mexico, the Philippines and Turkey. Moreover, an activity in the halon sector is proposed for Turkey with an aim to assist the country to meet its freeze obligation in 2002. Additional investment activities in the methyl bromide sector to assist Ecuador and Thailand in meeting the freeze and/or 20% reduction targets, are also included as part of the World Bank's 2002 deliverables.

5. This draft 2002 Business Plan proposes new activities in fifteen countries where the Bank already has grant agreements in place, and one country (Yemen) where new Bank operations have to be initiated. As the Bank is also establishing new Bank operations to enable the Bahamas to implement their terminal CFC management project if the project is approved at the 35<sup>th</sup> Meeting, experience gained from the Bahamas will be applied to expedite our operations in Yemen.

6. Assisting Article 5 Countries Meet their Obligations: In addition to initiation of new activities in countries that may have difficulties in meeting their obligations, the Bank will continue focusing on timely implementation of investment activities that have already been approved by the ExCom. The draft 2002 Business Plan proposes to phase out an additional 8,100 ODP tons from approved projects.

7. The Bank is exploring new innovative operation modalities for implementation of small projects, particularly in LVC countries. The Bahamas terminal CFC phaseout program is the first project being used for this purpose. This effort is being carried out in response to the need to increase coverage of the Multilateral Fund in LVC countries.

8. Funding of Full and Gradual Closure Projects in the Production Sector: The draft 2002 Business Plan proposes to allocate about US\$ 27.3 million, or about 46% of the total share for 2002, to support the 2002 annual work programs of the China and India CFC production closure projects and the 2003 annual work program for the China Halon Sector Approach Project. In addition, the Bank and the Government of Argentina plan to submit their funding request for the CFC production sector project in Argentina for the consideration of the ExCom in 2002. The draft 2002 Business Plan also includes initiation of closure projects in the CTC and TCA production sectors in China and India. The delivery of the CTC and TCA production closure projects for China was originally scheduled for 2002. However, due to the fact that the technical audit has not been completed, the two closure projects are rescheduled for delivery in 2003.

9. Sector Strategy and Terminal Phaseout Plan: In response to the direction provided by the ExCom members with regard to strategic planning under the Multilateral Fund that sector strategies and terminal phaseout plans should become much more common in the future

operation of the Fund, there are five sector strategy and terminal phaseout plans submitted to the ExCom in 2001. There are the refrigeration sector plan for Turkey, a foam sector plan for China, a terminal CFC phaseout program for the Bahamas, and two national CFC phaseout plans for Malaysian and Thailand.

10. The Bank, in close consultation with the Government of India, is developing a sector plan for phasing out CTC in the process agent sector. This CTC process agent plan will be submitted for the ExCom's consideration in 2002. A similar plan to address CFC phaseout in the chiller sector in India will be submitted in 2003. In addition to these sector plans, the Draft 2002 Business Plan of the World Bank also proposes three more sector plans to assist Indonesia in phasing out the remaining consumption of CFCs in the industry and servicing sectors.

11. In addition, the Bank and the Government of Philippines propose to include a national CFC phaseout plan for Philippines as part of the World Bank's 2002 deliverables. However, the timing for submission of this plan is subject to the approval of the requested project preparation funds by the ExCom at its 35<sup>th</sup> Meeting. Taking into account the on-going work jointly conducted by the Governments of the Philippines and Sweden to develop a strategy to reduce and eliminate the use of CFCs in the refrigeration servicing sector, the Bank is working closely with both governments to ensure that the newly proposed activity and the on-going project in the refrigeration servicing sector will complement each other.

12. Another national CFC phaseout plan is proposed in the draft 2002 Business Plan for Ecuador. Based on the analysis carried out by the Secretariat, Ecuador is one of the countries that may have difficulties meeting its 2005 50% CFC reduction target. This proposed national CFC phaseout plan is critically important to assist Ecuador to comply with its target as well as other subsequent targets stipulated in the Montreal Protocol.

13. Giving High Priority to Halon Phaseout Projects: The Bank and the Government of China plan to submit the funding request of US\$5.9 million to support the seventh annual work program of the halon phaseout strategy in China in 2002. An additional 5,058 ODP tons of halons will be phased out under this annual work program. The Bank and the Government of Turkey also plan to finalize and submit a halon conversion/management project for the consideration of the ExCom in 2002. This project has been identified as essential for Turkey to meet its freeze obligation in 2002.

## B. Resource Allocation

14. The draft 2002 Business Plan was prepared on the basis that US\$130 million would be available for supporting new investment activities in 2002. Based on the Bank's share of new investment activities of 45 percent (Decision 28/23), the total resources that will be available for the Bank to initiate new investment activities, is equal to US\$58.5 million.

15. All new investment activities for both consumption and production sectors, including forward commitments for the CFC production closure projects from China and India, the Halon Sector Approach for China, the foam sector plan for China, the refrigeration sector plan for Turkey, and two national CFC phaseout plans for Malaysia and Thailand, are included within the proposed 45 percent share. The total 2002 funding requirement for these six projects is approximately US\$ 38.63 million or 66% of the proposed share for investment activities for the Bank.

16. Investment Projects. With the total allocation for new investment activities of about US\$ 58.5 million, US\$ 38.63 million of this amount is already committed to support the implementation of the two CFC production closure projects for China and India, the halon sector approach for China, the foam sector plan for China, the refrigeration sector plan for Turkey, and two national CFC phaseout plans for Malaysia and Thailand. Another US\$ 1.64 million of this US\$ 58.5 million is allocated for project preparation activities in 2002. The balance of US\$ 18.23 million is available for new activities in the consumption and production sectors in 2002. With the 15 percent over-programming over the US\$ 18.23 million for new investment activities, the Bank's total allocation for its core investment program, as listed in Tables II, III, and IV, is about US\$ 59.59 million plus US\$1.64 million for new project preparation activities.

	US\$ million
Bank's share for investment activities in 2002 (a)	58.50
Forward Commitments (Production Sector Projects) (b)	38.63
New Project Preparation Requests (c)	1.64
Resources Available for New Activities : (d) =(a)-(b)-(c)	18.23
15% Over-Programming (e)	2.73
New Investment Activities: (b)+(c)+(d)+(e)	61.23

17. In the core list (Table IV), two projects that are included as part of the 2002 deliverables (i.e., process agent projects for China and India) may raise policy issues. The total value of these three projects is approximately US\$ 6.7 million. Contingency projects, which will be submitted in 2002 if some core projects could not be submitted due to unresolved policy issues, are listed in Table V. The total value of projects in the contingency list (Table V) is US\$ 4.72 million.

	US\$ million
Total budget for investment projects	130
Bank's share (45 percent)	58.50
15% over-programming	2.73
Total planned submission plus new project preparation requests	61.23
Contingency projects (including agency support costs)	4.72

Total amount of projects in the pipeline for 2002	65.95
---	-------

18. Non-investment Projects. Non-investment activities included in the Bank's Draft 2002 Business Plan are renewals of existing institutional strengthening projects in Chile, Philippines, Thailand, Tunisia, a technical assistance activity to strengthen the existing monitoring system for import/export of ODS substances for Indonesia, and another technical assistance activity to explore innovative financing options to assist countries in the Caribbean to implement RMPs.

### C. Special Initiatives

19. CFC Production Closure Project in Argentina. The Bank and the Government of Argentina have been working closely in developing a CFC production closure plan. The final proposal is ready and is being considered by the Government of Argentina. It is anticipated that the final decision of the Government on this CFC production closure project will be reached within the 2002 planning period. Therefore, the closure plan should be ready for the consideration of the ExCom within the 2002 planning period.

20. In response to the request of the Government of Venezuela, a CFC production closure project for Venezuela is also included in the Bank's Draft 2002 Business Plan. A request for project preparation funds for developing a CFC closure plan for Venezuela will be made when a technical audit is completed.

