



**United Nations
Environment
Programme**

Distr.
LIMITED

UNEP/OzL.Pro/ExCom/39/25
5 March 2003

ORIGINAL: ENGLISH



EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Thirty-ninth Meeting
Montreal, 2-4 April 2003

2003 WORK PROGRAMME OF THE WORLD BANK

COMMENTS AND RECOMMENDATIONS FROM THE FUND SECRETARIAT

1. In its Work Programme for 2003, the World Bank is requesting approval from the Executive Committee of US \$417,710 for institutional strengthening and project preparation plus agency support costs of US \$31,328.

2. The activities proposed in the World Bank's 2003 Work Programme are presented in Table 1 below:

Table 1: World Bank 2003 Work Programme

Country	Activity/Project	Amount Requested US \$	Amount Recommended US \$
ACTIVITIES RECOMMENDED FOR BLANKET APPROVAL			
I. Project preparation			
Antigua and Barbuda	To prepare a national CFC phase-out plan which will cover mainly CFC consumption in the service sector.	15,000	15,000
Argentina	To prepare one investment project in the aerosol filling industry.	10,000	10,000
Chile	To prepare a halon phase-out plan	40,000	40,000
Philippines	To prepare a methyl bromide phase-out plan	50,000	50,000
Vietnam	To develop a National CFC Phaseout Plan for submission in 2004. This activity will cover CFC phaseout mainly in the service sector, and any residual use of CFC in the manufacturing sector.	60,000	60,000
Subtotal for project preparation		175,000	175,000
II. Renewal of institutional strengthening project*:			
		ODP tonnes	
Tunisia	Renewal of institutional strengthening project: phase 3	20.22	242,667
Subtotal for institutional strengthening project		242,710	242,667
Subtotal		417,710	417,667
Agency support costs (7.5 percent):		31,328	31,325
Total:		449,038	448,992

* Calculated on the basis of Decision 35/57 paragraph 112 (a) and agreed with the World Bank.

ACTIVITIES RECOMMENDED FOR BLANKET APPROVAL

I. Project preparation

3. The Fund Secretariat recommends blanket approval of all the project preparation activities listed in Table 1 above at the level of funding indicated.

II. Renewal of institutional strengthening project

Tunisia: Renewal of the institutional strengthening: phase 3 (US \$242,667)

Project description

4. The description of the institutional strengthening project for Tunisia is presented in Annex I to this document.

Fund Secretariat's recommendation

5. The Fund Secretariat recommends blanket approval of the above project at the funding level shown in Table 1. The Executive Committee may also wish to express the following views to the Government of Tunisia:

The Executive Committee has reviewed the information presented with the institutional strengthening renewal request for Tunisia and notes with appreciation the fact that Tunisia reported 2001 CFC consumption to the Ozone Secretariat that is lower than its 1995-1997 average CFC consumption, and that Tunisia appears to be able to comply with CFC consumption freeze. The Executive Committee also notes that Tunisia has taken some significant steps to phase out its ODS consumption in the period covered for the phase of their institutional strengthening project. Specifically, in its submission, Tunisia reports that it has taken initiatives, including drafting legislation to enforce the provisions of the Montreal Protocol, organization of public awareness activities and collection of data on ODS consumption to meet the country's data reporting obligations and to monitor and promote the country's ODS phase-out programme. These and other activities are encouraging and the Executive Committee greatly appreciates the efforts of Tunisia to reduce the consumption of CFCs. The Executive Committee expressed the expectation that, in the next two years, Tunisia will continue the implementation of the Montreal Protocol, supervision of implementation of investment projects, organization of awareness activities and sustain and build upon its current levels of reductions in CFCs.

Annex I**INSTITUTIONAL STRENGTHENING PROJECT PROPOSAL****Tunisia: Renewal of institutional strengthening**

Summary of the Project and Country Profile		
Implementing Agency:		UNEP
Amount originally approved:	Phase I: October 1992 (US \$)	280,000
	Phase II: July 1998 (US \$)	186,700
Amount requested for renewal (US \$):		242,710
Amount recommended for approval (US \$)		242,667
Agency support costs (US \$)		18,200
Date of approval of country programme		May 1996
ODS consumption reported in country programme (1994), (ODP tonnes)		526.4
Latest reported ODS consumption (2001) (ODP tonnes)		570.0
Baseline (1995-1997) (ODP tonnes of CFCs)		870.1
Amount approved (US \$)		7,616,098
Amount disbursed (as at November 2002) (US \$):		5,795,174
ODS to be phased out (ODP tonnes)		275.2
ODS phased out (as at November 2002) (ODP tonnes)		722.9

