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EXECUTIVE COMMITTEE OF
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**DRAFT MONITORING AND EVALUATION WORK PROGRAMME FOR THE YEAR
2003**

I Status of Implementation of the on-going Monitoring and evaluation Work Programme 2002 and Evaluation so far Completed

1. An evaluation of the clearing house activities implemented by UNEP has been conducted and the report presented to the 36th meeting of the Executive Committee. The final report on the evaluation of the aerosol sector is being presented to the 38th meeting of the Executive Committee along with the final report on the evaluation of MAC projects. After all MAC projects had been reviewed and up-dated information on on-going production of CFC-12 MAC systems presented to the 37th meeting of the Executive Committee, India was the only country selected for field visits in this sector. A desk study on the evaluation of halon projects was presented to the 37th meeting of the Executive Committee and field evaluations are on-going. The final report is planned to be presented to the 39th meeting of the Executive Committee, as well as selected country studies on monitoring and evaluation of RMPs.

2. With the completion of the 2002 Monitoring and Evaluation Work Programme, samples of completed investment and non-investment projects in most sectors and areas of activity funded by the Multilateral Fund have been evaluated and the reports presented to the Executive Committee (see Annex I).

II Evaluation Studies Foreseen in the Year 2003

(a) Guiding Principles

3. The Monitoring and Evaluation Work Programme aims at providing validation of past project experiences, establishing accountability in terms of funds spent and results achieved, as well as generating lessons learnt for future activities, in order to better assist Article 5 countries to meet their obligations under the Montreal Protocol. To the extent possible, all regions and types of countries and projects are gradually covered. In all cases, the views of company owners and managers, National Ozone officers and implementing agencies are collected and their comments considered before the evaluation reports are finalized and presented to the Executive Committee.

4. The Monitoring and Evaluation work programme proposed for 2003 shifts the attention to on-going activities, in particular sector phase-out plans and multi-year projects. The share of such projects and programmes in the portfolio of the Multilateral Fund has grown rapidly during the last years and is going to increase further. They are now the main instruments put in place to enable Article 5 countries to comply with the provisions of the Montreal Protocol.

5. Sector phase-out programmes were the first to replace the traditional project by project approach, allowing the beneficiary countries maximum flexibility for using the funds approved, while requesting annual reports on the achievement of the phase-out targets agreed upon before further funds would be released. Some sector programmes like the halon and the solvent phase-out plan in China and the production sector agreements in China and India are being implemented for several years now, and the monitoring and reporting mechanisms installed served as example for the later national substance wide phase-out programmes. They are administered by the implementing agencies, in cooperation with the beneficiary countries.

6. Intermediate external evaluations seem appropriate to examine whether the annual audits conducted are really independent and reliable. They may also generate useful lessons learnt with regard to the implementation modalities, in particular the bidding system which aims at giving priority of funding to the most cost-effective conversion candidate. It will also be interesting to analyze whether the phase-out plans under implementation are likely to finish the ODS phase-out in the sectors concerned as scheduled.

7. Reporting by implementing agencies on multi-year projects, like RMPs and Methylbromide projects, is limited. The annual progress reports provide scanty information and project completion reports are foreseen at the very end only. Information about problems encountered and solutions developed collected by intermediate external evaluations will be useful to generate lessons learnt for other similar projects and programmes under consideration and preparation.

8. In recent years, more and more sectorial and national phase-out plans have been approved, like for CFC-production sector in China and India, halon, solvent and foam sector in China, and national phase-out plans in several countries. While the annual audit reports contain detailed figures on ODS production and consumption and the achievement of phase-out targets, they mostly do not provide financial data or lessons learnt. The on-going evaluation of the halon sector as well as the planned evaluations of the solvent sector plan in China and of the production sector plans will also analyze the reporting provided and needed for this type of programmes.