21. National CFC Phaseout Programs and Sector Plans. The Government of the Philippines intends to submit its national CFC phaseout project for the ExCom's consideration by the end of 2002. The request for project preparation funds to develop this national CFC phaseout project is being submitted for the ExCom's consideration and approval at the 35<sup>th</sup> Meeting. The Bank is working in close consultation with the Government of the Philippines to draft the scope of work and terms of reference for this proposed national CFC phaseout program. The Bank is also working with Sweden to ensure maximum complementarity between this proposed project and the bilateral project in the refrigeration servicing sector which is being developed by Sweden and the Philippines. The submission of this project will be carried out in accordance with Decision 32/13 (b).

22. In addition to the national CFC phaseout plan for the Philippines, the Bank is also requested by Ecuador to include a similar national CFC phaseout plan in its Business Plan. Considering the complex nature of the national CFC phaseout plan, the Bank, therefore, plans to have this plan submitted for the consideration of the ExCom in 2003. However, the Bank will make a request for project preparation funds to the ExCom in 2002. This will enable the Bank and Ecuador to have a sufficient amount of time to develop this plan.

23. The Draft 2002 Business Plan of the World Bank also proposes to undertake additional sector plans to assist countries to manage and sustain CFC phaseout in their major CFC consuming sectors. Additional sector plans are proposed for India and Indonesia.

24. CTC and TCA Sector Approaches. The Draft 2002 Business Plan proposes to develop closure projects in the CTC production sector in China and India, and a similar project in the TCA production sector in China. It is expected that proposals for CTC and TCA production



closure projects will be ready for submission in 2003. Project preparation requests for the CTC and TCA production closure projects in China and India are proposed in the Draft Business Plan. Requests for project preparation funds will be made to the ExCom when technical audits to be carried out by the ExCom are completed.

25. Innovative Financing. The Bank, in close cooperation with the Government of Mexico and the Government of United Kingdom, will submit a funding request to support the second phase of the Mexico chiller replacement project in 2002. Resources required for this project will be supported by the Government of United Kingdom as part of its bilateral contribution to the Multilateral Fund.

26. The Bank will work closely with the governments of countries in the Caribbean and UNEP to explore innovative financing options to assist countries in the Caribbean to implement their commitments to the Montreal Protocols. This activity is included as part of non-investment activities in the Bank's Draft 2002 Business Plan.

## II. PLANNED BUSINESS ACTIVITIES

### A. Ongoing Activities

27. Investment Projects: By the end of the 2001 calendar year, the Bank's Montreal Protocol portfolio will consist of 498 investment projects. These projects, when fully implemented, would eliminate more than 131,000 ODP tons of ozone depleting substances. The total cumulative approvals for the Bank's investment projects are approximately US\$450 million including agency support costs. The Bank's 2001 Business Plan indicated that it planned to disburse about US\$54.5 million in 2001, and eliminate about 11,190 ODP tons from implementation of approved projects. The cumulative disbursement and ODP phaseout at the end of 2001, are expected to reach US\$ 332 million and 115,200 ODP tons, respectively.

28. Non-Investment Projects and Activities: By end of 2001, cumulative approvals of all on-going non-investment activities implemented by the Bank, including demonstration projects, institutional strengthening, technical assistance and training, is US\$ 12.49 million (Table I). It is estimated that about 85 percent of all non-investment project approvals will be disbursed by the end of 2001.

### B. Program Expansion

29. Project Preparation: New project preparation activities are planned in 13 countries (Argentina, Chile, China, Colombia, Ecuador, India, Indonesia, Mexico, Pakistan, Tunisia, Turkey, Venezuela, and Yemen). Project preparation activities in 2002 and a few project preparation activities that have already begun in 2001, will lead to submissions of additional 35 investment projects from 16 countries and a number of projects to be delivered in 2003. A breakdown of proposed investment activities in 2002 is shown by sector and country in Tables II and III, respectively. Table IV provides a detailed list of deliverables by sector and by country, and Table V lists all contingency projects.

30. *Argentina* – Argentina has already ratified the Copenhagen Amendment to the Montreal Protocol. Based on the analysis carried out, Argentina appears to be able to meet the 50% CFC reduction target in 2005 if the consumption trend remains unchanged.

31. To assist Argentina to maintain the momentum of its CFC phaseout program in the consumption sector, the Government of Argentina requested the Bank to include three investment projects for phasing out the use of CFCs in the MDI products in its draft 2002 Business Plan. In addition to these MDI projects, a pipeline of projects for Argentina also includes a project in the production sector and an investment project in the methyl bromide sector. The CFC production closure plan for Argentina has been finalized by the Bank since 2001. The plan has been submitted for consideration by the relevant government agencies in Argentina. As soon as this closure plan receives clearance from all agencies concerned, the plan will be submitted for the consideration of the ExCom. It is anticipated that submission of this CFC production closure plan will be made within the 2002 planning period.

32. The proposed Draft 2002 Business Plan also includes a methyl bromide investment project for Argentina as part of the Bank's deliverables in 2002. The methyl bromide investment

project in post-harvest disinfestation for cotton and citrus proposed in this Business Plan is in line with Decision 29/55 that the earlier demonstration project approved at the 29<sup>th</sup> ExCom Meeting should lead to a subsequent investment phase to achieve a total phaseout of methyl bromide in this application. As the demonstration project is expected to be completed in 2002, the Bank plans to submit a proposal for this project for the consideration of the ExCom in 2002.

33. *Brazil* – The Bank has been requested by the Government of Brazil to develop an investment activity in the process agent sector. The Bank will work closely with the Government of Brazil to determine a proper strategy to manage ODS phase out in this sector. It is anticipated that the final strategy and associated funding level would be ready for submission for the ExCom's consideration in 2003.

34. *Chile* – Chile already ratified all the amendments to the Montreal Protocol, including the Copenhagen, Montreal and Beijing Amendments. Currently, Chile consumes about 470 MT of methyl bromide of which, 70 MT is for quarantine and pre-shipment purposes. Chile appears to be able to meet the methyl bromide freeze and 20% reduction. However, the two proposed methyl bromide projects included in the proposed Draft 2002 Business Plan will allow Chile to maintain momentum of its methyl bromide phaseout program. This methyl bromide investment projects are for elimination of methyl bromide for the production of pepper and tomatoes and in the forestry industry.

35. *China* – China ratified the London Amendment in 1991. Based on the latest consumption data provided by China, China appears to be able to maintain its CFC freeze and to meet its 50% CFC reduction target in 2005. To assist the Government of China to maintain momentum of its CFC phaseout program, additional activities are included in the proposed Draft 2002 Business Plan.

36. The Bank and the Government of China have already submitted the foam sector plan for consideration of the ExCom in 2001. This sector plan will be considered again by the ExCom at its 35<sup>th</sup> Meeting. Based on the assumption that the foam sector plan will be approved by the ExCom at the 35<sup>th</sup> Meeting, an annual plan for 2002 is included as part of the Bank's proposed Draft 2002 Business Plan. While the proposed funding level of the 2002 annual plan is US\$14 million, about US\$ 6 million from the proposed share of the World Bank's new investment activities for 2002 is allocated for this activity. It is proposed that the balance of US\$ 8 million and support costs be covered by the Bank's 2000 share in line with Dec. 32/52. In addition, the Bank proposes to submit the process agent sector plan for China for the consideration of the ExCom in 2002.

37. Two additional projects in the production sector are proposed in the Business Plan. Submissions of these two production sector projects; one for CTC and another for TCA, are included as part of the Bank's deliverables for 2003. These two projects will result in a complete phaseout of CTC and TCA production in China. The Bank will submit its request for project preparation funds to develop these two production closure plans when the required technical audits are completed. The Bank anticipates that given the ExCom approved the undertaking of the audits in July 2001, funding for project preparation should be available in July 2002.

