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

2001 WORK PROGRAMME AMENDMENTS OF UNDP

COMMENTS AND RECOMMENDATIONS FROM THE FUND SECRETARIAT

1. UNDP is requesting approval from the Executive Committee for US \$397,103 for its 2001 work programme amendment with agency support costs of US \$51,623.
2. Table 1 presents the work programme amendment requests along with the amount recommended .

Table 1

UNDP 2001 Work Programme Amendments

Country	Activity/Project	Date of Completion*	Amount Requested (US \$)	Amount Recommended (US \$)
I. Institutional strengthening renewals				
Bangladesh:	Phase III	December 2003	100,000	100,000
Costa Rica:	Phase IV	December 2003	108,087	108,087
Pakistan:	Phase II	December 2003	172,666	172,666
II. Other non-investment activities				
Georgia	Monitoring the RMP	December 2007	16,350	(*)
Sub-Total:			397,103	380,753
Agency Support costs:			51,623	49,498
Total:			448,726	430,251

(*) Considered under document UNEP/OzL.Pro/ExCom/35/38.

I. Institutional strengthening renewals

- (a) Bangladesh: (US \$100,000)
- (b) Costa Rica: (US \$108,087)
- (c) Pakistan: (US \$172,666)

Project description

3. The description of the institutional strengthening project proposal for the above countries is presented in Annex I to this document.

Fund Secretariat's recommendations

4. The Fund Secretariat recommends blanket approval of the above projects with associated support costs at the funding level shown in Table 1. The Executive Committee may also wish to express the following views to the Governments concerned:

Bangladesh

5. The Executive Committee has reviewed the information presented regarding the institutional strengthening project for Bangladesh and notes that the CFC consumption reported

by the Government of Bangladesh for 1999 was 813 ODP tonnes, while the baseline for compliance has been established at 580 ODP tonnes. Therefore, the country is not in compliance with the 1999 freeze. The Executive Committee notes that the Government of Bangladesh has completed the conversion of the aerosol project and once it is commissioned by the aerosol equipment supplier, it will phase out 595 ODP tonnes of CFCs, which will place Bangladesh in compliance with the 1999 CFC freeze. Also the Executive Committee notes that the Ministry of Environment and Forest of Bangladesh is in the process of approving the Rules on Ozone Depleting Substances which will include: licensing for import, sale and use of ODSs. The Government will also report the 2000 ODS consumption in December 2001. Based on the actions undertaken by the Government, the Executive Committee may request the renewal of the institutional strengthening project on the understanding that UNDP will not disburse the approved funding until the aerosol project is fully operational, the Rules on Ozone Depleting Substances are enacted, and the report on the 2000 ODS consumption data has been sent to the Multilateral and Ozone Secretariats.

Costa Rica

The Executive Committee has reviewed the information presented regarding the institutional strengthening renewal request for Costa Rica. The Executive Committee notes with appreciation that the 2000 CFC consumption reported to the Ozone Secretariat is below the 1995-1997 compliance baseline. However, the Executive Committee expresses concern that the current methyl bromide consumption is above the baseline level. In its submission, Costa Rica reported on a number of initiatives it has undertaken, including the conversion to non-CFC technology in three commercial refrigeration manufacturers; advancement on the national legislation that will prohibit the use of CFCs in newly-manufactured refrigeration equipment and the draft legislation establishing MB imports control; and implementation of awareness campaigns. These and other activities reported are encouraging, and the Executive Committee appreciates the efforts of Costa Rica. Over the next two years, Costa Rica intends to enact new ODS regulations, implement the remaining RMP activities needed and a methyl bromide phase-out project. The Executive Committee notes that despite the country's efforts to reverse the increasing consumption of MB in soil fumigation, an additional reduction of at least 100 ODP tonnes must be made to meet the 2002 freeze level, and will make the utmost effort to assist Costa Rica in achieving the phase-out requirements.

