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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Thirty-seventh Meeting
Montreal, 17-19 July 2002

2002 WORK PROGRAMME AMENDMENT OF THE WORLD BANK

COMMENTS AND RECOMMENDATION FROM THE FUND SECRETARIAT

1. World Bank is requesting approval from the Executive Committee for US \$110,000 as an amendment to its 2002 Work Programme with agency support costs of US \$14,300.
2. The activity proposed in the World Bank's 2002 Work Programme Amendment is presented in Table 1 below:

Table 1: World Bank 2002 Work Programme Amendment

| Country | Activity/Project | ODP tonnes | Amount Requested US \$ | Amount Recommended US \$ |
|-----------|---|---------------|---------------------------|--------------------------------|
| Indonesia | Strengthening the import/export control | 9.1 | 110,000 | 110,000 |
| | Agency support costs: | | 14,300 | 14,300 |
| | Total: | | 124,300 | 124,300 |

- (a) Indonesia: Strengthening the import/export control (US \$110,000)

Project description

3. The project is to assist the Government of Indonesia in strengthening its ODS import control system. The main objectives of the project are: a better understanding of the present registration, monitoring and reporting of CFC imports/exports; evaluating the present capacity for monitoring imports within the Customs Department, channels of imports and importers of chemicals; identifying policy and capacity-building needs such as legislation and new quota systems in order to maintain a balance between the supply and demand of CFCs; and implementing recommended activities including training customs officers.
4. The project outcomes include enforcing legislation to phase out illegal imports of ODS; providing the customs officers, especially those in remote areas, with the skills and equipment to control imports; and organising workshops to inform all stakeholders of the new import control system. These activities will assist in lowering the amount of CFCs coming into Indonesia. The project implementation time frame is nine months.

Secretariat's comments

5. The Secretariat sought a clarification from the World Bank on which Ministry would be responsible for the enforcement and implementation (including monitoring) of the revised import/export control system. The World Bank indicated that the State Ministry of the Environment is the entity responsible for the implementation of the strengthening of import/export control study; however, the findings of this project will ultimately determine the Ministry responsible for the enforcement implementation and monitoring of the revised import/export control system.
6. Regarding the cost of the project, the World Bank indicated that it would be necessary to hold a workshop to inform stakeholders of the study and request information on ODSs. Baseline information from the customs manifests would have to be tallied with ODS consumption data

gathered on the field. Data discrepancies on ODS consumption would need to be evaluated. As Indonesia is a large archipelago, with many ports of entry, this will require extensive work and considerable expense. A second workshop would be required to explain the findings of the study to the various stakeholders and come to a consensus on actions to be implemented. In addition, it would be necessary to provide training on the new import/export control procedures to the customs agents across the country and the Ministry responsible for implementing the revised import/export control system. It is also to be noted that the Government of Indonesia is currently going through a process of decentralisation, and thus more government agencies may be involved than previously envisaged, and different levels of training of the new procedures would be required.

Secretariat's recommendation

7. The Fund Secretariat recommends blanket approval of the above project at the funding level shown in Table 1, on the understanding that no further training for customs officers will be requested from the Multilateral Fund.