38. The remaining two projects for China are the Halon sector approach and the CFC production closure projects. These projects are included as part of forward commitments.

39. *Colombia* – Colombia ratified the Copenhagen Amendment in 1997. It appears to be able to meet the 1999 freeze and 50% reduction target in 2005. The proposed Draft 2002 Business Plan includes an investment project to convert production of CFCs at small-and-medium scale commercial refrigeration manufacturers. This project was originally included as part of the Bank's 2001 deliverables. Conversion at these enterprises will result in an additional CFC phaseout of about 50 ODP tons. This will enable the country to maintain momentum of its CFC phaseout program. In addition, an investment activity to phase out the use of CTC in the solvent sector is also proposed as part of the Bank's 2002 deliverables. This project could have an impact on Colombia's ability to meet the 85 % reduction target in 2005.

40. *Ecuador* – Ecuador ratified the Copenhagen Amendment in 1993. Based on the Secretariat's analysis, it appears that Ecuador may have some difficulties in meeting its 50% CFC reduction target. In addition, Ecuador has been identified as one of the countries that may have difficulty meeting the freeze and 20% consumption reduction targets for methyl bromide. To be in compliance with these two targets, at least 69 ODP tons of methyl bromide should be phased out.

41. The proposed Draft 2002 Business Plan proposes to deliver one methyl bromide investment project for Ecuador. This project is a follow-up to the demonstration project previously approved by the ExCom. The proposed investment project, when completed, is expected to phase out at least 60 ODP tons of methyl bromide.

42. To ensure that Ecuador will be able to meet its 50% CFC reduction target, the Government of Ecuador has decided to request the Bank to assist it to develop a national CFC phaseout plan to address elimination of the residual CFC consumption in the country. It is expected that the national CFC phaseout plan will be ready for submission in 2003 provided that project preparation funds are approved at the first meeting in 2002.

43. *India* – India ratified the London Amendment in 1992. Based on the analysis carried out by the Secretariat, India appears to be able to achieve the 50% CFC reduction in 2005. The Secretariat also pointed out that the latest consumption of CFC in 2000 was 5,614 tons against a 6,681 ton baseline. By subtracting the amount of ODP to be phased out from previously approved projects of 3,353 tons and an additional 565 tons in the 2001 business plans from the latest consumption in 2000, India will only have 1,696 tons left to be phased out.

44. It was also pointed out that the cumulative ODP phaseout to be obtained from all new investment projects proposed in the 2002 business plan letter from India is 2,570 tons, which exceeds the balance for India by 874 CFC tons. This, indeed, does not include any phaseout from the chiller sector.

45. However, it is important to consider whether the method for assessing the amount of CFC remaining to be phased out in the country can be refined and improved. The current method employed by the Secretariat is based on a straight forward subtraction of the ODP to be phased out from approved projects from the national consumption. This approach is based on the

assumption that reduction of CFC consumption in the country can only be achieved through investment projects funded by the Multilateral Fund. On the contrary, reduction of CFC consumption in most countries is the combination of investment, non-investment activities, and policy measures taken by the governments. Moreover, policy measures taken by the governments affect CFC consumption of all enterprises, with or without approved investment projects from the MLF. Consideration should also be given to the fact that a significant level of production capacity of ODS products may have been in idle during the period used for establishing the baseline consumption level of the country.

46. The Bank and the Government of India are in the process of getting better understanding of the cause of the data discrepancy. For the 2002 business planning period, the Government of India requested the Bank to include an investment project in the MAC and compressor sector, a sector strategy for phasing out the use of CTC as a process agent, and a production closure project for CTC. A request for project preparation funds for development of a CTC production phaseout plan will be made when the required technical audit is completed. This will enable India to completely phase out CTC in the process agent sector and CTC in the production sector.

47. In addition, the Bank and the Government of India will continue to work on the development of a comprehensive strategy for the commercial refrigeration sector. Project preparation funds for this activity were approved in 2000. The final comprehensive strategy is expected to be ready for submission to the ExCom in 2002 as originally scheduled. Proposals for actual CFC phaseout in the chiller sector will be submitted to the ExCom in 2003.

48. *Indonesia* – Indonesia ratified the Copenhagen Amendment in 1998. According to the analysis carried out by the Secretariat, Indonesia appears to be able to meet the 1999 freeze and the 50% CFC consumption reduction target. However, the Government of Indonesia recognizes that its existing control and monitoring system established in 1996 needs major improvement. The Government of Indonesia gives high priority to the issue of the accuracy of its CFC import data. The issue was presented to and discussed by the Cabinet. Therefore, the Ozone Unit of Indonesia is proposing that a non-investment activity to assist Indonesia to strengthen its control and monitoring system be included in the Bank's proposed Draft 2002 Business Plan.

49. For new investment projects, the business plan letter of the Government of Indonesia suggested that the Bank should assist Indonesia by including additional activities in the aerosol, foam, and refrigeration sectors in the Bank's Draft 2002 Business Plan. To have a good understanding of current ODS consumption and a systematic and sustainable phaseout of CFCs, the Government of Indonesia and the Bank agree to employ a sector plan approach for dealing with CFC phaseout in Indonesia. The Bank, therefore, proposes to include a terminal umbrella project for the aerosol sector for submission in 2003, the foam sector plan as part of the Bank's 2002 deliverables, and the refrigeration sector plan, which will cover a large number of small enterprises, for submission in 2003.

50. The Government of Indonesia and the Bank recognize that the analysis done to determine the remaining consumption of CFC in the foam sector in Indonesia shows that there should be nothing left in the foam sector to be phased out. However, as pointed out earlier that the Government of Indonesia recognizes that there is an urgent need to improve its import/export control system, the outcome of the analysis done might have been influenced by inaccurate data.

The proposed non-investment activity to strengthen Indonesia's control and monitoring system for import of CFC is the Government's initiative to rectify any inconsistency of the CFC data.

51. *Jordan* – Jordan has already ratified all the amendments to the Montreal Protocol, except the Beijing Amendment. Jordan appears to be in compliance with the 1999 freeze and able to meet the 50% consumption reduction through the completion of investment projects already approved by the ExCom.

52. In addition to the foam investment project which was deferred from 2001, the Bank, with the request from the Government of Jordan, includes one investment activity in the chiller sector. This project is slated for submission in 2002. The project will be developed as part of the on-going country program update. No additional project preparation funds are requested at this time.

53. *Malaysia* – Malaysia ratified the Copenhagen Amendment in 1993. Malaysia appears to be in compliance with the 1999 freeze obligation and able to meet the 50% consumption reduction target with implementation of investment projects already approved by the ExCom. The only investment activity proposed in the Bank's Draft 2002 Business Plan is the funding request to support activities to be carried out in 2002 under the National CFC Phaseout Plan assuming that the National CFC Phaseout Plan is approved in 2001. This project will enable Malaysia to maintain the momentum of its CFC phaseout program.

54. *Mexico* – Mexico ratified the Copenhagen Amendment in 1993. Based on the Secretariat's analysis, Mexico appears to be in compliance with the 1999 freeze obligation and needs additional activities in order to achieve 50% reduction.

55. The Government of Mexico requests the Bank to include two additional investment activities in the draft 2002 Business Plan. One investment project in the MAC and compressor sector is included in the core list of investment activities to be delivered in 2002. The second project is the follow-up to the demonstration chiller replacement project through a concessional loan. No funding allocation is included in the Draft 2002 Business Plan of the World Bank as the funding for this project will be provided by the United Kingdom as part of its bilateral contribution to the Multilateral Fund.