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

		<u>US \$</u>
(a)	Country programme preparation	191,563
(b)	Project preparation	479,957
(c)	Technical assistance	480,005
(d)	Demonstration	340,955
(e)	Investment projects	5,632,647
	Total:	7,125,127

Progress report

2. The activities undertaken for the implementation of the second phase of the institutional strengthening project were; the NOU's continued supervision of on-going projects (management); follow-up on new activities approved by the Executive Committee; and preparation of new projects (identification). Also, other activities included; preparation of regulatory framework to better control the import and use of CFC's; continuation of training programmes which focus on maintenance practices and new techniques to be implemented with on-going projects as well as public awareness activities.

3. The director of the OPIU is the head of the Agence Nationale de Protection de l'Environnement (ANPE/OPIU) which is the national ozone unit of Tunisia who also represents the country in the Meetings of; the Executive Committee, the Parties to the Montreal Protocol; the Open-Ended Working Group and the Implementation Committee. The NOU exchanges and coordinates information with customs, the Industrial Ministry and other concerned departments

of the Tunisian Government. The NOU reviews and drafts notes on all legislation and decisions related to the use and import of ODS; prepares decisions to be taken on import and use of ODS, ensures that data and survey of the use of ODS are accurate; and participates in the regional network meetings.

Plan of action

4. With the renewal of the institutional strengthening project, Tunisia is planning to further enhance public awareness; training of technicians in various sectors and customs and to complete the ODS phase-out in time to meet Tunisia's Montreal Protocol obligations.

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2003 WORK PROGRAM

PRESENTED TO THE 39th MEETING
OF THE EXECUTIVE COMMITTEE

BANK-IMPLEMENTED
MONTREAL PROTOCOL OPERATIONS

February 26, 2003

**WORK PROGRAM FOR THE
WORLD BANK-IMPLEMENTED MONTREAL PROTOCOL OPERATIONS**

1. This proposed work program for Bank-Implemented Montreal Protocol Operations is prepared on the basis of the World Bank 2003 Business Plan. The 2003 Business Plan of the World Bank is prepared on the basis of the discussion of the Executive Committee, at its 38th Meeting in Rome, Italy, in November 2002, in relation to the 2003 – 2005 phase-out plan for the Multilateral Fund.
2. The 2003 Business Plan of the World Bank will be submitted at the 39th Meeting of the ExCom in April 2003. The proposed plan consisted of investment and non-investment activities to assist Article 5 countries to adhere to the freeze obligation, and 50% and 85% reduction targets. To achieve such objectives, the proposed 2003 Business Plan of the World Bank includes subsequent phases of sector plans and national plans to ensure continuing support of the Multilateral Fund to assist those countries where their sector/national plans have already been approved by the ExCom, and new activities including individual projects and additional sector/national plans.
3. Resource requirements for the proposed 2003 Business Plan will be allocated for supporting the on-going multi-year plans (sector/national plans). The total requirement for these approved activities amounts to US\$ 70.12 million. There is an additional funding requirement of US\$ 23.48 million for new investment activities, sector plans, and national plans. In addition, the proposed 2003 Business Plan also include renewals of the existing institutional strengthening projects for US\$ 1.25 million and US\$ 449,038 for new project preparation activities.
5. The 2003 Work Program for the Bank includes preparation and delivery of projects in the consumption and production sectors. New project preparation activities are included for Antigua and Barbuda, Argentina, the Philippines, and Vietnam. These resources will be used for preparation of national CFC phase-out plans for Antigua and Barbuda, and Vietnam. These two activities will form part of the World Bank's 2004 deliverables. Similarly, project preparation funds for the Philippines will be allocated for preparation of a methyl bromide sector plan or projects for submission in 2004. New project preparation funds for Argentina are required to assist the country to develop additional investment activities in the aerosol sectors. Based on the analysis carried out by the Secretariat, these are countries where additional assistance from the Multilateral Fund is required in order to meet 50% and 85% reduction targets. Project preparation funds for Oman will be used for preparing a national halon bank project.
6. In addition to the above new project preparation activities, the 2003 Work Program deliverables include the 2003 annual work programs for the CFC production closure projects in Argentina, China and India and the 2004 annual work program for the China Halon sector approach. The Bank and the Government of India also propose to include a comprehensive sector plan for CTC phase-out in both the production and consumption sectors during the 2003 business plan period. Project preparation funds for these activities have already been approved for India. The project preparation request to

support development of a CFC production closure project for Venezuela will be submitted for the consideration of the ExCom when the required technical audit is completed.