(b) Evaluations Proposed

9. Considering the above, the following approach is proposed for the Monitoring and Evaluation Work Programme 2003.

- (i) Finalize the on-going evaluation of the halon sector which includes the halon sector plan in China as the first example of such sector plans, with five annual tranches disbursed, and the India halon phase-out programme, as well as selected completed or advanced fire extinguisher and halon recovery/recycling and banking projects in various countries.
- (ii) Prepare selected country studies on the implementation of RMPs. This is already part of the Monitoring and Evaluation work programme 2002 and will be continued with further country studies during the year 2003. RMPs are for many low volume consuming countries the main instrument to assure compliance, and there are indications that their implementation often does not give the ODS phase-out expected and/or proceeds more slowly than planned. A more comprehensive evaluation of the support of the Multilateral Fund for low-volume consuming countries is planned for 2004, to serve as input into the review foreseen in 2005 according to Decision 31/48 (A, d), to establish whether further assistance will be needed for low-volume consuming countries for the post-2007 period, and what assistance the Fund might consider at that time to enable full compliance with the Protocol's phase-out requirements.

- (iii) Prepare an intermediate evaluation of the CFC-production sector phase-out agreements in PR China, India and most recently, PDR Korea. The progressive elimination of CFC-production and the expected price increase for CFC are of utmost importance to allow compliance of producers and consumer countries, in particular by making the use of ODS-substitutes and recovery/recycling activities economically more viable. Implementation delays of production sector phase-out programmes could thus delay the agreed upon phase-out in other sectors while an acceleration might speed it up.
- (iv) Prepare an intermediate evaluation of the Solvent Sector phase-out plan in China. After 3 years of implementation, it is considered timely to examine the approach taken, the monitoring mechanisms, the results reported and the experiences made.
- (v) Evaluate selected on-going methylbromide demonstration and investment projects in terms of their technical approach, institutional set-up, first results and monitoring and reporting mechanisms.

10. The table in Annex II shows the evaluations proposed and the time schedule for presenting the reports to the Executive Committee. An overview of the sectors proposed for evaluation, showing number of projects, funds approved and disbursed, as well as the ODS phase out planned and achieved according to the reports received, is shown in Annex III.

(c) Implementation modalities and methodological approach to evaluation studies

11. The practice of preparing desk studies and consulting with the implementing agencies before presenting terms of reference for consideration to the Executive Committee has proven to be useful to determine carefully the evaluation issues before embarking on field visits. This will be continued wherever quantity and quality of available documentation allow for the preparation of a substantial study, like in the CFC-production sector where the annual audit reports provide detailed accounts of phase-out achieved and remaining production of CFCs. For the intermediate evaluation of the solvent sector phase-out plan in China, on the other hand, no desk study is planned, as this is a follow-up to the solvent sector evaluation for which the final report was presented to the 35th meeting of the Executive Committee (Doc. UNEP/OzL.Pro/ExCom/35/4), at a time when it was too early to evaluate the sector phase-out plan which had been approved at the 30th meeting of the Executive Committee.

12. For on-going projects or programmes, like RMPs and methylbromide investment projects, for which no comprehensive reports on their status of implementation are available, a few case studies based on information collected during field visits will be prepared to enrich the desk study and to enable correct identification of the main evaluation issues and the preparation of terms of reference for further field visits.

13. The consolidated final reports incorporating the results of field visits and consultations with the various stakeholders on the draft reports will generally be presented two meetings after the presentation of desk studies (see Annex II).

(d) Budget

14. The main budget items for conducting evaluations consist of fees and travel costs for consultants. Depending on the size of the samples chosen for field visits and the number and type of consultants hired (individual or company), the cost of evaluations vary between US \$50,000 to US \$100,000 per study. The use of individual consultants gave good results in terms of technical competence in specialized fields and allowed substantial savings. For the evaluation studies planned, individual consultants will be hired, as much as possible, from both non Article 5 countries and Article 5 countries.

Table 1: Proposed Budget for the 2003 Monitoring and Evaluation Work Programme*

Intermediate evaluation of CFC production sector plans	\$40,000
Intermediate evaluation of solvent sector plan China	\$25,000
Selected case studies on methylbromide projects	\$40,000
Additional case studies on RMPs	\$20,000
Two desk studies (RMP, methylbromide) at \$8,000 each for consultant fees	\$16,000
Staff Travel:	\$50,000
Equipment:	\$5,000
Communication, etc.:	\$2,000
Total:	US \$198,000

* Funds for the evaluations of the halon sector (US \$60,000) and of selected RMPs (US \$40,000) which will be finalized in early 2003 and the reports presented to the 39th meeting of the Executive Committee have already been approved for the 2002 Work Programme.