56. *Pakistan* – Pakistan ratified the Copenhagen Amendment in 1995. Pakistan appears to be able to meet and sustain its consumption below the 1999 freeze level. It also appears to be able to achieve the 50% reduction target with implementation of approved projects. Based on the request of the Government of Pakistan, the Draft 2002 Business Plan proposes to include new activities in the foam and commercial refrigeration sectors for Pakistan. The Government of Pakistan recognizes the discrepancy of its CFC consumption data in the foam sector. Since ODP phaseout associated to all newly proposed foam investment projects is based on actual and verifiable consumption, the Bank is working closely with the Government of Pakistan to resolve the discrepancy in the sectoral CFC consumption data.

57. *The Philippines* – The Philippines has recently ratified the Copenhagen Amendment in 2001. According to the Secretariat's analysis, Philippines needs to phase out an additional 1,326 ODP tons of CFCs to achieve its 50% reduction target.

58. The Bank with the request of the Government of the Philippines, has proposed to develop a national CFC phaseout strategy for submission in 2002. The Bank is working closely with the Governments of the Philippines and Sweden to ensure that this proposed activity will complement the on-going effort of both governments in developing a CFC phaseout strategy for the refrigeration servicing sector.

59. *Thailand* – Thailand ratified the Copenhagen Amendment in 1995. Thailand appears to be in compliance with the 1999 freeze obligation and should be able to achieve the 50% reduction target with implementation of approved projects. The Draft 2002 Business Plan of the World Bank proposes to include resource allocation to support implementation of the National CFC Phaseout Plan in 2002, assuming that the Plan will be approved at the 35<sup>th</sup> Meeting of the ExCom.

60. An investment activity for the methyl bromide sector is proposed in the Draft 2002 Business Plan. The Government of Thailand plans to submit its methyl bromide strategy and associated funding request to the ExCom in 2002. Based on the latest methyl bromide consumption data (1999) provided by the Thai Government to the Ozone Secretariat, Thailand imported 745 MT of methyl bromide of which, 458 MT were considered by the previous definitions of quarantine and pre-shipment as consumption in the quarantine and pre-shipment applications. The balance of 287 MT was used in applications that are not exempted by the Montreal Protocol. This proposed activity will enable Thailand to ensure its full compliance with all Montreal Protocol obligations pertaining to methyl bromide.

61. The Government of Thailand also plans to submit its request for renewal of its institutional strengthening project within the 2002 planning period. As the Government of Thailand is requesting the ExCom to have its institutional strengthening project transferred to the World Bank at the 35<sup>th</sup> Meeting, the Bank, therefore, proposes to include the renewal of Thailand institutional strengthening project as part of its 2002 non-investment activities portfolio.

62. *Tunisia* – Tunisia has already ratified all the amendments to the Montreal Protocol, except the Beijing Amendment. Tunisia appears to be in compliance with the 1999 freeze and should achieve the 50% reduction target with the implementation of approved projects. A renewal of Tunisia institutional strengthening project and another investment activity in the foam sector are the only two activities included in the proposed Draft 2002 Business Plan of the World Bank.

63. *Turkey* – Turkey ratified the Copenhagen Amendment in 1995. Based on the Secretariat's analysis, Turkey appears to be able to achieve its 50% reduction obligation in 2005. To assist the country to sustain its ability to meet this obligation and to maintain momentum of its CFC phaseout program, a funding request to support activities under Turkey's refrigeration sector plan is included in the Bank's Draft 2002 Business Plan. A new investment activity in the methyl bromide sector is proposed for 2002. This activity will lead to elimination of 50 ODP tons of methyl bromide currently used for fumigating the storage of hazelnuts. In addition, an investment project to phase out the use of TCA in the solvent sector is also proposed as part of 2002 deliverables.

64. *Venezuela* – Venezuela appears to be in compliance with the freeze and 50% reduction obligations because its 2000 consumption is 1,497 ODP tons against a baseline of 3,322 tons. Additionally, 470 ODP tons phaseout are already approved but not implemented.

65. The Draft 2002 Business Plan of the World Bank proposes to include two investment activities. The first activity is for developing a proposal for closure of the CFC production manufacturer in Venezuela. Venezuela also requested the Bank to include an activity for phasing out CFC in the chiller sector in the 2002 Business Plan. Phasing out of CFC in the chiller sector has become a much higher priority as most of the residual use of CFCs is in the servicing sector. Moreover, experience gained from the Mexico chiller replacement project has provided a concrete evidence to not only Mexico but also other countries in the region, that chiller replacement is technically and commercially viable and could become an integral part of the country strategy for achieving complete CFC phaseout.

66. *Yemen* – Yemen appears to have difficulties in meeting its freeze obligation. Yemen must phase out 104.2 ODP tons from its current consumption in order to be in compliance with the freeze obligation. Based on the request of the Government of Yemen, the Bank proposes in its Business Plan to prepare an investment project for phasing out CFCs in the chiller sector.

67. The Draft Business Plan for 2002 plans to capture about 15,669 ODP tons at a cost-effectiveness of US\$3.44/kg ODP:

	MT ODP
CFC production	5,903
CFC consumption	3,543
Halon production	2,169
Halon consumption	3,089
Other	965

68. The funding distribution of the World Bank’s 2002 Business Plan by sector, based on the total allocation of 45 percent of the US\$130 million plus 15 percent over-programming, is as follows (excluding contingency projects in Table II):

- 42 percent for the CFC production sector;
- 14 percent for the foam sector;
- 12 percent for the halon sector (including production and consumption); and
- 10 percent for the solvent sector;
- 10 percent for the refrigeration sector;
- 6 percent for the methyl bromide sector;
- 4 percent for the several sector; and
- 1 percent for the aerosol sector

69. The distribution of the World Bank’s Draft 2002 Business Plan in terms of ODP “captured” is as follows (excluding contingency projects in Table V):

- 38 percent for the CFC production sector;



- 34 percent for halon sector (including production and consumption);
- 14 percent for the foam sector; and
- 14 percent for remaining sectors.

70. The current 2002 pipeline includes a few investment projects that require policy decisions from the ExCom. The total value of projects with policy issues amounts to approximately US\$ 6.7 million (including agency support costs). If policy issues related to some of these projects cannot be resolved in the calendar year 2002, the Bank will substitute these projects with those contained in Table V (contingency list).

71. Non-investment projects and activities: Non-investment projects include renewals of four existing institutional strengthening projects. These are the renewals of the institutional strengthening projects for Chile (US\$144,000), Philippines (US\$139,000), Thailand (US\$267,000), Tunisia (US\$187,000), and a proposed technical assistance project to strengthen the existing monitoring system for import/export of ODS for Indonesia (US\$100,000). In addition, the Bank and UNEP propose to undertake another technical assistance project to explore innovative financing options to assist implementation of RMPs in countries in the Caribbean. The Bank is, therefore, proposing to include the funding request of US\$20,000 as part of its 2002 Business Plan with the understanding that the same level of funding to support this activity will be requested separately by UNEP. These requests are noted in Table I. The total request, including agency support costs, is US\$ 968,000.

72. Project Preparation: In this Business Plan, the Bank includes additional project preparation funds of US\$1.64 million. This new approval and the project preparation funds already approved in previous years will be used for preparing 2002 deliverables and part of the 2003 submissions. No project preparation request made in 2002 will be used for preparing projects for submissions beyond year 2003.

### III. PERFORMANCE INDICATORS

73. Performance indicators included in the Bank's 2002 Business Plan are in line with the set of performance indicators approved by the ExCom. These indicators are listed as follows:

#### (a) Weighted Performance Indicators for Investment Projects

Targeted ODP Phaseout for 2002: The total amount of ODP to be captured by the Bank's portfolio as of the end of 2001 would reach 131,000 ODP tons. Based on the amount of ODP that has already been phased out up to the end of 2000 and the phaseout target for 2001, the cumulative ODP phaseout for the Bank should amount to approximately 110,420 ODP tons by the end of 2001. The proposed target for ODP phaseout for 2002 is set at 8,100 ODP tons.