7. Based on the request of the Government of Brazil, the World Bank 2003 Work Program includes delivery of a CTC phase-out plan, which will cover the consumption of CTC in process agent and solvent applications. For Indonesia, two new sector plans for the aerosol and foam sectors will also be submitted for the ExCom's consideration during the 2003 business plan period. The Bank also proposes to include a methyl bromide phase-out plan for Thailand in its 2003 Business Plan. This activity will assist Thailand to comply with its 20% consumption reduction target in 2005.

8. In 2003, funding requests to support implementation of the approved refrigeration sector plan in Turkey, the terminal CFC phase-out/management plan for the Bahamas, and National CFC Phase-out Plans in the Philippines, Malaysia and Thailand, will be submitted for the ExCom's consideration. An additional National CFC Phase-out Plan for Ecuador is expected to be ready for submission in 2003.

9. The 2003 Work Program includes funding a request to extend the support for implementation of the existing institutional strengthening project for Tunisia. Four additional funding requests to support similar activities in Ecuador, Jordan, Thailand, and Turkey, will be made during the course of the year 2003 via work program amendments.

10. The breakdown of project preparation funds to support investment and non-investment activities in each client country is shown in Tables 1 and 2.

10. To carry out investment activities included in the proposed 2003 Work Program, the Bank requires additional project preparation funds of US\$ 188,125, excluding project preparation funds for the CTC process agents plan (Phase II) and the CFC production closure project in Venezuela. The breakdown of project preparation requests to be made at the 39th Meeting of the ExCom is shown in Table 1. Table 2 provides a brief description of the World Bank's request for renewal of the existing institutional strengthening project in Tunisia.

Table 1: Project Preparation Requests by Country

Investment Activities

Country	Funding Request (US\$)	Duration	Description	Justification
Antigua and Barbuda	15,000	March 2003 – September 2004	To prepare a national CFC phase-out plan which will cover mainly CFC consumption in the service sector.	To enable Antigua and Barbuda to develop and implement a long-term policy and necessary activities to achieve complete phase-out by 2010. Preparation activities will not be limited to CFC consumption in the

Country	Funding Request (US\$)	Duration	Description	Justification
				refrigeration sector. Effort will be made to carry out a comprehensive survey to ensure that all remaining CFC consumption in all sectors, if any, will be captured and properly addressed in the plan. Therefore, a sufficient amount of project preparation is required to enable the Government to include participation of all relevant stakeholders in the process of the development of this plan.
Argentina	10,000	March – December 2003	To prepare one investment project in the aerosol filling industry.	Based on the Secretariat's analysis, Argentina is categorized as a country that may still require further assistance to achieve the 85% phase-out target in 2007. Activities to result in additional phase-out of 1,590 ODP tons are still required in order to meet the 85% reduction target. Given the large amount of CFC to be phased out in order to meet the reduction target, it is important that CFC consuming enterprises that are ready to eliminate their CFC consumption, should be assisted by the MLF as soon as possible, including those in the MDI sector. The activity proposed for the aerosol sector is for the enterprise whose CFC consumption has already been identified.
Chile	40,000	March – December 2003	To prepare a halon phase-out plan.	This project will enable Chile to ban import of halons.
Philippines	50,000	March 2003 – September 2004	To prepare a methyl bromide phase-out plan.	To assist the Government of the Philippines to comply with the reporting requirements of the Montreal Protocol with regard to methyl bromide consumption for QPS and non-QPS applications, and to assist the Philippines to

Country	Funding Request (US\$)	Duration	Description	Justification
				comply and sustain the 20% consumption reduction in 2005.
Vietnam	60,000	March 2003 – September 2004	To develop a National CFC Phase out Plan for submission in 2004. This activity will cover CFC phase out mainly in the service sector, and any residual use of CFC in the manufacturing sector.	The Secretariat's analysis categorizes Vietnam as a country that may still require further assistance to meet the 85% reduction target in 2007. This activity will provide a detailed action plan for Vietnam to achieve its complete phase-out in 2010 with funding to be given in tranches. The detailed sector consumption will be part of the output of this activity.
Sub-total	175,000			
Support Cost	13,125			
Total Request	188,125			

Table 2: Non-investment Activities

Country	Request (US\$)	Duration	Description
Tunisia	242,710	January 2003 – December 2004	Renewal of the Tunisia Institutional Strengthening Project. The funding request includes a 30% increase, which is in line with Decision 35/57.
Sub-total	242,710		
Support Cost	18,203		
Total	260,913		