Pakistan

6. The Executive Committee has reviewed the information presented in regards to the institutional strengthening project for Pakistan and notes that the CFC consumption reported by the Government of Pakistan for 1999 was 1,421 ODP tonnes, while the baseline for compliance has been established at 1,679 ODP tonnes. Therefore, the country is in compliance with the 1999 freeze. In 1999, the Ministry of Commerce introduced an import authorisation system to regulate the consumption of ODS. The Government has also banned the import of used CFC-based refrigerators, deep freezers and air conditioning units. Activities in public awareness and education have been implemented, and seminars for ODS users, schools, universities and research institutes have been conducted. The Ozone Cell has drafted and submitted a national ODS phase-out policy to the Government, which is to assist in the acceleration of the

implementation of ODS phase out projects in the country. The Executive Committee notes with concern the serious discrepancies in the consumption data that have been previously reported to the Multilateral Fund and Ozone Secretariats and requests the Government of Pakistan to submit the revised data as soon as the review is completed.

II. Other non-investment activities

Georgia: Monitoring the RMP (US \$16,350)

7. The Fund Secretariat's comments and recommendations on the above project could be found in document UNEP/OzL.Pro/ExCom/35/38.

ANNEX I

RENEWALS FOR INSTITUTIONAL STRENGTHENING PROJECTS

Bangladesh: Renewal of institutional strengthening

Summary of the Project and Country Profile		
Implementing Agency:		UNDP
Amount originally approved:	Phase I: Sept. 1994 (US \$)	150,000
	Phase II: Nov. 1999 (US \$)	100,000
Amount requested for renewal (US \$):		100,000
Date of approval of country programme		Sept. 1994
ODS consumption reported in country programme (1993), (ODP tonnes)		233.2
Latest reported ODS consumption (1999) (ODP tonnes)		820.6
Baseline (1995-1997) (ODP tonnes of CFCs)		580.4
Amount approved (US \$)		1,120,995
Amount disbursed (as at December 2000) (US \$):		840,383
ODS to be phased out (ODP tonnes)		136.2
ODS phased out (as at December 2000) (ODP tonnes)		0

1. The following activities have been approved and funded by the Executive Committee:

		US \$
(a)	Country programme preparation	25,000
(b)	Project preparation	45,000
(c)	Training	110,500
(d)	Technical assistance	367,575
(e)	Demonstration	0
(f)	Investment projects	322,920
	Total:	870,995

Progress report

2. The main achievements reported in the progress report include: following up on the ODS phase-out activities such as: the review of current policies for ODS imports and continued issuance ODS import permits; preparing projects for ODS phase out in different sectors and co-ordinating and monitoring implementation of approved projects; conducting public awareness campaigns including the celebration of the Ozone Day and organising a seminar and workshop on ODS related issues; reporting consumption data to the Fund and Ozone Secretariats.

3. The Ozone Unit was constituted within the Department of Environment in October 1995. The Director General of the Department of Environment is the Chairman of the Ozone Unit. The supervision of the Unit is carried out by the National Technical Committee on Ozone Depleting Substances (NTCODS) constituted under the Chairmanship of the Secretary of the Ministry of Environment and Forests.

Plan of action

4. The plan of action for the next period includes: reviewing current policies on ODS imports and issuing ODS import permits; preparing new investment projects in the refrigeration sector and co-ordinating and monitoring implementation of the refrigerant recovery and recycling programme, the training of trainers in good service practice and the training of customs officers; conducting ODS data surveys for 2001 and reporting ODS data to the Fund and Ozone Secretariats; conduct in-service training for policy makers, journalists, NGOs and ODS user associations; continue organisation of awareness campaigns including the celebration of the Ozone Day.

Fund Secretariat's comments

5. The request for the renewal of the institutional strengthening for Bangladesh was submitted for consideration by the Executive Committee to its 34th Meeting. Subsequently, the Executive Committee “decided not to approve the request for the renewal of the institutional strengthening project until the Government of Bangladesh reports its ODS consumption data for the year 2000, until the CFC phase out in the aerosol sector is completed and the implementation of the RMP project commences”.

6. UNDP informed the Fund Secretariat that the conversion to HAP technology in the aerosol plant in Bangladesh has already been completed. However, the safety audit and commissioning of the new hydrocarbon tank farm by the technicians from the company that supplied the equipment (based in the United Kingdom) has not been conducted, because of the company's policy on travel restrictions. UNDP stated that it is following this issue closely with the equipment supplier, and it expects that the project can be completed before the end of the year (a UNDP mission to commission the plant has been proposed for the week of 19 November 2001).