Targeted Disbursement in 2002: By the end of 2001, the total approval for all investment projects for the World Bank would reach US\$450 million. The cumulative disbursement, including disbursement made in 2001, would reach US\$332 million. The disbursement target for 2002 is set at US\$ 46.2 million. With this target, the Bank's total disbursement at the end of 2002 would exceed 84% of the total approval up to the end of 2001.

Satisfactory Project Completion Reports Received: There are about 64 projects (investment and non-investment) scheduled for completion between July 1, 2001 and June 30, 2002, if there are no unforeseeable delays in project implementation. The Bank plans to submit project completion reports for all these projects in 2002.

Distribution of Projects Among Countries in Business Plan: The World Bank's 2002 Business Plan includes deliverables from 15 countries.

#### (b) Non-weighted Performance Indicators for Investment Projects

Net emission/reduction of ODP resulting from delay/early completion: The Bank proposes that its target for this performance indicator for 2002 be set at 26,000 ODP tons. (As of the end of 2000, net emissions from projects with implementation delays were about 17,400 ODP tons.)

Speed of ODS Phaseout (expressed in number of months):

Sector	1991-93	1994	1995	1996	1997	1998	1999	2000	Overall
Aerosols	56	37	4	39	37	51		25	41
Foams	47	59	40	41	34	24	35	35	39
Fumigants							37	27	32
Halons	66	35	73		13	13	73	38	49
Multi-sector	67			60		43			59
Other	77				4				41

<b>Process Agent</b>							20	0	20
<b>Production</b>	29	5					11	8	16
<b>Refrigeration</b>	54	44	45	38	35	33	35	32	41
<b>Solvents</b>	32	50	18	6	13	0	25	29	25
<b>Overall</b>	49	48	39	38	34	27	34	31	39

The targets for the speed of ODS phaseout by year of approval are presented in the above table. Overall speed of completion of investment projects for 2002 is 39 months (an increase of one month from the previous year target).

Speed of First Disbursement (expressed in number of months):

<b>Sector</b>	<b>1991-93</b>	<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>Overall</b>
<b>Aerosols</b>	0	0	13	20	28	32	12	25	28
<b>Foams</b>	14	17	21	34	34	21	20	29	22
<b>Fumigants</b>							14		14
<b>Halons</b>	0	0	0	24	18	26	4		10
<b>Multi-sector</b>	48			31		26			44
<b>Other</b>	38				18				28
<b>Process Agent</b>							18		18
<b>Production</b>		20	17	21	0	0	6	5	11
<b>Refrigeration</b>	50	30	32	30	33	23	19	20	30
<b>Solvents</b>	52	38	33	34	37	27	47	11	38
<b>Overall</b>	48	30	28	27	32	23	20	21	26

The proposed overall target for the speed of first disbursement for 2002 is set at 26 months.

Cost of Project Preparation: The proposed planned submissions are about US\$53.86 million (excluding agency support costs), and the proposed project preparation funds for the 2002 business planning period are US\$1.45 million (excluding support costs). The cost of project preparation in 2002 is targeted at 2.7 percent.

Cost-Effectiveness of Project Submission: The cost-effectiveness target for the 2001 submission is expected to be within US\$3.44/kg ODP.

Total Submission: The total submission in the proposed Draft 2002 Business Plan period is tentatively targeted at US\$56.86 million (including agency support costs). This amount does not include the 15 percent over-programming.

Total ODP Approvals: The target for additional ODP approvals in the 2002 business plan period is about 15,669 ODP tons.

## 74. Performance Indicators for Non-Investment Projects

**(a) Weighted Performance Indicators for Non-Investment Projects**

Number of Non-Investment Projects Completed: Breakdown for the number of projects scheduled to be completed in 2002 by project type is shown below.

Type of Non-Investment Activities	No. of Ongoing Projects at the end of 2001	No. of Projects to be completed in 2002
Country Program	1	1
Demonstration Projects	3	3
Institutional Strengthening	4	3
Technical Assistance	2	1
Training	0	0

Speed of Project Completion (expressed in number of months): The targets for speed of project completion are shown in the table below. The overall target for speed of project completion is targeted at 35 months.

Project Type	1991-93	1994	1995	1996	1997	1998	1999	2000	Overall
Country program preparation	8	11	27					24	14
Demonstration	61		12			47	40		39
Institutional strengthening	64	38		24	24	47	28	25	44
Technical assistance	44	46	22		14	49	49		35
Training	61	53							58
Overall	36	25	21	24	19	47	35	25	35

Disbursement: The proposed 2002 target for disbursement of non-investment projects is US\$1.39 million.

Speed of First Disbursement (expressed in number of months): Targets for speed of first disbursement for all types of non-investment projects are included in the table below. An overall target for 2002 for the speed of first disbursement of all non-investment activities is set at 19 months.

Project Type	1991-93	1994	1995	1996	1997	1998	1999	2000	Overall
Country program preparation	2	-	-					11	5
Demonstration	61					21	19		31
Institutional	30			5	1	3	13	6	18

strengthening									
Technical assistance	32	31	11		13	31	27		26
Training	50	28							42
Overall	22	29	11	5	7	16	17	8	19

**(b) Non-Weighted Performance Indicators for Non-Investment Projects**

Appropriate and timely policies initiated by countries either as a result of networking, training, information exchange, country program development and/or institutional strengthening: The performance indicators provided under this paragraph are only applicable to institutional strengthening projects. The following are the qualitative indicators:

*Jordan:* Through support provided under the institutional strengthening project and with the additional funds already provided by the MLF to support the update of the country program, the Ozone Unit will be able to complete the country program in 2002 and start implementing new policies and strategies proposed in the country program update.

Reduction in ODS consumption over and above that effected by investment projects: There is an indirect reduction in ODS consumption in 2002 resulting from the four on-going recovery and recycling projects of about 20 ODP tons.

Timely submission of progress reports (Dec. 34/4 (d)) – The Bank plans to have its 2001 progress report submitted on May 1, 2002 or at least eight weeks before the subsequent meeting of the ExCom, whichever is the earlier.

#### IV. POLICY ISSUES

75. Determination of the amount of CFC left to be phased out in Article 5 countries – The method used for determining the amount of CFC left to be phased in Article 5 countries for development of this Draft 2002 Business Plan is based on a straight forward subtraction of the ODP to be phased out from approved projects from the latest information on the national consumption of respective Article 5 countries. This method leads to a conclusion that if all approved projects are completed, the amount of ODP to be phased out from these projects will exceed the current ODP consumption in these countries. This conclusion may imply that no additional activities are required for such countries despite evidence that there are still a number of enterprises that are still using CFCs and need assistance from the Multilateral Fund to convert their facilities.

76. It is important to consider whether such simple subtraction of the ODP to be phased out from approved projects from the national consumption is an accurate way for determining the amount of CFC left to be phased out in the country. This approach is based on the assumption that reduction of CFC consumption in the country can only be achieved through investment projects funded by the Multilateral Fund. On the contrary, reduction of CFC consumption in most countries is the combination of investment, non-investment activities, and policy measures taken by the governments. Moreover, policy measures taken by the governments affect CFC consumption of all enterprises, with or without approved investment projects from the MLF.

77. Because of government action, enterprises will normally cut down their CFC consumption, including those enterprises that already have investment projects approved by the MLF. The total impact of ODP phaseout from approved but not yet implemented projects could be much less. For example, let us take two CFC consuming enterprises in a country where each use only 5 MT per year. Suppose one of them already received funding from the MLF to phase out its 5 MT consumption. However, the project has not been implemented or completed. Therefore, the national aggregate consumption is 10 MT. If the government adopted a policy to cut down the CFC consumption by 50% in the following year, this would affect the level of consumption at both enterprises. By subtracting the ODP from the previously approved project of 5 MT from the new national level of consumption of 5 MT, one may mistakenly believe that there is nothing left to be phased out in the country, although, of course, there is the remaining, non-funded enterprise's consumption.