**ANNEX I: OVERVIEW OF EVALUATIONS COMPLETED, UNDERWAY AND PLANNED
INVESTMENT PROJECTS**

Sector	No. of Approved Projects	No. of Completed Projects	ODP To Be Phased Out As Per Inventory	ODP Production Approved	ODP Phased Out As Per 2001 Progress Report	Total Funds Approved	Funds Disbursed	Evaluation Completed	Evaluation Underway	Evaluation Planned
Aerosol	108	77	24,972	0	22,104	27,075,606	22,770,296	X		
Foam	977	631	55,305	0	34,038	305,550,829	194,879,570	X		
Fumigant	28	3	1,863	0	202	28,409,162	7,151,932			X
Halon	44	28	34,184	29,196	55,243	54,116,227	33,737,128		X	
Process Agent	13	1	1,214	0	375	5,193,378	478,744			
CFC Phaseout Plans	7	0	1,366	0	0	22,103,385	0			
CFC Production	9	6	0	23,375	17,698	100,344,350	70,076,398			X
Refrigeration	568	332	33,867	0	21,836	397,127,781	311,373,421	X		
<i>Compressor</i>	44	26	4,581	0	1,858	67,102,975	58,826,698	X		
<i>MAC</i>	20	16	64	0	24	35,935,288	32,370,630	X		
<i>MAC compressor</i>	3	3	1	0	1	4,680,210	4,618,630	X		
<i>RMP</i>	10	0	12	0	0	624,597	0		X	
Solvent	101	76	4,036	0	1,656	54,348,011	28,578,218	X		
Other *	10	6	1,361	0	515	13,686,711	9,533,287			
Total	1,865	1,160	158,168	52,571	153,668	1,007,955,440	678,578,994			

*Other include Multiple Sector (4 projects), Tobacco Fluffing (4 projects) and Sterilants (2 projects)

**OVERVIEW OF EVALUATIONS COMPLETED, UNDERWAY AND PLANNED
NON-INVESTMENT PROJECTS**

Type	No. of Approved Projects	No. of Completed Projects	ODP To Be Phased Out As Per Inventory	ODP Phased Out As Per 2001 Progress Report	Total Funds Approved	Funds Disbursed	Evaluation Completed	Evaluation Underway	Evaluation Planned
Country Programme	157	132	0	0	7,780,945	5,966,481			
Demonstration	75	56	473	216	18,864,886	14,908,296			
<i>Methyl Bromide</i>	43	26	23	19	13,395,355	9,513,451			X
<i>Recovery/Recycling and MAC Recovery/Recycling</i>	25	23	226	123	4,284,463	4,222,446	X*		
Institutional Strengthening	269	113	104	0	31,882,918	20,390,969	X		
Preparation	935	731	0	0	44,723,702	36,822,884			
Technical Assistance	578	346	5,181	2,134	79,723,828	53,706,757			
<i>Clearing House</i>	20	20	0	0	4,078,450	3,969,650	X		
<i>Networking</i>	31	29	0	0	7,347,329	6,858,452	X		
<i>Recovery/Recycling and MAC Recovery/Recycling</i>	57	48	2,099	1,438	14,497,155	12,504,512	X*		
<i>RMP</i>	142	16	1,091	221	15,802,223	6,294,682		X	
Training	257	135	219	217	22,161,135	13,538,752	X*		
<i>RMP</i>	103	9	0	0	6,665,992	2,104,484		X	
Total	2,271	1,513	5,977	2,567	205,137,414	145,334,139			

*Limited sample evaluated so far; will be taken up again in the context of the on-going intermediate evaluation of selected RMPs.