7. Regarding the legislative and policy measures to implement the recovery and recycling sub-project, UNDP indicated that the Ministry of Environment and Forest of Bangladesh is in the process of approving the Rules on Ozone Depleting Substances (which will include, *inter alia*, licensing for import, sale and use of ODSs). The rules will be enacted by December 2001. Finally, the Government of Bangladesh reported that the consumption data for 2000 would be reported in December 2001, once the survey underway is finalised.

Costa Rica: Renewal of institutional strengthening

Summary of the Project and Country Profile	
Implementing Agency:	UNDP
Amount originally approved:	
Phase I: Oct. 1994 (US \$)	213,160
Phase II: Feb. 1997 (US \$)	108,087
Phase III: Mar 1999 (US \$)	108,087
Amount requested for renewal (US \$):	108,087
Date of approval of country programme	October 1992
ODS consumption reported in country programme (1991), (ODP tonnes)	240.2
Latest reported ODS consumption (2000) (ODP tonnes)*	647.6
Baseline (1995-1997) (ODP tonnes of CFCs)	125.1
Amount approved (US \$)	3,090,893
Amount disbursed (as at December 2000) (US \$):	2,337,270
ODS to be phased out (ODP tonnes)	97.4
ODS phased out (as at December 2000) (ODP tonnes)	45.0

* Including 510 ODP tonnes of MB.

8. The following activities have been approved and funded by the Executive Committee:

		US \$
(a)	Country programme preparation	25,887
(b)	Project preparation	229,250
(c)	Training	47,731
(d)	Technical assistance	478,218
(e)	Demonstration	552,620
(f)	Investment projects	1,272,038
	Total:	2,605,744

Progress report

9. The main achievements reported in the progress report include: continuation of the co-ordination of the activities required to implement the Government phase-out strategy in all sectors; completion of the conversion of the refrigeration manufacturing enterprises; implementation of the refrigerant recovering and recycling scheme consisting of 120 CFC recovery machines and 6 recycling centres; an establishment of a MAC recovering and recycling network; organisation of several public awareness activities.

The Ozone Unit (COGO) reports to the General Director of the National Meteorological Institute, who in turn reports directly to the Minister of Environment and Energy. COGO co-ordinates actions related to ODS reduction policies with the Ministries of Agriculture, Foreign Affairs, Finance and Health. In the near future, a Consultation Assessment Group will be created to assist COGO to implement relevant actions for compliance with the Protocol commitments.

Plan of action

The plan of action for the next period includes: implementing the national strategy to phased out ODSs; issuing a decree to reorganise the COGO to implement and enforce the legislation to control ODS consumption, including a ban on CFCs in new refrigeration systems and a gradual phase out of methyl bromide to achieve the 2002 freeze level; continuing implementation of the activities in the RMP including the identification of the end-users of commercial refrigeration sub sectors; implementing a methyl bromide phase-out project; developing awareness campaigns; and reporting ODS data to the Fund and Ozone Secretariats.

Pakistan: Renewal of institutional strengthening

Summary of the Project and Country Profile	
Implementing Agency:	UNDP
Amount originally approved (Sept. 1994) (US \$)	259,000
Amount requested for renewal (US \$):	172,666
Date of approval of country programme	October 1996
ODS consumption reported in country programme (1995), (ODP tonnes)	2,538.9
Latest reported ODS consumption (1999) (ODP tonnes)	2,003.6
Baseline (1995-1997) (ODP tonnes of CFCs)	1,679.4
Amount approved (US \$)	13,426,272
Amount disbursed (as at December 2000) (US \$):	4,744,967
ODS to be phased out (ODP tonnes)	1,192.2
ODS phased out (as at December 2000) (ODP tonnes)	81.4

10. The following activities have been approved and funded by the Executive Committee:

		<u>US \$</u>
(a)	Country programme preparation	67,800
(b)	Project preparation	709,444
(c)	Technical assistance	56,149
(e)	Investment projects	12,300,208
	Total:	13,133,601