78. The method to determine the remaining consumption in Article 5 countries should also take into account the impact of the idle capacity at the time the baseline consumption was determined. Increasing consumption of CFC from the idle capacity of enterprises that have not received any assistance from the MLF may offset the CFC consumption reduction at the enterprises already received funding from the MLF. Moreover, it is also known that consumption of CFCs in SMEs is normally not accounted for.

79. The concept of national aggregate CFC consumption reduction being debated by the ExCom is justifiably important for improving the effectiveness of the MLF. However, the method used for determining the remaining consumption in the country just by a simple subtraction of ODP from an approved, but-not-yet implemented, project should be used with

caution as it could lead to a wrong interpretation. Only when partial phaseout, either through partial completion of the project or consumption reduction due to impact from government actions, impact of the idle capacity at the time the baseline consumption is determined, and better understanding of ODSs consumed by SMEs, is accounted for and fully understood, the method for determining countries' ability to meet their obligations can be used with a higher level of confidence.

## **V. ADMINISTRATIVE AND FINANCIAL MATTERS**

80. No issue.



**TABLE I: Non-Investment Projects**

Agency	LVC	Country	Region	Type	Functional Title/Sub-sector	Project Funding (US\$000s)		Disbursement by the Agencies (US\$000s)			Date of Completion	Comments
						Value through 2001 <sup>(1)</sup>	Request for 2002 Plan	Through 2001 <sup>(1)</sup>	In 2002	After 2002		
IBRD	No	Jordan	ASP	CPG	Country programme update	50		25	25	0	Dec-02	
IBRD	No	Argentina	LAC	DEM	Demonstration project for testing methyl bromide alternatives in post-harvest disinfestation for cotton and citrus (phase I)	375		300	75		Mar-02	
IBRD	No	Chile	LAC	DEM	Demonstration project for testing methyl bromide alternatives in soil treatment applications for tomatoes and peppers	348		348			Aug-01	
IBRD	No	Ecuador	LAC	DEM	Demonstration project for testing methyl bromide alternatives in soil treatment for the flower growing industry	244		160	84		Mar-02	
IBRD	No	Mexico	LAC	DEM	Instituto Mexicano de S.S.	500		500			Dec-96	Completed
IBRD	No	Chile	LAC	INS	Ozone Team	211		211			Nov-98	Completed
IBRD	No	Chile	LAC	INS	CONAMA Ozone Team	114		114			Nov-98	Completed
IBRD	No	Chile	LAC	INS	Renewal of institutional strengthening	144	144	70	74	144	Dec-04	Request for renewal will be made in 2002.
IBRD	No	Chile	LAC	INS	Ozone protection and institutional strengthening project (renewal)	144		144			Dec-00	Completed
IBRD	No	Ecuador	LAC	INS	Institutional Strengthening	301		171	97	33	Mar-03	-
IBRD	No	Jordan	ASP	INS	Institutional Strengthening	170		170			Jun-97	Completed
IBRD	No	Jordan	ASP	INS	Renewal of institutional strengthening (phase II)	113		113			Jun-01	Completed
IBRD	No	Jordan	ASP	INS	Renewal of institutional strengthening	113		113			Jun-99	Completed
	No	Jordan	ASP	INS	Renewal of institutional strengthening	113		30	53	30	Jun-03	
IBRD	No	Philippines	ASP	INS	Institutional strengthening for Ozone Desk Operations	209		200			Dec-00	Completed
IBRD	No	Philippines	ASP	INS	Renewal of institutional strengthening	139	139	139	70	69	Dec-04	Request for renewal will be made in 2002.
IBRD	No	Thailand	ASP	INS	Renewal of Institutional Strengthening (Phase III)	0	267	0	100	167	Dec-04	Request for renewal will be made in 2002.
IBRD	No	Tunisia	AFR	INS	Implementation of Government actions	280		280			Jun-98	Completed
IBRD	No	Tunisia	AFR	INS	Phase out of ozone depleting substances (renewal of institutional strengthening)	187	187	187	97	90	Dec-04	Request for renewal will be made in 2002.

**TABLE I: Non-Investment Projects**

Agency	LVC	Country	Region	Type	Functional Title/Sub-sector	Project Funding (US\$000s)		Disbursement by the Agencies (US\$000s)			Date of Completion	Comments
						Value through 2001 <sup>(1)</sup>	Request for 2002 Plan	Through 2001 <sup>(1)</sup>	In 2002	After 2002		
IBRD	No	Turkey	EUR	INS	Renewal of institutional strengthening	200		80	90	30	Jan-03	
IBRD	No	Turkey	EUR	INS	Institutional strengthening	300		300			Dec-00	Completed
IBRD	No	Argentina	LAC	TAS	National halon management program to help eliminate the use of halon-1301 in new applications and to manage recovered halon-1301	291		100	100	91	Dec-02	
IBRD	No	Chile	LAC	TAS	Public Awareness	372		372			Jul-96	Completed
IBRD	No	Chile	LAC	TAS	Ozone Seal	7		7			Jun-96	Completed
IBRD	No	Chile	LAC	TAS	Central De Servicios Tecnicos (CST)	123		123			May-97	Completed
IBRD	No	Indonesia	ASP	TAS	Reduction of CFC-12 emission during service of MAC units	327		327			Dec-01	
IBRD	No	Indonesia	ASP	TAS	Indonesian Ministry of Industry and Ministry of Environment (TA Aerosol)	238		213			Nov-98	Completed
IBRD	No	Indonesia	ASP	TAS	Association of Polyurethane Foams Indonesia Technical Assistance Program	1,600		1549			May-98	Completed
IBRD	No	Indonesia	ASP	TAS	Halon management programme, halon recovery, recycling and banking	486		250	100	136	Apr-03	
IBRD	No	Indonesia	ASP	TAS	Strengthening of a monitoring system for import/export of ODS substances	0	100	0	50	50	Jun-03	
IBRD	No	Jordan	ASP	TAS	Technology transfer and engineering support	73		71			May-98	Completed
IBRD	No	Jordan	ASP	TAS	Halon management programme, halon recovery, recycling and banking	382		100	100	182	Dec-03	
IBRD	No	Malaysia	ASP	TAS	Reduction of the consumption of ODSs in the commercial air-conditioning sector via training, recovery and recycling of CFC-11 and CFC-12 in chillers at Mashrae	824		706			Dec-01	
IBRD	No	Malaysia	ASP	TAS	Conservation, leakage control and recycling of CFC-12 and demonstration project in MAC sector	910		881			Jul-97	Completed
IBRD	No	Philippines	ASP	TAS	Technical assistance for the financial institution	100		91			Dec-99	Completed
IBRD	No	Thailand	ASP	TAS	CFC recycling in MAC	900		800	100		Mar-02	
IBRD	No	Uruguay	LAC	TAS	Recovery and recycling of CFC-12 in maintenance workshops for industrial refrigeration equipment	88		88			Sep-98	Completed
IBRD	No	Uruguay	LAC	TAS	Market survey to develop a country-wide scheme to phase out remaining ODS	23		23			Jul-98	Completed
IBRD	No	Indonesia	ASP	TRA	FA/TA (Financial Agent/Technical Assistance)	50		48			Aug-98	Completed
IBRD	Yes	Caribbean Region	LAC	TAS	Innovative Financing to support RMP implementation in the Caribbean countries		20		20		Dec-02	
<b>Sub-total</b>						11,049	857	9,404	1,235	1,022		
<b>Administrative Cost</b>						1,436	111	1,223	161	133		
<b>Grand Total</b>						12,485	968	10,627	1,396	1,155		