ANNEX II: 2003/04 Schedule for Submission of Documents on Monitoring and Evaluation to the Executive Committee

3 rd Meeting 2002 (38 th)	1 st Meeting 2003(39 th)	2 nd Meeting 2003(40 th)	3 rd Meeting 2003 (41 st)	1 st Meeting 2004 (42 nd)
<ul style="list-style-type: none"> • Final report on the evaluation of aerosol projects • Final report on the evaluation of MAC projects in India • Report on the Implementation of the 2002 Work Programme, including Consolidated project completion report 2002 • Draft Work Programme 2003 	<ul style="list-style-type: none"> • Desk study and selected country studies on the implementation of RMP projects • Final report on the evaluation of Halon projects 	<ul style="list-style-type: none"> • Desk study on the intermediate evaluation of CFC production sector phase-out agreements • Intermediate evaluation of solvent sector phase-out plan in China 	<ul style="list-style-type: none"> • Further country studies and final report on the implementation of RMPs • Report on the Implementation of the 2003 Work Programme, including Consolidated project completion report 2003 • Draft Work Programme 2004 	<ul style="list-style-type: none"> • Final report on the intermediate evaluation of CFC production sector phase-out agreements • Desk study and selected case studies on Monitoring and Evaluation of Methylbromide projects

**ANNEX III: Overview of Projects/Sectors Proposed for Desk Studies and Field Evaluations
on the 2003 Work Programme**

Sector	Agency	Number of Approved Projects	Number of Completed Projects	Total Funds Approved	Total Funds Disbursed	ODP To Be Phased Out (tons)	ODP Production Approved (tons)	ODP Phased Out (tons)	PCRs Received
Halon	Investment Projects								
	Total	44	28	54,116,227	33,737,128	34,184	29,196	55,243	23
	IBRD*	16	9	48,456,706	30,727,202	28,940	29,196	51,569	5
	UNDP	20	17	2,806,329	1,707,334	2,948	0	1,963	16
	UNIDO	2	1	745,292	495,592	1,480	0	1,480	1
	Bilateral	6	1	2,107,900	807,000	816	0	231	1
	Non-Investment Projects								
	Total	59	45	7,871,695	4,924,534	1,867	0	74	37
	IBRD	2	0	776,820	2,065	1,172	0	0	0
	UNDP	16	14	2,178,641	1,810,406	61	0	0	13
	UNEP	14	13	718,000	658,000	0	0	0	10
	UNIDO	2	0	50,000	12,444	0	0	0	0
	Bilateral	25	18	4,148,234	2,441,619	634	0	74	14
RMPs	Total	255	25	23,092,812	8,399,166	1,102	0	221	9
	UNDP	45	8	6,653,884	2,552,007	510	0	156	0
	UNEP	94	5	5,202,370	1,371,800	0	0	0	0
	UNIDO	30	4	4,118,740	1,404,341	257	0	65	7
	Bilateral	86	8	7,117,818	3,071,018	336	0	0	2
Fumigant	Investment Projects								
	Total	28	3	28,409,162	7,151,932	1,863	0	202	0
	IBRD	2	0	845,480	248,184	80	0	0	0
	UNDP	7	0	5,967,123	106,348	242	0	0	0
	UNIDO	16	3	16,896,390	5,075,708	1,206	0	202	0
	Bilateral	3	0	4,700,169	1,721,691	335	0	0	0
	Non-Investment Projects								
	Total	98	64	17,221,702	11,929,053	36	0	19	32
	IBRD	4	0	1,047,374	243,691	0	0	0	0
	UNDP	15	10	3,319,264	2,062,564	30	0	19	4
	UNEP	38	30	2,617,500	1,855,150	0	0	0	11
	UNIDO	28	15	8,177,091	6,033,267	6	0	0	15
	Bilateral	13	9	2,060,473	1,734,381	0	0	0	2
CFC Production	Total	9	6	100,344,350	70,076,398	0	23,375	17,698	0
	IBRD	8	6	99,000,000	70,076,398	0	22,875	17,698	0
	UNIDO	1	0	1,344,350	0	0	500	0	0
Solvent Phaseout Plan in China	Total	3	0	20,035,000	2,163,184	1,381	0	0	0
	UNDP	3	0	20,035,000	2,163,184	1,381	0	0	0

*Including funds approved and disbursed so far for 5 annual tranches of the Halon Sector plan for China approved at the 23rd Meeting of the Executive Committee.