Progress Report

11. The main achievements reported in the progress report include: developing policy guidelines for the implementation of ODS phase-out investment projects and assisting in the preparation and implementation of these projects; introducing a licensing system for import of ODS to enable the Ministry of Environment Local Government and Rural Development to regulate, monitor and assess ODS consumption; imposing an import ban for used CFC-based refrigerators, air conditioners and deep freezers systems; formulating a National ODS Phase-out Policy for the consent of the Economic Co-ordination Committee of the Cabinet (which was subsequently approved); resolving outstanding issues of custom duty on import of equipment under the grant funding of the Multilateral Fund; developing and implementing a data reporting mechanism for the collection of data in ODS consumption; implementing public awareness campaigns including workshops and seminars; and providing consumption data to the

Multilateral Fund and Ozone Secretariats; and preparing a draft summary for the Cabinet for ratification of the Montreal Protocol and Beijing amendments.

12. The Ozone Cell is the nodal unit for implementation of the Montreal Protocol in the country. It acts as a focal point for initiating policy guidelines, developing of investment projects and their monitoring, introducing regulatory and control measures, data collection and carrying out mass awareness activities. The Director of the Ozone Cell reports to the Director General (Environment) and the Secretary, Ministry of Environment, Local Government and Rural Development. The Ozone Cell serves as the Secretariat for the Project Steering Committee which has wide representation from other Ministries such as the Economic Affairs Division, Ministries of Industries and Planning, and the Federation of Pakistan Chamber of Commerce and Industry (representing the private industry and the trade sector). Policy proposals are initiated by the Ozone Cell and routed to the other concerned ministries before submission to the Economic Co-ordination Committee (ECC) of the Cabinet for approval.

Plan of action

13. The plan of action for the next period includes: further strengthening the capacity of the Ministry of Environment, Local Government and Rural Development to achieve the phase out of ODSs; continuing implementation of the import authorisation system, disposing production equipment used for ODSs, clearance of proportions of custom duty, project completion reports, ODS data collection and reporting, co-ordination with international agencies, and training of refrigeration service technicians and customs officers; developing and monitoring phase-out investment projects; continuing collection of ODS data and reporting on activities related to public awareness.

Fund Secretariat's comments

14. The Fund Secretariat received an official communication from the Government of Pakistan indicating that the Government has received new information on ODS consumption levels which is still being analysed. Based on new data, the Government has identified serious discrepancies in the consumption data that have been previously reported to the Multilateral Fund and Ozone Secretariats. The revised figures will be sent to the both Secretariats, once the review is completed.

**EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND
FOR THE IMPLEMENTATION OF THE
MONTREAL PROTOCOL
(35th Meeting, 5-7 December 2001, Montreal)**

**2001 WORK PROGRAMME AMENDMENT
OF THE
UNITED NATIONS DEVELOPMENT PROGRAMME**

**Request for Non-Investment Project Approvals at the
35th Executive Committee Meeting**

15 October 2001

2001 UNDP WORK PROGRAMME AMENDMENT

Request for Non-Investment Project Approvals at the 35th Executive Committee Meeting (5-7 December 2001, Montreal)

1. UNDP has submitted its revised 2002 Draft Business Plan comprising both a series of tables and a detailed narrative for consideration at the 35th Meeting of the Executive Committee in December 2002. As a direct result, the amount of **US\$ 397,103** (excluding 13% support cost) is being requested in this work programme document, for funding at the 35th meeting of which a breakdown is as follows:

ITEM	US\$
Institutional Strengthening:	380,753
Other Non-Investment Activities	16,350
GRAND TOTAL	397,103

Note 1: All project budgets described in this document exclude support costs.

2. Following requests for the **extension of Institutional Strengthening projects** are also being submitted for approval at the 35th meeting of the Executive Committee:

COUNTRY	Short Title	US\$
Bangladesh	Institutional Strengthening - Phase 3	100,000
Costa Rica	Institutional Strengthening - Phase 3	108,087
Pakistan	Institutional Strengthening - Phase 2	172,666
Total		380,753

3. Other requests for non-investment projects include the following activities:
 - Georgia: Monitoring the RMP (US\$ 16,350). This project is submitted together with the RMP and other related projects, and should allow Georgia to monitor all RMP related activities. Funds would mostly be used for National Consultants working at the National Ozone Unit.