**Table II Program Development by Sector**

Agency	Sector	Sub-Sector	No. Of Countries	Project Preparation (US\$000s)		Project Submission - Year of Plan (2002)				Project Submission - Following Years		
				Surplus PRP from 2001	PRP in 2002	Number of Projects in 2002	Value (US\$000s)	CFC ODP in 2002	Non-CFC ODP in 2002	Number of Projects After 2002	Value (US\$000s) After 2002	ODP After 2002
IBRD	Aerosol		2	-	80	3	300	40	-	1	1,000	460
IBRD	Foam	General	3	-	92	4	7,150	2,126	-	2	14,000	2,000
IBRD	Foam	Flexible Polyurethane										
IBRD	Foam	Integral Skin										
IBRD	Foam	Polystyrene/Polyethylene	1	-	8	1	80	10	-	-	-	-
IBRD	Foam	PU Foams : Rigid	2	-	18	2	340	45	-	-	-	-
IBRD	Halon	Recycling	1	-	-	1	500	-	200	-	-	-
IBRD	Halon	Non-recycling	1	-	-	-	-	-	2,889	-	-	-
IBRD	Refrigeration	Commercial	3	-	120	3	2,600	388	-	2	2,500	220
IBRD	Refrigeration	Domestic										
IBRD	Refrigeration	Domestic (hydrocarbon)										
IBRD	Refrigeration	MACs and Compressors	2	-	25	2	2,250	270	-	-	-	-
IBRD	Refrigeration	Chillers	4	-	70	3	800	35	-	1	-	1,400
IBRD	Refrigeration	Recycling										
IBRD	Sovent	CFC-113										
IBRD	Sovent	TCA										
IBRD	Solvent	General	1	-	20	1	200	-	10	-	-	-
IBRD	Solvent	Process Agents	3	-	50	2	6,000	-	500	3	-	1,750
IBRD	Fumigant	Methyl bromide	4	-	40	5	2,930	-	455	-	-	-
IBRD	Production	CFC closure	4	-	80	4	22,700	5,903	-	3	19,827	5,083
IBRD	Production	Halon	1	-	-	1	5,900	-	2,169	1	1,200	-
IBRD	Production	CTC	1	-	300	-	-	-	-	1	-	-
IBRD	Production	TCA	2	-	310	-	-	-	-	2	-	-
IBRD	Several Sector		4	-	60	3	2,108	629	-	10	11,310	678
IBRD	Unallocated Proj. Prep. Funds				180							
IBRD	<b>Sub-total</b>			-	1,453	35	53,858	9,446	6,223	26	49,837	11,591
IBRD	<b>Support Costs</b>				189		5,732				5,300	
IBRD	<b>Total</b>				1,642	35	59,590	9,446	6,223	26	55,137	11,591

**Table III Program Development by Country**

Agency	Country	Region	LVCs	Project Preparation (US\$000s)		Project Submission - Year of Plan (2002)				Project Submission - Following Years		
				Surplus PRP from 2001	PRP in 2002	Number of Projects in 2002	Value (US\$000s) in 2002	CFC ODP in 2002	Non-CFC ODP in 2002	Number of Projects After 2002	Value (US\$000s) After 2002	ODP After 2002
IBRD	Argentina	LAC	No	-	30	5	3,400	260	30	1	827	300
IBRD	Brazil	LAC	No	-	50	-	-	-	-	1	n.a.	n.a.
IBRD	Chile	LAC	No	-	-	2	1,530	-	300	-	-	-
IBRD	China	ASP	No	-	360	4	27,900	5,300	5,308	6	28,200	4,900
IBRD	Colombia	LAC	Yes	-	20	1	200	-	10	-	-	-
IBRD	Ecuador	LAC	Yes	-	60	1	600	-	75	1	1,100	100
IBRD	Egypt	AFR	No									
IBRD	Indonesia	ASP	No	-	250	1	1,000	110	-	3	1,000	460
IBRD	India	ASP	No	-	250	3	10,500	2,033	250	4	6,000	5,033
IBRD	Jordan	ASP	No									
IBRD	Mexico	LAC	No	-	25	2	750	120	-	-	-	-
IBRD	Malaysia	ASP	No	-	-	1	623	127	-	1	4,230	289
IBRD	Philippines	ASP	No	-	-	1	400	-	-	7	n.a.	n.a.
IBRD	Pakistan	ASP	No	-	28	6	480	54	-	-	-	-
IBRD	Thailand	ASP	No	-	-	1	1,085	502	-	1	5,980	289
IBRD	Tunisia	AFR	No		10	1	190	25				
IBRD	Turkey	EUR	No	-	40	3	3,400	380	250	1	2,500	220
IBRD	Uruguay	LAC	No									
IBRD	Venezuela	LAC	No	-	115	2	1,500	525	-	-	-	-
IBRD	Yemen	ASP	No	-	35	1	300	10	-	-	-	-
IBRD	Zimbabwe	AFR	No									
IBRD	Unallocated Proj. Prep. Funds					180						
Regional		Sub-total										
IBRD	AFR				10	1	190	25	-	-	-	-
IBRD	ASP				923	18	42,288	8,136	5,558	22	45,410	10,971
IBRD	EUR				40	3	3,400	380	250	1	2,500	220
IBRD	LAC				300	13	7,980	905	415	3	1,927	400
IBRD	Unallocated Proj. Prep. Funds					180						
<b>Sub-total</b>					1,453	35	53,858	9,446	6,223	26	49,837	11,591
<b>Support Costs</b>					189		5,732				5,300	
<b>Total</b>					1,642	35	59,590	9,446	6,223	26	55,137	11,591

**Table IV: Program Development by Country, Sector and Sub-Sector**

Agency	Country	Region	LVCs	Sector and Sub-Sector	Project Preparation (US\$000s)		Project Submissions - Year of Plan (2002)				Project Submissions - Following Years				Policy Issues
					Surplus PRP from 2001	PRP in 2002	Number of Projects in 2002	Value (US\$000s) in 2002	CFC ODP in 2002	Non-CFC ODP in 2002	Number of Projects After 2002	Forward Commitments (US\$000s)	Value (US\$000s) New Submissions After 2002	ODP After 2002	
IBRD	<b>ARGENTINA Total</b>	LAC	No		-	30	5	3,400	260	30	1		827	300	
IBRD	ARGENTINA	LAC	No	Aerosol (MDI products)		30	3	300	40						
IBRD	ARGENTINA	LAC	No	Production CFC		-	1	2,700	220		1		827	300	
IBRD	ARGENTINA	LAC	No	MBr - Fruits (Inv)	-		1	400	-	30				-	
IBRD	<b>BRAZIL Total</b>	LAC	No		-	50	-	-	-	-	1		-	-	
IBRD	BRAZIL	LAC	No	Process Agents		50					1		n.a.	n.a.	
IBRD	<b>CHILE Total</b>	LAC	No		-	-	2	1,530	-	300	-		-	-	
IBRD	CHILE	LAC	No	MBr - Timber; Tomatoes and Pepper		-	2	1,530		300					
IBRD	<b>CHINA Total</b>	ASP	No		-	360	4	27,900	5,300	5,308	6	28,200	-	4,900	
IBRD	CHINA	ASP	No	Foam General*	-		1	6,000	2,000		1	14,000	-	2,000	
IBRD	CHINA	ASP	No	Production CFC	-	-	1	13,000	3,300		1	13,000	-	2,900	
IBRD	CHINA - Halon Sector - Production	ASP	No	Production Halon	-	-	1	5,900	-	2,169	1	1,200	-	-	
IBRD	CHINA - Halon Sector - Consumption	ASP	No	Halon non-recycling	-	-	-	-	-	2,889	-		-	-	
IBRD	CHINA	ASP	No	Process Agents			1	3,000		250	1		n.a.	n.a.	Yes
IBRD	CHINA	ASP	No	Production CTC		300	-	-		-	1		n.a.	n.a.	Yes
IBRD	CHINA	ASP	No	Production TCA		60	-	-		-	1		n.a.	n.a.	Yes
IBRD	<b>COLOMBIA Total</b>	LAC	No		-	20	1	200	-	10	-		-	-	
IBRD	COLOMBIA	LAC	No	Solvent CTC		20	1	200		10					
IBRD	<b>ECUADOR Total</b>	LAC	No		-	60	1	600	-	75	1		1,100	100	
IBRD	ECUADOR	LAC	No	MBr - Cut flowers	-		1	600		75					
IBRD	ECUADOR	LAC	No	Several Sectors		60	-	-		-	1		1,100	100	
IBRD	<b>INDIA Total</b>	ASP	No		-	250	3	10,500	2,033	250	4	6,000	-	5,033	
IBRD	INDIA	ASP	No	Refrigeration MAC & Compress	-	-	1	1,500	150		-		-	-	
IBRD	INDIA	ASP	No	Refrigeration Chillers		-					1		n.a.	1,400	Yes
IBRD	INDIA	ASP	No	Process Agents		-	1	3,000	-	250	1		n.a.	1,750	Yes
IBRD	INDIA	ASP	No	Production CFC	-	-	1	6,000	1,883		1	6,000	-	1,883	
IBRD	INDIA	ASP	No	Production CTC		250					1		n.a.	n.a.	Yes
IBRD	<b>INDONESIA Total</b>	ASP	No		-	250	1	1,000	110	-	3		1,000	460	
IBRD	INDONESIA	ASP	No	Aerosol		50					1		1,000	460	
IBRD	INDONESIA	ASP	No	Foam General**		80	1	1,000	110		1		n.a.	n.a.	
IBRD	INDONESIA	ASP	No	Refrigeration Commercial		120					1		n.a.	n.a.	
IBRD	<b>MALAYSIA Total</b>	ASP	No		-	-	1	623	127	-	1	4,230	-	289	
IBRD	MALAYSIA	ASP	No	Several Sectors	-	-	1	623	127		1	4,230	-	289	
IBRD	<b>MEXICO Total</b>	LAC	No		-	25	2	750	120	-	-		-	-	
IBRD	MEXICO	LAC	No	Refrigeration MAC & Compress		25	1	750	120		-		-	-	
IBRD	MEXICO	LAC	No	Refrigeration Chillers***		-	1				-		-	-	
IBRD	<b>PAKISTAN Total</b>	ASP	No		-	28	6	480	54	-	-		-	-	
IBRD	PAKISTAN	ASP	No	Foam General		12	2	150	16						
IBRD	PAKISTAN	ASP	No	Foam Rigid Polyurethane		8	1	150	20						
IBRD	PAKISTAN	ASP	No	Foam PS/PE		8	1	80	10						
IBRD	PAKISTAN	ASP	No	Refrigeration Commercial	-	-	2	100	8		-		-	-	
IBRD	<b>PHILIPPINES Total</b>	ASP	No		-	-	1	400	-	-	7		-	-	
IBRD	PHILIPPINES	ASP	No	Several Sectors		-	1	400	-	-	7		n.a.	n.a.	
IBRD	<b>THAILAND Total</b>	ASP	No		-	-	1	1,085	502	-	1	5,980	-	289	
IBRD	THAILAND	ASP	No	Several Sectors	-	-	1	1,085	502		1	5,980	-	289	

Agency	Country	Region	LVCs	Sector and Sub-Sector	Project Preparation (US\$000s)		Project Submissions - Year of Plan (2002)				Project Submissions - Following Years				Policy Issues
					Surplus PRP from 2001	PRP in 2002	Number of Projects in 2002	Value (US\$000s) in 2002	CFC ODP in 2002	Non-CFC ODP in 2002	Number of Projects After 2002	Forward Commitments (US\$000s)	Value (US\$000s) New Submissions After 2002	ODP After 2002	
IBRD	<b>TUNISIA Total</b>	AFR	No		-	10	1	190	25	-	-		-	-	
IBRD	Tunisia	AFR	No	Rigid Foam		10	1	190	25						
IBRD	<b>TURKEY Total</b>	EUR	No		-	40	3	3,400	380	250	1	2,500	-	220	
IBRD	TURKEY	EUR	No	Halon Recycling			1	500		200					
IBRD	TURKEY	EUR	No	Refrigeration Commercial	-	-	1	2,500	380		1	2,500	-	220	
IBRD	TURKEY	EUR	No	MBr - Storage of Hazelnut	-	40	1	400	-	50	-		-	-	
IBRD	<b>VENEZUELA</b>	LAC	No		-	115	2	1,500	525	-	-		-	-	
IBRD	VENEZUELA	LAC	No	Refrigeration Chillers		35	1	500	25						
IBRD	VENEZUELA	LAC	No	Production CFC		80	1	1,000	500				n.a.	n.a.	
IBRD	<b>YEMEN</b>	AFR	Yes		-	35	1	300	10						
IBRD	YEMEN	AFR	Yes	Refrigeration Chillers		35	1	300	10						
IBRD	<b>ZIMBABWE</b>	AFR	No		-	-	-	-	-		-		-	-	
IBRD	Unallocated Proj. Prep. Funds					180									
	Sub-Total (Core)				-	1,453	35	53,858	9,446	6,223	26	46,910	2,927	11,591	
	Support Costs				-	189		5,732				4,989	311		
	Total				-	1,642	35	59,590	9,446	6,223	26	51,899	3,238	11,591	

\* Fundinf for the foam sector plan for China for 2002 is approximately US\$14 million. The balance of US\$ 8 million and support costs will be covered by the Bank's 2000 share in line with Dec. 32/52.

\*\*Foam sector plan will result in a total CFC phaseout in the sector of more than 1,000 ODP tons.

\*\*\* Funding for this project will be covered by the UK bilateral contribution.

**Table V: Contingency for Investment Projects**

Agency	Country	Region	LVCs	Sector and Sub-Sector	Project Preparation (US\$000s)		Project Submissions - Year of Plan (2002)				Project Submissions - Following Years		
					Surplus PRP from 2001	PRP in 2002	Number of Projects in 2002	Value (US\$000s) in 2002	CFC ODP in 2002	Non-CFC ODP in 2002	Number of Projects After 2002	Value (US\$000s) After 2002	ODP After 2002
IBRD	<b>COLOMBIA Total</b>	LAC	No		-	-	1	750	50	-	-	-	-
IBRD	COLOMBIA	LAC	No	Refrigeration Commercial	-	-	1	750	50				
<b>IBRD</b>	<b>JORDAN Total</b>	ASP	No		-	-	2	1,000	75	-	-	-	-
IBRD	JORDAN	ASP	No	Foam General			1	500	55				
IBRD	JORDAN	ASP	No	Refrigeration: Chillers			1	500	20				
IBRD	<b>PAKISTAN Total</b>	ASP	No		-	-	1	750	45	-	-	-	-
IBRD	PAKISTAN	ASP	No	Foam: Integral Skin	-	-	1	750	45		-	-	-
IBRD	<b>THAILAND Total</b>	ASP	No		-	-	1	1,000	-	100	-	-	-
IBRD	THAILAND	ASP	No	MBr (Inv)	-	-	1	1,000		100		n.a.	n.a.
IBRD	<b>TURKEY Total</b>	EUR	No		-	-	1	700	-	15	-	-	-
IBRD	TURKEY	EUR	No	Solvent - TCA	-	-	1	700	-	15	-	-	-
	Sub-Total (Core)				-	-	6	4,200	170	115	-	-	-
	Support Costs				-	-		522				-	
	<b>Total</b>				-	-	6	4,722	170	115	-	-	-